Artikel 4

by Maya Panorama

EFFECT OF FINANCIAL PERFORMANCES ON CHANGES IN PROFIT AT SHARIA FOREIGN EXCHANGE BANKS IN INDONESIA

Maya Panorama, State Islamic University Raden Fatah

ABSTRACT

Increased in profitability value represent good bank performance, it is visible on banks being able to distribute dividends well and business prospects are always evolving and then can meet the provisions of prudential banking regulation. The development of sharia banking in Indonesia 2010-2016 period is significant with increasing in performance. This research uses multiple regression analysis aimed to know effect of Capital Adequacy Ratio (CAR), Net Operating Margin (NOM), Financing to Deposit Ratio (FDR), Non Performing Financing (NPF), Operational Efficiency Ratio (OER), Return On Assets (ROA) to Changes in Profits of sharia foreign exchange banks (Profit) in Quarter 2 of 2010 to Quarter 2 of 2016. The results showed that CAR does not have significant effect on Profit. NPF has significant positive effect on Profit. ROA has significant negative effect on Profit. ROE has significant positive effect on Profit. NOM has no significant effect on Profit. OER has significant negative effect on Profit. FDR has no significant effect on Profit. There is a significant effect of CAR, NPF, ROA, NOM, OER and FDR to Profit simultaneously.

Keywords: Bank Performance, Sharia Foreign Exchange Bank, Profit, Prudential, Financial.

INTRODUCTION

Settlement of banking problems became one of the main priorities of government economic policy. This is because the existence of banks in the modern economy is a difficult necessity to avoid because banks have touched on all the needs of society (Rivai et al., 2007). Although Indonesian-banking world is facing pressures due to the widespread and long-lasting global financial crisis, the banking performance throughout 2008 (a year in recovery) was relatively stable. This recovery period marked by the increasing of supervisory and cooperation function with the related authorities, along with the issuance of several regulations by Bank Indonesia. In addition, the Government is quite effective in maintaining the resilience of banks from the negative impact of financial market turmoil. The government already undertakes various efforts, in the end the banking system succeeded through the bleak period and began to improve its intermediary function and carry out the process of banking consolidation with positive results.

A good bank performance can be seen through increased levels of profitability, this make banks being able to distribute dividends well, business prospects which always growing and be able to fulfill the provisions of prudential banking regulation well. A well-performing bank will increase the value of shares in the secondary market and can increase the amount of funds from third parties too. (Mudrajad & Suhardjono, 2011)

Assessment of performance of a bank can be use financial statement analysis. The dividend that received by the investor depends on the amount of profit earned by the company in

the future. Therefore, the prediction of changes in corporate profits which using financial statement information becomes very important to implemented (Ariyanti, 2010).

When investor assessing the performance of a bank, he does not consider bank earnings in one period only, but also consider the change in profit from year to year. Profits are use as a basis for investment decision making and predictions to forecast future earnings changes. Investors expect the funds invested into the company will get a high rate of return so that the profits are high. Profits earned by the company for the coming year cannot ascertain, so there needs to be a prediction of profit change. Changes in profits will affect investment decisions of investors and potential investors who will invest their capital into the company (Ariyanti, 2010).

It is important for bank to know the determinant factor that effect on changes in profit. This research will elaborate the effect of performance variables on sharia foreign exchange bank to changes in profit.

LITERATURE REVIEW

Financial performance

The greater the funds owned by a bank then accompanied also by the magnitude of opportunities for the bank to perform its activities in achieving its goals (Nandadipa, 2010). Mudrajad & Suhardjono (2011) reveal some important financial ratios used to measure and compare the performance of bank profitability such as Return on Equity (ROE) and Return on Asset (ROA). ROE shows the ability of bank management in managing available capital to get net income. The higher return the better, because it means dividends are distributed or re-invested, as retained earnings will also be greater. While ROA shows the ability of bank, management in generating income from the management of assets owned.

