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The Influence of Assets Structure, Capital Structure and Market Risk on the Growth, Profitability and Corporate Values (Study In Manufacturing Companies Listed In Indonesia Stock Exchange)

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ABSTRACT: *This study aims to verify and analyze the influence of asset structure, capital structure and market risk to the company's growth, profitability and value of manufacturing companies listed on the Indonesia Stock Exchange . The hypothesis tested in this study were (1) the structure of assets significantly influence company's growth, (2) capital structure significantly influence company's growth,(3) market risk significantly influence company's growth, (4) the asset structure significantly influence profitability, (5) The capital structure significantly influence profitability, (6) company risk significantly influence profitability, (7) the asset structure significantly influence the company value, (8) the capital structure significantly influence the company value, (9) the market risk significantly influence the company value, (10) the company's growth significantly influence value of companies listed on Indonesia Stock Exchange.*

The research samples taken from population members were 29 companies listed on Indonesia Stock Exchange. The data processed by using Partial Least Squares (PLS) program, and from the data processing and hypothesis testing, there were 8 (eight) hypothesis accepted, and three (3) hypothesis rejected

This study came to conclusions that (1) Asset structure significantly influence company's growth. (2) Capital structure significant influence the company's growth. (3) The asset structure significant influence profitability. (4) Capital structure significantly influence profitability. (5) The Asset structure significantly influence company's value. (6) capital structure significantly influence company's value. (7) The company's growth significantly influence company value, and (8) Profitability significant influence company's value. (9) Market risk is not significantly influence company's growth. (10) Market risk is not significantly influence profitability, and (11) Market significantly influence company's value.

Keywords: *Asset Structure, capital structure, company risk, company growth, profitability, and company value*

I. Introduction

The development of manufacturing companies in Indonesia quite rapidly, it can be seen from the number of companies listed on the Indonesian Stock Exchange (BEI) which is increasing through periods, so it is possible that the companies are much-needed by community so that the prospects will be beneficial in the future. Moreover, it can be said that manufacturing industry competition is becoming increasingly stringent because of many products that are easily imported to Indonesian market and become alternative choices to consumers in Indonesia as well as the proliferation of illegal products that become obstacles for companies in manufacturing industry to dominate the market.

Manufacturing industry competition requires companies to be more competitive in order to not get trapped in the decline of competition. Companies are required to have competitive advantage from other companies. The companies not only required to produce qualified products for consumer, but also must be able to manage its finances well, meaning that the financial management policies must be able to ensure the sustainability of company's business. Management policy is one of the things that can influence a company to be able to compete. One of management functions is in terms of funding and financial management of company. One of management policies concerning financial management is about the asset structure .

Selection of asset composition by company will determine the structure of the company's assets. While the selection will determine the liability structure and financial structure of the company's capital structure (Riyanto, 2013 : 13) .

In the search for a financial balance in industrial companies, Riyanto (2013:13) stated that: "For companies that are not financial corporation, the first priority is the problem of determining and composition of assets needed to carry out the planned production. After determining the asset numbers the amount of composition, properties and conditions, then determine the amount and composition of liabilities forming capital structure as good as possible".

Brigham and Houston (2006 : 145) mentioned the policy regarding capital structure involves a trade off between risk and return. The addition of debt may increase company risk but at the same time will increase the expected rate of return. The higher the risk that due to the growing debt tends to lower stock prices, but the increase in the expected rate would raise the stock price .

Capital structure theory explaining the influence of capital structure on company value. The company's value can be interpreted as the expected value of shareholders' investment (the price of equity markets) and or expectations of total company enterprise (market value of equity plus market value of debt or the expectations of market prices of assets (Sugihen, 2003). In addition to the asset structure and capital structure influential to the company value, business risks also affect the company value .

Yield or return is the ultimate goal of investors in making investments. However, almost all investments contain uncertainty or risk. Investors can only estimate how the level of expected return (expected return) and how far the possibility that actual results will be deviated from the expected results (Jogiyanto, 2000) .

