

ABSTRACT

The purpose of this study is to examine if the information asymmetry affects conditional and unconditional conservatism. The data used in this study uses secondary data taken from the company's annual reports that is provided in Indonesian Stock Exchange website and Indonesian Stock Exchange statistics data from 2018 to 2020. Multiple linear regression was used as the analytical method. The results of the analysis show that one hypothesis is the information asymmetry and control variables that are dimensioned by total assets affect the conditional conservatism. While the results of the second hypothesis show that the information asymmetry and control variables that are dimensioned by total assets, do not affect unconditional conservatism.

Keywords: conditional conservatism, unconditional conservatism, information asymmetry.