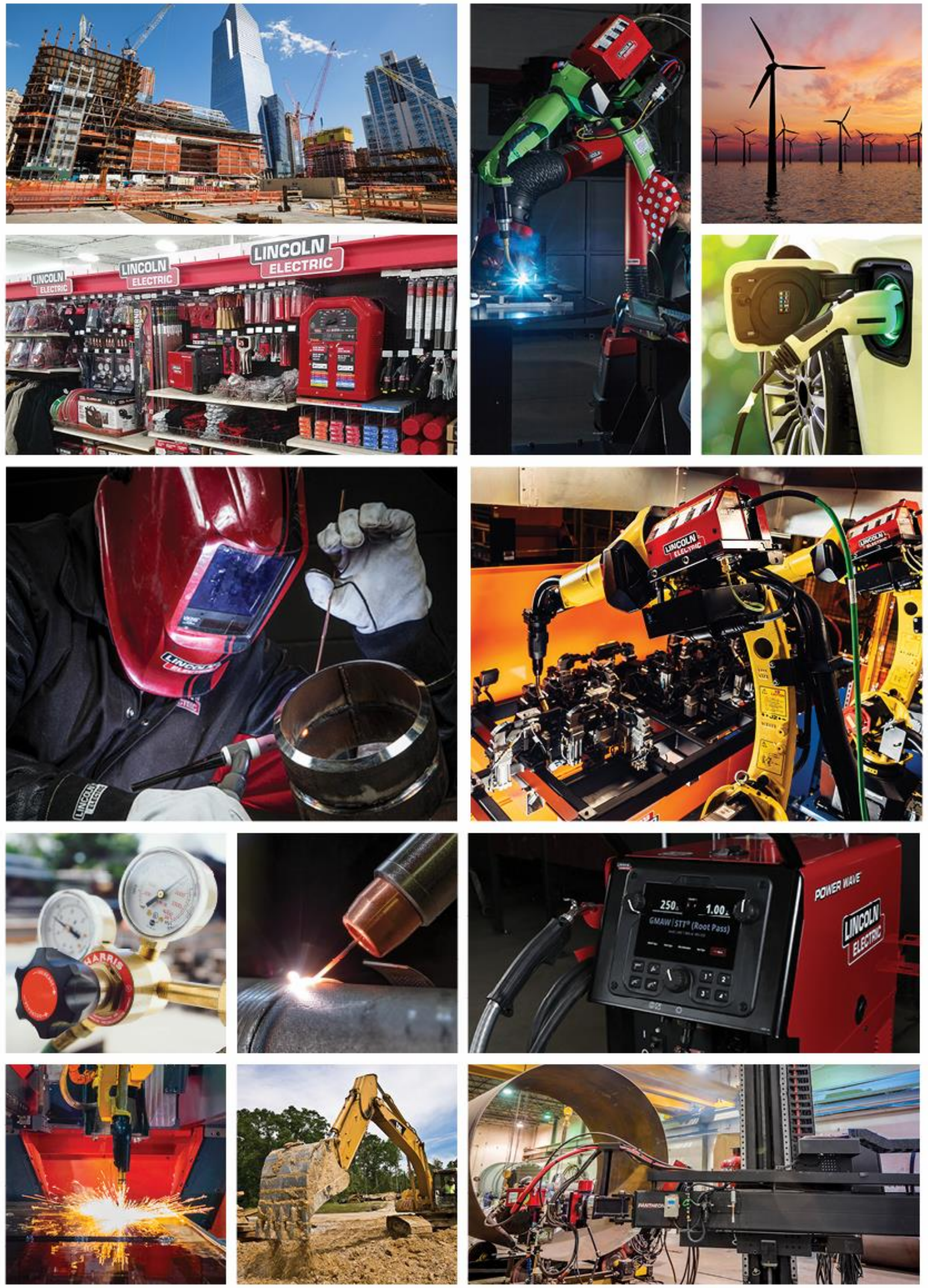
July 28, 2022

LINCOLN ELECTRIC HOLDINGS, INC.

