

## **ABSTRACT**

*The purpose of this research is to examine the relation between audit quality to change of stock prices with audit report lag as an intervening variable to the non-financial companies which listed on Indonesia Stock Exchange on 2016. The independent variables in this research are audit quality which are auditor specialist and auditor reputation which proxied by Big 4 public accounting firm. This research also use company size, leverage, subsidiary, family ownership, and industry type as control variables.*

*The sample consists of 314 non-financial companies which listed on Indonesia Stock Exchange on 2016. The data that used in this study was secondary data and selected by using simple random sampling method. The analysis method that was used in this research was multiple linear regression and classical assumption tests was done before conducted the regression test.*

*The results of this research indicate that auditor specialist, loss, and company size are affect audit report lag significantly yet audit report lag affect the changes of stock price significantly as well. Furthermore, the result also shown that auditor specialist, loss, and company size are affect the changes of stock price with audit report lag as intervening variable on it.*

**Keyword:** *audit quality, auditor specialist, auditor reputation, public accounting firm, Big 4, audit report lag, signaling theory, changes in stock prices dan investor reaction.*