Nordson Corporation
Investor Presentation

A premier industrial technology company focused on precision dispensing, fluid control and related technologies
Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

Information in this presentation may contain “forward-looking statements,” as defined by this Reform Act. These statements are identified by words or phrases such as “are expected to,” “will likely result,” “is anticipated,” “estimates,” “will continue,” “outlook,” “project,” or similar expressions.

These forward looking statements are based on current expectations and involve risks and uncertainties. Consequently, Nordson Corporation’s actual results could differ materially from the expectations expressed in the forward-looking statements. Factors that could cause the Company’s actual results to differ materially from the expected results include, but are not limited to: fluctuations in currency exchange rates; a sales mix different from assumptions; deferral of orders; customer-requested delays in system installations; and unanticipated delays.

DISCONTINUED OPERATIONS
All numbers for years prior to FY 2006 in this presentation include results from discontinued operations unless otherwise noted.
Nordson at a Glance
A premier industrial technology company focused on precision dispensing, fluid control and related technologies

- Founded in 1954
- FY15 sales - $1.7 billion
- 6,200+ employees
- Direct presence in 35+ countries
- Best-in-class technology

- Diversified, growing end markets
- Market leading positions
- Sustained financial performance
- Outstanding long-term returns
Diversified Sources of Revenue
FY2015 Profile

Product Type
High percentage of recurring revenue from parts and consumables

Geography
Very global. 69% of revenue outside USA. Direct presence in nearly 40 countries.

Diverse End Markets
Consumer non-durables, durables, industrial, medical and technology

Operating Segments
Three segments with leading product lines and brands
Investment Highlights

- **Strong growth:** organic and acquisitive
- **Outstanding gross margins**
- **Excellent operating margins**
- **High level of free cash flow**
- **Strong cash returns to shareholders**
- **Reliable and consistent dividend**
- **Outstanding long term Total Shareholder Returns**

**10.1% CAGR**
2010-2015

**57% Gross Margin**
Average 2010-2015

**22% Operating Margin**
Average 2010-2015

**$1.2 billion**
~100% of net income
2010-2015

**$1.1 billion**
Share repurchases & dividends
2010-2015

**52 Years of annual increases**
(26% payout ratio in 2015)

**18.2% TSR**
annualized 2010-2015

*(Share Price at 10/31/2015 - Share Price at 10/31/2010 + dividends / Share Price at 10/31/2010) / 5 years = ($71.24 - $39.01 + $3.26 / $39.01) / 5 years*
Total Shareholder Return Above Our Peers

Assumes $100 invested on 11/1/2010, dividends reinvested, fiscal year ending 10/31/2015

Source: ZACKS

*Peer Group = AIN, AME, ATU, B, CLC, DCI, ENTG, ESL, FLIR, GGG, GTLS, IEX, ITT, LECO, ROP, TER, WTS, WWD
Why invest in Nordson?

- Clear Strategy and Goals
- Strong Execution and Performance
- Leading Global Businesses
- Numerous Growth Opportunities
- Outstanding Culture and Values
Common Themes of our 2015-2020 Strategic Plan
Continue to be a Premier Industrial Technology Company

Accelerate organic growth
- Product innovation
- New applications
- Emerging markets
- Recapitalize installed base
- Segmentation

Add key acquisitions
- Targeted spaces
- Growth and technology
- Cultivate proprietary deals
- Execute and close deals effectively
- Disciplined pricing
- Fast integration

Further optimize our business
- Embed Nordson Business System
- Expand margins
- Working capital initiatives
- Drive synergies with acquisitions

Enhance and expand organization capability
- Deepen bench strength
- Leadership development
- Rotational assignments
- Diversity

Deliver top quartile total shareholder returns
Support our communities & good corporate citizenship
2015-20 Strategic Plan Targets

Focused initiatives drive premium sales growth and expand profitability

- Revenue: Mid to High Single Digit % CAGR
- Operating Profit: Double Digit % CAGR

Continuous Improvement
Growth Initiatives
Underlying Markets
The Nordson Business System
Driving Continuous Improvement Across the Organization

- Growth Initiatives
- Price Effectiveness
- Cost Reduction Initiatives
- Cost of Poor Quality
- Customer Delivery Performance
- Days of Sales in Inventory
- Productivity
Why invest in Nordson?