Q2 2022 Earnings



Safe Harbor and Regulation G Disclosures

Forward-Looking Statements:

Statements made during this presentation which are not historical facts may be considered forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied. Forward-looking statements generally can be identified by the use of words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “forecast,” “guidance” or words of similar meaning. For further information concerning issues that could materially affect financial performance related to forward-looking statements, please refer to Lincoln Electric’s quarterly earnings releases and periodic filings with the Securities and Exchange Commission, which can be found on www.sec.gov or on www.lincolnelectric.com.

Non-GAAP Measures:

Our management uses non-GAAP financial measures in assessing and evaluating the Company’s performance, which exclude items we consider unusual or special items. We believe the use of such financial measures and information may be useful to investors. Non-GAAP financial measures should be read in conjunction with the GAAP financial measures, as non-GAAP measures are a supplement to, and not a replacement for, GAAP financial measures. Please refer to the attached schedule for a reconciliation of non-GAAP financial measures to the related GAAP financial measures.

Q2 2022 Highlights:

Record Sales, Adjusted Operating Income Margin, Adjusted EPS & ROIC due to strong underlying Americas Welding demand and solid execution under challenging operating conditions

$969.6M

Record Q2 sales of $969.6 million, +17.3%; Organic sales +20.5%

26.3%

Record ROIC of 26.3%; +490 bps vs. prior year

17.3%

Record Q2 Adjusted Operating Income Margin +220 bps to 17.3%

$98.2M

Cash flow from operations of $98.2 million

$2.18

Record Q2 Adjusted EPS of $2.18, +30.5%

$58M

Returned $57.7million to shareholders (dividends and share repurchases)

Solid Q2 Organic Sales Momentum

Q2 Organic sales increased 21% with record backlogs expanding

All product areas grew; All regions, excluding Asia Pacific, grew

Consumables up low-20 percent

Equipment up high single-digit percent

Automation up mid-20 percent

Q2 global end sector performance[1]

All end market sectors grew

Construction/Infrastructure up mid-40 percent

Automotive/Transportation, Heavy Industries and Energy up mid-to-high 20 percent

General Industries up mid-teens percent

[1] End sector performance reflects direct channel organic sales trends

Income Statement – Q2 2022

$ in Millions		Q2 2022	% of Sales		Q2 2021	% of Sales	YoY % Change *Fav/ (Unfav)*
Net Sales	$	969.6		$	826.5		17.3%
Gross Profit		333.5	34.4%		274.0	33.2%	21.7%
SG&A		166.8	17.2%		151.6	18.3%	(10.1)%
Operating Income		167.5	17.3%		121.8	14.7%	37.5%
Special item charges[1,2]		0.6	0.0%		3.3	0.4%	81.3%
Adjusted Operating Income[1]	$	168.1	17.3%	$	125.1	15.1%	34.4%
Interest Expense, net[3]		6.5	0.7%		5.7	0.7%	(14.1)%
Effective Tax Rate		20.1 %			18.3 %		(180) bps
Adjusted Effective Tax Rate[4]		20.2 %			17.9 %		(230) bps
Net Income	$	127.8	13.2%	$	96.1	11.6%	33.0%
Special Items[5]		0.4	0.0%		4.5	0.5%	91.9%
Adjusted Net Income[1]	$	128.2	13.2%	$	100.6	12.2%	27.4%
Diluted EPS	$	2.18		$	1.60		36.3%
Adjusted Diluted EPS[1]	$	2.18			1.67		30.5%

Q2 2022 SALES MIX[6]

Volume	3.4%	**Price**	17.1%	**Acq/Div**	2.9%	**FX**	(6.1)%
TOTAL	**17.3%**						

[1] Please review the appendix for reconciliation of non-GAAP measures.
[2] Q2 Special items include Rationalization and asset impairment charges of $0.8 million and Amortization of step in value of acquired inventories of $1.5 million in 2022. This compares with $0.6 million, $0.8 million and $1.8 million, of equivalent charges respectively in 2021.
[3] Interest Expense, net is defined as interest income earned from investments less interest expense from borrowings.
[4] Q2 Adjusted effective tax rate reflects unfavorable adjustments of 0.1% in 2022 and a favorable adjustment of 0.4% in 2021 from special items.
[5] Q2 Special items include the charges noted in footnote 2 and a $0.3 million tax effect of Special items in 2022 and a $1.7 million pension settlement charge and $0.4 million tax effect of Special items in 2021.
[6] Figures may not sum due to rounding.

