

## ABSTRACT

This research aimed to test the internal factors of bank, such as Capital Adequacy Ratio (CAR), Return of Assets (ROA), Operations Expenses/Operations Incomes (BOPO), and Non-Performing Loan (NPL), toward the credit distribution of Foreign Bank year 2009-2013, partially and simultaneously.

The population chosen for the object of this research were all Foreign Bank (foreign bank) in Indonesia which performed credit distribution within year 2009 until 2013. The sample criteria used in this research were the Foreign Bank which performed credit distribution within year 2009 until 2013 and published their annual report since year 2009 until 2013. Data analysis technique used in this research was panel data regression for model testing, F-test and t-test for partial and simultaneous variable testing.

Panel data regression equation model which formed in this research was the Fixed Effect model and the regression equation result generated was:  $\text{Credit} = (\text{firms example intercept}) + 25.578.029 - 4.041.425 \text{ CAR} - 60.484.810 \text{ ROA} - 20.007.191 \text{ OEOI} - 1,70\text{E}+08 \text{ NPL}$ . The result of F-test found that CAR, ROA, OEOI and NPL affected the credit distribution of Foreign Bank simultaneously. The result of determinant coefficient calculation was 0,837996. It indicated that CAR, ROA, OEOI, and NPL variables could explain the credit distribution variable by 83,80%. While the other 16,20% was explained by the unobserved variables. But in the t-test, NPL affected negatively significant toward the credit distribution of Foreign Bank. While CAR, ROA and OEOI had no effect in the credit distribution of Foreign Bank.

Keywords: CAR, ROA, OEOI, NPL, Credit Distribution