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Financial Highlights

**Strong Top Line Growth**
*organic and acquisitive*

- 10 Year CAGR = 7.3%

**Industry Leading Gross Margins**
*Consistently mid 50s and above*

**Strong Operating Margins**
*Continuous Improvement Initiatives*

**EPS Growth**
*Outpaces Sales Growth Over Time*

- 10 Year CAGR = 12.4%

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2015 results impacted by significant negative currency translation effects compared to the prior year.

*FY09 excludes non-cash charges for impairment of goodwill and other long-lived assets.

Source: Nordson historical SEC filings
Strong Cash Generation
Funds Growth and Returns to Shareholders

Cash from Operations: 2005-15
> 10% as a % of sales every year

Strong Cash Conversion: 2005-15
Free cash flow before dividends = 104% of net income

2015 results impacted by significant negative currency translation effects compared to the prior year.

*FY09 excludes non-cash charges for impairment of goodwill and other long-lived assets.

Source – Nordson historical SEC filings
Disciplined Capital Deployment

- Self funding business model generates excess cash
- Low Working Capital Requirements
- Low Capital Expenditures (approx. 3% of sales)
- Strong free cash
- **52 consecutive years** of dividend increases - 14th among publicly traded companies

40% or $1.1 billion to shareholders via share repurchases and dividends
Strong Capital Management

Net Debt to EBITDA*
Strong Cash Generation Lets Nordson De-lever Quickly

At 4/30/2016
Net Debt to TTM EBITDA = 2.5 times

Debt Position
at 4/30/2016

*Net Debt to EBITDA calculated net of cash

(1) Amortizing-avg rate – 3.04% -Remaining Avg. life – 7.75 years
(2) Term: ~$76m o/s – 3 years (Q4 FY18) at 87.5bps over EUR Libor / EUR denominated
(3) -Term $100m - 3 years (Q2 FY18) at 100.0 bps over USD Libor
-Short $100m - 5 years (Q2 FY20) at 110.0 bps over USD Libor
(4) Amortizing-avg rate – 2.34% -Remaining Avg. life – 2.63 years
(5) Amortizing-avg rate – 2.93% -Remaining Avg. life – 5.02 years
(6) Ends Feb 2020 - 110.0 bps over USD Libor based on Q1 grid
## FY16 2Q and YTD Results

as reported in May 23-24 press release and webcast

<table>
<thead>
<tr>
<th></th>
<th>2Q</th>
<th>Growth over FY15</th>
<th>YTD</th>
<th>Growth over FY15</th>
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<tbody>
<tr>
<td></td>
<td>FY16</td>
<td>FY15</td>
<td>Volume</td>
<td>Currency</td>
</tr>
<tr>
<td>Sales ($M)</td>
<td>$437,592</td>
<td>$400,727</td>
<td>10.0%</td>
<td>-0.8%</td>
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<td>Cost of Sales</td>
<td>$189,187</td>
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<td>SG&amp;A</td>
<td>$146,501</td>
<td>$145,476</td>
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<tr>
<td>Operating Profit</td>
<td>$101,904</td>
<td>$76,414</td>
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<tr>
<td>Interest expense - net</td>
<td>$(4,812)</td>
<td>$(4,162)</td>
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<tr>
<td>Other income (expense) - net</td>
<td>$1,727</td>
<td>$ (687)</td>
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<td>Income before income taxes</td>
<td>$98,819</td>
<td>$71,565</td>
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<td>Income taxes</td>
<td>$28,218</td>
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<td>Net income</td>
<td>$70,601</td>
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<td>Diluted EPS</td>
<td>$1.23</td>
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<tr>
<td>Dividends paid per share</td>
<td>$0.24</td>
<td>$0.22</td>
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</table>

### FY16 Results

- Sales increase 9% from prior year’s second quarter to $438 million, inclusive of 8% organic growth
- Operating profit grows to $102 million, a 33% increase compared to the prior year’s second quarter
- Operating margin expands to 23% of sales, a 4 percentage point improvement compared to the prior year’s second quarter
- Incremental operating margin is 69% in the second quarter
- GAAP diluted EPS grows to $1.23, a 54% increase compared to the prior year’s second quarter
- Free cash flow before dividends in the quarter is $65 million
FY16 Q3 Guidance
as reported in May 22-23 press release and webcast

Backlog and Order Rates
- **Backlog** for quarter ended April 30, 2016 was approximately $302 million, an increase of 5 percent compared to the same period a year ago, and inclusive of 3 percent organic growth and 2 percent growth due to acquisitions. Backlog amounts are calculated at April 30, 2016 exchange rates.

