

GENTEX CORP. NDQ-GNTX

RECENT PRICE **17.04** P/E RATIO **16.2** (Trailing: 16.9 Median: 22.0) RELATIVE P/E RATIO **0.85** 2-YR DIV'D YLD **2.0%** VALUE LINE

TIMELINESS 2 Raised 5/1/15
SAFETY 3 New 7/10/98
TECHNICAL 3 Lowered 2/27/15
BETA 1.40 (1.00 = Market)

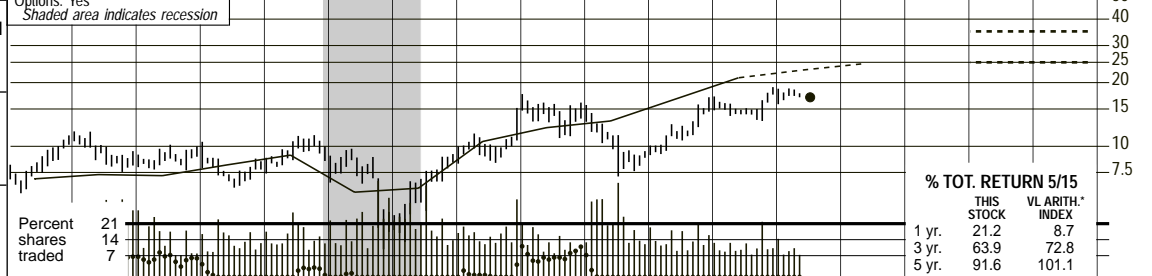
High: 11.8 10.2 10.5 11.3 9.7 9.2 15.2 17.7 15.7 17.1 19.1 18.8
 Low: 7.5 7.7 6.4 7.4 3.3 3.5 8.3 10.9 7.2 9.1 13.2 15.8

LEGENDS
 --- 17.0 x "Cash Flow" p sh
 Relative Price Strength
 2-for-1 split 5/05
 2-for-1 split 1/15
 Options: Yes
 Shaded area indicates recession

2018-20 PROJECTIONS
 Ann'l Total
 Price Gain Return
 High 35 (+105%) 21%
 Low 25 (+45%) 12%

Insider Decisions
 J A S O N D J F M
 to Buy 0 0 0 0 0 0 0 0 0 0
 Options 3 0 1 3 0 0 0 0 4 0
 to Sell 2 1 4 4 1 0 0 4 1

Institutional Decisions
 3Q2014 4Q2014 1Q2015
 to Buy 166 195 172
 to Sell 142 136 186
 Hlds(000) 242684 276261 244779



1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
.89	1.00	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	5.10	5.60	Sales per sh	6.65
.25	.28	.27	.34	.41	.43	.43	.48	.53	.36	.37	.62	.72	.77	.98	1.24	1.35	1.45	"Cash Flow" per sh	1.75
.22	.23	.22	.28	.34	.36	.35	.37	.43	.22	.24	.49	.57	.60	.78	.98	1.05	1.15	Earnings per sh ^A	1.40
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.07	.07	.15	.11	.07	.10	.17	.17	.19	.17	.08	.16	.42	.41	.19	.25	.35	.30	Cap'l Spending per sh	.30
1.08	1.35	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	5.90	6.45	Book Value per sh	7.85
293.65	297.16	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	297.00	299.00	Common Shs Outst'g ^C	305.00
27.9	29.1	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	15.7	15.7	Avg Ann'l P/E Ratio	21.0
1.59	1.89	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	.83	.83	Relative P/E Ratio	1.30
--	--	--	--	.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%	2.0%	Avg Ann'l Div'd Yield	1.6%

CAPITAL STRUCTURE as of 3/31/15
 Total Debt \$256.3 mill. Due in 5 Yrs \$210.0 mill.
 LT Debt \$256.3 mill. Lt Interest \$20.0 mill.
 (14% of Cap'l)

Leases, Uncapitalized \$1.6 mill.
No Defined Benefit Pension Plan

Pfd Stock None
 Common Stock 294,192,247 shs.
 as of 4/22/15
MARKET CAP: \$5.0 billion (Large Cap)

