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

FORM 10-Q

(MARK ONE)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2006, OR

[ ] 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, ZEELAND, MICHIGAN	49464
(Address of principal executive offices)	(Zip Code)

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

____
(Former name, former address and former fiscal year, if changed since last report)

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 whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer x Accelerated Filer Non-accelerated Filer

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

Yes No x

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Shares Outstanding at July 21, 2006

Common Stock, $0.06 Par Value	146,828,652

Exhibit Index located at page 19

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

GENTEX CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2006 (Unaudited)	December 31, 2005 (Audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$326,302,964	$439,681,693
Short-term investments	56,226,643	67,331,928
Accounts receivable, net	70,508,025	60,924,437
Inventories	40,822,489	39,836,822
Prepaid expenses and other	12,037,673	11,212,647
Total current assets	505,897,794	618,987,527
PLANT AND EQUIPMENT - NET	180,695,166	164,030,341
OTHER ASSETS		
Long-term investments	130,542,950	132,524,966
Patents and other assets, net	7,357,744	7,102,968
Total other assets	137,900,694	139,627,934
Total assets	$824,493,654	$922,645,802
LIABILITIES AND SHAREHOLDERS' INVESTMENT		
CURRENT LIABILITIES		
Accounts payable	$ 29,409,808	$ 23,607,927
Accrued liabilities	43,403,228	34,480,332
Total current liabilities	72,813,036	58,088,259
DEFERRED INCOME TAXES	21,898,366	22,962,168
SHAREHOLDERS' INVESTMENT		
Common stock	8,809,719	9,362,639
Additional paid-in capital	194,688,318	194,476,306
Retained earnings	512,026,127	623,301,775
Other shareholders' investment	14,258,088	14,454,655
Total shareholders' investment	729,782,252	841,595,375
Total liabilities and shareholders' investment	$824,493,654	$922,645,802

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended June 30		Six Months Ended June 30	
	2006	2005	2006	2005
NET SALES	$142,391,231	$132,384,445	$281,411,824	$260,026,165
COST OF GOODS SOLD	91,494,753	82,818,876	182,282,638	162,407,779
Gross profit	50,896,478	49,565,569	99,129,186	97,618,386
OPERATING EXPENSES:				
Engineering, research and development	9,962,629	8,798,430	20,121,797	16,775,815
Selling, general & administrative	7,512,959	7,011,298	15,304,027	13,851,129
Total operating expenses	17,475,588	15,809,728	35,425,824	30,626,944
Income from operations	33,420,890	33,755,841	63,703,362	66,991,442
OTHER INCOME (EXPENSE)				
Interest and dividend income	5,161,146	4,038,564	10,386,637	7,122,659
Other, net	1,517,113	221,645	4,280,033	1,760,919
Total other income	6,678,259	4,260,209	14,666,670	8,883,578
Income before provision for income taxes	40,099,149	38,016,050	78,370,032	75,875,020
PROVISION FOR INCOME TAXES	12,863,099	11,975,000	24,762,925	23,901,000
NET INCOME	$ 27,236,050	$ 26,041,050	$ 53,607,107	$ 51,974,020
EARNINGS PER SHARE:				
Basic	$ 0.18	$ 0.17	$ 0.35	$ 0.33
Diluted	$ 0.18	$ 0.17	$ 0.35	$ 0.33
Cash Dividends Declared per Share	$ 0.09	$ 0.085	$ 0.18	$ 0.17

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For six months ended June 30, 2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 53,607,107	$ 51,974,020
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	13,379,195	11,803,513
(Gain) loss on disposal of assets	(23,204)	154,501
(Gain) loss on sale of investments	(3,637,158)	(2,084,277)
Deferred income taxes	(1,439,236)	(767,301)
Amortization of deferred compensation	840,428	876,714
Stock based compensation expense related to employee stock options and employee stock purchases	3,469,890	0
Tax benefit of stock plan transactions	0	1,142,827
Excess tax benefits from stock based compensation	(176,803)	0
Change in operating assets and liabilities:		
Accounts receivable, net	(9,583,588)	(5,887,843)
Inventories	(985,667)	(3,901,436)
Prepaid expenses and other	(9,102)	96,934
Accounts payable	5,801,881	11,674,652
Accrued liabilities, excluding dividends declared	9,845,897	5,597,963
Net cash provided by operating activities	71,089,640	70,680,267
CASH FLOWS FROM INVESTING ACTIVITIES:		
Plant and equipment additions	(30,180,530)	(28,728,691)
Proceeds from sale of plant and equipment	294,361	24,400
(Increase) decrease in investments	15,465,915	(6,216,622)
Increase in other assets	553,133	(915,916)
Net cash provided by (used for) investing activities	(13,867,121)	(35,836,829)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of common stock from stock plan transactions	8,853,877	8,403,893
Cash dividends paid	(27,882,204)	(26,493,842)
Repurchases of common stock	(151,749,724)	0
Excess tax benefits from stock based compensation	176,803	0
Net cash provided by (used for) financing activities	(170,601,248)	(18,089,949)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(113,378,729)	16,753,489
CASH AND CASH EQUIVALENTS, beginning of period	439,681,693	395,538,719
CASH AND CASH EQUIVALENTS, end of period	$ 326,302,964	$412,292,208

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(1) The unaudited condensed consolidated financial statements included herein have been prepared by the Registrant, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations, although the Registrant believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these unaudited condensed consolidated financial statements be read in conjunction with the financial statements and notes thereto included in the Registrant's 2005 annual report on Form 10-K.

(2) In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments, consisting of only a normal and recurring nature, necessary to present fairly the financial position of the Registrant as of June 30, 2006, and the results of operations and cash flows for the interim periods presented.

(3) Inventories consisted of the following at the respective balance sheet dates:

	June 30, 2006	December 31, 2005
Raw materials	$23,791,242	$24,628,200
Work-in-process	4,170,927	3,739,394
Finished goods	12,860,320	11,469,228
	$40,822,489	$39,836,822

(4) All earnings per share amounts, weighted daily average of shares of common stock outstanding, common stock, and additional paid-in capital have been restated, to reflect the Company's announcement on April 1, 2005, of a two-for-one stock split effected in the form of a 100 percent common stock dividend for each outstanding share, issued to shareholders on May 6, 2005. The ex-dividend date was May 9, 2005.

