

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the  
Securities Exchange Act of 1934

Date of Report: January 29, 2007

GENTEX CORPORATION

(Exact name of registrant as specified in its charter)

**Michigan**  
(State or other jurisdiction  
of incorporation)

**0-10235**  
(Commission  
File Number)

**38-2030505**  
(IRS Employer  
Identification No.)

**600 North Centennial Street**  
**Zeeland, Michigan**  
(Address of principal executive office)

**49464**  
(Zip Code)

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

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

- £ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- £ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- £ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240-14d-2(b))
- £ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Section 2 - Financial Information**

**Item 2.02 Results of Operations and Financial Condition.**

On January 29, 2007, Gentex Corporation issued a news release announcing results for the fourth quarter ended December 31, 2006. A copy of the news release is attached as Exhibit 99.1 to this Form 8-K.

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

**Section 9 - Financial Statements and Exhibits**

**Item 9.01 Financial Statements and Exhibits.**

- (d) Exhibit

99.1 - [News Release Dated January 29, 2007.](#)

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SIGNATURE

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

Dated: January 29, 2007

GENTEX CORPORATION  
(Registrant)

By: /s/ Steve Dykman  
Steve Dykman  
Vice President – Finance and  
Chief Financial Officer

99.1 News Release Dated January 29, 2007.

CONTACT: Connie Hamblin  
(616) 772--1800

RELEASE: January 29, 2007

### **Gentex Reports Record Fourth Quarter Results**

ZEELAND, MI -- 01/29/2007 -- Gentex Corporation (NASDAQ: GNTX), the Zeeland, Michigan-based manufacturer of automatic-dimming rearview mirrors and commercial fire protection products, today reported record sales and net income for the fourth quarter ended December 31, 2006. The Company also announced that it repurchased approximately 1.2 million shares during the fourth quarter of 2006 under a previously authorized and announced share repurchase plan. In addition, the Company announced that it has developed and is selling its own proprietary compass technology.

The Company's net sales increased by eight percent from \$138.3 million in the fourth quarter of 2005 to a record \$149.6 million in the fourth quarter of 2006. Fourth quarter net income increased by four percent to \$30.8 million compared with \$29.6 million in the fourth quarter last year. Earnings per diluted share were 22 cents in the fourth quarter of 2006 compared with 19 cents in the fourth quarter of 2005.

For calendar year 2006, net sales increased by seven percent to a record \$572.3 million compared with \$536.5 million in calendar year 2005. Net income for calendar year 2006 decreased by one percent to \$108.8 million compared with \$109.5 million in calendar year 2005. Earnings per diluted share were 73 cents in calendar year 2006 compared with 70 cents for the same prior-year period.

Excluding the impact of stock option expensing, the Company's net income would have increased by eight percent to \$31.9 million in the fourth quarter of 2006 compared to the fourth quarter of 2005, and earnings per diluted share for those same periods would have been 22 cents for the fourth quarter of 2006 compared with 19 cents for the fourth quarter of 2005. Net income, excluding the impact of stock option expensing, would have increased by three percent to \$113.3 million for calendar year 2006 compared to the same period last year, and earnings per diluted share would have been 76 cents in calendar year 2006 compared with 70 cents in calendar year 2005. Stock option expensing did not impact the Company's income statement for the fourth quarter and calendar year 2005, but was disclosed in a footnote to the financial statements.

"We are pleased that we were able to post record revenues and net income for the quarter, despite the significant light vehicle production cuts that took place, primarily at the domestic automakers in North America," said Gentex Chairman and Chief Executive Officer Fred Bauer. "Mirror unit shipments for the fourth quarter of 2006 increased by five percent, but automotive revenues increased by eight percent due to a richer mix of mirror products shipped during the quarter. Unit shipments in North America were down by four percent, but our European business volume improved with some featured mirrors, helping our offshore unit shipments to increase by 14 percent."

The Company also reported that it repurchased approximately 1,233,000 shares during the fourth quarter of 2006 at a cost of approximately \$19.5 million. The Company has a share repurchase plan in place with authorization to repurchase up to 24 million shares of the Company's stock. As of the end of the fourth quarter of 2006, the Company has cumulatively repurchased approximately 17.5 million shares, leaving approximately 6.5 million shares authorized to be repurchased under the plan.

Gentex Senior Vice President Enoch Jen said that the Company continues to make good progress in its manufacturing yields, and provided certain guidance for the first quarter and calendar year 2007.

"For the first quarter of 2007, we expect that our mirror unit shipments will increase by approximately 5-10 percent over the same prior-year period, and believe that, based on the current forecast for product mix, that the Company's revenues for the first quarter of 2007 will increase toward the top of that same range versus the same period in the prior year. At this time, we expect to post similar numbers for unit shipments and revenues for all of Calendar Year 2007."

Jen said that the Company's current first quarter 2007 forecast is based on CSM's preliminary mid-January forecast for light vehicle production of 3.9 million units for North America, 5.3 million units for Europe and 3.9 million units for Japan and Korea. The Calendar Year 2007 forecast is based upon CSM's 2007 calendar year projection of 15.3 million units for North America, 20.8 million units for Europe and 14.5 million units for Japan and Korea.

