

Gentex Corporation

NasdaqGs:GNTX

Analyst: Nils Weddig
Consumer

Sector: Discretionary

BUY

Price Target: \$21.58

Key Statistics as of 3/11/2015

Market Price:	\$17.61
Industry:	Auto Components
Market Cap:	\$5.19 B
52-Week Range:	\$13.17-19.06
Beta:	1.35

Thesis Points:

- Diversification of product mix through acquisition and innovations
- Competitive advantage in its markets by patenting innovative products
- Large growth potential while trading at a discount to the company's historical valuation

Company Description:

Gentex Corporation designs, develops, manufactures, and markets automatic-dimming rearview mirrors and electronics for the automotive industry; dimmable aircraft windows for the aircraft industry; as well as commercial smoke alarms and signaling devices for the fire protection industry worldwide. The company's main segment includes automotive products, such as interior and exterior automatic-dimming rearview mirrors that utilize Gentex's electrochromic technology to dim headlight glare from trailing vehicle lights. In addition, the company manufactures automotive electronics as well as interior and exterior non-automatic-dimming rearview mirrors with electronic features for passenger cars, including light trucks, pick-up trucks, sport utility vehicles, and vans. It also provides a variety of fire protection products, including photoelectric smoke detectors and alarms for office buildings, hotels, and other commercial establishments, as well as in residential buildings. Furthermore, Gentex Corporation develops and manufactures electrochromic dimmable windows for commercial and business aircrafts. The company also recently entered the market of wireless vehicle/home communication products. Gentex Corporation was founded in 1974 and is headquartered in Zeeland, Michigan.



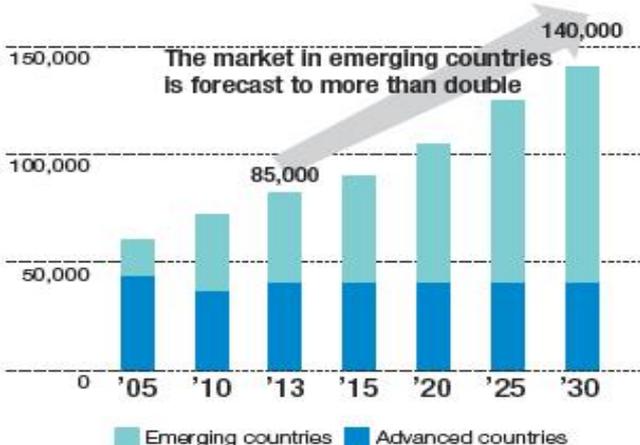
Thesis

Gentex Corporation is the industry leader in the auto-dimming rearview mirror business. In the past years the company focused on sales growth and margin improvements. Gentex Corporation differentiates itself from its competitors with industry leading technology which is secured by patents, as well as a collaboration deal with and an acquisition of industry leaders from different sectors in order to diversify the company's product mix. Gentex Corporation has long-term growth prospects while currently being undervalued. Although the company is outperforming their competitors in recent years by demonstrating larger EBITDA and sales growth as well as improvements in Gross Margins, this trend is not reflected in the company's current multiples. Currently, Gentex Corporation's multiples are 15%-30% lower than its historical averages, indicating that the company is trading at a discount.

Industry outlook

The global automotive industry has recovered from the 2007 crisis and forecasts predict sales in the automotive industry to reach record highs in 2015. This prediction is primarily based on the improving global economy and expected increases in consumer demand for newer cars that include the most up to date safety features and in-car connectivity, both part of Gentex Corporation's product mix. The strong labor market and rising incomes in combination with low rates on car loans support the positive automotive industry outlook. Since the economic

