

## **ABSTRACT**

*This research aims to examine the effects of Capital Adequacy Ratio, Net Interest Margin, Loan to Deposit Ratio, Operating Cost, Size and Third Party Funds on commercial banks profitability (ROA).*

*This research uses data obtained from the annual report published by the bank, taken from Bloomberg and the official Website of Indonesian Stock Exchange. The population in this study are all of commercial banks which listed on the Indonesian Stock Exchange. With purposive sampling method, samples for this study are 17 commercial banks with the amount of assets above 35 trillion. Data analysis method used in this study is multiple linear regression with panel data. Hypothesis test using the T-test to test the effect of individual variables and F-test to test the effect of variables simultaneously. Significance result used in this study is 5%.*

*The result showed that CAR has negative relation and doesn't significantly influences towards ROA. NIM has positive relation and significantly influence towards ROA. LDR and Operating Cost have negative relation and significantly influences towards ROA. Size and Third Party Funds have positive relation but dont significantly influences to ROA. In this study, ROA could be explained by independent variables 72.8%, whereas the rest explained by other variables which were not explained in this research.*

*Keywords : CAR, NIM, LDR, Operating Cost, Size, DPK, ROA*