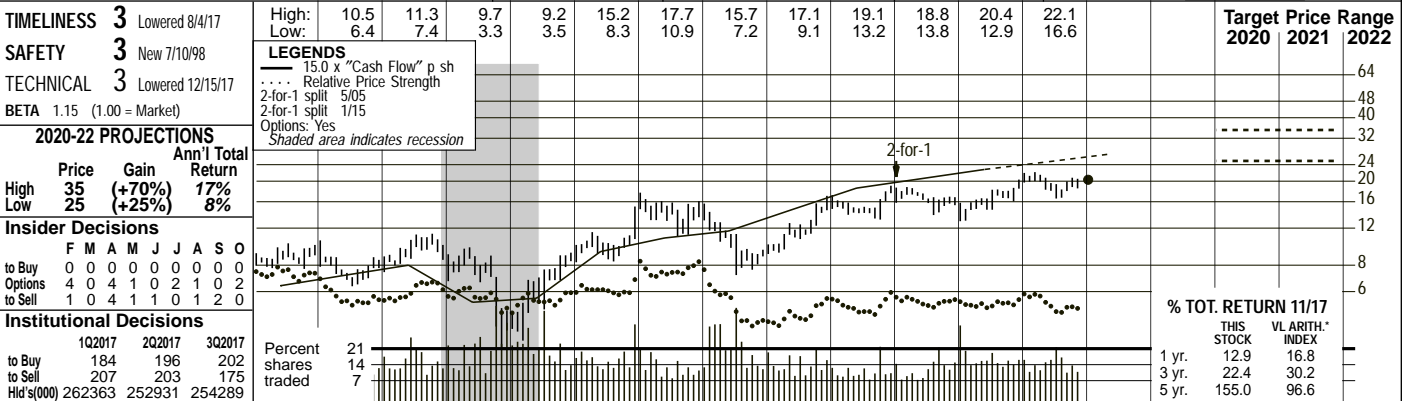


GENTEX CORP. NDQ-GNTX

RECENT PRICE **20.31** P/E RATIO **15.4** (Trailing: 16.1 Median: 19.0) RELATIVE P/E RATIO **0.76** DIV'D YLD **2.0%** VALUE LINE



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
1.03	1.30	1.52	1.62	1.72	2.01	2.26	2.27	1.97	2.87	3.55	3.84	4.02	4.66	5.30	5.84	6.35	6.85	Sales per sh	7.80
.27	.34	.41	.43	.43	.48	.53	.36	.37	.62	.72	.77	.98	1.24	1.37	1.52	1.65	1.80	"Cash Flow" per sh	2.20
.22	.28	.34	.36	.35	.37	.43	.22	.24	.49	.57	.60	.78	.98	1.08	1.19	1.27	1.40	Earnings per sh ^A	1.70
--	--	.04	.16	.18	.19	.20	.22	.22	.22	.24	.26	.28	.31	.34	.36	.39	.43	Div'ds Decl'd per sh ^B	.55
.15	.11	.07	.10	.17	.17	.19	.17	.08	.16	.42	.41	.19	.25	.34	.42	.40	.40	Cap'l Spending per sh	.45
1.59	1.88	2.25	2.51	2.70	2.47	2.79	2.54	2.66	3.14	3.56	3.92	4.56	5.32	5.91	6.64	7.35	8.15	Book Value per sh	9.85
300.69	304.89	308.16	311.47	312.09	284.95	289.51	275.27	276.68	284.58	288.14	286.15	291.16	295.25	291.34	287.74	283.00	280.00	Common Shs Outst'g ^C	285.00
30.7	26.2	24.5	26.2	25.1	21.4	22.0	33.0	27.2	20.7	25.2	17.9	15.5	15.7	15.5	13.8	12.5	12.5	Avg Ann'l P/E Ratio	18.0
1.57	1.43	1.40	1.38	1.34	1.16	1.17	1.99	1.81	1.32	1.58	1.14	.87	.83	.78	.73	.78	.73	Relative P/E Ratio	1.15
--	--	.4%	1.6%	2.0%	2.4%	2.1%	3.0%	3.4%	2.2%	1.7%	2.4%	2.3%	2.0%	2.0%	2.2%	2.0%	2.2%	Avg Ann'l Div'd Yield	1.7%

CAPITAL STRUCTURE as of 9/30/17																							
Total Debt \$185.0 mill. Due in 5 Yrs \$185.0 mill.																				1790	1920	Sales (\$mill)	2225
LT Debt Nil Lt Interest Nil																				35.5%	36.0%	Operating Margin	37.0%
Leases, Uncapitalized \$1.3 mill.																				100	105	Depreciation (\$mill)	125
No Defined Benefit Pension Plan																				365	400	Net Profit (\$mill)	495
Pfd Stock None																				32.0%	32.0%	Income Tax Rate	32.0%
Common Stock 283,902,844 shs. as of 10/20/17																				20.4%	20.8%	Net Profit Margin	22.2%
MARKET CAP: \$5.8 billion (Large Cap)																				950	1000	Working Cap'l (\$mill)	1150
																				Nil	Nil	Long-Term Debt (\$mill)	Nil
																				2075	2275	Shr. Equity (\$mill)	2800
																				17.5%	17.5%	Return on Total Cap'l	17.5%
																				17.5%	17.5%	Return on Shr. Equity	17.5%
																				12.5%	12.5%	Retained to Com Eq	12.0%
																				29%	29%	All Div'ds to Net Prof	31%

