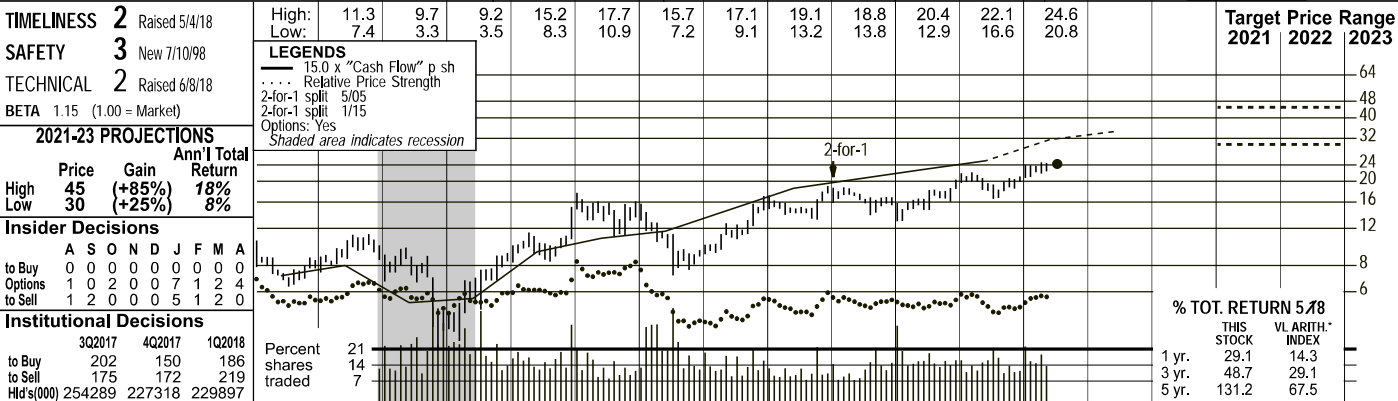


# GENTEX CORP. NDQ-GNTX

RECENT PRICE **24.22** P/E RATIO **14.7** (Trailing: 17.9 Median: 17.0) RELATIVE P/E RATIO **0.80** DIV'D YLD **1.8%** VALUE LINE



2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
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	6.40	7.15	7.80	Sales per sh	8.65
.34	.41	.43	.43	.48	.53	.36	.37	.62	.72	.77	.98	1.24	1.37	1.52	1.67	2.10	2.30	"Cash Flow" per sh	2.65
.28	.34	.36	.35	.37	.43	.22	.24	.49	.57	.60	.78	.98	1.08	1.19	1.28	1.65	1.80	Earnings per sh <sup>A</sup>	2.05
--	.04	.16	.18	.19	.20	.22	.22	.22	.24	.26	.28	.31	.34	.36	.39	.43	.47	Div'ds Decl'd per sh <sup>B</sup>	.61
.11	.07	.10	.17	.17	.19	.17	.08	.16	.42	.41	.19	.25	.34	.42	.37	.45	.45	Cap'l Spending per sh	.45
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	7.31	8.35	9.55	Book Value per sh	10.80
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	280.28	270.00	265.00	Common Shs Outst'g <sup>C</sup>	280.00
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	15.3	15.0	14.3	Avg Ann'l P/E Ratio	18.0
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	.72	.77	.72	.77	Relative P/E Ratio	1.00
--	.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%	2.0%	Avg Ann'l Div'd Yield	1.7%

