

ABSTRACT

Credit is the main source of income from banking activities. Analysis of the factors that can influence non-performing loans attracts many researchers and policy makers. The aims of this study is to examine the effect of ownership concentration, loan to deposit ratio, capital adequacy, return on assets, and bank size on non-performing loans at conventional commercial banks in Indonesia which are listed on the Indonesia Stock Exchange in 2014 - 2018.

The sample used in this study is 24 banks were obtained through purposive sampling method. This study uses secondary data obtained from each bank's annual report and financial data contained on the Bloomberg website. The method used for the analysis in this study is multiple linear regression.

The results of this study indicate that return on assets has a significant negative effect on non-performing loans, bank size has a significant positive effect on non-performing loans. While the concentration of ownership, loan to deposit ratio, and capital adequacy did not significantly influence non-performing loans.

Keywords: *Non-performing loans, NPL, ownership concentration, loan to deposit ratio, capital adequacy, ROA, bank size*