# UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, DC 20549

# FORM 8-K

# **CURRENT REPORT** Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report: October 22, 2013

# **GENTEX CORPORATION**

(Exact name of registrant as specified in its charter)

Michigan (State or other jurisdiction of incorporation)

600 North Centennial Street Zeeland, Michigan

(Address of principal executive offices)

**0-10235** (Commission File Number) **38-2030505** (IRS Employer Identification No.)

> **49464** (Zip Code)

Registrant's telephone number, including area code: (616) 772-1800

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12).

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)).

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)).

#### Section 2. Financial Information

#### Item 2.02 Results of Operations and Financial Condition

(a) On October 22, 2013, Gentex Corporation issues a news release announcing financial results for the third quarter ended September 30, 2013. A copy of the news release is attached as Exhibit 99.1 to the Form 8-K.

The information in this Form 8-K and the attached Exhibit shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

#### Section 9. Financial Statements and Exhibits

# Item 9.01 Financial Statements and Exhibits

(d) Exhibit

99.1 – News Release Dated October 22, 2013.

#### **SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: October 22, 2013

GENTEX CORPORATION (Registrant)

By <u>/s/ Steven R. Downing</u> Steven R. Downing Its Vice President - Finance and Chief Financial Officer

# EXHIBIT INDEX

99.1 News Release Dated October 22, 2013



# **GENTEX REPORTS THIRD QUARTER 2013 FINANCIAL RESULTS**

Zeeland, Michigan, October 22, 2013 - Gentex Corporation, the Zeeland, Michigan-based manufacturer of automotive automatic-dimming rearview mirrors, automotive electronics, dimmable aircraft windows, and fire protection products, today reported financial results for the third quarter ended September 30, 2013.

For the third quarter of 2013, the Company's net sales were \$288.6 million, an 8% increase when compared with net sales of \$268.2 million in the third quarter of 2012.

The gross profit margin in the third quarter of 2013 was 36.7%, up 3.1 percentage points compared with a gross profit margin of 33.6% in the third quarter of 2012, primarily due to the impact of purchasing cost reductions and product mix, partially offset by annual customer price reductions. The gross profit margin in the third quarter of 2013 also increased sequentially from 35.8% in the second quarter of 2013, again due to purchasing cost reductions and product mix.

Net income for the third quarter of 2013 increased 33% to \$55.5 million, compared with net income of \$41.9 million in the third quarter of 2012, and also increased sequentially by 7% from \$52.1 million in the second quarter of 2013. Earnings per diluted share were \$0.38, which was an increase of \$0.09 compared with earnings per diluted share of \$0.29 in the third quarter of 2012, and were up sequentially from \$0.36 in the second quarter of 2013.

"We're very pleased to report continued strong revenue and earnings growth despite year-to-date reduced light vehicle production in Europe and the Japan/Korea regions" said Fred Bauer, Gentex Chairman of the Board and Chief Executive Officer, "and we're excited by the momentum that the continued strong financial performance gives us as we move into a future that will include the growth that comes with our HomeLink<sup>®</sup> acquisition."

#### **Unit Shipments and Net Sales**

Automotive mirror unit shipments increased 13% in the third quarter of 2013 compared with the third quarter of 2012. Automotive net sales increased 7% in the third quarter of 2013 to \$280.9 million, compared with automotive net sales of \$261.9 million in the second quarter of 2012.

North American automotive mirror unit shipments increased 6% compared with the third quarter of 2012, while North American light vehicle production increased by 7% in the most recently completed quarter compared with the same quarter last year.

International automotive mirror unit shipments increased 18% in the third quarter of 2013 compared with the third quarter of 2012, primarily due to increased mirror unit shipments to certain European and Asian automakers. European light vehicle production decreased by 1% in the most recently completed quarter compared with the same quarter last year, while Japan and Korea light vehicle production increased 3% compared with the same quarter last year.

Other net sales, which include fire protection products and dimmable aircraft windows, were \$7.7 million in the third quarter of 2013, up 21% compared with \$6.3 million in the third quarter of 2012.

#### Future Estimates

The Company's forecasts for light vehicle production for each of the following periods in 2013 compared with the same periods in 2012 are based on the IHS Automotive October 2013, forecast for light vehicle production in North America, Europe, Japan and Korea.

