

The Effect of Financial Ratio (Car, FDR, NPF and BOPO) on the Profitability Level in PT Bank Muamalat Indonesia TBK

fitratinnm@gmail.com

Received: 11 December 2018 Accepted: 3 January 2019 Published: 15 January 2019

Abstract

Profitability Ratio is a ratio to measure the level of profit obtained by a company. One of the Islamic banks in Indonesia since 1992, namely Bank Muamalat Indonesia (BMI). Based on financial report data for 2014-2016, BMI experienced a decline in assets, causing the profitability of the bank to decline. Therefore, BMI issued new shares through HMTD (Pre-emptive Rights) to obtain fresh funds in order to meet the shortage of liquidity that had occurred to BMIs for the past 4 years. Liquidity deficiency occurs due to a decrease in the rate of return of financing that reaches 6

Index terms— financial ratio (car, FDR, NPF, BOPO), to ROE.

The Effect of Financial Ratio (Car, FDR, NPF and BOPO) on the Profitability Level in PT Bank Muamalat Indonesia TBK Fitratin Nimah ? & Wahyudin Maguni ?

Abstract- Profitability Ratio is a ratio to measure the level of profit obtained by a company. One of the Islamic banks in Indonesia since 1992, namely Bank Muamalat Indonesia (BMI). Based on financial report data for 2014-2016, BMI experienced a decline in assets, causing the profitability of the bank to decline. Therefore, BMI issued new shares through HMTD (Pre-emptive Rights) to obtain fresh funds in order to meet the shortage of liquidity that had occurred to BMIs for the past 4 years. Liquidity deficiency occurs due to a decrease in the rate of return of financing that reaches 6% above the maximal stipulations set by Bank Indonesia and has an impact on decreasing BMI income or profits, known as profitability. So this study was conducted to determine what factors affect the level of profitability in BMI since the last 4 years with indicators of assessment, among others: CAR (Capital Adequate Ratio), FDR (Financing Deposit Ratio), NPF (Non Performing Financing), and BOPO (Cost Operations on Operating Income). This research is a descriptive quantitative study using BMI financial report data for 2014-2017 taken from the BMI website as a data source. Data analysis in this study is multiple regression analysis and classic assumptions with SPSS 22 and Microsoft Excel analysis tools. Based on the results of the analysis in this study, it was found that the indicators that influence BMI's profitability are Capital Adequate Ratio and Operational Cost to Operating Income with a significance value of 0.012 smaller than 0.05, H1 is accepted and CAR to ROE has a significant effect and a significance value of 0.005 smaller than 0.05 then H4 is accepted and BOPO of ROE has a significant effect.

Keywords: financial ratio (car, FDR, NPF, BOPO), to ROE.

I.

1 Preliminary

here are several financial ratios to measure the financial position of a 1 bank, the measurement is intended so that investors can easily make decisions to invest in the bank. According to J. Fred Weston 2, these financial ratios include Liquidity Ratios, Profitability Ratios, Solvability Ratios, Activity Ratios, Growth Ratios, and Assessment Ratios. 3 1 Alumni of the Faculty of Islamic Economics and Business (FEBI) IAIN Kendari 2 Lecturer in the Faculty of Islamic Economics and Business (FEBI) IAIN Kendari (Supervisor 1 Thesis) 3 Cashmere, Analysis of Financial Statements, (PT. Rajawali Pers, 2014) p.106 Bank Indonesia has issued a regulation regarding guidance in assessing the bank's health rating in Circular Letter No.6/10/PBI/2004 dated 12 April 2004 using CAMELS analysis (Capital, Assets, Management, Earning, Liquidity, Sensitivity to Market Risk).

This study uses several aspects that exist in the CAMEL analysis in calculating the level of Profitability of Islamic Banks with the intended aspects namely Capital including CAR, Assets including NPF, Management including BOPO, and Liquidity including FDR. Profitability ratio with several ratios in question is used to predict bank bankruptcy, to assess the soundness of the bank, and assess the performance of the bank in terms of the profits that have been obtained by the bank.

