

OUR COVID-19 COMMITMENT

Today and every day, Nordson is dedicated to the safety of our employees, customers and community. The company's essential product lines and businesses are sustaining critical operations that support medical, consumer non-durable, non-woven and many other end markets.

Nordson

INVESTOR PRESENTATION

May 20, 2020 | NASDAQ: NDSN

Safe Harbor Statement
Under the Private Securities Litigation Reform Act of 1995

Information in this presentation may contain “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “projects,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters.

All statements regarding our future performance, earnings projections, events or developments are forward-looking statements. These forward-looking statements are made based on known events and circumstances at the time of release, and as such, are subject in the future to unforeseen uncertainties and risks that could cause actual results to differ materially from those contained in any forward-looking statement. Such risks and uncertainties are described under “Risk Factors” in Item 1A of our annual report on Form 10-K and any updates to those factors set forth in our subsequent quarterly reports on Form 10-Q or current reports on Form 8-K. We make these statements as of the date of this disclosure, and undertake no obligation to update them unless otherwise required by law.

Nordson



A premier industrial technology company focused on precision dispensing, fluid control and related processes and proprietary technology.

1954	$2.2B	$587M	7,500+	35+
Company Founded	***Sales**	***EBITDA**	**Employees**	**Countries with Direct Presence**

**Sales and EBITDA for the full fiscal year ended 10/31/19.*



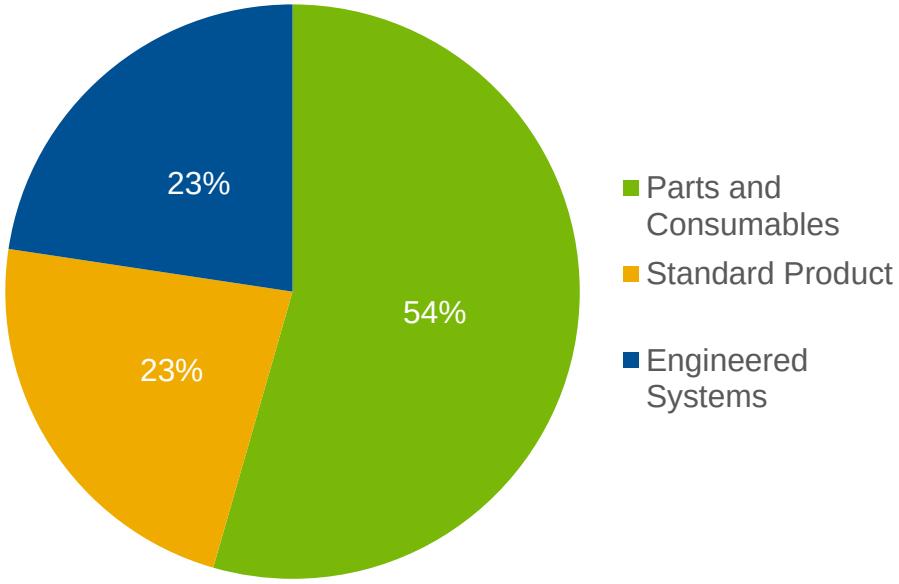
Investment Highlights

Strong Average Annual Sales Growth	Outstanding Gross Margins	Excellent EBITDA Margins	High Level of Free Cash Flow Before Dividends	Strong Cash Returns to Shareholders	Reliable and Consistent Dividend	Outstanding Long Term Total Shareholder Returns
5%	**55%**	**26%**	**$1.2B**	**$895M**	**56 yrs**	**21%**
Average	Gross Margins	EBITDA Margin	100% of Net Income	Share Repurchases & Dividends	of Annual Increases	TSR CAGR
2015-2019	Average 2015-2019	Average 2015-2019	2015-2019	2015-2019	24% payout ratio in 2019	2009-2019

Diversified Sources of Sales

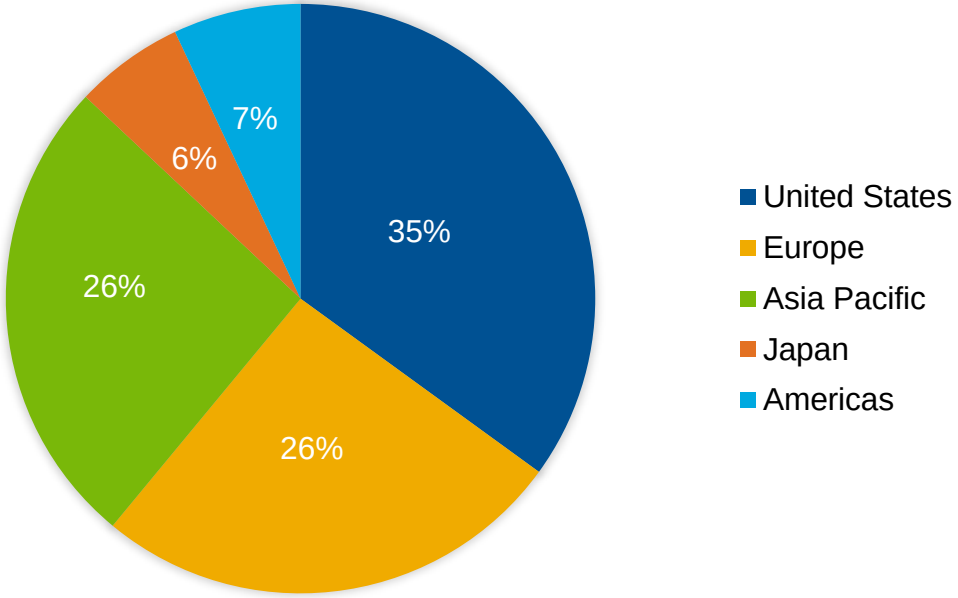
FY2019 Profile - $2.2 Billion

Product Type



High percentage of recurring sales from parts and consumables.

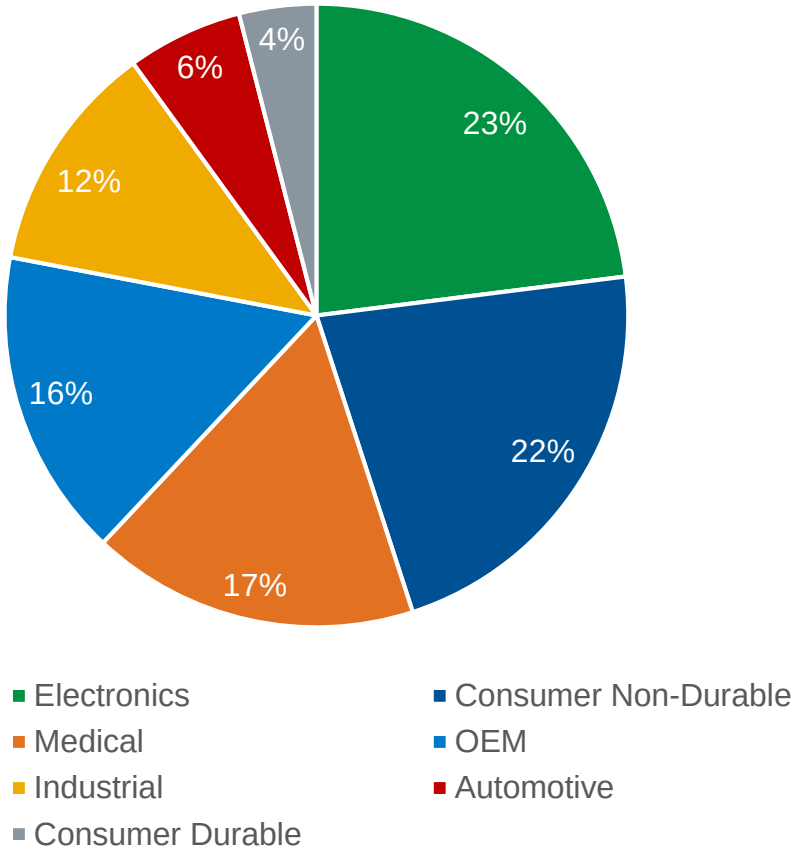
Geographies



Nearly 70% of sales outside USA. Direct presence in over 35 countries.

Diversified End Markets

FY2019 Profile - $2.2 Billion



*Percentages are for directional use only; may not add to 100% due to rounding.

End markets include:

- **Electronic Components:** semiconductors, printed circuit boards, computing, communications/mobile, consumer electronics (i.e., gaming, wearables, automotive electronics)
- **Consumer Non-Durable:** beverage, disposable hygiene, food, paper, textiles, packaging
- **Medical:** minimally invasive interventional delivery devices, catheters, medical balloons, fluid connection components, specialty tubing
- **Original Equipment Manufacturer (OEM)/Distributors:** Nordson products used to build manufacturing line, not end market specific
- **Industrial:** aerospace, chemical, construction, energy, farm and construction machinery, industrial machinery, rigid container, metal, transportation
- **Consumer Durable**: appliance, furniture, lighting
- **Automotive:** applications for new vehicle platforms

Nordson Business Segments



INDUSTRIAL PRECISION SOLUTIONS*

55%

Delivers proprietary dispensing and processing technology to diverse end markets. Product lines commonly reduce material consumption, increase line efficiency, and enhance product brand and appearance. Components are used for dispensing adhesives, coatings, paint, finishes, sealants and other materials.

Targeted organic growth rate:

1.5x Global GDP



ADVANCED TECHNOLOGY SOLUTIONS*

45%

Integrates proprietary product technologies found in customer production processes, such as surface treatment, precisely controlled dispensing of material and post-dispense test and inspection. Components include single-use plastic molded syringes, cartridges, tips, fluid connection components, tubing, balloons and catheters.

Targeted organic growth rate:

2-3x Global GDP

*Segment mix for the full fiscal year ended 10/31/19

Industrial Precision Solutions

2015-19 Average Annual Sales Growth

Organic	Acquisitive	Currency
3.1%	**0.1%**	**(2.1%)**

2019 Annual Operating Margin

27.2%

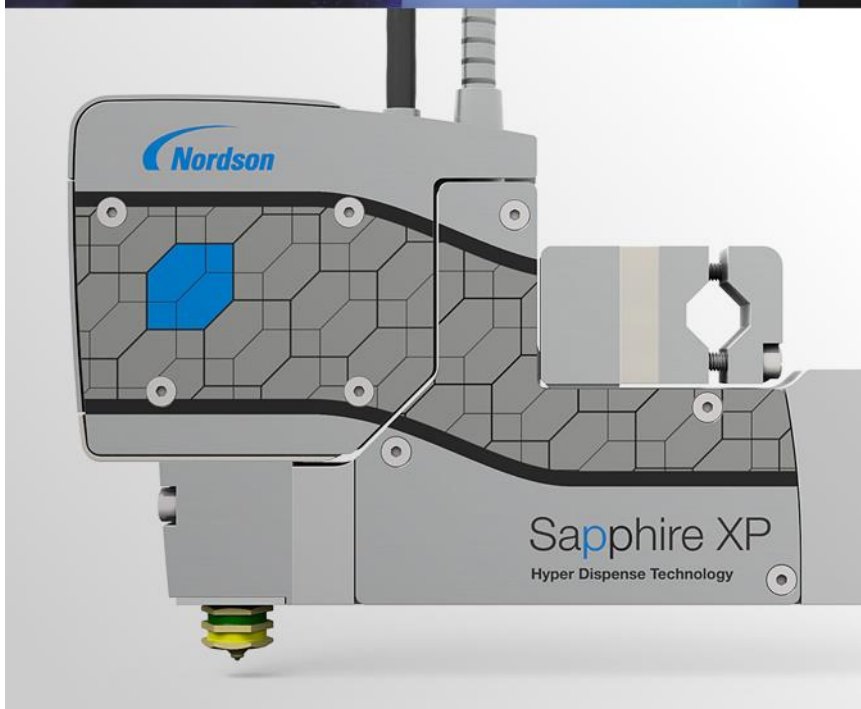
What We Do

Product lines reduce material consumption, increase line efficiency, and enhance product brand and appearance. Components are used for dispensing adhesives, coatings, paint, finishes, sealants and other materials. This business primarily serves the industrial, consumer durables and non-durables markets.

