

ABSTRACT

Profit growth is a percentage change ratio that shows a company's ability to increase net income compared to the previous year. If the company has good financial performance, the higher the profit for the company.

This study was conducted to determine the effect of bank soundness on profit growth using the ratio of Non Performing Loans (NPL), composite values for Good Corporate Governance (GCG) factors, Return on Assets (ROA) and Net Interest Margin (NIM) for the income factor, Capital Adequacy Ratio (CAR) for the capital factor. The object of this research is Bank BUKU 4 in 2016-2019 and the sample in this study, namely PT Bank Negara Indonesia (Persero) Tbk. (BNI), PT Bank Rakyat Indonesia (Persero) Tbk. (BRI), PT Bank Mandiri (Persero) Tbk, PT Bank Central Asia (Persero) Tbk, PT Bank CIMB Niaga (Persero) Tbk, PT Bank Pan Indonesia (Persero) Tbk, PT Bank Danamon Indonesia (Persero) Tbk. This research uses quantitative methods with descriptive research and hypothesis testing.

The results show that NPL, GCG, NIM and CAR have no significant effect on the profit growth of BUKU 4 Bank for the 2016-2019 period, while ROA have a significant effect on the profit growth of BUKU 4 Bank for the 2016-2019 period.

Keywords: NPL, GCG, ROA, NIM, CAR, profit growth, bank.