Muljono (1999) considers that profit is the difference between the firm's earnings over a period and the costs incurred for profit. In accounting, the difference has two fundamental measurement process stages, namely revenue recognition in accordance with the principle of realization and cost recognition. Profit information can used to predict future earnings growth. The presentation of earnings information through the report is an important corporate performance (Ediningsih, 2004).

Assessment of Banking Performance

According to Koch (2000), performance or ability of banks to increase the value of their business through increased profits, assets and prospects forward since 1987 is evaluated by CAMEL (Capital-Asset-Management-Earning and Liquidity). However, the emphasis of the evaluation still base on earning or profitability and risk. The profitability aspects measured by ROA, ROE, NIM and Asset Utilization. Banking business, income level and business continuity are influenced by Credit Risk, Liquidity Risk, Interest Risk, Operational Risk Capital or Solvency Risk (Koch, 2000).

Ariyanti (2010) conducted research on the effect of CAR, NIM, LDR, OER, ROA and Quality of productive assets to change in profit in commercial banks in Indonesia on period of 2004-2008. Independent variables are CAR, NIM, LDR, NPL, OER, ROA and EAQ, while the dependent variable is Profit Change. Result of research shows that only the LDR variable has a significant and positive effect on the change of profit. Obeidat et al. (2013), evaluates profitability Islamic bank in Jordan. They results shows that the most important internal

determinants of profitability are the total deposit, cost of deposits, total expenditures, Mudaraba loans and restricted investment deposits.

Dietrich & Wanzenried (2011) conducted a study of the determinants of the commercial profitability of banks before and after the crisis. Research variables used are profitability measured by ROA and ROE as dependent variable. While the independent variables are bank specifications (capital ratio, cost to income ratio, loan loss provisions to total loans ratio, annual growth rate of deposits, size banks, international ownership), macroeconomics (inflation, market structure, political stability and absence of violence). Result shows that capital ratio has positive and significant effect on ROA, cost to income ratio and loan loss provision to total loans ratio have negative and significant effect on profitability, yearly growth deposit and interest income have positive and significant influence on profitability, macroeconomic factor namely inflation also have a positive and significant impact on bank profitability.

Lestari (2013) conducted a study of the effect of ROA, CAR, LDR and OER on profit growth in Commercial Banks in Indonesia in 2010-2012. Results showed that ROA and OER have a positive and significant impact on profit growth. While CAR has positive effect, but not significant to profit growth and LDR have negative effect, but not significant to profit growth. Variable that has most dominant effect on profit growth is OER. The results also show the positive influence of EAQ. Then LDR indicates a negative influence between LDR on bank profit growth.

Harningsih (2011) conducted a study on the Evaluation of the Effect of Financial Ratios on Changes in Profit, at Conventional Commercial Banks in Indonesia. Using linear regression, data analysis technique with the least squares equation and hypothesis test. Dependent variables are DER, ROA, ROE, NPM, OPM, GPM, TATO and LDR, while independent variables change earnings. The results of this study indicate that the variables DER, ROA, ROE, NPM, OPM, GPM, TATO and LDR have an influence on changes in earnings. While the partial test of variables that have a significant positive influence on changes in ROA earnings, ROE, NPM, OPM, GPM. Wahyuni (2012) conducted a study on the Influence of Bank Financial Performance, on Profit Growth in Foreign Exchange Private Banks in Indonesia. Dependent variables are CAR, NPL, OER and LDR, while independent variables profit growth. Results showed that simultaneously CAR, NPL, OER and LDR have a significant positive effect on profit growth. In partial CAR, NPL, OER and LDR also have a significant positive effect to profit growth.

Wirawan (2013) conducted a study on Financial Financial Level Analysis of Profit Growth in State-Owned Enterprise Banking Sector in Indonesia. Dependent variables are NPL, Liquidity Risk, IRR, Deposit Ratio, FACR, ROA, ROE, NIM, OER and CAR, while the independent variable profit growth. The results showed that the NPL, Liquidity Risk, IRR, ROA, ROE, NIM and OER variables significantly affected the profit growth while the Deposit Ratio, FACR and CAR variables did not affect the profit growth.

