

ABSTRACT

One of the main functions of Islamic banks are financing. Basically Islamic bank financing based on Islamic principles, namely the principle of profit sharing (mudharabah and musyarakah), but in fact the field the principle of purchase (murabaha) still dominate the business activities carried out by Islamic banks. This study aimed to examine the effect of third party funds (DPK), Non Performing Financing (NPF), Return on Assets (ROA), and the Capital Adequacy Ratio (CAR) of financing profit sharing on islamic banks in Indonesia during 2010-2013.

The samples used in this study is 9 Islamic banks registered in Bank Indonesia by using purposive sampling method. Data analysis tools used in this research is descriptive analysis and panel data regression analysis.

The results showed that Third Party Fund (DPK), Non Performing Financing (NPF), Return on Assets (ROA), and the Capital Adequacy Ratio (CAR) simultaneously has an influence on financing profit sharing. Partially, financing for Third Party Fund (DPK) has significant positive effect on financing profit sharing, while Non Performing Financing (NPF), Return on Assets (ROA), and the Capital Adequacy Ratio (CAR) had no significant effect on the financing profit sharing.

Keywords: Third Party Fund (DPK), Non Performing Financing (NPF), Return on Assets (ROA), Capital Adequacy Ratio (CAR), and financing profit sharing.