



COGNEX CORPORATION

Investor Overview | Q2 2023

COGNEX

FORWARD-LOOKING STATEMENTS

Certain statements made in this presentation and oral statements made by Cognex® that do not relate solely to historical matters are forward-looking statements. These statements can be identified by use of the words “expects,” “anticipates,” “estimates,” “potential,” “believes,” “projects,” “intends,” “plans,” “will,” “may,” “shall,” “could,” “should,” and similar words and other statements of a similar sense. These statements are based on our current estimates and expectations as to prospective events and circumstances, which may or may not be in our control and as to which there can be no firm assurances given. These statements are based on our current estimates and expectations as to prospective events and circumstances, which may or may not be in our control and as to which there can be no firm assurances given. These forward-looking statements, which include statements regarding business and market trends, future financial performance and financial targets, the expected impact of the fire at our primary contract manufacturer's plant on our assets, business and results of operations and related recoveries, customer demand and order rates and timing of related revenue, managing supply shortages, delivery lead times, future product mix, research and development activities, sales and marketing activities, new product offerings and product development activities, cost management, capital expenditures, investments, liquidity, dividends and stock repurchases, strategic and growth plans and opportunities (including our “Emerging Customer” sales initiative, and estimated tax benefits and expenses and other tax matters, involve known and unknown risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include: (1) the reliance on key suppliers, such as our primary contract manufacturer, to manufacture and deliver products; (2) delays in the delivery of our products, the failure to meet delivery schedules, and resulting customer dissatisfaction or loss of sales; (3) the inability to obtain, or the delay in obtaining, components for our products at reasonable prices; (4) the failure to effectively manage product transitions or accurately forecast customer demand; (5) the inability to manage disruptions to our distribution centers or to our key suppliers; (6) the expected impact of the fire at our primary contract manufacturer's plant and related recoveries; (7) the inability to design and manufacture high-quality products; (8) the loss of, or curtailment of purchases by, large customers in the logistics, consumer electronics, or automotive industries; (9) information security breaches; (10) the failure to comply with laws or regulations relating to data privacy or data protection; (11) the inability to protect our proprietary technology and intellectual property; (12) the inability to attract and retain skilled employees and maintain our unique corporate culture; (13) the technological obsolescence of current products and the inability to develop new products; (14) the failure to properly manage the distribution of products and services, including the management of lead times and delivery dates; (15) the impact of competitive pressures; (16) the challenges in integrating and achieving expected results from acquired businesses; (17) potential disruptions in our business systems; (18) potential impairment charges with respect to our investments or acquired intangible assets; (19) exposure to additional tax liabilities, increases and fluctuations in our effective tax rate, and other tax matters; (20) fluctuations in foreign currency exchange rates and the use of derivative instruments; (21) unfavorable global economic conditions, including increases in interest rates and high inflation rates; (22) business disruptions from natural or man-made disasters, such as fire, or public health issues; (23) economic, political, and other risks associated with international sales and operations, including the impact of trade disputes with China and the war in Ukraine; (24) exposure to potential liabilities, increased costs, reputational harm, and other adverse effects associated with expectations relating to environmental, social, and governance considerations; (25) stock price volatility; and (26) our involvement in time-consuming and costly litigation or activist shareholder activities; and the other risks detailed in Cognex reports filed with the SEC, including its Form 10-K for the fiscal year ended December 31, 2022 and Form 10-Q for the fiscal quarter ended July 2, 2023. You should not place undue reliance upon any such forward-looking statements, which speak only as of the date made. Cognex disclaims any obligation to update forward-looking statements after the date of such statements.

COGNEX

\$1
BILLION
2022 REVENUE

72%
GROSS MARGIN

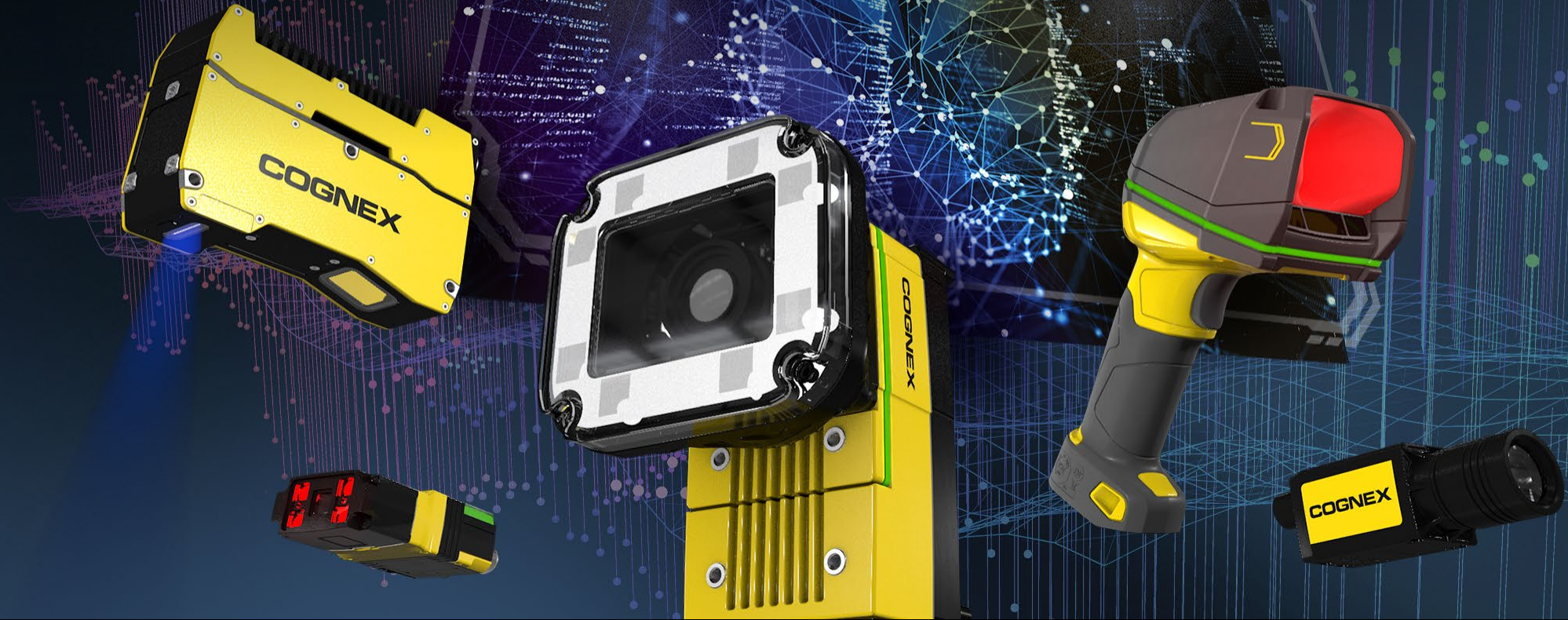
OVER 40
YEARS IN BUSINESS

27%
OPERATING MARGIN*

4,000,000+
SYSTEMS SHIPPED

*Excludes pre-tax loss from a warehouse fire and pre-tax restructuring charges. See reconciliation from GAAP to non-GAAP in Cognex earnings release issued on 2/16/2023.

