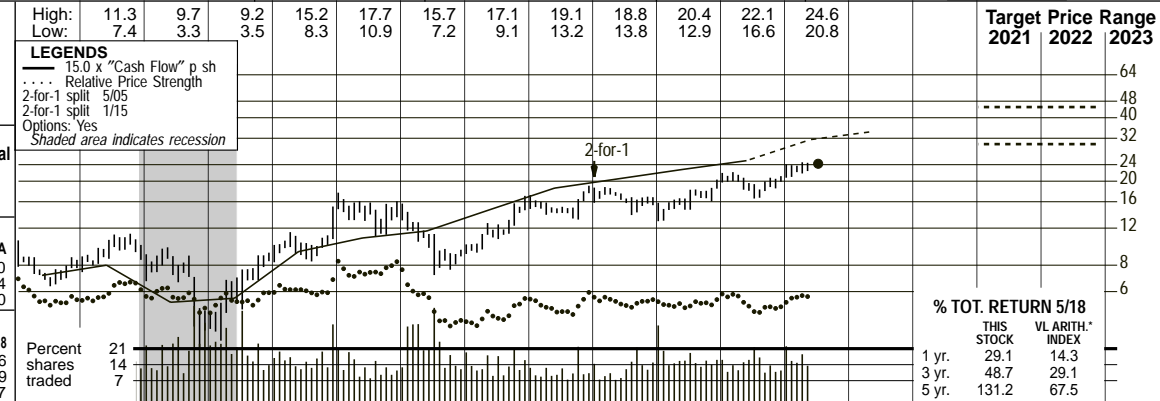


GENTEX CORP. NDQ-GNTX

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

TIMELINESS 2 Raised 5/4/18
SAFETY 3 New 7/10/98
TECHNICAL 2 Raised 6/8/18
BETA 1.15 (1.00 = Market)



2021-23 PROJECTIONS
 Ann'l Total
 Price Gain Return
 High 45 (+85%) 18%
 Low 30 (+25%) 8%

Insider Decisions
 A S O N D J F M A
 to Buy 0 0 0 0 0 0 0 0
 Options 1 0 2 0 0 7 1 2 4
 to Sell 1 2 0 0 0 5 1 2 0

Institutional Decisions
 3Q2017 4Q2017 1Q2018
 to Buy 202 150 186
 to Sell 175 172 219
 Hlds(000) 254289 227318 229897

Percent shares traded: 21, 14, 7

% TOT. RETURN 5/18
 THIS STOCK VLARITH. INDEX
 1 yr. 29.1 14.3
 3 yr. 48.7 29.1
 5 yr. 131.2 67.5

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 ^A	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 ^B	.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 ^C	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	Bold figures are Value Line estimates		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			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%			Avg Ann'l Div'd Yield	1.7%

CAPITAL STRUCTURE as of 3/31/18
 Total Debt \$50.0 mill. Due in 5 Yrs \$50.0 mill.
 LT Debt Nil Lt Interest Nil

Leases, Uncapitalized \$1.0 mill.

No Defined Benefit Pension Plan

Pfd Stock None
 Common Stock 273,854,076 shs. as of 4/20/18

MARKET CAP: \$6.6 billion (Large Cap)

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
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%
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
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
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%
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%
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
--	--	--	--	--	265.6	258.1	225.6	178.1	--	Nil	Nil	Long-Term Debt (\$mill)	Nil
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
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%
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%
.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%
97%	94%	45%	41%	43%	36%	30%	30%	29%	29%	27%	27%	All Div'ds to Net Prof	28%

CURRENT POSITION	2016	2017	3/31/18
Cash Assets	546.5	569.7	524.3
Receivables	211.6	231.1	246.4
Inventory (FIFO)	189.3	216.8	207.2
Other	207.6	166.9	163.8
Current Assets	1155.0	1184.5	1141.7
Accts Payable	80.0	89.9	77.3
Debt Due	7.5	78.0	50.0
Other	62.4	75.7	100.9
Current Liab.	149.9	243.6	228.2

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

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 ^A				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 ^B				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			

BUSINESS: 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-

Gentex posted decent results to begin the year. 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 *Full Display Mirrors* 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.

We still look for good top- and bottom-line growth this year. 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-

agement looks for flat light-vehicle production in North America, Europe, and Japan & South Korea, but expects to continue to outpace these industry figures thanks to the ongoing product launches. 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.

Management has also reaffirmed its initial sales projections for next year. As a result, we are maintaining our sales and earnings estimates of \$2.07 billion and \$1.80 per share, respectively.

The Timeliness rank of Gentex shares has been raised by a notch, to 2 (Above Average). The stock, which has a decent dividend yield of roughly 2.0%, offers good price appreciation potential over the 3- to 5-year haul.

Iason Dalavagas
 June 15, 2018

(A) Diluted earnings. Quarterly earnings may not sum due to rounding. Next earnings report due in late July.	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