Light Vehicle Production (per IHS Automotive's October light vehicle production forecast)

|                 |             | (111 10113) |          |               |               |          |
|-----------------|-------------|-------------|----------|---------------|---------------|----------|
|                 | 4th Quarter | 4th Quarter |          | Calendar Year | Calendar Year |          |
| Region          | 2013        | 2012        | % Change | 2013          | 2012          | % Change |
| North America   | 4.05        | 3.82        | 6%       | 16.2          | 15.4          | 5 %      |
| Europe          | 4.69        | 4.68        | —%       | 19.0          | 19.3          | (2)%     |
| Japan and Korea | 3.46        | 3.34        | 4%       | 13.4          | 14.0          | (4)%     |

The Company estimates that net sales in the fourth quarter of 2013, including sales from the now completed acquisition of HomeLink, will increase 20-25% compared with the fourth quarter of 2012, based on the October 2013 IHS production forecast and current forecasted product mix.

The Company also estimates the gross profit margin for the fourth quarter of 2013, to be in the range of 38-38.5%, based on the October 2013 IHS production forecast and current forecasted product mix.

The Company currently estimates E,R&D expense in the fourth quarter of 2013 to increase 5-10% compared with E,R&D in the fourth quarter of 2012. Additionally, S,G&A expense in the fourth quarter of 2013 is estimated to increase 15-20% compared with S,G&A in the fourth quarter of 2012.

#### Safe Harbor for Forward-Looking Statements

This new release 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; our ability to be awarded new business; continued uncertainty in pricing negotiations with customers; loss of business from increased competition; 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 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; negative impact of any governmental investigations and associated litigations including securities litigations relating to the conduct of our business; integration of the newly acquired HomeLink business operations; retention of the newly acquired customers of the HomeLink business; and expansion of product offerings including those incorporating HomeLink technology. 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 Nasdag Global Select Market. Accordingly, any forward-looking statement should be read in conjunction with the additional information about risks and uncertainties identified under the heading "Risk Factors" in the Company's latest Form 10-K and Form 10-Q filed with the SEC.

#### Third Quarter Conference Call

A conference call related to this news release will be simulcast live on the Internet beginning at 10:30 a.m. EST today October 22, 2013. To access that call, go to www.gentex.com and select the

"Audio Webcast" icon on the right side of the page. Other conference calls hosted by the Company will also be available at that site in the future.

# About The Company

Founded in 1974, Gentex Corporation (The Nasdaq Global Select Market: GNTX) is a supplier of automatic-dimming rearview mirrors and electronics to the automotive industry, dimmable aircraft windows for aviation markets, and fire protection products to the fire protection market. Visit the Company's web site at <u>www.gentex.com</u>.

#### GENTEX CORPORATION AUTO-DIMMING MIRROR SHIPMENTS (Thousands)

|                                   | Three Months Ended September 30, |       |             | Nine Months ended September 30, |        |             |  |  |
|-----------------------------------|----------------------------------|-------|-------------|---------------------------------|--------|-------------|--|--|
|                                   | 2013                             | 2012  | %<br>Change | 2013                            | 2012   | %<br>Change |  |  |
| North American Interior Mirrors   | 1,867                            | 1,879 | (1)%        | 5,897                           | 5,820  | 1%          |  |  |
| North American Exterior Mirrors   | 563                              | 423   | 33 %        | 1,631                           | 1,281  | 27%         |  |  |
| Total North American Mirror Units | 2,430                            | 2,302 | 6 %         | 7,528                           | 7,101  | 6%          |  |  |
| International Interior Mirrors    | 2,972                            | 2,537 | 17 %        | 8,507                           | 7,935  | 7%          |  |  |
| International Exterior Mirrors    | 1,202                            | 995   | 21 %        | 3,493                           | 3,105  | 12%         |  |  |
| Total International Mirror Units  | 4,174                            | 3,532 | 18 %        | 12,000                          | 11,040 | 9%          |  |  |
| Total Interior Mirrors            | 4,839                            | 4,416 | 10 %        | 14,404                          | 13,755 | 5%          |  |  |
| Total Exterior Mirrors            | 1,765                            | 1,418 | 24 %        | 5,124                           | 4,386  | 17%         |  |  |
| Total Auto-Dimming Mirror Units   | 6,604                            | 5,834 | 13 %        | 19,528                          | 18,141 | 8%          |  |  |

Note: Certain prior year amounts have been reclassified to conform with the current year presentation. Percent change and amounts may not total due to rounding.

