

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(MARK ONE)
 QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2000, 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
 ----- -----

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 USERS:

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 18, 2000 -----
Common Stock, \$0.06 Par Value	74,008,953

Exhibit Index located at page 10

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

GENTEX CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

At June 30, 2000 and December 31, 1999

ASSETS

	June 30, 2000	December 31, 1999
	-----	-----
CURRENT ASSETS		
Cash and cash equivalents	\$86,398,128	\$69,227,972
Short term investments	28,565,301	25,505,657
Accounts receivable, net	40,037,537	30,633,501
Inventories	9,824,296	9,975,178
Prepaid expenses and other	2,613,592	2,873,276
	-----	-----
Total current assets	167,438,854	138,215,584
PLANT AND EQUIPMENT - NET	79,177,128	71,338,053
OTHER ASSETS		
Long-term investments	141,643,991	125,816,629
Patents and other assets, net	2,383,930	2,302,504
	-----	-----
Total other assets	144,027,921	128,119,133
	-----	-----
Total assets	\$390,643,903	\$337,672,770
	=====	=====

LIABILITIES AND SHAREHOLDERS' INVESTMENT

CURRENT LIABILITIES		
Accounts payable	\$9,228,230	\$8,288,327
Accrued liabilities	13,533,575	8,181,884
	-----	-----
Total current liabilities	22,761,805	16,470,211
DEFERRED INCOME TAXES	4,843,689	4,151,143
SHAREHOLDERS' INVESTMENT		
Common stock	4,440,537	4,404,739
Additional paid-in capital	88,387,140	79,670,301
Other shareholders' equity	270,210,732	232,976,376
	-----	-----
Total shareholders' investment	363,038,409	317,051,416
	-----	-----
Total liabilities and shareholders' investment	\$390,643,903	\$337,672,770
	=====	=====

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended June 30		Six Months Ended June 30	
	2000	1999	2000	1999
	----	----	----	----
NET SALES	\$76,755,923	\$66,889,149	\$150,632,461	\$132,507,339
COST OF GOODS SOLD	44,635,685	37,552,621	86,005,307	74,177,330
	-----		-----	
Gross profit	32,120,238	29,336,528	64,627,154	58,330,009
OPERATING EXPENSES:				
Research and development	4,256,066	3,543,158	8,129,999	6,834,485
Selling, general & administrative	4,501,495	3,634,323	8,640,635	7,048,531
	-----		-----	
Total operating expenses	8,757,561	7,177,481	16,770,634	13,883,016
	-----		-----	
Income from operations	23,362,677	22,159,047	47,856,520	44,446,993
OTHER INCOME (EXPENSE)				
Interest and dividend income	3,008,014	1,825,062	5,684,296	3,469,541
Other, net	871,495	666,622	1,150,404	1,490,882
	-----		-----	
Total other income	3,879,509	2,491,684	6,834,700	4,960,423
	-----		-----	
Income before provision for federal income taxes	27,242,186	24,650,731	54,691,220	49,407,416
PROVISION FOR FEDERAL INCOME TAXES	8,882,000	8,114,000	17,781,000	16,161,000
	-----		-----	
NET INCOME	\$18,360,186	\$16,536,731	\$36,910,220	\$33,246,416
	=====		=====	
Earnings Per Share				
Basic	\$0.25	\$0.23	\$0.50	\$0.46
Diluted	\$0.24	\$0.22	\$0.49	\$0.44
Weighted Average Shares:				
Basic	73,897,916	72,993,935	73,715,860	72,694,625
Diluted	75,688,794	75,301,775	75,653,305	75,018,638

See accompanying notes to condensed consolidated financial statements.

GENTEX CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 For the 6 Months Ended June 30, 2000 and 1999

	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$36,910,220	\$33,246,416
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation and amortization	5,338,620	4,583,822
(Gain) Loss on disposal of equipment	(8,481)	(15,613)
Deferred income taxes	46,260	(22,428)
Amortization of deferred compensation	382,643	362,850
Change in assets and liabilities:		
Accounts receivable, net	(9,404,036)	(1,484,224)
Inventories	150,882	687,192
Prepaid expenses and other	473,209	(1,250,175)
Accounts payable	939,903	4,845,273
Accrued liabilities	5,351,691	(39,825)
	40,180,911	40,913,288
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Increase) Decrease in short-term investments	(3,059,644)	(880,944)
Plant and equipment additions	(13,285,785)	(9,577,502)
Proceeds from sale of plant and equipment	166,103	51,375
(Increase) Decrease in long-term investments	(14,590,901)	1,081,375
(Increase) Decrease in other assets	(167,993)	(414,226)
	(30,938,220)	(9,739,922)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of common stock and tax benefit of stock plan transactions	7,927,465	11,300,626
	7,927,465	11,300,626
NET INCREASE IN CASH AND CASH EQUIVALENTS	17,170,156	42,473,992
CASH AND CASH EQUIVALENTS, beginning of period	69,227,972	50,027,747
CASH AND CASH EQUIVALENTS, end of period	\$86,398,128	\$92,501,739

