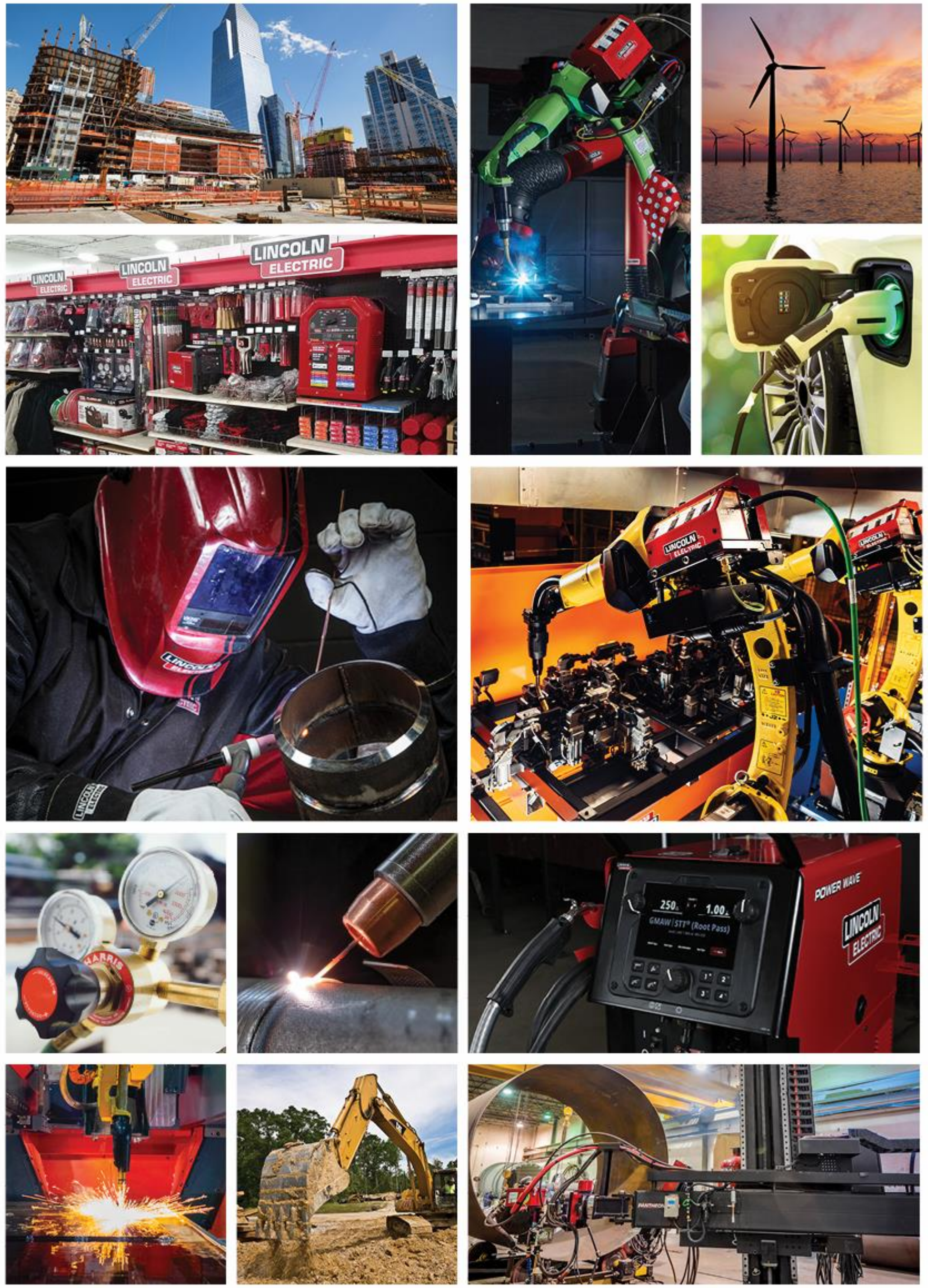
October 27, 2022

LINCOLN ELECTRIC HOLDINGS, INC.

Q3 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.