In the investment world, there is term " *high risk bring about high return* ", meaning that if one wants to obtain greater results, it will be exposed to greater risk as well. Correlation between return and risk is linear , or it can be said that the greater the assets placed in investment decisions , the greater the risks arising from these investments.

The main goal of go public companies is increasing the prosperity of owner or shareholders through increased company value (Salvatore 2005 in RA Puspita Sari, 2013;4). The value of company is very important because of the high value of company will be followed by high prosperity of shareholders (Brigham and Gapensi, 2006;26). The higher the company value the higher the stock price of company. High company value become the desire of company owners, because high scores indicate that the shareholders prosperity is also high. The shareholder and the company represented by market price of shares which is a reflection of investment, financing, and asset management decision.

Some factors that may affect company value, including profitability, growth and capital structure. Profitability is compamny ability to make a profit in a given period. According to Husnan (2001;317), profitability is the ability of a company to make a profit on the level of sales, assets and certain share capital .

Research on capital structure which affect the company value have been widely practiced in Indonesia. Some researchers are Sugihen (2003) that found evidence that capital structure indirectly negatively effect on company value. Based on empirical facts the research explains that in times of crisis market participants understand that the increase in debt caused by external factors (foreign exchange rates and interest rates) that can not be controlled by the company. Market participants are confident that if these external influences back to normal, then the company will be better, and the market value of equity is determined by demand and supply.

The higher the value of company describe the increasingly prosperous of owners. While the use of debt policy can be used to create company value desired, but the debt policy also depends on the growth of companies that are also related to company size. Which means, large companies with good rate of growth is relatively easy to access the capital markets. This ease indicate that large companies are relatively easier to meet the source of debt funding through via the capital market, companies that have a good level of growth show the company's ability to pay interest on debt if it uses debt to run the company's operations (Safrida, 2008:20).

II. Theritical Review

Assets Structure

The asset structure is a variable that reflects the fixed assets and current assets that are used for company operations. Fixed assets is an indicator of company growth and value which show how big the assets structure that can be pledged as collateral to support company profitability, growth, and value. Delcoure (2006;34) showed a positive relationship between asset structure and corporate value. It means that companies that have relatively large tangible assets, will have tendency to have a great ability to increase the volume of the company's operations .

Riyanto (2013;115) stated that company held investments in fixed assets and current assets with expectation to recover the funds invested in such assets. Van Horne (2013;13) said that most of the responsibility of asset management, remains in the hands of operational managers which use various of those assets.

Capital Structure

Capital structure is a source of permanent financing company that consists of long-term debt, preferent shares and shareholders' equity. Meanwhile, shareholders' equity includes the book value of common stock, additional paid - usual share discount and accumulated retained earnings. Each of these sources of financing offers a variety of advantages and disadvantages with respect to the flexibility of the investment financing. According to Ahmad Rodoni (2007: 45), capital structure is something related to the company's permanent expenditure structure consisting of long-term debt and equity. The problem is how companies quickly integrate the composition of permanent funds used to looking for a combined of funds that can minimize cost of capital, and to maximize the stock price. This is the final goal of capital structure, namely to make the composition of optimal financing sources (Ahmad Rodoni and Herni Ali, 2010: 138). Meanwhile, according to Riyanto (2013: 22), who said that capital structure is part of overall financial structure reflected in the balance sheet liabilities, which total foreign capital (both short term and long term) and the amount of own capital. Syafaruddin Alwi (1994: 329), said that the capital structure is an important issue in making decisions about company expenditure, because it directly affects the cost of capital, decisions of capital budgeting and market prices.

Market Risk

Market risk is the risk faced by a security due to market factors, such as economic, political, and so forth (Tandelilin, 2001). In CAPM model, market risk is described by beta (β) which positively correlated to the return. The higher the value of beta, the higher the implied return value.

Market risk is the risk that is relevant in preparing portfolio (Gitman, 2004:256). Systematic risk is also known as market risk (market risk). Referred to as market risk due to these fluctuations are caused by factors that affect all business entities that operate as beta, exchange rates, interest rates and inflation

Company Growth

The growth rate of a company will show how far the company will use debt as a source of financing. In relation with leverage, companies with a high growth rate should use equity as a source of financing in order to avoid the cost of agency (agency cost) among the shareholders with company's management, otherwise the company with low growth rate should use debt as a source of financing for the use of debt will require the company to pay interest regularly.