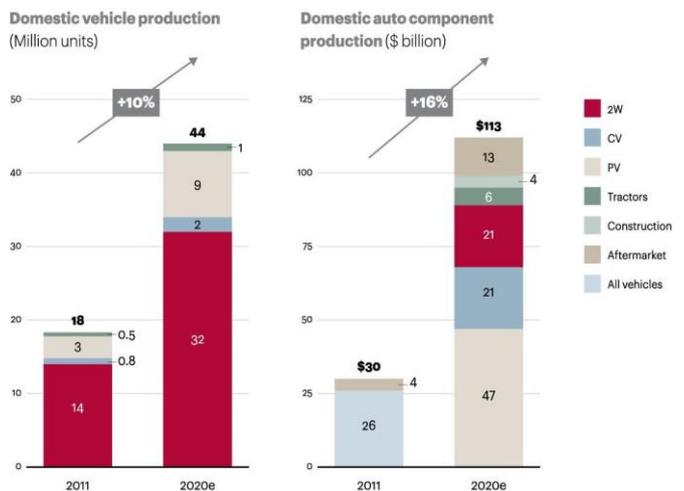
Global Vehicle Sales Trend and Forecast
(Thousand units)



Source: Data from various statistics compiled by SC-ABeam Automotive Consulting. Data from 2015 onward are forecasts.

crisis in 2007, the automotive industry has grown substantially and recently recorded profit levels of more than \$15 billion compared to 2007. By 2020 profits in the automotive industry are expected to grow by an additional \$30 billion. Within the next four years sales are expected to increase by at least 15%. Car producers in this highly competitive industry will increase their demand for innovative technological features that can differentiate their cars from its competitors. A major driver of global car sales will be the development in emerging markets. Automotive sales in emerging markets are expected to grow at a higher rate than established markets. By 2020 automotive profits in emerging markets are expected to grow by 50%.

Gentex Corporation is operating in the auto-dimming rearview mirror industry. Demand for their products is not only affected by the development of the overall automotive industry, but more directly by the global automotive components market. This industry is expected to grow substantially in the near future, directly impacting the demand for automotive mirrors.



Notes: 2W is two-wheeler vehicles; CV is commercial vehicles; PV is passenger vehicles. Due to rounding figures may not add up exactly to total. Source: A.T. Kearney analysis

The global auto-dimming mirror market is expected to grow at a CAGR of 10% from 2014-2018 and expected to be worth \$3 billion by 2016. In emerging markets in the Asia Pacific region (APAC) the auto-dimming mirror market is expecting growth rates of more than 20%. The demand for auto-dimming mirrors is experiencing such growth due to the increasing need of brand differentiation, government regulations as well as greater safety feature needs in the automotive industry.

Diversification of product mix

Gentex Corporation produces products in three different segments. Automotive, aerospace and fire protection

products. Currently, 97% of the company's net sales are produced by their automotive products, including auto-dimming rearview mirrors, rear camera display mirrors and SmartBeam. Since inception of the company, Gentex pioneered the electrochromic auto-dimming mirror. Innovative technology enables the mirror to detect and eliminate rearview mirror glare caused by headlights of other cars. Additional technology has been added to the mirror to meet customer demands. Rear camera display mirrors are connected to a camera in the back of the car and feature a video displaying the rear of the car when backing up. Gentex's most advanced rearview mirrors include features for hands free telecommunication, a compass, tire pressure as well as lighting control. SmartBeam technology utilizes sensors installed in the car that recognize the presence of incoming cars and adjusts the high beams accordingly.

Recently, the company is in the process of diversifying their product mix which will enhance future growth. In 2013 Gentex Corporation acquired HomeLink, the industry leader for wireless in-vehicle communication devices. The acquisition of HomeLink will enhance Gentex Corporation's expertise in production of auto-dimming rearview mirrors as well as add to the company's product mix by producing electronic modules that can be integrated into areas of the automobile, for example overhead consoles. The acquisition of HomeLink adds vehicle-to-home, two way communication such as garage door open/close status to Gentex's products. HomeLink's technology can be included in vehicle displays as well as rearview mirrors. Therefore, further improving Gentex's main product.

