ABSTRACT

IPO or Initial Public Offering (IPO) is an interesting problem for research in finance. Because, at the initial public offering of shares provide substantial positive return for investors. Besides, there are many results of previous studies are inconsistent. This study to analyze the variables of the financial information that affects the level of initial returns. The variables studied include the Current Ratio, Earning Per Share (EPS), Return on Assets (ROA), Debt to Equity Ratio (DER) and SIZE.

This study used purposive sampling method using observational studies and literature as a means to collect data. Using a study population of 80 publicly traded company listed on the Stock Exchange during the study period 2008-2011, the sample obtained by 55 companies. Linear regression analysis used as a method for analyzing the hypothesis in this study.

The results of the regression analysis showed that the value of the F-test F for 0.009 <0.05. Simultaneously so that the initial return can be explained by all the variables in this study. Partially (T-test) only Earning Per Share (EPS) and Return on Assets (ROA) that significantly influence initial return. Results from Adj-Rsquare of 18.8%. This means that only the initial return of 18.8% can be explained by the five variables of this study.

Keyword : IPO, Initial Return, Go Public