Americas Welding Segment

($ in Millions)	Q2 2022	Q2 2021	% YoY Change
Net Sales	$ 595.7	$ 457.5	30.2%
Adjusted EBIT	$ 118.1	$ 84.1	40.3%
Adjusted EBIT Margin[2]	18.9%	16.9%	+200 bps

Q2 2022 SALES MIX[1]							
Volume	9.9%	**Price**	19.6%	**Acq/Div**	1.2%	**FX**	(0.5)%
TOTAL	**30.2%**						

Volumes higher with solid end market demand and growth in all product areas.

Price reflects actions taken to mitigate inflation.

Margin expands on volumes, effective cost management and operational improvements in automation.

[1] Figures may not sum due to rounding.
[2] Adjusted EBIT Margin is calculated using Total Sales, which includes Inter-segment sales.

International Welding Segment

($ in Millions)	Q2 2022	Q2 2021	% YoY Change
Net Sales	$ 236.6	$ 252.4	(6.2)%
Adjusted EBIT	$ 35.0	$ 30.0	16.7%
Adjusted EBIT Margin[2]	14.2%	11.6%	+260 bps

Q2 2022 SALES MIX[1]

Volume	(6.7)%	**Price**	18.6%	**Acq/Div**	-	**FX**	(18.1)%
TOTAL	**(6.2)%**						

Volumes lower on Asia Pacific industrial activity and price reflects actions taken to mitigate inflation and FX.

FX primarily reflects the weakening Euro and Turkish Lira.

Margin increases from cost management and operational improvements in the business.

[1] Figures may not sum due to rounding.
[2] Adjusted EBIT Margin is calculated using Total Sales, which includes Inter-segment sales.

The Harris Products Group

($ in Millions)	Q2 2022	Q2 2021	% YoY Change
Net Sales	$ 137.3	$ 116.6	17.7%
Adjusted EBIT	$ 17.9	$ 18.2	(1.6)%
Adjusted EBIT Margin[2]	12.8%	15.3%	(250) bps

Q2 2022 SALES MIX[1]							
Volume	(0.5)%	**Price**	4.1%	**Acq/Div**	15.8%	**FX**	(1.7)%
TOTAL	**17.7%**						

Volumes relatively steady on industrial sector and specialty gas demand offset by weakening demand in the retail channel.

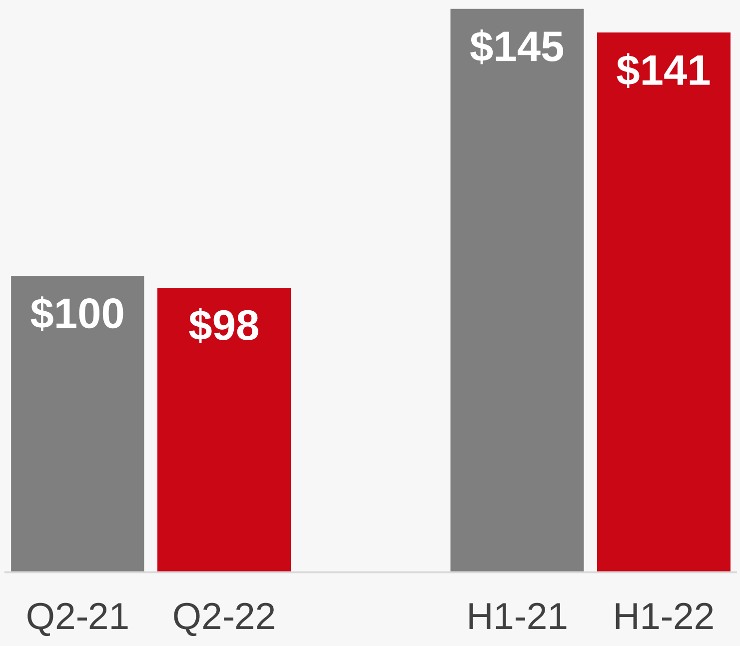
Price reflects actions taken to mitigate inflation.