GENTEX CORPORATION AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

- (1) The 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 generally accepted accounting principles 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 condensed consolidated financial statements be read in conjunction with the financial statements and notes thereto included in the Registrant's 1999 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, 2000, and December 31, 1999, and the results of operations and cash flows for the interim periods presented.
- (3) Inventories consisted of the following at the respective quarter ends:

	June 30, 2000 -----	December 31, 1999 -----
Raw materials	\$ 4,799,982	\$4,910,081
Work-in-process	1,299,680	1,194,632
Finished goods	3,724,634	3,870,465
	-----	-----
	\$ 9,824,296	\$9,975,178
	=====	=====

- (4) 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 certain investments and foreign currency translation adjustments. Comprehensive income was as follows:

	June 30, 2000 -----	June 30, 1999 -----
Quarter Ended	\$18,077,064	\$18,449,477
Six Months Ended	37,676,885	34,117,839

- (5) The increase in common stock and additional paid-in capital during the quarter and six months ended June 30, 2000, is attributable to the issuance of 177,055 and 596,637 shares, respectively, of the Company's common stock under its stock-based compensation plans.
- (6) 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:

Revenue:	Quarter Ended June 30, -----		Six Months Ended June 30, -----	
	2000 ----	1999 ----	2000 ----	1999 ----
Automotive Products	\$71,063,071	\$61,575,636	\$139,824,283	\$122,205,203
Fire Protection Products	5,692,852	5,313,513	10,808,178	10,302,136
	-----	-----	-----	-----
Total	\$76,755,923	\$66,889,149	\$150,632,461	\$132,507,339
	=====	=====	=====	=====
Operating Income:				
Automotive Products	\$22,228,526	\$21,280,828	\$45,861,559	\$42,771,716
Fire Protection Products	1,134,151	878,219	1,994,961	1,675,277
	-----	-----	-----	-----
Total	\$23,362,677	\$22,159,047	\$47,856,520	\$44,446,993
	=====	=====	=====	=====

GENTEX CORPORATION AND SUBSIDIARIES

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

RESULTS OF OPERATIONS:

SECOND QUARTER 2000 VERSUS SECOND QUARTER 1999

Net Sales. Net sales for the second quarter of 2000 increased by approximately \$9,867,000, or 15%, when compared with the second quarter last year. Net sales of the Company's automotive mirrors increased by 15% as automatic mirror unit shipments increased by 14% from approximately 1,493,000 in the second quarter of 1999 to 1,698,000 in the current quarter. This increase reflected increased penetration on 2000 model year vehicles for interior and exterior electrochromic Night Vision Safety(TM) (NVS(R)) Mirrors overseas. Shipments to customers in North America decreased by 1%, primarily due to exterior mirror package changes in certain General Motors sport/utility vehicles and the Chrysler mini-van model changeover during the quarter. Mirror unit shipments to automotive customers outside North America increased by 58% compared with the second quarter in 1999, primarily due to increased interior and exterior mirror sub-assembly shipments to European and Japanese automakers. Net sales of the Company's fire protection products increased 7%, primarily due to higher sales of certain of the Company's smoke detectors and signaling products.

Cost of Goods Sold. As a percentage of net sales, cost of goods sold increased from 56% in the second quarter of 1999, to 58% for the comparable period in 2000. This increased percentage primarily reflected the start-up of the Company's third automotive manufacturing facility, customer price reductions and some shifts in mirror product mix.

Operating Expenses. Research and development expenses increased approximately \$713,000, and increased from 5% to 6% of net sales, 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. Selling, general and administrative expenses increased approximately \$867,000, and increased from 5% to 6% of net sales, when compared with the second quarter of 1999. This increased expense primarily reflected the start-up and expansion of the Company's overseas sales and engineering offices.

Other Income - Net. Other income increased by approximately \$1,388,000 when compared with the second quarter of 1999, primarily due to higher interest rates and investable fund balances.

