UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR FISCAL YEAR ENDED DECEMBER 31, 2005.

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from ________________ to ________________.

Commission File No.: 0-10235

GENTEX CORPORATION
(Exact name of registrant as specified in its charter)

MICHIGAN	38-2030505
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
600 N. CENTENNIAL STREET, ZEELAND, MICHIGAN	49464
(Address of principal executive offices)	(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each Class	Name of each exchange on which registered
NONE	

Securities registered pursuant to Section 12(g) of the Act:

COMMON STOCK, PAR VALUE $.06 PER SHARE
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes:[X] No:[ ]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes:[ ] No:[X]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes:[X] No:[ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" in Rule 12b-2 of the Exchange Act.
Large Accelerated Filer Yes:[X] Accelerated Filer Yes:[ ] Non-Accelerated Filer Yes:[ ]

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2.

Yes:[ ] No:[X]

As of June 30, 2005 (the last business day of the registrant's most recently completed second fiscal quarter), 156,469,171 shares of the registrant's common stock, par value $.06 per share, were outstanding. The aggregate market value of the common stock held by non-affiliates of the registrant (i.e., excluding shares held by executive officers, directors, and control persons as defined in Rule 405, 17 CFR 203.405) on that date was $2,724,013,128 computed at the closing price on that date.

As of February 9, 2006, 154,533,984 shares of the registrant's common stock, par value $.06 per share, were outstanding.

Portions of the Company's Proxy Statement for its 2006 Annual Meeting of Shareholders are incorporated by reference into Part III.

Exhibit Index located at Page 39

PART I

ITEM 1. BUSINESS

(a) GENERAL DEVELOPMENT OF BUSINESS

Gentex Corporation (the "Company") designs, develops, manufactures and markets proprietary products employing electro-optic technology: automatic-dimming rearview mirrors and fire protection products.

The Company was organized in 1974 to manufacture residential smoke detectors, a product line that has since evolved into a more sophisticated group of fire protection products for commercial applications. In 1982, the Company introduced an automatic interior rearview mirror that was the first commercially successful glare-control product offered as an alternative to the conventional, manual day/night mirror. In 1987, the Company introduced its interior electrochromic (auto-dimming) mirror, providing the first successful commercial application of electrochromic (EC) technology in the automotive industry and world. Through the use of electrochromic technology, this mirror is continually variable and automatically darkens to the degree required to eliminate rearview headlight glare. In 1991, the Company introduced its exterior electrochromic sub-assembly, which works as a complete glare-control system with the interior auto-dimming mirror. In 1997, the Company began making volume shipments of three new exterior mirror sub-assembly products: thin glass flat, convex and aspheric.

During 2004, the Company began shipping auto-dimming mirrors with SmartBeam, its proprietary intelligent high-beam headlamp control feature, for the Cadillac STS and Jeep Grand Cherokee. Also during 2004, the Company began making shipments of its auto-dimming mirrors to Peugeot, the Company's first automotive OEM customer in France.

During 2005, the Company began shipping auto-dimming mirrors with SmartBeam for the Cadillac DTS, the Jeep Commander, and BMW 5, 6 and 7 Series.

In December 2005, the Company reached an agreement with PPG Aerospace to work together to provide the variably dimmable windows for the passenger compartment on the new Boeing 787 Dreamliner series of aircraft.

The Company's annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports, will be made available free of charge through the Investor Information section of the Company's Internet website (http://www.gentex.com) as soon as practicable after such material is electronically filed with or furnished to the Securities and Exchange Commission.

(b) FINANCIAL INFORMATION ABOUT INDUSTRY SEGMENTS

See Note 9 to the Consolidated Financial Statements filed with this report.

(c) NARRATIVE DESCRIPTION OF BUSINESS

The Company currently manufactures electro-optic products, including automatic-dimming rearview mirrors for the automotive industry and fire protection products primarily for the commercial building industry.

AUTOMATIC-DIMMING REARVIEW MIRRORS

Interior Auto-Dimming Mirrors. In 1987, the Company achieved a significant technological breakthrough by applying electrochromic technology to the glare-sensing capabilities of its Motorized Mirror. Through the use of this technology, the mirror gradually darkens to the degree necessary to eliminate rearview glare from following vehicle headlights. The auto-dimming mirror offers all of the continuous reflectance levels between its approximate 85% full-reflectance state and its 7% least-reflectance state, taking just a few seconds to span the entire range. Special electro-optic sensors in the mirror detect glare and electronic circuitry supplies electricity to darken the mirror to only the precise level required to eliminate glare, allowing the driver to maintain maximum vision. This is accomplished by the utilization of two layers of precision glass with special conductive coatings that are separated by the Company's proprietary electrochromic materials. When the appropriate light differential is detected, an electric current causes the electrochromic material to darken, decreasing the mirror's reflectance, thereby eliminating glare.

During 1991, the Company began shipping the first advanced-feature interior auto-dimming mirror, the auto-dimming headlamp control mirror, an automatic-dimming mirror that automatically turns car head- and taillamps "on" and "off" at dusk and dawn in response to the level of light observed. During 1993, the Company began shipping an auto-dimming compass mirror, with an electronic compass that automatically compensates for changes in the earth's magnetic field. During 1997, the Company began shipping a new interior auto-dimming mirror that digitally displays either a compass or outside temperature reading. During 1998, the Company began shipping new compass mirrors with its proprietary light-emitting diode (LED) map lamps, a major improvement over mirrors with standard incandescent map lamps, including extremely long life, low heat generation, lower current draw, more resistance to shock, and lower total cost of ownership. In 2000, the Company began shipping to General Motors interior auto-dimming mirrors that serve as the driver interface for the OnStar(R) System, an in-vehicle safety, security and information service using Global Positioning System (GPS) satellite technology. OnStar is a registered trademark of OnStar Corporation.

During 2001 and 2002, the Company began making shipments of its auto-dimming mirrors for a number of mid-sized, medium-priced vehicles, including the Toyota Camry, Matrix and Corolla; Ford Taurus and Mercury Sable; Volkswagen Passat, Jetta, Golf GTI and Beetle; Nissan Altima; Opel cross car line; Chrysler Sebring Coupe; Hyundai Santa Fe and Sonata; and Kia Optima and Sorento.

During 2003, the Company began making shipments of its auto-dimming mirrors to two new automotive OEM customers, Honda and Volvo, and began volume shipments of its microphone as part of DaimlerChrysler's "U-Connect(R)" telematics system.

During 2004, the Company began shipping auto-dimming mirrors with SmartBeam, its proprietary intelligent high-beam headlamp control feature, for the Cadillac STS and Jeep Grand Cherokee. During 2005, the Company began shipping auto-dimming mirrors with SmartBeam for the Cadillac DTS, the Jeep Commander, and BMW 5, 6 and 7 Series models.

The Company shipped approximately 7,132,000 interior auto-dimming mirrors in 2003, approximately 8,363,000 in 2004, and 8,924,000 in 2005.

During 2005, the growth in interior total mirror unit shipments resulted from increased penetration of light vehicles manufactured worldwide, including Europe and Asian transplants in North America. The Company's interior auto-dimming mirrors are standard equipment or factory-installed options on certain trim levels of the following 2006 vehicle models:

TABLE 1. INTERIOR AUTO-DIMMING MIRROR AVAILABILITY BY VEHICLE LINE (NORTH AMERICAN MANUFACTURERS)

GM/Cadillac	DTS	DaimlerChrysler	300
	STS	/ Chrysler	Pacifica
	CTS		PT Cruiser
	Escalade		Sebring
	SRX		Town & Country
GM/Buick	LaCrosse	DaimlerChrysler /	Caravan
	Lucerne	Dodge	Charger
	Rainier		Dakota
GM/Hummer	H2		Durango
	H3		Magnum
GM/Pontiac	Torrent		Ram Pickup
GM/Chevrolet	Avalanche	DaimlerChrysler /	Commander
	Express	Jeep	Grand Cherokee
	Equinox		Liberty
	Malibu		Wrangler
	Silverado	DaimlerChrysler/	GL Class
	SSR	Mercedes-Benz	M Class
	Suburban		R Class
	Tahoe	BMW	X5
	Trailblazer	Hyundai	Sonata
GM/GMC	Envoy	Mazda	6
	Savana	Mitsubishi	Raider
	Sierra	Nissan	Altima
	Yukon		Armada
GM/Saturn	ION		Frontier
	Vue		Maxima
Ford	Crown Victoria		Pathfinder
	Expedition		Quest
	Five Hundred		Titan
	Freestar	Nissan / Infiniti	QX56
	Freestyle	Toyota	Avalon
	Fusion		Camry
	F Series		Camry Solara
	Taurus		Sequoia
Ford/Lincoln	LS		Sienna
	Mark LT		Tacoma
	Navigator	Toyota/Lexus	RX330
	Town Car	Volkswagen	Beetle
	Zephyr		Jetta
Ford/Mercury	Grand Marquis		
	Milan		
	Montego		
	Monterey		

TABLE 1. INTERIOR AUTO-DIMMING MIRROR AVAILABILITY BY VEHICLE LINE - CONTINUED
(MANUFACTURERS OUTSIDE OF NORTH AMERICA)

Bentley	Arnage	Maserati	Quattroporte
	Continental	Mazda	RX-8
BMW	7 Series	DaimlerChrysler/	C Class
	5 Series	Mercedes-Benz	CL Class
	6 Series		CLK
	3 Series		CLS
	X3		E Class
Daewoo/Ssangyong	Chairman		G Wagen
	Korando		S Class
	Kyron		SL Class
	Musso		SLK
	Rexton	Mitsubishi	380
	Rodius		NQZ Outlander
DaimlerChrysler / Chrysler	300	Nissan	350Z
	Voyager		Cima
DaimlerChrysler / Jeep	Grand Cherokee		Murano
Fiat	Idea		Navara
	Marea		Pathfinder
	Palio	Nissan / Infiniti	FX35 / FX45
	Stilo		G35
Fiat / Alfa Romeo	147		M45
	156		Q45
	166	PSA/Citroen	C6
Fiat / Lancia	Lybra	PSA/Peugeot	407
	Thesis	Porsche	Cayenne
Ford	Falcon	Toyota / Lexus	ES330
	Focus		GX470
	Mondeo		LS430
	Territory		LX470
Ford / Jaguar	S-Type		RX330
	XK		SC300
	XJ		SC430
Ford / Land Rover	LR3	Toyota	Avensis
	Range Rover		Camry
Ford / Volvo	C70		Corolla
	S40		Celsior
	V50		Century
GM / Opel	Astra		Cygnus
	Corsa		Highlander
	Meriva		Land Cruiser
	Signum		Mark X
	Vectra		Prius
	Zafira		RAV4
GM/Saab	9-7X		Windom
Honda / Acura	TSX		4-Runner
Honda	Accord	Volkswagen	Bora
	Inspire		Golf
Hyundai	Avante		Jetta
	Azera		Passat
	Equus		Phaeton
	Grandeur		Polo
	Sonata		Touareg
	Santa Fe		Touran
	Starex		Transporter
	Tuscani	Volkswagen / Audi	A3
	Terracan		A4
	Trajet		A6
	Tucson		A8
Hyundai / Kia Motors	Amanti		Cabrio Q7
	Carnival	Volkswagen / SEAT	Altea
	Carens		Cordoba
	Cerato		Ibiza
	Lotze		Leon
	Opirus		Toledo
	Sedona	Volkswagen / Skoda	Octavia
	Sorento		Superb
	Spectra		
	Sportage		

Exterior Auto-Dimming Mirror Sub-Assemblies. The Company has devoted substantial research and development efforts to the development of its electrochromic technology to permit its use in exterior rearview mirrors. Exterior auto-dimming mirrors are controlled by the sensors and electronic circuitry in the interior auto-dimming mirror, and both the interior and exterior mirrors dim simultaneously. During 1991, the Company's efforts culminated in a design that is intended to provide acceptable long-term performance in all environments likely to be encountered. In 1994, the Company began shipments of its complete three-mirror system, including the convex (curved glass) wide-angle auto-dimming mirror to BMW. During 1997, the Company began making volume shipments of additional new exterior mirror products - - thin glass flat and aspheric. During 2001 and 2002, the Company began making shipments of the world's first exterior automatic-dimming mirrors with built-in turn-signal indicators to Southeast Toyota and General Motors. The Company currently sells its exterior auto-dimming mirror sub-assemblies to exterior mirror suppliers of the automakers who assemble the exterior auto-dimming mirror sub-assemblies into full mirror units for subsequent resale to the automakers.

The Company shipped approximately 3,128,000 exterior auto-dimming mirror sub-assemblies during 2003, approximately 3,277,000 in 2004, and approximately 3,646,000 in 2005. During 2005, unit shipment growth primarily resulted from the increased penetration of light vehicles in Europe.