Margin decline reflects acquisition integration costs, mix, and weakening price in certain metals offerings.

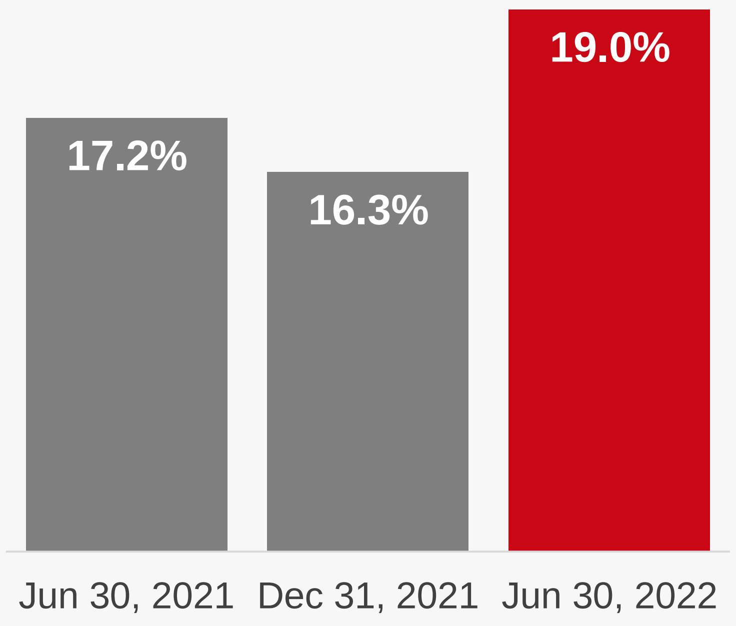
[1] Figures may not sum due to rounding
[2] Adjusted EBIT Margin is calculated using Total Sales, which includes Inter-segment sales.

Cash Flow From Operations Metrics

Cash Flow from Operations
($ in Millions)