The main data that forms the basis of this research is financial statements. The parties with an interest in financial statements are investors, employees, lenders (creditors), the government, Bank Indonesia, the Financial Services Authority, and the community as customers who will invest in the bank. Financial statements are presented to fulfill different information. One of the important information is profit. This information is very important because it explains how the company performs for a period from the past period. The financial statements used in this study are financial statements from Bank Muamalat Indonesia. The bank was chosen because the bank was the first Islamic bank in Indonesia and became the only bank capable of surviving the economic crisis that hit Indonesia in 1998. Based on Bank Muamalat Indonesia's financial statements over the past 3 years, 2014-2016 shows a significant decrease in assets. Here's a graph of Total Assets from Bank Muamalat. The table shows that the total assets of Bank Muamalat decreased from the previous 3 years, namely knowing 2014 as much as 62.41 billion to 55.786 billion. The decline in these assets adversely affected the health of Bank Muamalat. The impact affects customers who no longer trust the bank, resulting in an increase in NPF or the amount of bad credit risk. 2017 was recorded in Bank Muamalat Indonesia's quarterly financial report that NPF (Net Performing Financing) increased to reach 4%. This value is close to the maximum NPF figure set by Bank Indonesia at 5% per year. When compared with NPF in the last 3 years, BMI has reached an average value of 8.01 per year.

2 Source: Processed in the Field, 2018

Picture 2: Percentage of ratio of NPF and CAR Even though the value of CAR or the value of capital adequacy in BMI tends to be in a very healthy position, BMI is not able to manage finances to the full. So that it caused Bank Muamalat to experience a shortage of assets. Based on this, Bank Muamalat sells more than 50% of the assets he has to obtain additional capital. Bank Muamalat increased capital by issuing new shares through the Pre-emptive Rights (HMTD) scheme.

The asset was successfully owned by a brokerage company, Minna Padi, with 51% or 80 billion shares with a value of 4.5 billion which had previously been a standby buyer. Minna Padi officially acquired Bank Muamalat with the majority share. 5 Minna Padi or PT. Minna Padi Sekuritas Tbk. is a brokerage company that is listed on the Indonesia Stock Exchange which is engaged in securities trading, which is tasked as a customer intermediary in making securities purchases. 6

3 II.

4 Literature Review

This company is an Indonesian company.

Based on the description above, it becomes the reference material in this study, why Bank Muamalat Indonesia, which is the first Islamic bank in Indonesia, can experience this. Therefore the researcher conducted a research on the level of profitability in the BMI proposed in the form of a research proposal entitled "The Effect of CAR (Current Asset ratio), FDR (Financing Deposit Ratio), NPF (Non Performing Financing), and BOPO (Operating Income Operating Costs) to the level of Profitability (Return On Equity) at PT. Bank Muamalat Indonesia Tbk".

5 ROE (Return On Equity)

Profitability ratio is a ratio to assess a company's ability to seek profits. This is indicated by profits generated from sales and investment income. The point is that the use of this ratio shows the efficiency of the company. The measure of profitability in the banking industry used in general is Return On Equity (ROE) and Return On Assets (ROA). ROA focuses on the company's ability to obtain earnings in its operations, while Return On Equity (ROE) only measures returns obtained from investment of company owners in the business. The return on equity or profitability of capital alone shows the efficiency of the use of own capital. This means that the position of the company owner is getting stronger, and vice versa. Furthermore, the increase will cause an increase in bank stock prices. Mathematically ROE can be formulated as a bank account: $ROE = \frac{\text{Net Income}}{\text{Equity}} \times 100$

6 CAR (Capital Adequacy Ratio)

CAR or Capital Ratio is an assessment of bank capital adequacy to cover current risks and anticipate future risks. The higher the CAR, the higher the ROE. In accordance with Bank Indonesia regulations No.6 /10/ PBI/2010 concerning the Rating System for Commercial Banks, the higher the CAR value indicates the healthier the bank. However, a CAR that is too high means that there are idle funds. Thus, the opportunity for banks

to obtain profits will decrease; consequently it will reduce the profitability of the bank. $CAR = \frac{NPF}{NPL}$

7 FDR (Financing Deposit Ratio)

Financing to Deposit Ratio is the ability of banks to channel their funds to those who need capital. 9 4. PF (Non Performing Financing) 9 FDR illustrates the comparison between the amount of loans or financing provided to customers and the amount of funds collected by Islamic banks. The greater the amount of funds channeled to customers in the form of credit, then the amount of unemployed funds decreases and the income earned will increase. This of course will increase FDR so that bank profitability also increases. According to Bank Indonesia Circular Number 13/27/ DPM Dated December 1, 2011, the FDR ratio formula is as follows: $FDR = \frac{PF}{D}$