According to Brigham and Gapenski (2006;143), high- growth companies will require greater funding from external parties. Companies must choose funding sources with cheaper cost. The sale of common stock issuance costs will exceed the cost of debt. Therefore to encourages companies with high growth to rely more on debt financing sources. This is consistent with pecking order theory which establishes a funding decision sequence in which the manager will first choose to use retained earnings, debt and the issuance of shares as a last resort (Hanafi, 2004). The larger the company's growth will be even greater funds required and the greater the debt that is used .

Company Profitability

Profitability is the ability of a company to generate a return on asset management in a given period. The same meaning expressed by Hanafi (2013;42), that profitability is company's ability to generate profits at particular level of sales ,assets ,and certain share capital. Meanwhile, according to Agus Sartono (2012;122) profitability is company's ability to obtain profit in relation to sales, total assets, and capital itself. Further, Brigham and Houston (2006:107) stated that the profitability is the end result of a number of policies and decisions made by the company that can provide clues that are useful in assessing the effectiveness of a company's operations. For long-term investors will be concerned with profitability analysis, for example for shareholders will be able to see the advantages that actually will be received in the form of dividends. Companies that managed to obtain maximum profit for a certain period, will be able to distribute dividends every year, and will be the main attraction for investors to buy shares of the company. It means that the achievement of company's profitability will be an attraction for investors to invest their funds, so it can be a source of funding in relation to business development .

Company Value

Company value is investor perception regarding the company, which is often associated with stock price. High stock price will make high company value. The company's main purpose according to theory of the firm is to maximize wealth or company value (value of the firm) (Salvatore, 2005;125). Maximizing the company value is very important for a company, because by maximizing company value also means maximizing shareholder wealth which is the main goal of company. According Husnan (2001;194) the company value the price which is willing to be paid by a potential buyer if the company is sold. Meanwhile, according to Keown (2010;83) the company value is the market value of debt and equity securities outstanding companies. The company value is the investor's perception of the level of success of company that are often associated with stock prices . High stock price will create high company value, the high value of company that will make the market believe not only on company's performance today, but also on company's prospects in the future. The company's value in this study was defined as market value, as the study conducted by Nurlela and Islahuddin

(2008), because the company value can deliver maximum shareholder wealth when the company's stock price to rising. The higher the stock price, the higher the wealth of shareholders. To achieve the company's value generally the investors will hand over its management to the professionals .

Conceptual Framework

The variables in this study have been determined, we then examined the relationship between variables. The independent variable of asset structure, capital structure and market risk will be assessed whether it can build the dependent variable both directly or through intervening variable of company growth and profitability. To clarify the concept of this study, then the conceptual framework developed in this study are described in the following figure .

Research Hypotheses

Based on thinking framework and conceptual framework developed, the proposed hypothesis of the research are as follows:

1. Asset structure significantly influence the growth of companies listed on Indonesia Stock Exchange.
2. Capital structure significantly influence the growth of companyies listed on Indoensia Stock Exchange.
3. Market risk significantly influence the growth of companies effect terhadappertumbuhan companies listed on the Stock Exchange.
4. Asset structure significantly influence the profitability of companies listed on Indonesia Stock Exchange.
5. Capital structure significantly influence the profitability of companies listed on the Stock Exchange.
6. Market risk significantly influence the profitability of companies listed on Indoensia Stock Exchange.
7. Asset structure significantly influence the value of companies listed on Indonesia Stock Exchange.
8. Capital structure significantly influence the value of companies listed on Indonesia Stock Exchange.
9. Market risk significantly effect the value of companies listed on Indonesia Stock Exchange.
10. Company growth significantly influence the value of companies listed on Indonesia Stock Exchange.
11. Profitability significantly influence the value of companies listed on Indonesia Stock Exchange.