1.5X GDP Growth Driven By:

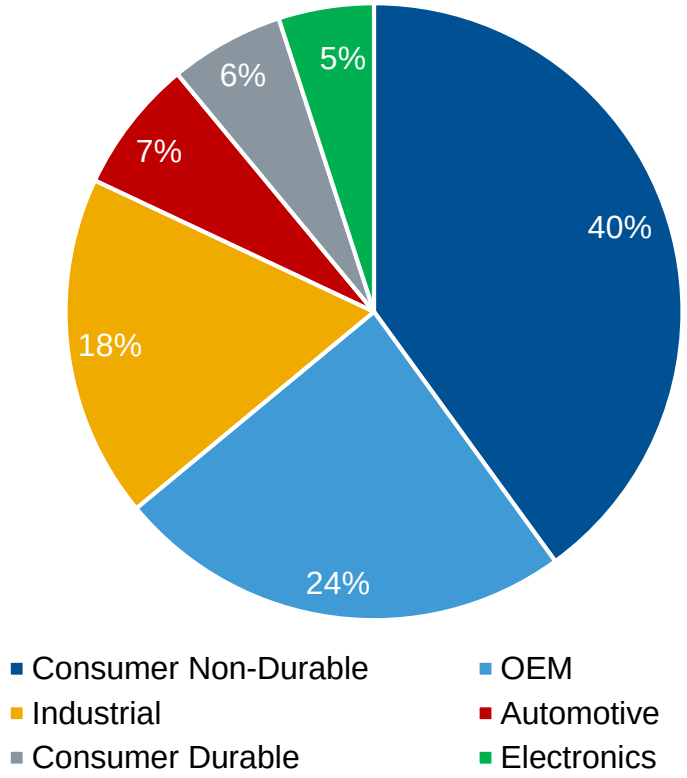
- Increased use of disposable hygiene products (diapers, feminine care, etc.) and packaged convenience foods and plastics; demand increase driven by growing middle class
- Recapitalization of large installed base
- Productivity and efficiency investments
- New applications, including electric battery and fabric bonding
- Material, machinery and process innovations
- Emerging markets and product tiering





Industrial Precision Solutions

FY2019 Profile – Diverse end markets



*Percentages are for directional use only

End markets include:

- **Consumer Non-Durable:** beverage, disposable hygiene, food, paper, textiles, non-wovens, packaging
- **OEM/Distributor:** Nordson products used to build manufacturing line, not end market specific
- **Industrial:** aerospace, chemical, construction, defense, energy, farm and construction machinery, industrial machinery, rigid container, metal
- **Automotive:** applications for new vehicle platforms; upgrades of current vehicle lines
- **Consumer Durable**: appliance, furniture, lighting
- **Electronics:** electronic products (i.e. wearables), printed circuit boards, UV curing of semi-conductor wafers and other electronic components

Advanced Technology Solutions

2015-19 Average Annual Sales Growth

Organic	Acquisitive	Currency
5.2%	**8.3%**	**(0.9%)**

2019 Annual Operating Margin

20.9%

What We Do

Precision dispense, fluid management, test, inspection, surface treatment and proprietary solutions for medical, electronics and general industrial markets.

2-3X Global GDP Growth Driven by:

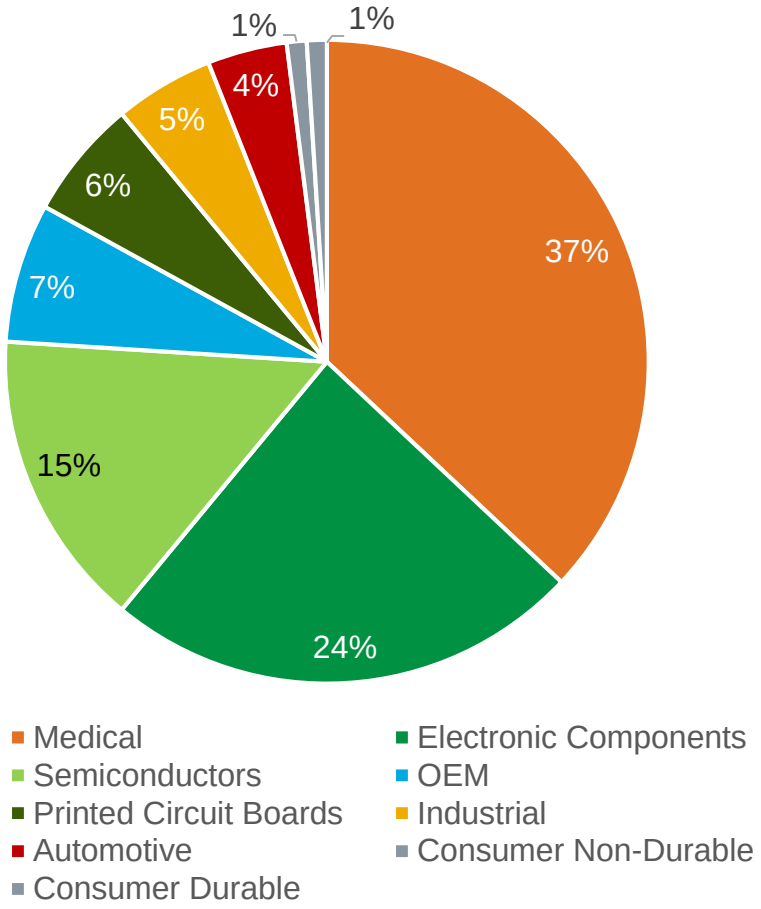
- Medical – Aging population, trends toward non-invasive surgical techniques and medical OEM outsourcing
- Broad product use across the electronics supply chain from integrated circuit to printed circuit board to end product assembly
- Circuit shrinkage / new architectures / flip chips
- New applications including automotive electronics, electric batteries, and flexible circuits
- Emerging markets
- Product tiering





Advanced Technology Solutions

FY2019 Profile – Diverse End Markets



*Percentages are for directional use only

End markets include:

- **Medical:** minimally invasive interventional delivery devices, catheters, medical balloons, fluid connection components, specialty tubing
- **Electronics:** electronic components (i.e., computing; communications/mobile; consumer electronics – gaming, wearables; automotive electronics), semiconductors, printed circuit boards
- **OEM/Distributor:** Nordson products used to build manufacturing line, not end market specific
- **Industrial:** aerospace, construction, defense, energy, industrial machinery
- **Consumer Durable**: general applications (i.e., furniture, lighting)
- **Consumer Non-Durable:** disposable hygiene, food, textiles



Strong Culture & Values

We have a long and proud history of investing in the communities where we live and work. We invest approximately five percent of domestic pretax earnings to human welfare services, education and other charitable activities.

Our commitment to giving back

$109M+	100K+	$3M	30+
Overall Giving to Date	**Total Employee Hours Volunteered**	**Towards Nordson BUILD Scholarships**	**Global Communities We Invest In**

Nordson

Why Invest in Nordson?

Our Priorities

Our plan is to deliver top shareholder returns by growing and extending our high value business model in precision dispensing and adjacent technologies.



1. Accelerate organic growth
2. Diversify through acquisitions
3. Leverage Nordson Business System (NBS) for profitable growth
4. Enhance Talent Development

Organic Growth

We expect to accelerate organic growth by creating our own demand.

Multiple Paths to Organic Growth:

1. New Products
2. New Applications
3. Recapitalize Installed Base
4. Emerging Markets
5. Product Tiering

Reported Organic Sales Growth (2015-2019):

4% Average Annual Growth

Key Acquisitions

Additional growth comes through the acquisition of companies that share our business model characteristics and can leverage our global infrastructure.



Key Criteria for Acquisitions:

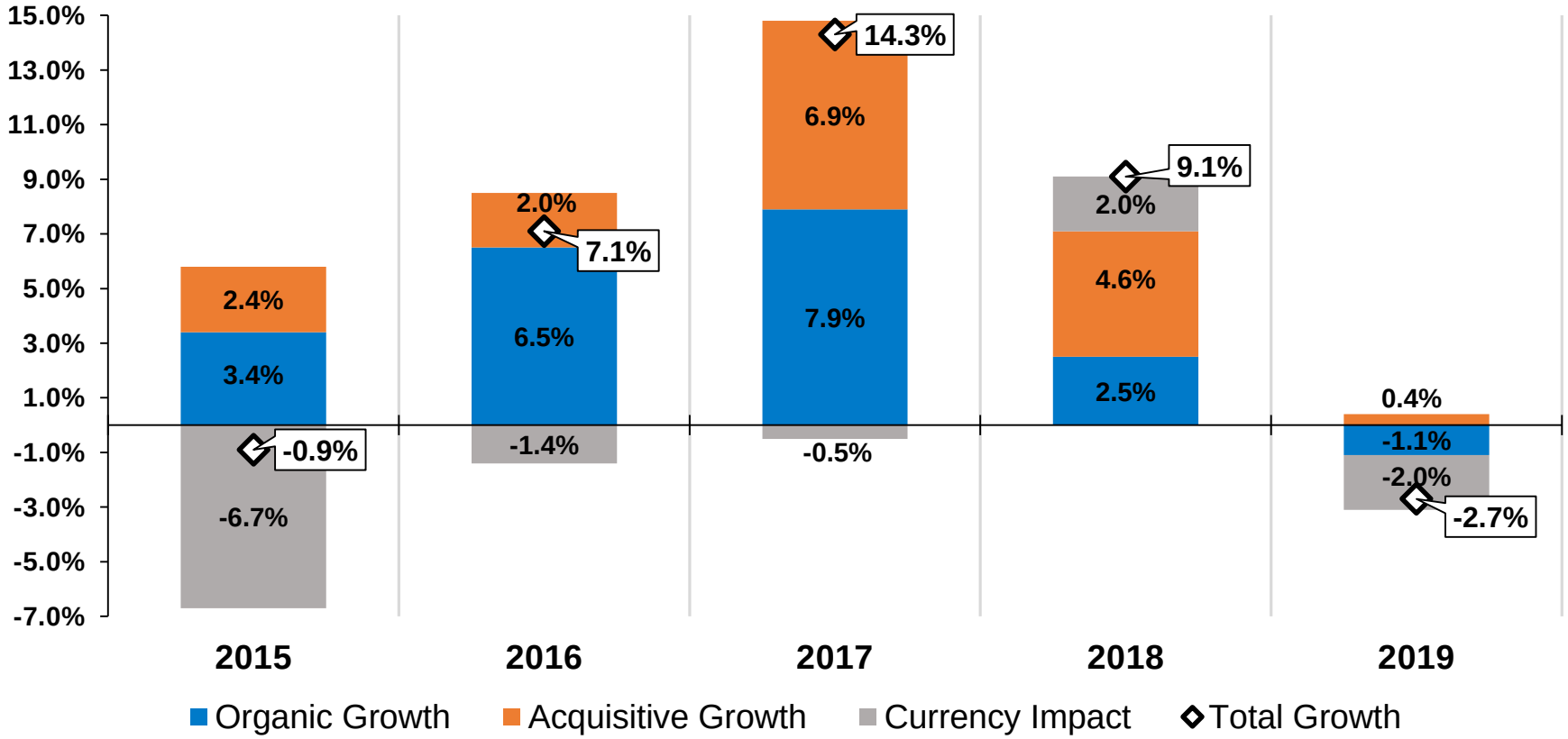
1. Strategic Fit
2. High Quality Businesses: Strong Performers & Proprietary Technology
3. Growth Rate at or Above Nordson
4. High % of Recurring Sales
5. Sales and Cost Synergies