SIX MONTHS ENDED JUNE 30, 2000 VERSUS SIX MONTHS ENDED JUNE 30, 1999

Net Sales. Net sales for the six months ended June 30, 2000 increased by approximately \$18,125,000, or 14%, when compared with the same period last year. Automatic mirror unit shipments increased from approximately 2,983,000 in the first six months of 1999 to 3,431,000 in the first six months of 2000. This increase primarily reflected increased penetration on foreign 2000 model year vehicles for interior and exterior electrochromic Night Vision Safety(TM) (NVS(R)) Mirrors. Shipments to customers in North America increased by 2%, primarily due to higher industry production levels, partially offset by exterior mirror package changes on certain General Motors sport/utility vehicles. Mirror unit shipments to automotive customers outside North America increased by 51% compared with the first six months in 1999, primarily due to increased interior and exterior mirror sub-assembly shipments to European and Japanese automakers. Net sales of the Company's fire protection products increased 5%, primarily due to higher sales of certain of the Company's smoke detectors and signaling products.

Cost of Goods Sold. As a percentage of net sales, cost of goods sold increased from 56% in the first six months of 1999, to 57% for the comparable period in 2000. This increased percentage primarily reflected the start-up of the Company's third automotive manufacturing facility, customer price reductions and some shifts in mirror product mix.

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

RESULTS OF OPERATIONS - CONTINUED:

SIX MONTHS ENDED JUNE 30, 2000 VERSUS SIX MONTHS ENDED JUNE 30, 1999 (CONT.)

Operating Expenses. For the six months ended June 30, 2000, research and development expenses increased approximately \$1,296,000, but remained at 5% of net sales, when compared with the same period last year, primarily reflecting additional staffing, engineering and testing for new product development, including mirrors with additional electronic features. Selling, general and administrative expenses increased approximately \$1,592,000, and increased from 5% to 6% of net sales, when compared with the first six months of 1999. This increased expense primarily reflected the start-up and expansion of the Company's overseas sales and engineering offices.

Other Income - Net. Other income for the six months ended June 30, 2000, increased by approximately \$1,874,000 when compared with the first six months of 1999, primarily due to higher interest rates and investable fund balances, partially offset by lower realized gains on the sale of equity investments.

FINANCIAL CONDITION:

Management considers the Company's working capital and long-term investments totaling approximately \$286,321,000 at June 30, 2000, 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 foreseeable future.

TRENDS AND DEVELOPMENTS:

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

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

In addition to price reductions over the life of its long-term agreements, 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 improvements, engineering and purchasing cost reductions, and increases in unit sales volume. In addition, the Company continues to experience some pressure for select raw material cost increases.

The Company currently supplies NVS(R) Mirrors to DaimlerChrysler AG and General Motors Corporation under long-term agreements. The long-term supply agreement with DaimlerChrysler AG runs through the 2003 Model Year, while the GM contract was recently extended through the 2004 Model Year for inside mirrors.

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.

Statements in this Quarterly Report on Form 10-Q which express "belief", "anticipation" or "expectation" as well as other statements which are not historical fact, are forward-looking statements and involve risks and uncertainties described under the headings "Management's Discussion and Analysis of Results of Operations and Financial Condition" and "Trends and Developments" that could cause actual results to differ materially from those projected. All forward-looking statements in this Report are based on information available to the Company on the date hereof, and the Company assumes no obligation to update any such forward-looking statements.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

The annual meeting of the shareholders of the Company was held on May 18, 2000, at which:

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

	Fred Bauer -----	Leo Weber -----
For	60,789,590	67,483,595
Against	-	-
Withheld	7,832,234	1,138,229
Broker Non-Votes	-	-

The terms of office for incumbent Directors Mickey Fouts, Arlyn Lanting, Kenneth La Grand, John Mulder and Ted Thompson, continued after the meeting.

- (ii) A proposal to amend the Articles of Incorporation anytime prior to the Company's Annual Meeting in 2001, subject to the Board's ability to abandon the Amendment at its discretion, to increase the authorized shares of common stock to 200,000,000 shares was approved by the following vote:

For	64,969,957
Against	3,510,146
Abstain	141,721
Broker Non-Votes	-

Item 6. Exhibits and Reports on Form 8-K

- (a) See Exhibit Index on Page 10.
- (b) No reports on Form 8-K were filed during the three months ended June 30, 2000.