The exterior auto-dimming mirror is standard equipment or a factory-installed option on certain trim levels of the following 2006 vehicle models:

TABLE 2. EXTERIOR AUTO-DIMMING MIRROR AVAILABILITY BY VEHICLE LINE

GM/Cadillac	DTS	DaimlerChrysler / Mercedes- Benz	GL Class
	Escalade		M Class
	XLR		R Class
GM / Buick	Lucerne		S Class
GM / Chevrolet	Avalanche		SL Class
	Silverado		SLK
	SSR	Ford / Jaguar	S-Type
	Suburban		XJ
	Tahoe		XK
GM / GMC	Sierra	Ford / Land Rover	Range Rover
	Yukon	GM / Opel	Vectra
GM / Hummer	H2	Maserati	Quattroporte
Ford/Lincoln	Town Car	PSA/Citroen	C6
	Zephyr	Skoda	Octavia
DaimlerChrysler/ Chrysler	300	Volkswagen	Cabrio
	Pacifica		Golf
	Town & Country		Jetta
DaimlerChrysler/Dodge	Caravan		Passat
	Durango		Sharan
DaimlerChrysler/Jeep	Commander		Touareg
	Grand Cherokee	Honda/Acura	RL
Volkswagen / Audi	A4	Hyundai	Grandeur
	A6	Hyundai/Kia	Opirus
	A8	Nissan / Infiniti	Q45
	Cabrio Q7		QX56
BMW	7 Series	Toyota / Lexus	RX330
	6 Series	Nissan	Armada
	5 Series		Cima
	3 Series		Maxima
	X3		Titan
	X5	Rolls Royce	Phantom
Bentley	Continental	Daewoo / Ssangyong	Chairman
DaimlerChrysler / Mercedes- Benz	C Class	Toyota	Avalon
	CL Class		Camry Solara
	CLK		Sienna
	CLS		
	E Class		
	G Wagen		

Product Development. The Company plans to continue introducing additional advanced-feature auto-dimming mirrors. Advanced-feature auto-dimming mirrors currently being offered by the Company include the auto-dimming headlamp control mirror, the auto-dimming lighted mirror with LED map lamps, the auto-dimming compass mirror, the auto-dimming mirror with remote keyless entry, the auto-dimming compass/temperature mirror, the auto-dimming dual display compass/temperature mirror, auto-dimming telematics mirrors and the auto-dimming HomeLink(R) mirror. During 2001, the Company announced a revolutionary new proprietary technology, called SmartBeam(((TM))), that uses a custom, active-pixel, CMOS (complementary metal oxide semiconductor) sensor, and maximizes a driver's forward vision by significantly improving utilization of the vehicle's highbeam headlamps during nighttime driving. During 2004, the Company began shipping auto-dimming mirrors with SmartBeam, its proprietary intelligent high-beam headlamp control feature, on the Cadillac STS and Jeep Grand Cherokee. During 2005, the Company began shipping auto-dimming mirrors with SmartBeam on the Cadillac DTS, the Jeep Commander, and BMW 5, 6 and 7 Series models.

The Company has also developed a new ALS (Active Light Sensor) technology as a cost-effective, improved-performance, intelligent CMOS light sensor to control the dimming of its rearview mirrors, and the Company began making volume shipments of mirrors incorporating ALS in 2002.

Also during 2001, the Company developed a new microphone designed specifically for use in the automotive environment for telematics applications. The first volume Gentex microphone application was part of DaimlerChrysler's "U-Connect(R)" telematics system, beginning in 2003.

Of particular importance to the Company has been the development of its electrochromic technology for use in complete three-mirror systems. In these systems, both the driver- and passenger-side exterior auto-dimming mirrors are controlled by the sensors and electronic circuitry in the interior rearview mirror, and the interior and both exterior mirrors dim simultaneously.

The Company's success with electrochromic technology provides an opportunity for other potential commercial applications, which the Company expects to explore in the future when and as the Company feels it is in its best interests to do so. Examples of possible applications of electrochromic technology include windows for both the automotive, architectural and aerospace markets, sunroofs and sunglasses. Progress in adapting electrochromic technology to the specialized requirements of the window market continued in 2005. In December 2005, the Company reached an agreement with PPG Aerospace to work together to provide the variably dimmable windows for the passenger compartment on the new Boeing 787 Dreamliner series of aircraft. Gentex will ship about 100 windows for the passenger compartment of each 787. The Company believes that the commercially variable market is currently limited to aerospace. Based on Boeing's production schedule, the value of this initial contract is worth approximately $50 million over the first five years once volume production begins, with the majority of that revenue attributable to Gentex under the Company's agreement with PPG Aerospace. The Company began shipping prototypes early in 2006, and volume production is expected to begin during the second half of 2007. However, we believe that a commercial architectural window product will require several years of additional engineering and intellectual property development work.

Markets and Marketing. In North America, the Company markets its products primarily through a direct sales force. The Company generally supplies auto-dimming mirrors to its customers worldwide under annual blanket purchase orders. The Company currently supplies auto-dimming mirrors to General Motors Corporation and DaimlerChrysler AG under long-term agreements. During 2005, the Company negotiated an extension to its long-term agreement for inside mirrors with General Motors in the ordinary course of the Company's business. Under the extension, Gentex will be sourced virtually all of the interior auto-dimming rearview mirror programs for GM and its worldwide affiliates through August 2009, except for two low-volume models that had previously been awarded to a Gentex competitor under a lifetime contract. The new business includes the GMT360 program (which is the mid-size truck/SUV platform that previously did not offer auto-dimming mirrors). All but the two previously mentioned GM programs will be transferred to Gentex expeditiously but no later than the 2007 model year. At the time of the agreement, this new business was estimated to represent incremental auto-dimming mirror units in the range of 500,000 on an annualized basis. The Company also negotiated a price reduction for the GM OnStar(R) feature in its auto-dimming mirrors, effective January 1, 2005, in connection with GM's stated plan to make their OnStar system standard across their vehicle models over the next several years.

Also during 2005, the Company negotiated a three-year extension to its long-term agreement with DaimlerChrysler AG in the ordinary course of the Company's business. Under the extension, the Company will be sourced virtually all interior and exterior auto-dimming mirror business at Mercedes and Chrysler through December 2009. The Company's exterior auto-dimming mirror sub-assemblies are supplied by means of sales to exterior mirror suppliers.

During 1993, the Company established a sales and engineering office in Germany and the following year, the Company formed a German limited liability company, Gentex GmbH, to expand its sales and engineering support activities in Europe. During 1999, the Company established Gentex Mirrors, Ltd., as a sales and engineering office in the United Kingdom. During 2000, the Company established Gentex France, SAS, as a sales and engineering office in France. During 2003, the Company established a satellite office in Munich, Germany, and during 2005, the Company established a satellite office in Sweden. The Company's marketing efforts in Europe are conducted through Gentex GmbH, Gentex Mirrors, Ltd., and Gentex France SAS, with limited assistance from independent manufacturers' representatives. The Company is currently supplying mirrors for Audi, Bavarian Motor Works, A.G. (BMW), Bentley, Citroen, Fiat, Jaguar, Land Rover, MG Rover, Mercedes-Benz, Opel, Peugeot, Rolls Royce, SEAT, Skoda, Volkswagen and Volvo in Europe.

In 1991, the Company began shipping electrochromic mirror assemblies for Nissan Motor Co., Ltd. under a reciprocal distribution agreement with Ichikoh Industries, Ltd. (Ichikoh), a major Japanese supplier of automotive products. Under this agreement, Ichikoh marketed the Company's automatic mirrors to certain Japanese automakers and their subsidiaries with manufacturing facilities in Asia. The arrangement involved very limited technology transfer by the Company and did not include the Company's proprietary electrochromic gel formulation. The agreement was terminated by mutual agreement in 2001.

During 1993, the Company hired a sales agent to market auto-dimming mirrors to other Japanese automakers beyond Nissan. Subsequently in 1998, the Company established Gentex Japan, Inc., as a sales and engineering office in Nagoya, Japan to expand its sales and engineering support in Japan. In 2000, the Company signed an agreement with Murakami Corporation, a major Japanese mirror manufacturer, to cooperate in expanding sales of automatic-dimming mirrors using the Gentex electrochromic technology. During 2002, the Company established Gentex Technologies Korea Co., Ltd. as a sales and engineering office in Seoul, Korea. During 2004, the Company established a satellite office in Yokohama, Japan. During 2005, the Company began opening a sales and engineering office near Shanghai, China. The Company is currently supplying mirrors for Daewoo/Ssangyong, Ford, GM, Honda, Hyundai, Infiniti, Kia Motors, Lexus, Mazda, Mitsubishi, Nissan, Samsung and Toyota in Asia.

Historically, new safety and comfort options have entered the original equipment automotive market at relatively low rates on "top of the line" or luxury model automobiles. As the selection rates for the options on the luxury models increase, they generally become available on more models throughout the product line and may become standard equipment. The recent trend of domestic and foreign automakers is to offer several options as a package. As consumer demand increases for a particular option, the mirror tends to be offered on more vehicles and in higher option rate packages. The Company anticipates that its auto-dimming mirrors will be offered as standard equipment, in higher option rate packages, and on more models as consumer awareness of the safety and comfort feature becomes more well-known and acceptance grows.

Since 1998, Gentex Corporation has contracted with MITO Corporation to sell several of its most popular automatic-dimming mirrors directly to consumers in the automotive aftermarket; in addition, the Company currently sells some auto-dimming mirrors to automotive distributors. It is management's belief that these sales have limited potential until the Company achieves a significantly higher penetration of the original equipment manufacturing market.

Competition. Gentex is the leading producer of auto-dimming rearview mirrors in the world and currently is the dominant supplier to the automotive industry with an approximate 80% market share worldwide in 2005, as compared to an approximately 78% in 2004. While the Company believes it will retain a dominant position, one other U.S. manufacturer (Magna Donnelly Mirror Systems) is competing for sales to domestic and foreign vehicle manufacturers and is supplying a number of domestic and foreign vehicle models with its hybrid or solid polymer matrix versions of electrochromic mirrors. In addition, two Japanese manufacturers are currently supplying a few vehicle models in Japan with solid-state electrochromic mirrors.

On October 1, 2002, Magna International acquired Donnelly Corporation, which was the Company's major competitor for sales of automatic-dimming rearview mirrors to domestic and foreign vehicle manufacturers and their mirror suppliers. The Company also sells certain automatic-dimming rearview mirror sub-assemblies to Magna Donnelly.

The Company believes its electrochromic automatic mirrors offer significant performance advantages over competing products. However, Gentex recognizes that Magna Donnelly, a competitor and wholly-owned subsidiary of Magna International, is considerably larger than the Company and may present a more formidable competitive threat in the future. To date, the Company is not aware of any significant impact of Magna's acquisition of Donnelly upon the Company; however, any ultimate significant impact has not yet been determined.

There are numerous other companies in the world conducting research on various technologies, including electrochromics, for controlling light transmission and reflection. Gentex believes that the electrochromic materials and manufacturing process it uses for automotive mirrors remains the most efficient and cost-effective way to produce such products. While automatic-dimming mirrors using other technologies may eliminate glare, each of these technologies have inherent cost or performance limitations.

FIRE PROTECTION PRODUCTS

The Company manufactures approximately 60 different models of smoke alarms and smoke detectors, combined with over 160 different models of signaling appliances. All of the smoke detectors/alarms operate on a photoelectric principle to detect smoke. While the use of photoelectric technology entails greater manufacturing costs, the Company believes that these detectors/alarms are superior in performance to competitive devices that operate through an ionization process, and are preferred in most commercial residential occupancies. Photoelectric detectors/alarms feature low light-level detection, while ionization detectors utilize an ionized atmosphere, the electrical conductivity of which varies with changes in the composition of the atmosphere. Photoelectric detectors/alarms are widely recognized to respond more quickly to slow, smoldering fires, a common form of dwelling unit fire and a frequent cause of fire-related deaths. In addition, photoelectric detectors are less prone to nuisance alarms and do not require the use of radioactive materials necessary for ionization detectors. Photoelectric smoke detectors/alarms are now being required by over a dozen major cities, over a dozen states, as well as regional and national building and fire alarm codes.

The Company's fire protection products provide the flexibility to be wired as part of multiple-function systems and consequently are generally used in fire detection systems common to large office buildings, hotels, motels, military bases, college dormitories and other commercial establishments. However, the Company also offers single-station alarms for both commercial and residential applications. While the Company does not emphasize the residential market, some of its fire protection products are used in single-family residences that utilize fire protection and security systems. The Company's detectors emit audible and/or visual signals in the immediate location of the device, and certain models are able to communicate with monitored remote stations.

In 2005, the Company received Underwriters Laboratory (UL) listing on a new series of commercial residential smoke alarms. The Company feels this new product will fit well into new markets and customers. The new series of smoke alarms consists of four models and will be electrically powered or electrically powered with battery back-up.

Also in 2005, the Company received UL listing for a new line of speaker strobes for commercial occupancies. The new speaker series will meet the requirements found on the national codes.

