

ABSTRACT

The current global economy can not be separated from the role of financial institutions such as banking. Banks provide the benefits of effective and efficient fund allocation mechanism mechanisms, banking also providing financial services to all levels of society. Therefore, the health of the bank should be considered for a better economy.

The performance of banks can provide trust to investors and depositors to save their funds. Profitability is an important thing for the bank because it is used to measure the bank's effectiveness in generating profits by utilizing its assets.

The purpose of this study is to examine the return on assets in the financial statements listed on the Indonesia Stock Exchange in 2013-2016. Another objective is to conduct research on the effect of Loan to Deposit Ratio (LDR), Operational Income Operating Cost (BOPO) and Net Interest Margin (NIM) to Return On Assets (ROA) in banking companies.

The data used in this research is obtained from the data of annual financial report period 2013-2016. The population used is a banking company listed on the Indonesia Stock Exchange 2013-2016. Sampling technique used in this research is purposive sampling. Pursuant to purposive sampling obtained 32 sample company. Data analysis method in this research is panel data regression analysis using eviews 9.

The results showed that the variable loan to deposit ratio, operational cost of operating income and net interest margin effect simultaneously to retron on asset. Loan to deposit ratio and net interest margin variable are partially significant with positive direction towards retron on assset. While the operational cost variable operating income is partially significant effect with the negative direction of retron on asset.

Keywords: *Loan to Deposit ratio; Operational Cost Operating Income; Net Interest Margin; Return On Asset.*