NPF is the rate of return on credit/financing provided by depositors to banks, in other words NPF/ NPL is the level of bad credit at the bank. If the NPF gets lower, then the bank will experience more profits. Conversely, if the NPF level is high, the bank will suffer losses due to the rate of return on bad financing. Bank Indonesia has set an NPF limit of 5%. If a bank's NPF can be reduced below 5%, the potential profit gained will be even greater because the bank can save money that is used to form reserves of non-performing loans or Earning Assets Allowance (PPAP). So it can be concluded that the greater the NPF ratio, the greater the risk borne by the company and later it will also negatively affect profitability. $NPF = \frac{NPL}{D}$

8 BOPO (Operational Cost of Operational Income)

This ratio is a comparison between operating costs and operating income. The operational cost ratio is used to measure the level of efficiency and ability of banks in conducting operations.

9 Methods, Data, and Analysis

This type of research is quantitative descriptive research that explains the relationship between dependent variables and independent variables. Quantitative Research is a process of finding knowledge that uses data in the form of numbers as an analytic tool. 10 Data used is sourced from quarterly financial reports from 2014-2017 PT. Bank Muamalat Tbk obtained from the research object website and OJK (Financial Services Authority). This study uses 5 variables. 1 Dependent Variables namely ROE and 4 Independent Variables, namely CAR, FDR, NPF, BOPO.

The method in this study uses multiple regression analysis method, which is intended to test the effect Financial Ratio of CAR, NPF, FDR, and BOPO on the level of profitability of PT. Bank Muamalat Indonesia Tbk. 10 $Y = b_0 + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + e$ Information: $X_1 = CAR$ $X_2 = FDR$ $X_3 = NPF$ $X_4 = BOPO$ $Y = ROE$ $b_0 = \text{Constant Numbers}$ $b_1, b_2, \dots, b_n = \text{Koefisien Regresi}$ $e = \text{Faktor Kesalahan/Error}$

Another analysis used is the classical assumption test (normality test, autocorrelation test, and multicollinearity test) on the research variable. In the event of a deviation from the classic assumption, the t test and F test to be conducted are invalid and can statistically confuse the conclusions obtained.

10 Normality Test

The normality test in the regression model is used to test whether the residual value is normally distributed or not. Using the Normal P-P chart Plot of regression standardized residual and statistical method Kolmogorov Smirnov If the value of Asymp. Sig 2-tailed > 0.05 then H_0 is rejected and residual is spread normally. Conversely if Asymp. Sig 2-tailed < 0.05, H_0 is accepted and residual spread is not normal.

11 Autocorrelation Test

Autocorrelation occurs when the disturbance value in a certain period is related to the value of the previous disturbance. a. If the tolerance value is > 10% (0,1000) and VIF value is <10, then there is no multicollinearity between the independent variables in the regression model. b. If the tolerance value is <10% (0,1000) and VIF value is > 10, then there is multicollinearity between the independent variables in the regression model.

12 Test the Hypothesis

The t statistical test shows how far the influence of one independent variable individually in explaining the dependent variable. The results of the t test can be seen by comparing the p-value with ? of 0.05 or comparing tcount and t-table, if p-value < 0.05 or t-count > t-table, it can be concluded that H_0 refused. Likewise vice versa if p-value > 0.05 or t-count < t-table then H_0 is accepted.

The F statistic test is an overall regression coefficient test. If the probability (significance) > 0.05 (?) or F count < F table means that the hypothesis is not proven then H_0 is accepted H_a is rejected if done simultaneously. If the probability (significance) < 0.05 (?) or F count > F table means the hypothesis is proven then H_0 is rejected and H_a is accepted if done simultaneously. The coefficient of determination is a test carried out to see how much influence the independent variable used can explain the dependent variable. That is by looking at the adjusted

R squared, if the adjusted R squared is greater than the value 1 means that the independent variable chosen can explain the dependent variable.

13 IV.

14 Research Result

15 Normality Test

From the graph above, it can be seen that the points spread around the line and follow the diagonal line, it is concluded that the residual value is normal. From the table above, we can see the results of the autokorelai test with the Durbin Watson value of 2.555. The DW value will be compared with the table value by using a 5% confidence level, with a sample of 15 out of 4 independent variables. Then from the Durbin Watson table (attached) there will be a dL value of 0.685 and a value of dU 1.977. Based on the table above it can be concluded that there is no multicollinearity because each variable has a tolerance value above 0.10 and a VIF value above 10 because it is in accordance with the provisions of the multicollinearity test.