Markets and Marketing. The Company's fire protection products are sold directly to fire protection and security product distributors under the Company's brand name, electrical wholesale houses, and to original equipment manufacturers of fire protection systems under both the Company's brand name and private labels. The fire protection and security industries have experienced a significant number of mergers and consolidations during the past few years. The Company markets its fire protection products throughout the United States through regional sales managers and manufacturer representative organizations.

Competition. The fire protection products industry is highly competitive in terms of both the smoke detectors and signaling appliance markets. The Company estimates that it competes principally with eleven manufacturers of smoke detection products for commercial use and approximately four manufacturers within the residential market, three of which produce photoelectric smoke detectors. In the signaling appliance markets, the Company estimates it competes with approximately eight manufacturers. While the Company faces significant competition in the sale of smoke detectors and signaling appliances, it believes that the recent introduction of new products, improvements to its existing products, its diversified product line, and the availability of special features will permit the Company to maintain its competitive position.

TRADEMARKS AND PATENTS

The Company owns 11 U.S. trademarks and 250 U.S. patents, 241 of which relate to electrochromic technology, automotive rearview mirrors and/or sensor/LED technology. These patents expire between 2007 and 2024. The Company believes that these patents provide the Company a significant competitive advantage in the automotive rearview mirror market; however, none of these patents individually is required for the success of the Company's products.

The Company also owns 13 foreign trademarks and 69 foreign patents, 68 of which relate to automotive rearview mirrors. These patents expire at various times between 2007 and 2021. The Company believes that the competitive advantage derived in the relevant foreign markets for these patents is comparable to that experienced in the U.S. market.

The Company's remaining 9 U.S. patents and 1 foreign patent relate to the Company's fire protection products, and the Company believes that the competitive advantage provided by these patents is relatively small.

The Company also has in process 132 U.S. patent applications, 310 foreign patent applications, and 19 trademark applications. The Company continuously seeks to improve its core technologies and apply those technologies to new and existing products. As those efforts produce patentable inventions, the Company expects to file appropriate patent applications.

MISCELLANEOUS

The Company considers itself to be engaged in the manufacture and sale of automatic rearview mirrors for the automotive industry and fire protection products for the commercial building industry. The Company has several important customers within the automotive industry, four of which each account for 10% or more of the Company's annual sales: General Motors Corporation, Toyota Motor Corporation, DaimlerChrysler AG, and BMW. The loss of any of these customers could have a material adverse effect on the Company. The Company's backlog of unshipped orders was $151,334,000 and $132,966,000 at February 1, 2006, and 2005, respectively.

At February 1, 2006, the Company had 2,264 full-time employees. None of the Company's employees are represented by a labor union or other collective bargaining representative. The Company believes that its relations with its employees are good.

ITEM 1A. RISK FACTORS

Safe Harbor for Forward-Looking Statements. This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act, as amended, that are based on management's belief, assumptions, current expectations, estimates and projections about the global automotive industry, the economy and the Company itself. Words like "anticipates," "believes," "confident," "estimates," "expects," "forecast," "likely," "plans," "projects," and "should," and variations of such words and similar expressions identify forward-looking statements (e.g. unit shipment growth estimates and maintenance of the Company's market share). These statements do not guarantee future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict with regard to timing, expense, likelihood and degree of occurrence. These risks include, without limitation, employment and general economic conditions, the pace of economic recovery in the U.S. and in international markets, the pace of automotive production worldwide, the types of products purchased by customers, competitive pricing pressures, currency fluctuations, the financial strength of the Company's customers, the mix of products purchased by customers, the ability to continue to make product innovations, the success of certain products, and other risks and uncertainties described herein. Therefore actual results and outcomes may materially differ from what is expressed or forecasted. Furthermore, the Company undertakes no obligation to update, amend, or clarify forward-looking statements, whether as a result of new information, future events, or otherwise.

The following risk factors, together with all other information provided in this Annual Report on Form 10-K, should be carefully considered.

Automotive Industry. 96% of our net sales are to customers within the automotive industry. Supplying products to the automotive industry involves increasing financial and production stresses due to continuing pricing pressures, lower domestic production levels, overcapacity, supplier bankruptcies, and commodity material cost increases. Automakers are experiencing increased volatility and uncertainty in executing planned new programs which have, in some cases, resulted in cancellation or delays of new vehicle platforms, package reconfigurations and inaccurate volume forecasts. This increased volatility and uncertainty has made it more difficult for us to forecast future sales and effectively utilize capital, engineering, research and development, and human resource investments.

Key Customers. We have a few large customers, including four customers which each account for 10% or more of our annual net sales - General Motors Corporation, Toyota Motor Corporation, DaimlerChrysler AG and BMW. The loss of all or a substantial portion of the sales to any of these customers would have a material adverse effect on our sales, margins, profitability and, as a result, our share price. Effective October 1, 2003, General Motors Corporation, our largest customer, began including a 30-day escape clause into its contracts in the event its suppliers are not competitive on pricing. Effective January 1, 2004, Ford Motor Company began imposing new contract terms, including the right to terminate a supplier contract for any or no reason, etc.

Pricing Pressures. In addition to price reductions over the life of its long-term agreements, we continue to experience pricing pressures from our automotive customers and competitors, which have affected, and which will continue to affect our margins to the extent that we are unable to offset the price reductions with productivity and manufacturing yield improvements, engineering and purchasing cost reductions, and increases in sales volume. In addition, profit pressures at certain automakers are resulting in increased cost reduction efforts by them, including requests for additional price reductions, decontenting certain features from vehicles, and warranty cost-sharing programs, any of which could adversely impact our sales growth, margins, profitability and , as a result, our share price.

Credit Risk. In light of the financial stresses within the worldwide automotive industry, certain automakers and tier one mirror customers have already declared bankruptcy or may be considering bankruptcy. Should one or more of our larger customers declare bankruptcy, it could adversely impact the collectibility of our accounts receivable, bad debt expense and net income.

Supply Chain Disruptions. Due to the just-in-time supply chains within the automotive industry, a disruption in a supply chain caused by an unrelated supplier due to bankruptcy, work stoppages, strikes, etc. could disrupt our shipments to one or more automaker customers, which could adversely affect our sales, margins, profitability and, as a result, our share price.

Competition. We recognize that Magna Donnelly, our main competitor and wholly-owned subsidiary of Magna International, is considerably larger than the Company and may present a more formidable competitive threat in the future. Our future growth and success will depend on the ability to compete in our highly competitive markets.

New Technology and Product Development. We continue to invest a significant portion of our annual sales in engineering, research and development projects. Should these efforts ultimately prove unsuccessful, our sales, net income and, as a result, our share price will be adversely affected.

Intellectual Property. We believe that our patents and trade secrets provide us with a significant competitive advantage in automotive rearview mirrors. The loss of any significant combination of patents and trade secrets could adversely affect our sales, margins, profitability and, as a result, share price.

Other. Other issues and uncertainties which could adversely impact our sales, margins, profitability and, as a result, our share price include:

- Changes in worldwide economic conditions, currency exchange rates, war or significant terrorist acts, which could affect worldwide automotive sales and production levels.

- Changes in the commodity prices of the materials used in our products. We continue to experience some pressure for select raw material cost increases.

- Our ability to attract or retain key employees to operate our manufacturing facilities and corporate office. We are dependent on the services of our management team. Losing one or more key members of our management team could adversely affect our operations. We do not maintain key man life insurance on any of our officers or directors.

- Success of the Company's strategic and operating plans to properly direct the Company, including continuing to obtain new business.

Antitakeover Provisions. Our articles of incorporation and bylaws, the laws of Michigan, and our Shareholder Protection Rights Plan include provisions which are designed to provide our board of directors with time to consider whether a hostile takeover offer is in our best interest and the best interests of our shareholders. These provisions, however, could discourage potential acquisition proposals and could delay or prevent a change in control. The provisions also could diminish the opportunities for a holder of our common stock to participate in tender offers, including tender offers at a price above the then current price for our common stock. These provisions could also prevent transactions in which our shareholders might otherwise receive a premium for their shares over then current market prices, and may limit the ability of our shareholders to approve transactions that they may deem to be in their best interests.

All of these provisions may have the effect of delaying or preventing a change in control at the company level without action by our shareholders, and therefore, could adversely affect the price of our common stock.

Fluctuations in Market Price. The market price for our common stock has fluctuated, ranging between $15.38 and $20.32 for 2005. The overall market and the price of our common stock may continue to fluctuate. There may be a significant impact on the market price for our common stock due to, among other things:

- variations in our anticipated or actual operating results or the results of our competitors;

- changes in investors' or analysts' perceptions of the risks and conditions of our business;

- the size of the public float of our common stock;

- market conditions, and

- general economic conditions.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None

ITEM 2. PROPERTIES.

The Company operates out of four office/manufacturing facilities in Zeeland, Michigan, approximately 25 miles southwest of Grand Rapids. The office and production facility for the Fire Protection Products Group is a 25,000-square-foot, one-story building leased by the Company since 1978 from related parties (see Part III, Item 13, of this report).

The corporate office and production facility for the Company's Automotive Products Group is a modern, two-story, 150,000-square-foot building of steel and masonry construction situated on a 40-acre site in a well-kept industrial park. A second 128,000-square-foot office/manufacturing facility on this site was opened during 1996. The Company expanded its automotive production facilities by constructing a third 170,000 square-foot facility on its current site which opened in the second quarter of 2000.

In November 2002, the Company announced plans to expand its manufacturing operations in Zeeland, Michigan, with the construction of a fourth 120,000-square foot automotive mirror manufacturing facility which is currently scheduled to be completed in spring 2006. During 2003, the Company also announced plans for a new 200,000-square foot technical office facility linking the fourth manufacturing facility with its existing corporate office and production facility. The Company plans to invest approximately $35 - 40 million for the new facilities, primarily during 2005 and 2006, financed from existing cash revenues.

The Company also constructed a 40,000 square-foot office, distribution and light manufacturing facility in Erlenbach, Germany, at a cost of approximately $5 million, which was completed at the end of 2003.

The Company's three automotive mirror manufacturing facilities currently have an estimated building capacity to manufacture approximately 14-16 million mirror units annually, based on the current product mix. The Company's fourth automotive mirror manufacturing facility under construction will have the potential to increase building manufacturing capacity by 8-10 million mirror units annually.

ITEM 3. LEGAL PROCEEDINGS

None that are material (other than ordinary routine litigation incidental to the business of the Company).

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

EXECUTIVE OFFICERS OF THE REGISTRANT.

The following table lists the names, ages, and positions of all of the Company's executive officers. Officers are elected at the first meeting of the Board of Directors following the annual meeting of shareholders.

NAME	AGE	POSITION	POSITION HELD SINCE
Fred Bauer	63	Chief Executive Officer	May 1986
Garth Deur	49	Executive Vice President	September 2002
Dennis Alexejun	54	Vice President, North American Automotive Marketing	September 1998
John Carter	58	Vice President, Mechanical Engineering	June 1997
Enoch Jen	54	Vice President, Finance	February 1991

There are no fa mily relationships among the officers listed in the preceding table.

Except for the executive officer listed below, all other executive officers have held their current position with the Company for more than five years.

Garth Deur has served as Executive Vice President of the Company since September 2002, as Senior Vice President of the Company since May 2001, and joined the Company as Vice President - Business Development and Planning in November 2000. Prior to joining the Company, Mr. Deur served as a Principal of Landmark Group, an investment management company, from March 1999 through November 2000. Prior to that time, Mr. Deur served as Vice President, Chrysler Business Operations, from March 1995 through March 1999, at the Automotive Interiors division of Johnson Controls, Inc. (formerly Prince Corporation, which was acquired by Johnson Controls in 1996).

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

The Company's common stock trades on The Nasdaq Stock Market(R). As of February 1, 2006, there were 2,522 record-holders of the Company's common stock. Ranges of high and low sale prices (adjusted for 2-for-1 stock split in May 2005) of the Company's common stock reported through The Nasdaq Stock Market for the past two fiscal years appear in the following table.

YEAR	QUARTER	HIGH	LOW
2004	First	$ 23.54	$ 19.68
	Second	23.46	17.17
	Third	19.90	16.00
	Fourth	18.93	15.10
2005	First	$ 18.25	$ 15.73
	Second	19.45	15.53
	Third	20.32	16.23
	Fourth	19.99	15.38

In August 2003, the Company announced a change in the Company's cash dividend policy and declared an initial quarterly cash dividend of $0.075 per share payable in October 2003. In August 2004, the Company's Board of Directors approved an increase on the quarterly dividend rate of $0.08. In August 2005, the Company's Board of Directors approved a continuing resolution to pay a quarterly dividend of $0.09 per share until the Board takes other action with respect to the payment of dividends. Based on current U.S. income tax laws, the Company intends to continue to pay a quarterly cash dividend at its current level and will consider future dividend increases based on the Company's profitability, cash flow and other business factors.

On April 1, 2005, the Company's Board of Directors declared a two-for-one stock split effected in the form of a 100% common stock dividend to shareholders of record on May 6, 2005. The stock split increased the number of shares of common stock then outstanding from 78,020,342 to 156,040,684. Earnings per share and all share data have been restated in all prior periods to reflect these stock splits.

