

## **ABSTRACT**

*The aim of this reaserch is to analyze the soundness of Islamic Banking that operate in Indonesia by using CAMELS framework as measured by financial ratios. Financial ratios that used in this study are CAR, ATTM, NPA, NPF, ROA, NOM, FDR, and Quick Ratio.*

*The objects that used in this research is financial statements of Islamic Bank. Book study method used to collect data in the form of literature related to the research and financial statements of Islamic Bank in Indonesia 2010-2013 periods.*

*The analytical results show the strengths and the vulnerability of the analysed banks. Financial ratios CAR, ATTM, NPA, NPF, ROA, NOM, FDR, Quick Ratio used as a parameter to improve the performance and financial health of sharia banking in Indonesia.*

*Key Words : Sharia Banks, Financial soundness, CAMELS framework, CAMELS ratios.*