16 Multicollinearity Test

17 Correlation Test

Following are the results of the Pearson Correlation test. Positive and negative signs indicate the direction of the relationship. A positive sign indicates the direction of a unidirectional relationship while for a negative sign indicates an opposite relationship. Based on $\alpha = 0.05$ (5%) can be explained the relationship between variables. ROE and CAR variables have a significant relationship with a significance value of 0.018 and the value of Pearson Correlation 0.599 means that the CAR variable on ROE has a significant relationship because 0.018 is smaller ($<$) than 0.05 and has a unidirectional correlation that is in the medium category because it is in the range 0.41 -0.60.

18 One Sample Kolmogorov Smirnov Test

The ROE and NPF variables have significant correlation with a significant value of 0.46 and the Pearson Correlation value of $r = 0.523$ means that the ROE variable has a significant effect on the NPF variable because the significance value is smaller than 0.05 with the relationship not having a negative Pearson Correlation value and being in the medium category with a range of 0.41 -0.60.

Based on $\alpha = 0.01$ (1%) describes several variables that have relationships. These variables include BOPO to CAR, BOPO to NPF, and ROE to BOPO. BOPO variable on CAR has a significant relationship below 0.05 but does not have a direct relationship and the Pearson Correlation value is -0.862. This means that the BOPO variable on CAR has a significant relationship because it is below 0.05.

NPF and BOPO variables have a significant relationship with a significant value of 0.10 and the Pearson Correlation value is 0.642. This means that the variables of the two variables have a significant effect because they have a significant value of 0.10 with a unidirectional relationship because Pearson Correlation is positive and is in the strong correlation category. The ROE and BOPO variables have a significant relationship with a significant value of 0.005 and the Pearson Correlation value of -0.688 means that the ROE variable has a significant effect on the BOPO variable because the significant value is below 0.05 with a unidirectional relationship because it has a negative Pearson correlation and is in the correlation category strong with a range of 0.61 -0.80.

19 Multiple Linear Regression Analysis

This analysis is to determine the direction of the relationship between the independent variable and the dependent variable whether each independent variable is positively or negatively related and to predict the value of the dependent variable if the value of the independent variable increases or decreases. The following are the results of multiple regression tests: C

From the table above the regression equation can be arranged as follows: $ROE = 16,009 + (-0,335) CAR + (-0,019) FDR + 0,039NPF + (-0,100) BOPO + e$ a) The above multiple regression equations can be explained as follows: Constant value of 16.009 means if the value of CAR (X1), FDR (X2), NPF (X3), and BOPO (X) is zero (0), then the ROE (Y) ratio is 16.009% or 16.01%. b) CAR variable regression coefficient that is -0.335 means that if the value of other independent variables is fixed and CAR has a 1% increase, the ROE ratio has decreased by 0.335%. The coefficient is negative, meaning there is a negative relationship between CAR and ROE, the higher the CAR ratio the ROE ratio tends to decrease. c) FDR variable regression coefficient which is -0.019 means that if the value of the other independent variables is fixed and FDR has a 1% increase, the ROE ratio has decreased by 0.019%. The coefficient is negative, meaning that there is a negative relationship between FDR and ROE, the higher the FDR, the ROE ratio tends to decrease. d) NPF variable regression coefficient which is 0.039 means that if the value of the other independent variables is fixed and NPF has increased by 1%, the ROE ratio has decreased by 0.039%. The coefficient is positive, meaning that there is a positive relationship between NPF and ROE, the higher the NPF, the ROE ratio decreases. e) BOPO variable regression coefficient which is

-0.1 means that if the value of other independent variables is fixed and NPF has increased by 1%, the ROE ratio has decreased by 0.1%. The coefficient is negative, meaning that there is a negative relationship between BOPO and ROE, the higher the BOPO, the ROE ratio decreases.

