

## **ABSTRACT**

*The purpose of this study is to examine the influence of free cash flow and undervaluation to stock repurchase. The variables tested in this study are free cash flow and undervaluation. The sampels in this study are 55 samples companies listed on the Indonesia Stock Exchange (BEI) in 2012-2016. While the method of determining the sample using purposive sampling. The variables were then tested using multiple linear regression with a significance level of 5%. The result showed that free cash flow had a positive effect on stock repurchase. While undervaluation has no effect on stock repurchase*

*Keywords :Stock Repurchase, Free Cash Flow, Undervaluation*