- **Order rates** for the 12-week period ending May 15, 2016, measured in constant currency, with pro-forma growth in order rates calculated as though fiscal year 2015 acquisitions were owned in both years.

<table>
<thead>
<tr>
<th>Segment</th>
<th>% Change</th>
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</thead>
<tbody>
<tr>
<td>Adhesive Disp. Systems</td>
<td>+7%</td>
</tr>
<tr>
<td>Advanced Tech. Systems</td>
<td>+4%</td>
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<tr>
<td>Industrial Coat. Systems</td>
<td>-3%</td>
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<tr>
<td>Total</td>
<td>+4%</td>
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</table>

<table>
<thead>
<tr>
<th>Geography</th>
<th>% Change</th>
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</thead>
<tbody>
<tr>
<td>United States</td>
<td>+3%</td>
</tr>
<tr>
<td>Americas</td>
<td>-7%</td>
</tr>
<tr>
<td>Europe</td>
<td>+8%</td>
</tr>
<tr>
<td>Japan</td>
<td>-4%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>+6%</td>
</tr>
<tr>
<td>Total</td>
<td>+4%</td>
</tr>
</tbody>
</table>

3Q16 Outlook*
- **Sales** up 1% to 5% compared to 3Q15, inclusive of:
  - Organic volume down 1% to up 3%
  - 3% growth from first year effect of acquisitions
  - Negative 1% impact related to unfavorable currency translation based on current exchange rates

- **Gross margin** ~ 56% at midpoint of guidance

- **Operating margin** ~ 24% at midpoint of guidance, excluding any non-recurring charges related to margin enhancement initiatives

- **GAAP diluted EPS** in the range of $1.25 - $1.37

*3Q16 ends 7/31/2016 - Results scheduled to be reported 8/22/2016
Why invest in Nordson?

- Clear Strategy and Goals
- Strong Execution and Performance
- Leading Global Businesses
- Numerous Growth Opportunities
- Outstanding Culture and Values
We Win with Unique Competitive Advantages
Common across our businesses

Core Competencies
- Application development
- Precision manufacturing
- Engineering strength
- Technical expertise
- Direct global sales and service
- Customer “touch” / solutions provider

Strategic Assets
- Customer relationships with leaders
- Product breadth
- Technology position
- Premier brand reputation
- Large installed product base
- Global footprint (distribution, support)
- Balance sheet / ability to scale production

Customer Value Proposition
- Product reliability = more uptime
- Speed = greater productivity and yield
- Efficiency = lower material usage
- Leading product features = ease of operation
- Unmatched global support

Lower Cost of Ownership
Every Day You Experience the Value We Bring

**Adhesive Dispensing Systems:** consumer non-durable market focus

**Advanced Technology Systems:** electronics, medical and industrial market focus

**Industrial Coating Systems:** durable goods and industrial market focus
Adhesive Dispensing Systems

Leader in recession-resistant, consumer non-durable end markets
Targeted organic growth rate: 1.5 to 2x global GDP

2010-15 Sales CAGR = 9.7%
2010-15 average annual operating margin = 28.6%

What we do: Products to melt, filter, pump, transport, dispense and deposit adhesives, polymers and other materials in the manufacturing of a wide range of goods.