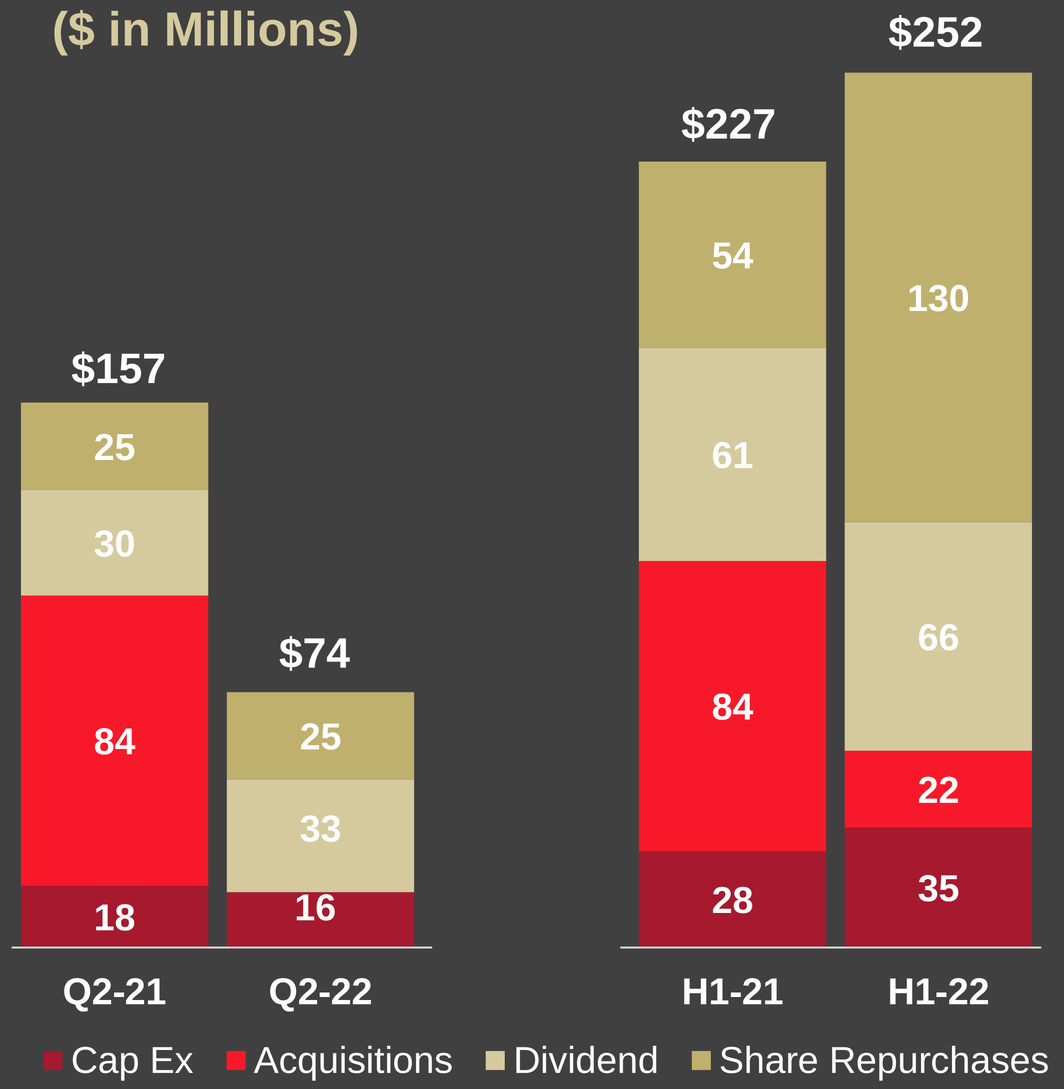
Average Operating Working Capital to Net Sales Ratio



Working capital remains strategically elevated to mitigate supply constraints and reflects higher sales.

Capital Allocation[1]

($ in Millions)



[1] Figures may not sum due to rounding

Q2 Capital Allocation & Returns

- **Growth**: $16 million
- **Return to Shareholders**: $58 million
- **Dividend Rate**: +9.8%
- **Record Return on Invested Capital**: 26.3%

Capital Allocation Outlook

Prioritized uses of cash:

- Growth investments (organic and M&A)
- Dividend
- Share repurchases

Updating Full Year 2022 Organic Sales & Incremental Margin Assumptions on Record H1-2022 Performance and Strength of Americas Welding

Assumptions

Mid-to-high teens % organic sales growth

Effective cost management

Mid-to-high 20% incremental margin

Low 20% tax rate

$70 to $80 million in cap-ex

~90% cash conversion in H2-2022

Risks

Supply and labor availability

Inflation (raw materials & labor)

Regional recessions

COVID pandemic shutdowns

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Non-GAAP Information

Adjusted operating income, Adjusted net income, Adjusted EBIT, Adjusted effective tax rate, Adjusted diluted earnings per share, Adjusted EPS, Organic sales, Cash conversion, and Return on invested capital are non-GAAP financial measures.

Management uses non-GAAP measures to assess the Company's operating performance by excluding certain disclosed special items that management believes are not representative of the Company's core business. Management believes that excluding these special items enables them to make better period-over-period comparisons and benchmark the Company's operational performance against other companies in its industry more meaningfully. Furthermore, management believes that non-GAAP financial measures provide investors with meaningful information that provides a more complete understanding of Company operating results and enables investors to analyze financial and business trends more thoroughly. Non-GAAP financial measures should not be viewed in isolation, are not a substitute for GAAP measures and have limitations including, but not limited to, their usefulness as comparative measures as other companies may define their non-GAAP measures differently.