Automotive revenues increased by eight percent to \$144.0 million in the fourth quarter of 2006 compared with the same period last year, and increased by seven percent to \$548.4 million for calendar year 2006 compared with calendar year 2005. Fire Protection revenues increased by four percent to \$5.6 million for the fourth quarter of 2006 compared with the fourth quarter of 2005, and were up by one percent to \$23.9 million for calendar year 2006, compared with the same period in 2005.

Total auto-dimming mirror unit shipments in the fourth quarter were approximately 3.4 million, an increase of about five percent over the same period last year. Auto-dimming mirror unit shipments increased by seven percent to 13.4 million for calendar year 2006 compared to calendar year 2005.

Auto-dimming mirror unit shipments to customers in North America decreased by four percent to approximately 1.5 million in the fourth quarter of 2006 compared with the same quarter last year. North American light vehicle production declined by eight percent

in the fourth quarter of 2006 compared with the same period in 2005. For calendar year 2006, auto-dimming mirror unit shipments to customers in North America increased by one percent to approximately 6.1 million compared with the same period last year. North American light vehicle production decreased by three percent for calendar year 2006 compared with the same period in 2005.

Unit shipments to offshore customers increased by 14 percent to approximately 1.9 million in the fourth quarter of 2006 compared with the same period in 2005. Light vehicle production in Europe increased by two percent in both the fourth quarter and for calendar year 2006, and also increased by five percent for Japan and Korea in both the fourth quarter and calendar year 2006, compared with the same prior year periods. For calendar 2006, unit shipments to offshore customers increased by 12 percent to approximately 7.4 million, compared with the same period in 2005.

Electronics is the fastest growing segment in the automotive industry, and also one of the most competitive, and Gentex continues to invest significant research and development dollars in this area. The Company has developed its own unique compass technology, which can be sold as a system with the compass heading displayed in the interior auto-dimming mirror.

"We call our compass technology Z-Nav®, as it features a proprietary, digital, tri-axis sensor (transducer) and software," said Bauer. "All other compass technologies currently used in the automotive industry utilize analog or digital dual-axis sensors, which are more susceptible to variation and tolerance errors, and must be mounted in a fixed location that is on a plane parallel to the earth's surface. The Gentex tri-axis design is similar to compasses used in highly scientific apparatus such as aerospace applications, and can be mounted on any fixed or pivotal location in the vehicle, including inside the mirror housing. Calibration is easier and faster using Z-Nav. We are pleased that we can now offer our customers another option when they are evaluating compass technologies, and that we can fully participate in that market segment," Bauer concluded.

#### Non-GAAP Financial Measure

The financial information provided, including earnings, is in accordance with GAAP. Still, the Company believes it is useful to provide non-GAAP earnings to exclude the effect of Statement of Financial Accounting Standards No. 123(R), "Share-Based Payment" [FAS 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 FAS 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 FAS 123(R), to GAAP earnings can be found in the attached 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.

#### Safe Harbor Statement

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21 E 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 and revenue 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®, Z-Nav), 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.

#### Fourth Quarter Conference Call

A conference call related to this news release will be simulcast live on the Internet beginning at 10:30 a.m. Eastern Standard Time today. To access that call, go to [www.gentex.com](http://www.gentex.com) and select the "Audio Webcast" icon in the lower right-hand corner of the page. Other conference calls hosted by the Company will also be available at that site in the future.

#### About the Company

Founded in 1974, Gentex Corporation (NASDAQ: GNTX) is an international company that provides high-quality products to the worldwide automotive industry and North American fire protection market. Based in Zeeland, Michigan, the Company develops, manufactures and markets interior and exterior automatic-dimming automotive rearview mirrors that utilize proprietary electrochromic technology to dim in proportion to the amount of headlight glare from trailing vehicle headlamps. Many of the

mirrors are sold with advanced electronic features, and approximately 96 percent of the Company's revenues are derived from the sales of auto-dimming mirrors to nearly every major automaker in the world.

GENTEX CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended December 31,		Year Ended December 31,	
	2006	2005	2006	2005
Net Sales	\$ 149,589,602	\$ 138,342,912	\$ 572,267,073	\$ 536,483,974
Costs and Expenses				
Cost of Goods Sold	97,493,721	88,517,406	373,163,484	337,843,632
Engineering, Research & Development	11,115,661	9,143,355	41,773,792	35,059,401
Selling, General & Administrative	7,841,410	6,673,179	30,882,821	27,286,404
Other Expense (Income)	(11,756,683)	(9,227,700)	(32,526,622)	(23,599,974)
Total Costs and Expenses	104,694,109	95,106,240	413,293,475	376,589,463
Income Before Income Taxes	44,895,493	43,236,672	158,973,598	159,894,511
Provision for Income Taxes	14,079,519	13,619,000	50,212,596	50,367,000
Net Income	\$ 30,815,974	\$ 29,617,672	\$ 108,761,002	\$ 109,527,511
Earnings Per Share				
Basic	\$ 0.22	\$ 0.19	\$ 0.74	\$ 0.70
Diluted	\$ 0.22	\$ 0.19	\$ 0.73	\$ 0.70
Weighted Average Shares:				
Basic	142,219,264	155,067,076	147,950,666	155,438,834
Diluted	142,695,329	156,681,350	148,494,363	157,030,624
Cash Dividends Declared per Share	\$ 0.095	\$ 0.09	\$ 0.37	\$ 0.35