TECHNOLOGY LEADERSHIP



14% OF REVENUE INTO
R&D

>1K US & INTERNATIONAL PATENTS
ISSUED & PENDING

COGNEX CULTURE



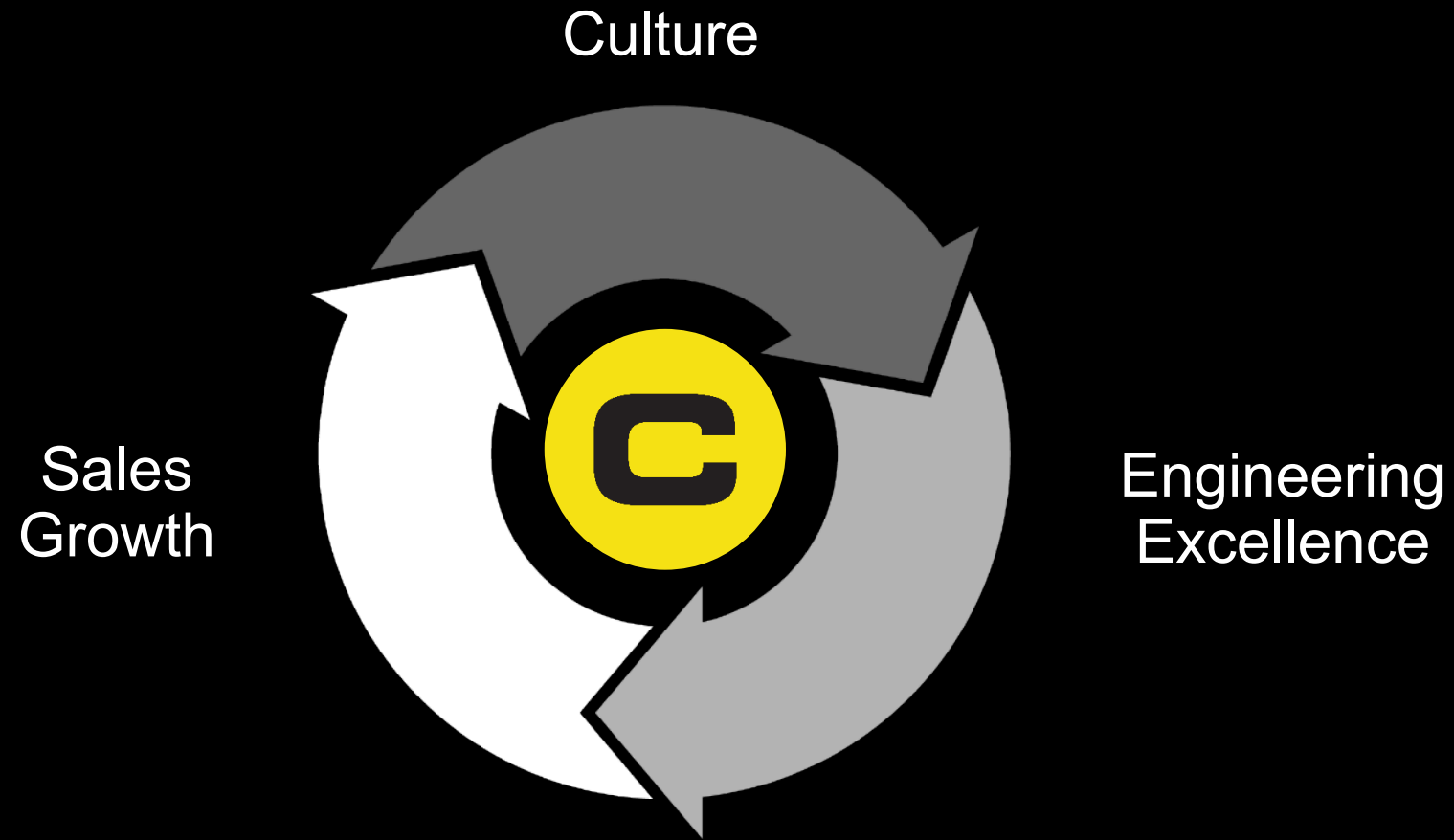
WORK HARD



PLAY HARD



MOVE FAST



WHAT IS MACHINE VISION?

