



# **GENTEX CORPORATION**

## **2018 INVESTOR OVERVIEW**

## Safe Harbor for Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The statements contained in this communication that are not purely historical are forward-looking statements.

Forward-looking statements give the Company's current expectations or forecasts of future events. These forward-looking statements generally can be identified by the use of words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "goal", "hope", "may", "plan", "project", "will", and variations of such words and similar expressions. Such statements are subject to risks and uncertainties that are often difficult to predict and beyond the Company's control, and could cause the Company's results to differ materially from those described.

These risks and uncertainties include, without limitation, changes in general industry or regional market conditions; changes in consumer and customer preferences for our products (such as cameras replacing mirrors and/or autonomous driving); our ability to be awarded new business; continued uncertainty in pricing negotiations with customers; loss of business from increased competition; changes in strategic relationships; customer bankruptcies or divestiture of customer brands; fluctuation in vehicle production schedules; changes in product mix; raw material shortages; higher raw material, fuel, energy and other costs; unfavorable fluctuations in currencies or interest rates in the regions in which we operate; costs or difficulties related to the integration and/or ability to maximize the value of any new or acquired technologies and businesses; changes in regulatory conditions; warranty and recall claims and other litigation and customer reactions thereto; possible adverse results of pending or future litigation or infringement claims; changes in tax laws; import and export duty and tariff rates in or with the countries with which we conduct business; negative impact of any governmental investigations and associated litigations including securities litigations relating to the conduct of our business.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law or the rules of the NASDAQ Global Select Market. Includes content supplied by IHS Markit Light Vehicle Production Forecast (July 16, 2018) (<https://www.gentex.com/forecast-disclaimer>).

# 2017 RETURN TO SHAREHOLDERS

**\$0.39**

Dividend Per Share

**\$108.8M**

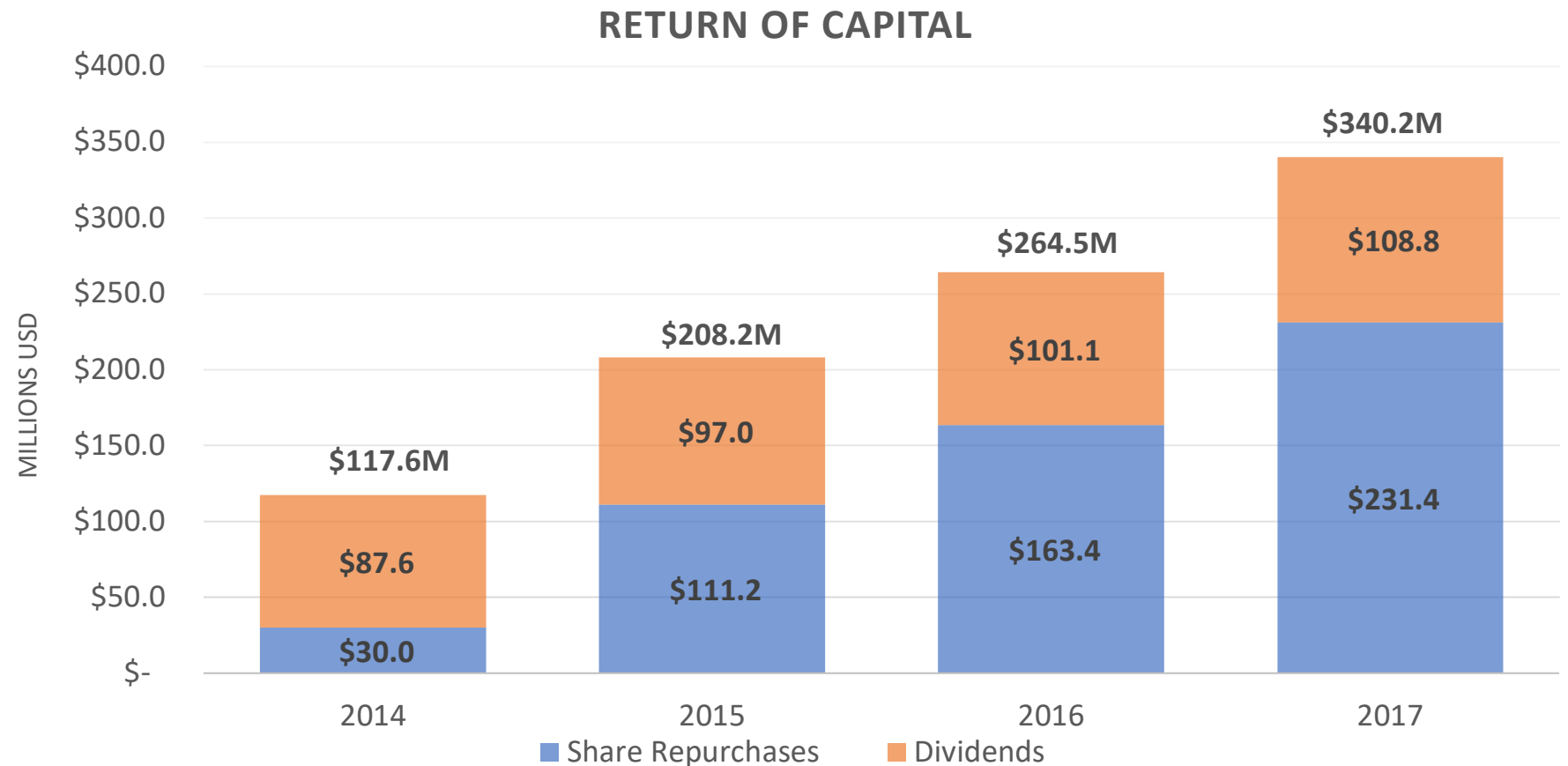
Dividends Paid

**11.95M**

Shares Repurchased

**\$231.4M**

Share Repurchases





# 2018 CAPITAL ALLOCATION STRATEGY

10%

Dividend Increase

\$425M

Share Repurchase Authorization

\$78M

Debt Repayment

\$150M

Additional Line of Credit

\$525M

Targeted Net Cash Position



# 2018 GUIDANCE

Updated July 20, 2018.

