

Corporate Profile

Cognex Corporation (NASDAQ: CGNX) is the world's leading supplier of machine vision systems and sensors. Cognex systems are at work in factories around the world, helping to automate the manufacture of all kinds of products...from semiconductor chips to chocolate chip cookies. Since its founding in 1981, Cognex has:

- Generated over \$2.5 billion in revenue;
- Shipped more than 500,000 vision systems;
- Received 273 U.S. and international patents, with 172 patents pending.

Cognex has 727 employees, with offices and distributors located throughout North America, Japan, Europe, Asia and Latin America. The company's corporate headquarters is located in Natick, Massachusetts.

Recent Developments

August

Cognex introduced the VisionPro® Solar Toolbox, a set of pre-configured vision software tools that speed deployment of the most common alignment and inspection applications used in photovoltaic (PV) solar cell production. Users can employ the Solar Toolbox to get common inspections up and running quickly, and can also leverage the full range of VisionPro's software tools for other location, inspection, and identification applications throughout the production process.

September

Cognex introduced two new high resolution Checker® vision sensors. The Checker 3G7 features 752x480 pixel resolution and a high intensity white light for optimum image contrast. The Checker 272 offers the same resolution and lighting as the Checker 3G7 plus a ladder logic editor. The extra resolution enables Checker to be used in a wide range of new applications where inspection of very small features is required.

October

Cognex announced the acquisition of the web monitoring product line of Monitoring Technology Corporation (MTC), a leading manufacturer of products for monitoring industrial equipment and processes. Under the terms of the deal, Cognex purchased certain assets associated with MTC's SmartAdvisor™ Web Monitoring System. The new system complements Cognex's existing SmartView® web inspection system by enabling customers to determine the root cause of defects that are detected and classified by SmartView.

For more on these and other recent developments, visit www.cognex.com.

Stock Data: October 4, 2009

52 Week High	52 Week Low	Close
\$21.23	\$9.46	\$15.68
Market Capitalization		Shares Outstanding
\$622 Million		39,661,523

Strategy

Cognex offers a full range of vision products that meet customer needs across a variety of applications and industries. Products range from low-cost presence and measurement sensors to hardware-independent vision software that provides the maximum flexibility for users with more experience or more complex requirements.

The largest developed market for Cognex machine vision is manufacturing, where the technology is widely recognized as an essential component of automated production and quality assurance. In this market, Cognex serves three primary segments: discrete factory automation; semiconductor and electronics capital equipment; and surface inspection. Sales to customers in the discrete factory automation segment represent the largest percentage of the company's total revenue, and Cognex believes that this segment provides the greatest growth potential over the long term.

Applications

Typical applications for Cognex machine vision include:

- Reading unique ID codes marked directly on items such as semiconductor wafers and engine parts
- Ensuring that safety seals are present on pharmaceutical packaging
- Verifying product assembly
- Guiding placement of electronic components onto printed circuit boards
- Detecting surface defects in steel, paper and plastics
- Verifying the fill level on beverage containers

Financial Highlights⁽¹⁾ (In thousands except per share amounts)

Year Ended December 31,	2008	2007	2006
Revenue	\$242,680	\$225,683	\$238,318
Income From Continuing Operations	30,499	27,547	40,028
Income Per Diluted Share From Continuing Operations	0.73	0.63	0.86
Dividend Per Common Share	0.47	0.34	0.33
Book Value Per Common Share	10.42	10.99	10.67
Total Assets	474,047	539,546	528,651
Shareholders' Equity	413,075	476,365	473,850
Long-Term Debt	0	0	0
Diluted Weighted-Average Number of Shares Outstanding	41,554	44,063	46,648
Working Capital	213,374	269,528	266,647
Selected Ratios			
Percent Growth Revenue	8%	(5%)	10%
Gross Margin	72%	71%	73%
Operating Profit Margin	10%	12%	19%
Income From Continuing Operations	13%	12%	17%

Quarter Ended	10/4/2009	7/5/2009 ⁽²⁾	4/5/2009	12/31/2008	9/28/2008
Revenue	\$41,178	\$40,968	\$42,287	\$51,822	\$63,256
Income (Loss) From Continuing Operations	4,501	(6,419)	(3,410)	1,814	11,333
Income (Loss) Per Diluted Share From Continuing Operations	0.11	(0.16)	(0.09)	0.05	0.27
Dividend Per Common Share	0.05	0.05	0.15	0.15	0.15
Book Value Per Common Share	10.29	10.05	9.99	10.42	10.79
Total Assets	446,897	444,352	445,695	474,047	501,529
Shareholders' Equity	408,320	398,446	396,314	413,075	440,427
Long-Term Debt	0	0	0	0	0
Diluted Weighted-Average Number of Shares Outstanding	39,666	39,656	39,655	39,684	41,462
Working Capital	221,876	216,083	208,962	213,374	233,220
Selected Ratios					
Operating Profit (Loss) Margin	2%	(19%)	(15%)	(3%)	13%
Income (Loss) From Continuing Operations	11%	(16%)	(8%)	4%	18%

1) The Financial Highlights do not include "Loss from Operations of Discontinued Business, Net of Tax," which relates to the company's lane departure warning business that was sold on July 1, 2008.

2) Includes pre-tax restructuring charges of \$3,738,000 related to cost saving measures announced by Cognex in November, 2008 and April, 2009.

Cognex Senior Management

Robert J. Shillman
Chairman and Chief
Executive Officer

Richard A. Morin
Chief Financial Officer
and Treasurer

Robert Willett
President, Modular Vision
Systems Division (MVSD)

Thomas Nash
President, Surface Inspection
Systems Division (SISD)

Cognex Corporate Headquarters

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