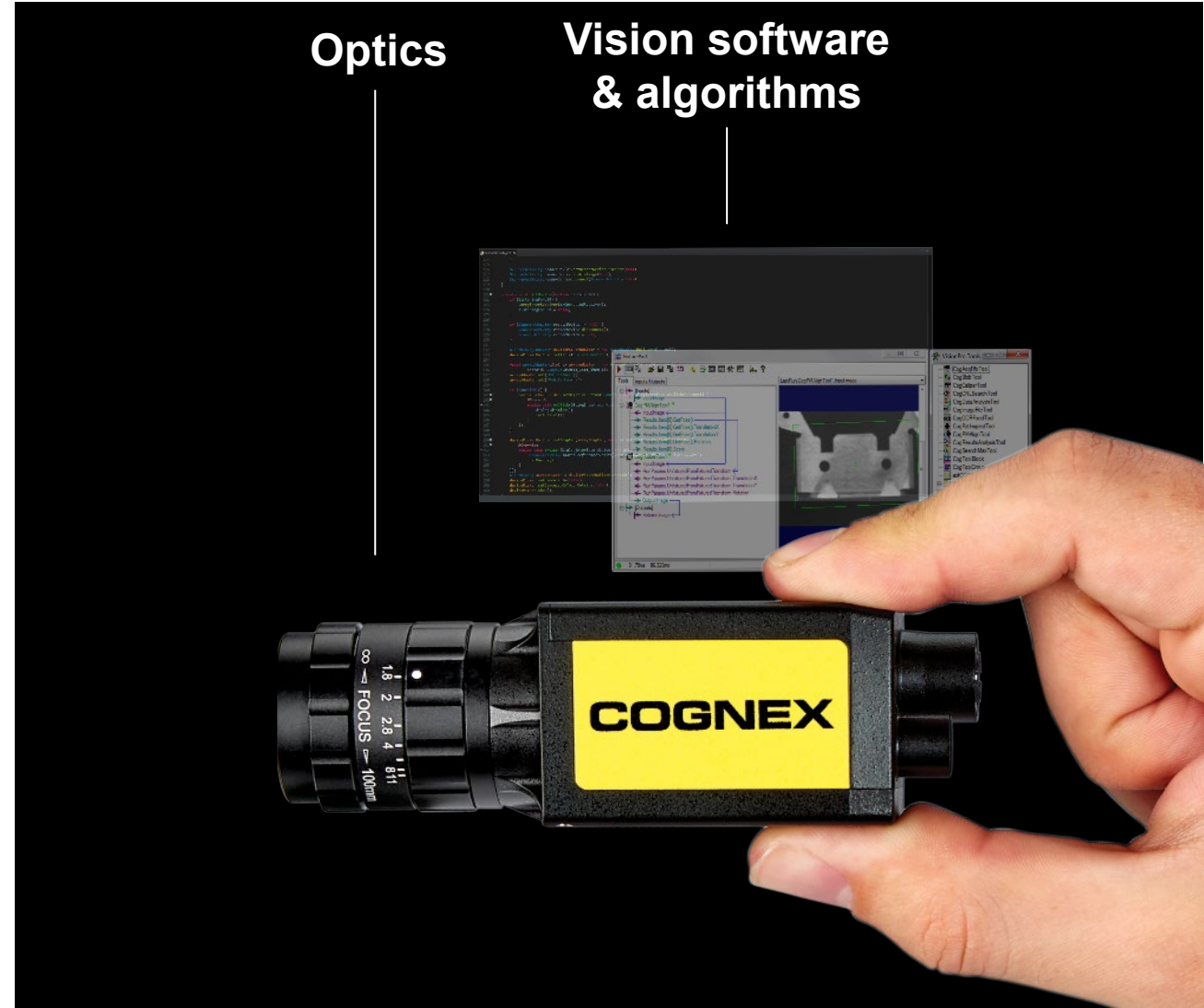
Brain

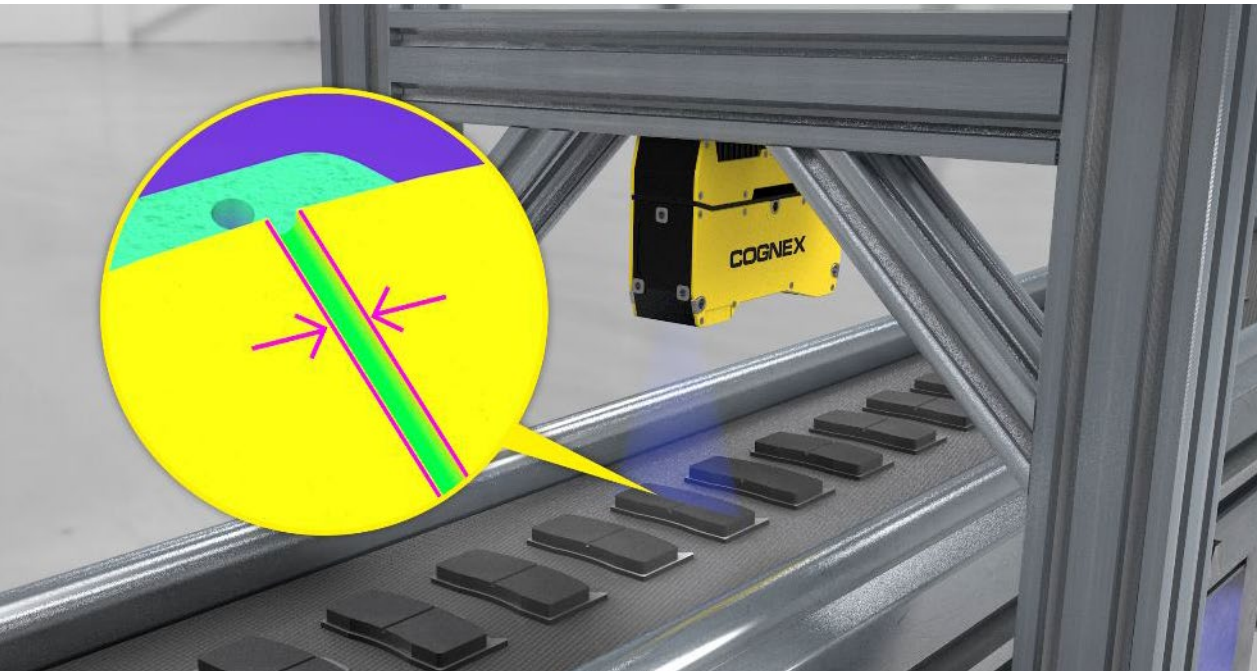
