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Nota di contenuto	Variables Influencing the Severity of IPO Underpricing: An Empirical Analysis of the German Market; Acknowledgements; Table of Content; List of Figures; List of Tables; List of Appendices; List of Abbreviations; List of Symbols; 1 Introduction; 2 Theoretical Aspects of an IPO; 2.1 Definition of an IPO; 2.2 The IPO Price Setting Process; 2.2.1 Business Valuation; 2.2.2 Share Pricing; 2.3 The Special Role of the Underwriter in the IPO Process; 3 IPO Underpricing; 3.1 Definition of IPO Underpricing and Empirical Evidence; 3.2 The Winner's Curse Hypothesis; 3.3 Market Feedback Hypothesis 3.4 Bandwagon Hypothesis3.5 Lawsuit Avoidance; 3.6 Signalling; 3.7 Investment Banker's Monopsony Power; 3.8 Principal Agent Problem; 3.9 Prospect Theory; 3.10 Anchoring; 4 Long-Run Performance and Overvaluation of IPOs; 4.1 Evidence on Initial Investor Overoptimism; 4.2 Reasons for Initial Overvaluation; 4.2.1 Overreaction Hypothesis; 4.2.2 Representativeness Heuristic; 4.2.3 Divergence of Opinion Hypothesis; 4.2.4 Big Winner Hypothesis; 4.2.5 Underwriter Conflict of Interest; 4.2.6 Window-Dressing; 5 Empirical Analysis of Underpricing in Germany; 5.1 Development of Explanatory Variables 5.1.1 Management Ownership5.1.2 Pre-Market Demand; 5.1.3 Recent Market Movements; 5.1.4 Underwriter Reputation; 5.1.5 Industry, Company Age and Firm Size; 5.2 Theoretical Model and Statistical

Method; 5.3 Data and Descriptive Statistics; 5.4 Results and Interpretation; 5.4.1 Management Ownership; 5.4.2 Pre-Market Demand; 5.4.3 Recent Market Movements; 5.4.4 Underwriter Reputation; 5.4.5 Industry, Company Age and Firm Size; 6 Conclusion; Bibliography; List of Online Sources and Software; Appendix; Autorenprofil

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## Sommario/riassunto

Hauptbeschreibung Underpricing refers to the phenomenon of abnormal first-day returns from initial public offerings (IPOs). Without doubt, any US investor would agree that one day-returns of 11.4% on average are exceptional and a worthwhile investment. Since then many studies have proven that it is a persistent phenomenon and also occurs on markets all over the world. The most puzzling question for scientists is why companies are leaving this money on the table and do not set an offering price that reflects the market demand at the offering date. The main focus of this paper

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