2nd Quarter 2016 report for GNTX  Date: 9-29-16

Percentage change in Sales from year ago quarter __11.7%__________
Percentage change in Earnings per Share from year ago quarter __20.0%__________
Is company meeting our target sales & earnings estimates? yes

Pre-tax Profit on sales trend? (up, even, down) Up
Return on equity trends? (up, even, down) Up
Debt? (up, even, down) UP
Current PE is ___15.2_____.
Where does it fall in my estimated High/low range of PE's? Lower-Range

Signature PE = ___18.6

Club cost basis for this stock is __$14.81_____.  Current price is __$17.64 (09/28/16)___
(from latest valuation)

Current fair value: Morningstar: $20.00 up from $18.00  S&P: $22.30 up from $20.70 – 4 Stars, Buy
My SSG Total Return is ______14.2% ______  Projected Average Return (Average PE): 18.9

Gentex reported good 2nd quarter results. Free cash flow remains abundant.

What will drive future growth: VL (9/16/16) The HomeLink (55 models of smoke alarms and detectors and 100 models of signaling appliances) acquisition will help drive top and bottom lines with gross margins of nearly 60%. Gentex will continue to outpace the overall industry, driven by (1) increased penetration of interior and exterior auto-dimming mirrors, (2) increased foreign (especially Japan) demand, and (3) new 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. Shares of Gentex are ranked to track the broader market averages in the coming 6 to 12 months and offer above average return over 3- to 5-year period.

MStar (7/22/16): 91% of auto-dimming mirror market. Increased gross margin by 100 basis points to 39.4. Raised Fair Value to $20. Its financial health strong and GNTX can survive any downturn in the US easier than other auto suppliers. Buy-back of 6.2m shares. Strong cash flow and low-debt could make the firm an acquisition candidate.

S&P (7/22/16) has 12-month target of $21 applying a 16X multiple to 2017 EPS estimate of $1.32. Anticipating accretion from HomeLink acquisition and increasing visibility of products, but slowing near term growth. Forward Strategy: adding features to interior and exterior auto mirrors. Pays over 2% dividend.

Represents 6.8% of our portfolio

Recommend: Buy More __, Hold__Hold___, Challenge with a better investment______, Sell___