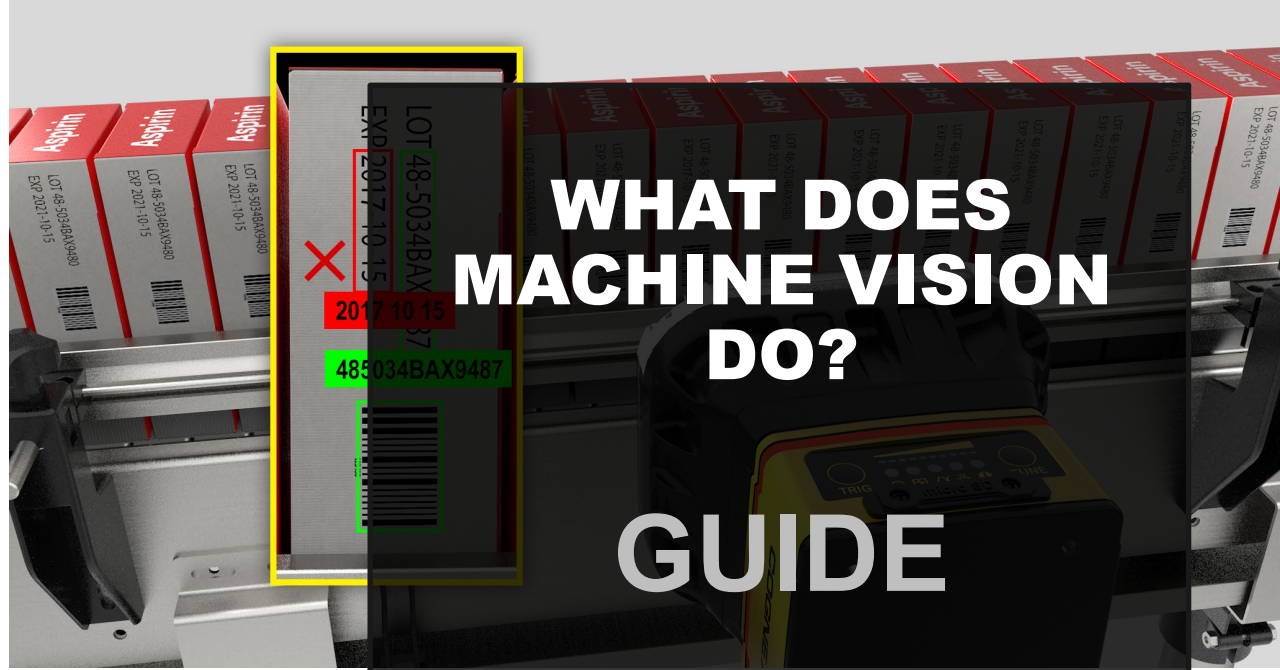
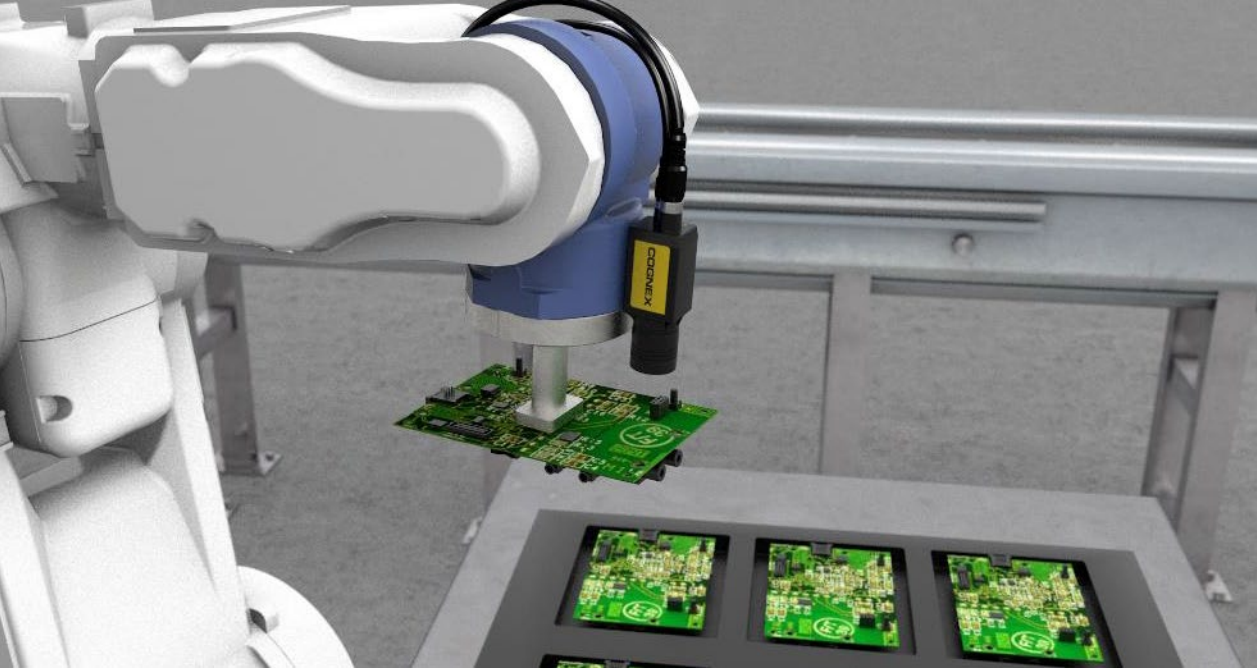
Eyes