Q3 2022 Highlights:

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

$935.2M

Record Q3 sales of $935.2 million, +16% vs. prior year; Organic sales +21%

28.7%

Record Adjusted ROIC of 28.7%; +590 bps vs. prior year

16.4%

Record Q3 Adjusted Operating Income Margin +120 bps to 16.4%

$130.3M

Cash flow from operations of $130.3 million; +19% vs. prior year

$2.04

Record Q3 Adjusted EPS of $2.04, +31% vs. prior year

$59M

Returned $59.0 million to shareholders (dividends and share repurchases)

Continued Q3 Organic Sales Momentum

Q3 Organic sales increased 21% with a high backlog position

All product areas & segments grew

Automation up low-40 percent

Consumables up mid-20 percent

Equipment up mid single-digit percent

Q3 global end sector performance[1]

All end market sectors grew

Automotive/Transportation up 40 percent

Energy up 20 percent

Heavy Industries up mid-teens percent

General Industries and Construction/Infrastructure up low double-digit percent

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

Income Statement – Q3 2022

$ in Millions	Q3 2022	% of Sales	Q3 2021	% of Sales	YoY % Change *Fav/ (Unfav)*
Net Sales	$ 935.2		$ 806.5		16.0%
Gross Profit	309.5	33.1%	268.2	33.3%	15.4%
SG&A	159.0	17.0%	149.1	18.5%	(6.7)%
Operating Income	142.1	15.2%	115.6	14.3%	23.0%
Special item charges[1,2]	11.1	1.2%	7.2	0.9%	54.4%
Adjusted Operating Income[1]	$ 153.2	16.4%	$ 122.7	15.2%	24.8%
Interest Expense, net[3]	8.2	0.9%	5.7	0.7%	(43.7)%
Effective Tax Rate	20.6 %		17.3 %		(330) bps
Adjusted Effective Tax Rate[4]	19.5 %		21.3 %		180 bps
Net Income	$ 109.2	11.7%	$ 31.8	3.9%	243.9%
Special Items[5]	10.3	1.1%	62.0	7.7%	83.3%
Adjusted Net Income[1]	$ 119.6	12.8%	$ 93.8	11.6%	27.5%
Diluted EPS	$ 1.87		$ 0.53		252.8%
Adjusted Diluted EPS[1]	$ 2.04		1.56		30.8%

Q3 2022 SALES MIX[6]

Volume	8.8%	**Price**	12.5%	**Acq/Div**	1.3%	**FX**	(6.6)%
TOTAL	**16.0%**						

[1] Please review the appendix for reconciliation of non-GAAP measures.
[2] Q3 Special items include Rationalization and asset impairment charges of $8.4 million, Acquisition transaction costs of $3.1 million and Amortization of step in value of acquired inventories of $0.4 million in 2022. This compares with $3.5 million, $0 million and $3.7 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] Q3 Adjusted effective tax rate reflects a favorable adjustment of 1.1% in 2022 and an unfavorable adjustment of 4.0% in 2021 from special items.
[5] Q3 Special items include the charges noted in footnote 2 and a $0.7 million tax effect of Special items in 2022 and a $73.6 million pension settlement charge and $18.7 million tax effect of Special items in 2021.
[6] Figures may not sum due to rounding.

Americas Welding Segment

($ in Millions)	Q3 2022	Q3 2021	% YoY Change
Net Sales	$ 585.6	$ 461.5	26.9%
Adjusted EBIT	$ 118.8	$ 84.6	40.5%
Adjusted EBIT Margin[2]	19.1%	16.9%	+220 bps

Q3 2022 SALES MIX[1]							
Volume	11.4%	**Price**	15.1%	**Acq/Div**	1.0%	**FX**	(0.7)%
TOTAL	**26.9%**						

Volumes higher with growth across all end markets, led by consumables and automation.

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)	Q3 2022	Q3 2021	% YoY Change
Net Sales	$ 216.5	$ 227.2	(4.7)%
Adjusted EBIT	$ 25.2	$ 29.0	(13.1)%
Adjusted EBIT Margin[2]	11.1%	12.4%	(130) bps

Q3 2022 SALES MIX[1]							
Volume	2.4%	**Price**	13.8%	**Acq/Div**	-	**FX**	(21.0)%
TOTAL	(4.7)%						

Higher volumes led by European growth, partially offset by China weakness.

Price primarily reflects benefits of prior pricing actions taken to mitigate inflation & FX.

FX reflects the weakening Euro and Turkish Lira.

Margin decline reflects timing of pricing actions and product mix.

