

TABLE OF CONTENTS

	Page
COVER.....	i
STATEMENT OF THE ORIGINALITY OF MASTER THESIS.....	ii
THE APPROVAL SHEET OF MASTER THESIS PROPOSAL.....	iii
ABSTRACT.....	v
ABSTRAK.....	vi
LIST OF TABLES.....	xiii
LIST OF FIGURES.....	xiv
LIST OF FORMULAS.....	xv
LIST OF APPENDICES.....	xvi
CHAPTER I INTRODUCTION	
1.1. Background of the Study.....	1
1.2. Research Problems.....	12
1.3. Purpose of the Study.....	14
1.4. Significance of the Study.....	15
1.4.1. For Academic Purpose.....	15
1.4.2. For Practical Purpose.....	15
CHAPTER II REVIEW OF RELATED LITERATURE AND RESEARCH MODEL	
2.1 Signalling Theory.....	16
2.2. Bank and Banking.....	17
2.3. Financial Statements of Banking.....	19
2.4. Earnings Growth.....	22
2.5. CAMELS Approach.....	23
2.5.1. Capital Adequacy Ratio (CAR).....	25
2.5.2. Earning Assets Quality (EAQ).....	26
2.5.3. Operations Expenses to Operations Income (OEOI).....	27
2.5.4. Loan to Deposit Ratio (LDR).....	28
2.6. Review of Previous Studies.....	29
2.7. Theoretical Framework.....	32
2.8. Hypotheses Development.....	35
2.8.1. The influence of CAR toward earnings growth.....	35
2.8.2. The influence of EAQ toward earnings growth.....	36
2.8.3. The influence of OEOI toward earnings growth.....	37
2.8.4. The influence of LDR toward earnings growth.....	39

CHAPTER III RESEARCH METHODOLOGY

3.1. Types and Sources of Data.....	41
3.2. Population and Sample.....	41
3.2.1. Population.....	41
3.2.2. Sample.....	41
3.3. Data Collection.....	42
3.3.1. Library Studies.....	42
3.3.2. Documentation.....	42
3.4. Definition of Operational Variable.....	43
3.4.1. Dependent Variables.....	43
3.4.2. Independent Variable.....	43
3.4.2.1.CAR.....	43
3.4.2.2 EAQ.....	44
3.4.2.3 OEOI.....	44
3.4.2.3 LDR.....	45
3.5. Data Analysis Method	46
3.5.1. Classical Assumptions Deviations Test.....	46
3.5.1.1. Normality Test.....	46
3.5.1.2. Multicollinearity Test.....	47
3.5.1.3. Heteroscedasticity Test.....	47
3.5.1.4. Autocorrelation Test.....	48
3.5.2. Regression Analysis.....	49
3.5.3. The coefficient of multiple determination (R^2).....	50
3.5.4. Goodness of Fit test (F-statistic Test).....	50
3.5.5. Partial of Significance Test (t-statistics) Test.....	51

CHAPTER IV FINDINGS AND DISCUSSIONS

4.1. Findings.....	53
4.1.1. The Review of Research Objects and Descriptive Data of this Study.....	53
4.1.1.1. The Review of Research Objects.....	53
4.1.1.2. Descriptive data of this study.....	57
4.1.2. The result of Assumptions Classical test.....	61
4.1.2.1. The Result of Normality test.....	61
4.1.2.2. The Result Multicolinearity Test.....	64
4.1.2.3. The Result of Heterocesdasticity test.....	66
4.1.2.4. The Result of Autocorrelation test.....	68
4.1.3. The Result of Regression Analysis.....	70
4.1.3.1. The result of the coefficient of multiple determination (R^2).....	70
4.1.3.2. The Result of Goodness of Fit test (F-test).....	71
4.1.3.3. The Result of Partial of Significance Test (t-statistics test).....	72
4.1.3.3.1. Capital Adequacy Ratio (CAR) influenced significantly positive towards Earnings Growth (EG).....	73

4.1.3.3.2. Earnings Asset Quality (EAQ) influenced insignificantly negative towards Earnings Growth (EG).....	74
4.1.3.3.3. Operations Expenses to Operations Income (OEOI) influenced significantly negative towards Earnings Growth (EG).....	75
4.1.3.3.4. Loan to Deposit Ratio (LDR) influenced significantly positive towards Earnings Growth (EG).....	76
4.2. Discussion.....	77
4.2.1. Hypothesis 1: Capital Adequacy Ratio (CAR) influenced positively towards earnings growth.....	78
4.2.2. Hypothesis 2: Earnings Asset Quality (EAQ) influenced negatively towards earnings growth.....	78
4.2.3. Hypothesis 3: Operations Expenses to Operations Income (OEOI) influenced negatively towards earnings growth.....	79
4.2.4. Hypothesis 4: Loan to Deposit Ratio (LDR) influenced positively towards earnings growth.....	80
CHAPTER V CONCLUSION AND IMPLICATION	
5.1. Conclusion.....	81
5.2. Policy Implication of This Study.....	82
5.2.1. Theoretical Implication.....	82
5.2.2. Managerial Implication.....	83
5.3. Limitation of This Study.....	85
5.4. Agenda For Future Research.....	85
REFERENCES	86
CURRICULUM VITAE	90
APPENDICES	91