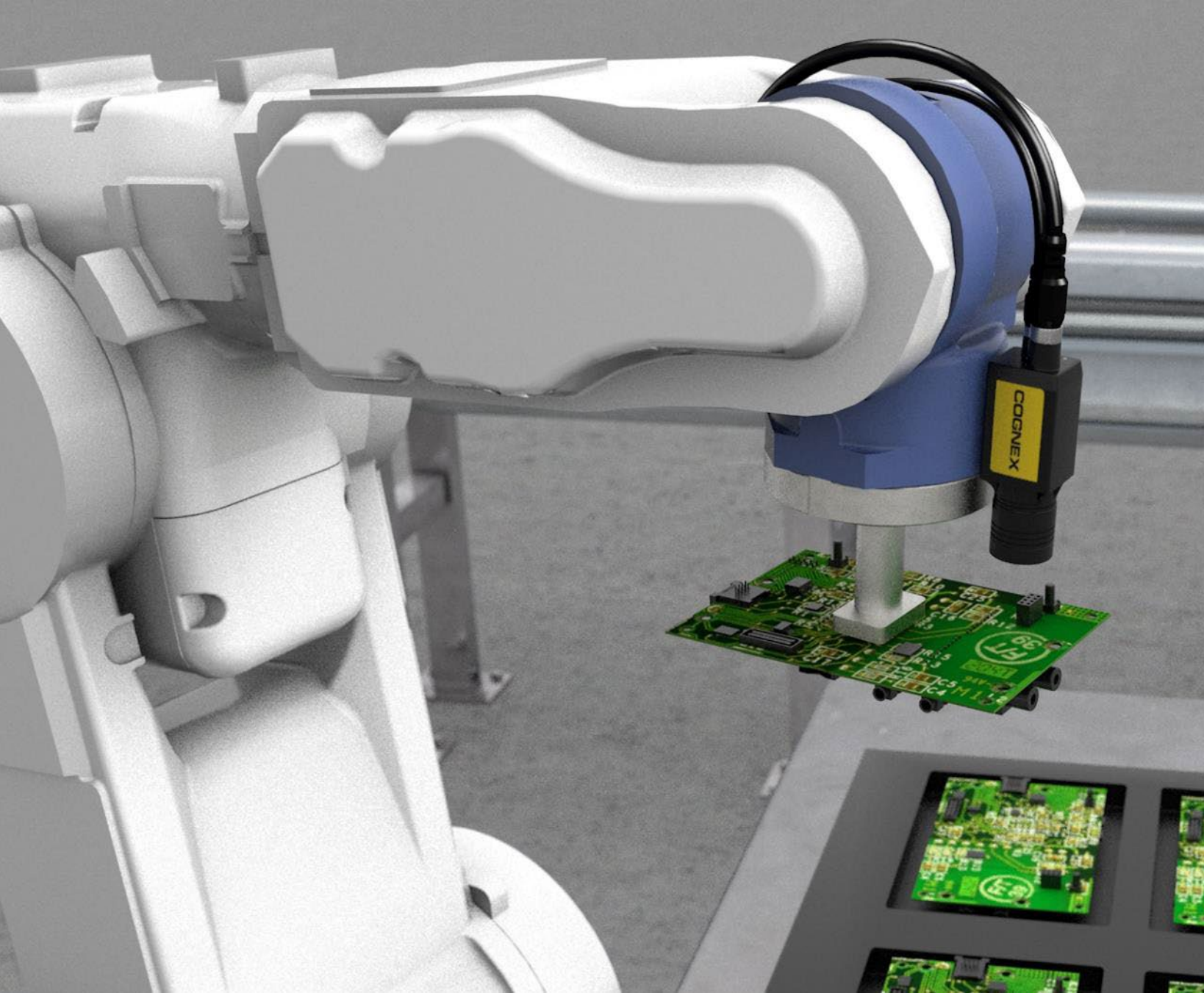


Optics

Vision software
& algorithms







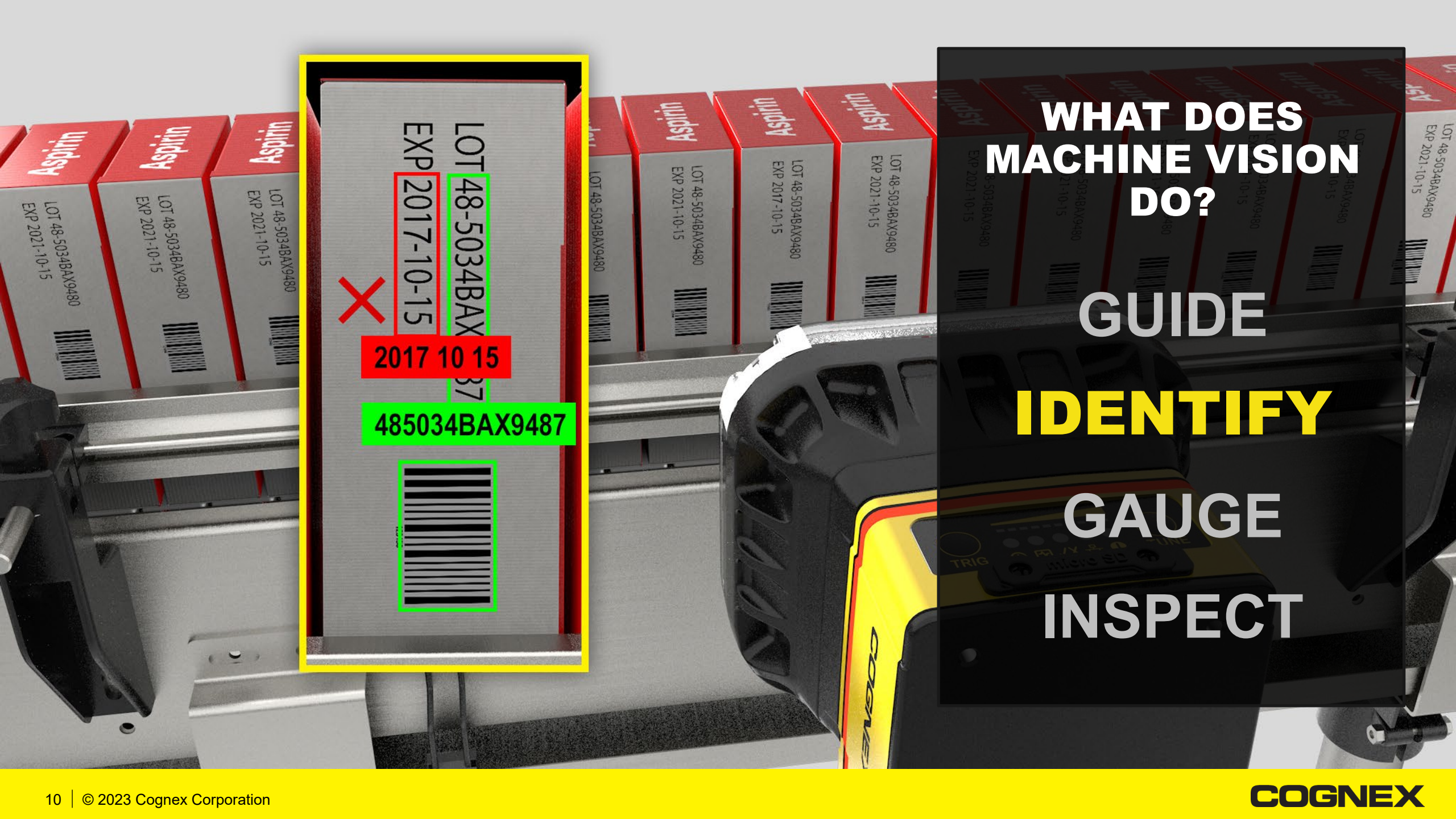
**WHAT DOES
MACHINE VISION
DO?**

GUIDE

IDENTIFY

GAUGE

INSPECT



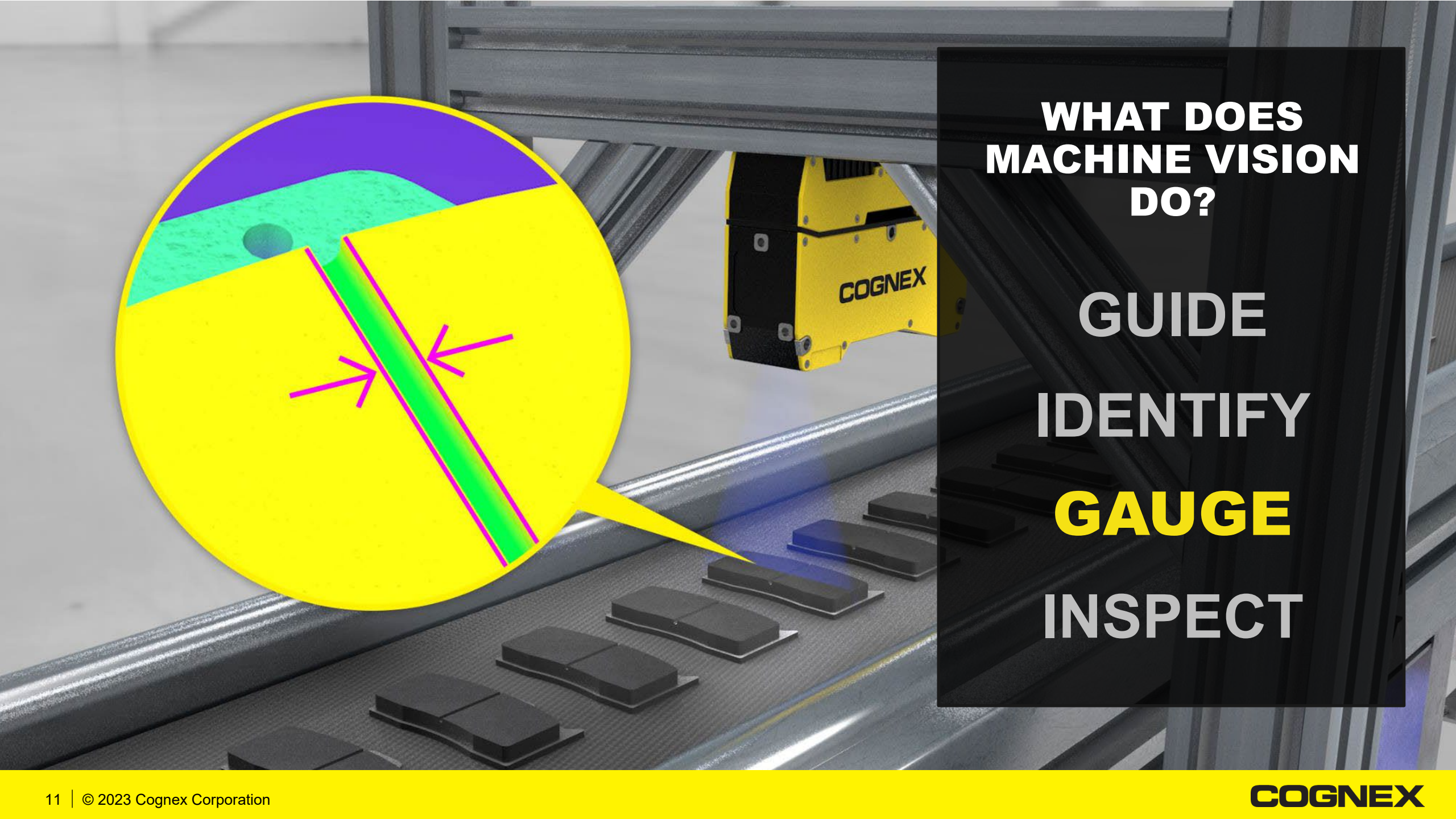