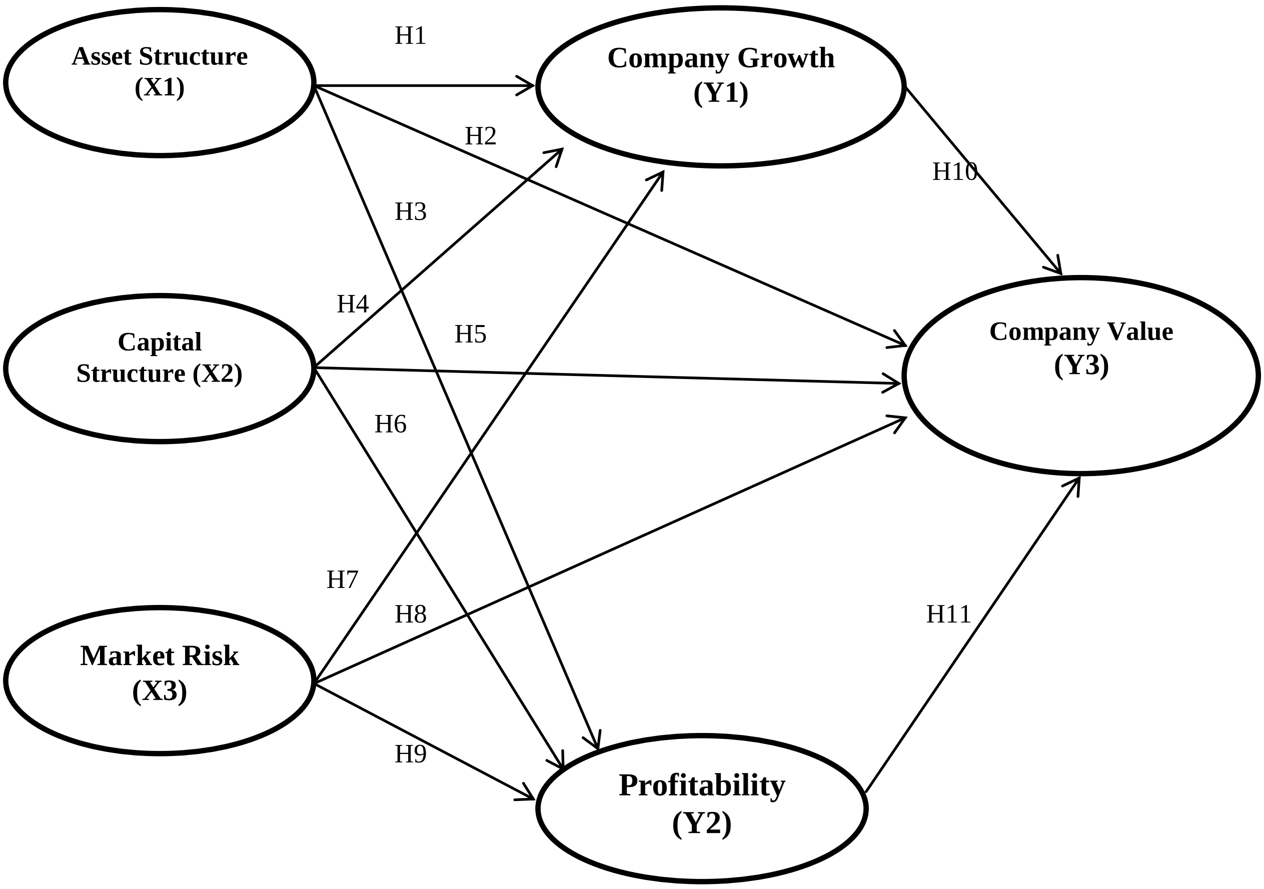

Figure Research Conceptual Framework

Research Methodology

This study was designed using a quantitative approach, because the meaning of each variable and relationship between variables based on quantitative measurement scale. Data used in this research is quantitative data and secondary data, namely data in the form of numbers and then presented in financial statements, especially in the manufacturing companies listed on Indonesia Stock Exchange (BEI) .