On October 8, 2002, the Company announced a share repurchase plan, under which it may purchase up to 8,000,000 shares (post-split) based on a number of factors, including market conditions, the market price of the Company's common stock, anti-dilutive effect on earnings, available cash and other factors that the Company deems appropriate. This share repurchase plan does not have an expiration date. During the quarter ended March 31, 2003, the Company repurchased 830,000 shares (post-split) at a cost of approximately $10,247,000. On July 20, 2005, the Company announced that it had raised the price at which the Company may repurchase shares under the existing plan.

The following is a summary of share repurchase activity during 2005:

Period	Total Number Of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased As Part of a Publicly Announced Plan*	Maximum Number of Shares That May Yet Be Purchased Under the Plan*
August 2005	123,768	$17.02	123,768	7,046,232
September 2005	1,372,291	$16.84	1,372,291	5,673,941
Total	1,496,059		1,496,059	

* See above paragraph for data on which plan was announced, the total number of shares approved for repurchase under the plan, and the expiration date (if any) of the plan.

ITEM 6. SELECTED FINANCIAL DATA

(in thousands, except per share data)

	2005	2004	2003	2002	2001
Net Sales	$ 536,484	$ 505,666	$ 469,019	$ 395,258	$ 310,305
Net Income	109,528	112,657	106,761	85,771	65,217
Earnings Per Share*	$ 0.70	$ 0.72	$ 0.69	$ 0.56	$ 0.43
Cash Dividends Declared per Common Share*	$ 0.35	$ 0.32	$ 0.15	$ -	$ -
Total Assets	$ 922,646	$ 856,859	$ 762,530	$ 609,173	$ 506,823
Long-Term Debt Outstanding at Year End	$ -	$ -	$ -	$ -	$ -

*Adjusted for 2-for-1 stock split in May 2005.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION. RESULTS OF OPERATIONS.

The following table sets forth for the periods indicated certain items from the Company's Consolidated Statements of Income expressed as a percentage of net sales and the percentage change in the dollar amount of each such item from that in the indicated previous year.

	Percentage of Net Sales			Percentage Change	
	Year Ended December 31,			2004 to	2003 to
	2005	2004	2003	2005	2004
Net Sales	100.0%	100.0%	100.0%	6.1%	7.8%
Cost of Goods Sold	63.0	58.9	58.1	13.4	9.3
Gross Profit	37.0	41.1	41.9	(4.4)	5.7
Operating Expenses:					
Engineering, Research and Development	6.5	6.1	5.7	13.7	15.9
Selling, General and Administrative	5.1	5.3	5.0	1.6	15.2
Total Operating Expenses	11.6	11.4	10.7	8.1	15.5
Operating Income	25.4	29.7	31.2	(9.2)	2.4
Other Income	4.4	3.1	2.5	50.6	35.2
Income Before Provision for Income Taxes	29.8	32.8	33.7	(3.5)	4.8
Provision for Income Taxes	9.4	10.5	10.9	(5.1)	3.3
Net Income	20.4%	22.3%	22.8%	(2.8)%	5.5%

RESULTS OF OPERATIONS: 2005 TO 2004

Net Sales. Automotive net sales increased by 6% on an 8% increase in mirror shipments, from 11,640,000 to 12,570,000 units, primarily reflecting increased penetration of interior and exterior auto-dimming mirrors on European vehicles. North American mirror unit shipments increased by 4%, as growth in Asian transplant vehicle penetration was partially offset by reduced shipments to domestic automakers due to their lower production volumes, while overseas unit shipments increased by 12% during 2005. Net sales of the Company's fire protection products increased 5%, primarily due to stronger sales of certain fire alarm and signal products.

Cost of Goods Sold. As a percentage of net sales, cost of goods sold increased from 59% to 63% primarily reflecting annual and other automotive customer price reductions, product mix, higher fixed overhead expenses, and yield issues on certain new exterior mirror production lines and in the microelectronics manufacturing area. Each factor is estimated to have impacted cost of goods sold by approximately 1-2%.

Operating Expenses. Engineering, research and development expenses increased approximately $4,226,000, and increased from 6% to 7% of net sales, primarily due to additional staffing for new electronic product development, including SmartBeam and telematics, and new vehicle programs. Selling, general and administrative expenses increased approximately $441,000, but remained at 5% of net sales, primarily reflecting the continued expansion of the Company's overseas sales offices to support the Company's current and future overseas sales growth, partially offset by a reduction in state taxes.

Other Income - Net. Investment income increased $9,648,000 in 2005, primarily due to increased year-end mutual fund distribution income and increased interest income due to higher interest rates. Other income decreased $1,714,000 in 2005, primarily due to decreased realized gains on the sale of equity investments.

Taxes. The provision for federal income taxes varied from the statutory rate in 2005 primarily due to Extra Territorial Income Exclusion Act exempted taxable income from increased foreign sales.

Net Income. Net income decreased by 3%, primarily reflecting the decreased gross margin partially offset by increased other income in 2005.

RESULTS OF OPERATIONS: 2004 TO 2003

Net Sales. Automotive net sales increased by 8% on a 13% increase in mirror shipments, from 10,260,000 to 11,640,000 units, primarily reflecting increased penetration on European vehicles for base interior auto-dimming mirrors. North American unit shipments increased by 3%, as growth in Asian transplant vehicle penetration was mostly offset by reduced shipments to General Motors, the Company's largest customer, as North American light vehicle production declined by 1% in 2004 compared to 2003. Overseas unit shipments increased by 26% during 2004 due to increased penetration, despite a 1% decline in Western Europe light vehicle production. During 2004, approximately 10% of the Company's net sales were invoiced and paid in European euros. Net sales of the Company's fire protection products decreased 1%, primarily due to the continuing weak commercial construction market in the United States.

Cost of Goods Sold. As a percentage of net sales, cost of goods sold increased from 58% to 59%, primarily reflecting annual automotive customer price reductions and product mix, partially offset by improved productivity. Each factor is estimated to have impacted cost of goods sold by approximately 1-2%.

Operating Expenses. Engineering, research and development expenses increased approximately $4,220,000, but remained at 6% of net sales, primarily due to additional staffing for new electronic product development, including SmartBeam and telematics. Selling, general and administrative expenses increased approximately $3,534,000, but remained at 5% of net sales, primarily reflecting the continued expansion of the Company's overseas sales offices to support the Company's current and future overseas sales growth, as well as the stronger euro exchange rate.

Other Income - Net. Investment income increased $401,000 in 2004, primarily due to increased mutual fund distribution income, partially offset by lower interest rates due to shorter average maturities. Other income increased $3,677,000 in 2004, primarily due to realized gains on the sale of equity investments.

Taxes. The provision for federal income taxes varied from the statutory rate in 2004 primarily due to Extra Territorial Income (ETI) Exclusion Act exempted taxable income from increased foreign sales. The effective income tax rate decreased from 32.5% in the first half of 2004 to 31.5% in the second half of 2004, primarily due to the ETI tax benefit from increased foreign sales.

Net Income. Net income increased by 6%, primarily reflecting the increased gross margin due to higher sales as well as the increase in other income in 2004.

LIQUIDITY AND CAPITAL RESOURCES

The Company's financial condition throughout the periods presented has remained very strong.

The Company's current ratio decreased from 11.7 as of December 31, 2004, to 10.7 as of December 31, 2005, primarily as a result of the increase in accounts payable, primarily due to construction of its new facility.

Cash flow from operating activities for the year ended December 31, 2005, decreased $5,124,000 to $126,244,000, compared to $131,368,000 for the same period last year, primarily due to decreased net income. Capital expenditures for the year ended December 31, 2005, increased to $53,533,000, compared to $30,535,000 for the same period last year, primarily due to construction of the new facilities. The Company currently anticipates capital expenditures of approximately $40-45 million for new facilities and equipment during 2006, financed from existing cash reserves.

Cash and cash equivalents as of December 31, 2005, increased approximately $44,143,000 compared to December 31, 2004, primarily due to maturities of short-term investments.

Inventories as of December 31, 2005, increased approximately $9,236,000 compared to December 31, 2004. The increase was primarily due to higher sales and production levels, increased purchases of overseas glass and electronic parts, and increased shipments through its distribution facility in Germany.

The increase in plant and equipment as of December 31, 2005, compared to December 31, 2004, is primarily due to the construction of the new facilities and new manufacturing equipment.

Management considers the Company's working capital of approximately $560,899,000 and long-term investments of approximately $132,525,000 at December 31, 2005, together with internally generated cash flow and an unsecured $5,000,000 line of credit from a bank, to be sufficient to cover anticipated cash needs for the next year and for the foreseeable future.

On October 8, 2002, the Company announced a share repurchase plan, under which it may purchase up to 8,000,000 shares (post-split) based on a number of factors, including market conditions, the market price of the Company's common stock, anti-dilutive effect on earnings, available cash and other factors that the Company deems appropriate. On July 20, 2005, the Company announced that it had raised the price at which the Company may repurchase shares under the existing plan. During the quarter ended March 31, 2003, the Company repurchased 830,000 shares (post-split) at a cost of approximately $10,247,000. During the quarter ended September 30, 2005, the Company repurchased approximately 1,496,000 shares at a cost of approximately $25,215,000. Approximately 5,674,000 shares remain authorized to be repurchased under the plan.

INFLATION, CHANGING PRICES AND OTHER

The Company generally supplies auto-dimming mirrors to its customers worldwide under annual blanket purchase orders. During 2005, the Company negotiated an extension to its long-term agreement with General Motors (GM) in the ordinary course of the Company's business. Under the extension, the Company will be sourced virtually all the interior auto-dimming rearview mirrors programs for GM and its worldwide affiliates through August 2009, except for two low-volume models that had previously been awarded to a competitor under a lifetime contract. The new business also includes the GMT360 program, which is the mid-size truck/SUV platform that previously did not offer auto-dimming mirrors. The GM programs will be transferred to the Company by no later than the 2007 model year. We currently estimate that this new business represents incremental auto-dimming mirror units in the range of 500,000 on an annualized basis. The Company also negotiated a price reduction for the GM OnStar(R) feature in its auto-dimming mirrors, effective January 1, 2005, in connection with GM's stated plan to make their OnStar system standard across their vehicle models over the next several years.

During 2005, the Company negotiated an extension to its long-term agreement with DaimlerChrysler in the ordinary course of the Company's business. Under the extension, the Company will be sourced virtually all Mercedes and Chrysler interior and exterior auto-dimming rearview mirrors through December 2009. The Company's exterior auto-dimming mirror sub-assemblies are supplied by means of sales to exterior mirror suppliers.

The Company currently expects that auto-dimming mirror unit shipments will be approximately 10% percent higher in calendar 2006 compared with calendar 2005. These estimates are based on light vehicle production forecasts in the regions to which the Company ships product, as well as the estimated option rates for its mirrors on prospective vehicle models.

The Company utilizes the light vehicle production forecasting services of CSM Worldwide, and CSM's current forecasts for light vehicle production for calendar 2006 are approximately 15.7 million units for North America, 20.2 million for Europe and 14.1 million for Japan and Korea.

The Company does not have any significant off-balance sheet arrangements or commitments that have not been recorded in its consolidated financial statements.

MARKET RISK DISCLOSURE

The Company is subject to market risk exposures of varying correlations and volatilities, including foreign exchange rate risk, interest rate risk and equity price risk.

The Company has some assets, liabilities and operations outside the United States, which currently are not significant. Because the Company sells its automotive mirrors throughout the world, it could be significantly affected by weak economic conditions in foreign markets that could reduce demand for its products.

Most of the Company's non-U.S. sales are invoiced and paid in U.S. dollars; during 2005, approximately 9% of the Company's net sales were invoiced and paid in European euros. The Company currently expects that approximately 12% of the Company's net sales in 2006 will be invoiced and paid in European euros. The Company does not currently engage in hedging activities.

The Company manages interest rate risk and default risk in its fixed-income investment portfolio by investing in shorter-term maturities and investment grade issues. The Company's fixed-income investments' maturities at fair value (000,000), and average interest rates are as follows:

					Total Balance as of December 31,	
	2006	2007	2008	2009-2010	2005	2004
U.S. Government						
Amount	$ 23.0	-	-	-	$ 23.0	$ 65.2
Average Interest Rate	4%	-			4%	2%
Municipal						
Amount	-	-	-	-	-	$ 4.0
Average Interest Rate*	-	-			-	2%
Certificates of Deposit						
Amount	$ 26.2	-	-	-	$ 26.2	$ 32.0
Average Interest Rate	4%	-	-		4%	3%
Corporate						
Amount	$ 16.9	-	-	$ 0.3	$ 17.2	$ 3.5
Average Interest Rate	6%	-		8%	7%	7%
Other						
Amount	$ 1.2	-	-	-	$ 1.2	$ 1.1
Average Interest Rate	3%				3%	3%

*After-tax

Most of the Company's equity investments are managed by a number of outside equity fund managers who invest primarily in large capitalization companies trading on the U.S. stock markets.

