

## **ABSTRACT**

*Business Competition that growing tighten claim bank to improve its performance to draws investor. Investor before invest its fund needs information about company performance. User of bank financial statement requires perceivable information, relevant, rely on and can be compared to in financial position evaluation and bank performance and useful in economy decision making. The objectives of this research to analyze the influence of Capital Adequacy Ratio (CAR), Non Performing Loan (NPL), BOPO, Net Interest Margin (NIM) and Loan to Deposit Ratio (LDR) to Return on Asset (ROA) of banking firms that listed on Indonesian Stock Exchange in the period of 2004 - 2007.*

*This research using data from published financial reports Banking Firms that published from Indonesian Banking in the period of 2004-2007. The number of population for this research is 29 companies and the number of sample that examined after passed the purposive sampling phase is 24 companies. Analyze technique to use in this research is multiple linier regression to obtain picture which totally regarding relationship between one variable with other variable.*

*The result of this research shows that Capital Adequacy Ratio (CAR), Net Interest Margin (NIM) and Loan to Deposit Ratio (LDR) variables has a positive and significant influence to Return On Asset (ROA), in other hand BOPO variables has a negative and significant influence to Return On Asset (ROA) on banking firm. While, Non Performing Loan (NPL) has a negative and not significant influence to stock Return On Asset (ROA) on banking firm. This result is expected that Capital Adequacy Ratio (CAR), BOPO, Net Interest Margin (NIM) and Loan to Deposit Ratio (LDR) variable can be made reference, either by company management and also by investors in determining investment strategy.*

*Keyword : Capital Adequacy Ratio (CAR), Non Performing Loan (NPL), BOPO, Net Interest Margin (NIM), Loan to Deposit Ratio (LDR), Return On Asset (ROA)*