Secondary data used in this study were collected through two stages, namely by collecting supporting data through literature, the research results of other parties, journals and financial statements that have been published, and by collecting data concerning the financial statements, financial statements namely the balance sheet and income statement, interest rates, stock prices and foreign exchange rates, were obtained from Indonesian Capital Market Directory (ICMD), published by Indonesia Stock Exchange (BEI)

The population in this study were all manufacturing companies in the period of 2009 - 2013 listed on Indonesia Stock Exchange (BEI), with some criterias. The number of companies eligible for the study population was determined to be 91 companies. Based on population characteristics, sampling methods that can be used is purposive sampling type judgment sampling. Companies set as a sample of 29 companies, which are manufacturing companies that received the highest net income .

Concept Definition of endogenous and exogenous variables are explained as follows:

1. Asset structure is defined as the determinitaion of the amount of fund allocated to each component of assets, both fixed assets or current assets. The asset structure is measured by using the quotient between fixed assets to total assets, and current assets to total assets
2. Capital Structure is part of a company's financial structure used to fund assets owned by company. Capital structure can be measured by the ratio:
   a. Debt Ratio (DR) or also known as the leverage ratio
   b. Debt to Equity Ratio (DER)
   c. Long Term Debt to Total Assets (LTD / TA)
   d. Long Term Debt to Total Equity (LTD / TE)

3. Market Risk or systematic risk is the risk faced by a security due to market factors, such as economic factors, political, and so forth (Tandelilin, 2001).
   This variable is measured using indicators: interest rate and foreign exchange fluctuations
4. The company's growth is the change in total assets and sales growth. This variable is measured with indicators: Change in Total Assets and Sales Growth
5. Profitability is the net result of a series of policies and management decisions. Therefore, this ratio illustrates the final results of policies and decisions of the company. Generally profitability ratio is calculated by dividing profit with capital. So in this study using measurements:
   a. Return on Assets (ROA)
   b. Return on Sales (ROS)
   c. Return on Equity (ROE)
   d. Return on Investment (ROI)
6. Company value is the market price of a company that describes the perception of investors associated with stock price and level of success of the company in managing its resources. The company's value can be measured by:
   a. Price Earning Ratio (PER)
   b. Market to Book Value Ratio (MBVR)

Data analysis in this study is Partial Least Square (PLS).

Research Results

Evaluation of Research Conceptual Model

In accordance with research objectives and specifications, then it was conducted the test with iterations (stages) using software of SmartPLS to obtain test results that fit. Based on evaluation the results model suitability, it indicates that the indicator is significant in shaping the sixth constructs studied, namely 1) the asset structure, 2)capital structure, 3) market risk, 4) the company's growth, 5) profitability and 6) company value.

Hypotheses Testing Results

The analysis results conducted to test the influence between variables studied have been described in the previous section. By paying attention to analysis results of PLS path diagram at the final stage, then the following is presented the images of relationships between these variables, as which can be seen in Figure 5.1 .