20 Test the Hypothesis a. Partial Test (statistics t)

This test shows how far the influence of the independent variables partially/individually in explaining the dependent variables. Following is the partial test table ?? Table ??: Hasil Uji Parsial Variable CAR, FRD, NPF, BOPO terhadap ROE Based on the table above, it can be explained that the testing of the first hypothesis is $H_1 = \text{CAR}$ has a significant effect on ROE with a regression coefficient of -0.335. The estimation result of CAR variable is $t \text{ table} = -3,057$ and the probability value or t count is 0,012. Significance value of 0.012 is smaller than 0.05, H_1 is accepted and CAR to ROE has a significant effect.

The second hypothesis is $H_2 = \text{FDR}$ which has a significant effect on ROE with a regression coefficient of -0.019. The estimated FDR variable is $t = -1.003$ and the probability value is 0.340. Significance value of 0.340 is greater than 0.05, H_2 is rejected and FDR to ROE has no significant effect.

The third hypothesis is that $H_3 = \text{NPF}$ has a significant effect on ROE with a regression coefficient of 0.39. The estimation result of NPF variable is $t = 0.784$ and probability value is 0.451. Significant value of 0.451 is greater than 0.05, H_3 is rejected and NPF to ROE has no significant effect.

The third hypothesis is that $H_4 = \text{BOPO}$ has a significant effect on ROE with a regression coefficient of -0,100. The estimated BOPO variable is $t = -3,524$ and the probability value is 0,005. Significance value of 0.005 is smaller than 0.05 so H_4 is accepted and BOPO of ROE has a significant effect.

21 b. Simultaneous Test (F statistic)

Is testing the overall regression coefficient. This test shows whether all the independent variables included in the model have a joint effect on the dependent variable. Following are the results of the simultaneous test: Mean of square shows the average variance calculated. For the average per variable seen in the mean of square regression with a value of 0.362 and for the average Y data variables seen in the mean of square residuals is 0.100. F table value is 3,624 and F count value is 0,45. Based on the results of testing the simultaneous test in table 10, it can be concluded that the significant value is 0.045. The significance level is smaller than 0.05 or the F table value is greater than the calculated F value which means CAR, FDR, NPF, BOPO have a significant effect H_0 is rejected and H_a is accepted because the variable CAR, FDR, NPF, and BOPO has an effect against ROE.

22 c. Coefficient of determination

The magnitude of the coefficient of determination ranges from 0.00 to 1.00. In 2014 the financial condition of PT. Bank Muamalat Indonesia Tbk is very good. The capital adequacy value that can be collected is 15,057% of the total RWA 164 billion including the very healthy category. This means that CAR in 2014 BMI was able to manage its capital very well. However, the FDR and NPF ratios are at the values of 89.63% and 6.587%. The FDR and NPF values indicate the condition of the rate of return in the sufficient category. BOPO is 85.07% and ROE is 2.572%. The BOPO value means that BMI is difficult to reduce operating costs and make income decline.

In 2015 the CAR value of 14.065% decreased due to the decreasing amount of capital so that to overcome the risk of being less good. The FDR and NPF values which increased quite rapidly were 92.955% and 7.505% indicating a low rate of return on financing which triggered a loss at the bank. BOPO value in 2015 amounted to 89.625%, which means experiencing an increase in the number of operational costs that existed in BMI and ROE in 2015 reaching 2.26%, still remaining in the unhealthy category.

In 2016 the CAR value declined again with a value of 12.282% but still in the healthy category. The increase in the value of the ratio actually lies in FDR, NPF, and BOPO, namely 96.842%, 7.913%, and 95.087%. This shows a very low reduction in financing returns, giving rise to the number of problematic financing increasing and income from operational costs decreasing. 2016 was only able to achieve investor returns of 0.85%.

2017 to the third quarter became the peak of the financial decline of PT. Bank Muamalat Indonesia. The CAR value reaches 12.45%, FDR is 89.313%, NPF is 6.653%, BOPO is 92.273%, and ROE is 0.063%. All of these ratios are in the unhealthy category, and have an impact on the number of assets declining due to the increasing number of problematic financing followed by the increasing number of operational costs.

V.

23 Conclusion

Based on the results of data analysis and discussion that has been explained in the previous chapter, the conclusions from the research are: 1. $H_1 = \text{CAR}$ has a significant effect on ROE received.

