

ABSTRACT

This research aims to analyze influence of Capital Adequacy Ratio (CAR), Non Performing Financing (NPF), Operational Cost to Operational Income, Financing to Deposit Ratio (FDR), and Net Core Operating Margin (NCOM) to profitability with Return On Asset (ROA) of sharia banks in Indonesia on 2008-2012 as proxy.

Sample population of this research are four banks selected using purposive sampling technique with sharia bank that publicized their finance report periodically during the periode of 2008-2012 as criterion. Data used i this research is quantitative data which is obtained from sharia banks' quarterly financial report. Data is analyzed using multiple regression analysis with significance level of 5% with the purpose to obtain comprehensive picture of variable interrelationship.

Result of this research shows that independent variables simultaneously influence ROA with F significance value is below 0,05. Capital Adequacy Ratio (CAR), Operational Cost to Operational Income, Financing to Deposit Ratio (FDR), Net Core Operating Margin (NCOM) have significant influence to ROA with t significance value is lower than 0,05. Whereas Non Performing Financing (NPF) is not significant to ROA with t value is higher than 0,005. Value of determinant coefficient (Adjusted R2) regression model is 59,6% which means independent variable can explain the influence of ROA as much as 59,6%. The rest of it can be explained by other variable that is not included into this reseacrh.

Keywords : Profitability, CAR, NPF, BOPO, FDR, NCOM, Sharia banks.