CONTRACTUAL OBLIGATIONS AND OTHER COMMITMENTS

The Company has the following contractual obligations and other commitments (000,000) as of December 31, 2005:

	Total	Less than 1 Year	1-3 Years	After 3 Years
Long-term debt	$ -	$ -	$ -	$ -
Operating leases	1.1	0.6	0.4	0.1
Purchase obligations*	43.5	43.5	-	-
Dividends payable	14.0	14.0	-	-
	$ 58.6	$ 58.1	$ 0.4	$ 0.1

*Primarily for inventory parts, capital equipment and new facilities.

CRITICAL ACCOUNTING POLICIES.

The Company's significant accounting policies are described in Note 1 to the consolidated financial statements. The policies described below represent those that are broadly applicable to its operations and involve additional management judgment due to the sensitivity of the methods, assumptions and estimates necessary in determining the related amounts.

Revenue Recognition. The Company recognizes revenue in accordance with SEC Staff Accounting Bulletin No. 104, Revenue Recognition in Financial Statements, as amended. Accordingly, revenue is recognized based on the terms of the customer purchase order that indicates title to the product and risk of ownership passes to the customer upon shipment. Sales are shown net of returns, which have not historically been significant. The Company does not generate sales from sale arrangements with multiple deliverables.

Inventories. Estimated inventory allowances for slow-moving and obsolete inventories are based on current assessments of future demands, market conditions and related management initiatives. If market conditions or customer requirements change and are less favorable than those projected by management, inventory allowances are adjusted accordingly.

Investments. The Company's investment committee regularly reviews its fixed income and equity investment portfolio for any unrealized losses that would be deemed other-than-temporary and require the recognition of an impairment loss in income. Management uses criteria such as the period of time that securities have been in an unrealized loss position, types of securities and their related industries, as well as published investment ratings and analyst reports to evaluate their portfolio. Management considers the unrealized losses at December 31, 2005, to be temporary in nature.

Self Insurance. The Company is self-insured for health and workers' compensation benefits up to certain stop-loss limits. Such costs are accrued based on known claims and an estimate of incurred, but not reported (IBNR) claims. IBNR claims are estimated using historical lag information and other data provided by claims administrators. This estimation process is subjective, and to the extent that future actual results differ from original estimates, adjustments to recorded accruals may be necessary.

ITEM 7. A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

See "Market Risk Disclosure" in Management's Discussion and Analysis (Item 7).

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The following financial statements and reports of independent registered public accounting firm are filed with this report as pages 24 through 38 following the signature page:

Report of Independent Registered Public Accounting Firm

Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting

Consolidated Balance Sheets as of December 31, 2005 and 2004

Consolidated Statements of Income for the years ended December 31, 2005, 2004 and 2003

Consolidated Statements of Shareholders' Investment for the years ended December 31, 2005, 2004 and 2003

Consolidated Statements of Cash Flows for the years ended December 31, 2005, 2004 and 2003

Notes to Consolidated Financial Statements

Selected quarterly financial data for the past two years appears in the following table:

Quarterly Results of Operations
(in thousands, except per share data)

	First		Second		Third		Fourth	
	2005	2004	2005	2004	2005	2004	2005	2004
Net Sales	$ 127,642	$ 129,328	$ 132,384	$ 129,646	$ 138,115	$ 120,457	$ 138,343	$ 126,236
Gross Profit	48,053	54,884	49,566	54,455	51,196	47,702	49,826	50,704
Operating Income	33,236	40,696	33,756	40,029	35,293	33,393	34,009	35,948
Net Income	25,933	29,815	26,041	28,985	27,936	25,225	29,618	28,631
Earnings Per Share*	$ .17	$ .19	$ .17	$ .18	$ .18	$ .16	$ .19	$ .18

*Diluted; adjusted for 2-for-1 stock split in May 2005.

ITEM 9. CHANGES AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES.
DISCLOSURE CONTROLS AND PROCEDURES.

As of December 31, 2005, an evaluation was performed under the supervision and with the participation of the Company's management, including the CEO and CFO, of the effectiveness of the design and operation of the Company's disclosure controls and procedures [(as defined in Exchange Act Rules 13a - 15(e) and 15d - 15(e)]. Based on that evaluation, the Company's management, including the CEO and CFO, concluded that the Company's disclosure controls and procedures were adequate and effective as of December 31, 2005, to ensure that material information relating to the Company would be made known to them by others within the Company, particularly during the period in which this Form 10-K was being prepared. During the period covered by this annual report, there have been no changes in the Company's internal controls over financial reporting that have materially affected or are likely to materially affect the Company's internal controls over financial reporting. There have been no significant changes in the Company's internal controls or in other factors that could significantly affect internal controls subsequent to December 31, 2005.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in Internal Control - Integrated Framework our management concluded that our internal control over financial reporting was effective as of December 31, 2005. Our management's assessment of the effectiveness of our internal control over financial reporting as of December 31, 2005, has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in its attestation report on management's assessment, which is included on page 25 hereof.

ITEM 9B. OTHER INFORMATION.

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

Information relating to executive officers is included in this report in the last section of Part I under the caption "Executive Officers of the Registrant". Information relating to directors appearing under the caption "Election of Directors" in the definitive Proxy Statement for the 2006 Annual Meeting of Shareholders and filed with the Commission within 120 days after the Company's fiscal year end, December 31, 2005 (the "Proxy Statement"), is hereby incorporated herein by reference. Information concerning compliance with Section 16(a) of the Securities and Exchange Act of 1934 appearing under the caption "Section 16(A) Beneficial Ownership Reporting Compliance" in the definitive Proxy Statement is hereby incorporated herein by reference. Information relating to the Board of Directors determinations concerning whether at least one member of the Audit Committee is an "audit committee financial expert" as that term is defined under Item 401 (h) of Regulation S-K appearing under the caption "Corporate Governance - Audit Committee" in the definitive Proxy Statement is hereby incorporated by reference.

The Company has adopted a code of ethics that applies to its principal executive officer and senior financial officers. A copy of the Code of Ethics for Certain Senior Officers is available without charge, upon written request, from the Corporate Secretary of the Company, 600 N. Centennial Street, Zeeland, Michigan 49464. The Company intends to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of this Code of Ethics by posting such information on its website. Information contained in the Company's website, whether currently posted or posted in the future, is not part of this document or the documents incorporated by reference in this document.

ITEM 11. EXECUTIVE COMPENSATION.

The information contained under the caption "Executive Compensation" contained in the definitive Proxy Statement is hereby incorporated herein by reference. Such incorporation by reference shall not be deemed to specifically incorporate by reference information referred to in Item 402(a)(8) of Regulation S-K.

ITEM 12. SECURITY OWNERSHIP OF MANAGEMENT AND EQUITY COMPENSATION PLAN INFORMATION.

The information contained under the captions "Securities Ownership of Management" and "Equity Compensation Plan Information" contained in the definitive Proxy Statement is hereby incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The information contained under the caption "Certain Transactions" contained in the definitive Proxy Statement is hereby incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

Information regarding principal accounting fees and services is set forth under the caption "Ratification of Appointment of Independent Auditors - Principal Accounting Fees and Services" in the definitive Proxy Statement is hereby incorporated herein by reference. Information concerning the policy adopted by the Audit Committee regarding the pre-approval of audit and non-audit services provided by the Company's independent auditors set forth under the caption "Corporate Governance - Audit Committee" in the definitive Proxy Statement is hereby incorporated by reference.

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K.

(a) 1. Financial Statements. See Item 8.

2. Financial Statements Schedules. None required or not applicable.

3. Exhibits. See Exhibit Index located on page 38.

(b) See (a) above.

(c) See (a) above.

SIGNATURES

Pursuant to the requirements of Section 13 of 15(d) 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.

Dated: February 16, 2006 GENTEX CORPORATION

By: /s/ Fred Bauer

Fred Bauer, Chairman and Principal Executive Officer

and

/s/ Enoch Jen

Enoch Jen, Vice President-Finance and Principal Financial and Accounting Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on this 16th day of February, 2006, by the following persons on behalf of the registrant and in the capacities indicated.

Each Director of the registrant whose signature appears below hereby appoints Enoch Jen and Garth Deur, each of them individually, as his attorney-in-fact to sign in his name and on his behalf, and to file with the Commission any and all amendments to this report on Form 10-K to the same extent and with the same effect as if done personally.

/s/ Fred Bauer Fred Bauer	Director
/s/ Gary Goode Gary Goode	Director
/s/ Kenneth La Grand Kenneth La Grand	Director
/s/ Arlyn Lanting Arlyn Lanting	Director
/s/ John Mulder John Mulder	Director
/s/ Rande Somma Rande Somma	Director
/s/ Fred Sotok Fred Sotok	Director
/s/ Wallace Tsuha Wallace Tsuha	Director
/s/ Leo Weber Leo Weber	Director

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders of Gentex Corporation:

We have audited the accompanying consolidated balance sheets of Gentex Corporation and subsidiaries as of December 31, 2005 and 2004, and the related consolidated statements of income, shareholders' investment and cash flows for each of the three years in the period ended December 31, 2005. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Gentex Corporation and subsidiaries at December 31, 2005 and 2004, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2005, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Gentex Corporation's internal control over financial reporting as of December 31, 2005, based on criteria established in Internal Control -- Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 8, 2006 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Grand Rapids, Michigan
February 8, 2006

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Board of Directors and Shareholders of Gentex Corporation:

We have audited management's assessment, included in the accompanying Management's Report on Internal Control Over Financial Reporting, that Gentex Corporation maintained effective internal control over financial reporting as of December 31, 2005, based on criteria established in Internal Control -- Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Gentex Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion on the effectiveness of the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management's assessment that Gentex Corporation maintained effective internal control over financial reporting as of December 31, 2005, is fairly stated, in all material respects, based on the COSO criteria. Also, in our opinion, Gentex Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2005, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the 2005 consolidated financial statements of Gentex Corporation and subsidiaries and our report dated February 8, 2006 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Grand Rapids, Michigan
February 8, 2006

GENTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

AS OF DECEMBER 31, 2005 AND 2004

ASSETS

	2005	2004
CURRENT ASSETS:		
Cash and cash equivalents	$ 439,681,693	$ 395,538,719
Short-term investments	67,331,928	99,341,541
Accounts receivable	60,924,437	56,092,330
Inventories	39,836,822	30,600,789
Prepaid expenses and other	11,212,647	11,035,715
Total current assets	618,987,527	592,609,094
PLANT AND EQUIPMENT:		
Land, buildings and improvements	57,544,173	56,434,237
Machinery and equipment	196,878,770	176,798,924
Construction-in-process	40,858,633	14,485,664
	295,281,576	247,718,825
Less-Accumulated depreciation and amortization	(131,251,235)	(112,069,706)
	164,030,341	135,649,119
OTHER ASSETS:		
Long-term investments	132,524,966	122,174,030
Patents and other assets, net	7,102,968	6,427,185
	139,627,934	128,601,215
	$ 922,645,802	$ 856,859,428

LIABILITIES AND SHAREHOLDERS' INVESTMENT

	2005	2004
CURRENT LIABILITIES:		
Accounts payable	$ 23,607,927	$ 19,849,569
Accrued liabilities:		
Salaries, wages and vacation	3,798,648	3,433,657
Income taxes	2,739,364	548,579
Royalties	7,467,491	6,689,723
Dividends declared	14,043,959	13,237,348
Other	6,430,870	7,097,382
Total current liabilities	58,088,259	50,856,258
DEFERRED INCOME TAXES	22,962,168	22,723,198
SHAREHOLDERS' INVESTMENT:		
Preferred stock, no par value, 5,000,000 shares authorized; none issued or outstanding	-	-
Common stock, par value $.06 per share; 400,000,000 shares authorized	9,362,639	4,672,005
Additional paid-in capital	194,476,306	175,266,114
Retained earnings	623,301,775	591,546,326
Deferred compensation	(4,847,659)	(5,407,851)
Accumulated other comprehensive income:		
Unrealized gain on investments	18,795,360	15,558,180
Cumulative translation adjustment	506,954	1,645,198
Total shareholders' investment	841,595,375	783,279,972
	$ 922,645,802	$ 856,859,428

The accompanying notes are an integral part of these consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2005, 2004 AND 2003

	2005	2004	2003
NET SALES	$ 536,483,974	$ 505,666,335	$ 469,019,365
COST OF GOODS SOLD	337,843,632	297,920,747	272,518,466
Gross profit	198,640,342	207,745,588	196,500,899
OPERATING EXPENSES:			
Engineering, research and development	35,059,401	30,833,627	26,613,770
Selling, general and administrative	27,286,404	26,845,748	23,311,853
Total operating expenses	62,345,805	57,679,375	49,925,623
Income from operations	136,294,537	150,066,213	146,575,276
OTHER INCOME:			
Interest and dividend income	20,289,908	10,642,129	10,241,276
Other, net	3,310,066	5,024,176	1,347,643
Total other income	23,599,974	15,666,305	11,588,919
Income before provision for income taxes	159,894,511	165,732,518	158,164,195
PROVISION FOR INCOME TAXES	50,367,000	53,076,000	51,403,000
NET INCOME	$ 109,527,511	$ 112,656,518	$ 106,761,195
EARNINGS PER SHARE:			
Basic	$ 0.70	$ 0.73	$ 0.70
Diluted	$ 0.70	$ 0.72	$ 0.69
Cash Dividends Declared per Share	$ 0.35	$ 0.32	$ 0.15

