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 MARCH 31, 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 (State or other jurisdiction of incorporation or organization)	38-2030505 (I.R.S. Employer Identification No.)
600 N. CENTENNIAL, ZEELAND, MICHIGAN (Address of principal executive offices)	49464 (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 April 20, 2006
Common Stock, $0.06 Par Value	153,758,286

Exhibit Index located at page 17

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

GENTEX CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2006 (Unaudited)	December 31, 2005 (Audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$431,919,985	$439,681,693
Short-term investments	47,434,718	67,331,928
Accounts receivable, net	70,415,718	60,924,437
Inventories	39,120,664	39,836,822
Prepaid expenses and other	11,279,779	11,212,647
Total current assets	600,170,864	618,987,527
PLANT AND EQUIPMENT - NET	170,335,847	164,030,341
OTHER ASSETS		
Long-term investments	137,045,303	132,524,966
Patents and other assets, net	7,457,078	7,102,968
Total other assets	144,502,381	139,627,934
Total assets	$915,009,092	$922,645,802
LIABILITIES AND SHAREHOLDERS' INVESTMENT		
CURRENT LIABILITIES		
Accounts payable	$ 22,340,036	$ 23,607,927
Accrued liabilities	50,648,278	34,480,332
Total current liabilities	72,988,314	58,088,259
DEFERRED INCOME TAXES	23,855,817	22,962,168
SHAREHOLDERS' INVESTMENT		
Common stock	9,225,497	9,362,639
Additional paid-in capital	194,704,417	194,476,306
Retained earnings	592,407,486	623,301,775
Other shareholders' investment	21,827,561	14,454,655
Total shareholders' investment	818,164,961	841,595,375
Total liabilities and shareholders' investment	$915,009,092	$922,645,802

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2006 AND 2005

	2006	2005
NET SALES	$139,020,593	$127,641,720
COST OF GOODS SOLD	90,787,885	79,588,903
Gross profit	48,232,708	48,052,817
OPERATING EXPENSES:		
Engineering, research and development	10,159,168	7,977,385
Selling, general & administrative	7,791,068	6,839,831
Total operating expenses	17,950,236	14,817,216
Operating income	30,282,472	33,235,601
OTHER INCOME:		
Interest and dividend income	5,225,491	3,084,095
Other, net	2,762,920	1,539,274
Total other income	7,988,411	4,623,369
Income before provision for income taxes	38,270,883	37,858,970
PROVISION FOR INCOME TAXES	11,899,826	11,926,000
NET INCOME	$ 26,371,057	$ 25,932,970
EARNINGS PER SHARE:		
Basic	$ 0.17	$ 0.17
Diluted	$ 0.17	$ 0.17
Cash Dividends Declared per Share	0.090	0.085

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For three months ended March 31, 2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 26,371,057	$ 25,932,970
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	6,689,711	5,894,059
(Gain) loss on disposal of assets	(14,856)	140,683
(Gain) loss on sale of investments	(2,563,508)	(1,610,658)
Deferred income taxes	(503,733)	(709,339)
Amortization of deferred compensation	426,937	446,193
Stock based compensation expense related to employee stock options and employee stock purchases	1,720,095	0
Tax benefit of stock plan transactions	0	167,671
Excess tax benefits from stock based compensation	(76,044)	0
Change in operating assets and liabilities:		
Accounts receivable, net	(9,491,281)	(7,286,099)
Inventories	716,158	(1,037,781)
Prepaid expenses and other	46,950	(153,647)
Accounts payable	(1,267,891)	4,434,164
Accrued liabilities, excluding dividends declared	16,419,221	16,517,256
Net cash provided by operating activities	38,472,816	42,735,472
CASH FLOWS FROM INVESTING ACTIVITIES:		
Plant and equipment additions	(12,934,777)	(11,128,956)
Proceeds from sale of plant and equipment	19,276	21,000
(Increase) decrease in investments	21,606,952	9,726,609
Increase in other assets	(276,994)	92,645
Net cash provided by (used for) investing activities	8,414,457	(1,288,702)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of common stock from stock plan transactions	6,464,243	2,601,715
Cash dividends paid	(14,043,958)	(13,237,348)
Repurchases of common stock	(47,145,310)	0
Excess tax benefits from stock based compensation	76,044	0
Net cash provided by (used for) financing activities	(54,648,981)	(10,635,633)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(7,761,708)	30,811,137
CASH AND CASH EQUIVALENTS, beginning of period	439,681,693	395,538,719
CASH AND CASH EQUIVALENTS, end of period	$431,919,985	$426,349,856