536.5	572.3	653.9	623.8	544.5	816.3	1023.8	1099.6	1171.9	1375.5	1510	1670	Sales (\$mill)	2025
29.8%	26.9%	26.6%	23.2%	24.4%	28.1%	26.8%	26.3%	31.4%	34.7%	32.5%	32.5%	Operating Margin	33.0%
23.8	27.8	32.4	35.9	38.4	38.6	42.6	50.2	62.9	77.4	85.0	95.0	Depreciation (\$mill)	120
109.5	108.8	122.1	62.1	64.6	137.7	171.5	222.9	288.6	310	340	340	Net Profit (\$mill)	420
31.5%	31.6%	32.1%	32.7%	32.9%	32.3%	32.7%	32.0%	30.5%	32.0%	32.0%	32.0%	Income Tax Rate	32.0%
20.4%	19.0%	18.7%	10.0%	11.9%	16.9%	16.1%	15.6%	19.0%	21.0%	20.5%	20.4%	Net Profit Margin	20.7%
560.9	389.5	460.1	407.7	446.8	583.2	651.6	656.7	481.2	723.2	750	775	Working Cap'l (\$mill)	875
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841.6	702.7	806.8	698.6	735.9	893.5	1027.1	1121.0	1327.6	1571.4	1750	1925	2400	2400
13.0%	15.5%	15.1%	8.9%	8.8%	15.4%	16.0%	15.3%	14.0%	15.9%	16.0%	16.5%	Return on Total Cap'l	16.5%
13.0%	15.5%	15.1%	8.9%	8.8%	15.4%	16.0%	15.3%	16.8%	18.4%	17.5%	17.5%	Return on Shr. Equity	17.5%
6.6%	7.7%	8.2%	.2%	.5%	8.5%	9.5%	8.7%	10.8%	12.8%	10.5%	11.0%	Retained to Com Eq	11.5%
49%	50%	46%	97%	94%	45%	41%	43%	36%	30%	37%	36%	All Div'ds to Net Prof	35%

CURRENT POSITION (\$MILL.)

	2013	2014	3/31/15
Cash Assets	309.6	497.4	549.9
Receivables	143.0	168.0	201.8
Inventory (FIFO)	120.1	141.8	145.6
Other	28.5	49.4	33.5
Current Assets	601.2	856.6	930.8
Accts Payable	56.5	71.5	73.3
Debt Due	7.5	7.5	--
Other	56.0	54.4	90.4
Current Liab.	120.0	133.4	163.7

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Sales	11.0%	14.0%	9.0%
"Cash Flow"	9.5%	19.0%	12.0%
Earnings	9.0%	21.5%	12.0%
Dividends	16.0%	6.0%	7.5%
Book Value	7.5%	11.5%	9.5%

QUARTERLY SALES (\$mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	290.7	280.4	268.2	260.3	1099.6
2013	269.5	287.0	288.6	326.8	1171.9
2014	335.7	338.5	350.9	350.4	1375.5
2015	368.9	375	380	386.1	1510
2016	400	415	420	435	1670

EARNINGS PER SHARE ^A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.16	.14	.15	.15	.60
2013	.17	.18	.19	.24	.78
2014	.23	.26	.25	.24	.98
2015	.26	.26	.26	.27	1.05
2016	.28	.28	.29	.30	1.15

QUARTERLY DIVIDENDS PAID ^B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.06	.06	.06	.06	.24
2012	.065	.065	.065	.065	.26
2013	.07	.07	.07	.07	.28
2014	.07	.08	.08	.08	.31
2015	.08	.08	.08	.08	.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 4 customers who each accounted for 10% or more of 2014 total sales).

Gentex began 2015 with solid results. Sales during the first quarter rose 10% compared to a year ago, driven by an 11% increase in automotive mirror unit shipments, to 7.933 million. Demand from North America was strong, with the region's volumes rising 10%, to 2.8 million units. This was driven by increased penetration of the company's interior and exterior auto-dimming mirrors. International demand was robust, as well, with volumes rising 12%. Operating margins widened, as higher revenues, purchasing cost reductions, and a better product mix more than offset annual customer price reductions and elevated manufacturing costs related to new technology launches. This allowed share net to rise 13% compared to last year's tally, to \$0.26.

We anticipate good top- and bottom-line growth this year. While management expects the worldwide light-vehicle production environment to remain flat for the year, it believes Gentex will continue to outpace the overall industry. This ought to be driven by continued penetration into the smaller-car markets, as these vehicles represent the largest segment of auto

production globally. All told, management looks for light-vehicle production to rise 2% in North America, compared to last year, remain flat in Europe, and decline 4% in Japan and South Korea.

Product introductions should help drive results. Some of the largest areas of growth are in frameless interior auto-dimming mirrors, exterior auto-dimming mirrors, and advanced electronic features on these products. These products will see significant launch and production in key markets this year. Management believes that by 2017, these goods will grow to a significant portion of its total inside mirror unit shipments. Updated models for *HomeLink* and *SmartBeam* are also expected to drive results.

Shares of Gentex are ranked to outperform the broader market averages in the coming six to 12 months. Despite a relatively flat industry environment, the company should continue to post good earnings gains during this time frame. Over the 3- to 5-year period, the stock offers worthwhile price appreciation potential at the recent quotation.

Iason Dalavagas June 19, 2015

(A) Diluted earnings. Next earnings report due in late July.
 (B) Payments typically made in late January, April, July, and October.

(C) In millions, adjusted for stock splits.

Company's Financial Strength	B++
Stock's Price Stability	25
Price Growth Persistence	65
Earnings Predictability	40

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