

## **ABSTRACT**

*This study aims to determine the bank characteristics that effect the profitability of commercial banking performance during 2007-2011 in Indonesia. The bank's characteristics used in this study are Size, Equity to Asset Ratio (EAR), Loan to Asset Ratio (LAR), BOPO, Non Performing Loan (NPL), Loan to deposit ratio(LDR), Net Interest Margin(NIM), and Deposit to Asset Ratio (DAR).*

*The population used in this study is commercial banking in Indonesia that are listed in Indonesian Stock Exchange on period 2007-2011. Sampling method use purposive sampling, with profitable bank as then criteria so that the ROA can't be negative and has published financial reports ending in December 31<sup>st</sup> each year within the research period. This study use 25 samples of bank with established criteria. The data is analyzed by using multiple regression analysis.*

*The results showed that Size, LAR, BOPO, NPL, LDR, NIM, and DAR have significant effect with ROA. While EAR has no significant effect with ROA. Size, LAR, LDR, NIM, and DAR have positive and significant affect on ROA. BOPO and NPL has a negative and significant effect with ROA. While EAR affect negative and have no significant effect to ROA commercial banking in Indonesia during 2007-2011.*

*Keywords : Bank's Profitability, Bank Characteristics, Financial Ratio, Commercial Banks*