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 March 31, 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:

	March 31, 2006	December 31, 2005
Raw materials	$24,409,609	$24,628,200
Work-in-process	3,761,321	3,739,394
Finished goods	10,949,734	11,469,228
	$39,120,664	$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 March 31,	
	2006	2005
Numerators:		
Numerator for both basic and diluted EPS, net income	$ 26,371,057	$ 25,932,970
Denominators:		
Denominator for basic EPS, weighted-average shares outstanding	154,223,254	155,215,506
Potentially dilutive shares resulting from stock plans	1,528,671	1,498,114
Denominator for diluted EPS	155,751,925	156,713,620
Shares related to stock plans not included in diluted average common shares outstanding because their effect would be antidilutive	4,126,002	4,339,912

(6) Stock-Based Compensation Plans

At March 31, 2006, the Company had two stock option plans, a restricted stock plan and an employee stock purchase plan, which are described more fully below. Effective January 1, 2006, the Company adopted SFAS 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 first 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 three months ended March 31, 2006, were $1,720,095, $922,921, 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 for the three months ended March 31, 2006 was $80,568. 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 three months ended March 31, 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 three months ended March 31, 2006, $76,044 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 $6,340,969 for the three months ended March 31, 2006. The actual income tax benefit realized from stock option exercises and vested restricted stock are $695,311 for the same period.

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 three months ended March 31, 2005:

	Three Months Ended March 31, 2005
Net Income, as reported	$ 25,932,970
Deduct: Total stock-based employee compensation expense determined under fair value-based method of all awards, net of tax effects	(17,103,426)
Pro forma net income	$ 8,829,544
Earnings per share:	
Basic - as reported	$ .17
Basic - pro forma	$ .06
Diluted - as reported	$ .17
Diluted - pro forma	$ .06

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 4,628,133 shares (net of shares from canceled options) under the new plan through March 31, 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 March 31	
	2006	2005
Dividend Yield	2.11%	2.13%
Expected Volatility	30.76%	43.20%
Risk-free interest rate	4.82%	4.06%
Expected term of options (in years)	4.37	4.37
Weighted-average grant-date fair value	$ 4.64	$ 5.46

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

As of March 31, 2006, there was $9,263,785 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 at March 31, 2006, and changes during the quarter is presented in the table and narrative below:

	Shares (000)	Wtd. Avg. Ex. Price	Weighted Avg. Remaining Contract Life	Aggregate Intrinsic Value (000)
Outstanding at Beginning of Year	10,510	$17		
Granted	404	17		
Exercised	(468)	12		$ 2,173
Forfeited	(27)	18		
Outstanding at End of Period	10,419	17	3.1 Yrs	$15,735
Exercisable at End of Period	7,391	$17	2.7 Yrs	$11,714

A summary of the status of the Company's non-vested stock option activity for the three months ended March 31, 2006 is presented in the table and narrative below:

	Shares (000)	Wtd. Avg. Grant-Date Fair value
Non-vested stock options at beginning of quarter	3,069	$5.65
Granted	404	4.64
Vested	(433)	7.05
Forfeited	(12)	5.70
Non-vested stock options at end of quarter	3,028	$5.47

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 309,240 shares (net of shares from canceled options) under the current plan through March 31, 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 March 31, 2006, there was no unrecognized compensation cost related to these share-based payments.

A summary of the status of the Company's Non-employee Director Stock Option Plan at March 31, 2006, and changes during the quarter is presented in the table and narrative below:

	Shares (000)	Wtd. Avg. Ex. Price	Wtd. Avg. Remaining Contract Life	Aggregate Intrinsic Value (000)
Outstanding at Beginning of Year	445	$14		
Granted	0	--		
Exercised	0	--		
Expired	(0)	--		
Outstanding at End of Period	445	14	5.37 Yrs	$1,782
Exercisable at End of Period	445	$14	5.37 Yrs	$1,782

For the three months ended March 31, 2006, the Company did not have any non-vested stock option activity.