Bhatia, Muhajan & Chander (2012) conducted research on bank profitability in India. The results of his research found that the spread ratio, provisions and contingencies, Non Interest Income, Operating Expense Ratio, Profit per Employee, Investment/Deposit Ratio, NPL are the variables that significantly affect the profitability of government banks in India. Samad & Hassan (1999) analyse the banks performance concentrates on the following on four financial ratios: First, profitability consists of (1) ROA; (2) ROE; and (3) profit expense ratio (PER). Second, liquidity ratios consist of (1) Cash Deposit ratio (CDR); (2) LDR; and (3) Current asset (CA). Third, risk and solvency ratios consist of (1) Debt Equity ratio (DER); (2) Debt to total

asset ratio (DTAR); (3) Equity Multiplier; and (4) LDR. Fourth, commitment to domestic and Muslims community consist of (1) long term loan ratio (LTA); (2) Government bonds investment (GBD); and (3) mudharaba musharaka ratio.

Pratomo & Ismail (2006), examine performance measure and the inter-temporal comparison of BIMB's performance reveal that Islamic bank made (statistically) significant progress on ROA and ROE during 1984-1997. They compare BIMB with a group of conventional bank and statistically doesn not show any difference in performance. The liquidity performance between 1984-1989 and 1990-1997 in various measures, such as DER, LDR and CR show neither deterioration nor improvement. However, inter bank comparison of liquidity performance suggests that Islamic bank appears to be statistically more liquid compared to a group of eight conventional banks at least in cash-deposit measure. The comparison of Islamic bank and a group of conventional bank indicate that Islamic bank is still less risky and more solvent measured in DER, DTAR, EM and LDR. Islamic bank's performance in community financing and participating in government project measured in GBD, LTA and MM/L does not show any statically difference between 1984-1989 and 1990-1997. The comparison of Islamic bank and the group of eight conventional banks reveal that there is no difference in economic participation (measured by LTA) between them.

Hassan (2005) examines the financial performances of Islamic and conventional banks of Bahrain after the first Gulf War in 1991. Result shows that there is no major difference in profitability and liquidity between them. That these financial measures of performance are placed under three categories as given: Profitability performance consist of Liquidity Performance and Loan Risk Performance. ROA= net profit/total assets. ROE = net profits/equity and Cost to Income Ratio (COSR) = total cost/total income. While liquidity performance consist of Net Loans to Asset Ratio (NetLTA) = net loans/total assets. Liquid Assets to Deposit and Short-term Fund Ratio (LdASF) = liquid asset/customer deposit and short-term funds. Net Loans Deposit and Borrowing (LDBR) = net loans/total deposit and borrowings. Credit risk performance consist of Equity to Asset ratio (EQTA) = common equity/assets, Equity to Net Loan ratio (EQL) = total equity/net loans, Total Impaired Loans to Gross Loan ratio (IMLGL) = impaired (non-performing loans) loans/gross loans.

Madjid et al. (2003) highlight four measures of performance such as NIM, BTP/TA, ROA and ROE. Rosly and Bakar (2003) represented ratios measuring bank profitability performances as follows: ROA; ROD; PM; asset utilization (AU); OER; and investment/interest margin. ROA shows a higher value for IBS books when compared with mainstream banks. Islamic bank's average OER was 75.54 percent compared to 91.15 percent of the mainstream bank. Results show that the PM for IBS banks is higher than mainstream banks at 19.78 percent and 5.92 percent, respectively.