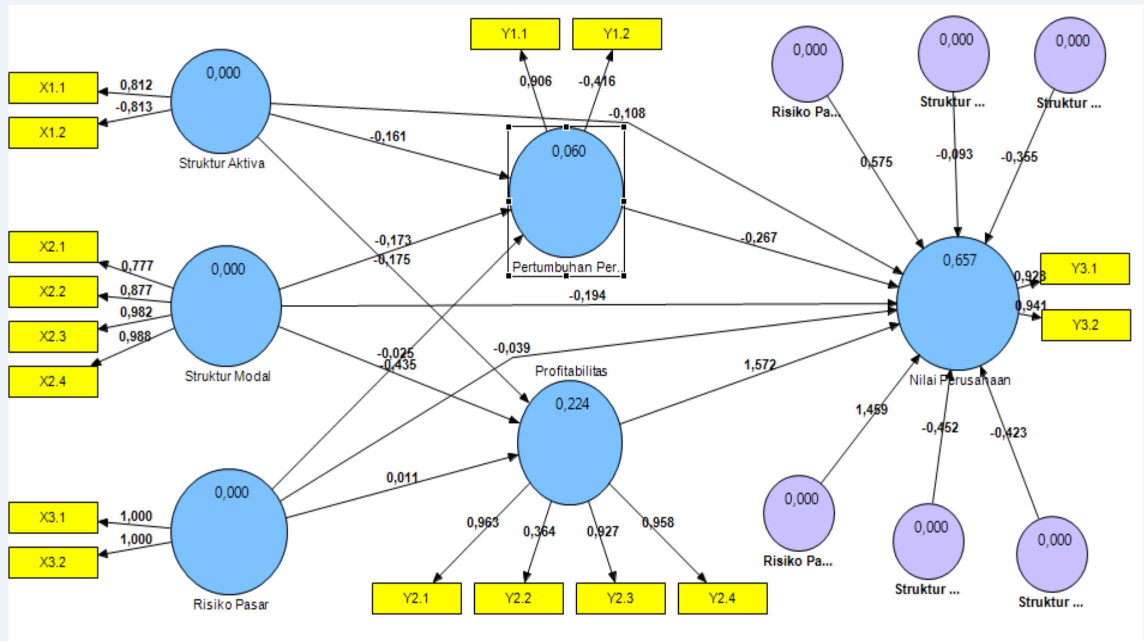

Figure 5.1 Model of Hypotheses Testing Results

Table 5.1 Hypotheses Testing Results

Hypothesis	Influence			Path Coefficient	t Value	Remarks
1	SA	→	PP	0,162	1,811	Significant
2	SM	→	PP	0,160	3,140	Significant
3	RP	→	PP	-0,060	0,702	Not Significant
4	SA	→	PF	0,199	3,873	Significant
5	SM	→	PF	0,418	4,722	Significant
6	RP	→	PF	0,019	0,409	Not Significant
7	SA	→	NP	0,157	2,868	Significant
8	SM	→	NP	0,106	3,496	Significant
9	RP	→	NP	-0,873	0,157	Not Significant
10	PP	→	NP	0,324	2,285	Significant
11	PF	→	NP	2,585	1,754	Significant

Soufrce: Research Data Processed, 2015

Discussion

Asset Structure Significantly Influence the Company Growth

Asset structure significantly influence company growth. The influence of both is positive, this means that asset structure affect company growth. According to Bambang Riyanto (2001), most industrial companies in which majority of capital is embedded in fixed assets will give priority to meeting the needs of capital from permanent capital, namely equity, while foreign capital as a complementary. It can be connected with the rule that horizontal conservative financial structure which states that the amount of own capital should at least be able to cover the amount of fixed assets plus other assets that are permanent. And companies that own most of its assets in current assets will give priority to meeting the needs of their funds with short-term debt.

Capital Structure significantly Influence the Company Growth

Significant effect on the capital structure of the company's growth. The influence of both is positive, which means that capital structure affect the company's growth .

Companies with high growth should more rely on external capital. Development costs for sale of common shares is greater than the cost for debt issuance, which encourages companies to rely more heavily on debt. Shin and Stulz (2000) in his research results show that the negative relationship between changes in total equity risk against changes in company value, which means that with the growth opportunities in smaller companies will reduce the adverse impact of increased risk to the company value.

Market Risk Significantly Influence the Company Growth

Market risk does not significantly influence company's growth. The influence of both is contrary , it means that market risk does not affect the company's growth .

In this research, market risk is measured by using indicators of SBI (Certificate of Bank Indonesia) interest rates and exchange rate. Lower interest rates because inflation is lower, and in order to promote economic growth with a higher credit growth. At the time of current account is still negativ , and the trend of a stronger US dollar value, then the rupiah value is depreciated .

Asset Structure Significantly Influence the Profitability

Asset structure significantly influence company profitability. The relationship of both is positive, this means that the asset structure affect company profitability.

The study results showed that the greater the amount of assets structure owned by company will lead to an increase in debt ratio or financing activities by using the debt itself. Factors that cause this phenomenon is collateral factor. When the amount of asset structure is said to be big, it is certain that the amount of fixed assets owned is big . The results are consistent with Rajan and Zingales (1995) which stated that the greater the company's asset structure causing companies tend to increase debt as a source of funding.

Capital Structure Significantly Influence the Profitability

The fifth hypothesis testing results obtained shows that capital structure and significantly and positively affect profitability in manufacturing companies listed in the Stock Exchange Year 2011- 2013 .

