

## **ABSTRACT**

*Sale of shares by the company for the first time, called the IPO or Initial Public Offering (IPO), in an initial share sale of this company will receive cash and profit from the difference between the nominal value of shares by the share price on the primary market. When the company began to grow bigger, of course, companies need a substantial amount of funds in maintaining the survival of the company. Therefore the company decided to go public through an IPO on the stock exchange. However, the main purpose of an IPO is often not optimal. When the price shown on the secondary market in the first day (closing price) is lower than the price determined in the primary market is referred to as overpricing. Conversely, if the stock price is shown on the secondary market in the first day (closing price) is higher than the share price set in the initial market is referred to as underpricing.*

*The purpose of this study was to determine the underwriter reputation, size of company, Debt to Equity Ratio (DER), and Return on Assets (ROA) significantly either simultaneously or partially on the level of underpricing in companies that conduct Initial Public Offering period 2013-2015. This type of research used by the writer is descriptive verification research is causality. The samples were subjected to experiments by 55 companies. Data analysis techniques through coefficient determination test, multiple linear regression analysis and hypothesis testing.*

*Based on the results showed that the underwriter reputation, size of company, Return on Assets (ROA), and Debt to Equity Ratio (DER) jointly affect the level of underpricing when the Initial Public Offering (IPO) in Indonesia Stock Exchange 2013-2015 period , Partially Reputation underwriters have a significant negative effect on the level of underpricing. The size of the company has a significant influence and has a negative direction on the level of underpricing. Return on Assets (ROA) has a significant influence and has a negative direction on the level of underpricing and Debt to Equity Ratio (DER) has a significant influence and has a negative direction on the level of underpricing in companies that conduct an Initial Public Offering (IPO) at the Indonesian Stock Exchange the period 2013-2015.*

*Keywords: Reputation underwriter, Company Size, Return on Assets, Debt To Equity Ratio, Underpricing*