(5) The following table reconciles the numerators and denominators used in the calculation of basic and diluted earnings per share (EPS):

	Quarter Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Numerators:				
Numerator for both basic and diluted EPS, net income	$ 27,236,050	$ 26,041,050	$ 53,607,107	$ 51,974,020
Denominators:				
Denominator for basic EPS, weighted-average shares outstanding	150,592,680	155,568,960	152,402,407	155,396,365
Potentially dilutive shares resulting from stock plans	451,959	1,640,842	774,195	1,566,070
Denominator for diluted EPS	151,044,639	157,209,802	153,176,602	156,962,435
Shares related to stock plans not included in diluted average common shares outstanding because their effect would be antidilutive	7,559,775	3,357,767	5,580,488	4,132,273

(6) Stock-Based Compensation Plans

At June 30, 2006, the Company had two stock option plans, a restricted plan and an employee stock purchase plan, which are described more fully below. Effective January 1, 2006, the Company adopted Statement of Financial Accounting Standards No. 123 (revised), "Share-Based Payment" (SFAS 123(R)) utilizing the modified prospective approach. Prior to the adoption of SFAS 123(R) we accounted for stock option grants under the recognition and measurement principles of APB Opinion No. 25 (Accounting for Stock Issued to Employees) and related interpretations,

and accordingly, recognized no compensation expense for stock option grants in net income. Readers should refer to Note 6 of our consolidated financial statements in our Annual Report on Form 10-K for the calendar year ended December 31, 2005, for additional information related to these stock-based compensation plans.

Under the modified prospective approach, SFAS 123(R) applies to new awards and to awards that were outstanding on December 31, 2005. Under the modified prospective approach, compensation cost recognized in the second quarter of 2006 includes compensation cost for all share-based payments granted prior to, but not yet vested as of December 31, 2005, based on the grant-date fair value estimated in accordance with the original provisions of SFAS 123, and compensation cost for all share-based payments granted subsequent to December 31, 2005, based on the grant-date fair value estimated in accordance with the provisions of SFAS 123 (R). Prior periods were not restated to reflect the impact of adopting the new standard.

As a result of adopting SFAS 123(R) on January 1, 2006, the Company's income before taxes, net income and basic and diluted earnings per share for the second quarter and six months ended June 30, 2006, were $1,749,795, $1,324,894, and $.01 lower, and $3,469,890, $2,247,815 and $.01 lower, respectively, than if we had continued to account for stock-based compensation under APB Opinion No. 25 for our stock option grants. Compensation cost capitalized as part of inventory as of June 30, 2006, was $91,611. The cumulative effect of the change in accounting for forfeitures was not material.

We receive a tax deduction for certain stock option exercises during the period the options are exercised, generally for the excess of the price at which the options are sold over the exercise price of the options. Prior to the adoption of SFAS 123(R), we reported all tax benefits resulting from the exercise of stock options as operating cash flows in our consolidated statement of cash flows. In accordance with SFAS 123(R), for the six months ended June 30, 2006, we revised our consolidated statement of cash flows presentation to report the tax benefits from the exercise of stock options as financing cash flows. For the six months ended June 30, 2006, $176,803 of tax benefits from the exercise of stock options and vested restricted stock were reported as financing cash flows rather than operating cash flows.

Net cash proceeds from the exercise of stock options and employee stock purchases were $2,497,767 and $8,838,736, respectively, for the second quarter and six months ended June 30, 2006. The actual income tax benefit realized from stock option exercises and vested restricted stock are $209,568 and $904,879, respectively, for the same periods.

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 for the second quarter and six months ended June 30, 2005:

	Three Months Ended June 30, 2005	Six Months Ended June 30, 2005
Net Income, as reported	$26,041,050	$ 51,974,020
Deduct: Total stock-based employee compensation expense determined under fair value-based method of all awards, net of tax effects	(913,649)	(18,017,075)
Pro forma net income	$25,127,401	$ 33,956,945
Earnings per share:		
Basic - as reported	$ .17	$ .33
Basic - pro forma	$ .16	$ .22
Diluted - as reported	$ .17	$ .33
Diluted - pro forma	$ .16	$ .22

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 2005, 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 2008-2009. 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 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.

EMPLOYEE STOCK OPTION PLAN

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 5,001,353 shares (net of shares from canceled options) under the new plan through June 30, 2006. 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.

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 for the indicated periods:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Dividend yield	1.88%	1.87%	2.00%	2.00%
Expected volatility	30.05%	42.26%	30.40%	42.73%
Risk-free interest rate	5.17%	3.72%	5.00%	3.89%
Expected term of options (in years)	4.37	4.36	4.37	4.37
Weighted-average grant-date fair value	$ 3.90	$ 6.17	$ 4.27	$ 5.81

The Company determined that all employee groups exhibit similar exercise and post-vesting termination behavior to determine the expected term.

As of June 30, 2006, there was $9,374,634 of unrecognized compensation cost related to share-based payments which is expected to be recognized over the vesting period with a weighted-average period of 4.4 years.

A summary of the status of the Company's employee stock option plan for the second quarter and six months ended June 30, 2006, and changes during the same periods, are presented in the table and narrative below:

	Three Months Ended June 30, 2006				Six Months Ended June 30, 2006			
	Shares (000)	Wtd. Avg. Ex. Price	Wtd. Avg. Remaining Contract Life	Aggregate Intrinsic Value (000)	Shares (000)	Wtd. Avg. Ex. Price	Wtd. Avg. Remaining Contract Life	Aggregate Intrinsic Value (000)
Outstanding at Beginning of Period	10,419	$17			10,510	$17		
Granted	452	14			856	15		
Exercised	(146)	13		$ 207	(614)	12		$2,380
Forfeited	(79)	18			(106)	18		
Outstanding at End of Period	10,646	17	3.0 Yrs	$2,153	10,646	17	3.0 Yrs	$2,153
Exercisable at End of Period	7,532	$17	2.5 Yrs	$1,926	7,532	$17	2.5 Yrs	$1,926

