## Summary Earnings Model

**Gentex Corporation (GNTX • $27)**

### Five-Year Range (2022-2026)

<table>
<thead>
<tr>
<th>Year</th>
<th>EPS (in $ Thousands)</th>
<th>EV/EBITDA %</th>
<th>EV/Revenue %</th>
<th>Price-to-Sales</th>
<th>Total Debt</th>
<th>Total Shareholders' Equity</th>
<th>Return on Equity</th>
<th>ROA %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>$1.39</td>
<td>20.1x</td>
<td>1.9x</td>
<td>1.4x</td>
<td>$1,031,250</td>
<td>$1,654,384</td>
<td>11.3%</td>
<td>1.4%</td>
</tr>
<tr>
<td>2023</td>
<td>$1.67</td>
<td>21.4x</td>
<td>2.2x</td>
<td>1.3x</td>
<td>$1,142,920</td>
<td>$1,752,900</td>
<td>11.6%</td>
<td>1.3%</td>
</tr>
<tr>
<td>2024</td>
<td>$1.26</td>
<td>20.6x</td>
<td>1.9x</td>
<td>1.5x</td>
<td>$1,134,950</td>
<td>$1,741,010</td>
<td>12.1%</td>
<td>1.4%</td>
</tr>
<tr>
<td>2025</td>
<td>$1.25</td>
<td>20.5x</td>
<td>1.9x</td>
<td>1.5x</td>
<td>$1,135,400</td>
<td>$1,741,569</td>
<td>12.1%</td>
<td>1.3%</td>
</tr>
<tr>
<td>2026</td>
<td>$1.20</td>
<td>20.0x</td>
<td>1.9x</td>
<td>1.5x</td>
<td>$1,135,950</td>
<td>$1,742,010</td>
<td>12.1%</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

### Growth Rates

<table>
<thead>
<tr>
<th>Driver</th>
<th>Growth Rate</th>
<th>MC</th>
<th>EPS</th>
<th>Revenue</th>
<th>EBITDA</th>
<th>Operating Income</th>
<th>Pretax Income</th>
<th>NOPAT</th>
<th>EPS</th>
<th>Revenue</th>
<th>EBITDA</th>
<th>Operating Income</th>
<th>Pretax Income</th>
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<th>Revenue</th>
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<th>Operating Income</th>
<th>Pretax Income</th>
<th>NOPAT</th>
<th>EPS</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic</td>
<td>13.9%</td>
<td>34.4%</td>
<td>26.7%</td>
<td>24.7%</td>
<td>21.8%</td>
<td>24.2%</td>
<td>21.3%</td>
<td>24.6%</td>
<td>25.5%</td>
<td>23.5%</td>
<td>24.4%</td>
<td>23.3%</td>
<td>24.2%</td>
<td>23.2%</td>
<td>24.1%</td>
<td>23.1%</td>
<td>24.0%</td>
<td>23.9%</td>
<td>24.8%</td>
<td>23.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abv Mkt.</td>
<td>7.9%</td>
<td>-15.0%</td>
<td>6.0%</td>
<td>6.5%</td>
<td>5.9%</td>
<td>6.3%</td>
<td>6.7%</td>
<td>7.2%</td>
<td>7.7%</td>
<td>8.2%</td>
<td>8.6%</td>
<td>9.0%</td>
<td>9.4%</td>
<td>9.8%</td>
<td>10.2%</td>
<td>10.6%</td>
<td>11.0%</td>
<td>11.4%</td>
<td>12.3%</td>
<td>12.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Contributions

**Net Income**: $0.49

**Operating Income**: $0.50

**Gross Profit**: $0.43

**Revenue**: $0.50

**EBITDA**: $0.38

**Gross Margin**: 9.3%

**Operating Margin**: 5.1%

**Operating Income Margin**: 5.2%

**Pre-tax Income**: $0.49

**Pre-tax Income Margin**: 6.0%

**Net Income Margin**: 3.0%

**Price Target**: 2020-20 $425,000 8%

**Price Target**: 2021-20 $400,000 8%

**Price Target**: 2022-20 $375,000 8%

**Price Target**: 2023-20 $350,000 8%

**Price Target**: 2024-20 $325,000 8%

**Price Target**: 2025-20 $300,000 8%

**Price Target**: 2026-20 $275,000 8%

### Other Valuation Metrics

- **Price-to-Sales**: 1.4x
- **Price-to-Book**: 1.7x
- **Price-to-Free-Cash-Flow**: 11.9x
- **Price-to-EBITDA**: 20.1x

### Valuation Summary

- **Growth Potential**: 13.9%
- **Momentum Potential**: 7.9%
- **Market Potential**: 34.4%

### Analysis

- **Revenue Growth**: 13.9% (Organic)
- **Earnings Growth**: 7.9% (Organic)
- **ROE**: 11.3%
- **ROA**: 12.1%
- **EPS Growth**: 12.5%

### Conclusion

Gentex Corporation (GNTX) is expected to continue its strong revenue and earnings growth, with organic revenue growth projected at 13.9% and earnings growth at 7.9%. The company's ROE and ROA are strong at 11.3% and 12.1%, respectively, indicating solid profitability. EPS growth is expected at 12.5%, reflecting the company's ability to generate earnings growth. Gentex Corporation (GNTX) is a strong buy for investors looking for growth and profitability in the automotive sector.