BUSINESS: Gentex Corporation manufactures automatic-dimming automotive rearview mirrors. Its *Night Vision Safety* mirrors use sensors and electronic circuitry to detect glare from trailing approaching vehicles at night, and darken accordingly to protect the driver's vision. Sells to most of the major automakers (has 3 customers who each accounted for 10% or more of 2016 total sales). International sales represent 67% of 2016 sales. Also makes commercial fire protection products. Has approximately 5,315 employees. Officers and directors own 2.5% of common stock, including 2.3% owned by Chairman & CEO Fred Bauer (3/17 proxy). Incorporated: MI. Address: 600 N. Centennial Street, Zeeland, MI 49464. Telephone: 616-772-1800. Internet: www.gentex.com.

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22																
change (per sh)																			
Sales	11.5%	13.5%	7.0%																
"Cash Flow"	12.0%	19.0%	8.0%																
Earnings	11.5%	20.0%	8.0%																
Dividends	7.0%	8.0%	8.5%																
Book Value	9.0%	14.0%	8.5%																

Cal-endar	QUARTERLY SALES (\$mill.)				Full Year																
	Mar.31	Jun.30	Sep.30	Dec.31																	
2014	335.7	338.5	350.9	350.4	1375.5																
2015	368.9	379.3	389.8	405.6	1543.6																
2016	405.6	423.8	429.6	419.9	1678.9																
2017	453.5	443.1	438.6	454.8	1790																
2018	470	480	480	490	1920																

Cal-endar	EARNINGS PER SHARE ^A				Full Year																
	Mar.31	Jun.30	Sep.30	Dec.31																	
2014	.23	.26	.25	.24	.98																
2015	.26	.25	.27	.30	1.08																
2016	.25	.30	.32	.31	1.19																
2017	.33	.31	.31	.32	1.27																
2018	.34	.35	.35	.36	1.40																

Cal-endar	QUARTERLY DIVIDENDS PAID ^B				Full Year																
	Mar.31	Jun.30	Sep.30	Dec.31																	
2013	.07	.07	.07	.07	.28																
2014	.07	.08	.08	.08	.31																
2015	.08	.085	.085	.085	.335																
2016	.085	.09	.09	.09	.355																
2017	.09	.10	.10	.10																	

Gentex posted weaker-than-expected third-quarter results. Sales of \$439 million during the period rose 2% compared to the previous year, but they were more than \$15 million below our forecast. Automotive revenues increased 2%, thanks to a 5% advance in automotive mirror shipments. The growth was driven by good international demand for the company's interior and exterior auto-dimming mirrors. This was partially offset by lower North American mirror volumes. Margins narrowed, largely due to annual customer price decreases that were not fully offset by purchasing cost reductions. Management's inability to leverage fixed overhead costs due to the lower growth rate in sales also hurt margins. All told, share earnings of \$0.31 were a penny below both our estimate and the previous year's tally. **We are lowering our 2017 top- and bottom-line estimates by \$30 million and \$0.03 a share, respectively, to \$1.79 billion and \$1.27.** Management has reduced its previous sales guidance for the year, and now looks for the figure to be between \$1.78 billion and \$1.80 billion. Gentex still expects total light-vehicle

production in its markets to rise 2% for the year, to 53.1 million units, a 1% increase from last year. It believes North American volumes will decline 3%, to 17.28 million, while units in Europe and Japan/South Korea will rise 3% and 5%, respectively, to 22.27 and 13.51 million. The company's sales should continue to outpace the broader market, thanks to the large number of product launches that had been executed in prior quarters. **We look for a slightly better top- and bottom-line performance in 2018.** Management is calling for revenues for the year to rise between 6% and 10%, based on current light-vehicle production forecasts. We also think the company will benefit from its electrochromic technology, which ought to help drive demand for its new applications, particularly for advanced features on its auto-dimming mirrors. **Shares of Gentex are ranked to track the broader market averages in the coming six to 12 months.** Over the 3- to 5-year pull, the stock, which has a decent dividend yield, offers wide appreciation potential at the recent quotation. *Jason Dalavagas* December 15, 2017

(A) Diluted earnings. Quarterly earnings may not sum due to rounding. Next earnings report due in late January.	April, July, and October.	Company's Financial Strength	B++
(B) Payments typically made in late January.	(C) In millions, adjusted for stock splits.	Stock's Price Stability	65
		Price Growth Persistence	65
		Earnings Predictability	90