A summary of the status of the Company's non-vested employee stock option activity for the second quarter and six months ended June 30, 2006, are presented in the table and narrative below:

	Three Months Ended June 30, 2006		Six Months Ended June 30, 2006	
	Shares (000)	Wtd. Avg. Grant Date Fair Value	Shares (000)	Wtd. Avg. Grant Date Fair Value
Non-vested stock options at beginning of period	3,028	5.47	3,069	5.65
Granted	452	3.90	856	4.25
Vested	(339)	7.05	(771)	7.05
Forfeited	(28)	5.74	(41)	5.73
Non-vested stock options at end of period	3,113	5.13	3,113	5.13

NON-EMPLOYEE DIRECTOR STOCK OPTION PLAN

The Company has a Non-employee Director Stock Option Plan covering 1,000,000 shares that was approved, replacing a prior plan. The Company has granted options on 357,240 shares (net of shares from canceled options) under the current plan through June 30, 2006. 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.

As of June 30, 2006, there was $195,198 of unrecognized compensation cost related to share-based payments which is expected to be recognized over the balance of the 2006 calendar year.

A summary of the status of the Company's Non-employee Director Stock Option Plan for the second quarter and six months ended June 30, 2006, and changes during the second quarter and six months ended June 30, 2006, are presented in the table and narrative below:

	Three and Six Months Ended June 30, 2006			
	Shares (000)	Wtd. Avg. Ex. Price	Wtd. Avg. Remaining Contract Life	Aggregate Intrinsic Value (000)
Outstanding at Beginning of Period	445	$14		
Granted	48	15		
Exercised	(40)	5		$396
Forfeited	(0)	--		
Outstanding at End of Period	453	15	6.09 Yrs	$593
Exercisable at End of Period	405	$15	5.64 Yrs	$593

A summary of the status of the Company's non-vested non-employee director stock option plan activity for the second quarter and six months ended June 30, 2006 are presented in the table and narrative below:

	Three and Six Months Ended June 30, 2006	
	Shares (000)	Wtd. Avg. Grant Date Fair Value
Non-vested stock options at beginning of period	0	$ --
Granted	48	5.61
Vested	0	--
Forfeited	0	--
Non-vested stock options at end of period	48	$5.61

EMPLOYEE STOCK PURCHASE PLAN

In 2003, a new Employee Stock Purchase Plan covering 1,200,000 shares was approved, replacing a prior plan. The Company has sold a total of 384,248 shares under the new plan through June 30, 2006. 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 2006 was approximately $13.31.

RESTRICTED STOCK PLAN

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. The Company has 533,990 shares outstanding as of June 30, 2006, and 95,610 shares were granted with a restriction period of five years at a market prices ranging from $14.00 to $17.09 year to date. As of June 30, 2006, the Company has unearned stock-based compensation of $5,168,728 associated with these restricted stock grants. The unearned stock-based compensation related to these grants is being amortized to compensation expense over the applicable restriction periods.

(7) 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 items such as unrealized gains and losses on investments and foreign currency translation adjustments. Comprehensive income was as follows:

	June 30, 2006	June 30, 2005
Quarter Ended	$24,835,305	$26,133,449
Six Months Ended	$53,731,609	$49,922,035

(8) The decrease in common stock during the six months ended June 30, 2006, was primarily due to the repurchase of 10,004,629 shares for approximately $151,750,000, partially offset by the issuance of 789,299 shares, respectively, of the Company's common stock under its stock-based compensation plans. The Company has also recorded a $0.09 per share cash dividend in the first and second quarters. The second quarter dividend of approximately $13,215,000, was declared on May 25, 2006, and was paid on July 21, 2006.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(9) The Company currently manufactures electro-optic products, including automatic-dimming rearview mirrors for the automotive industry, and fire protection products for the commercial building industry:

	Quarter Ended June 30,		Six Months Ended June 30,	
	2006	2005	2006	2005
Revenue:				
Automotive Products	$136,049,551	$126,124,967	$269,279,619	$248,084,935
Fire Protection Products	6,341,680	6,259,478	12,132,205	11,941,230
Total	$142,391,231	$132,384,445	$281,411,824	$260,026,165
Operating Income:				
Automotive Products	$ 32,143,170	$ 32,359,395	$ 61,244,877	$ 64,336,234
Fire Protection Products	1,277,720	1,396,446	2,458,485	2,655,208
Total	$ 33,420,890	$ 33,755,841	$ 63,703,362	$ 66,991,442

(10) In July 2006, the Financial Accounting Standards Board (FASB) issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes." This interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB statement No. 109, "Accounting for Income Taxes." Interpretation No. 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This Interpretation also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. This Interpretation is effective for fiscal years beginning after December 15, 2006. The adoption of Interpretation No. 48 is not expected to have any significant effect on the Company's consolidated financial position or results of operations.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS:

SECOND QUARTER 2006 VERSUS SECOND QUARTER 2005

Net Sales. Net sales for the second quarter of 2006 increased by approximately $10,007,000, or 8%, when compared with the second quarter last year. Net sales of the Company's automotive auto-dimming mirrors increased by approximately $9,925,000, or 8%, in the second quarter of 2006, when compared with the second quarter last year, primarily due to a 10% increase in auto-dimming mirror unit shipments from approximately 3,095,000 in the second quarter of 2005 to 3,408,000 in the current quarter. This unit increase primarily reflected the increased penetration of interior and exterior auto-dimming mirrors on 2006 model year vehicles. Unit shipments to customers in North America for the current quarter increased by 10% compared with the second quarter of the prior year, primarily due to the takeover business at General Motors previously disclosed. Mirror unit shipments for the current quarter to automotive customers outside North America increased by 10% compared with the second quarter in 2005, primarily due to increased penetration at certain European and Asian automakers. Net sales of the Company's fire protection products increased 1% for the current quarter versus the same quarter of last year.

Cost of Goods Sold. As a percentage of net sales, cost of goods sold increased from 63% in the second quarter of 2005 to 64% in the second quarter of 2006. This percentage increase primarily reflected the impact of automotive customer price reductions.