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 346,257 shares under the new plan through March 31, 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 $14.76.

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 506,240 shares outstanding as of March 31, 2006, and 22,860 shares were granted with a restriction period of five years at a market price of $17.09 during the 1st quarter 2006. As of March 31, 2006, the company has unearned stock-based compensation of $4,811,399 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:

	March 31, 2006	March 31, 2005
Quarter Ended	$28,896,304	$23,788,586

(8) The decrease in common stock during the three months ended March 31, 2006, was primarily due to the repurchase of 2,803,548 shares for approximately $47,145,000, partially offset by the issuance of 517,852 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 quarter. The first quarter dividend of approximately $13,838,000, was declared on March 2, 2006, and was paid on April 21, 2006.

(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 March 31,	
	2006	2005
Revenue:		
Automotive Products	$133,230,068	$121,959,968
Fire Protection Products	5,790,525	5,681,752
Total	$139,020,593	$127,641,720
Operating Income:		
Automotive Products	$ 29,101,707	$ 31,976,839
Fire Protection Products	1,180,765	1,258,762
Total	$ 30,282,472	$ 33,235,601

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

RESULTS OF OPERATIONS:

FIRST QUARTER 2006 VERSUS FIRST QUARTER 2005

Net Sales. Net sales for the first quarter of 2006 increased by approximately $11,379,000, or 9%, when compared with the first quarter last year. Net sales of the Company's automotive auto-dimming mirrors increased by approximately $11,270,000, or 9%, in the first quarter of 2006, when compared with the first quarter last year, primarily due to a 12% increase in auto-dimming mirror unit shipments from approximately 3,030,000 in the first quarter of 2005 to 3,392,000 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 7% compared with the first quarter of the prior year, primarily due to increased penetration at General Motors and Asian transplant automakers, partially offset by reduced shipments to Chrysler and Ford. Mirror unit shipments for the current quarter to automotive customers outside North America increased by 16% compared with the first quarter in 2005, primarily due to increased penetration at certain European and Asian automakers. Net sales of the Company's fire protection products increased 2% for the current quarter versus the same quarter of last year, primarily due to stronger sales of certain fire alarm products.

Cost of Goods Sold. As a percentage of net sales, cost of goods sold increased from 62% in the first quarter of 2005 to 65% in the first quarter of 2006. This percentage increase primarily reflected the impact of automotive customer price reductions, the inability to leverage the Company's fixed overhead costs, and stock option expense. Each factor is estimated to have impacted cost of goods sold by 1 - 2 percentage points.

Operating Expenses. Engineering, research and development expenses for the current quarter increased 27% and approximately $2,182,000, when compared with the same quarter last year, primarily reflecting additional staffing, engineering and testing for new product development, including mirrors with additional electronic features, and stock option expensing. Excluding stock option expense, E, R & D expenses increased by 19%. Selling, general and administrative expenses increased 14% and approximately $951,000, for the current quarter, when compared with the first quarter of 2005. This increased expense primarily reflected stock option expensing and the continued expansion of the Company's overseas sales offices. Excluding stock option expense, S, G & A expenses increased by 6%.

Total Other Income. Total other income for the current quarter increased by approximately $3,365,000 when compared with the first 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 exclusion, tax-exempt investment income and stock option expense.

FINANCIAL CONDITION:

Cash flow from operating activities for the three months ended March 31, 2006, decreased to $38,473,000, compared to $42,735,000, for the same period last year, primarily due to an increase in accounts receivable and a decrease in accounts payable. Capital expenditures for the three months ended March 31, 2006, increased to $12,935,000, compared to $11,129,000 for the same period last year, including the new facility construction.

The Company currently expects that the construction of its fourth automotive manufacturing facility and a new technical center will be completed in the spring of 2006. The Company plans to invest approximately $35-40 million for the new facilities during 2004-2006, which will be funded from its cash and cash equivalents on hand.

