

# **EFFECT OF FINANCIAL RATIOS OF EARNINGS GROWTH IN BANKING SECTOR OF BEI**

*BY*

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## **ABSTRACT**

*This study aimed to analyze the influence of NPM, OPM, DER, and ROA for Profit Growth in corporate banking sector in 2008-2011. The data in this study were obtained from Published Financial Statements. Sample of 23 banks listed in the Indonesia Stock Exchange with the period 2008-2011. The data analysis method used is the One Sample Kolmogorov-Smirnov, multicollinearity test, Durbin-Watson test, scatterplot, Pearson correlation and Spearman rank, multiple regression, F test, and the T-Test. The results showed that NPM variables, OPM, DER, and ROA effect on the growth of this research laba. Dari obtained adjusted R2 value of 0,192 meaning that 19,2% profit growth in the dependent variable that can be explained by the independent variable, namely NPM, OPM, DER and the ROA and the balance that is equal to 80,8% explained by variables other than the equation.*

*Keywords: NPM, ROA, DER, OPM, Growth Income.*