Bashir (2001) proposed four measures of performance are used: NIM, profitability (BTP/TA), ROA and ROE. Islamic banking operations characterized by a high degree of financial risks. Bashir use the ratio of total liabilities to total assets (LATA) as a proxy for risk. External to the bank, four sets of control variables expected to impact performance: The macroeconomic environment, the financial market structure, the regulation indicators and country (dummy) variables. Result shows that EQTA and LOANTA have strong positive and statistically significant relationships with profitability, confirming previous findings. When these variables were interacted with GDP, the signs of the association changes to inverse relationship but remained statistically significant. Short-term and consumer funding, CSTF, has negative association with PRM, although statistically insignificant. However, when interacted with GDP,

its impact on profit became positive. The only bank characteristics impacts PRM are the ownership variable and its interaction with GDP. The impacts of EQTA and LOANTA are statistically insignificant. He also found that although the market capitalization variable, MCAP, has an inverse but statistically insignificant with BTP/TA, the result shows BTP/TA and BNK, BNKGDP and MCPBNK have strong positive association.

Gul and Zaman, (2011) used the pooled Ordinary Least Square (POLS) method to investigate the impact of assets, loans, equity, deposits, economic growth, inflation and market capitalization on major profitability indicators i.e., ROA, ROE, ROCE and NIM separately. The empirical results have found strong evidence that both internal and external factors have a strong influence on the profitability. Wasiuzzaman & Tarmizi, (2010), uses Ordinary Least Squares (OLS) method to analyze the data collected from 16 Islamic banks/windows in order to understand the determinants of Islamic banking profitability in Malaysia. Bank-specific determinants like, capitalization, asset quality, liquidity and operational efficiency were regressed against profitability. This study shows that capital and asset quality have negative relationship with bank profitability and liquidity and operational efficiency have positive effect.

Research Methods

Data used in this study is secondary and panel data taken directly from the financial statements, which became the sample research period 2010-2016 in quarterly. Data consists of four Sharia Foreign Exchange Banks in Indonesia. All the data combine and each banks result the average data. This research used multiple regression analysis, as follows:

Profit it = ait + b1 CARit + b2 NOMit + b3 FDRit+ b4 NPFit + b5 OERit + b6 ROAit + e

Where
Profit: Change in Profit (deviation in profit growth at period t with profit at period t-1 divide
With profit at period t-1 (percentage)
CAR: Capital Adequacy Ratio (percentage)
NOM: Net Operating Margin (percentage)
FDR: Financing to Deposit Ratio (percentage)
NPF: Non-Performing Financing (percentage)
OER: Operational Efficiency Ratio (percentage)
ROA: Return on Assets (percentage)

Then to determine the accuracy of the model need to be tested on several classical assumptions used are: Test normality, multicollinearity, heteroskedastisitas and autocorrelation. (Arief, 1993). Then t-statistic test and F-statistic to prove hypothesis.

RESULTS AND DISCUSSION

Classical Assumption Tests

Normality Test

The statistical tests used were Kolmogorov-Smirnov test, where the results showed that CAR, NPF, ROA, ROE, NIM, OER and FDR data had significance values, respectively 1.232;

0.861; 1.122; 1.134; 1.191; 1.324; 0.223. Results show a level of significance above 0.05, which means normal distribution.

Multicolinearity Test

Multicollinearity test used variance inflation factor (VIF). Based on the results of data processing, then the magnitude VIF of each independent variable visible in Table 1 as follows:

Table 1
RESULT OF MULTICOLINEARITY TEST

Variable	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
CAR	0.321	1.322
NOM	0.196	1.237
FDR	0.543	1.459
NPF	0.831	1.251
OER	0.556	1.224
ROA	0.732	1.266

Dependent Variable: Profit; Source: Output, Data Proceed, 2016

The value to indicate the presence of multicolinearity is with VIF>10. Vice versa if VIF<10 then does not occur multicollinearity. Based on Table 1, there are no independent variables having VIF>10 values and Tolerance Value>0.100, meaning that the six independent variables have no multicollinearity relationship.

