ABSTRACT

This study was done to solve the phenomenon that occurs in Islamic Banks listed in the Financial Services authority , which occurred in one of the Islamic bank , in 2011-2012 when the Non Performing Financing the bank will go up but it is followed by the increase in ROA , it is not in line with existing theories . The research looked at from the annual financial statements consisting of the balance sheet and income statement of 2010-2014 . The aim of this study is to examine and analyze the influence of Third Party Fund (DPK) and non- performing financing (NPF) of the profitability of Islamic banks registered in the Financial Services Authority .

This study uses descriptive analysis and verification with quantitative approach. This study used a sample of saturated, ie 11 Islamic banks listed in the annual publication Financial Services Authority consisting of balance sheet and profit and loss for 5 years, ie in 2010-2014. Data analysis technique used is the technique of multiple linear regression analysis.

The results showed that the variables of third party funds (DPK) is partially significant effect with the positive direction of the variable profitability (ROA). While the variable non-performing financing (NPF) is partially significant effect with the negative direction of the variable profitability (ROA).

***Keywords** : third party funds (DPK), non performing financing (NPF), return on asset (ROA)*