

Corporate Profile

Cognex Corporation (NASDAQ: CGNX) is the world's leading supplier of machine vision products for manufacturing and industrial identification. Cognex vision and ID systems are used throughout the production and distribution process to optimize product quality, reduce manufacturing costs and track items throughout the supply chain. Since its founding in 1981, Cognex has:

- Generated over \$5 billion in cumulative revenue;
- Shipped more than 1.5 million vision systems;
- Received 540 U.S. and international patents, with 413 additional patents pending and allowed.

Cognex has 1,563 employees, with offices and distributors located throughout the Americas, Europe and Asia. The company's corporate headquarters is located in Natick, Massachusetts.

Recent Developments

Cognex introduced three new products: the In-Sight® Laser Profiler, the second generation In-Sight® 7000 vision system, and the compact fixed-mount barcode reader DataMan® 70 series.

- The **In-Sight Laser Profiler** is a simple and reliable system for obtaining product dimensions, including height, gap, position and angle measurements, to ensure parts are manufactured within specified tolerances.
- The second generation **In-Sight 7000** series is the industry's first fully-customizable vision system. Its unique, modular design offers over 400 different field-changeable configurations, making it the most flexible vision system available.
- **DataMan 70** delivers the highest read rates for 1-D and 2-D label-based barcodes in a form factor small enough to fit in the palm of a hand, making it ideal for mounting in tight spaces on production lines and in machinery.

Cognex acquired ViDi Systems SA, a maker of deep learning software for industrial machine vision. ViDi's deep learning software uses artificial intelligence techniques to improve image analysis in situations where it is difficult to predict the full range of image variations that might be encountered. The ViDi Suite software will broaden the scope of applications that can be addressed at a world-class level with Cognex vision.

Stock Data: July 2, 2017

52 Week High	52 Week Low	Close
\$97.99	\$41.93	\$84.90
Market Capitalization		Shares Outstanding
\$7.3 Billion		86,572,316

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. Cognex also offers a range of ID code readers that deliver fast and accurate reading of both 1-D and 2-D barcodes.

Cognex products are used across the industrial sector, which Cognex believes provides the greatest growth potential for the company over the long term. The core opportunity for Cognex machine vision is manufacturing, where the technology is widely recognized as an essential component of automated production and quality assurance. Outside of manufacturing, customers are also increasingly turning to machine vision to improve warehousing and distribution efficiency, such as using ID products in logistics automation for package sorting and distribution.

Applications

Typical applications for Cognex machine vision include:

- Reading unique ID codes marked directly on items such as engine parts and semiconductor wafers
- Guiding robots that manipulate car body panels
- Ensuring that safety seals are present on pharmaceutical packaging
- Verifying the fill level on beverage containers
- Guiding placement of electronic components onto printed circuit boards
- High-speed reading of 1-D barcodes on parcels

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

Year Ended December 31	2016	2015	2014
Revenue	\$520,753	\$450,557	\$426,449
Net Income From Continuing Operations	149,827	107,664	110,841
Net Income Per Diluted Share From Continuing Operations	1.72	1.22	1.24
Cash Dividend Per Common Share	0.30	0.21	0.00
Book Value Per Common Share	11.20	9.73	8.51
Total Assets	1,038,604	887,756	821,734
Shareholders' Equity	962,599	825,667	736,437
Long-Term Debt	0	0	0
Diluted Weighted-Average Number of Shares Outstanding	87,072	87,991	89,071
Working Capital	460,571	390,806	182,252
Selected Ratios			
Percent Growth Revenue	16%	6%	39%
Gross Margin	78%	77%	78%
Operating Profit Margin	31%	27%	30%
Net Income From Continuing Operations	29%	24%	26%

Quarter Ended	7/2/17	4/2/17	12/31/16	10/2/16	7/3/16
Revenue	\$172,904	\$134,942	\$129,322	\$147,952	\$147,274
Net Income From Continuing Operations	56,072	45,655	38,253	53,675	43,014
Net Income Per Diluted Share From Continuing Operations	0.63	0.51	0.43	0.61	0.50
Cash Dividend Per Common Share	0.085	0.075	0.075	0.075	0.075
Book Value Per Common Share	12.15	11.67	11.20	11.02	10.42
Total Assets	1,160,998	1,096,244	1,038,604	1,020,087	964,440
Shareholders' Equity	1,051,976	1,011,212	962,599	943,948	886,644
Long-Term Debt	0	0	0	0	0
Diluted Weighted-Average Number of Shares Outstanding	89,614	89,177	88,251	87,346	86,806
Working Capital	493,444	518,428	460,571	461,754	416,535
Selected Ratios					
Operating Profit Margin	34%	28%	31%	37%	34%
Net Income From Continuing Operations	32%	34%	30%	36%	29%

1) The Financial Highlights do not include "Net Income from Discontinued Operations," which relates to the company's Surface Inspection Systems Division that was sold on July 6, 2015.

Cognex Senior Management:

Robert J. Shillman
Chairman

Robert J. Willett
President and
Chief Executive Officer

John J. Curran
Chief Financial Officer

NASDAQ Listing:

CGNX

COGNEX

Companies around the world rely on Cognex vision and barcode reading to optimize quality, drive down costs and control traceability.

Corporate Headquarters
One Vision Drive Natick, MA 01760
Phone: (508) 650-3000 Fax: (508) 650-3333

www.cognex.com

Investor Relations
Susan Conway, Senior Director of Investor Relations
Phone: (508) 650-3353
Email: susan.conway@cognex.com