

Abstract

This study aims to examine and analyze the impact of corporate governance on the capital structure and financial performance of Islamic banks in Indonesia. Indicators of corporate governance consists of: the board of commissioners, board of directors and the supervisory board of sharia, the board committees, and the sharia compliance. The population in this study are all Islamic banks that go public in Indonesia Stock Exchange. The sampling technique used purposive sampling, with the criteria of Islamic banks which take corporate governance self assessment year 2010-2013, so obtain seven Islamic banks: BNI Syariah, Bank Muamalat Indonesia, Bank Syariah Mandiri, Bank Mega Syariah, Bank Panin Syariah, BCA Syariah and BRI Syariah. With a panel of data obtained 28 observations. Analysis data used a descriptive and regression analysis. The results show a). The highest value of Islamic bank capital structure are 417.6%, the lowest value of capital structure are 6.2%, and the average value of capital structure are 188.15%. b). The board of commissioners has a significant negative effect on capital structure, c). The board of directors does not affect on the capital structure. d). Committees of the board duties did not affect on the capital structure, e). The sharia supervisory board did not affect on the capital structure. f). Shariah compliance functions negative affect on the capital structure. g). Implementation of corporate governance not affect on financial performance, h). Capital structure have positive affect on financial performance.

Keywords: Corporate governance, self assesment, capital structure, financial performance