To further improve the company's product mix, Gentex signed a collaboration deal with PPG Aerospace, which will enable Gentex to use its dimming technology, developed for rearview mirrors, to produce automatic dimming windows for commercial and business aircrafts. This expansion in a new product line will provide an opportunity to prosper future growth. The interactive window system created by Gentex for commercial and business airplanes is the world's first electrochromic window shade that enables the user to switch between different levels of brightness via a push of a button. In addition, ultraviolet radiation coming through the window is greatly reduced improving the operating efficiency of the aircraft's air conditioning system, making the windows a product to potentially being utilized by other aircrafts. These innovative windows premiered on the new commercial aircraft "Boeing 787 Dreamliner" and the new business aircraft "Hawker Beechcraft King Air 350i". The collaboration between the two industry leaders

enabled them to bring the new product to the market at a faster pace with revenues expected to show significant growth in 2015. Development of this product set the groundwork for Gentex to become an industry leader in another market, leading to greater diversification of their product mix.

Competitive advantage

Gentex Corporation is well positioned in the market to sustain their market leader position in the auto-dimming rearview mirror industry. The company is currently the dominant player in the market with a global market share of 90%. The company currently owns 26 U.S. registered trademarks and 495 U.S. patents that relate to their main business products. The trademark and patents relate to automotive rearview mirrors, electrochromic technology, displays, cameras, sensor technology and HomeLink products. In addition, Gentex owns 128 foreign registered trademarks and 556 foreign patents related to the same set of products.

Owning these trademarks and patents on their main products and inventions, secures the company's position as an industry leader. Gentex Corporation believes that their U.S. and foreign patents provide the company with a competitive advantage in its markets. Currently, there are no existing threats of new entrants entering the auto-dimming rearview mirror market due to Gentex's large market share. In this niche new entrants will face problems when trying to compete with Gentex's product pricing at the company's current expense level.

Management

Gentex Corporation is managed by an experienced management team and run by CEO and founder Fred Bauer.

Mr. Bauer founded Gentex Corporation in 1981 and has been CEO of the company since 1986. The company is his life's work and he has over 35 years of experience in the industry. The entire management team has been with the company for over 10 years and contributed to the growth of the company. In addition, every one of the senior management team has started in a lower division at the company and worked their way up to the senior management level. This proves that the management team knows the company inside out, which is crucial for future growth. In addition, it is an incentive for them to

stick with the company for the long-term.

The compensation of the entire management team is approximately \$4million below the average compensation of peer companies and 40%-60% of their compensation is via stock awards and options. This clarifies that the company management and shareholders of the company have the same interest of increasing the value of the firm and returning value to the shareholders since a large part of their compensation is via stock returns.

Financials

Gentex Corporation has positioned itself as an industry leader and experienced large growth and margin improvements in the past years.

The company has been profitable for 10 consecutive years with most recent net income of \$288 million. In the same period, Gentex was able to generate positive free cash flow every year, with cash flows in the past two years of over \$250 million. Gentex continuously looks to invest the generated cash to help grow the company. The investment of \$700 million for the acquisition of HomeLink has already generated more than \$100 million in the year following the acquisition. Revenue has increased since 2011 by 34% to an amount of \$1,375 million in 2014. In the past three years the company's Gross Margin has been growing on a yearly basis by 3% to reach 39% in the most recent FY 2014.

In recent years, EBITDA growth of 29% was substantially higher than revenue growth of 6%-17%, proving the company's ability to reduce operating costs and providing a promising ground for future growth. Furthermore, return on invested capital exceeded 15% in the past four years. After being debt free for many years, Gentex issued debt in 2013 for the first time in order to acquire HomeLink. Currently, the company has \$275 million in debt outstanding in form of a credit line and a debt to equity ratio of 0.16 as well as a debt/EBITDA ratio of 0.56, which proves their ability to pay back the incurred debt without any problems. The debt will mature in 2018 and the company has currently no plan to issue additional debt. Gentex's current credit rating is AA, which would enable them to issue additional debt if necessary.