Sales Growth from Acquisitions (2015-2019):

3% Average Annual Growth

Strong Growth: Organic and Acquisitive

On average across the past five years, Nordson has delivered annual sales growth of 5 percent, inclusive of 4 percent organic growth, 3 percent growth related to the first year effects of acquisitions and a decrease of 2 percent related to the unfavorable effects of foreign currency.



Leverage Nordson Business System

A growth framework driving the company's next chapter of profitable growth.

The NBS growth framework integrates Nordson's core strengths with new capabilities to drive sustainable, profitable growth of the company:

1. Strategic Discipline – select and invest in the most attractive growth opportunities
2. Customer Passion – sustaining Nordson's "close to the customer" model
3. Product Innovation – delivering market leading precision technology
4. Continuous Improvement – achieving best in class safety, quality, delivery and value in a consistent and repeatable way
5. Organizational Agility – developing world class talent that adapts to dynamic market conditions

Enhance Talent Development

Create a deep and diverse pipeline of talent to lead Nordson's next chapter of profitable growth



As Nordson grows, we need to enhance our talent pipeline:

1. Develop talent through divisional leadership opportunities
2. Focus on inclusion and diversity
3. Empower employees to make decisions close to the customer
4. Create an engaging culture that attracts and retains top talent

Nordson

Financial Results



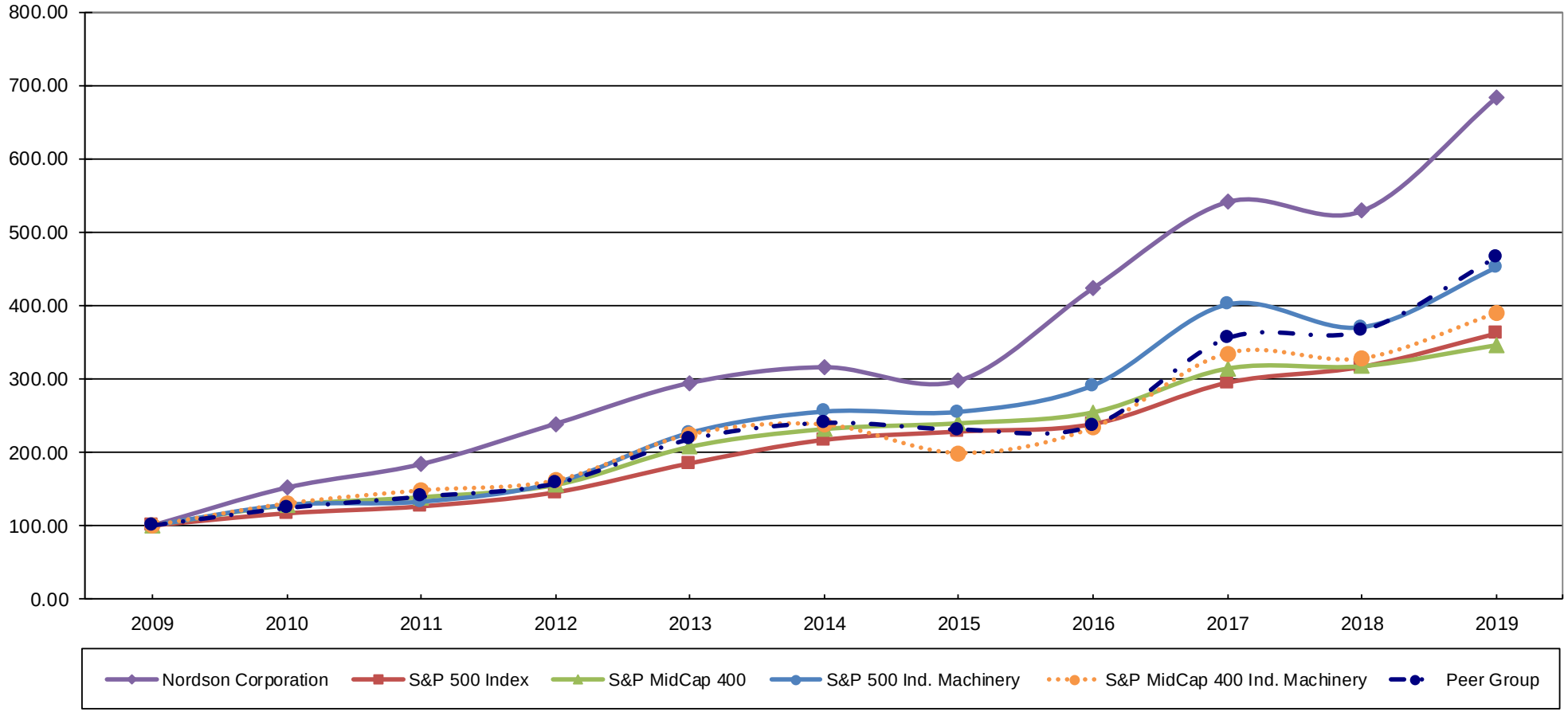
Fiscal 2Q2020 Results

$529M	$125M	$152M	$90M	$1.58
Sales	**Operating Profit** (24% of Sales)	**EBITDA** (29% of Sales)	**Free Cash Flow Before Dividends** (98% of net income) Year to date cash conversion is 134% of net income	**GAAP Diluted EPS**

Nordson

Total Shareholder Return Above Our Peers

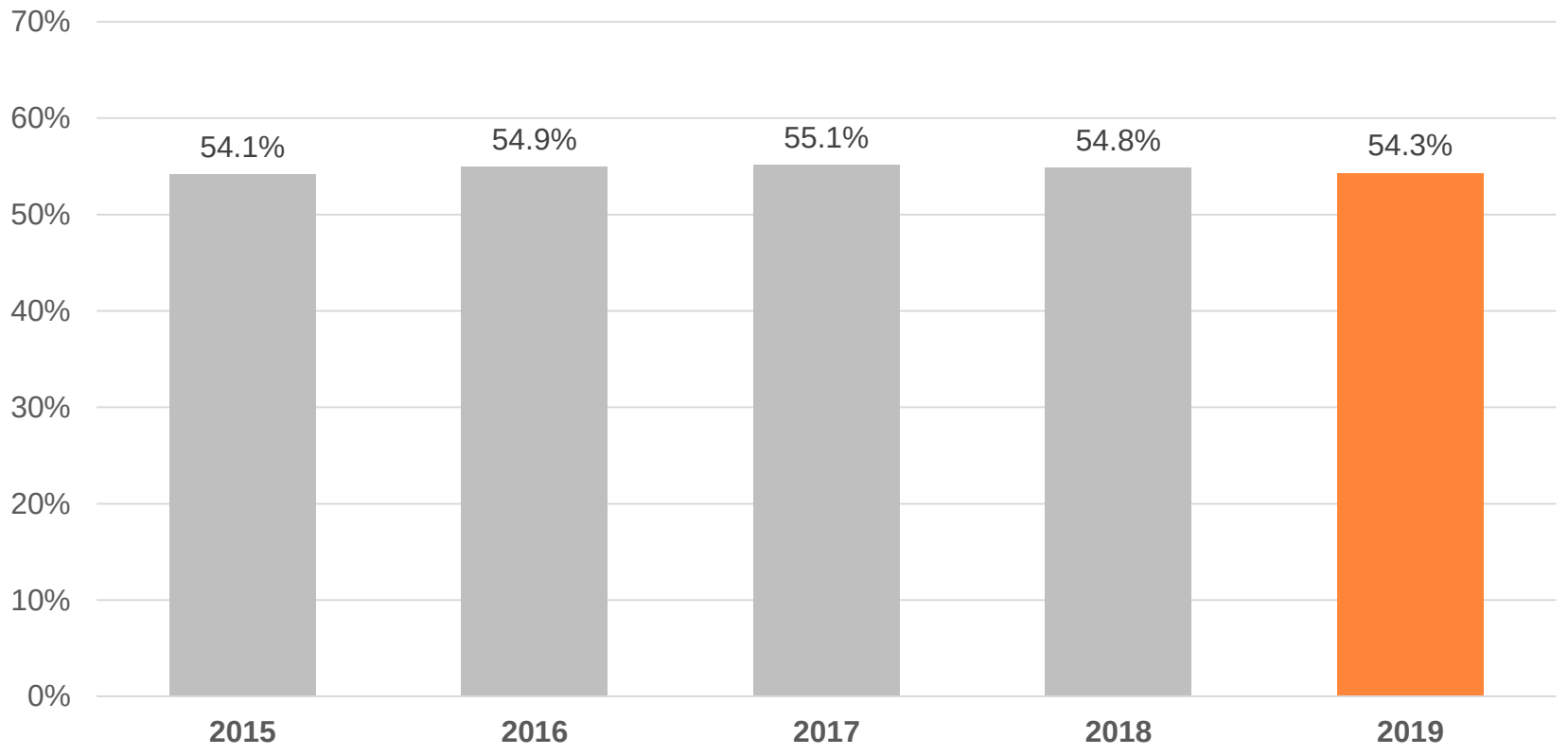
Comparison of 10 Year Cumulative Total Return



