

## **ABSTRACT**

*The purpose of this study is to examine the effect of the failure of the IPO companies by looking on the stock price decline by 50% over 5 years (60 months). The dependent variable in this study is the failure of the IPO company as measured by the reduction of the time of failure decreased by the time of the IPO and the independent variables are firm age, firm size, initial returns, business risk and the percentage of stock offerings.*

*This study uses secondary data from annual report of listed companies with listing on the Indonesia Stock Exchange in 2006-2009. The total of the sample is 59 companies. This study uses survival analysis with Cox regression.*

*The results of this study indicate that the age of the company affect the survival of his company, although not significantly. Company size and initial returns affect the survival of his company significantly. The risk of failure of the business affects the company significantly. And eventhough it is not realy significant the percentage failure affect the stock offering.*

*Keywords: survival analysis, IPO (Initial Public Offering), firm age, firm size, initial returns, business risk and the percentage of public offering, IPO failure*