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: 7/28/00

/s/Fred T. Bauer

Fred T. Bauer
Chairman and Chief
Executive Officer

Date: 7/28/00

/s/Enoch C. Jen

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

EXHIBIT INDEX

EXHIBIT NO. -----	DESCRIPTION -----	PAGE -----
3(a)(1)	Registrant's Articles of Incorporation were filed in 1981 as Exhibit 2(a) to a Registration Statement on Form S-18 (Registration No. 2-74226C), an Amendment to those Articles was filed as Exhibit 3 to Registrant's Report on Form 10-Q in August of 1985, an additional Amendment to those Articles was filed as Exhibit 3(a)(i) to Registrant's Report on Form 10-Q in August of 1987, an additional Amendment to those Articles was filed as Exhibit 3(a)(2) to Registrant's Report on Form 10-K dated March 10, 1992, an Amendment to Articles of Incorporation, adopted on May 9, 1996, was filed as Exhibit 3(a)(2) to Registrant's Report on Form 10-Q dated July 31, 1996, and an Amendment to Articles of Incorporation, adopted on May 21, 1998, was filed as Exhibit 3(a)(2) to Registrant's Report on Form 10-Q dated July 30, 1998, all of which are hereby incorporated herein be reference.	
3(b)(1)	Registrant's Bylaws as amended and restated August 18, 1995, were filed as Exhibit 3(b) to Registrant's Report on Form 10-Q dated November 1, 1995, and the same is incorporated herein by reference.	
3(b)(2)	First Amendment to Bylaws, adopted on August 25, 1997, was filed as Exhibit 3(c) to Registrant's Report on Form 10-Q dated October 31, 1997, and the same is hereby incorporated herein by reference.	
4(a)	A specimen form of certificate for the Registrant's common stock, par value \$.06 per share, was filed as part of a Registration Statement on Form S-18 (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)	Shareholder Protection Rights Agreement, dated as of August 26, 1991, 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 8-K on August 20, 1991, and the same is hereby incorporated herein by reference.	
4(b)(1)	First Amendment to Shareholder Protection Rights Agreement, effective April 1, 1994, was filed as Exhibit 4(b)(1) to Registrant's Report on Form 10-Q on April 29, 1994, and the same is hereby incorporated herein by reference.	
4(b)(2)	Second Amendment to Shareholder Protection Rights Agreement, effective November 8, 1996, was filed as Exhibit 4(b)(2) to Registrant's Report on Form 10-K, dated March 7, 1997, and the same is hereby incorporated herein by reference.	
4(b)(3)	Third Amendment to Shareholder Protection Rights Agreement, effective March 12, 1999, was filed as Exhibit 4(b)(3) to Registrant's Report on Form 10-Q on April 30, 1999, and the same is hereby incorporated herein by reference.	
10(a)(1)	A Lease dated August 15, 1981, was filed as part of a Registration Statement (Registration Number 2-74226C) as Exhibit 9(a)(1), and the same is hereby incorporated herein by reference.	

EXHIBIT NO. -----	DESCRIPTION -----	PAGE -----
10(a)(2)	A First Amendment to Lease dated June 28, 1985, was filed as Exhibit 10(m) to Registrant's Report on Form 10-K dated March 18, 1986, and the same is hereby incorporated herein by reference.	
*10(b)(1)	Gentex Corporation Qualified Stock Option Plan (as amended and restated, effective August 25, 1997) was filed as Exhibit 10(b)(1) to Registrant's Report on Form 10-Q, and the same is hereby incorporated herein by reference.	
*10(b)(2)	Gentex Corporation 1987 Incentive Stock Option Plan (as amended through May 24, 1989) was filed as Exhibit 10(g)(3) to Registrant's Report on Form 10-K dated March 1, 1990, and the same is hereby incorporated herein by reference.	
*10(b)(3)	Gentex Corporation Restricted Stock Plan was filed as Exhibit 10(b)(3) to Registrant's Report on Form 10-K dated March 10, 1992, and the same is hereby incorporated herein by reference.	
*10(b)(4)	Gentex Corporation Non-Employee Director Stock Option Plan (as amended and restated, effective March 7, 1997), was filed as Exhibit 10(b)(4) to Registrant's Report on Form 10-K dated March 7, 1997, and the same is incorporated herein by reference.	
10(e)	The form of Indemnity Agreement between Registrant and each of the Registrant's directors was filed as a part of a Registration Statement on Form S-2 (Registration No. 33-30353) as Exhibit 10(k) and the same is hereby incorporated herein by reference.	
27	Financial Data Schedule	

*Indicates a compensatory plan or arrangement.

6-MOS

DEC-31-2000
 JUN-30-2000
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