

ABSTRACT

The aims of this study are to analyze influence of independent variables which consist of bank size (LnSIZE), capital adequacy (MODAL), quality of productive assets (KAP), and liquidity (LIQ) to Return On Assets (ROA).

Selection of sample use purposive sampling method. Purposive sampling method is the method which based on certain criteria. The sample that used in this study are three of Islamic bank for period 2005 to 2009. Quantitative data for this study get from Bank Indonesia and quarterly financial report of Islamic bank. The data were analyzed by linear regression analysis using SPSS version 16.0. Data analysis was conducted by using Ordinary Least Square (OLS) Method.

The result of t test shows that bank size have positive and significant influence to ROA of Islamic bank. Quality of Productive Assets and liquidity have negative and significant influence to ROA. Based on the result of this count, liquidity have a different direction is negative. Otherwise, capital adequacy variable have positive but not significant influence to ROA Islamic bank. The result of the count can be known that bank size gave the great influence to financial performance of Islamic bank.

Keywords: Financial Performance, Bank Size, Capital Adequacy, Quality of Productive Assets, Liquidity.