Operating Expenses. Engineering, research and development expenses for the current quarter increased 13% and approximately $1,164,000, when compared with the same quarter last year, primarily reflecting stock option expensing, additional staffing, engineering and testing for new product development, including mirrors with additional electronic features, and stock option expensing. Excluding stock option expense of $619,000, E, R & D expenses increased by 6% when comparing the current quarter to the same quarter last year. Selling, general and administrative expenses increased 7% and approximately $502,000, for the current quarter, when compared with the second quarter of 2005. This increased expense primarily reflected stock option expensing. Excluding stock option expense of $556,000, S, G & A expenses decreased by 1% when comparing the current quarter to the same quarter last year, primarily due to decreased state taxes.

Total Other Income. Total other income for the current quarter increased by approximately $2,418,000 when compared with the second quarter of 2005, primarily due to increased interest income due to higher interest rates and realized gains on the sale of equity investments.

Taxes. The provision for income taxes varied from the statutory rate during the current quarter, primarily due to Extra Territorial Income Exclusion Act exempted taxable income, domestic production deduction, tax-exempt investment income and stock option expense.

Net Income. The Company's net income for the current quarter increased by $1,195,000, or 5%, when compared with the same quarter last year. Excluding stock option expense of $1,325,000, the Company's net income increased 10%.

SIX MONTHS ENDED JUNE 30, 2006, VERSUS SIX MONTHS ENDED JUNE 30, 2005

Net Sales. Net sales for the six months ended June 30, 2006, increased by $21,386,000, or 8%, when compared with the same period last year. Net sales of the Company's automotive auto-dimming mirrors increased by $21,195,000, or 9%, as auto-dimming mirror shipments increased by 11% from approximately 6,125,000 in the first six months of 2005 to 6,800,000 units in the first six months of 2006. This increase primarily reflected the increased penetration of interior auto-dimming mirrors on 2006 model year vehicles. Unit shipments to customers in North America increased by 9%, primarily due to the takeover business at General Motors. Mirror shipments to automotive customers outside North America increased by 13%, primarily due to increased penetration at certain European and Asian automakers. Net sales of the Company's fire protection products increased 2%.

Cost of Goods Sold. As a percentage of net sales, cost of goods sold increased from 62% in the six months ended June 30, 2005, to 65% in the six months ended June 30, 2006, primarily reflecting automotive customer price reductions and stock option expense. Each factor is estimated to have impacted cost of goods sold by approximately 1-2 percentage points.

Operating Expenses. For the six months ended June 30, 2006, engineering, research and development expenses increased approximately $3,346,000, and increased from 6% to 7% of net sales, when compared to the same period last year, primarily due to stock option expense and additional staffing, engineering and testing for new product development, including mirrors with additional electronic features. Excluding stock option expense of $1,277,000, E, R & D expenses increased by 6% for the current period versus the same period last year. Selling, general and administrative expenses increased approximately $1,453,000 for the six months ended June 30, 2006, but remained at 5% of net sales, when compared to the same period last year, primarily reflecting stock option expense and the continued expansion of the Company's overseas offices. Excluding stock option expense of $1,076,000, S, G & A expense increased by 3% versus the same period in the prior year.

Total Other Income. Other income for the six months ended June 30, 2006, increased $5,783,000 when compared to the same period last year, primarily due to increased interest income due to higher interest rates and realized gains on the sale of equity investments.

Taxes. The provision for income taxes varied from the statutory rate during the six months ended June 30, 2006, primarily due to Extra Territorial Income Exclusion Act exempted taxable income, domestic production deduction, tax-exempt investment income and stock option expense.

Net Income. The Company's net income for the six months ended June 30, 2006, increased $1,633,000, or 3%, when compared to the same period last year, primarily due to the increased net sales. Excluding stock option expense of $2,248,000, the Company's net income increased by 7%.

FINANCIAL CONDITION:

Cash flow from operating activities for the six months ended June 30, 2006, slightly increased to $71,090,000, compared to $70,680,000, for the same period last year, primarily due to an increase in net income. Capital expenditures for the six months ended June 30, 2006, increased to $30,181,000, compared to $28,729,000 for the same period last year, including the new facility construction.

The Company has completed the construction of its fourth automotive manufacturing facility and a new technical center will be completed in the summer of 2006. The Company has invested approximately $35-40 million for the new facilities during 2004-2006, which has been funded from its cash and cash equivalents on hand.

Accounts receivable as of June 30, 2006, increased approximately $9,584,000 compared to December 31, 2005. The increase was primarily due to the higher sales level, as well as monthly sales within each quarter.

Management considers the Company's working capital and long-term investments totaling approximately $563,628,000 as of June 30, 2006, 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. On May 16, 2006, the Company announced that the Company's Board of Directors had authorized the repurchased of an additional eight million shares under the 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. During the quarter ended March 31, 2006, the Company repurchased approximately 2,804,000 shares at a cost of approximately $47,145,000. During the quarter ended June 30, 2006, the Company repurchased approximately 7,201,000 shares at a cost of approximately $104,604,000. Approximately 3,669,000 shares remain authorized to be repurchased under the plan.

CRITICAL ACCOUNTING POLICIES:

The preparation of the Company's consolidated condensed financial statements, which have been prepared in accordance with accounting principles generally accepted in the Unites States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. On an on-going basis, management evaluates these estimates. Estimates are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Historically, actual results have not been materially different from the Company's estimates. However, actual results may differ from these estimates under different assumptions or conditions.

The Company has identified the critical accounting policies used in determining estimates and assumptions in the amounts reported in its Management's Discussion and Analysis of Financial Condition and Results of Operations in its Annual Report on Form 10-K for the fiscal year ended December 31, 2005. Management believes there have been no changes in those critical accounting policies, except as noted below.

STOCK-BASED COMPENSATION

The Company accounts for stock-based compensation in accordance with the fair value recognition provisions of SFAS No. 123(R). The Company utilizes the Black-Scholes model, which requires the input of subjective assumptions. These assumptions include estimating (a) the length of time employees will retain their vested stock options before exercising them ("expected term"), (b) the volatility of the Company's common stock price over the expected term, (c) the number of options that will ultimately not complete their vesting requirements ("forfeitures") and (d) expected dividends. Changes in the subjective assumptions can materially affect the estimate of fair value of stock-based compensation and consequently, the related amounts recognized on the consolidated condensed statements of operations.