CONDENSED CONSOLIDATED BALANCE SHEETS

	Dec 31, 2006	Dec 31, 2005
ASSETS		
Cash and Short-Term Investments	\$ 328,227,710	\$ 507,013,621
Other Current Assets	118,650,384	111,973,906
Total Current Assets	446,878,094	618,987,527
Plant and Equipment - Net	184,134,373	164,030,341
Long-Term Investments and Other Assets	154,015,933	139,627,934
Total Assets	\$ 785,028,400	\$ 922,645,802
LIABILITIES AND SHAREHOLDERS' INVESTMENT		

Current Liabilities	\$ 57,362,978	\$ 58,088,259
Long-Term Debt	0	0
Deferred Income Taxes	24,971,133	22,962,168
Shareholders' Investment	702,694,289	841,595,375
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Total Liabilities & Shareholders' Investment	\$ 785,028,400	\$ 922,645,802
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GENTEX CORPORATION AND SUBSIDIARIES  
STATEMENTS OF INCOME RECONCILIATION  
NON-GAAP MEASUREMENT TO GAAP

Three Months Ended December 31, 2006

	GAAP	Stock Option Expense	(Non-GAAP Excluding Stock Option Expense)	Quarter Ended 12/31/05	GAAP 2006 vs. 2005 % Change	Non- GAAP 2006 vs. 2005 % Change
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Net Sales	\$149,589,602	\$ 0	\$149,589,602	\$138,342,912	8.1%	8.1%
Costs and Expenses						
Cost of Goods Sold	97,493,721	(582,524)	96,911,197	88,517,406	10.1%	9.5%
Engineering, Research & Development	11,115,661	(621,129)	10,494,532	9,143,355	21.6%	14.8%
Selling, General & Administrative	7,841,410	(577,582)	7,263,828	6,673,179	17.5%	8.9%
Other Expense (Income)	(11,756,683)	0	(11,756,683)	(9,227,700)	27.4%	27.4%
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Total Costs and Expenses	104,694,109	(1,781,235)	102,912,874	95,106,240	10.1%	8.2%
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Income Before Provision for Income Taxes	44,895,493	1,781,235	46,676,728	43,236,672	3.8%	8.0%
Provision for Income Taxes	14,079,519	740,481	14,820,000	13,619,000	3.4%	8.8%
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Net Income	\$ 30,815,974	\$1,040,754	\$ 31,856,728	\$ 29,617,672	4.0%	7.6%
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Year Ended December 31, 2006

	GAAP	Stock Option Expense	(Non-GAAP Excluding Stock Option Expense)	Year Ended 2005	GAAP 2006 vs. 2005 % Change	Non- GAAP 2006 vs. 2005 % Change
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Net Sales	\$572,267,073	\$ 0	\$572,267,073	\$536,483,974	6.7%	6.7%
Costs and Expenses						
Cost of Goods Sold	373,163,484	(2,265,581)	370,897,903	337,843,632	10.5%	9.8%
Engineering, Research & Development	41,773,792	(2,502,577)	39,271,215	35,059,401	19.2%	12.0%
Selling, General &						

Administrative	30,882,821	(2,289,977)	28,592,844	27,286,404	13.2%	4.8%
Other Expense (Income)	(32,526,622)	0	(32,526,622)	(23,599,974)	37.8%	37.8%
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Total Costs and Expenses	413,293,475	(7,058,135)	406,235,340	376,589,463	9.7%	7.9%
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Income Before Provision for Income Taxes	158,973,598	7,058,135	166,031,733	159,894,511	(0.6%)	3.8%
Provision for Income Taxes	50,212,596	2,503,404	52,716,000	50,367,000	(0.3%)	4.7%
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Net Income	\$108,761,002	\$4,554,731	\$113,315,733	\$109,527,511	(0.7%)	3.5%
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AUTO-DIMMING MIRROR UNIT SHIPMENTS  
(Thousands)

	Fourth Quarter Ended December 31,			Year Ended December 31,		
	2006	2005	% Change	2006	2005	% Change
Domestic Interior	1,050	1,087	-3%	4,258	4,198	1%
Domestic Exterior	418	446	-6%	1,805	1,797	0.4%
Total Domestic Units	1,469	1,533	-4%	6,063	5,995	1%
Foreign Interior	1,360	1,199	13%	5,168	4,726	9%
Foreign Exterior	588	514	14%	2,196	1,849	19%
Total Foreign Units	1,948	1,713	14%	7,364	6,575	12%
Total Interior Mirrors	2,411	2,286	5%	9,426	8,924	6%
Total Exterior Mirrors	1,006	961	5%	4,001	3,646	10%
Total Mirror Units	3,417	3,247	5%	13,427	12,570	7%

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

**End of Filing**