

Cognex Q1 2026 Earnings

May 6, 2026

Forward-Looking Statements

Certain statements made in this presentation, as well as oral statements made by the Company from time to time, constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Readers can identify these forward-looking statements by our use of the words "expects," "anticipates," "estimates," "potential," "believes," "projects," "intends," "plans," "aims," "will," "may," "shall," "could," "should," "opportunity," "goal," "objective," "target," "milestone" 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 forward-looking statements, which include statements regarding business and market trends, future financial performance, financial targets, milestones and related timing expectations, the impacts of our strategic portfolio review, the impact of tariffs, customer demand and order rates and timing of related revenue, future product or revenue mix, research and development activities, sales and marketing activities including our salesforce transformation, new product offerings, innovation and product development activities, customer acceptance of our products, commercial partnerships, capital expenditures, cost management activities including expected annualized operating expense reductions, investments, liquidity, dividends and stock repurchases, strategic and growth plans and opportunities, acquisitions, and estimated tax benefits and expenses, changes in tax legislation, 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 technological obsolescence of current products and the inability to develop new products; (2) the impact of competitive pressures; (3) the inability to attract and retain skilled employees and effectively plan for succession, while maintaining our unique corporate culture; (4) the failure to properly manage the distribution of products and services; (5) economic, political, and other risks associated with international sales and operations, including the impact of trade disputes, the imposition of tariffs, the economic climate in China, and the wars and conflicts involving Iran, Ukraine, and Israel and those that may arise in the future in the geographies where we conduct business; (6) the challenges in integrating and achieving expected results from acquired businesses; (7) uncertainty surrounding our future capital needs; (8) the inability to effectively scale our operations and salesforce to support a significantly expanded customer base; (9) information security breaches and other cybersecurity threats; (10) the failure to comply with laws or regulations relating to data privacy, data protection, AI, or other automated technologies; (11) the inability to protect our proprietary technology and intellectual property; (12) the inability to manage direct and indirect disruptions to our supply chain, which could cause delays in obtaining components for our products at reasonable prices; (13) the failure to manufacture and deliver products in a timely manner; (14) the inability to obtain, or the delay in obtaining, components for our products at reasonable prices, including memory chips; (15) the inability to design and manufacture high-quality products; (16) the loss of, or curtailment of purchases by, large customers in the logistics, consumer electronics, or automotive end markets; (17) challenges in accurately forecasting our financial results due to seasonal and cyclical variations in customer purchasing patterns and economic and market volatility; (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, without limitation, increases in interest rates, elevated inflation rates, and recession risks; (22) business disruptions from natural or man-made disasters, public health crises, or other events outside our control; (23) stock price volatility; (24) our involvement in time-consuming and costly litigation or activist shareholder activities; and (25) the failure to effectively transform our operating model, manage our expenses, and achieve expected cost reductions. The foregoing list should not be construed as exhaustive and we encourage readers to refer to the detailed discussion of risk factors included in Part I - Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (the "Annual Report"), as updated by Part II - Item 1A of our Quarterly Report on Form 10-Q as filed with the SEC. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company disclaims any obligation to subsequently revise forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date such statements are made.

Q1 2026 Highlights

Strategy Update:

- **Advancing innovation:** strengthening technology leadership with the launch of two breakthrough AI vision systems, the IS6900 and IS3900
- **Executing portfolio optimization:** completed divestiture of Japan-focused trading business ahead of schedule and in line with expected proceeds
- **Driving productivity:** on track to achieve announced \$35-40M net cost reduction¹

Revenue up 24% Y/Y, +21% Y/Y constant-currency growth

- 7th consecutive quarter of Y/Y growth
- 9th consecutive quarter of double-digit Y/Y Logistics growth
- Broad-based FA growth led by Electronics, Semi and Packaging

Commitment to bottom-line profitability:

- Adjusted EBITDA and Adjusted EPS increased 100% and 113% Y/Y, respectively
- Adjusted EBITDA margin of 26.9%, up 1,010 bps Y/Y, marking the seventh consecutive quarter of expansion

Q1 2026 Revenue

\$268 Million

+24% Y/Y

Q1 2026 Adj. EBITDA Margin

26.9%

+1,010 bps Y/Y

Q1 2026 Free Cash Flow

\$42 Million

+11% Y/Y



Advancing Our Technology Leadership In AI

Expanding the In-Sight® Portfolio

In-Sight® 6900

Flexible AI vision controller for the most demanding applications



Powered by
NVIDIA Jetson™

Powered by  NVIDIA

Key features & capabilities:

- Flexible hardware for complete customization
- Smart lighting
- Running Cognex's most advanced AI tools

Targeted AI for advanced inspections:

- Identification of subtle surface defects
- Assembly verification
- Foreign object detection

In-Sight® 3900

The fastest and easy-to-use embedded AI vision system



Powered by
Qualcomm Dragonwing™
processors

 Qualcomm
Dragonwing

Key features & capabilities:

- 4x faster edge AI speeds
- The simplicity and ease of use of an integrated vision system

Application examples:

- Defect detection
- Measurement & alignment
- Robotic guidance

Seamless integration with OneVision™ strengthening edge-to-cloud AI vision ecosystem

Q1 2026 End Market Results and Updated 2026 View

END MARKET	% OF REVENUE Full-year 2025 ¹	Q1 2026 REVENUE GROWTH ²	UPDATED 2026 VIEW
Logistics	26%	DD <i>against weak Q1 2025 comp</i>	MSD to HSD
Packaging	21%	DD	HSD <i>from MSD to HSD</i>
Consumer Electronics	19%	DD	HSD to DD
Automotive	19%	MSD	FLAT to LSD
Semiconductor	10%	DD	HSD to DD <i>from MSD to DD</i>
OTHER	5%		

LSD = low-single digit; MSD = mid-single digit; HSD = high-single digit; DD = double digit.

Q1 2026 Financial Highlights

Adj. EBITDA Margin

26.9%

+1,010 bps Y/Y
Seventh consecutive quarter
of Y/Y expansion

Adj. Diluted EPS

\$0.34

+113% Y/Y
Seventh consecutive quarter
of Y/Y growth

Free Cash Flow Conversion¹

119%

Trailing twelve-month rate
Sixth consecutive quarter
>100%

Q1 2026 Financials

All figures in \$ million, except per share amounts

	Q1 2026	Q1 2025	Y/Y Change
Revenue	268	216	+24%
Adjusted Gross Profit	193	146	+32%
Adjusted Gross Margin	71.8%	67.6%	+420bps
Adjusted Operating Expenses	125	115	+9%
Adjusted EBITDA	72	36	+100%
Adjusted EBITDA Margin	26.9%	16.8%	+1,010 bps
Adjusted Net Income	57	27	+111%
Adjusted Diluted EPS	\$0.34	\$0.16	+113%
Free Cash Flow	42	38	+11%

1. Revenue increased 24% as reported and 21% on a constant currency basis driven by broad-based strength across major end markets.
2. Adjusted Gross Margin expanded 420 basis points, driven by favorable mix and volume, slightly offset by tariffs.
3. Adjusted EBITDA Margin expanded 1,010 basis points driven by revenue growth and favorable mix.
4. Adjusted diluted EPS increased by \$0.18, or 113%, driven by operating leverage and a lower diluted share count.
5. Continued strong cash generation with \$42 million of Free Cash Flow, an increase of 11% year over year.

Q2 2026 Outlook

<i>All figures in \$ million, unless specified</i>	Q2 2026 Guidance	Q2 2025 Results	Y/Y Change*
Revenue	\$280 – \$300	\$249	+16.5%
Adjusted EBITDA Margin	28% – 31%	20.7%	+880 bps
Adjusted Earnings per Share (diluted)	\$0.40 – \$0.44	\$0.25	+68.0%

*At the midpoint of guidance

Cognex has provided the forward-looking non-GAAP measures of adjusted EBITDA margin, and adjusted earnings per share (diluted), but cannot, without unreasonable effort, forecast such items to present or provide a reconciliation to corresponding forecasted GAAP measures. These include special items such as reorganization charges, acquisition and integration charges, and amortization of acquisition-related intangible assets, all of which are subject to limitations in predictability of timing, ultimate outcome and numerous conditions outside of Cognex's control. Additionally, these items are outside of Cognex's normal business operations and not used by management to assess Cognex's operating results. Cognex believes these limitations would result in a range of projected values so broad as to not be meaningful to investors. For these reasons, Cognex believes that the probable significance of such information is low. Information with respect to special items for certain historical periods is included in the section entitled "Reconciliation of Selected Items From GAAP to Non-GAAP". In Q2 2025 the GAAP operating margin was 17.4% and GAAP earnings per share (diluted) were \$0.24.