Name	Rev - 1 Yr Gr	EBITDA 1Yr Growth:Y	EBITDA to Net Sales:Y	OpEx to Net Sl	R&D/Net Sales	Empl 1Y Gr
Average	9.58%	6.47%	12.86%	10.57%	3.17%	8.16%
GENTEX CORP	17.38%	29.55%	34.62%	10.18%	6.12%	10.39%
TOKAI RIKAI CO LTD	17.71%	22.77%	10.48%	7.89%	4.63%	3.27%
MAGNA INTERNATIONAL INC	5.18%	12.67%	9.44%	7.09%	0.00%	4.80%
ICHIKOH INDUSTRIES LTD	6.36%	9.92%	4.92%	14.48%	6.14%	7.88%
DORMAN PRODUCTS INC	13.09%	11.07%	20.41%	19.49%	2.10%	22.93%
INTERNATIONAL AUTOMO...	6.75%	2.29%	4.73%	5.94%	--	--
TRW AUTOMOTIVE HOLDI...	0.60%	-42.97%	5.39%	8.92%	0.00%	-0.30%

The provided table demonstrates that Gentex has outperformed its major competitors in the FY 2014, based on financial ratios demonstrating the growth of the company. Gentex's main competitor is Magna International. EBITDA growth has been substantially higher with 29.55% compared to 12.67% by Magna International. Gentex's greater R&D/Net Sales ratio and one year employee growth supports the assumption that Gentex is prepared to grow even further in the future. The company has been investing heavily in research and development to improve their existing products and develop new innovative products that will help provide growth in the next years, causing the higher R&D/Net Sales ratio. In addition, the 10% increase in the company's workforce can be seen as an investment in the growth of the company.

Growth Potential

"There continues to be significant opportunities for growth in our core auto-dimming mirror business, as only an estimated 25 percent of the world's light vehicles were equipped with an interior auto-dimming mirror and only 7 percent of such vehicles were equipped with an outside auto dimming mirror in calendar year 2014." (*Fred Bauer, CEO/Founder, Gentex Corporation*)

Considering the fact that Gentex has a market share of 90% in the auto-dimming rearview mirror industry, this statement by Fred Bauer demonstrates the large upside potential for Gentex to grow in the next years. As consumer sentiment changes and more safety features in cars are required, demand for Gentex's auto-dimming mirrors with SmartBeam technology will increase even further in the future. In addition, on March 31, 2014, the National Highway Traffic Safety Administration has passed a law that will require U.S. light vehicles to be

equipped with a rear video system, one of Gentex's products that have not generated a large share of the company's revenue in the past years. The phase-in schedule requires 10% of vehicles to have a rear video system by 2016, 40% by 2017 and 100% of vehicles by 2018. Although the business is highly competitive since many cars will have rear video systems installed in the vehicle's main screen, the rear video system in Gentex's mirrors is highly innovative and even if the company will only receive a small market share in this business, provided by the ruling, it will have a positive effect and provide revenue growth. Excess cash generated by the company has been and will continue to be used for value adding projects. In 2014, the company began building a new manufacturing and distribution facility that is expected to be completed by 2016 for a total cost of \$30-\$35 million and has been funded by the company's cash and cash equivalents on hand. Gentex expects that this new facility will be able to produce additional 5-7 million mirrors per year. The company's decision to expand was caused by current trends in the market and expectations of increasing demand for their mirrors in the upcoming years. Gentex is using electrochromic smart glass for their rear view mirrors. The market research firm MarketsandMarkets expects the transportation sector to be a major growth market for this product since it is becoming a popular choice for sunroofs and rearview mirrors for premium cars by industry leading car companies such as Daimler AG (Germany) and BMW AG (Germany). Currently, the value of the smart glass market is approximately \$1,581 million and is expected to grow at a CAGR of 20% to reach \$5,814 million by 2020. There is a lot of room for growth in the auto-dimming rearview mirror industry since only 25% of cars being produced in 2014 featured these mirrors. Major car producers, including Gentex's largest customers Audi, Daimler, Ford, General Motors, Toyota, Volkswagen and BMW, have indicated that demand for auto-dimming rearview mirrors will increase because of changing consumer sentiment, demanding for more safety features in cars that are being provided by auto-dimming mirrors and Smart Beam. In addition, the automotive industry has become highly competitive, leading major car producers to add more technological features to their cars.