Growth Drivers
- Increased use of disposable hygiene products (diapers, fem care, etc)
- Increased use of packaged convenience foods
- Increased use of plastics
- Emerging markets
- Product tiering
- Recapitalization of large installed base
- Productivity investments
- Material, machinery and process innovations

Key End Markets
- Food and beverage packaging
- Nonwovens / disposable hygiene / diapers
- Furniture and building products
- Macro electronics
- General industrial assembly
- Alternative energy
- Medical devices
- Labeling
- Transportation
Adhesive Dispensing Systems

recent segment results*

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<tr>
<td>Sales ($M)</td>
<td>$221,030</td>
<td>$203,273</td>
<td>9.3%</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>$62,977</td>
<td>$50,780</td>
<td>28%</td>
<td>25%</td>
</tr>
</tbody>
</table>

2Q16 Results*

- 9% volume growth includes 9% organic growth and less than 1% growth from 1st year effect of acquisitions
- Fourth consecutive quarter of strong organic growth
- Strong organic growth in all product lines
- Strength in Europe and USA
- Operating margin:
  - 28% reported (3% improvement from prior year 2Q)
  - 29% excluding one-time charges

3Q16 Outlook*

- 12 week order rates at May 15 are +7% compared to prior year on a currency neutral basis
- Strength in consumer non-durable end markets
- Orders strong in Asia Pacific, Europe and the U.S, flat in Japan and softer in the Americas.

* Reported in May 22-23, 2016 press release & webcast
Advanced Technology Systems
Leader in rapidly growing electronics, medical and related markets
Targeted organic growth rate: 2 to 3x global GDP

2010-15 Sales CAGR = 10.1%
2010-15 average annual operating margin = 24.1%

What we do: Precision dispensing, fluid management, test, inspection and surface treatment products for electronics, medical and general industrial markets

Growth Drivers
- Mobile computing – smart phones, tablets
- Circuit shrinkage / new architectures / flip chips
- New consumers in emerging markets
- Medical needs driven by aging population
- Medical OEM outsourcing
- Product tiering
- Internet of things

Key End Markets
- Semiconductor packaging
- Printed circuit board assembly
- General electronic assembly
- Medical devices
- General industrial assembly
- Automotive electronics
- MEMS, sensors
- LEDs
- Solar
Advanced Technology Systems

recent segment results*

2Q16 Results*

- 23% volume increase includes 20% increase in organic volume and 3% increase from first year effect of acquisitions.
- Increase driven by growth in automated dispensing, test and inspection solutions in electronic end markets, and by continued strength in fluid management components for medical and industrial end markets.
- Customers in Asia Pacific, Europe and the Americas drove the growth.
- Operating margin: 24% reported, 25% excluding one time charges

3Q16 Outlook*

- 12 week order rates at May 15 are +4% compared to prior year on a currency neutral basis
- Strong demand for automated dispensing and test and inspection solutions for electronics end markets, partially offset by slower demand for surface treatment systems where comparisons are very challenging.
- Robust demand for fluid management components in medical and industrial end markets.
- Order rates were up in all regions except Japan.

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* Reported in May 23-24, 2016 press release & webcast
Industrial Coating Systems

Leader in consumer durable goods and industrial end markets
Targeted organic growth rate: global GDP+

2010-15 Sales CAGR = 11.8%
2010-15 average annual operating margin = 13.9%

What we do: Precision equipment and systems to apply and cure paints, sealants, coatings, cold materials and other materials to a wide range of products

Growth Drivers
- Growth in emerging markets
- Environmental advantages of powder coatings
- Glues replacing mechanical fasteners
- Light-weighting of vehicles
- Productivity investments
- Lean manufacturing
- Quick color change
- Product tiering

Key End Markets
- Appliances
- Lawn and garden
- Food and beverage
- Automotive assembly
- Cold material dispensing
- Pipe coating and construction
- Woodworking
- General industrial
- Electronics / UV curing
Industrial Coating Systems

recent segment results*

2Q16 Results*
- Sales volume down 13%, impacted by very challenging comparisons to prior year where volume was up 23%
- Softness in the U.S and Japan offset growth in other regions.
- Operating margin: 18% reported, 19% excluding one time charges

3Q16 Outlook*
- 12 week order rates at May 15 are -3% compared to prior year on currency neutral basis
- Growth in cold material dispensing systems and powder and liquid coating systems was offset by softness in other product lines.
- Order rates were positive in Japan, Europe and US.
- Challenging comparisons, where order rates were up 21% a year ago at this time.
- Current customer project activity is steady, though difficult to forecast the rate at which these projects become orders

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* Reported in May 23-24, 2016 press release & webcast

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<table>
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<tr>
<th></th>
<th>FY16 ($M)</th>
<th>FY15 ($M)</th>
<th>2Q Growth over FY15</th>
<th>YTD Growth over FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>58,007</td>
<td>67,972</td>
<td>-13.3% -1.4% -14.7%</td>
<td>$108,928 $120,549 -6.8% -2.8% -9.6%</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>10,292</td>
<td>11,514</td>
<td>18% 17%</td>
<td>$14,470 $15,278 13% 13%</td>
</tr>
</tbody>
</table>
Why invest in Nordson?