TRENDS AND DEVELOPMENTS:

During the first quarter of 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 all of the interior auto-dimming rearview mirrors programs for GM and its worldwide affiliates through August 2009, and includes all but 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 new 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 the quarter ended September 30, 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 currently expects that auto-dimming mirror unit shipments will be approximately 0-5% higher in the third quarter and 5-10% higher in the calendar year of 2006, compared with the same periods in 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 15.8 million units for North America, 20.3 million for Europe and 14.3 million for Japan and Korea.

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. During the quarter ended June 30, 2006, there were no material changes in the risk factors previously disclosed in the Company's report on Form 10-K for the fiscal year ended December 31, 2005.

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 worldwide markets that could reduce demand for its products.

The Company continues to experience pricing pressures from its automotive customers, which have affected, and which will continue to affect, its margins to the extent that the Company is unable to offset the price reductions with productivity or yield improvements, engineering and purchasing cost reductions, and increases in unit 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, which could adversely impact the Company's sales growth and margins. The Company also continues to experience some manufacturing yield issues and pressure for select raw material cost increases. The automotive industry is experiencing increasing financial and production stresses due to continuing pricing pressures, lower domestic production levels due to loss of market share, supplier bankruptcies, and commodity material cost increases.

Automakers have been experiencing increased volatility and uncertainty in executing planned new programs which have, in some cases, resulted in cancellations or delays of new vehicle platforms, package reconfigurations and inaccurate volume forecasts. This increased volatility and uncertainty has made it more difficult for the Company to forecast future sales and effectively utilize capital, engineering, research and development, and human resource investments.

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

On March 30, 2005, in response to the required implementation of SFAS No. 123(R) as disclosed in Note 10, 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. The objective of this Company action is primarily to avoid recognizing compensation expense associated with these options in future financial statements, upon the Company's adoption of SFAS No. 123(R). In addition, the Company has also received shareholder approval of an amendment to its Employee Stock Option Plan to allow the grant of non-qualified stock options.

On April 1, 2005, the Company announced a two-for-one stock split effected in the form of a 100 percent common stock dividend for each outstanding share, issued to shareholders on May 6, 2005. The ex-dividend date was May 9, 2005.

On October 1, 2002, Magna International acquired Donnelly Corporation, the Company's major competitor for sales of automatic-dimming rearview mirrors to domestic and foreign vehicle manufacturers and their mirror suppliers. The Company sells certain automatic-dimming rearview mirror sub-assemblies to Magna Donnelly. To date, the Company is not aware of any significant impact of Magna's acquisition of Donnelly upon the Company.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information called for by this item is provided under the caption "Trends and Developments" under Item 2 - Management's Discussion and Analysis of Results of Operations and Financial Condition.

ITEM 4. CONTROLS AND PROCEDURES

The management, with the participation of its principal executive officer and principal financial officer, has evaluated the effectiveness, as of June 30, 2006, of the Company's "disclosure controls and procedures," as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based upon that evaluation, the Company's management, including the principal executive officer and principal financial officer, concluded that the Company's disclosure controls and procedures, as June 30, 2006, were effective to provide reasonable assurance that information required to be disclosed by the Company in the reports filed or submitted by it under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and to provide reasonable assurance that information required to be disclosed by the Company in such reports is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

In the ordinary course of business, the Company may routinely modify, upgrade, and enhance its internal controls and procedures for financial reporting. However, there was no change in the Company's "internal control over financial reporting" (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended June 30, 2006, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

SAFE HARBOR STATEMENT:

Statements in this Quarterly Report on Form 10-Q contain 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, the impact of stock option expenses on earnings, the ability to leverage fixed manufacturing overhead costs, unit shipment growth rates 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. 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 newly introduced products (e.g. SmartBeam), and other risks identified in the Company's filings with the Securities and Exchange Commission. 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.

PART II. OTHER INFORMATION

ITEM 1A. RISK FACTORS

Information regarding risk factors appears in management's discussion and analysis of financial condition and results of operations in Part I - Item 2 of this Form 10-Q and in Part I - Item 1A - Risk Factors of the Company's report on Form 10-K for the fiscal year ended December 31, 2005. There have been no material changes from the risk factors previously disclosed in the Company's report form on Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(c) Issuer Purchases of Equity Securities

The following is a summary of share repurchase activity during the second quarter ended June 30, 2006:

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
April 2006	750,006	$14.74	750,006	2,120,387
May 2006	3,300,319	$14.82	3,300,319	6,820,068
June 2006	3,150,756	$14.16	3,150,756	3,669,312
Total	7,201,081		7,201,081	

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. During the quarter ended March 31, 2006, the Company repurchased approximately 2,804,000 shares at a cost of approximately $47,145,000. On May 16, 2006, the Company announced that the Company's Board of Directors had authorized the repurchase of an additional eight million shares under the plan.

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

(a) The annual meeting of the shareholders of the Company was held on May 11, 2006.

(b) The following nominees were elected to serve three-year terms on the Company's Board of Directors by the following votes.

	Fred Bauer	Gary Goode	J. Terry Moran
For	142,038,365	134,728,466	142,737,174
Against	--	--	--
Withheld	1,715,705	9,025,604	1,016,896

The terms of office for incumbent Directors Ken La Grand, Arlyn Lanting, John Mulder, Rande Somma, Frederick Sotok and Wallace Tsuha, continued after the meeting.

(c) A proposal to ratify the appointment of Ernst & Young LLP as the Company's auditors for the fiscal year ended December 31, 2006, was approved by the following vote:

For	142,629,614
Against	1,012,153
Abstain / Broker Non-Votes	112,302

See Part II, Item 4 (b), with respect to the election of directors.

ITEM 6. EXHIBITS

(a) See Exhibit Index on Page 19.