Based on the results of the t test the significance value of 0.012 is smaller than $\alpha = 0.05$. With the results of multiple linear regressions test the regression coefficient value -0.335 which means that if the CAR has a 1% increase and other variables are constant, the ROE ratio will decrease by 0.335%. Coefficients that have a negative value means that there is a relationship that is not in the same direction. And the results of the classic

23 CONCLUSION

268 assumption test state that the CAR variable has a significant effect on ROE with a significant value below 0.05,
which is 0.018. ¹ ² ³ ⁴ ⁵ ⁶

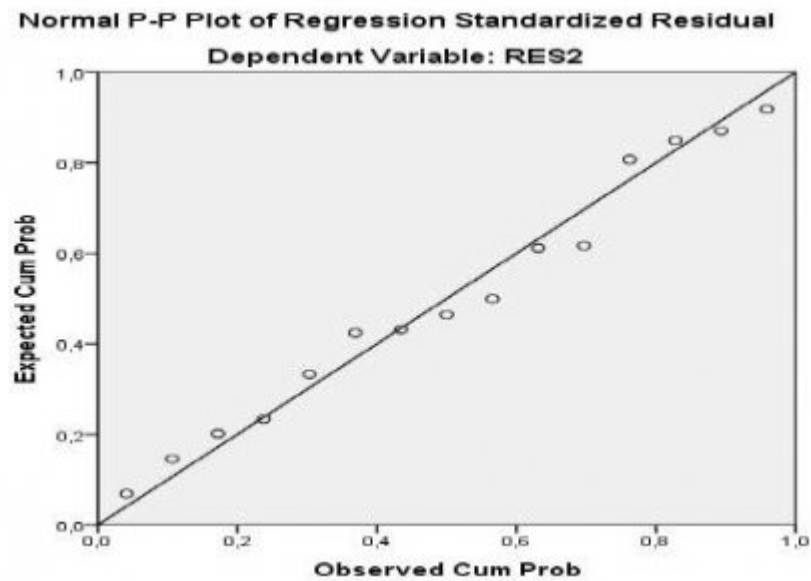


Figure 1:

269

¹ www.bankmuamalat.co.id T © 2019 Global Journals

² www.republika.co.id

³ Cashmere, Analysis of Financial Statements. First Edition, Seventh Print. (Jakarta: PT Raja Grafindo Persada, 2014) p.196 8 Dahlan, Management of Financial Institutions, Third Edition, (Jakarta: Faculty of Economics, Indonesia, 2001) p.86

⁴ © 2019 Global Journals

⁵ © 2019 Global Journals 1

⁶ ©20 19 Global Journals

Tabel 7:
Hasil Uji *Peaerson Correlation*
Correlations

		CAR	FDR	NPF	BOPO	ROE
CAR	Pearson Correlation	1	-,173	-,457	-,862**	,599*
	Sig. (2-tailed)		,537	,087	,000	,018
	N	15	15	15	15	15
FDR	Pearson Correlation	-,173	1	-,031	,012	,101
	Sig. (2-tailed)	,537		,913	,967	,719
	N	15	15	15	15	15
NPF	Pearson Correlation	-,457	-,031	1	,642**	-,523*
	Sig. (2-tailed)	,087	,913		,010	,046
	N	15	15	15	15	15
BOPO	Pearson Correlation	-,862**	,012	,642**	1	-,688**
	Sig. (2-tailed)	,000	,967	,010		,005
	N	15	15	15	15	15
ROE	Pearson Correlation	,599*	,101	-,523*	-,688**	1
	Sig. (2-tailed)	,018	,719	,046	,005	
	N	15	15	15	15	15

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Figure 2:

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	16,009	4,616		3,468	,006
CAR	-,335	,110	-1,328	-3,057	,012
FDR	-,019	,019	-,214	-1,003	,340
NPF	,039	,050	,213	,784	,451
BOPO	-,100	,028	-1,738	-3,524	,005

Figure 3:

Year 2019 26 Volume XIX Issue VII Version I	Desain Penelitian CAR FDR NPF BOPO	RASIO KKEUAN- GANG AN Picture 3: Research design Source: Processed in the Field, 2018 ROE
C () Global Journal of Management and Business Research	The method of data analysis is done by using Multiple Analysis Regression performed and Microsoft Excel with formulations: © 2019 Global Journals 1	

Figure 4:

1

Year 2019	a. Test distribution is Normal. b. Calculated from data. Source: Processed in the Field, 2018	
Volume XIX Issue VII Version I	In the table above shows that the variables CAR, FDR, NPF, BOPO, and ROE indicate that the value 2. Autocorrelation Test The Autocorrelation Test Results are as follows:	of Asymp. Sig (2 tailed)> 0.200. Overall, the variables are normally distributed.
() Global Journal of Management and Business Research		