The accompanying notes are an integral part of these consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF SHAREHOLDERS INVESTMENT
FOR THE YEARS ENDED DECEMBER 31, 2005, 2004 AND 2003

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital
BALANCE AS OF DECEMBER 31, 2002	76,221,370	$ 4,573,282	$123,923,391
Issuance of common stock and the tax benefit of stock plan transactions	1,234,446	74,067	29,631,534
Repurchases of common stock	(415,000)	(24,900)	(680,600)
Dividends declared ($.15 per share)	-	-	-
Amortization of deferred compensation	-	-	-
Comprehensive income:			
Net income	-	-	-
Other comprehensive income (loss):			
Foreign currency translation adjustment	-	-	-
Unrealized gain on investments, net of tax of $9,559,401	-	-	-
Other comprehensive income	-	-	-
Comprehensive income	-	-	-
BALANCE AS OF DECEMBER 31, 2003	77,040,816	4,622,449	152,874,325
Issuance of common stock and the tax benefit of stock plan transactions	825,935	49,556	22,391,789
Dividends declared ($.32 per share)	-	-	-
Amortization of deferred compensation	-	-	-
Comprehensive income:			
Net income	-	-	-
Other comprehensive income (loss):			
Foreign currency translation adjustment	-	-	-
Unrealized gain on investments, net of tax of $2,098,093	-	-	-
Other comprehensive income	-	-	-
Comprehensive income	-	-	-
BALANCE AS OF DECEMBER 31, 2004	77,866,751	4,672,005	175,266,114
Issuance of common stock and the tax benefit of stock plan transactions	1,652,948	99,177	25,641,802
2 for 1 Common Stock Split	78,020,342	4,681,221	(4,681,221)
Repurchases of common stock	(1,496,059)	(89,764)	(1,750,389)
Dividends declared ($.35 per share)	-	-	-
Amortization of deferred compensation	-	-	-
Comprehensive income:			
Net income	-	-	-
Other comprehensive income (loss):			
Foreign currency translation adjustment	-	-	-
Unrealized gain on investments, net of tax of $1,743,097	-	-	-
Other comprehensive income	-	-	-
Comprehensive income	-	-	-
BALANCE AS OF DECEMBER 31, 2005	156,043,982	$9,362,639	$194,476,306

	Comprehensive Income (Loss)	Retained Earnings	Deferred Compensation	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Investment
BALANCE AS OF DECEMBER 31, 2002		$ 454,201,443	($3,042,935)	($6,014,819)	$ 573,640,362
Issuance of common stock and the tax					
benefit of stock plan transactions		-	(2,733,723)	-	26,971,878
Repurchases of common stock		(9,541,310)	-	-	(10,246,810)
Dividends declared ($.15 per share)		(23,062,503)	-	-	(23,062,503)
Amortization of deferred compensation			1,118,208	-	1,118,208
Comprehensive income:					
Net income	$ 106,761,195	106,761,195	-	-	106,761,195
Other comprehensive income (loss):					
Foreign currency translation adjustment	707,827	-		-	-
Unrealized gain on investments, net of					
tax of $9,559,401	17,753,174	-	-	-	-
Other comprehensive income					
Comprehensive income	18,461,001	-		18,461,001	18,461,001
	$ 125,222,196	-	-	-	-
BALANCE AS OF DECEMBER 31, 2003					
		528,358,825	(4,658,450)	12,446,182	693,643,331
Issuance of common stock and the tax					
benefit of stock plan transactions					
Dividends declared ($.32 per share)		-	(2,323,123)	-	20,118,222
Amortization of deferred compensation		(49,469,017)	-	-	(49,469,017)
Comprehensive income:		-	1,573,722	-	1,573,722
Net income					
Other comprehensive income (loss):	$ 112,656,518	112,656,518	-	-	112,656,518
Foreign currency translation adjustment					
Unrealized gain on investments, net					
of tax of $2,098,093	860,738	-	-	-	-
Other comprehensive income	3,896,458	-	-	-	-
Comprehensive income					
	4,757,196	-	-	4,757,196	4,757,196
BALANCE AS OF DECEMBER 31, 2004	$ 117,413,714	-	-	-	-
Issuance of common stock and the tax					
benefit of stock plan transactions					
2 for 1 Common Stock Split		591,546,326	(5,407,851)	17,203,378	783,279,972

Repurchases of common stock					
Dividends declared ($.35 per share)		-	(1,069,507)	-	24,671,472
Amortization of deferred compensation					-
Comprehensive income:		(23,374,420)	-	-	(25,214,573)
Net income		(54,397,642)	-	-	(54,397,642)
Other comprehensive income (loss):		-	1,629,699	-	1,629,699
Foreign currency translation adjustment					
Unrealized gain on investments,					
net of tax of $1,743,097	$ 109,527,511	109,527,511	-	-	109,527,511
Other comprehensive income					
Comprehensive income	(1,138,244)	-	-	-	-
	3,237,180	-	-	-	-
BALANCE AS OF DECEMBER 31, 2005	2,098,936	-	-	2,098,936	2,098,936
	$ 111,626,447	-	-	-	-
		$ 623,301,775	($4,847,659)	$ 19,302,314	$ 841,595,375

The accompanying notes are an integral part of these consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2005, 2004 AND 2003

	2005	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 109,527,511	$ 112,656,518	$ 106,761,195
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	23,823,327	21,740,832	20,426,207
Loss on disposal of assets	420,522	88,679	75,626
Gain on sale of investments	(5,710,679)	(5,655,756)	(5,181,804)
Loss on sale of investments	2,511,060	2,351,347	6,228,566
Deferred income taxes	(2,172,589)	2,403,593	1,951,787
Amortization of deferred compensation	1,629,699	1,573,722	1,118,208
Tax benefit of stock plan transactions	3,180,230	3,511,622	5,511,458
Change in operating assets and liabilities:			
Accounts receivable	(4,832,107)	2,863,493	(23,065,443)
Inventories	(9,236,033)	(9,662,093)	(3,196,687)
Prepaid expenses and other	491,532	627,997	(3,910,441)
Accounts payable	3,758,358	1,590,458	6,465,385
Accrued liabilities	2,853,627	(2,721,956)	3,398,938
Net cash provided by operating activities	126,244,458	131,368,456	116,582,995
CASH FLOWS FROM INVESTING ACTIVITIES:			
Activity in held-to-maturity securities:			
Sales proceeds	-	-	-
Maturities and calls	-	-	57,571,539
Purchases	-	-	(122,262,019)
Activity in available-for-sale securities:			
Sales proceeds	30,057,962	31,101,380	120,578,082
Maturities and calls	101,159,061	78,792,849	91,489,195
Purchases	(101,378,452)	(105,551,220)	(87,494,979)
Plant and equipment additions	(53,533,235)	(30,535,174)	(22,248,009)
Proceeds from sale of plant and equipment	1,141,013	56,500	72,000
Increase in other assets	(2,046,876)	(1,001,902)	(167,174)
Net cash provided by (used for) investing activities	(24,600,527)	(27,137,567)	37,538,635
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of common stock from stock plan transactions	21,491,243	16,606,601	21,460,422
Cash dividends paid	(53,777,627)	(47,961,742)	(11,506,382)
Repurchases of common stock	(25,214,573)	0	(10,246,810)
Net cash provided by (used for) financing activities	(57,500,957)	(31,355,141)	(292,770)
NET INCREASE IN CASH AND CASH EQUIVALENTS	44,142,974	72,875,748	153,828,860
CASH AND CASH EQUIVALENTS, Beginning of year	395,538,719	322,662,971	168,834,111
CASH AND CASH EQUIVALENTS, End of year	$ 439,681,693	$ 395,538,719	$ 322,662,971

The accompanying notes are an integral part of these consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

The Company

Gentex Corporation designs, develops, manufactures and markets proprietary electro-optical products: automatic-dimming rearview mirrors for the automotive industry and fire protection products for the commercial building industry. A substantial portion of the Company's net sales and accounts receivable result from transactions with domestic and foreign automotive manufacturers and tier one suppliers. The Company's fire protection products are primarily sold to domestic distributors and original equipment manufacturers of fire and security systems. The Company does not require collateral or other security for trade accounts receivable.

Significant accounting policies of the Company not described elsewhere are as follows:

Consolidation

The consolidated financial statements include the accounts of Gentex Corporation and all of its wholly-owned subsidiaries (together the "Company"). All significant intercompany accounts and transactions have been eliminated.

Cash Equivalents

Cash equivalents consist of funds invested in bank accounts that have daily liquidity.

Investments

At December 31, 2005, investment securities are available for sale and are stated at fair value based on quoted market prices. Adjustments to the fair value of investments are recorded as increases or decreases, net of income taxes, within accumulated other comprehensive income (loss) in shareholders' investment.

The amortized cost, unrealized gains and losses, and market value of investment securities are shown as of December 31, 2005 and 2004:

		Unrealized		
2005	Cost	Gains	Losses	Market Value
U.S. Government	$ 23,024,332	$ -	$ (33,462)	$ 22,990,870
Certificates of Deposit	26,200,000	-	-	26,200,000
Corporate Bonds	17,288,250	-	(93,899)	17,194,351
Other Fixed Income	1,215,708	-	-	1,215,708
Equity	103,212,665	30,802,826	(1,759,526)	132,255,965
	$ 170,940,955	$ 30,802,826	$ (1,886,887)	$ 199,856,894

2004	Cost	Gains	Losses	Market Value
U.S. Government	$ 65,426,060	$ -	$ (188,580)	$ 65,237,480
Municipal Bonds	4,039,922	65	(1,663)	4,038,324
Certificates of Deposit	32,034,061	-	-	32,034,061
Corporate Bonds	3,403,497	80,466	-	3,483,963
Other Fixed Income	1,054,716	-	-	1,054,716
Equity	91,621,653	24,934,095	(888,721)	115,667,027
	$ 197,579,909	$ 25,014,626	$ (1,078,964)	$ 221,515,571

Unrealized losses on investments as of December 31, 2005, are as follows:

	Aggregate Unrealized Losses	Aggregate Fair Value
Less than one year	$ 1,271,885	$ 50,872,689
Greater than one year	615,002	1,967,136

(1) SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES, continued

Management has reviewed the unrealized losses in the Company's fixed-income and equity securities as of December 31, 2005, and has determined that they are temporary in nature; accordingly, no losses have been recognized in income as of December 31, 2005.

Fixed income securities as of December 31, 2005, have contractual maturities as follows:

Due within one year	$ 67,432,022
Due between one and five years	296,268
Due over five years	-
	$ 67,728,290

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, investments, accounts receivable and accounts payable. The Company's estimate of the fair values of these financial instruments approximates their carrying amounts at December 31, 2005 and 2004.

Inventories

Inventories include material, direct labor and manufacturing overhead and are valued at the lower of first-in, first-out (FIFO) cost or market. Inventories consisted of the following as of December 31, 2005 and 2004:

	2005	2004
Raw materials	$ 24,628,200	$ 18,102,873
Work-in-process	3,739,394	3,894,864
Finished goods	11,469,228	8,603,052
	$ 39,836,822	$ 30,600,789

Allowances for slow-moving and obsolete inventories were not significant as of December 31, 2005 and 2004.

Plant and Equipment

Plant and equipment are stated at cost. Depreciation and amortization are computed for financial reporting purposes using the straight-line method, with estimated useful lives of 7 to 40 years for buildings and improvements, and 3 to 10 years for machinery and equipment.

Impairment or Disposal of Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such assets are determined to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

Patents

The Company's policy is to capitalize costs incurred to obtain patents. The cost of patents is amortized over their useful lives. The cost of patents in process is not amortized until issuance. Accumulated amortization was approximately $3,218,000 and $3,069,000 at December 31, 2005 and 2004, respectively. At December 31, 2005, patents had a weighted average amortization life of 13 years. Patent amortization expense was approximately $233,000, $193,000 and $150,000, in 2005, 2004 and 2003, respectively. For each of the next five years, patent amortization expense will approximate $238,000 annually.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES, continued

Revenue Recognition

The Company's revenue is generated from sales of its products. Sales are recognized when the product is shipped and legal title has passed to the customer. The Company does not generate sales from arrangements with multiple deliverables.

Advertising and Promotional Materials

All advertising and promotional costs are expensed as incurred and amounted to approximately $1,458,000, $1,314,000 and $886,000, in 2005, 2004 and 2003, respectively.