- Clear Strategy and Goals
- Strong Execution and Performance
- Leading Global Businesses
- Numerous Growth Opportunities
- Outstanding Culture and Values
Multiple Paths to Organic Growth

Annual Target is ~2x global GDP

- New Products
- Emerging Markets
- Recapitalize Installed Base
- Customer Product Changes
- New Applications
Innovation Drives Organic Growth

Steady stream of new products

- R&D Spend ($ 000)
- US Patents Granted
Emerging Markets Drive Organic Growth
Growing middle class drives increased consumption

- baby diapers, disposable hygiene products
- packaged foods, beverages, convenience items
  - appliances and other durable goods
  - electronic devices
  - medical products
  - plastic goods

Nordson Sales (000s)

Asia Pacific  Americas

- 13.2% CAGR

*Americas reporting includes Canada, but not US. Asia Pacific excludes Japan. Eastern Europe, Middle East and Africa are reported in Europe and not broken out separately.*
New Applications Drive Organic Growth
Leveraging our expertise – numerous emerging opportunities over last five years

- Sensor assembly
- LED assembly
- MEMS assembly
- Wafer level inspection
- Wearable electronics
- Micro-materials testing
- Aerospace assembly

- Biopharmaceuticals
- Orthobiologics
- Minimally invasive catheters
- Bottle labeling
- Pipe coating
- Flexible packaging
Recapitalization Drives Organic Growth

Large installed base of Nordson products worldwide provides regular replacement and upgrade opportunities

- Packaging lines
- Nonwovens lines
- Powder coating lines
- Extrusion & injection molding lines
- Electronics assembly lines
Acquisitions Drive Growth
High quality properties supplement organic growth

2005-15: 3.5% average growth from acquisitions

Key Criteria
- Strategic fit
- Strong performers
- Growth rate at/above Nordson
- High % recurring revenue
- Reasonable multiples
- Revenue and cost synergies

Current Focus and Recent Transactions
- Plastics Processing
- Fluid Mgmt. (medical)
- Test & Inspection
- Cold Material Dispense
- Core Dispense Portfolio
Why invest in Nordson?

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- Outstanding Culture and Values
Strong Culture and Values
Rooted in the vision of our founders

“"My hope for Nordson is that we continue to be a venturesome company, operating somewhere out on the leading edge… we must encourage innovators and entrepreneurs.”

Eric Nord

“"To be truly fit, we must exercise our ‘giving’ muscles.”

Evan Nord
Giving Back - Part of Who We Are

~$40 million donated 2005-2015

Employees also volunteer thousands of hours via Time ‘n Talent program
Investment Summary
Proven Model for Long Term Value Creation

Clear Strategy and Goals

Strong Execution and Performance

Leading Global Businesses

Numerous Growth Opportunities

Outstanding Culture and Values

Strong growth: organic and acquisitive
Outstanding gross margins
Excellent operating margins
High level of free cash flow
Strong cash returns to shareholders
Reliable and consistent dividend
Outstanding long term Total Shareholder Returns
Appendix: Currency Impact

Annual Sales Growth and EPS

<table>
<thead>
<tr>
<th>Year</th>
<th>Volume Growth</th>
<th>Currency Effect</th>
<th>EPS Currency Effect</th>
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<tbody>
<tr>
<td>'05</td>
<td>$ .11</td>
<td>.10</td>
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<td>'06</td>
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<td>'15</td>
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<td>(.54)</td>
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</table>

Numbers as reported and do not factor in stock splits

1% impact on revenue due to FX equals approximately 2.5% impact on EPS

FY15 Significant currency headwinds related to strengthening US dollar