VISUAL ANALYSIS of Sales, Earnings, and Price

Symbol: GNTX

<table>
<thead>
<tr>
<th>FY 2018 Q3</th>
<th>Sales ($M)</th>
<th>Earnings Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latest Quarter</td>
<td>460</td>
<td>0.42</td>
</tr>
<tr>
<td>Year Ago Quarter</td>
<td>439</td>
<td>0.31</td>
</tr>
<tr>
<td>Percentage Change</td>
<td>4.9%</td>
<td>35.5%</td>
</tr>
</tbody>
</table>

(1) Historical Sales Growth 13.9%
(2) Estimated Future Sales Growth 5.0%
(3) Historical Earnings Per Share Growth 22.8%
(4) Estimated Future Earnings Per Share Growth 6.6%
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>% Earnings on Equity</td>
<td>14.8%</td>
<td>17.7%</td>
<td>24.9%</td>
<td>23.9%</td>
<td>22.7%</td>
<td>28.0%</td>
<td>30.2%</td>
<td>30.0%</td>
<td>30.4%</td>
<td>29.6%</td>
<td>29.6%</td>
</tr>
<tr>
<td>% Debt to Capital</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>17.1%</td>
<td>14.5%</td>
<td>11.9%</td>
<td>8.9%</td>
<td>3.6%</td>
<td>11.2%</td>
</tr>
</tbody>
</table>

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

5-YEAR POTENTIAL

A. Indicated Annual Dividend

\[
\text{CLOSING PRICE } = 21.83 \quad \text{INDICATED ANNUAL DIVIDEND } = 0.39
\]

\[
\text{CLOSING PRICE } = 21.83 \quad \text{X} \quad 0.0202 = 2.0\% \quad \text{CURRENT YIELD}
\]

B. AVERAGE YIELD - USING FORECAST HIGH P/E

\[
\text{Avg. % Payout} = 31.3\% \quad \text{Average Yield} = 1.7\% \quad \text{Forecast High PE} = 18.30
\]

\[
\text{AVERAGE YIELD - USING FORECAST AVERAGE P/E}
\]

\[
\text{Avg. % Payout} = 31.3\% \quad \text{Average Yield} = 2.1\% \quad \text{Forecast Average PE} = 15.20
\]

C. COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

\[
\text{Annualized Appreciation} = 10.2\% \quad \text{Annualized Rate of Return} = 11.9\%
\]

\[
\text{COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E}
\]

\[
\text{Annualized Appreciation} = 6.2\% \quad \text{Annualized Rate of Return} = 8.3\%
\]
<table>
<thead>
<tr>
<th>Subject</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact of Tax Cuts and Jobs Act</td>
<td>In 2017, GNTX had a reduction of tax rate because of the Act, but it's not one-time. And throughout the last three quarters of 2018, the tax rate has gone down (in comparison to previous years).</td>
</tr>
</tbody>
</table>