Heteroscedasticity Test

Based on the results of the data, the results of heteroscedasticity test shows in the following Table 2:

Table 2
GLEJSER TEST

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Beta	Beta		
(Constant)	0.972	1.158		0.839	0.405
CAR	0.023	0.059	0.050	0.383	0.703
NOM	0.034	0.065	0.067	0.532	0.145
FDR	0.012	0.022	0.002	0.423	0.089
NPF	0.045	0.076	0.051	0.615	0.235
OER	0.129	0.110	0.034	0.423	0.822
ROA	0.233	0.121	0.055	0.213	0.543

Source: Data Proceed, 2016

Based on the results shown in Table 2, it is seen that the significance value>0.05. So it can be concluded that this regression model does not occur Heteroscedasticity and feasible to test.

Autocorrelation Test Results

This research measures autocorrelation using LM (Lagrange Multiplier) Test method. Variable does not occur autocorrelation if prob. F (2.11) > of alpha 0.05 (5%). So, the results can be seen in the following Table 3:

Table 3 AUTOCORRELATION TEST			
Breusch-Godfrey Serial Correlation LM Test:			
F-statistic	0.257150	Prob. F(2,85)	0.7739
Obs*R-squared	0.553306	Prob. Chi-Square(2)	0.7583

Prob value. (F) 0.7739 with α of 5% or 0.05. Seen from Table 4, Prob values. Fcount of 0.7739 is greater than the (α) 0.05 level. Means that the data is free from autocorrelation problems.

Regression Analysis Results

Simultaneous Effect of six independent variables on CAR, NOM, FDR, NPF, OER and ROA to Profit as shown in Table 4 as follows:

Table 4 ANOVA test						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.698	7	8.141	15.031	0.000[a]
	Residual	4.116	76	5.416		
	Total	9.814	83			
a. Predictors: (Constant), CAR, NOM, FDR, NPF, OER, ROA						
b. Dependent Variable: Profit						

Table 5 COEFFICIENT OF DETERMINATION (ADJUSTED R^2)		
Model	R	R Square
1	0.581[a]	0.542
Predictors: (Constant), CAR, NOM, FDR, NPF, OER, ROA.		
Dependent Variable: Profit.		

Source: Data Proceed, 2016

Table 6 REGRESSION ANALYSIS					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2877836.533	0.958		1.962	0.001
CAR	40948.664	0.008	0.466	1.419	0.160
NOM	- 34766.332	0.068	0.738	-0.933	0.354
FDR	- 7426.901	0.042	0.234	-0.861	0.392
NPF	374032.815	0.004	0.233	3.916	0.000
OER	- 30662.150	0.012	0.516	-3.341	0.001
ROA	669108.222	0.089	0.643	2.529	0.002

Source: Data Proceed, 2016

Results obtained F value of 15.031 and a significance value of 0.000. Because the significance value is less than the 5% confidence level, it means that there is a significant influence of CAR, NOM, FDR, NPF, OER and ROA to Profit simultaneously and it can concluded that the model is worth.

In Table 5, the value of determination coefficient (adjusted R2) is 0.542 or 54.2%. This means that 54.2% of variation in Profit changes can be explained by the variation of the six independent variables, i.e., CAR, NOM, FDR, NPF, OER and ROA to Profit while the remaining 45.8% is explained by other causes outside the model such us macroeconomic and regulation. Linier Multiple Regression Equation, as follows in Table 6.

DISCUSSION

The results of partial calculations of CAR variables do not have a significant positive effect on the variable Profit. This indicated by the magnitude of significance level greater than 0.05 of 0.160. In Bank Indonesia Regulation, it stated that a good bank in maintaining minimum capital growth rate is that Bank has 8% capital to keep bank activities in operational activities of the bank become stable. CAR shows the capability of bank capital in maintaining possibility of risk of loss of business activity. This research, CAR and Profit do not affect each other in this case because Bank Indonesia regulation that requires to keep CAR at least 8%. Therefore, the bank owners increase the bank's capital in the form of fresh money only for CAR can meet the requirements set by Bank Indonesia This can also occur because the sharia foreign exchange banks have not been able to distribute credit in accordance with the expected or not optimal. Sharia foreign exchange banks are also less willing to expand with prudential considerations. The higher the bank's ability to generate profits, the more funds that are destined to increase capital. Conversely, if Sharia foreign exchange banks continue to experience losses will reduce the level of capital adequacy that exists.