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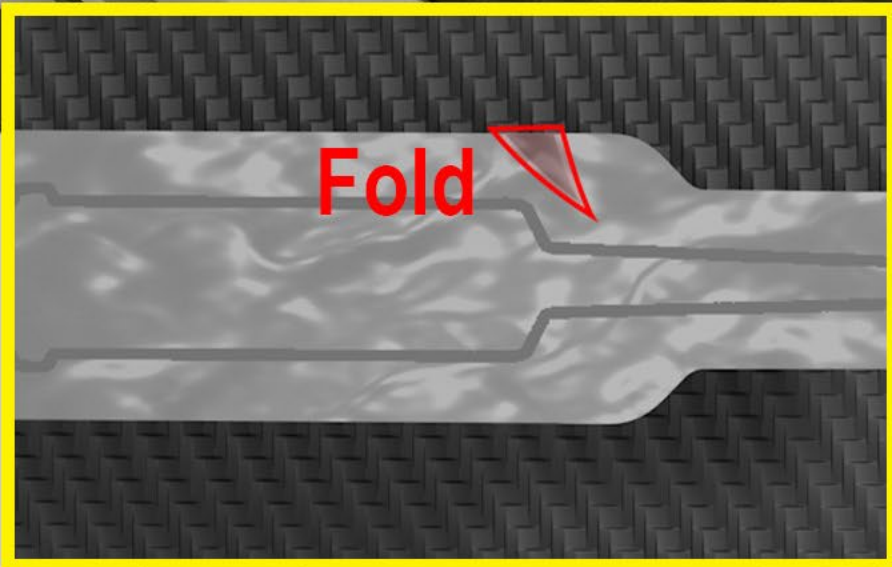
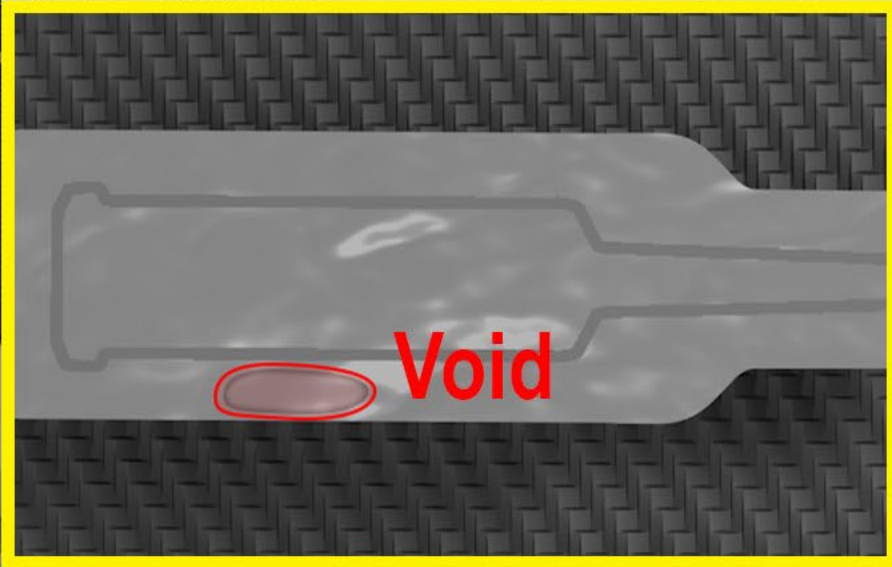
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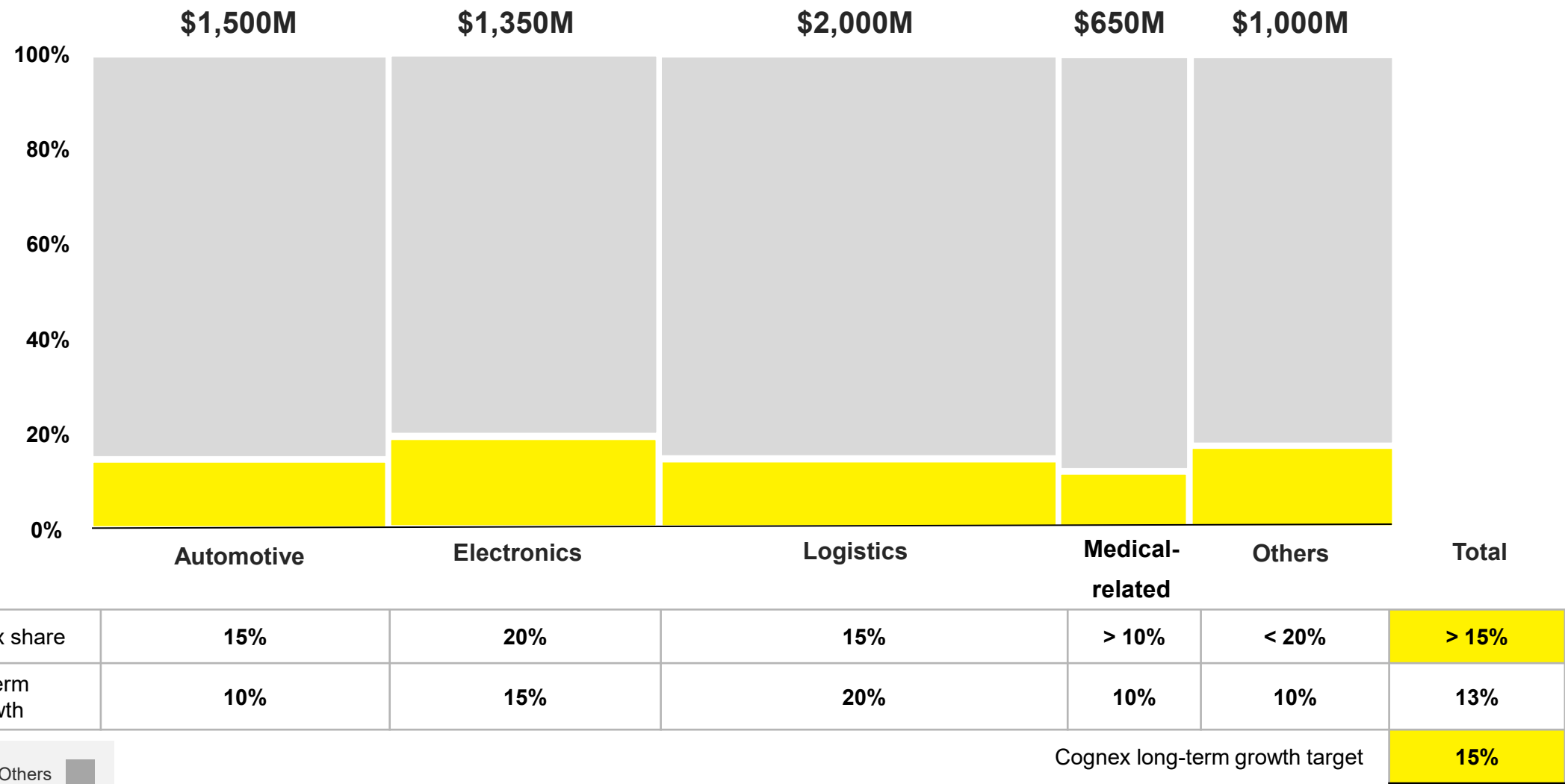
MACHINE VISION IS A GREAT MARKET