Assumes Initial Investment of $100 on November 1, 2009
Fiscal Year Ending October 31, 2019
Source: Zack's Investment Research

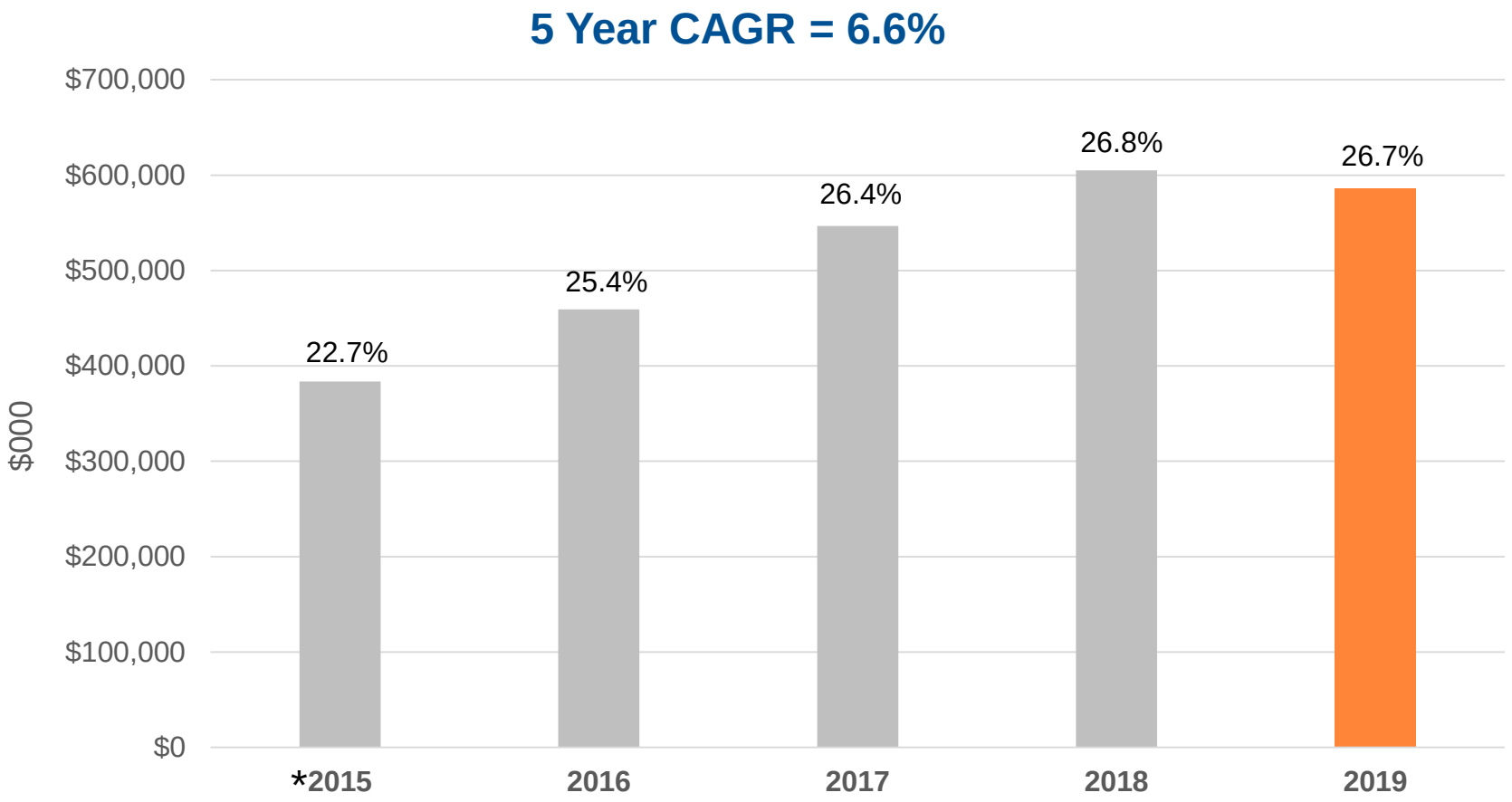
Industry Leading Gross Margins

Consistently Mid 50s



Strong EBITDA Margins

Continuous Improvement Initiatives

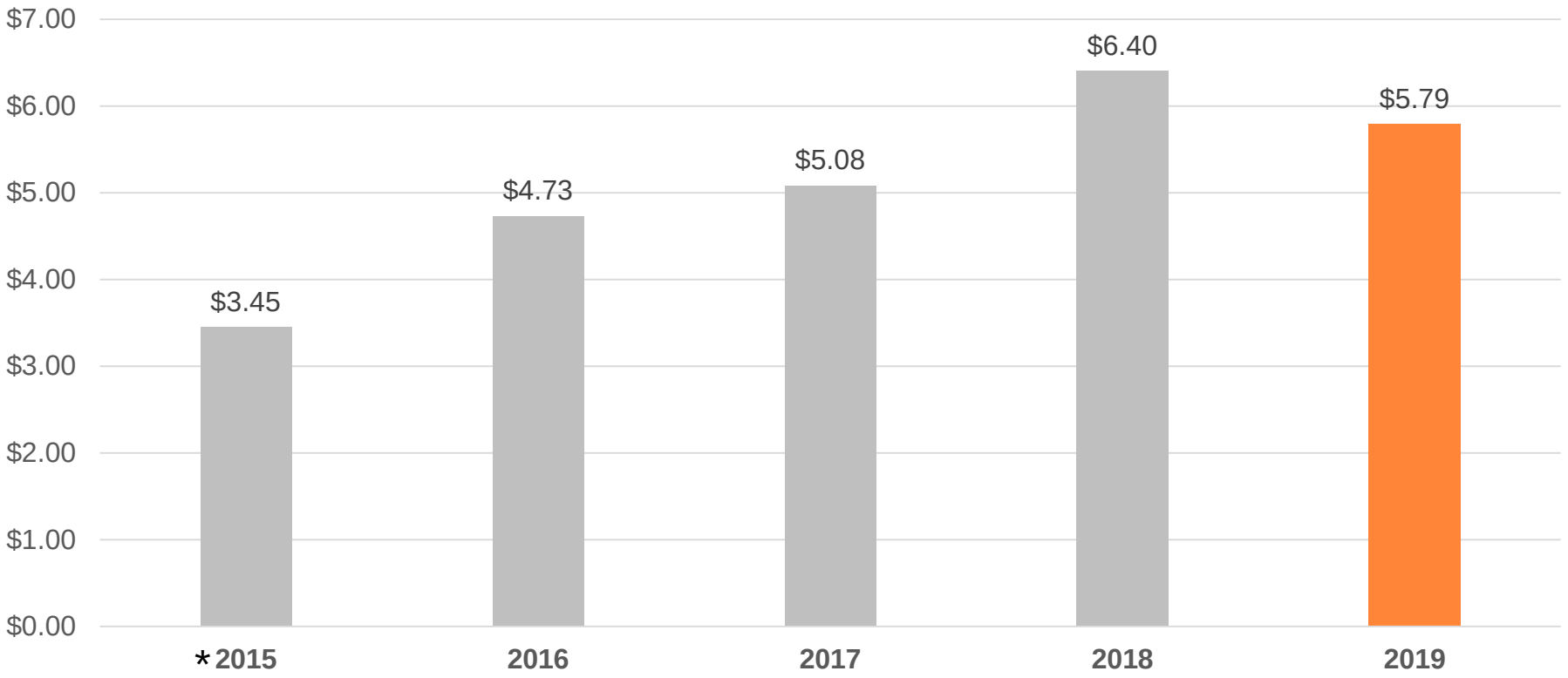


*FY15 results impacted by significant negative currency translation effects compared to the prior year.

EPS Growth

High gross margins lead to significant volume leverage

5 Year CAGR = 8.6%

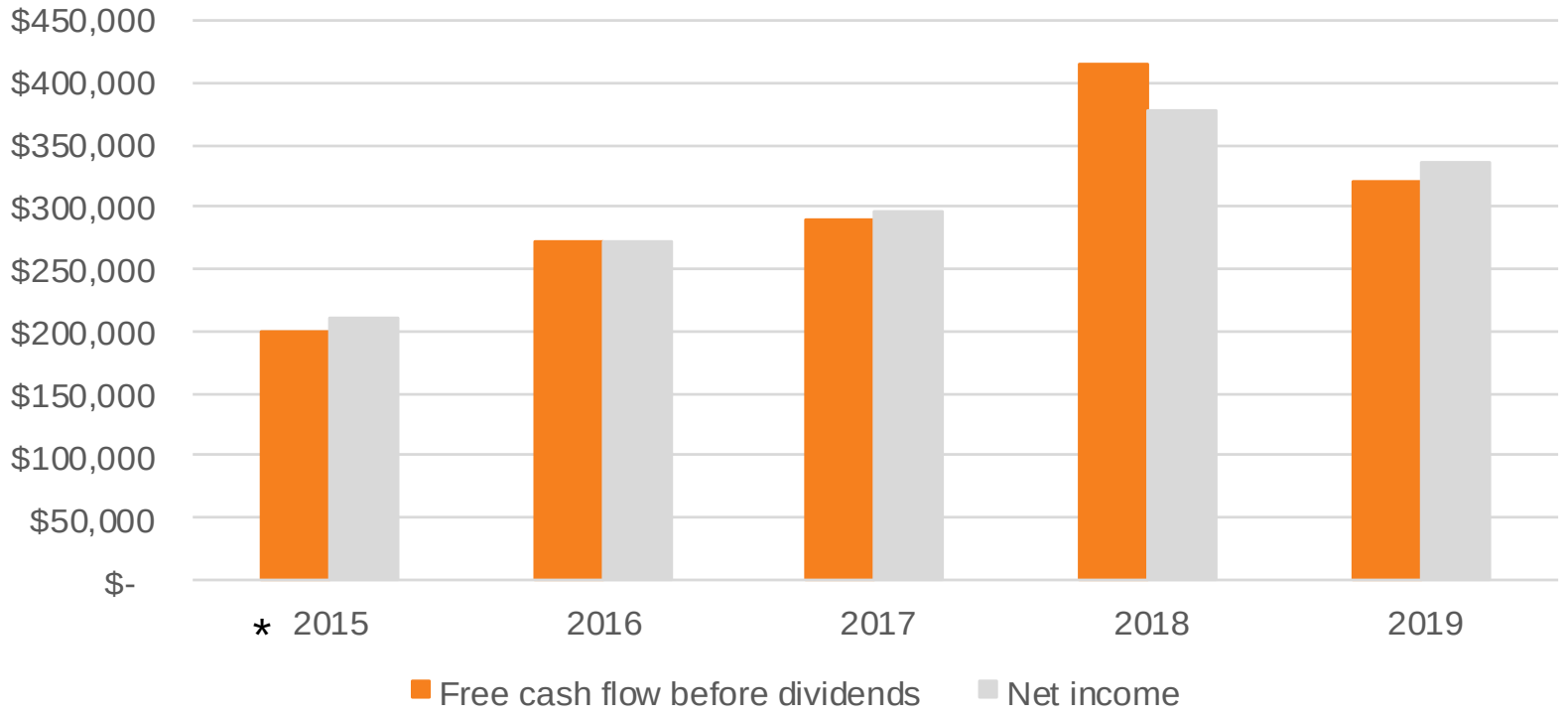


*FY15 results impacted by significant negative currency translation effects compared to the prior year.