NOM ratio also used to measure the bank's management capability in generating revenue by looking at bank's performance in lending, considering that, the bank's operating income is highly dependent on the interest difference from the loan disbursed. NOM has negative effect and its influence is not significant to Profit. This indicated by the magnitude of significance level greater than 0.05 of 0.354. Results of analysis concluded that NOM has no significant effect on Profit. The coefficient value is negative, indicating that the higher NOM of the bank will cause a decrease in bank profitability (Profit). NOM indicates how well the bank's management and staff capability in earning revenues (especially from credit, investment) compared to costs (which primarily derived from interest on deposits). NOM ratio reflects market risks arising from changing market conditions, where it can harm the bank. NOM is important to evaluate the bank's ability to manage risks to interest rates. When interest rates change, interest income and interest rates will change. For example, when interest rates rise, both interest incomes will increase as some bank assets and liabilities will be valued at a higher rate.

Theoretically stated that the higher the FDR will show the more risky liquidity of the bank, on the contrary the lower the FDR indicates the less effective its bank in lending. FDR shows the ability of banks to extend credit from third parties to creditors. Result of FDR has negative effect and its influence is not significant to Profit. This indicated by the magnitude of significance level greater than 0.05 that is equal to 0.392. Result concluded that FDR has no significant effect to Profit. It is interesting that this result is not in accordance with the concept of liquidity theory that the more funds lent (lower liquidity), the higher the profitability (bank performance). The negative coefficient value, indicating that the higher liquidity (FDR) of banks

will cause a decrease in bank profitability should given a strict credit policy that can reduce credit risk, so that bank profitability or bank performance will increase. During the study period, Sharia foreign exchange banks' total lending activities classified as being view from an average FDR of 91.48%. This FDR value indicates the low liquidity of the bank, which shows that Islamic banks are quite effective in distributing credit.

NPF has significant positive effect on Profit. This indicated by the magnitude of significance level smaller than 0.05, which is 0.000. If NPF value higher indicates the increase on problem loans. This should anticipated by improving credit quality through a more rigorous selection of customers who will be given credit. Positive value on NPF explained that Profit keeps increasing although NPF increases. This is because the average NPF (2.14%) is still within NPF value limit envisaged by Bank Indonesia so that the Profit is still increasing. Based on the Bank Indonesia Regulation stipulating the criteria of a healthy bank in lending with the NPF <5% ratio. Thus, if a bank has a high NPF condition, it will increase the cost, both the provision of earning assets and other assets, this will potentially cause losses to the bank and the impact of bank performance will decrease.

OER has significant negative effect on the Profit. This indicated by the magnitude of significance level smaller than 0.05 that is equal to 0.02 and OER regression coefficient value of -30662.150. The negative effect shown by OER indicates that the higher the operational cost will further decrease the income level of the bank as reflected in the Profit. OER negatively affect the Profit can see from the value of regression coefficient b in the regression equation where the coefficient value of -30662.150 showed negative value. The negative coefficient b -30662.150 means that if the value of OER decreased by one unit then the Profit increased by 30662.150 units and vice versa. This is in accordance with the theory that the higher the ratio of OER shows the operational performance of banks to generate inefficient income that will affect the decrease in profitability. Bank performance strongly influence by operational efficiency. Banks in improving their performance must perform cost efficiency, especially the operational cost of the bank. The relationship between OER and Profit is in accordance with efficiency theory. The efficiency of operating costs shows the success of management through achieved performance, which in this case measured from its profitability.