360 MILLION
FACTORY WORKERS WORLDWIDE

35 MILLION
VISUAL INSPECTORS

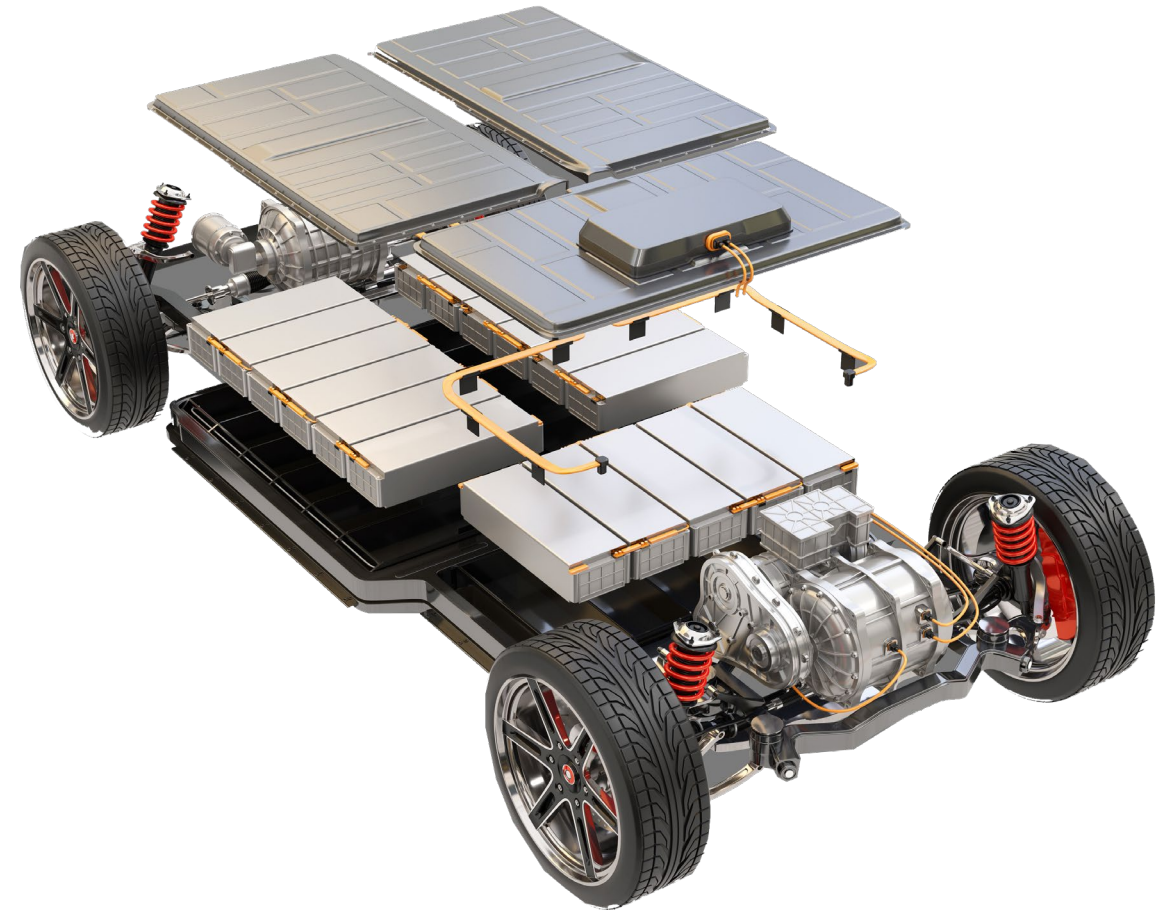
Source: Estimates based on internal data and data from International Labor Organization & World Bank

COGNEX'S \$6.5B SERVED MARKET

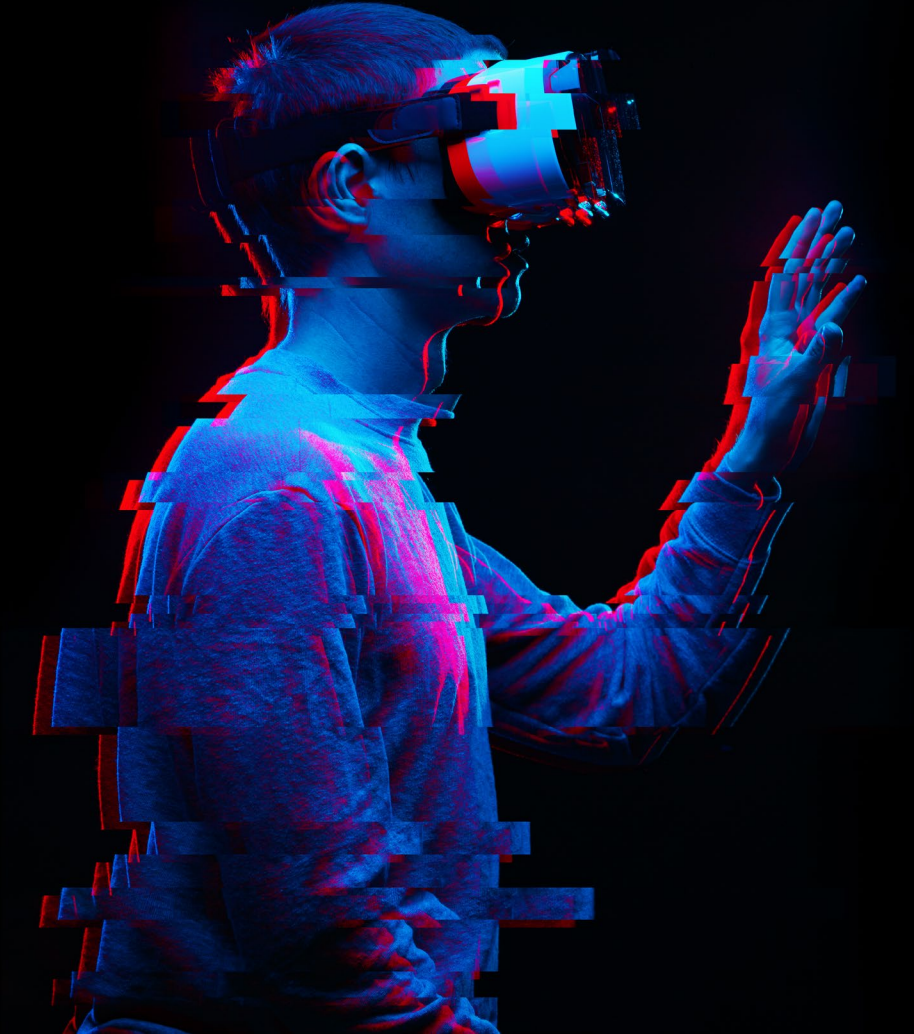


Automotive

- Machine vision used in most manufacturing steps
- Multi-year investment in EV manufacturing is underway
- Cars becoming “smartphones on wheels”



Electronics



- Close relationships with world's largest, most sophisticated companies
- Vision enables the manufacturing of devices for consumer market

LOGISTICS

- Cognex's largest and fastest-growing market
- Market relatively early in its adoption of machine vision
- Difficult year in 2022; long-term opportunity intact