The acquisition of the industry leader in vehicle communication, HomeLink, has already led to \$150 million in revenues in FY 2014. Currently introducing new products while maintaining their industry leading position will enhance the revenue base even further in the coming years. HomeLink's largest competitor exited the market after failing to introduce competitive products,

leaving the company with nearly all business in this area. Currently, 36% of Gentex's revenue, which is the largest share, is accounted for by exports to emerging markets including China. As indicated in the industry outlook, the automotive industry in emerging markets is expected to experience the largest growth in the upcoming years, providing Gentex with additional growth potential.

The company's largest opportunity for growth will be in the aerospace market. Gentex has not yet accounted significant revenues from this business. Once more aircraft companies will include Gentex's innovative auto-dimming windows in their airplanes, revenues will excel. The only company utilizing Gentex's windows for their commercial airplanes is Boeing for their 787 dreamliner. After many delays in production of the Boeing 787 dreamliner, the company is set to produce a significant amount of planes in 2015. Major airlines, including American Airlines, have ordered a large amount of Boeing 787 dreamliners for 2015. Boeing plans on producing 135 planes in FY 2015, all including Gentex's dimmable windows.

Overall, this suggests that the high demand for the company's products will be sustained in the future and the company will continue to grow and value will be added to the firm. Sensitivity analysis has indicated that growth is the major driver of Gentex Corporation's valuation.

Valuation

Valuation of Gentex Corporation specifies that the company is currently trading at a discount. The market is undervaluing Gentex primarily due to the company's performance in the past year. Analysts don't expect the company's margins to improve in FY 2015, since they don't expect revenue growth to outpace operating expenses.

Gentex will need revenue growth of 10% in order to increase the company's margins. The company expects growth in that area at or below 10%. This growth however does not include revenue growth from their aerospace product segment as well as HomeLink and Smart Beam. As indicated, these segments have a large growth potential in FY 2015 and the following years, which will cause revenue growth in excess of 10% and margin improvements driving the stock price up. In addition, the overall market sentiment is that there won't be an increase in vehicle growth. However, various market research indicates the opposite, accelerated growth in the automotive industry and its subindustries.

The table below compares Gentex Corporation's current multiples to its historical averages:

GNTX Multiples YoY	P/E	EV/EBITDA	EV/Sales
Current	18.10	10.51	3.64
Average	24.82	12.23	3.68
High	37.49	16.43	4.07
Low	15.81	7.89	2.04

*Data has been analyzed on a yearly basis (FY2009-FY2014)

The analysis shows that Gentex is currently trading at a discount compared to its historical averages, although continuing to grow and improving the profitability of the company. Gentex's current P/E ratio is 18.10x, 27% lower than its historical average of 24.82x. The company's EV/EBITDA of 10.51x values the company at a discount of 14% compared to its historical average of 12.23x. Regarding its EV/Sales the company is fairly valued, trading at a discount of only 1%.

Gentex corporation missed their last earnings estimates due to Q4 2014 specific issues, including lower sales levels caused by customers' inventory adjustments at the end of the year. This issue was quarter specific and the company does not expect it to continue in 2015. It caused the company officials to lower target estimates for Q1 2015, in order to reduce the risk of missing earnings estimates in two consecutive quarters. This leaves room to surprise on the upside, which has a high potential, because of positive prospects for FY 2015.

Summary

Gentex Corporation is set to grow in the future, having a dominant market position, products that are already providing large amounts of revenue combined with innovative products that can be expected to provide large revenue streams in the future. On top of that, Gentex is being managed by an experienced management team that has been with the company for more than 10 years. Currently is a good opportunity to invest into the company since it is trading at a discount. Using conservative assumptions of long term growth of 4% and an increase in operating cost/revenue to 69%, the firm has at the current price of \$17.61 an intrinsic value of \$19.47, with a 1-year target price of \$21.58, expecting long term ROIC of 16.40%.