Non-GAAP Financial Measures

Non-GAAP Financial Measures:

Reconciliation of Operating Income, Net Income, Effective Tax Rate, and EPS to Non-GAAP Adjusted Operating Income, Adjusted Net Income, Adjusted Effective Tax Rate, and Adjusted EPS

(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Operating income as reported	$ 167,533	$ 121,822	$ 328,739	$ 225,750
Special items (pre-tax):				
Rationalization and asset impairment charges [2]	(844)	630	1,041	4,793
Acquisition transaction costs [3]	—	810	—	1,923
Amortization of step up in value of acquired inventories [4]	1,459	1,841	1,459	1,841
Adjusted operating income [1]	$ 168,148	$ 125,103	$ 331,239	$ 234,307
As a percent of total sales	17.3 %	15.1 %	17.5 %	14.8 %
Net income as reported	$ 127,823	$ 96,105	$ 253,853	$ 170,282
Special items:				
Rationalization and asset impairment charges [2]	(844)	630	1,041	4,793
Acquisition transaction costs [3]	—	810	—	1,923
Pension charges and other net gains [5]	—	1,650	(4,273)	6,536
Amortization of step up in value of acquired inventories [4]	1,459	1,841	1,459	1,841
Tax effect of Special items [6]	(252)	(433)	789	(1,994)
Adjusted net income [1]	128,186	100,603	252,869	183,381
Non-controlling interests in subsidiaries' income (loss)	(1)	175	—	131
Interest expense, net	6,459	5,663	12,657	11,022
Income taxes as reported	32,118	21,581	65,729	44,601
Tax effect of Special items [6]	252	433	(789)	1,994
Adjusted EBIT [1]	$ 167,014	$ 128,455	$ 330,466	$ 241,129
Effective tax rate as reported	20.1 %	18.3 %	20.6 %	20.7 %
Net special item tax impact	0.1 %	(0.4)%	(0.2)%	(0.5)%
Adjusted effective tax rate [1]	20.2 %	17.9 %	20.4 %	20.2 %
Diluted earnings per share as reported	$ 2.18	$ 1.60	$ 4.30	$ 2.83
Special items per share	—	0.07	(0.01)	0.21
Adjusted diluted earnings per share [1]	$ 2.18	$ 1.67	$ 4.29	$ 3.04
Weighted average shares (diluted)	58,688	60,164	58,970	60,229

Please see the following slide for corresponding footnotes

Non-GAAP Financial Measures

(continued)

Footnotes for Non-GAAP Financial Measures:

Reconciliation of Operating Income, Net Income, Effective Tax Rate, and EPS to Non-GAAP Adjusted Operating Income, Adjusted Net Income, Adjusted Effective Tax Rate, and Adjusted EPS

1. Adjusted operating income, Adjusted net income, Adjusted EBIT, Adjusted effective tax rate and Adjusted diluted earnings per share are non-GAAP financial measures. Refer to Non-GAAP Information section.
2. Primarily related to severance, gains or losses on the disposal of assets.
3. Related to acquisitions and are included in Selling, general & administrative expenses.
4. Related to acquisitions and are included in Cost of goods sold.
5. Pension settlement charges due to lump sum pension payments and other net gains primarily due to the final settlement associated with the termination of a pension plan and are included in Other income (expense).
6. Includes the net tax impact of Special items recorded during the respective periods. The tax effect of Special items impacting pre-tax income was calculated as the pre-tax amount multiplied by the applicable tax rate. The applicable tax rates reflect the taxable jurisdiction and nature of each Special item.

