

## **ABSTRACT**

*The study aims to test that the impact of the adoption IFRS on the profit value relevance, book value relevance, and information asymmetry. Collecting data used a purposive sampling method in manufacturing companies listed in Indonesia Stock Exchange (IDX) during the years 2009 until 2013. A total of 232 firms are used as samples in the study. The year 2011 is used as cut off.*

*This study used multiple regression analysis and paired sample t-test analysis that compare IFRS convergence period with IFRS full adoption period. The data used SPSS 17.0. The result showed that value relevance variable increased after adoption IFRS. Profit value relevance increased after adoption IFRS individually, but book value relevance decreased after adoption IFRS. Information asymmetry between principal and agent didn't show reduction after adoption IFRS.*

**Keywords: Profit Value Relevance, Book Value Relevance, Information Asymmetry, Stock Price, Bid Ask Spread, and IFRS**