

ABSTRACT

The analysis of financial ratios is an alternative to test whether the financial ratios are useful to make predictions on future earning changes, in which the financial ratios are useful for the financial users. The research aim is to test the effect of variable; Net Interest Margin (NIM); Rasio Biaya Operasional terhadap Pendapatan Operasional (BOPO); Return on Assets (ROA); dan Kualitas Aktiva Produktif (KAP) towards change profit on Government and Commercials Bank periode 2005-2010.

The data used in this research were obtained from financial reports of Government and Commercials Bank Publications that issued by Indonesian Bank. The step after purposive sampling has got the sample that feasible to use is 27 Bank. The data analysis that use in this research is classic assumption test, double regress analysis and hypothesis test.

The research result showed adjusted point R^2 4,9%. This result hopefully could be some considerations for the manager to predict bank changing. Meanwhile, the F test shows that NIM, BOPO, ROA and KAP variable altogether have a significant influence in profit changing. Using t test, NIM, and KAP have positive relation in profit growth, while the other variables, BOPO and ROA have negative coefficient towards profit changing. On the research, only NIM and KAP variable which could predict profit changing in Indonesian bank period 2006-2010.

Keywords: Financial Ratio, Profit Changing