2nd QUARTER EXPECTATIONS

1. Year-over-year revenue growth reflects contribution from broader Factory Automation end markets and Logistics.
2. Sequential step-up in revenue driven by seasonality in Consumer Electronics.
3. Adjusted EBITDA margin expansion driven by revenue growth and cost reduction.
4. Adjusted EPS growth driven by revenue growth, margin expansion and reduction in share count.

Baselining Revenue for Comparability

TOPIC <i>All figures in \$ million</i>		Q2	Q3	Q4
2025 GAAP Revenue as reported		249	277	252
Completed portfolio optimization actions	<i>Y/Y headwind</i>	(5)	(5)	(5)
Consumer Electronics order timing shift (Q3 → Q2)	<i>Timing</i>	+7	(7)	--
One-time commercial partnership benefit (Q3 2025)	<i>Y/Y headwind</i>	--	(13)	--
Revenue Baseline (for growth comparison)		251	252	247
2026 GAAP Revenue guidance range¹		\$280 – 300	--	--
<i>Implied Y/Y growth at the mid-point</i>		16%	--	--

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including adjusted gross profit and margin, adjusted operating expense, adjusted operating income and margin, adjusted EBITDA and margin, adjusted net income, adjusted earnings per share of common stock, diluted, adjusted effective tax rate, and free cash flow and free cash flow conversion rate. Cognex defines its non-GAAP metrics as follows:

- *Adjusted gross profit and margin:* Gross margin adjusted for amortization of acquisition-related intangible assets, as well as, if applicable, restructuring charges, reorganization charges, acquisition and integration costs and one-time discrete events.
- *Adjusted operating expense:* Operating expense adjusted for amortization of acquisition-related intangible assets, as well as, if applicable, restructuring charges, reorganization charges, acquisition and integration costs and one-time discrete events.
- *Adjusted operating income and margin:* Operating income adjusted for amortization of acquisition-related intangible assets, as well as, if applicable, restructuring charges, reorganization charges, acquisition and integration costs and one-time discrete events.
- *Adjusted EBITDA and margin:* Operating income adjusted for amortization of acquisition-related intangible assets and depreciation, as well as, if applicable, restructuring charges, reorganization charges, acquisition and integration costs and one-time discrete events.
- *Adjusted net income:* Net income adjusted for amortization of acquisition-related intangible assets, as well as, if applicable, restructuring charges, reorganization charges, acquisition and integration costs, discrete tax items, and one-time discrete events (such as loss on sale of business).
- *Adjusted earnings per share of common stock, diluted:* Adjusted net income divided by diluted weighted average common and common-equivalent shares.
- *Adjusted effective tax rate:* Effective tax rate adjusted for discrete tax items and the net impact of the other non-GAAP adjustments.
- *Free cash flow:* Cash provided by operating activities less cash for capital expenditures.
- *Free cash flow conversion rate:* Free cash flow divided by adjusted net income.

Cognex may also disclose results on a constant-currency basis as one measure to evaluate its performance and compare results between periods as if the exchange rates had remained constant period-over-period.

Cognex believes these non-GAAP financial measures are helpful because they allow investors to more accurately compare results over multiple periods using the same methodology that management employs in its budgeting process, in its review of operating results, and for forecasting and planning for future periods. Cognex's definitions may differ from the definitions used by other companies and therefore comparability may be limited. In addition, other companies may not publish these or similar metrics. Furthermore, these measures have certain limitations in that they do not include the impact of certain non-recurring expenses that are reflected in our consolidated statement of operations that are necessary to run our business. Thus, our non-GAAP financial measures should be considered in addition to, not as substitutes for, or in isolation from, measures prepared in accordance with GAAP.

