

## **ABSTRACT**

*This study aims to analyze the financial and non-financial factors on the level of underpricing in a company that does an initial public offering on the Indonesian stock exchange period 2008 – 2013. Financial factor examined included return on equity (ROE), debt to equity ratio (DER) and earning per share (EPS), while non-financial factors examined included company size, company age and auditor reputation.*

*This research was conducted using secondary data. Sampling technique used was purposive sampling. From 134 companies that did IPOs during the period 2008-2013, a total of 70 companies chosen as a sample. The analytical method used is multiple linear regression analysis.*

*The results of this research show that return on equity (ROE), firm size and auditor reputation negatively affect to underpricing, debt to equity ratio (DER) not significant and negative effect to underpricing, while earnings per share (EPS) and firm age was not significant and positive effect to underpricing.*

*Keywords : Underpricing, Initial Public Offering (IPO), Return on Equity (ROE), Debt to Equity Ratio (DER), Earning per Share (EPS), Firm Size, Firm Age, Auditor Reputation.*