Sources:

- Gentex Corporation, 10-K
- Gentex Corporation, Investor Presentations
- McKinsey&Company, Market Forecast
- Capital IQ
- Bloomberg
- SEC

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Gentex Corp.		GNTX	Analyst Nils Weddig	Current Price \$17.61	Intrinsic Value \$19.47	Target Value \$21.58	Divident Yield 2%	Target Return 22.54%	NEUTRAL
<u>General Info</u>		<u>Peers</u>	<u>Market Cap.</u>		<u>Management</u>				
Sector	Consumer Discretionary	Magna International Inc	\$27,309.36	Professional	Title	Comp. FY2012	Comp. FY2013	Comp. FY2014	
Industry	Auto Components	Motherson Sumi Systems Ltd.	\$6,938.94	Bauer, Fred	Founder, Executive Chairman ar	\$ 1,588,528.00	\$ 1,708,794.00	\$ -	
Last Guidance	Jan-28-2015	Tokai Rika Co., Ltd.	\$1,936.64	Downing, Steven	Chief Financial Officer, Vice Presi	\$ -	\$ 536,679.00	\$ -	
Next earnings date	4/23/2015	Murakami Corporation	\$208.07	Flynn, Paul	Vice President of Operations	\$ 257,561.00	\$ 322,841.00	\$ -	
		Idhikoh Industries Ltd.	\$178.74	Newton, Mark	Senior Vice President, Secretary ar	\$ 688,283.00	\$ 741,624.00	\$ -	
				Nash, Kevin	Chief Accounting Officer and Vic	\$ -	\$ -	\$ -	
				Guarr, Tom	Vice President of Chemical Resea	\$ -	\$ -	\$ -	
<u>Market Data</u>		<u>Current Capital Structure</u>		<u>Historical Performance</u>					
Enterprise value	\$4,968.09	Total debt/market cap	5.35%	GNTX		Peers	Industry	All U.S. firms	
Market Capitalization	\$5,199.90	Cost of Borrowing	0.00%	Growth	14.1%	5.7%	6.4%	6.0%	
Daily volume	0.40	Interest Coverage		Retention Ratio	16.4%	42.2%	43.8%	61.6%	
Shares outstanding	295.28	Altman Z	8.43	ROIC	59.6%	22.8%	15.6%	11.8%	
Diluted shares outstanding	294.30	Debt Rating	AA	EBITDA Margin	22.6%	4.8%	8.8%	13.7%	
% shares held by institutions	92.67%	Levered Beta	1.24	Revenues/Invested capital	134.9%	291.2%	233.4%	202.3%	
% shares held by insiders	2.79%	WACC (based on market value weights)	9.28%	Excess Cash/Revenue	51.9%	7.8%	9.2%	18.5%	
Short interest	1.88%			Unlevered Beta	1.41	0.72	1.20	0.95	
Days to cover short interest	3.45			TEV/REV	3.7x	0.4x	1.0x	2.4x	
52 week high	\$19.06			TEV/EBITDA	12.7x	5.5x	8.7x	11.3x	
52-week low	\$13.17			TEV/EBITDA	15.1x	8.0x	11.7x	15.4x	
5y Beta	1.35			TEV/UFCF	40.6x	14.6x	27.1x	26.8x	
6-month volatility	25.61%			<u>Non GAAP Adjustments</u>					
<u>Past Earning Surprises</u>		<u>Revenue</u>	<u>EBITDA</u>	<u>Norm. EPS</u>	Operating Leases Capitalization	100%	Straightline	10 years	
Last Quarter	-4.8%		0.0%	-4.0%	R&D Exp. Capitalization	100%	Straightline	10 years	
Last Quarter-1	3.6%		5.9%	4.2%	Expl./Drilling Exp. Capitalization	0%	N/A	N/A	
