ABSTRACT

THE INFLUENCE OF EARNING ASSET AND NON PERFORMING LOAN TO PROFITABILITY AT PT. BANK NEGARA INDONESIA (Persero)Tbk

This research was conducted at PT Bank Negara Indonesia (Persero) Tbk registered at the Indonesian Stock Exchange. The purpose of this study is to determine the amount of quality of productive assets (KAP) and performing loans, to Profitability in PT Bank Negara Indonesia (Persero) Tbk either simultaneously or partially.

The method used in this research is descriptive method of analysis with quantitative approach. Samples used in this study is the period of 2004-2009 financial statements per quarter as many as 24 samples. To determine the level of influence earning assets and Credit Quality on Profitability bermaslah used correlation analysis, and to know how big contribution of variable used formula coefficients determination. Testing the hypothesis in this study using the test statistic t two party by and F test Obtaining the results of the analysis processed by using SPSS 15.0 for Windows.

The results of this study indicate that the quality of partially productive assets have a significant effect on profitability of PT Bank Negara Indonesia (Persero) Tbk. In other words, the higher the quality of productive assets, the higher profitability of PT Bank Negara Indonesia (Persero) Tbk. While nonperforming loans is statistically the proxy of non-performing loans is not significant effect on profitability, but its direction in accordance with the theory, which is negative. In addition, simultaneously both the quality of productive assets (KAP) as well as performing loans have a significant effect on profitability.

Keywords :EARNING ASSET, NON PERFORMING LOAN, PROFITABILITY