For each company, the decision in the choice of funding sources is important because it will affect the company's financial structure, which ultimately will affect company's performance. Source of fund for companies mirrored by foreign capital and equity capital, as measured by debt to ratio (DR), debt to equity ratio (DER), LTD/TA and LTD/TE. If DER is higher, then the company's ability to obtain profitability will be lower, so the DER has a negative correlation with profitability.

This finding is not consistent with the study of Myers (1984) who found that companies that have a high level of profitability tends to be caused by taking on less debt, and Kusumasari et al. (2009) which states that the capital structure is not significantly affect the financial performance .

Market Risk Significantly Influence the Profitability

Market risk is not significant influence the company profitability. The correlation of both is contrary , it means that the market risk does not affect the company profitability.

In this research, market risk is measured by using indicators of SBI (Certificiate of Bank Indonesia) interest rates and exchange rate. Interest rates prevailing in the financial markets and used in financial transactions is the nominal interest rate inflation premium contained therein. This study is using real interest rates; whereas the relation between nominal interest rates and real interest rates, Clark et al. (1990), said that "the real interest rates are nominal interest rates less the expected inflation rate". The exchange rate is the price of a country's currency expressed in another country's currency (Madura, 1995). The latter factor is performance of a business entity. The performance of a business entity is an assessment of organization effectiveness and efficiency in achieving its objectives, as expressed by Stoner, Freeman and Gilbert (1995). Horne (1995) suggested that in order to analyze the financial performance of the organization can use financial ratio analysis; where Gitman (2000) grouped into four, namely: liquidity ratios, activity ratios, debt ratios and profitability ratios. But Brigham (1992) suggested that the ratio of profitability already include debt ratios, activity ratios and liquidity ratios.

Asset Structure Significantly Influence the Company Value

Asset structure significantly influence company value. The correlation of both is positive, this means that the asset structure affect the company value .

Companies that have the kind of assets according to credit guarantees or most of its assets embedded in fixed assets will tend to use a lot of debts because of the ease (Houston and Brigham, 2006:42). Companies that match their assets as collateral for loans tend to use more debt. Assets for general purposes that can be used mainly by many businesses can be a good guarantee, and vice versa in assets for special purposes (Houston and Brigham, 2006:42) .

Capital Structure Significantly Influence the Company Value

The study result found that there was positive and significant impact on company value, this finding is supported by the tradeoff theory which stated that (assuming the target point of capital structure is not optimal) increase in the debt ratio of capital structure will enhance shareholder value. These findings are also consistent with Hasnawati (2005), which partially stated that funding decisions positivele affect company value.

This finding differ from Sriwardany (2006), which stated that the capital structure has negative effect on the stock price changes, which meant that the company's capital structure policy with more use of debt, will have a decrease in the stock price .

Result of this study is not consistent with the findings by Solihah and Taswan (2002), which stated that the debt policy has positive effect but not significant to company's value in manufacturing companies that go public in Jakarta Stock Exchange period 1993 to 1997 or exactly what happened before the financial crisis and in early years of the monetary crisis. Inconsistency of these results predictably, in 1993 to 1997 changes in the economy which increased the value of the rupiah against the dollar exchange rate, interest rates, inflation rates and therefore contributes to the increased use of debt .

Market Risk Significantly Influence the Company Value

Market risk has no significant influence on company value. The influence of both is contrary, it means that the market risk does not affect the company value.

In this research, market risk is measured by using indicators of SBI interest rates and exchange rate. Rising interest rates will cause increase in cost of capital expenditures so that the company lost chances to increase revenues which subsequently impacted on dividend payments decreased (Tandelilin, 2010:343). According to Sunarto and Andi (2003), the interest rate impacted on the amount of dividend distribution. Research by Jeong (2011) concluded that the interest rate significantly and negatively affect dividend policy when it is not regulated by government and have a significant positively effect when it is set by the government.