GAAP to Non-GAAP Tables

USD \$ in 000s unless noted as per share

	Three-months Ended	
	April 5, 2026	March 30, 2025
Gross profit (GAAP)	\$ 190,939	\$ 144,323
Acquisition and integration costs	216	242
Amortization of acquisition-related intangible assets	1,337	1,338
Reorganization charges	374	86
Adjusted gross profit	\$ 192,866	\$ 145,989
GAAP gross margin	71.1 %	66.8 %
Adjusted gross margin	71.8 %	67.6 %
Operating expense (GAAP)	\$ 131,066	\$ 118,231
Acquisition and integration costs	(15)	(538)
Amortization of acquisition-related intangible assets	(1,195)	(1,290)
Reorganization charges	(4,755)	(1,622)
Adjusted operating expense	\$ 125,101	\$ 114,781
Operating income (GAAP)	\$ 59,873	\$ 26,092
Acquisition and integration costs	231	780
Amortization of acquisition-related intangible assets	2,532	2,628
Reorganization charges	5,129	1,708
Adjusted operating income	\$ 67,765	\$ 31,208
GAAP operating margin	22.3 %	12.1 %
Adjusted operating margin	25.2 %	14.4 %
Depreciation (adjusted for amounts included in Acquisition :	4,472	5,083
Adjusted EBITDA	\$ 72,237	\$ 36,291
Adjusted EBITDA margin	26.9 %	16.8 %

GAAP to Non-GAAP Tables

USD \$ in 000s unless noted as per share

	Three-months Ended	
	April 5, 2026	March 30, 2025
Net income (GAAP)	\$ 51,704	\$ 23,603
Acquisition and integration costs	231	780
Amortization of acquisition-related intangible assets	2,532	2,628
Reorganization charges	5,129	1,708
Loss on sale of business	1,539	—
Discrete tax (benefit) expense	(1,179)	(307)
Tax impact of reconciling items	(2,638)	(1,365)
Adjusted net income	\$ 57,318	\$ 27,047
Earnings per share of common stock, diluted (GAAP)	\$ 0.31	\$ 0.14
Acquisition and integration costs	—	—
Amortization of acquisition-related intangible assets	0.02	0.02
Reorganization charges	0.03	0.01
Loss on sale of business	0.01	—
Discrete tax (benefit) expense	(0.01)	—
Tax impact of reconciling items	(0.02)	(0.01)
Adjusted earnings per share of common stock, diluted	\$ 0.34	\$ 0.16
Effective tax rate (GAAP)	16.3 %	15.1 %
Discrete tax benefit (expense)	1.9 %	1.1 %
Net impact of other reconciling items	1.3 %	1.6 %
Adjusted effective tax rate	19.5 %	17.8 %
Cash provided by operating activities (GAAP)	\$ 45,093	\$ 40,502
Capital expenditures	(2,757)	(2,501)
Free cash flow	\$ 42,336	\$ 38,001

Description of Certain Adjustments

1. Depreciation

The company incurs expense related to its normal use of property, plant and equipment

2. Acquisition and integration costs

The Company has incurred charges related to the purchase and integration of acquired businesses. During the periods presented, these costs were primarily related to the ongoing integration of Moritex Corporation, which the Company acquired in the fourth quarter of 2023.

3. Amortization of acquisition-related intangible assets

The Company excludes the amortization of acquired intangible assets from non-GAAP expense and income measures. These items are inconsistent in amount and frequency and are significantly impacted by the timing and size of acquisitions, and include the amortization of customer relationships, completed technologies, and trademarks that originated from prior acquisitions. The largest driver of intangible asset amortization was the acquisition of Moritex Corporation.

4. Reorganization charges

The Company has incurred charges related to the reorganization of its employees. During the three-month period ended April 5, 2026, these costs consisted primarily of severance and consulting fees.

5. Loss on sale of business

The Company has recognized a pre-tax loss related to the divestiture of its Japan-focused trading business, which includes direct costs associated with the divestiture incurred during the three-month period ended April 5, 2026.

6. Discrete tax (benefit) expense and tax impact of reconciling items

Items unrelated to current period ordinary income or (loss) that generally relate to changes in tax laws, adjustments to prior period's actual liability determined upon filing tax returns, adjustments to previously recorded reserves for uncertain tax positions, establishments and adjustments of valuation allowances, stock-based compensation, and adjustments to deferred tax positions. We estimate the tax effect of items identified in the reconciliation by applying the statutory tax rate to the pre-tax amount.

Investor Relations Upcoming Activity



Greer Aviv
HEAD OF
INVESTOR RELATIONS

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Upcoming Conferences and Investor Events

May	TD Cowen 54 th Annual Technology, Media & Telecom Conference	New York, NY
May	Bernstein 42 nd Annual Strategic Decisions Conference	New York, NY
June	Wells Fargo 16 th Annual Industrials & Materials Conference	Chicago, IL
June	Raymond James Investor Bus Trip	Natick, MA
June	Truist Securities Industrials and Services Conference	New York, NY
June	Midwest Non-Deal Roadshow with Stephens	Denver, Kansas City, Houston
June	Automate 2026	Chicago, IL