Strong Cash Generation

Funds Growth and Returns to Shareholders

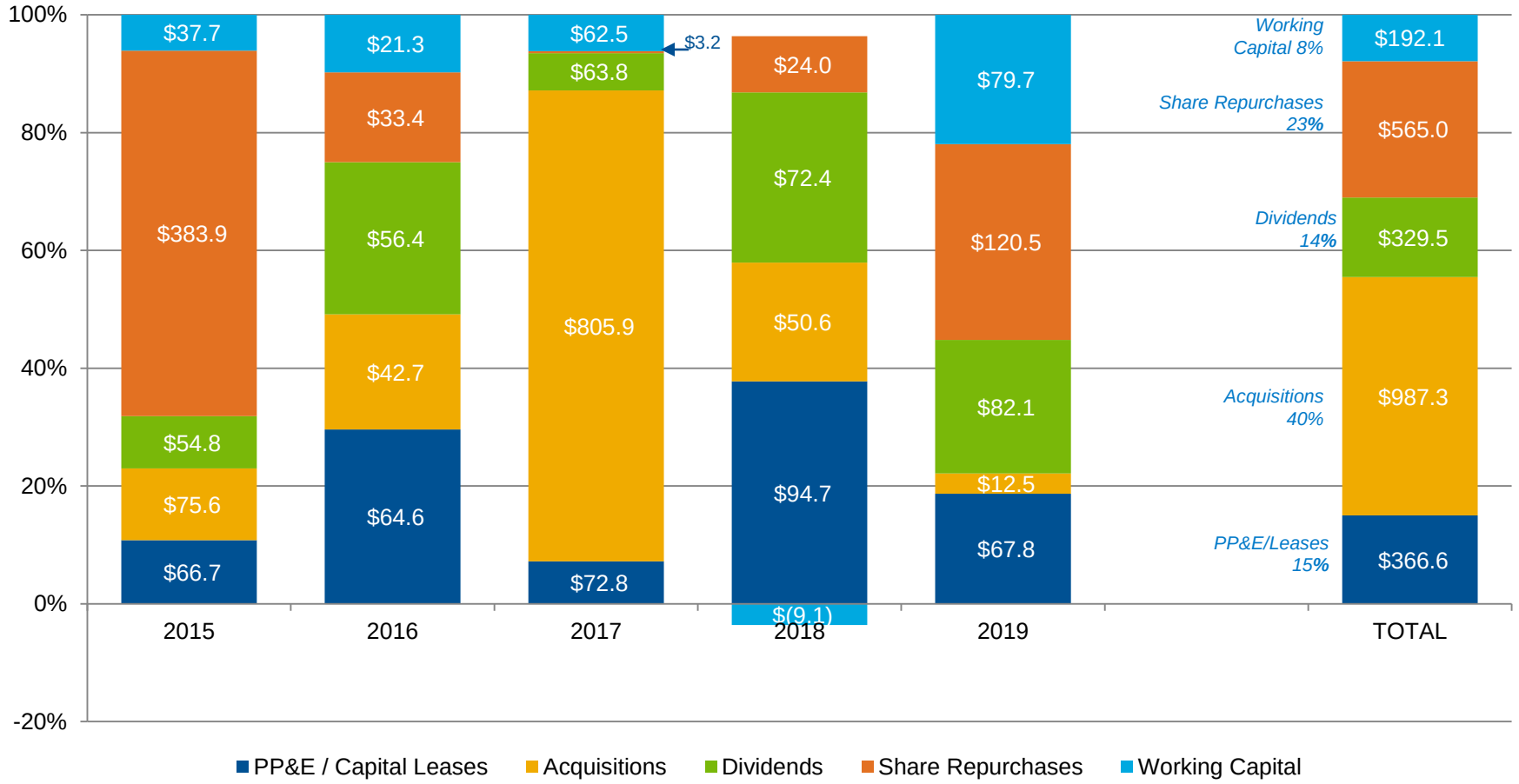
Strong Cash Conversion: 2015 – 2019
2019 Free Cash Flow Before Dividends
= 95% of Net Income



*FY15 results impacted by significant negative currency translation effects compared to the prior year.

Disciplined Capital Deployment

37% or $894.5 Million to Shareholders via Share Repurchases and Dividends



- Self funding business model generates excess cash
- Low working capital requirements
- Low capital expenditures (approx. 3% of sales)
- Strong free cash
- **56 consecutive years** of dividend increases - 14th among publicly traded companies

Investment Summary



1. Clear Strategy and Goals
2. Strong Execution and Performance
3. Leading Global Businesses
4. Numerous Growth Opportunities
5. Outstanding Culture and Values
6. Committed to Community

Appendix

- Product Innovation
- Historic Financials
- 2QF2020 Financial Exhibits

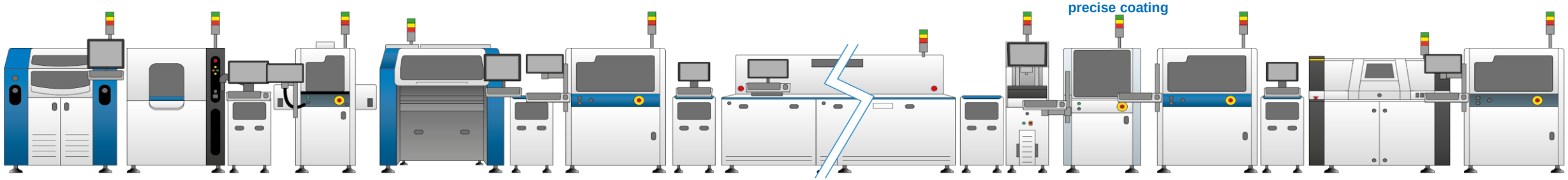
Appendix:

Product Innovation

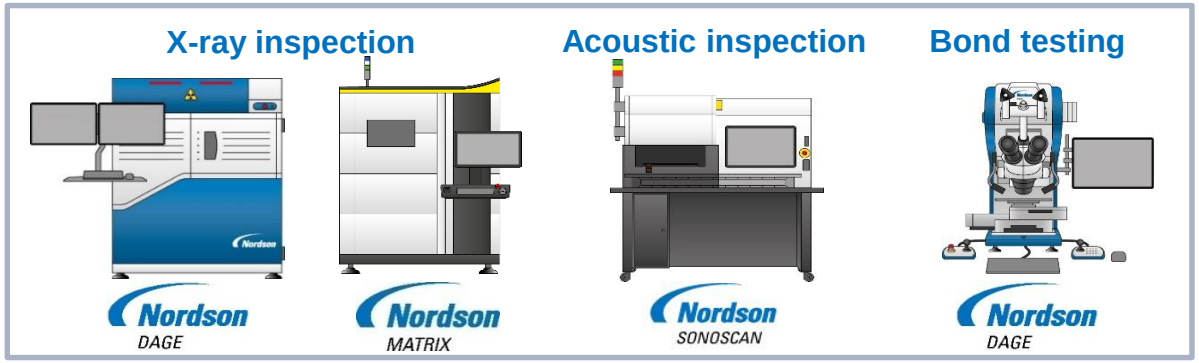
Our Electronics Industry Position

Surface Mount Manufacturing

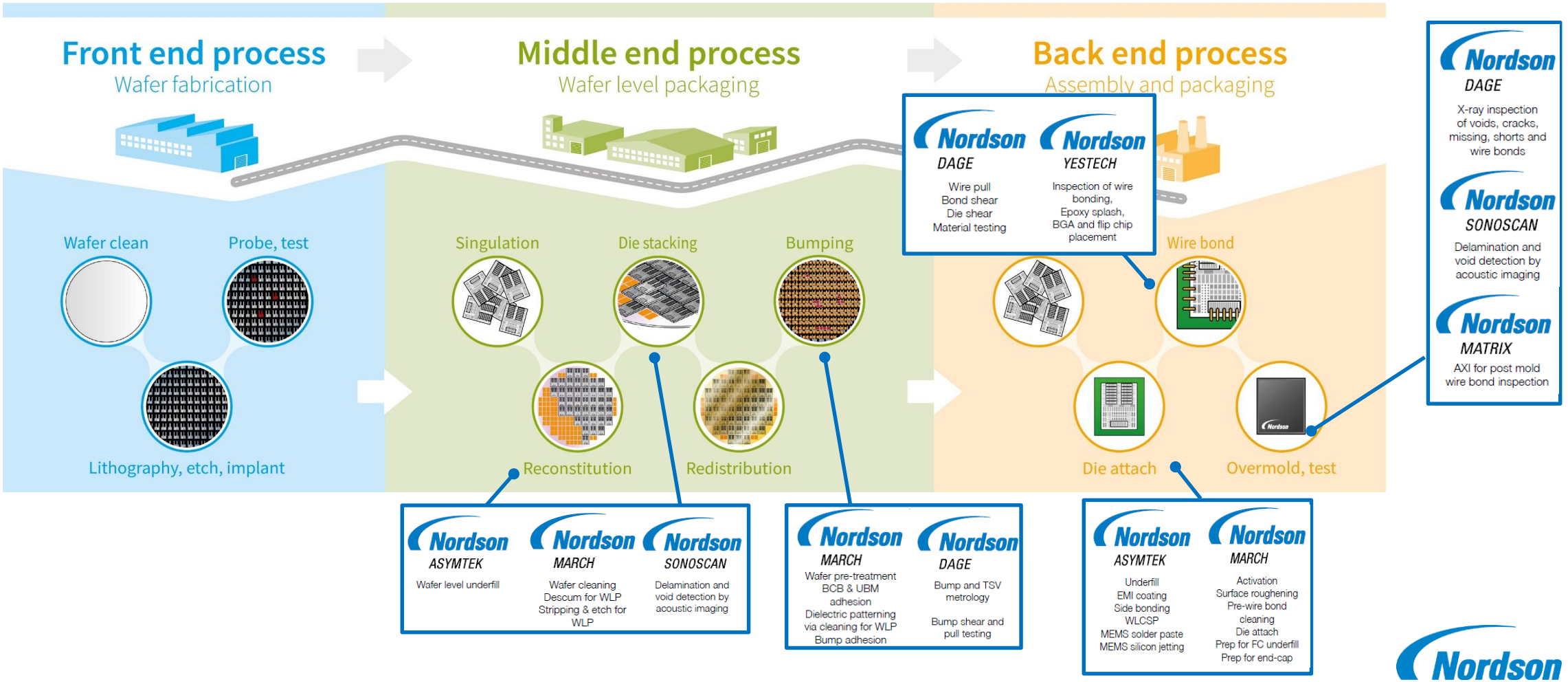
Inline Systems



QA Lab / Island of Automation



Our Role in the Semiconductor Process



Advanced Technology – Fluid Management



Precision Low-Volume Dispensing

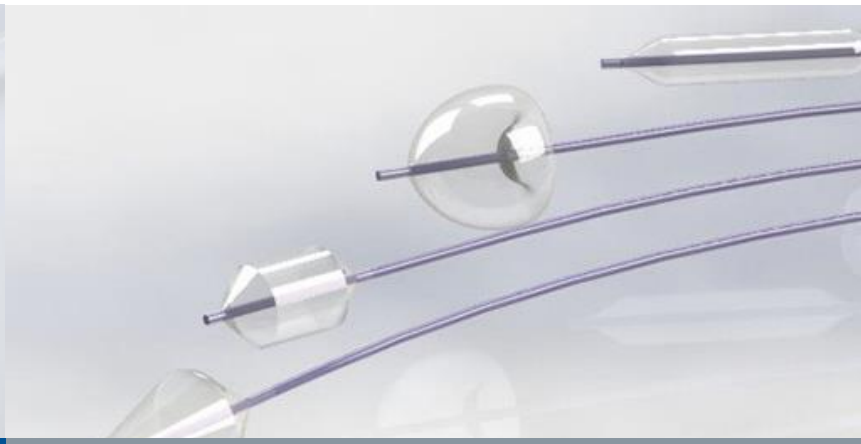
From benchtop dispensers to industry-best jetting valves and automated dispensing robots, Nordson EFD systems deliver accurate, repeatable deposits of glues, greases, and other industrial fluids in precise, low-volume applications.



Optimum® Syringe Barrels and Tips

Optimum® components are designed as a complete system to help companies improve yields and reduce costs.

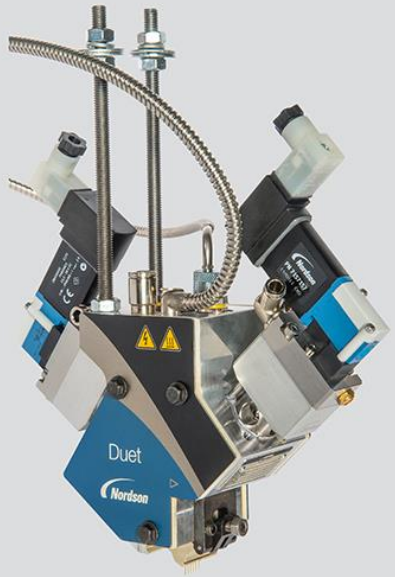
Dispense tips deliver a clean, smooth flow path, free of flash and burrs. In 200+ sizes and styles, tips are lot-tracked for process control and traceability.



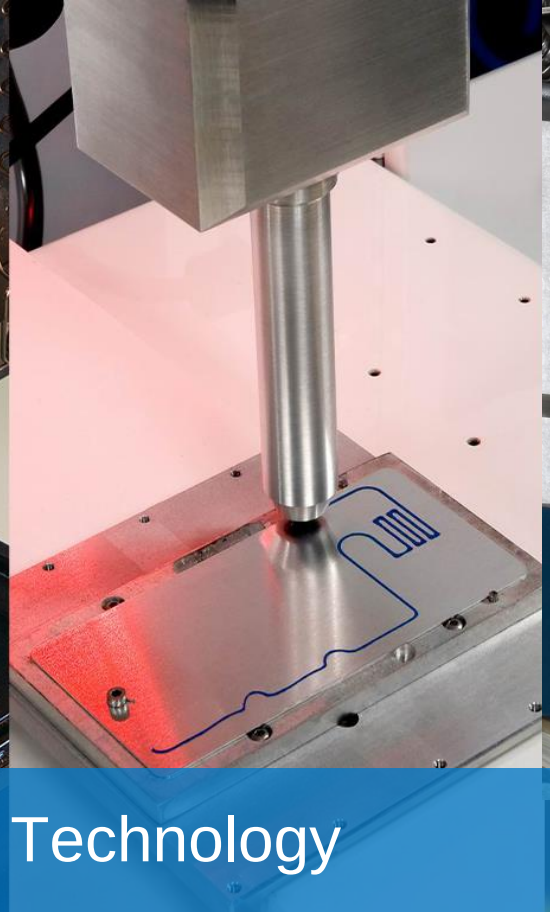
Life Sciences
Fluid Management Components

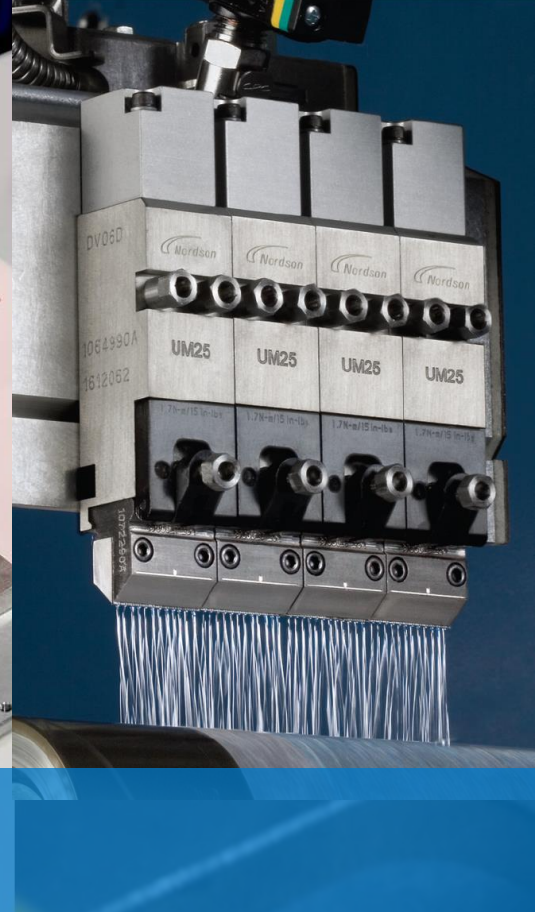
From specialty tubing, catheters, medical balloons, quick-connect couplings and couplers, Nordson is an expert in the design, development and manufacture of complex medical devices and component technologies.











Core Adhesives Innovative Technology

Auto-fill Tankless Technology

Adhesive fill systems monitor and maintain optimum adhesive levels

Variable Dispense Technology

Delivering different add-on rates with one applicator

Foaming Technology

Maintains bond strength while reducing volume of adhesive required

Jetting Technology

Dispenses adhesive using non-contact jetting into channels as small as 0.3mm or 300 micron per second

Precision dispense technology

Increases production efficiency for nonwovens manufacturing process

Appendix:

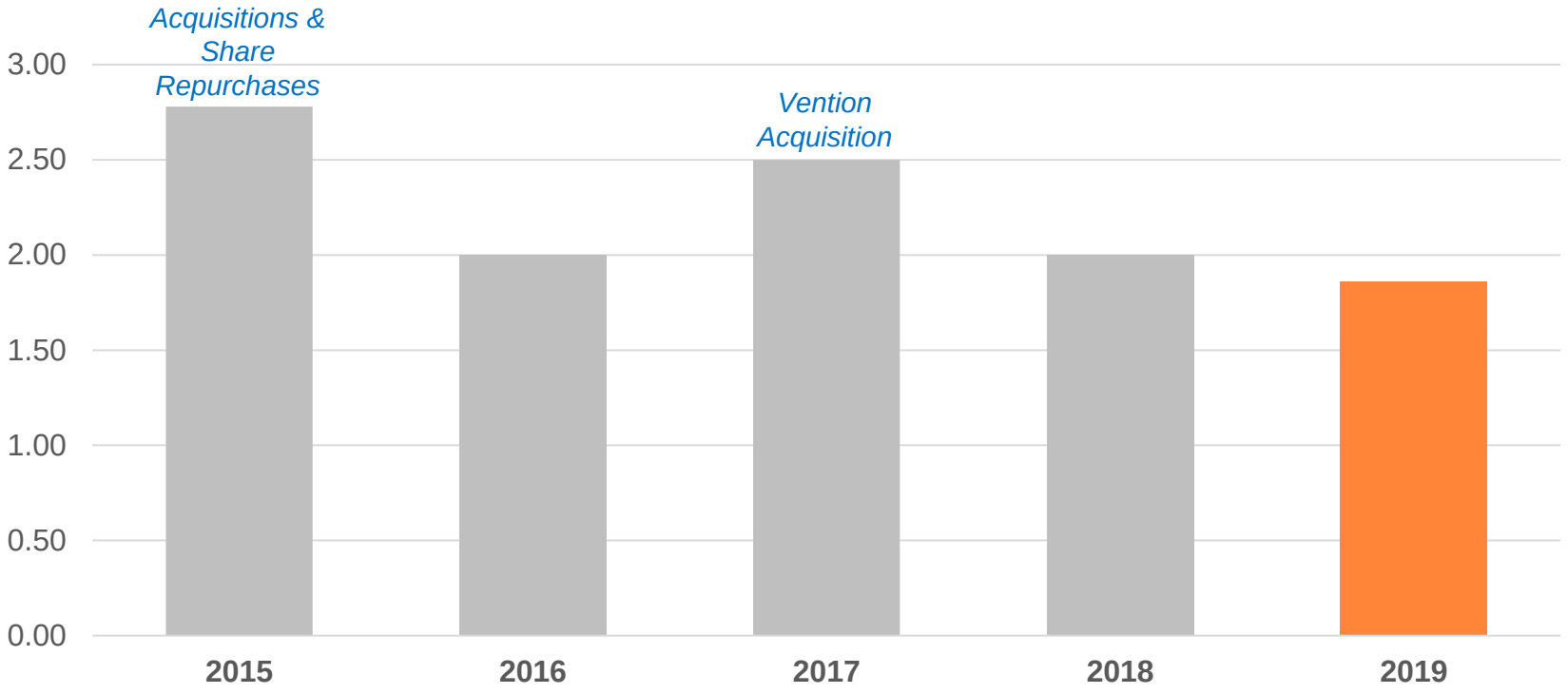
Historic Financials

Strong Capital Management

Net Debt to EBITDA*

Strong cash generation lets Nordson de-lever quickly

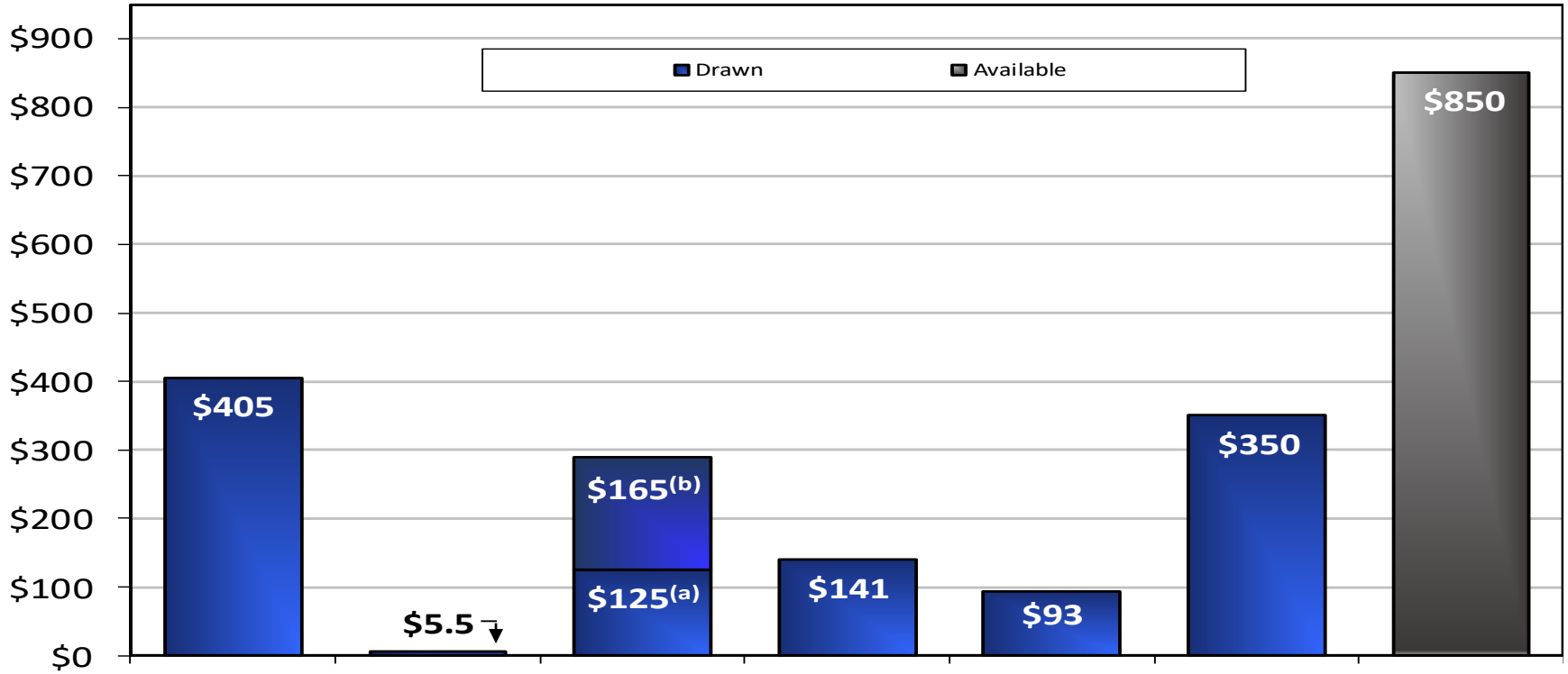
At 1/31/2020 Net Debt to TTM EBITDA = 1.7 times



At fiscal years ending 10/31
** Net Debt to EBITDA calculated net of cash*

Strong Capital Management

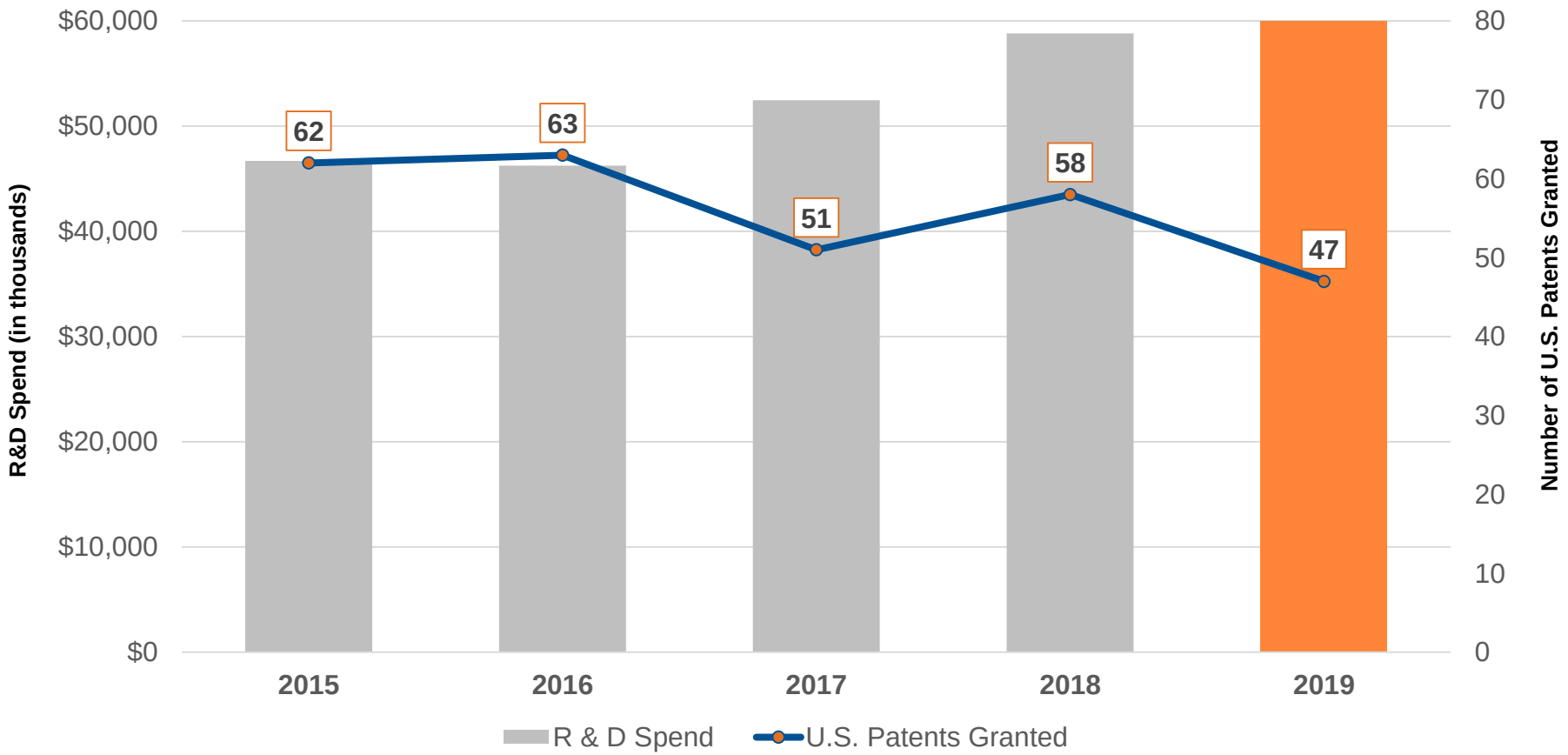
Debt Position (as of 4/30/2020)



Term Loan A (US) & PNC Loan	NYL	Term Loan A (EUR)	2012 Private Placement	2015 Private Placement	2018 Private Placement	Revolver
▪ $200M –at 60.0 bps, maturity 9/30/22 ▪ $205M –at 70.0 bps, maturity 3/31/24	▪ Amortizing avg rate: 2.21% ▪ Remaining avg. life: 0.34 yrs	▪ Maturity 3/31/23 (a) 87.5 over EUR Libor (b) 78.5 over EUR Libor ▪ EUR denominated	▪ Amortizing avg rate: 3.05% ▪ Remaining avg. life: 2.26 yrs	▪ Amortizing avg. rate: 3.05% ▪ Remaining avg. life: 4.09 yrs	▪ Amortizing avg. rate: 3.90% ▪ Remaining avg. life: 5.55 yrs	▪ Ends April, 2024 ▪ 78.5 bps over USD Libor at 3/25/20

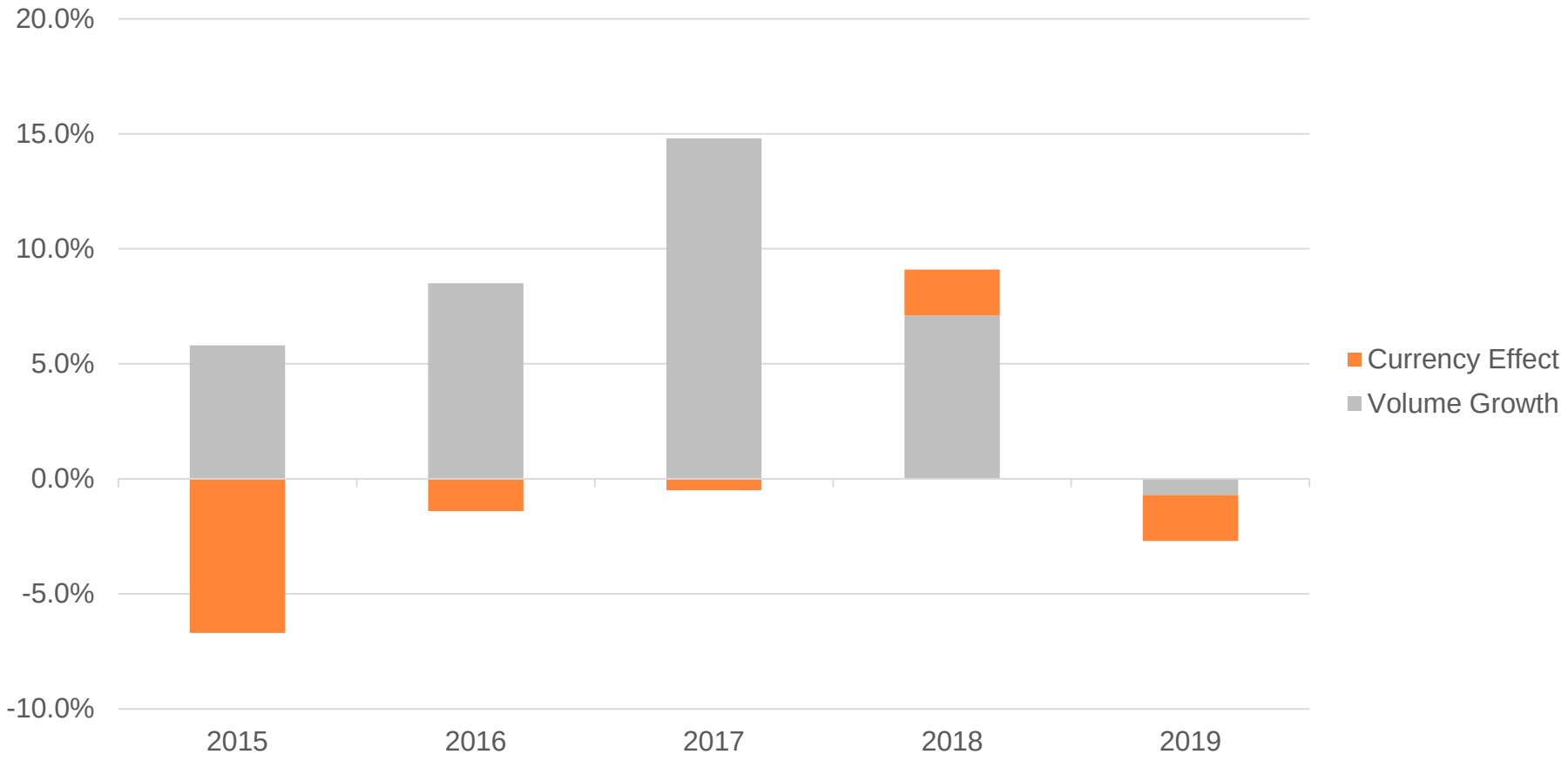
Innovation Drives Organic Growth

Steady Stream of New Products



Currency Impact

Annual Sales Growth and EPS



FX Impact to EPS:	($0.54)	($0.19)	($0.03)	$0.24	($0.30)