Repairs and Maintenance

Major renewals and improvements of property and equipment are capitalized, and repairs and maintenance are expensed as incurred. The Company incurred expenses relating to the repair and maintenance of plant and equipment of approximately $5,770,000, $5,171,000 and $4,169,000, in 2005, 2004 and 2003, respectively.

Self-Insurance

The Company is self-insured for a portion of its risk on workers' compensation and employee medical costs. The arrangements provide for stop loss insurance to manage the Company's risk. Operations are charged with the cost of claims reported and an estimate of claims incurred but not reported based upon historical claims lag information and other data.

Product Warranty

The Company periodically incurs product warranty costs. Any liabilities associated with product warranty are estimated based on known facts and circumstances and are not significant at December 31, 2005 and 2004. The Company does not offer extended warranties on its products.

Earnings Per Share

The following table reconciles the numerators and denominators used in the calculations of basic and diluted earnings per share (EPS) for each of the last three years:

	2005	2004	2003
Numerators:			
Numerator for both basic and diluted EPS, net income	$ 109,527,511	$ 112,656,518	$ 106,761,195
Denominators:			
Denominator for basic EPS, weighted-average common shares outstanding	155,438,834	154,321,342	153,169,752
Potentially dilutive shares resulting from stock option plans	1,591,790	2,399,890	2,199,228
Denominator for diluted EPS	157,030,624	156,721,232	155,368,980

For the years ended December 31, 2005, 2004 and 2003, 3,517,373, 1,512,782 and 537,988 shares, respectively, related to stock option plans were not included in diluted average common shares outstanding because their effect would be antidilutive.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES, continued

Other Comprehensive Income (Loss)

Comprehensive income reflects the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. For the Company, comprehensive income represents net income adjusted for unrealized gains and losses on certain investments and foreign currency translation adjustments.

Foreign Currency Translation

The financial position and results of operations of the Company's foreign subsidiaries are measured using the local currency as the functional currency. Assets and liabilities are translated at the exchange rate in effect at year-end. Income statement accounts are translated at the average rate of exchange in effect during the year. The resulting translation adjustment is recorded as a separate component of shareholders' investment. Gains and losses arising from re-measuring foreign currency transactions into the appropriate currency are included in the determination of net income.

Stock-Based Compensation Plans

At December 31, 2005, the Company had two stock option plans and an employee stock purchase plan, which are described more fully in Note 6. The Company accounts for these plans under the recognition and measurement principles of APB Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. No stock-based employee compensation cost is reflected in net income for these plans, as all options granted under these plans have an exercise price equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation," to stock-based employee compensation.

	2005	2004	2003
Net income, as reported	$ 109,527,511	$ 112,656,518	$ 106,761,195
Deduct: total stock-based employee compensation expense determined under fair value-based method for all awards, net of tax effects	(19,982,017)	(14,541,115)	(10,505,316)
Pro forma net income	$ 89,545,494	$ 98,115,403	$ 96,255,879
Earnings per share:			
Basic - as reported	$ 0.70	$ 0.73	$ 0.70
Basic - pro forma	$ 0.58	$ 0.64	$ 0.63
Diluted - as reported	$ 0.70	$ 0.72	$ 0.69
Diluted - pro forma	$ 0.57	$ 0.63	$ 0.62

On March 30, 2005, in response to the required implementation of SFAS No. 123(R), the Company accelerated the vesting of current "under water" stock options. As a result of the vesting acceleration, approximately 2.3 million shares became immediately exercisable and an additional approximate $13.6 million of proforma stock-based employee compensation expense was recognized in the first quarter, that otherwise would have been recognized as follows: $6.1 million in 2005; $4.5 million in 2006; $2.2 million in 2007 and $0.8 million in 2008-09. The objective of this Company action was primarily to avoid recognizing compensation expense associated with these options in future financial statements, upon the Company's adoption of SFAS No. 123(R), effective January 1, 2006. In addition, the Company also received shareholder approval of an amendment to its Employee Stock Option Plan to allow the grant of non-qualified stock options.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES, continued

Stock-Based Compensation Plans, continued

The fair value of each option grant in the Employee Stock Option Plan was estimated on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions used for grants in 2005, 2004 and 2003, respectively: risk-free interest rates of 4.1, 3.4 and 2.9 percent; expected dividend yields of 2.0,1.8 and 1.6 percent; expected lives of 4, 4 and 4 years; expected volatility of 36, 49 and 52 percent.

The fair value of each option grant in the Nonemployee Director Stock Option Plans was estimated on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions used for grants in 2005, 2004 and 2003, respectively: risk-free interest rates of 4.1, 4.9 and 4.0 percent; expected dividend yields of 1.9, 1.7 and 1.5 percent; expected lives of 9, 9 and 9 years; expected volatility of 42, 49 and 52 percent.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Standards

On December 16, 2004, the Financial Accounting Standards Board (FASB) issued SFAS Statement No. 123(R), "Share-Based Payment," which required all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values, and was effective for public companies for interim or annual periods beginning after June 15, 2005. On April 14, 2005, the U.S. Securities and Exchange Commission announced that companies will be allowed to implement SFAS No. 123(R) at the beginning of their next fiscal year after June 15, 2005. The Company adopted a fair-value based method of accounting for stock-based employee compensation effective January 1, 2006. Proforma quarterly earnings and certain Company actions taken in response to SFAS No. 123(R) are disclosed in Note 1.

The impact of adoption of Statement 123(R) cannot be predicted at this time because it will depend on levels of share-based payments granted in the future. However, had we adopted Statement 123(R) in prior periods, the impact of that standard would have approximated the pro forma impact of Statement 123 as previously disclosed with the exception of the accelerated vesting of certain stock options. Statement 123(R) also requires the benefits of tax deductions in excess of recognized compensation cost to be reported as a financing cash flow, rather than as an operating cash flow as required under current literature.

(2) LINE OF CREDIT

The Company has available an unsecured $5,000,000 line of credit from a bank at an interest rate equal to the lower of the bank's prime rate or 1.5% above the LIBOR rate. No borrowings were outstanding under this line in 2005 or 2004. No compensating balances are required under this line.

(3) INCOME TAXES

The provision for income taxes is based on the earnings reported in the accompanying consolidated financial statements. The Company recognizes deferred income tax liabilities and assets for the expected future tax consequences of events that have been included in the consolidated financial statements or tax returns. Under this method, deferred income tax liabilities and assets are determined based on the cumulative temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates. Deferred income tax expense is measured by the net change in deferred income tax assets and liabilities during the year.

(3) INCOME TAXES, continued

The components of the provision for income taxes are as follows:

	2005	2004	2003
Currently payable:			
Federal	$ 52,375,000	$ 50,497,000	$ 48,976,000
State	(246,000)	167,000	501,000
Foreign	411,000	8,000	(26,000)
Total	52,540,000	50,672,000	49,451,000
Net deferred:			
Primarily federal	(2,173,000)	2,404,000	1,952,000
Provision for income taxes	$ 50,367,000	$ 53,076,000	$ 51,403,000

The currently payable provision is further reduced by the tax benefits associated with the exercise, vesting or disposition of stock under the stock plans described in Note 6. These reductions totaled approximately $3,180,000, $3,512,000 and $5,511,000, in 2005, 2004 and 2003, respectively, and were recognized as an adjustment of additional paid-in capital.

The effective income tax rates are different from the statutory federal income tax rates for the following reasons:

	2005	2004	2003
Statutory federal income tax rate	35.0%	35.0%	35.0%
State income taxes, net of federal income tax benefit	(0.1)	0.1	0.3
Foreign source exempted income	(2.4)	(2.8)	(2.5)
Domestic production exclusion	(0.9)	-	-
Tax-exempt investment income	(0.6)	(0.2)	(0.2)
Other	0.5	(0.1)	(0.1)
Effective income tax rate	31.5%	32.0%	32.5%

The tax effect of temporary differences which give rise to deferred income tax assets and liabilities at December 31, 2005 and 2004, are as follows:

	2005		2004	
	Current	Non-Current	Current	Non-Current
Assets:				
Accruals not currently deductible	$ 2,755,501	$ 164,603	$ 2,669,471	$ 182,403
Deferred compensation	-	1,294,506	-	1,268,652
Other	2,056,759	5,010	1,414,883	5,209
Total deferred income tax assets	4,812,260	1,464,119	4,084,354	1,456,264
Liabilities:				
Excess tax over book depreciation	-	(13,286,196)	-	(14,947,063)
Patent costs	-	(1,019,513)	-	(854,916)
Unrealized gain on investments	-	(10,120,578)	-	(8,377,483)
Other	(713,923)	-	(654,481)	-
Net deferred incomes taxes	$ 4,098,337	$ (22,962,168)	$ 3,429,873	$ (22,723,198)

Income taxes paid in cash were approximately $47,582,000, $48,556,000 and $46,243,000, in 2005, 2004 and 2003, respectively.

(4) EMPLOYEE BENEFIT PLAN

The Company has a 401(k) retirement savings plan in which substantially all of its employees may participate. The plan includes a provision for the Company to match a percentage of the employee's contributions at a rate determined by the Company's Board of Directors. In 2005, 2004 and 2003, the Company's contributions were approximately $1,601,000, $1,306,000 and $1,110,000, respectively.

The Company does not provide health care benefits to retired employees.

(5) SHAREHOLDER PROTECTION RIGHTS PLAN

The Company has a Shareholder Protection Rights Plan (the Plan). The Plan is designed to protect shareholders against unsolicited attempts to acquire control of the Company in a manner that does not offer a fair price to all shareholders.

Under the Plan, one purchase Right automatically trades with each share of the Company's common stock. Each Right entitles a shareholder to purchase 1/100 of a share of junior participating preferred stock at a price of $55, if any person or group attempts certain hostile takeover tactics toward the Company. Under certain hostile takeover circumstances, each Right may entitle the holder to purchase the Company's common stock at one-half its market value or to purchase the securities of any acquiring entity at one-half their market value. Rights are subject to redemption by the Company at $.0025 per Right and, unless earlier redeemed, will expire on March 29, 2011. Rights beneficially owned by holders of 15 percent or more of the Company's common stock, or their transferees, automatically become void.

(6) STOCK-BASED COMPENSATION PLANS

In 2003, a new Employee Stock Purchase Plan covering 1,200,000 shares was approved, replacing a prior plan. The Company has sold to employees 135,409 shares, 111,808 shares and 95,810 shares under the plans in 2005, 2004 and 2003, respectively, and has sold a total of 310,251 shares under the new plan through December 31, 2005. The Company sells shares at 85% of the stock's market price at date of purchase. The weighted average fair value of shares sold in 2005, 2004 and 2003, was approximately $14.97, $16.28 and $13.96, respectively.

In 2004, a new Employee Stock Option Plan was approved, replacing the prior plan. The Company may grant options for up to 18,000,000 shares under its new Employee Stock Option Plan. The Company has granted options on 4,250,733 shares (net of shares from canceled options) under the new plan through December 31, 2005. Under the plans, the option exercise price equals the stock's market price on date of grant. The options vest after one to five years, and expire after three to seven years.

A summary of the status of the Company's employee stock option plan at December 31, 2005, 2004 and 2003, and changes during the years then ended is presented in the table and narrative below:

	2005		2004		2003	
	Shares (000)	Wtd. Avg. Ex. Price	Shares (000)	Wtd. Avg. Ex. Price	Shares (000)	Wtd. Avg. Ex. Price
Outstanding at Beginning of Year	10,586	$ 16	9,102	$ 14	8,540	$ 12
Granted	1,931	17	2,864	19	2,598	17
Exercised	(1,580)	12	(1,258)	12	(1,964)	10
Forfeited	(427)	18	(122)	16	(72)	14
Outstanding at End of Year	10,510	17	10,586	16	9,102	14
Exercisable at End of Year	7,440	$ 17	3,988	$ 14	3,190	$ 13
Weighted Avg. Fair Value of Options Granted		$ 4		$ 7		$ 7

Options Outstanding and Exercisable by Price Range As of December 31, 2005:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Shares Outstanding (000)	Remaining Contractual Life	Weighted Average Exercise Price	Shares Exercisable (000)	Weighted Average Exercise Price
$ 1 - $14	2,410	2	$ 13	1,905	$ 13
$15 - $17	3,014	3	15	1,613	15
$18 - $19	2,786	4	18	1,991	18
$20 - $22	2,300	4	21	1,931	21
Total	10,510	3	$ 17	7,440	$ 17

(6) STOCK-BASED COMPENSATION PLANS, continued

The Company has a Nonemployee Director Stock Option Plan covering 1,000,000 shares that was approved, replacing a prior plan. The Company has granted options on 309,240 shares (net of shares from canceled options) under the current plan through December 31, 2005. Under the plan, the option exercise price equals the stock's market price on date of grant. The options vest after six months, and expire after ten years.