CAPITAL STRUCTURE as of 3/31/18				2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC		21-23
Total Debt \$50.0 mill. Due in 5 Yrs \$50.0 mill.				623.8	544.5	816.3	1023.8	1099.6	1171.9	1375.5	1543.6	1678.9	1794.9	1930	2070	Sales (\$mill)	2425			2425
LT Debt Nil Lt Interest Nil				23.2%	24.4%	28.1%	26.8%	26.3%	31.4%	34.7%	34.9%	35.8%	34.7%	38.0%	38.0%	Operating Margin	39.0%			39.0%
Leases, Uncapitalized \$1.0 mill.				35.9	38.4	38.6	42.6	50.2	62.9	77.4	80.6	88.6	99.6	110	120	Depreciation (\$mill)	150			150
No Defined Benefit Pension Plan				62.1	64.6	137.7	164.7	171.5	222.9	288.6	318.5	347.6	369.3	460	495	Net Profit (\$mill)	590			590
Pfd Stock None				32.7%	32.9%	32.3%	32.6%	32.7%	32.0%	30.5%	31.3%	31.9%	30.6%	21.0%	21.0%	Income Tax Rate	21.0%			21.0%
Common Stock 273,854,076 shs. as of 4/20/18				10.0%	11.9%	16.9%	16.1%	15.6%	19.0%	21.0%	20.6%	20.7%	20.6%	23.8%	23.9%	Net Profit Margin	24.3%			24.3%
MARKET CAP: \$6.6 billion (Large Cap)				407.7	446.8	583.2	651.6	656.7	481.2	723.2	853.0	1005.1	940.9	950	1000	Working Cap'l (\$mill)	1150			1150
CURRENT POSITION				--	--	--	--	265.6	258.1	225.6	178.1	--	Nil	Nil	Long-Term Debt (\$mill)	Nil			Nil	
Cash Assets				698.6	735.9	893.5	1027.1	1121.0	1327.6	1571.4	1722.5	1910.4	2049.5	2250	2525	Shr. Equity (\$mill)	3025			3025
Receivables				8.9%	8.8%	15.4%	16.0%	15.3%	14.0%	15.9%	16.6%	16.9%	18.0%	20.5%	19.5%	Return on Total Cap'l	19.5%			19.5%
Inventory (FIFO)				8.9%	8.8%	15.4%	16.0%	15.3%	16.8%	18.4%	18.5%	18.2%	18.0%	20.5%	19.5%	Return on Shr. Equity	19.5%			19.5%
Other				.2%	.5%	8.5%	9.5%	8.7%	10.8%	12.8%	12.9%	12.9%	12.7%	15.0%	14.5%	Retained to Com Eq	15.0%			15.0%
Current Assets				97%	94%	45%	41%	43%	36%	30%	30%	29%	29%	27%	All Div'ds to Net Prof	28%			28%	
Accts Payable				<b>BUSINESS:</b> Gentex Corporation manufactures automatic-dimming automotive rearview mirrors and electronics for the automotive industry. These mirrors use sensors to detect glare from trailing approaching vehicles and darken to protect the driver's vision. It also makes dimmable aircraft windows for the aviation industry. Sells to most of the major automakers (has 4 customers who each ac-																
Debt Due				<b>Genetex posted decent results to begin the year.</b> While sales of \$465 million during the first quarter were \$15 million below our estimate, they were still 3% above the previous-year tally. The advance was driven by a 7% increase in auto-dimming interior and exterior rearview mirror shipments, to 10.6 million units. While North American demand for these products declined, this was more than offset by strong international volumes. However, a supplier production issue for certain electronic components affected Gentex's ability to fully meet demand for <i>Full Display Mirrors</i> during the period. Despite this setback, share earnings still rose 21% compared to the previous-year figure. This was driven by a lower tax rate and continued share repurchases.																
Other				<b>We still look for good top- and bottom-line growth this year.</b> Despite the softer-than-expected sales to begin 2018, management maintained its previously announced guidance for revenues and margins. The aforementioned supplier production issue has been resolved, and this has allowed Gentex to resume normal shipments of the impacted products. Man-																
Current Liab.				<b>agement looks for flat light-vehicle production in North America, Europe, and Japan &amp; South Korea, but expects to continue to outpace these industry figures thanks to the ongoing product launches.</b> Gentex's electrochromic technology should drive the advance, as it is embedded in a large number of these new products. Margins ought to widen because the company continues to add electronic content into vehicles at a faster rate. This should more than offset ongoing pricing pressure from automotive customers and competitors. Share earnings should also continue to benefit from additional stock repurchases, along with a lower corporate tax rate.																
Cash Assets				<b>Management has also reaffirmed its initial sales projections for next year.</b> As a result, we are maintaining our sales and earnings estimates of \$2.07 billion and \$1.80 per share, respectively.																
Receivables				<b>The Timeliness rank of Gentex shares has been raised by a notch, to 2 (Above Average).</b> The stock, which has a decent dividend yield of roughly 2.0%, offers good price appreciation potential over the 3- to 5-year haul.																
Inventory (FIFO)				<i>Iason Dalavagas</i> June 15, 2018																
Other																				

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
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	443.2	438.6	459.6	1794.9
2018	465.4	480	485	499.6	1930
2019	510	515	520	525	2070

Cal-endar	EARNINGS PER SHARE <sup>A</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2015	.26	.25	.27	.30	1.08
2016	.25	.31	.32	.31	1.19
2017	.33	.31	.31	.33	1.28
2018	.40	.40	.40	.45	1.65
2019	.43	.45	.45	.47	1.80

Cal-endar	QUARTERLY DIVIDENDS PAID <sup>B</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2014	.07	.08	.08	.08	.31
2015	.08	.085	.085	.085	.335
2016	.085	.09	.09	.09	.355
2017	.09	.10	.10	.10	.39
2018	.11	.11	.11	.11	.44

Cal-endar	ANNUAL RATES				Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17 to '21-'23
	10 Yrs.	5 Yrs.	1 Yr.	1 Yr.	1 Yr.	1 Yr.	
of change (per sh)	11.5%	11.5%	6.5%	6.5%	6.5%	6.5%	
Sales	12.0%	16.5%	9.5%	9.5%	9.5%	9.5%	
"Cash Flow"	7.0%	8.5%	9.0%	9.0%	9.0%	9.0%	
Earnings	9.5%	13.5%	8.5%	8.5%	8.5%	8.5%	
Dividends							
Book Value							

Company's Financial Strength	B++
Stock's Price Stability	65
Price Growth Persistence	65
Earnings Predictability	90

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