Accounts receivable as of March 31, 2006, increased approximately $9,491,000 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 $664,228,000 as of March 31, 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. 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. Approximately 2,870,000 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 10% higher in the second quarter and calendar year of 2006 compared with 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, 20.2 million for Europe and 14.2 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 March 31, 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.

NON-GAAP FINANCIAL MEASURE:

The financial information provided, including earnings, is in accordance with GAAP (generally accepted accounting principles). Still, the Company believes it is useful to provide non-GAAP earnings to exclude the effect of SFAS 123(R). This non-GAAP financial measure allows investors to evaluate current performance in relation to historic performance without considering this non-cash charge.

The Company's management uses this non-GAAP information internally to help assess performance in the current period versus prior periods. Disclosure of non-GAAP earnings to exclude the effect of SFAS 123(R) has economic substance because the excluded expenses do not represent current or future cash expenditures.

A reconciliation of non-GAAP earnings, to exclude the effect of SFAS 123(R), to GAAP earnings can be found in the following financial table. The use of non-GAAP earnings is intended to supplement, not to replace, presentation of GAAP earnings. Like all non-GAAP financial measures, non-GAAP earnings are subject to inherent limitations because all of the expenses required by GAAP are not included. The limitations are compensated by the fact that non-GAAP earnings are not relied on exclusively, but are used to simply supplement GAAP earnings.

STATEMENTS OF INCOME RECONCILIATION
NON-GAAP MEASUREMENT TO GAAP:
(unaudited)

	Three Months Ended March 31, 2006					
	GAAP	Stock Option Expense	(Non-GAAP Excluding Stock Option Expense)	(unaudited) Quarter Ended 3/31/2005	GAAP 2006 vs. 2005 % Change	Non-GAAP 2006 vs. 2005 % Change
Net sales	$139,020,593	$ 0	$139,020,593	$127,641,720	8.9%	8.9%
Costs and Expenses						
Costs of Goods Sold	90,787,885	(542,254)	90,245,631	79,588,903	14.1%	13.4%
Engineering, Research & Development	10,159,168	(657,710)	9,501,458	7,977,385	27.3%	19.1%
Selling, General & Administrative	7,791,068	(520,131)	7,270,937	6,839,831	13.9%	6.3%
Other Expense (Income)	(7,988,411)	0	(7,988,411)	(4,623,369)	72.8%	72.8%
Total Costs and Expenses	100,749,710	(1,720,095)	99,029,615	89,782,750	12.2%	10.3%
Income Before Provision for Income Taxes	38,270,883	1,720,095	39,990,978	37,858,970	1.1%	5.6%
Provision for Income Taxes	11,899,826	797,174	12,697,000	11,926,000	-0.2%	6.5%
Net Income	$ 26,371,057	$ 922,921	$ 27,293,978	$ 25,932,970	1.7%	5.2%
Earnings Per Share:						
Basic	$ 0.17	$ 0.01	$ 0.18	$ 0.17		
Diluted	$ 0.17	$ 0.01	$ 0.18	$ 0.17		
Weighted Average Shares:						
Basic	154,223,254	154,223,254	154,223,254	155,215,506		
Diluted	155,751,925	155,751,925	155,751,925	156,713,620		

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

As of March 31, 2006, 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 March 31, 2006, 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-Q was being prepared. During the period covered by this quarterly 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.

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 first quarter ended March 31, 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
January 2006	475,952	$16.85	475,952	5,197,989
February 2006	1,630,596	$16.88	1,630,596	3,567,393
March 2006	697,000	$16.64	697,000	2,870,393
Total	2,803,548		2,803,548	

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.

ITEM 6. EXHIBITS

(a) See Exhibit Index on Page 17.

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: May 2, 2006	/s/ Fred T. Bauer -- Fred T. Bauer Chairman and Chief Executive Officer
Date: May 2, 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(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).	19
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).	20
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)	21

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* Indicates a compensatory plan or arrangement.

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: May 2, 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: May 2, 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 March 31, 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 March 31, 2006, fairly presents, in all material respects, the financial condition and results of operations of Gentex Corporation.

Dated: May 2, 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.