

## ABSTRACT

*Students have the potential to drive the Indonesian economy in terms of population, character, literacy levels and financial inclusion. However, the level of student financial literacy which is still relatively low proves that there are still students who have not received financial education. This is reflected in the way of behaving financially with the low saving rate of young people. The way a person manages his finances can make a big contribution to satisfaction or not on his financial condition. Financial education can have an impact on financial satisfaction, so the role of financial capability is needed to increase this influence.*

*This research was conducted to examine the role of financial capability in mediating the effect of financial education on financial satisfaction. The method used in this research is a quantitative approach. The number of samples used in this study were 100 Indonesian students studying in the Netherlands. The sampling technique uses simple random sampling which must meet the criteria of Indonesian students studying in the Netherlands. Data collection was carried out using a questionnaire as an instrument. The data analysis technique of this study used the Sobel test to analyze mediation.*

*Based on the results of the study, financial education has a significant effect on financial capability, financial capability has a significant effect on financial satisfaction, and the effect of financial education on financial satisfaction when mediated by financial capability becomes more significant when compared to when it is not mediated by financial capability on Indonesian students studying in the Netherlands.*

**Keywords:** *financial capability, financial education, financial satisfaction, financial literacy, financial behavior*