

FOR IMMEDIATE RELEASE

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**COGNEX INCREASES QUARTERLY CASH DIVIDEND
AND AUTHORIZES NEW STOCK BUYBACK PROGRAM**

NATICK, MA, November 1, 2011 — [Cognex Corporation](#) (NASDAQ: CGNX) announced today that the company's Board of Directors declared a quarterly cash dividend of \$0.10 per share, payable on December 16, 2011, to all shareholders of record at the close of business on December 2, 2011. This dividend represents an increase of \$0.01 per share, or 11%, over the \$0.09 per share dividend paid in the prior quarter.

The company's Board of Directors also authorized the repurchase of up to \$80 million of Cognex common stock in open market transactions to help reduce share dilution associated with equity incentive plans. This new authorization will commence once Cognex completes an existing \$50 million repurchase program, of which approximately \$20 million remains available.

"Over the past 10 years, Cognex has returned \$365 million to shareholders in the form of dividends and share repurchases, while continuing to invest in research and development, sales and marketing, and acquisitions," said [Dr. Robert J. Shillman](#), Chairman of Cognex. "Today's announcement demonstrates the confidence that the Board of Directors has in our company's financial strength, and in our ability to continue generating both profits and cash."

"Our business has improved dramatically since the 2009 economic slump, with strong revenue growth, expanded profit margins and significant cash flows from operations," said [Robert J. Willett](#), Chief Executive Officer of Cognex. "We are pleased to share our ongoing success with shareholders in a meaningful way."

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About Cognex Corporation

Cognex Corporation designs, develops, manufactures and markets a range of products that incorporate sophisticated machine vision technology that gives them the ability to “see.” Cognex products include barcode readers, machine vision sensors and machine vision systems that are used in factories, warehouses and distribution centers around the world to guide, gauge, inspect, identify and assure the quality of items during the manufacturing and distribution process. Cognex is the world's leader in the machine vision industry, having shipped more than 700,000 vision-based products, representing over \$3 billion in cumulative revenue, since the company's founding in 1981. Headquartered in Natick, Massachusetts, USA, Cognex has regional offices and distributors located throughout North America, Japan, Europe, Asia and Latin America. For details visit Cognex online at <http://www.cognex.com>.

Certain statements made in this press release, which do not relate solely to historical matters, are forward-looking statements. These statements can be identified by use of the words “expects,” “anticipates,” “estimates,” “believes,” “projects,” “intends,” “plans,” “will,” “may,” “shall,” “could,” “should,” and similar words. These forward-looking statements, which include statements regarding business and market trends, future financial performance and condition, profitability, cash flows, and growth and strategic plans, involve known and unknown risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include: (1) current and future conditions in the global economy; (2) the cyclical nature of the semiconductor and electronics industries; (3) the inability to penetrate new markets; (4) the inability to achieve significant international revenue; (5) fluctuations in foreign currency exchange rates; (6) the loss of a large customer; (7) the inability to attract and retain skilled employees; (8) the reliance upon key suppliers to manufacture and deliver critical components for Cognex products; (9) the failure to effectively manage product transitions or accurately forecast customer demand; (10) the inability to design and manufacture high-quality products; (11) the technological obsolescence of current products and the inability to develop new products; (12) the failure to properly manage the distribution of products and services; (13) the inability to protect Cognex proprietary technology and intellectual property; (14) involvement in time-consuming and costly litigation; (15) the impact of competitive pressures; (16) the challenges in integrating and achieving expected results from acquired businesses; (17) potential impairment charges with respect to Cognex's investments or for acquired intangible assets or goodwill; (18) exposure to additional tax liabilities; and (19) the other risks detailed in Cognex reports filed with the SEC, including its Form 10-K for the fiscal year ended December 31, 2010. 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.

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