ROA is one of the effective measures of banks in generating profits by utilizing fixed assets used for operations. This means that the greater the ROA it will show the better performance of the bank because the level of investment (return) will be greater. ROA has a significant positive effect on Profit. This indicated by the magnitude of significance level smaller than 0.05, which is 0.000. If ROA ratio higher shows, the company's profitability increases. The greater ROA of a bank, the greater the level of profit achieved by the bank and the better the bank's position in terms of asset use.

To know the simultaneously effect of CAR, NOM, FDR, NPF, OER and ROA to Profit can be seen from the result of simultaneously regression. From the results obtained value of F of 15,031 and a significance value of 0.000. Because the significance value less than the level of confidence used 5%, it means there is a significant effect of variables CAR, NOM, FDR, NPF, OER and ROA to Profit and it can be concluded that the model is worth.

CONCLUSION

Simultaneously CAR, NOM, FDR, NPF, OER and ROA to Profit have a significant effect on Profit. Its influence is 54. 2%. This indicates that other variables outside the model significantly influence the Profit. Other variables such as tight competition among banks,

competition with finance institutions, changes in economic conditions, age of sharia banks, sharia products, dual banking environment and others. In this case needed policies to compete so and increase profitability. These policies include investing assets in productive assets or using funds in assets that generate high returns in the long term, for example in the form of shares.

REFERENCES

Arief, S. (1993). *Metodologi penelitian ekonomi*. Jakarta: Penerbit Universitas Indonesia.

Ariyanti, L.E. (2010). *Analisis Pengaruh CAR, NIM, LDR, NPL, BOPO, ROA Dan Kualitas Aktiva Produktif Terhadap Perubahan Laba Pada Bank Umum Di Indonesia* (Doctoral Dissertation, Universitas Diponegoro).

Bashir, A.H.M. (2001). Assessing the performance of Islamic banks: Some evidence from the Middle East. *Topics in Middle Eastern and North African Economies*, 3.

Bhatia, A., Mahajan, P. & Chander, S. (2012). Determinants of profitability of private sector banks in India. *Indian Journal of Accounting*, 42(2), 39-51.

Dietrich, A. & Wanzenried, G. (2011). Determinants of bank profitability before and during the crisis: Evidence from Switzerland. *Journal of International Financial Markets, Institutions and Money*, 21(3), 307-327.

Ediningsih, S.I. (2004). Rasio keuangan dan prediksi pertumbuhan laba: Studi empiris pada perusahaan manufaktur Di BEJ. *Wahana-Jurnal Ekonomi, Manajemen Dan Akuntansi*, 7(1).

Elysabet, K.D. (2011). *Pengaruh CAR, ROA, NPM DAN LDR terhadap pertumbuhan laba bank (Studi Kasus Pt. Bank Mandiri, Tbk)*. Skripsi Jurusan Ekonomi Pembangunan-Fakultas Ekonomi UM.

Fitrianto, H. & Mawardi, W. (2006). *Analisis pengaruh kualitas aset, likuiditas, rentabilitas, dan efisiensi terhadap rasio kecukupan modal perbankan yang terdaftar di bursa efek Jakarta. Jurnal Studi Manajemen Organisasi*, 3(1), 1-11.

Gul, S., Irshad, F. & Zaman, K. (2011). Factors affecting bank profitability in pakistan. *Romanian Economic Journal*, 14(39).

Harahap, S.S. (2011). *Analisis kritis laporan keuangan*. Rajawali Pers: Jakarta.

Harianto, F. & Sudomo, S. (1998). *Perangkat dan teknik analisis investasi di pasar modal Indonesia*. BEJ, Jakarta.

Harningsih, D. (2011). *Evaluasi pengaruh rasio-rasio keuangan terhadap perubahan laba pada bank umum konvensional di Indonesia*. Universitas Gunadarma.

