The study examined how credit risk management affect the profitability of Deposit Money Banks (DMBs) in Nigeria and specifically how capital adequacy ratio affects profitability of Deposit Money Banks (DMBs). It also, examined the relationship that exist between non- performing loan ratio, loan loss reserve to non-performing loan on profitability of Deposit Money Banks (DMBs) in Nigeria. The study further assessed if total deposit to total loan, loan loss reserve to gross loan equally affects the performance of these banks in Nigeria. It finally, ascertained the influence of banks size on the profitability of Deposit Money Banks (DMBs) in Nigeria.

The study made use of secondary data which were obtained from the audited financ ia l statements of the banks and Nigeria Stock Exchange (NSE) fact book from year 2006-2016. Data collected were analyzed using appropriate descriptive and inferential statistics. A sample size of 15 banks was selected out of the 25 deposit money banks listed on the Nigerian Stock Exchange. The descriptive statistics used were mean, standard deviation, minimum and maximum values while the inferential statistics used were correlation and regression analysis. Diagnostic tests were also carried out on the data to ensure consistenc y, validity, reliability. These tests included heteroskedacity test and multicollinearity test.

The result revealed that all variables were stationary using panel unit root test. The result of the regression model showed that R-square was 0.62 which implies that about 62% of the variation in Return on asset (ROA) were explained by the independent variables while the remaining 38% variation may be as a result of other variables not captured in the model. Capital adequacy ratio with a p-value of 0.212 does not have significant effect on the profitability of Deposit Money Banks(DMBs), relationship exist between Non-Performing Loan Ratio (NPLR) and Return on asset (ROA) of Deposit Money Banks(DMBs) in Nigeria with a p-value of 0.000 which is significant at 5% level of significance, there is no significa nt relationship between Loan loss reserve to non-performing loan Ratio (LLRNPLR) and the Return on asset (ROA) of Deposit Money Banks(DMBs) in Nigeria with a p-value of 0.871 which is not significant at 5% level of significance, Total deposit to total loan ratio (TDTLR) have significant effect on the Return on asset (ROA) of Deposit Money Banks (DMBs) in Nigeria with a p-value of 0.038 which is statistically significant at 5% level of significa nce, Loan loss reserve to Gross loan (LLRGLR) have significant effect on the Return on asset (ROA) of Deposit Money Banks (DMBs) in Nigeria with a p-value of 0.010 which is statistically significant at 5% level of significance,Banks size have significant effect on the Return on asset (ROA) of Deposit Money Banks (DMBs) in Nigeria with a p-value of 0.002 which is statistically significant at 5% level of significance

The study concluded that credit risk management significantly affects the profitability of Deposit Money Banks (DMBs) in Nigeria.