Company Growth Significantly Influence the Company Value

Tenth hypothesis testing result showed that company growth significant and positively influence the company value at manufacturing companies listed in Indonesia Stock Exchange Year 2011-2013. The company's growth rate affect the movement of company value among investors. These findings proveen to accept the hypothesis 10 (H10) which states that the company's growth influence on the company value, and simultaneously answer the problem formulation of this research .

These findings are inconsistent with research by Sriwardany (2006) who found that the company's growth has a direct and positive influence on stock price movements in companies listed on Jakarta Stock Exchange between year of 2000 and 2004 with 156 companies. Inconsistency of these results allegedly influenced by the determination size company's growth, whereas previous studies measuring company growth as independent variable with Tobins'q ratio and changes in the stock price as dependent variable. This study used kuadat root of change in total assets as the company's growth with the study period from 2004 to 2006 .

Profitability Significantly Influence the Company Value

Eleventh hypothesis testing results showed that the profitability has positive and significant impact on company value at a manufacturing companies in Indonesia Stock Exchange Year 2011-2013 .

Profitability measured by ROA, ROS, ROI and ROE, or often referred to as return on common equity is often translated as the profitability of its own shares (share capital profitability). Investors will buy shares of stock and would be interested in a return on equity or part of the total profitability to shareholders. Therefore, the higher the ROE , the higher the price book value as a measure of company value.

Research Limitations

There is no perfect research because one research that complements and continues as well as complete the limitations of previous studies. Likewise with this study has several limitations. The following are some limitations of this study that will be taken into consideration in conducting further research:

1. This study only took 3 years period namelu from 2011 to 2013, so the data are taken there is less likelihood of reflecting the compani condition in the long term.
2. This study only deals with companies in manufacturing industry, where further researchers should be able to discuss one of the sub-industries, for example food and beverage industry, automotive industry, or an entire industry that is listed on Indonesia Stock Exchange.
3. Subjectivity of researchers in understanding the annual report data greatly affect the interpretation of the researchers in measuring the amount of disclosure necessary variables.

Conclusions

From the analysis and discussion it can be taken several conclusions as follows:

1. Asset structure significantly influence the company's growth. The correlation of both is positive, this means that asset structure affect the company growth.
2. Capital structure significantly influence the company's growth. The correlation of both positive, it means that capital structure affect the company's growth.

3. Market risk does not significantly influence the company's growth. The correlation of both contrary, it means that market risk does not affect the company's growth.
4. Asset structure significantly influence the company profitability. The correlation influence of both is positive, this means that asset structure the company profitability. Result of this study showed that the greater the amount of assets structure owned by company will lead to an increase in debt ratio or financing activities by using the debt itself.
5. The fifth hypothesis testing results obtained that the capital structure has significant and positive influence on profitability in manufacturing companies listed tas Indonesia Stock Exchange Year 2011- 2013. The increase in debt will affect the size of company profits, reflecting the company's ability to meet all liabilities.
6. Market risk has no significant effect on company profitability. The correlation influence of both is contrary, it means that market risk does not affect company profitability.
7. Asset structure significantly influence company value. The correlation of both is positive, this means that asset structure affect the company value. Companies that have the kind of assets according to credit guarantees or most of its assets embedded in fixed assets will tend to use a lot of debts because of the ease.
8. Capital structure significantly influence the company value. This means that more companies use debt as a source of corporate funding than equity so it impacted on the decrease in company value.
9. Market risk has no significant influence on company value. The correlation of both is contrary, it means that market risk does not affect company value.
10. Company growth has negative but not significant influence on company value. This means that any decrease in the change of total assets during the study period did not affect the price per share on equity per share among investors.
11. Profitability has positive and significant influence on the value of manufacturing companies listed in Indonesia Stock Exchange Year 2011-2013.

Suggestion

Based on research conclusions and limitations, it is necessary to improve the research conducted. The suggestions for further research are as follows:

1. For advanced researchers are advised to use a sample of the type of all companies listed on Indonesia Stock Exchange, and the study period is longer in order to get more generalized results.
2. For advanced researchers can add other variables such as managerial ownership, company size and changes in foreign exchange rates which predicted to affect the company value.
3. For the investors, should consider investing in a company's capital structure and the company's growth rate. It should be considered so that the investor can receive a good return in investment.

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