# GENTEX CORPORATION AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF INCOME

|                                     | (Unaudited)<br>Three Months Ended September 30, |             |    |             | (Unaudited)<br>Nine Months ended September 30, |             |    |             |
|-------------------------------------|---|-------------|----|-------------|--|-------------|----|-------------|
|                                     |   | 2013        |    | 2012        |  | 2013        |    | 2012        |
| Net Sales                           | \$ 2  | 288,621,626 | \$ | 268,248,089 | \$   | 845,094,493 | \$ | 839,210,399 |
| Cost of Goods Sold                  |   | 182,659,141 |    | 178,132,021 |  | 543,055,886 |    | 555,510,532 |
| Gross profit                        |   | 105,962,485 | _  | 90,116,068  | _  | 302,038,607 |    | 283,699,867 |
|                                     |   |             |    |             |  |             |    |             |
| Engineering, Research & Development |   | 19,106,682  |    | 20,434,012  |  | 56,654,440  |    | 66,441,649  |
| Selling, General & Administrative   |   | 13,199,557  |    | 12,058,701  |  | 36,278,011  |    | 36,621,668  |
| Income from operations              |   | 73,656,246  |    | 57,623,355  |  | 209,106,156 | _  | 180,636,550 |
| Other Income                        |   | 7,387,008   |    | 4,062,706   |  | 14,819,949  |    | 10,516,549  |
| Income before Income Taxes          |   | 81,043,254  | _  | 61,686,061  | _  | 223,926,105 |    | 191,153,099 |
| Provision for Income Taxes          |   | 25,522,293  |    | 19,808,978  |  | 70,877,180  |    | 62,164,893  |
| Net Income                          | \$  | 55,520,961  | \$ | 41,877,083  | \$   | 153,048,925 | \$ | 128,988,206 |
|                                     |   |             |    |             |  |             |    |             |
| Earnings Per Share                  |   |             |    |             |  |             |    |             |
| Basic                               | \$  | 0.39        | \$ | 0.29        | \$   | 1.07        | \$ | 0.90        |
| Diluted                             | \$  | 0.38        | \$ | 0.29        | \$   | 1.06        | \$ | 0.89        |
| Weighted Average Shares             |   |             |    |             |  |             |    |             |
| Basic                               |   | 143,697,760 |    | 143,027,693 |  | 143,160,402 |    | 143,415,077 |
| Diluted                             |   | 144,518,900 |    | 143,584,375 |  | 143,816,041 |    | 144,417,219 |
|                                     |   |             |    |             |  |             |    |             |
| Cash Dividends Declared per Share   | \$  | 0.14        | \$ | 0.13        | \$   | 0.42        | \$ | 0.39        |

# GENTEX CORPORATION AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS

|  | S  | (Unaudited)<br>eptember 30, 2013 |    | December 31, 2012 |  |  |
|--|----|----------------------------------|----|-------------------|--|--|
| ASSETS                                       |    |                                  |    |                   |  |  |
| Cash and Short-Term Investments              | \$ | 226,676,955                      | \$ | 450,481,520       |  |  |
| Other Current Assets                         |    | 297,174,694                      |    | 294,181,520       |  |  |
| Total Current Assets                         |    | 523,851,649                      |    | 744,663,040       |  |  |
|  |    |                                  |    |                   |  |  |
| Plant and Equipment - Net                    |    | 351,066,630                      |    | 349,938,172       |  |  |
|  |    |                                  |    |                   |  |  |
| Goodwill                                     |    | 337,670,463                      |    | _                 |  |  |
| Long-Term Investments                        |    | 114,270,623                      |    | 141,834,034       |  |  |
| Patents and Other Assets                     |    | 370,268,798                      |    | 29,256,089        |  |  |
| Total Other Assets                           |    | 822,209,884                      |    | 171,090,123       |  |  |
|  |    |                                  |    |                   |  |  |
| Total Assets                                 | \$ | 1,697,128,163                    | \$ | 1,265,691,335     |  |  |
|  |    |                                  |    |                   |  |  |
| LIABILITIES AND SHAREHOLDERS' INVESTMENT     |    |                                  |    |                   |  |  |
| Current Liabilities                          | \$ | 120,590,431                      | \$ | 87,957,442        |  |  |
| Long-Term Debt                               |    | 267,500,000                      |    | —                 |  |  |
| Deferred Income Taxes                        |    | 53,730,295                       |    | 56,773,337        |  |  |
| Shareholders' Investment                     |    | 1,255,307,437                    | _  | 1,120,960,556     |  |  |
| Total Liabilities & Shareholders' Investment | \$ | 1,697,128,163                    | \$ | 1,265,691,335     |  |  |