**\$1.88B - \$1.91B**

Revenue

**37.5% - 38.5%**

Gross Margin %

**\$180M - \$185M**

Operating Expenses (E, R&D, SG&A)

**15% - 18%**

Tax Rate

**\$110M - \$120M**

Capital Expenditures

**\$105M - \$115M**

Depreciation & Amortization



# THE BEAR CASE



Cameras  
replace mirrors



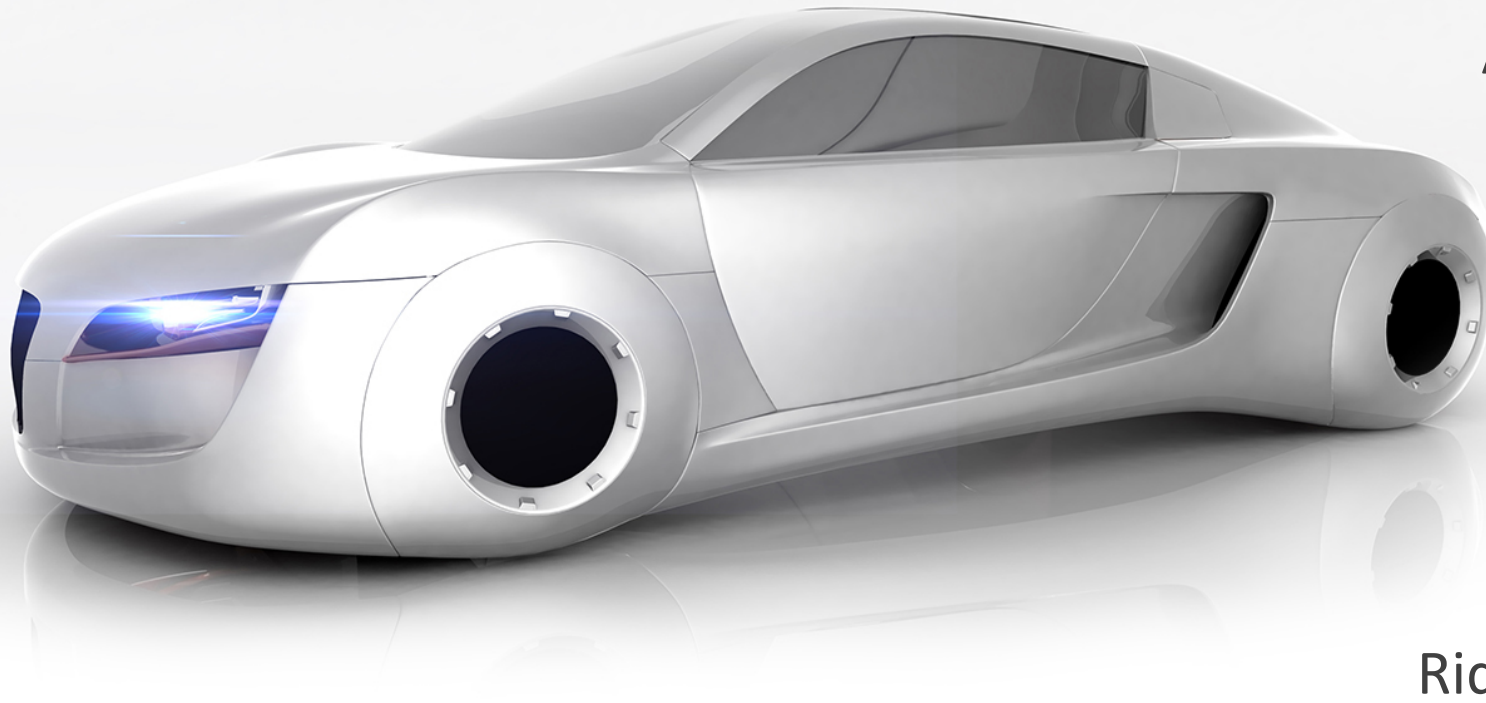
Autonomous cars  
remove mirrors



Apps replace  
HomeLink



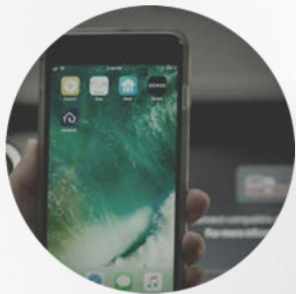
Ride Sharing reduces  
vehicle sales



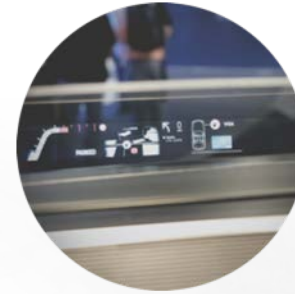
# OUR TECHNOLOGY STRATEGY



FDM and Camera  
Monitoring Systems



HomeLink and  
HomeLink Connect



ITM



Biometrics



Electronic Content and  
Dimmable Devices





# THANK YOU

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