Last Quarter-2	-0.6%		-0.1%	8.3%	SG&A Capitalization	0%	N/A	N/A	
Last Quarter-3	3.4%		3.0%	4.3%					
Last Quarter-4	0.9%		10.9%	14.3%					
<u>Proforma Assumptions</u>		<u>Period</u>		<u>Rev. Growth</u>	<u>Adj. Op. Cost/Rev</u>	<u>Forecasted Profitability</u>			
Operating. Cash/Cash	0.0%	LTM		17%	61%	<u>Revenue</u>	<u>NOPLAT</u>	<u>Invested capital</u>	<u>UFCF</u>
Unlevered Beta	1.20	LTM+1Y		10%	61%	\$1,375.50	\$278.27	\$1,612.99	\$278.27
Rev./Invested Capital	100.0%	LTM+2Y		9%	61%	\$1,518.56	\$305.02	\$1,686.70	\$231.31
Continuing Period Revenue Growth	4.0%	LTM+3Y		10%	62%	\$1,648.59	\$330.39	\$1,753.05	\$264.04
Long Term ROIC	16.4%	LTM+4Y		8%	62%	\$1,813.55	\$363.74	\$1,821.53	\$295.26
Invested Capital Growth	Reverts to Maintenance	LTM+5Y		5%	62%	\$1,954.75	\$392.46	\$1,882.90	\$331.09
Justified TEV/REV	3.0x	LTM+6Y		5%	62%	\$2,054.99	\$411.49	\$1,934.80	\$359.60
Justified TEV/EBITDA	9.0x	LTM+7Y		5%	62%	\$2,153.21	\$430.30	\$1,983.53	\$381.57
Justified TEV/EBITDA	12.0x	LTM+8Y		4%	62%	\$2,250.90	\$449.01	\$2,030.16	\$402.37
Justified TEV/UFCF	20.0x	LTM+9Y		4%	62%	\$2,348.97	\$467.61	\$2,076.25	\$421.52
						\$2,447.99	\$486.21	\$2,121.87	\$440.59
<u>Valuation</u>		<u>ROIC</u>	<u>WACC</u>	<u>EVA</u>	<u>Enterprise Value</u>	<u>Total Debt</u>	<u>Other claims</u>	<u>Equity</u>	<u>Adjusted Price</u>
LTM	17.3%	9.3%	\$128.65	\$5,525.99	\$265.63	-\$497.43	\$5,757.79	\$19.92	
LTM+1Y	18.9%	9.4%	\$160.48	\$5,819.49	\$265.63	-\$822.91	\$6,376.78	\$22.09	
LTM+2Y	19.6%	9.5%	\$176.76	\$6,093.36	\$265.63	-\$1,181.49	\$7,009.22	\$24.20	
LTM+3Y	20.7%	9.6%	\$202.88	\$6,374.52	\$265.63	-\$1,578.22	\$7,687.11	\$26.52	
LTM+4Y	21.5%	9.7%	\$222.73	\$6,642.81	\$265.63	-\$2,023.67	\$8,400.86	\$28.95	
LTM+5Y	21.9%	9.8%	\$232.81	\$6,902.76	\$265.63	-\$2,504.78	\$9,141.92	\$31.58	
LTM+6Y	22.2%	9.9%	\$244.26	\$7,174.92	\$265.63	-\$3,016.29	\$9,925.59	\$34.17	
LTM+7Y	22.6%	10.0%	\$255.98	\$7,457.55	\$265.63	-\$3,560.16	\$10,752.09	\$36.99	
LTM+8Y	23.0%	10.1%	\$267.86	\$7,751.64	\$265.63	-\$4,136.58	\$11,622.60	\$39.97	
LTM+9Y	23.4%	10.2%	\$279.76	\$8,057.02	\$265.63	-\$4,747.23	\$12,538.62	\$42.46	
<u>Monte Carlo Simulation Assumptions</u>		<u>Monte Carlo Simulation Results</u>							
	<u>Base</u>	<u>Stdev</u>	<u>Min</u>	<u>Max</u>	<u>Distribution</u>	<u>Intrinsic Value</u>	<u>Iy-Target</u>		
Revenue Variation	0	10%	N/A	N/A	Normal	Mean est.	\$19.92	\$22.09	
Op. Costs Variation	0	10%	N/A	N/A	Normal	σ(e)	\$0.15	\$0.17	
Market Risk Premium	6%	N/A	5%	7%	Triangular	3 σ(e) adjusted price	\$19.47	\$21.58	
Long term Growth	4%	N/A	3%	14%	Triangular	Current Price	\$17.88		
Terminal Value	0	0.1	N/A	N/A	Normal	Analysts' median est.		\$19.11	