

## ***ABSTRACT***

# ***THE EFFECT OF NON PERFORMING LOAN ON RETURN ON ASSETS AT PT BANK RAKYAT INDONESIA (PERSERO) TBK PERIOD 2010–2025***

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*This study aims to determine the effect of Non-Performing Loans (NPL) on Return on Assets (ROA) at PT Bank Rakyat Indonesia (Persero) Tbk for the period of 2010–2025. The study employs an explanatory method with a quantitative approach. Secondary data, specifically the annual financial statements of PT Bank Rakyat Indonesia (Persero) Tbk for the 2010–2025 period, were used. Data analysis techniques included descriptive statistical analysis, classical assumption testing, simple linear regression analysis, hypothesis testing (t-test), and the coefficient of determination ( $R^2$ ) test, utilizing SPSS version 27 software. The results indicate that Non-Performing Loans (NPL) have an effect on Return on Assets (ROA) at PT Bank Rakyat Indonesia (Persero) Tbk during the 2010–2025 period. The coefficient of determination test yielded an R-squared value of 0.470 (or 47%), indicating that the Non-Performing Loan (NPL) variable explains 47% of the variation in Return on Assets (ROA), while the remaining 53% is influenced by factors not examined in this study. This demonstrates that the level of non-performing loans plays a role in influencing the bank's profitability.*

*Keyword: non performing loan, return on asset.*