[Note: C]

Figure 5: Table 1 :

2

- a. Predictors: (Constant), BOPO, FDR, NPF, CAR
- b. Dependent Variable: RES2
- Source: Processed in the Field, 2018

Figure 6: Table 2 :

3

- a. Dependent Variable: ROE
- Source: Processed in the Field, 2018

Figure 7: Table 3 :

		Coefficients a				
	Model	Unstandardized Coefficients	Standard Error	Standardized Coef.	t	Sig.
1	(Constant)	16,009	4,616		3,468	,006
	CAR	-,335	,110	-,328	-,3057	,012
	FDR	-,019	,019	-,214	-,003	,340
	NPF	,039	,050	,213	,784	,451
	BOPO	-,100	,028	-,1738	-,3524	,005

a. Dependent Variable: ROE

Source: Processed in the Field, 2018

Figure 8: Table 5 :

a. Predictors: (Constant), BOPO, FDR, NPF, CAR

b. Dependent Variable: RES2

Source: Processed in the Field, 2018

It can be seen that the Adjusted R Square value

is 0.428 or 42.8%, which means that CAR, FDR, NPF,

and BOPO influence ROE of 42.8%. The remaining

57.2% is explained by other variables. The error

standard of estimate (SEE) is 0.31601, the smaller the SEE value or close to 0 (zero), the regression model used is more accurate in predicting the dependent variable. ANALYSIS OF FINANCIAL STATEMENTS PT. MUAMALAT INDONESIA BANK The recording of financial statements of a bank that has been published to the general public and has been audited by OJK (Financial Services Authority) is divided into several reports other than the annual financial report or Annual Report, these reports include monthly reports, quarterly

reports, GCG reports (Good Corporate Governance), and risk exposure reports. In this study explained the financial condition of PT. Bank Muamalat Indonesia using annual analysis and quarterly analysis.

Figure 9: Table 8 :

9

Year 2019
() C

[Note: Source: Processed in the Field, 2018]

Figure 10: Table 9 :

Volume XIX Issue VII Version I
() C
Global Journal of Management and Business Research
Bibliography
1. Annual Report 2015 Annual Report "Embracing
Change, Energizing Growth" PT. Bank Muamalat
Indonesia Tbk.

Figure 11:

- [Lukman and Management ()] , Dendawijaya Lukman , Banking Management . 2000. Jakarta: Ghalia Indonesia.
(First Printing)
- [Agus ()] , Sartono Agus . *Financial Management: Theory and Application. Fourth Edition* 2001. BPFE.
- [Hasibuan and Basics ()] , Banking Hasibuan , Basics . *Jakarta: Bumi Aksara* 2005.
- [Siamat ()] , Dahlan Siamat . *Management of Financial Institutions* 2005. University of Indonesia (Jakarta: Faculty of Economics)
- [Fahmi ()] , Irham Fahmi . *Financial Report Analysis* 2013. Alfbeta.
- [Cashmere, Financial Report Analysis ()] , *Cashmere, Financial Report Analysis* 2013. PT. Rajawali Press.
- [Ascarya ()] *Akad and Products of Islamic banks*, Ascarya . 2006. Jakarta: Bank Indonesia.
- [Juliana and Sofyan (2017)] 'Analysis of the Effect of BOPO, Capital Adequacy, Troubled Financing, Profit Sharing and Profitability on Mudharabah Deposits in Sharia Commercial Banks for the 2011-2015 Period'. Sisca Juliana , Ade Sofyan . *Li-Falah Journal of Islamic Economics and Business Studies* June 1, 2017. 2.
- [Suryani ()] 'Analysis of the Effect of Financing to Deposit Ratio on the Profitability of Islamic Banking in Indonesia'. Suryani . <http://www.bi.go.idhttp://ejournal.iainkendari.ac.id/lifalah/indexhttp://www.bankmuamalat.co.id/dewan-komekturhttp://www.bankmuamalat.co.id/dewan-pengawas-syariahhttp://www.bankmuamalat.co.id/direksihttp://www.bankmuamalat.co.id/hubungan-investor/laporan-triwulan> *Walisongo Journal STAIN Malikus Saleh Lhokseumawe* 2011. 19 (1) p. .
- [Annual Report 2016 Annual Report "Stepping Confidently Standing Firm" PT. Bank Muamalat Indonesia Tbk] *Annual Report 2016 Annual Report "Stepping Confidently Standing Firm" PT. Bank Muamalat Indonesia Tbk*,
- [Kuncoro ()] *Banking Management (Theory and Application) First Edition*, Suhardjono Kuncoro . 2002. Yogyakarta: BPFE.
- [concerning guidance in assessing the health level of the bank with CAMELS analysis Bank Indonesia Circular Number 6/23/ DP 'concerning guidance in assessing the health level of the bank with CAMELS analysis Bank Indonesia Circular Number 6/23/ DPNP dated May 31'. *concerning the health rating system for commercial banks and attachments*, 11/DPNP dated March 31. 2014. 2004.
- [Rafelia and Ardiyanto (2008)] 'Effect of CAR, FDR, NPF, and BOPO on ROE of Mandiri Islamic Banks for the period'. Thyas Rafelia , Moh. Didik Ardiyanto . *Semarang: Diponegoro, Journal of Accounting* December 2008-August 2012. 2013.
- [Aulia et al. ()] 'Empirical Study on Sharia Commercial Banks in Indonesia for the Period'. Farrashita Aulia , Prasetyono , Fdr Effect Of Car , Bopo On Profitability . *Diponegoro Journal of Management* 2009-2013. 2016. 5 (1) . (thing 1-10)
- [Mawaddah ()] 'Factors Affecting the Profitability of Islamic Banks'. Nur Mawaddah . *Journal of Ethics* 2015. 14 (2) .
- [Sri et al. ()] 'Factors that influence the profitability of sharia commercial banks in Indonesia'. Windarti Sri , Misbach Mokoagow , Fuady . *Journal of EBANK* 2015. 6 (1) p. .
- [Jakarta: PT Raja Grafindo Persada Analysis of Financial Statements. First Edition, Seventh Print ()] 'Jakarta: PT Raja Grafindo Persada'. *Analysis of Financial Statements. First Edition, Seventh Print* 2014.
- [Jakarta: PT. Raja Grafindo Persada Banking Management ()] 'Jakarta: PT. Raja Grafindo Persada'. *Banking Management* 2010.
- [Kasiram and Methodology ()] *Malang: UIN-Malang Per*, Moh Kasiram , Research Methodology . 2008.
- [Hasan ()] 'Marketing from Mouth to Mouth'. Ali Hasan . *Yogyakarta: Media Pressindo*, 2010.
- [Al-Azhari ()] 'Mechanisms and Ways to Resolve Problematic Financing'. Faturrahman Al-Azhari . *Journal of IAIN Economic Studies Antasari* 2001. 3 (1) . (At-Tarhadi Journal)
- [Solihatun ()] 'NPF Analysis of Sharia Commercial Banks in Indonesia'. Solihatun . *Journal of Development Economics* 2007-2012. June 1, 2014. 12.
- [Irhamisyah ()] *Operating Costs on Operating Income (BOPO), and Financing to Deposit Ratio on Return On Equity (ROE)*, Anwar Irhamisyah . 2010. Jakarta. Sarif Hidayatullah State Islamic University (Analysis of the Effect of Capital Adequacy Ratio (CAR))
- [Rahim and Irpa ()] 'Operational Efficiency Analysis on Profitabilitas at Sharia Commercial Banks and Sharia Units'. Rida Rahim , Yuma Irpa . *Journal of Business Management* 2008. 4 (3) .
- [Prasetyo ()] Wawan Prasetyo . *Analysis that Affects Banking Profitability*, 2015. 7.

23 CONCLUSION

- 324 [Banoon ()] *Prediction of Growth of Sharia Banking in Indonesia*, Malik Banoon . 2008. 2007. Surabaya: Petra
325 Christian University
- 326 [Sugiyono ()] Sugiyono . *Qualitative quantitative research method*, (Bandung) 2006. Alfabeta.
- 327 [Syahrial and Purba ()] Dermawan Syahrial , Djahotman Purba . *Financial Report Analysis: An Easy & Practical*
328 *Way to Understand Financial Reports. Second Edition. Jakarta: Mitra Wacana Media*, 2013.
- 329 [Siamat ()] 'Third Edition Financial Institution Management'. Dahlan Siamat . *Jakarta: Faculty. Indonesian*
330 *Economy* 2001.