A summary of the status of the plan at December 31, 2005, 2004 and 2003, and changes during the years then ended is presented in the table and narrative below:

	2005		2004		2003	
	Shares (000)	Wtd. Avg. Ex. Price	Shares (000)	Wtd. Avg. Ex. Price	Shares (000)	Wtd. Avg. Ex. Price
Outstanding at Beginning of Year	510	$ 13	626	$ 9	848	$ 7
Granted	48	18	96	18	106	16
Exercised	(101)	10	(212)	5	(328)	5
Expired	(12)	18	-	-	-	-
Outstanding at End of Year	445	14	510	13	626	9
Exercisable at End of Year	445	$ 14	510	$ 13	620	$ 9
Weighted Avg. Fair Value of Options Granted		$ 8		$ 9		$ 10

Options Outstanding and Exercisable by Price Range As of December 31, 2005:

Options Outstanding				Options Exercisable	
Range of Exercise Prices	Shares Outstanding (000)	Remaining Contractual Life	Weighted Average Exercise Price	Shares Exercisable (000)	Weighted Average Exercise Price
\$1 - \$15	170	2	$ 8	170	$ 8
\$16 - \$22	275	8	17	275	17
Total	445	6	$ 14	445	$ 14

The Company has a Restricted Stock Plan covering 1,000,000 shares of common stock that was approved, the purpose of which is to permit grants of shares, subject to restrictions, to key employees of the Company as a means of retaining and rewarding them for long-term performance and to increase their ownership in the Company. Shares awarded under the plan entitle the shareholder to all rights of common stock ownership except that the shares may not be sold, transferred, pledged, exchanged or otherwise disposed of during the restriction period. The restriction period is determined by a committee, appointed by the Board of Directors, but may not exceed ten years. During 2005, 2004 and 2003, 80,700, 122,520 and 156,200, shares, respectively, were granted with a restriction period of five years at market prices ranging from \$15.93 to \$19.50 in 2005, \$17.37 to \$21.10 in 2004 and \$12.82 to \$21.50 in 2003. The related expense is reflected as a deferred compensation component of shareholders' investment in the accompanying consolidated financial statements and is being amortized over the applicable restriction periods.

(7) STOCK SPLIT

On April 1, 2005, the Company's Board of Directors declared a two-for-one stock split effected in the form of a 100% common stock dividend to shareholders of record on May 6, 2005. The stock split increased the number of shares of common stock then outstanding from 78,020,342 to 156,040,684.

Earnings per share and all share data have been restated in all prior periods to reflect these stock splits.

(8) CONTINGENCIES

From time to time, the Company is subject to legal proceedings and claims which arise in the ordinary course of its business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or future results of operations of the Company.

(9) SEGMENT REPORTING

SFAS No. 131, "Disclosures About Segments of an Enterprise and Related Information," requires that a public enterprise report financial and descriptive information about its reportable operating segments subject to certain aggregation criteria and quantitative thresholds. Operating segments are defined by SFAS No. 131 as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-makers in deciding how to allocate resources and in assessing performance.

	2005	2004	2003
Revenue:			
Automotive Products			
United States	$ 236,708,606	$ 230,075,562	$ 238,608,596
Germany	99,339,847	86,432,114	69,787,290
Japan	52,215,691	54,336,447	53,004,947
Other	124,532,388	112,306,599	84,913,322
Fire Protection Products	23,687,442	22,515,613	22,705,210
Total	$ 536,483,974	$ 505,666,335	$ 469,019,365
Income from Operations:			
Automotive Products	$ 131,165,600	$ 145,622,021	$ 142,001,646
Fire Protection Products	5,128,937	4,444,192	4,573,630
Total	$ 136,294,537	$ 150,066,213	$ 146,575,276
Assets:			
Automotive Products	$ 248,568,391	$ 202,052,906	$ 184,208,278
Fire Protection Products	4,334,747	4,252,818	4,768,620
Other	669,742,664	650,553,704	573,552,868
Total	$ 922,645,802	$ 856,859,428	$ 762,529,766
Depreciation & Amortization:			
Automotive Products	$ 21,407,276	$ 19,323,047	$ 18,275,655
Fire Protection Products	207,336	228,844	255,301
Other	2,208,715	2,188,941	1,895,251
Total	$ 23,823,327	$ 21,740,832	$ 20,426,207
Capital Expenditures:			
Automotive Products	$ 52,966,667	$ 29,233,220	$ 22,126,904
Fire Protection Products	131,821	251,492	98,705
Other	434,747	1,050,462	22,400
Total	$ 53,533,235	$ 30,535,174	$ 22,248,009

Other assets are principally cash, investments, deferred income taxes and corporate fixed assets. Substantially all long-lived assets are located in the U.S.

Automotive Products revenues in the "Other" category are sales to U.S. automotive manufacturing plants in Canada and Mexico, as well as other foreign automotive customers. Nearly all non-U.S. sales are invoiced and paid in U.S. dollars. During 2005, approximately 9% of the Company's net sales were invoiced and paid in European euros.

During the years presented, the Company had four automotive customers, which individually accounted for 10% or more of net sales as follows:

	Customer			
	#1	#2	#3	#4
2005	24%	14%	12%	11%
2004	31%	13%	13%	*
2003	38%	12%	13%	*

* less than 10%

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION	PAGE
3(a)(1)	Registrant's Restated Articles of Incorporation, adopted on August 20, 2004, were filed as Exhibit 3(a) to Registrant's Report on Form 10-Q dated November 2, 2004, and the same is hereby incorporated herein by reference.	
3(b)(1)	Registrant's Bylaws as amended and restated February 27, 2003, was filed as Exhibit 3(b)(1) to Registrant's report on Form 10-Q dated May 5, 2003, and the same is hereby incorporated herein by reference.	
4(a)	A specimen form of certificate for the Registrant's common stock, par value $.06 per share, was filed as part of a Registration Statement (Registration Number 2-74226C) as Exhibit 3(a), as amended by Amendment No. 3 to such Registration Statement, and the same is hereby incorporated herein by reference.	
4(b)	Amended and Restated Shareholder Protection Rights Agreement, dated as of March 29, 2001, including as Exhibit A the form of Certificate of Adoption of Resolution Establishing Series of Shares of Junior Participating Preferred Stock of the Company, and as Exhibit B the form of Rights Certificate and of Election to Exercise, was filed as Exhibit 4(b) to Registrant's Report on Form 10-Q on April 27, 2001, and the same is hereby incorporated herein by reference.	
10(a)(1)	A Lease, dated August 15, 1981, was filed as part of a Registration Statement (Registration Number 2-74226C) as Exhibit 9(a)(1), and the same is hereby incorporated herein by reference.	
10(a)(2)	A First Amendment to Lease, dated June 28, 1985, was filed as Exhibit 10(m) to Registrant's Report on Form 10-K dated March 18, 1986, and the same is hereby incorporated herein by reference.	
*10(b)(1)	Gentex Corporation Qualified Stock Option Plan (as amended and restated, effective February 26, 2004) was included in Registrant's Proxy Statement dated April 6, 2004, filed with the Commission on April 6, 2004, and the same is hereby incorporated herein by reference, and the same became the Gentex Corporation Employee Stock Option Plan and was amended as of March 4, 2005 by the First Amendment to the Gentex Corporation Qualified Stock Option Plan, which amendment was included in the Registrant's Proxy Statement dated April 1, 2005, filed with the Commission on April 1, 2005, and the same is incorporated herein by reference.	
*10(b)(2)	Specimen form of Grant Agreement for the Gentex Corporation Qualified Stock Option Plan (as amended and restated, effective February 26, 2004 and as amended March 4, 2005), was filed as Exhibit 10(b)(3) to Registrant's Report on Form 10-Q dated November 1, 2005, and the same is hereby incorporated herein by reference.	
*10(b)(3)	Gentex Corporation Second Restricted Stock Plan was filed as Exhibit 10(b)(3) to Registrant's Report on Form 10-Q dated April 27, 2001, and the same is hereby incorporated herein by reference.	
*10(b)(4)	Specimen form of Grant Agreement for the Gentex Corporation Restricted Stock Plan (as amended and restated, effective February 26, 2004), was filed as Exhibit 10(b)(4) to Registrant's Report on Form 10-Q dated November 2, 2004, and the same is hereby incorporated herein by reference.	
*10(b)(5)	Gentex Corporation 2002 Nonemployee Director Stock Option Plan (adopted March 6, 2002) was filed as Exhibit 10(b)(4) to Registrant's Report on Form 10-Q dated April 30, 2002, and the same is hereby incorporated herein by reference.	
*10(b)(6)	Specimen form of Grant Agreement for the Gentex Corporation 2002 Non-Employee Director Stock Option Plan (as amended and restated, effective February 26, 2004), was filed as Exhibit 10(b)(6) to Registrant's Report on Form 10-Q dated November 2, 2004, and the same is hereby incorporated herein by reference.	
10(e)	The form of Indemnity Agreement between Registrant and each of the Registrant's directors and certain offices was filed as Exhibit 10(c) to Registrant's Report on Form 10-Q dated October 31, 2002, and the same is hereby incorporated herein by reference.	
21	List of Company Subsidiaries	40
23(a)	Consent of Independent Registered Public Accounting Firm	41
31.1	Certificate of the Chief Executive Officer of Gentex Corporation pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).	42
31.2	Certificate of the Chief Financial Officer of Gentex Corporation pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).	43

32	Certificate of the Chief Executive Officer and Chief Financial Officer of Gentex Corporation pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).	44

*Indicates a compensatory plan or arrangement.

Exhibit 21

LIST OF GENTEX CORPORATION SUBSIDIARIES

1. E.C. Aviation Services, Inc., a Michigan corporation, is a wholly-owned subsidiary of Gentex Corporation.

2. Gentex International Corporation, a Foreign Sales Corporation incorporated in Barbados, is a wholly-owned subsidiary of Gentex Corporation.

3. Gentex Holdings, Inc., a Michigan corporation, is a wholly-owned subsidiary of Gentex Corporation.

4. Gentex GmbH, a German limited liability company, is a subsidiary 50% owned by Gentex Corporation and 50% owned by Gentex Holdings, Inc.

5. Gentex Japan, Inc., a Japanese corporation, is a wholly-owned subsidiary of Gentex Corporation.

6. Gentex Mirrors Ltd., a United Kingdom limited liability company, is a wholly-owned subsidiary of Gentex Corporation.

7. Gentex France, SAS, a French simplified liability corporation, is a wholly-owned subsidiary of Gentex Corporation.

8. Gentex Technologies Korea Co., Ltd., a Korean limited stock company, is a wholly-owned subsidiary of Gentex Corporation.

9. Gentex (Shanghai) Electronic Technology Co., Inc., a Chinese limited liability company, is a wholly-owned subsidiary of Gentex Corporation

Exhibit 23(a)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements (Form S-8 Nos. 333-101642, 33-65321, 333-04661, 333-105858 and 333-118213) pertaining to various stock option and incentive plans of Gentex Corporation of our reports dated February 8, 2006, with respect to the consolidated financial statements of Gentex Corporation and subsidiaries, Gentex Corporation management's assessment of the effectiveness of internal control over financial reporting, and the effectiveness of internal control over financial reporting of Gentex Corporation, included in this Annual Report (Form 10-K) for the year ended December 31, 2005.

/s/ Ernst & Young LLP

Grand Rapids, Michigan

February 17, 2006

EXHIBIT 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER OF GENTEX COPORATION

I, Fred T. Bauer, certify that:

1. I have reviewed this annual report on Form 10-K of Gentex Corporation;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures [as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)] and internal control over financial reporting [as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)] for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   b) designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

   d) disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting;

Date: February 16, 2006

/s/ Fred T. Bauer

Fred T. Bauer
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER OF GENTEX COPORATION

I, Enoch C. Jen, certify that:

1. I have reviewed this annual report on Form 10-K of Gentex Corporation;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures [as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)] and internal control over financial reporting [as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)] for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   b) designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of end of the period covered by this annual report based on such evaluation; and

   d) disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting;

Date: February 16, 2006

/s/ Enoch C. Jen

Enoch C. Jen
Vice President, Finance

EXHIBIT 32

CERTIFICATE PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY

ACT OF 2002 (18-U.S.C. Section 1350)

Each, Fred T. Bauer, Chief Executive Officer of Gentex Corporation, and Enoch C. Jen, Chief Financial Officer of Gentex Corporation, certify to the best of their knowledge and belief, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), that:

(1) The annual report on Form 10-K for the year ended December 31, 2005, which this statement accompanies, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this annual report on Form 10-K of the year ended December 31, 2005, fairly presents, in all material respects, the financial condition and results of operations of Gentex Corporation.

Dated: February 16, 2006

GENTEX CORPORATION

By /s/ Fred T. Bauer

Fred T. Bauer
Its Chief Executive Officer

By /s/ Enoch C. Jen

Enoch C. Jen
Its Vice President-Finance/Chief Financial Officer

A signed original of this written statement has been provided to Gentex Corporation and will be retained by Gentex Corporation and furnished to the Securities and Exchange Commission or its staff upon request.