## *ABSTRACT*

*Islamic banking in Indonesia has shown its existence in the national banking system and shows rapid progress in its development. Distribution of funding is an activity which dominate the allocation of funds of Islamic banks. The main pattern of funding that dominated in Islamic Banking are cost plus sales (mark-up) financing and profit-loss sharing financing. Through the funding, will be obtained a revenue which is believed to affect earnings and profitability of Islamic Bank.*

*This study aimed to examine the effect of cost plus sales (mark-up) financing and profit-loss sharing financing of partial and simultaneous to profitability proxy by Return on Assets (ROA). This study population Commercial Islamic Bank registered in Bank Indonesia period 2010-2013. Based on the purposive sampling method, the total sample was 36 research data. Data analysis tools used in this research is descriptive analysis and panel data regression analysis.*

*Results from this study indicate that the cost plus sales (mark-up) financing and profit-loss sharing financing simultaneously had an influence on profitability. Partially, the cost plus sales (mark-up) financing have significantly effect with positive direction to profitability. Profit-loss sharing financing have significantly effect with negative direction to profitability.*



**Keywords:** *Cost plus sales (mark-up) financing, profit-loss sharing financing and profitability*