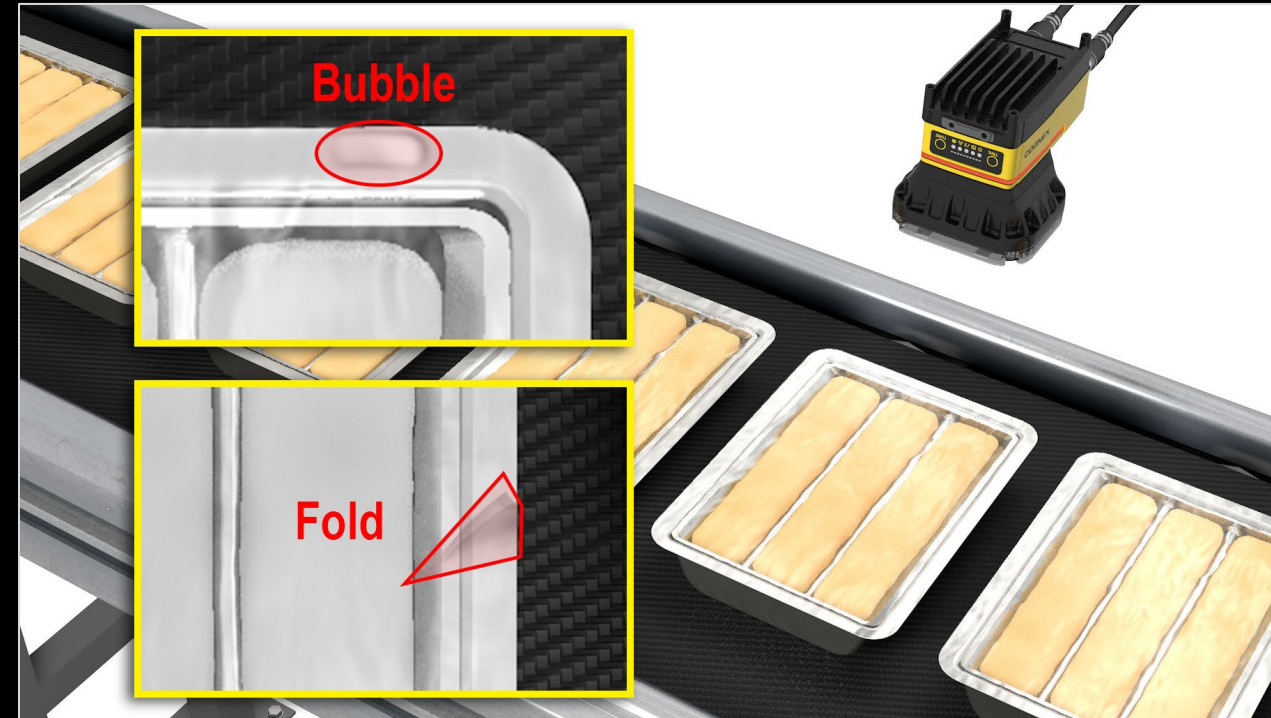


Life Sciences

- Highly regulated, non-cyclical market
- Long product life cycle
- Specified in over 100 different machines
- Consistent, stable, fast growing ongoing revenue

Packaging

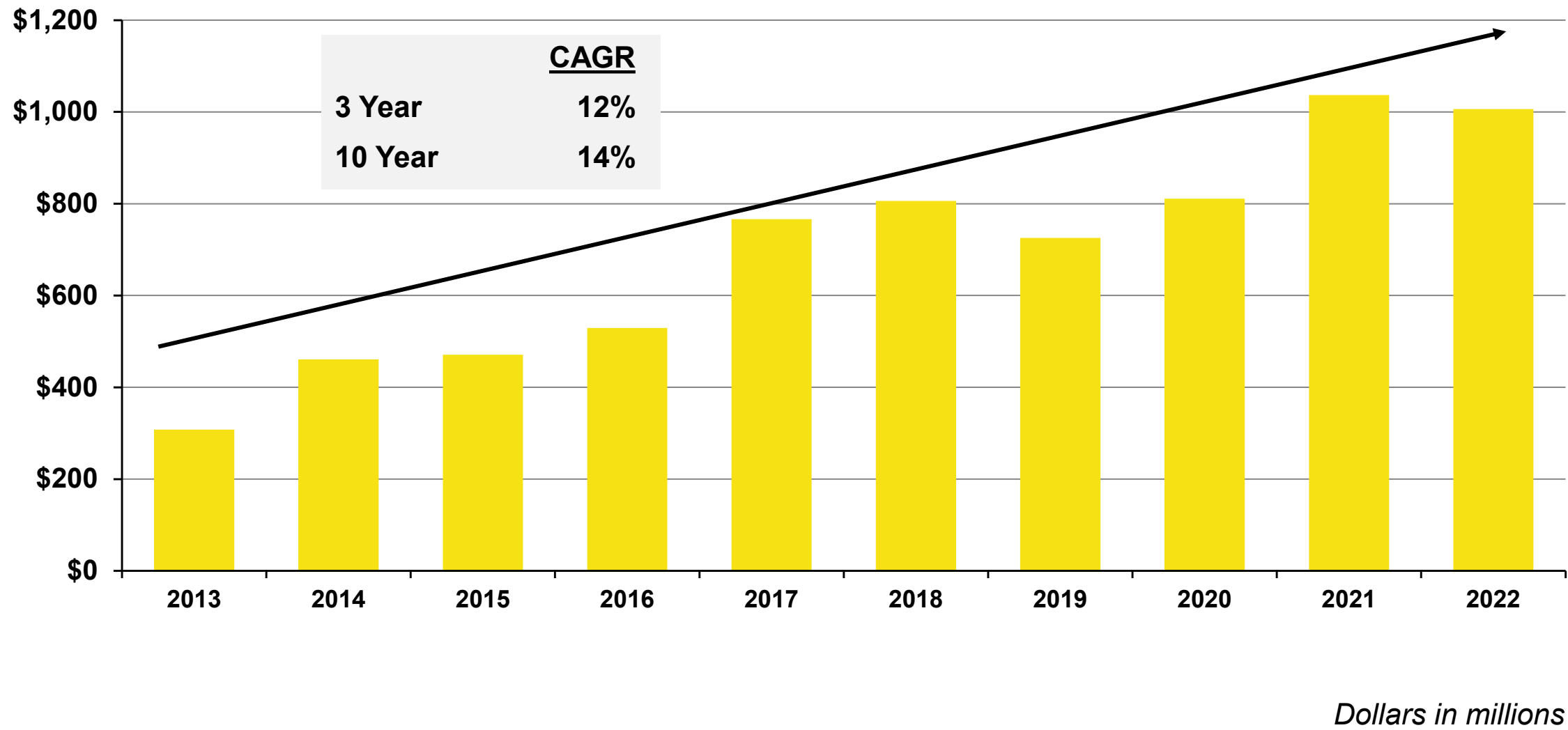
- Manufacturers of regulated products rely on Cognex to prevent counterfeiting and diversion
- Increasing use of vision to improve food safety





FINANCIAL REVIEW

COGNEX 10-YEAR REVENUE



Q2 2023 INCOME STATEMENT

Dollars in thousands, except per share amounts

	Q2 2023	% of Revenue		Q2 2022	% of Revenue		% Change	
Revenue	\$242,512	100	%	\$274,628	100	%	(12)	%
Gross Margin	179,683	74		196,485	72		(9)	
R, D & E	33,585	14		33,991	12		(1)	
S, G & A	83,423	34		79,950	29		4	
Operating Income	65,175	27		65,141	24		0	
Net Income	57,474	24		58,901	21		(2)	
Earnings Per Share	0.33			0.34			(3)	
Net Income*	55,806	23		71,512	26		(22)	
Earnings Per Share*	0.32			0.41			(22)	

*Excludes a fire loss in Q2-22, proceeds from business interruption insurance in Q2-23, and discrete tax items in both periods presented: see reconciliation from GAAP to non-GAAP in Cognex earnings release issued 8/3/2023.

Q2 2023 BALANCE SHEET

Assets	7/2/2023	12/31/2022
Cash and Investments	\$832,453	\$854,250
Accounts Receivable	147,864	125,417
Inventories	126,226	122,480
Deferred Tax Assets	407,257	407,241
Other Assets	484,314	448,752
Total Assets	\$1,998,114	\$1,958,140
Liabilities and Shareholders' Equity		
Accounts Payable and Accrued Liabilities	\$109,714	\$120,338
Income Taxes and Deferred Tax Liabilities	294,055	316,964
Other Liabilities	113,882	82,444
Total Shareholders' Equity	1,480,463	1,438,394
Total Liabilities and Equity	\$1,998,114	\$1,958,140

Dollars in thousands



**INDUSTRY
LEADER**
VERSATILE CORE TECHNOLOGY

**EXPERIENCED
MANAGEMENT**

**CONSISTENT
CASH GENERATOR**

**TRACK RECORD OF
SUCCESS**

**EARNINGS
LEVERAGE**

**STRONG
BALANCE SHEET**