Non-GAAP Financial Measures

Return on Invested Capital (ROIC)

(In thousands)
(Unaudited)

Return on Invested Capital	Twelve Months Ended June 30, 2022	Twelve Months Ended June 30, 2021
Net income as reported	$ 360,037	$ 293,839
Rationalization and asset impairment charges	6,075	20,502
Acquisition transaction costs	—	1,923
Pension charges and other net gains	115,693	11,321
Amortization of step up in value of acquired inventories	5,422	1,841
Tax effect of Special items (2)	(44,405)	(5,036)
Adjusted net income (1)	$ 442,822	$ 324,390
Plus: Interest expense, net of tax of $6,336 and $5,843 in 2022 and 2021, respectively	18,832	17,368
Less: Interest income, net of tax of $333 and $389 in 2022 and 2021, respectively	986	1,166
Adjusted net income before tax-effected interest	$ 460,668	$ 340,592
Invested Capital	**June 30, 2022**	**June 30, 2021**
Short-term debt	$ 125,458	$ 10,435
Long-term debt, less current portion	712,908	718,137
Total debt	838,366	728,572
Total equity	912,983	859,623
Invested capital	$ 1,751,349	$ 1,588,195
Return on invested capital (1)	26.3 %	21.4 %

1. Adjusted net income and Return on invested capital are non-GAAP financial measures. Refer to Non-GAAP Information section.
2. Includes the net tax impact of Special items recorded during the respective periods. The tax effect of Special items impacting pre-tax income was calculated as the pre-tax amount multiplied by the applicable tax rate. The applicable tax rates reflect the taxable jurisdiction and nature of each Special item.

Segment EBIT

EBIT and Adjusted EBIT Reconciliation – Three Months Ended June 30, 2022

(In thousands)
(Unaudited)

	Americas Welding	International Welding	The Harris Products Group	Corporate / Eliminations	Consolidated
Three months ended June 30, 2022					
Net sales	$ 595,659	$ 236,629	$ 137,301	$ —	$ 969,589
Inter-segment sales	29,031	9,527	2,866	(41,424)	—
Total sales	$ 624,690	$ 246,156	$ 140,167	$ (41,424)	$ 969,589
Net income					$ 127,823
As a percent of total sales					13.2 %
EBIT [1]	$ 117,606	$ 34,855	$ 17,922	$ (3,984)	$ 166,399
As a percent of total sales	18.8 %	14.2 %	12.8 %		17.2 %
Special items charges (gains) [3]	461	154	—	—	615
Adjusted EBIT [2]	$ 118,067	$ 35,009	$ 17,922	$ (3,984)	$ 167,014
As a percent of total sales	18.9 %	14.2 %	12.8 %		17.2 %
Three months ended June 30, 2021					
Net sales	$ 457,468	$ 252,352	$ 116,634	$ —	$ 826,454
Inter-segment sales	39,765	6,897	2,284	(48,946)	—
Total sales	$ 497,233	$ 259,249	$ 118,918	$ (48,946)	$ 826,454
Net income					$ 96,105
As a percent of total sales					11.6 %
EBIT [1]	$ 82,484	$ 27,526	$ 18,212	$ (4,698)	$ 123,524
As a percent of total sales	16.6 %	10.6 %	15.3 %		14.9 %
Special items charges (gains) [4]	1,650	2,471	—	810	4,931
Adjusted EBIT [2]	$ 84,134	$ 29,997	$ 18,212	$ (3,888)	$ 128,455
As a percent of total sales	16.9 %	11.6 %	15.3 %		15.5 %

Please see the following slide for corresponding footnotes

Non-GAAP Financial Measures

(continued)

Footnotes for EBIT and Adjusted EBIT Reconciliation – Three Months Ended June 30, 2022

1. EBIT is defined as Operating income plus Other income (expense).
2. The primary profit measure used by management to assess segment performance is Adjusted EBIT. EBIT for each operating segment is adjusted for special items to derive Adjusted EBIT.
3. Special items in 2022 primarily reflect the amortization of step up in value of acquired inventories of $1,459 in Americas Welding related to an acquisition and Rationalization and asset impairment net gains of $998 in Americas Welding and net charges of $154 in International Welding.
4. Special items in 2021 reflect Rationalization and asset impairment charges of $630 in International Welding, pension settlement charges of $1,650 in Americas Welding, amortization of step up in value of acquired inventories of $1,841 in International Welding and acquisition transaction costs of $810 in Corporate/Eliminations.