SIGNATURES

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

GENTEX CORPORATION

Date: August 1, 2006	/s/ Fred T. Bauer -- Fred T. Bauer Chairman and Chief Executive Officer
Date: August 1, 2006	/s/ Enoch C. Jen -- Enoch C. Jen Senior Vice President and Chief Financial Officer Principal Financial and Accounting Officer

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION	PAGE
3(a)	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)	Registrant's Bylaws as amended and restated February 27, 2003, were filed as Exhibit 3(b)(1) to Registrant's Report on Form 10-Q dated May 5, 2003, and the same are 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 on Form S-8 (Registration No. 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 dated 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 on Form S-1 (Registration Number 2-74226C) as Exhibit 9(a)(1), and the same is hereby incorporated herein by reference.	
10(a)(2)	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, which is hereby incorporated herein by reference.	
*10(b)(2)	First Amendment to Gentex Corporation Stock Option Plan (as amended and restated February 26, 2004) was filed as Exhibit 10(b)(2) to Registrant's Report on Form 10-Q dated August 2, 2005, and the same is hereby incorporated herein by reference.	
*10(b)(3)	Specimen form of Grant Agreement for the Gentex Corporation Qualified Stock Option Plan (as amended and restated, effective February 26, 2004) 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)(4)	Gentex Corporation Second Restricted Stock Plan was filed as Exhibit 10(b)(2) to Registrant's Report on Form 10-Q dated April 27, 2001, and the same is hereby incorporated herein by reference.	
*10(b)(5)	Specimen form of Grant Agreement for the Gentex Corporation Restricted Stock Plan, 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.	

EXHIBIT NO.	DESCRIPTION	PAGE
*10(b)(6)	Gentex Corporation 2002 Non-Employee 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 incorporated herein by reference.	
*10(b)(7)	Specimen form of Grant Agreement for the Gentex Corporation 2002 Non-Employee Director Stock Option Plan, 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(b)(8)	Confidential Severance Agreement and Release between Gentex Corporation and Garth Deur	21
10(e)	The form of Indemnity Agreement between Registrant and each of the Registrant's directors and certain officers was filed as Exhibit 10 (e) to Registrant's Report on Form 10-Q dated October 31, 2002, and the same is incorporated herein by reference.	
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).	27
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).	28
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. 1350)	29

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*   Indicates a compensatory plan or arrangement.

EXHIBIT 10(B)8

CONFIDENTIAL SEVERANCE AGREEMENT AND RELEASE

This is a Confidential Severance Agreement and Release ("Agreement") between GENTEX CORPORATION and GARTH DEUR. MR. DEUR'S last day of work as Executive Vice President on Gentex was April 12, 2006. This Agreement sets forth the terms for MR. DEUR's separation from employment with GENTEX.

TERMS

1. SEVERANCE DATE. MR. DEUR's employment with GENTEX will terminate effective October 15, 2006, or on the date that MR. DEUR begins employment for another person or entity, whichever comes first. ("Severance Date"). Employment shall include self employment through consulting or operating a business in which he has an ownership interest, as well as traditional employee status as defined by I.R.S. regulations and shall exclude de minimis project amounts (less than $1000 per project) for personal services. The Severance Date may be extended to December 22, 2006, or on the date MR. DEUR begins employment for another person or entity whichever comes first provided that MR. DEUR executes the ADEA waiver attached to this Agreement.

2. COMPENSATION. MR. DEUR'S current salary as of April 12, 2006 ($4,540 per week), his health insurance including, life insurance, dental and LTD, Holiday pay, Employer Payroll Taxes, 401k Plan Employer match and company automobile with insurance will continue to be provided until the Severance Date. All other benefits terminate immediately upon execution of this Agreement, except as specifically indicated in this Agreement. MR. DEUR agrees to promptly return the automobile to Gentex's Zeeland headquarters on or before the Severance Date.

3. PERIOD OF TRANSITION AND COOPERATION. MR. DEUR agrees to make himself reasonably available to, and to cooperate with, GENTEX with respect to transitioning information and responsibilities to persons designated by GENTEX, through the severance period. MR. DEUR will have no authority to act on behalf of GENTEX.

4. RETURN OF COMPANY PROPERTY. MR. DEUR acknowledges and agrees that he will immediately surrender to GENTEX all Company property and records, including but not limited to all business leads and opportunities, confidential and proprietary information and trade secrets, that are in his possession or control, and attests that he has not retained any originals or copies of any Company records, whether in paper, electronic or other form.

5. QUARTERLY PROFIT SHARING BONUS. MR. DEUR will be eligible for any Quarterly Profit Sharing Bonuses for which the eligibility date occurs prior to or on the Severance Date.

6. STOCK OPTIONS. MR. DEUR may exercise any stock options which are or become vested prior to the Severance Date, in accordance with any agreements and policies for exercising such options.

7. RESTRICTED STOCK GRANT. All outstanding grants are forfeited as up April 12, 2006. MR. DEUR will immediately surrender to GENTEX all restricted stock certificates.

8. VACATION PAY. MR. DEUR'S accrued vacation pay as of April 12, 2006 (169 hours) will be paid as of the severance date and no additional vacation pay will accrue.

9. RELEASE. Except as prohibited by law, MR. DEUR releases GENTEX, along with its shareholders, owners, directors, officers, employees, agents, insurers, and representatives from any and all federal, state and local administrative, judicial, common law, equitable, and/or statutory claims, causes of action, remedies and damages of whatever kind or nature, whether known or unknown, and which arose from or relate to his employment or separation from employment with GENTEX.

10. CONFIDENTIAL AND PROPRIETARY INFORMATION. MR. DEUR agrees that he will not use for his benefit or for the benefit of others, nor will he disclose to any third party any of GENTEX'S confidential, proprietary or trade secret information. Further, MR. DEUR agrees that the GENTEX CORPORATION EMPLOYMENT AGREEMENT which he signed on November 13, 2000, shall continue to be in full force and effect (attached).

11. NON-COMPETE PROVISION. MR. DEUR agrees that he will not obtain employment with any competitor of GENTEX, including but not limited to Magna-Donnelly or any affiliates, in accordance with the GENTEX Corporation Employment Agreement which he signed on November 13, 2000 and the Post-employment Competition agreement in the GENTEX Corporation Grant Agreement which Mr Deur has signed.