Appendix:

Financial Exhibits

Nordson Corporation

2015 – 2019 Sales Growth

Nordson Corporation

	Organic	Acquisitive	Currency	Total
FY2015	3.4%	2.4%	-6.7%	-0.9%
FY2016	6.5%	2.0%	-1.4%	7.1%
FY2017	7.9%	6.9%	-0.5%	14.3%
FY2018	2.5%	4.6%	2.0%	9.1%
FY2019	-1.1%	0.4%	-2.0%	-2.7%
5 yr avg	**3.8%**	**3.3%**	**-1.7%**	**5.4%**

Advanced Technology Solutions

	Organic	Acquisitive	Currency	Total
FY2015	1.7%	6.9%	-2.9%	5.7%
FY2016	10.1%	4.6%	-0.8%	13.9%
FY2017	15.1%	18.3%	-0.7%	32.7%
FY2018	3.8%	10.7%	1.3%	15.8%
FY2019	-4.6%	0.9%	-1.4%	-5.1%
5 yr avg	**5.2%**	**8.3%**	**-0.9%**	**12.6%**

Industrial Precision Solutions

	Organic	Acquisitive	Currency	Total
FY2015	4.2%	0.2%	-8.6%	-4.2%
FY2016	4.7%	0.5%	-1.7%	3.5%
FY2017	3.5%	0.0%	-0.3%	3.2%
FY2018	1.4%	0.0%	2.5%	3.9%
FY2019	1.9%	0.0%	-2.5%	-0.6%
5 yr avg	**3.1%**	**0.1%**	**-2.1%**	**1.2%**

SECOND QUARTER PERIOD
Period Ended April 30, 2020
(Unaudited)

NORDSON CORPORATION
FINANCIAL HIGHLIGHTS
(Dollars in thousands except for per-share amounts)

CONSOLIDATED STATEMENT OF INCOME

	Second Quarter		Year-to-Date	
	2020	2019	2020	2019
Sales	$ 529,478	$ 551,119	$1,024,394	$1,049,029
Cost of sales	239,880	249,590	471,602	478,524
Selling & administrative expenses	164,569	172,633	352,670	357,328
Operating profit	125,029	128,896	200,122	213,177
Interest expense - net	(8,015)	(12,047)	(17,167)	(24,096)
Other expense - net	(429)	(568)	(3,275)	(4,757)
Income before income taxes	116,585	116,281	179,680	184,324
Income taxes	24,506	24,358	35,597	43,834
Net Income	$ 92,079	$ 91,923	$ 144,083	$ 140,490
Return on sales	17%	17%	14%	13%
Return on average shareholders' equity	22%	26%	18%	20%

CONSOLIDATED BALANCE SHEET

	April 30 2020	October 31 2019
Cash and cash equivalents	$ 306,255	$ 151,164
Receivables - net	474,913	530,765
Inventories - net	312,118	283,399
Other current assets	49,990	45,867
Total current assets	1,143,276	1,011,195
Property, plant & equipment - net	400,103	398,895
Other assets	2,199,525	2,106,357
	$ 3,742,904	$ 3,516,447
Notes payable and debt due within one year	$ 43,598	$ 168,738
Accounts payable and accrued liabilities	316,591	308,888
Total current liabilities	360,189	477,626
Long-term debt	1,237,225	1,075,404
Other liabilities	492,996	382,372
Total shareholders' equity	1,652,494	1,581,045
	$ 3,742,904	$ 3,516,447

Average common shares outstanding (000's)	57,677	57,288	57,672	57,498
Average common shares and common share equivalents (000's)	58,260	58,056	58,392	58,217
Per share:				
Basic earnings	$ 1.60	$ 1.60	$ 2.50	$ 2.44
Diluted earnings	$ 1.58	$ 1.58	$ 2.47	$ 2.41
Dividends paid	$ .38	$ .35	$ .76	$ .70
Total dividends	$ 21,963	$ 20,029	$ 43,878	$ 40,239

Other information:

Employees	7,558	7,579
Common shares outstanding (000's)	57,567	57,600

SECOND QUARTER PERIOD
Period Ended April 30, 2020
(Unaudited)

NORDSON CORPORATION
FINANCIAL HIGHLIGHTS
(Dollars in thousands)

SALES BY BUSINESS SEGMENT	Second Quarter 2020	Second Quarter 2019	% Growth over 2019 Volume	% Growth over 2019 Currency	% Growth over 2019 Total	Year-to-Date 2020	Year-to-Date 2019	% Growth over 2019 Volume	% Growth over 2019 Currency	% Growth over 2019 Total
Industrial precision solutions	$ 282,274	$ 301,824	-4.5%	-2.0%	-6.5%	$ 546,073	$ 565,277	-1.9%	-1.5%	-3.4%
Advanced technology solutions	247,204	249,295	-0.2%	-0.6%	-0.8%	478,321	483,752	-0.6%	-0.5%	-1.1%
Total sales by business segment	$ 529,478	$ 551,119	-2.5%	-1.4%	-3.9%	$ 1,024,394	$ 1,049,029	-1.3%	-1.0%	-2.3%

OPERATING PROFIT BY BUSINESS SEGMENT	Second Quarter 2020	Second Quarter 2019	Year-to-Date 2020	Year-to-Date 2019
Industrial precision solutions	$ 76,454	$ 85,481	$ 132,858	$ 140,890
Advanced technology solutions	58,689	56,535	90,976	97,320
Corporate	(10,114)	(13,120)	(23,712)	(25,033)
Total operating profit by business segment	$ 125,029	$ 128,896	$ 200,122	$ 213,177

SALES BY GEOGRAPHIC REGION	Second Quarter 2020	Second Quarter 2019	% Growth over 2019 Volume	% Growth over 2019 Currency	% Growth over 2019 Total	Year-to-Date 2020	Year-to-Date 2019	% Growth over 2019 Volume	% Growth over 2019 Currency	% Growth over 2019 Total
United States	$ 188,933	$ 190,699	-0.9%	-	-0.9%	$ 377,433	$ 361,050	4.5%	-	4.5%
Americas	36,673	43,682	-11.6%	-4.4%	-16.0%	67,756	76,119	-8.3%	-2.7%	-11.0%
Europe	136,056	149,526	-6.1%	-2.9%	-9.0%	262,447	282,200	-4.6%	-2.4%	-7.0%
Japan	31,575	30,031	2.8%	2.3%	5.1%	59,127	59,078	-1.8%	1.9%	0.1%
Asia Pacific	136,241	137,181	0.9%	-1.6%	-0.7%	257,631	270,582	-3.7%	-1.1%	-4.8%
Total Sales by Geographic Region	$ 529,478	$ 551,119	-2.5%	-1.4%	-3.9%	$ 1,024,394	$ 1,049,029	-1.3%	-1.0%	-2.3%

SECOND QUARTER PERIOD
Period Ended April 30, 2020
(Unaudited)

NORDSON CORPORATION
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(Dollars in thousands except for per-share amounts)

EBITDA	Second Quarter		Year-to-Date	
	2020	2019	2020	2019
Net income	$ 92,079	$ 91,923	$ 144,083	$ 140,490
Adjustments:				
Depreciation and amortization expense	27,046	27,740	55,664	55,488
Interest expense, net	8,015	12,047	17,167	24,096
Income taxes	24,506	24,358	35,597	43,834
EBITDA	$ 151,646	$ 156,068	$ 252,511	$ 263,908
EBITDA per diluted share	$ 2.60	$ 2.69	$ 4.32	$ 4.53

EBITDA and EBITDA per diluted share are non-GAAP financial measures used by management to evaluate the Company's ongoing operations. Therefore, the Company believes these financial measures provide useful information to investors. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. EBITDA per diluted share is defined as EBITDA divided by the Company's diluted weighted average shares outstanding.

	Second Quarter		Year-to-Date	
	2020	2019	2020	2019
Diluted EPS as reported (U.S. GAAP)	$ 1.58	$ 1.58	$ 2.47	$ 2.41
Severance and restructuring	-	-	0.05	0.02
U.S. Tax Reform discrete item	-	-	-	0.08
Other discrete tax items	-	(0.04)	(0.05)	(0.05)
Diluted EPS as adjusted (Non-GAAP)	$ 1.58	$ 1.54	$ 2.47	$ 2.46

Adjusted EPS is not a measurement of financial performance under GAAP, and should not be considered as an alternative to EPS determined in accordance with GAAP. Management believes that EPS as adjusted to exclude the items in the table above assist in understanding the results of Nordson Corporation. Amounts may not add due to rounding.

Nordson

Free Cash Flow Before Dividends	Second Quarter		Year-to-Date	
	2020	2019	2020	2019
Net income	$ 92,079	$ 91,923	$ 144,083	$ 140,490
Depreciation and amortization	27,046	27,740	55,664	55,488
Other non-cash charges	(4,663)	4,157	2,504	10,497
Changes in operating assets and liabilities	(12,558)	(18,755)	15,928	(44,563)
Net cash provided by operating activities	101,904	105,065	218,179	161,912
Additions to property, plant and equipment	(11,955)	(12,482)	(25,835)	(26,603)
Proceeds from the sale of property, plant and equipment	39	724	104	984
Free cash flow before dividends	$ 89,988	$ 93,307	$ 192,448	$ 136,293

Free cash flow before dividends, a non-GAAP financial measure, is defined as net cash provided by operating activities less purchased property, plant and equipment and proceeds from the sale of property, plant and equipment. It is a financial measure used by management to assess its ability to generate cash in excess of its operating needs. Therefore, the Company believes this financial measure provides useful information to investors. Free cash flow before dividends is not a measure of financial performance under GAAP and should be considered in addition to, and not as a substitute for, operating cash flows or other financial measures prepared in accordance with GAAP. Our calculations of non-GAAP measures may not be comparable to the calculations of similarly titled measures reported by other companies.

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