Hasan, Z. (2005). Evaluation of Islamic banking performance: On the current use of econometric models. Online at https://mpra.ub.uni-muenchen.de/7272/ Paper No. 7272, Posted 27. December 2007/03, 35 *Faculty of Economics and Management Sciences. International Islamic University. Malaysia, (IIUM)*.

Kasmir. (2012). *Analisis laporan keuangan*. Jakarta: Rajawali Pers.

Koch, T. & Scott. (2000). *Bank management*. Harcourt Inc, Orlando.

Madjid, M.A., Nor, N.G.M. & Said, E.F. (2003). Efficiency of Islamic banks in Malaysia. *Islamic Economics & Finance*. Islamiccenter. Kau. Sa.

Mudrajad, K. & Suhardjono. (2011). *Manajemen perbankan teori dan aplikasi Yogyakarta: Bpfe Yogyakarta*.

Muljono, T.P. (2004). *Analisa laporan keuangan perbankan, edisi revisi, cetakan ketujuh*. Penerbit: Djambatan, Jakarta.

Nandadipa, S. & Prasetiono, P. (2010). *Analisis pengaruh CAR, NPL, INFLASI, pertumbuhan DPK, dan exchange rate terhadap LDR (Studi Kasus Pada Bank Umum Di Indonesia Periode 2004-2008)* (Doctoral Dissertation, Universitas Diponegoro).

Ningrum, P.L.E. (2013). *Pengaruh jumlah kredit yang disalurkan, non performing loan, capital adequacy ratio, dan loan to deposit ratio terhadap return on assets Pada Pd. Bpr Bkk Ungaran Tahun 2010-2012* (Doctoral Dissertation, Universitas Negeri Semarang).

Obeidat, B., El-Rimawi, S., Maqableh, M. & Al-Jarrah, I. (2013). Evaluating the profitability of the Islamic banks in Jordan. *European Journal of Economics, Finance and Administrative Sciences*, 56, 27-36.

Pratomo, W.A. & Ismail, A.G. (2006). Islamic bank performance and capital structure. *Munich Personal Repec Archive Paper*. No. 6012. Posted 29. University Library of Munich, Germany.

Prayogi, A. (2012). *Analisis Pengaruh Rasio Keuangan Terhadap Tingkat Pertumbuhan Laba (Studi Kasus Pada Bank Pemerintah)* Skripsi Universitas Gunadarma.

Rivai, H.V., Veithzal, A.P. & Idroes, F.N. (2007). *Bank and financial institution management*. Raja Grafindo Persada.

Samad, A. & Hassan, M.K. (1999). The performance of Malaysian Islamic bank during 1984-1997: An exploratory study. *International Journal of Islamic Financial Services*, *1*(3), 1-14.

Sapariyah, R.A. (2010). Pengaruh rasio capital, assets, earning dan liquidity terhadap pertumbuhan laba pada Perbankan Di Indonesia (Study Empiris Pada Perbankan Di Indonesia). *Probank*, *1*(3).

Wahyuni. (2012). *Analisis pengaruh kinerja keuangan bank terhadap pertumbuhan laba (Studi Pada Bank Swasta Devisa Di Indonesia Periode 2006-2010)*. Skripsi. Universitas Hasanuddin, Makassar.

Wasiuzzaman, S. & Tarmizi, H.A.B.A. (2010). Profitability of Islamic banks in Malaysia: An empirical analysis. *Journal of Islamic Economics, Banking and Finance*, *6*(4), 53-68.

Wirawan, R.Y. (2013). *Analisis tingkat kesehatan keuangan terhadap pertumbuhan laba pada perusahaan bumn sector perbankan di Indonesia*. Skripsi. Universitas Hasanuddin, Makassar.

Artikel 4

MATCH ALL SOURCES (ONLY SELECTED SOURCE PRINTED)

7%
★ Submitted to Higher Education Commission Pakistan
Student Paper

Exclude quotes	On	Exclude matches	< 1%
Exclude bibliography	On		