12. CONFIDENTIALITY. MR. DEUR agrees that a material condition of this Agreement is that he and his agents keep the terms and content of this Agreement confidential. However, MR. DEUR may disclose the terms and content of this Agreement to his attorney, and/or accountant, his spouse provided they agree to abide by this Confidentiality provision, to federal, state, or local agencies that with valid jurisdiction which inquire about this Agreement, or as may be lawfully ordered by a court of competent jurisdiction. This agreement will also be kept confidential from the media analysts and all competitors.

GENTEX CORPORATION will also keep confidential all information regarding this agreement except necessary to the Gentex top leadership, legal counsel and auditors and as otherwise required by law or SEC regulations.

13. NON-DISPARAGEMENT AND NON-INTERFERENCE. MR. DEUR agrees that he will not disparage, criticize, condemn, or impugn GENTEX, its related and affiliated companies, their products nor any of the other persons released through this Agreement. In addition, MR. DEUR agrees that he will not directly or indirectly interfere with, adversely affect, or attempt to interfere with or adversely affect, GENTEX'S business relationships, reputation, contracts, pricing or other relationships that GENTEX has with its former, current or prospective customers, suppliers, clients, employees, businesses, media, analysts, competitors, financial institutions, stockholders or others persons or entities with whom GENTEX interacts or relates.

GENTEX agrees that it will not disparage, criticize, condemn, or impugn Mr. Deur.

14. COMPLETE AGREEMENT. This Agreement is the complete agreement between the parties with respect to the subject matter of this Agreement, and, except as expressly stated otherwise in this Agreement, supersedes all prior employment agreements, understandings or other agreements between the parties, whether oral or written, dealing with the same subject matter.

15. MODIFICATION. No modification of this Agreement will be enforceable, unless it is in writing, signed by MR. DEUR and the CEO of GENTEX.

16. VOLUNTARY AND KNOWING CONSENT. MR. DEUR attests that he signed this Agreement voluntarily, understands its content, meaning and effect, and had the opportunity to consult advisors of his choice prior to signing this Agreement.

17. NON-ADMISSION OF LIABILITY. By entering into this Agreement, both parties acknowledge that there was no violation of the legal rights or responsibilities of the other by either party in the end of Mr. Deur's work as Executive Vice President at GENTEX Corporation, the severance of the employment relationship or the events giving rise to that separation.

18. SEVERABILITY. If any term, clause, or provision of this Agreement is deemed unlawful, void, or otherwise unenforceable or invalid by a competent tribunal, that term, clause or provision shall be modified to make it enforceable to the maximum extent permitted by law. If not enforceable to any degree, then only that term, clause, or provision shall be deemed ineffective and removed from this Agreement. The other provisions of this Agreement shall remain in full effect, to the maximum extent permitted by law.

19. BINDING EFFECT. This Agreement shall be binding upon the parties, their spouses, family, heirs, administrators, successors, and assigns.

20. ARBITRATION. With the exception of claims to enforce paragraphs 4 (Return of Company Property), 10 (Confidential and Proprietary Information, including the attached Employment Agreement), 11 (Non-Compete Provision), 12 (Confidentiality) and 13 (Non-Disparagement and Non-Interference), the parties agree that any dispute or breach arising from or relating to this Confidential Severance Agreement and Release shall be resolved through arbitration. Any demand for arbitration must be made in writing and must be received by the other party within 30 calendar days of the date the demanding party knew or should have known of the alleged dispute or breach. The parties agree that any claim not timely filed under this arbitration procedure is waived. If GENTEX demands arbitration, it shall mail written notice to MR. DEUR'S last known home

address. If MR. DEUR demands arbitration, he shall address such demand to the CEO of GENTEX and mail it to the Company's corporate headquarters in Zeeland, Michigan. The parties will attempt to promptly agree on a single arbitrator to hear the dispute. If agreement on an arbitrator cannot be reached within 30 calendar days, either party may request a panel of arbitrators from the American Arbitration Association. Any agreed-upon or selected arbitrator shall apply the AAA's National Rules for the Resolution of Employment Disputes. The arbitrator shall have subpoena power and have the authority to grant a reasonable period of discovery prior to the arbitration hearing. Discovery may be conducted through any means permitted under the Michigan Court Rules. The laws of the State of Michigan shall apply. Any AAA fees and the costs and expenses of the arbitrator shall be shared equally by the parties. Each party shall be responsible for his own attorney fees, expert witness fees and other expenses associated with arbitration. The decision of the arbitrator shall be final and binding. Judgment may be entered by a court of competent jurisdiction in accordance with the arbitrator's decision and the Michigan court rules. If a party refuses to arbitrate or to abide by the arbitrator's decision, the other party may seek a court order from a court of competent jurisdiction to compel the other party to arbitrate or to comply with the arbitrator's decision. The arbitration hearing shall be held in Grand Rapids, Michigan, or such other location mutually agreed to by the parties.

21. GOVERNING LAW AND JUDICIAL CLAIMS. This Agreement shall be construed according to the laws of the State of Michigan. The parties agree that the only courts with competent jurisdiction to hear claims to enforce paragraphs 4 (Return of Company Property), 10 (Confidential and Proprietary Information), 11 (Non-Compete Provision), 12 (Confidentiality) and 13 (Mutual Non-Disparagement and Non-Interference) are those state and federal courts situated in and having jurisdiction over claims in Ottawa County, Michigan.

/s/ Garth Deur   Date: May 4, 2006

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GARTH DEUR

GENTEX CORPORATION

/s/ Fred Bauer   Date: May 8, 2006

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FRED BAUER, CEO

AGE DISCRIMINATION IN EMPLOYMENT ACT WAIVER

Mr. Deur specifically releases any claims he may have under the federal Age Discrimination in Employment Act ("ADEA"). In conjunction with the release of ADEA claims, Mr. Deur acknowledges he has been advised to consult with an attorney prior to signing this Waiver, that he has been provided twenty-one (21) days within which to consider the waiver, that he understands that the ADEA waiver will not apply to actions arising after the date this Waiver is signed, and that he has seven (7) days after signing this Waiver to revoke the ADEA Waiver, by providing written notice to Mr. Bruce Los, at Gentex's Zeeland, Michigan headquarters.

If this release is signed on or before May 22, 2006, Mr. Deur will be entitled to severance benefits through December 15, 2006, or on the date Mr. Deur begins employment for another person or entity whichever comes first.

DATE MAY 4, 2006

/s/ GARTH DEUR

GARTH DEUR

GENTEX CORPORATION

EMPLOYMENT AGREEMENT

In consideration of, and as a condition of employment by Gentex Corporation (the "Company"), the undersigned, intending to be legally bound, agrees as follows:

1. I agree not to disclose any of the Company's confidential business information and/or trade secrets to any entity or person outside of the employ of the Company, nor use such information for my own benefit, whether during or subsequent to my employment with the Company. As used herein, confidential business information includes, but is not limited to, information learned by me during my employment of the following types relating to the Company or any subsidiary or affiliated corporation or entity: the identity of, or other pertinent information with respect to actual or potential customers or customer contacts; bidding and pricing strategies and policies; market studies, penetration data or other market information; sales and marketing plans, program and strategies; sales, costs, and other financial data; research and development activities, information and plans; plans for new products or services, methods, practices, procedures, processes and formulas with respect to manufacture, assembly, design or data processing; sources of supply for products, components and services; and any other secret process, formulas or methods. I understand that my obligation to maintain such confidentiality regarding any item of such information shall extend until that item is made public by the Company, regardless of whether I remain employed by the Company.

2. I agree that any invention and/or improvement and any copyrightable material which I may conceive, make, invent or suggest, either solely or jointly with others, during my employment by the Company relating to any matter or thing which may be connected in any way with my work or the business of the Company, existing or anticipated, shall be the exclusive property of the Company, and I agree to promptly disclose the same to the Company. At the Company's request and without additional compensation, I agree to assign to the Company, during my employment or thereafter, all of my rights with respect to any such inventions, improvements and copyrightable material, as well as any United States and/or foreign patent applications and/or patents granted thereon, and I agree to execute and deliver to the Company any instruments and documents pertaining to such matters that the Company may consider necessary or helpful in connection with the perfection of its rights therein. All expenses incident to the filing of applications or other efforts to perfect or protect such rights shall be borne by the Company without expense to me.

3. For a period of one year following termination of my employment with the Company, I agree not to engage in competition with the company on my own behalf and not to accept any position with any person or entity which is then, or is about to engage in competition with the Company, whether as an employee, partner, agent, officer, director or consultant, or other similar capacity, regardless of whether compensation is received, anywhere in the world. Further, for a period of one year following termination of my employment, I agree not to, in any manner, solicit, recruit or hire any Gentex employees for any type employment or business relationship with myself or with any other person(s) or entity without prior written permission from Gentex. Notwithstanding the foregoing, in the event of a "hostile change in control" of the Company, this obligation to refrain from competition shall be canceled and be of no force or effect. As used herein, "hostile change in control" shall mean: (i) the acquisition or accumulation of twenty percent (20%) or more of the Company's outstanding shares of common stock by any person, entity, or group, pursuant to a published offer to the Company's shareholders, or any merger or consolidation with any other corporation, where the transaction in question was not either initiated by the Company or certified as "friendly" in a resolution by the Company's Board of Directors passed by the affirmative vote of at least eighty percent (80%) of all directors; or (ii) the election of a director or directors not endorsed by the Company's Board of Directors.

4. I acknowledge that my execution of this Agreement is required by the Company as a condition of my becoming an employee, and that this Agreement supersedes any and all prior employment agreements between me and the Company, whether verbal or written, expressed or implied. I further acknowledge that my employment by the Company is an employment at will, whereby the employment may be terminated either by me or the Company at any time, with or without notice, for any reason or for no reason.

5. I acknowledge and agree that any violation of my obligations under this Agreement will cause the Company irreparable harm entitling the Company to obtain injunctive relief from a court to prevent violation, and I agree to exclusive jurisdiction and venue of the courts seated in Kent County, Michigan for the resolution of any dispute hereunder. I further agree that in the event any provision of this Agreement is determined to be unenforceable by a court due to its geographic scope or length of time, such provision shall not be held unenforceable but shall be deemed modified to such extent as the court shall deem reasonable and enforceable.

6. Upon termination of my employment relationship with the Company, I agree to immediately deliver to the Company all notes, memoranda, drawings, blueprints, inventions, supplier information and other documents or compilations of material, as well as all samples, materials, prototypes or other tangible things relating to the Company's business. I further agree that I will not make or retain any copies or duplicates or any such documents or materials after the termination of my employment.

7. I understand and agree that this Agreement shall inure to the benefit of the Company and its successors and assigns, and shall be binding upon my heirs and personal representatives, to the extent they act in my behalf.

IN WITNESS WHEREOF, I have executed this Agreement on this 13 day of November, 2000.

WITNESS:

/s/ Brenda Williams	/s/ Garth Deur
	EMPLOYEE

EXHIBIT 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER OF GENTEX COPORATION

I, Fred T. Bauer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gentex Corporation;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly 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 quarterly report is being prepared;

   b) designed such internal control 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 quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

   d) disclosed in this quarterly 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: August 1, 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 quarterly report on Form 10-Q of Gentex Corporation;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly 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 quarterly report is being prepared;

   b) designed such internal control 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 quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and

   d) disclosed in this quarterly 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: August 1, 2006

/s/ Enoch C. Jen

Enoch C. Jen
Senior Vice President and
Chief Financial Officer

EXHIBIT 32

CERTIFICATION 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 quarterly report on Form 10-Q for the quarterly period ended June 30, 2006, 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 quarterly report on Form 10-Q of the quarterly period ended June 30, 2006, fairly presents, in all material respects, the financial condition and results of operations of Gentex Corporation.

Dated: August 1, 2006

GENTEX CORPORATION

By /s/ Fred T. Bauer

Fred T. Bauer
Its Chief Executive Officer

By /s/ Enoch C. Jen

Enoch C. Jen
Its Senior Vice President and
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.