[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)	Q3 2022	Q3 2021	% YoY Change
Net Sales	$ 133.1	$ 117.8	13.0%
Adjusted EBIT	$ 14.4	$ 16.0	(9.7)%
Adjusted EBIT Margin[2]	10.6%	13.3%	(270) bps

Q3 2022 SALES MIX[1]							
Volume	11.1%	**Price**	(0.5)%	**Acq/Div**	4.7%	**FX**	(2.3)%
TOTAL	**13.0%**						

Volumes increase on specialty gas demand and backorder fulfillment in HVAC; partially offset by weak retail channel.

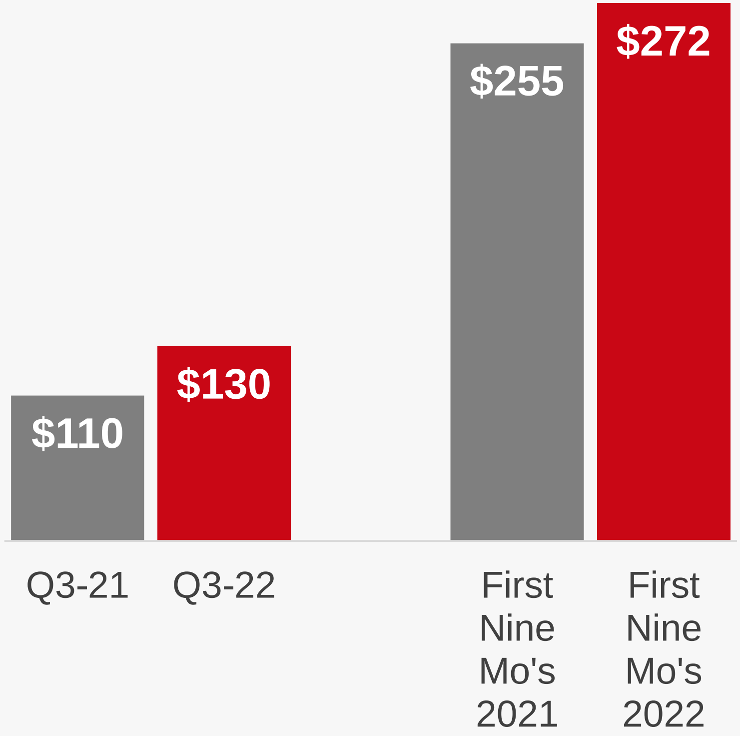
Price reflects lower metals pricing.

Margin decline reflects reduced price in certain metals offerings and lower operating leverage.

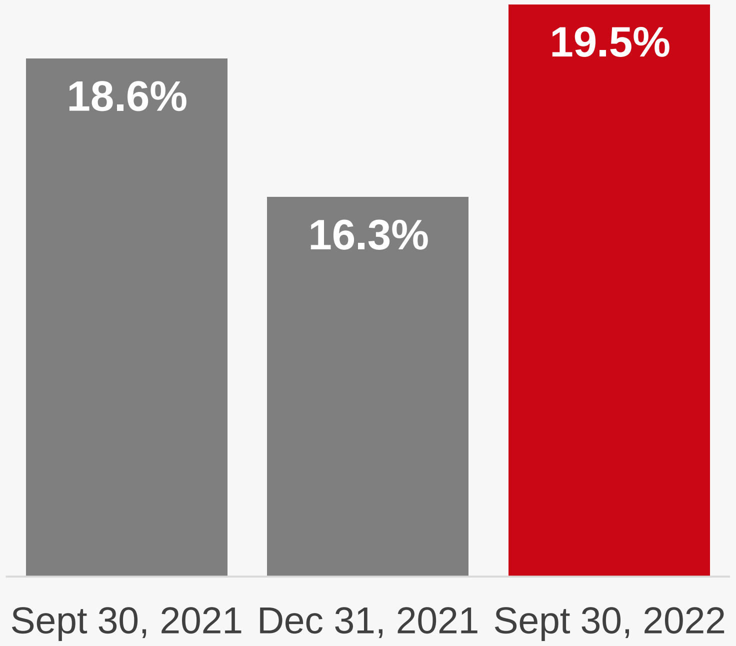
[1] Figures may not sum due to rounding
[2] Adjusted EBIT Margin is calculated using Total Sales, which includes Inter-segment sales.

Cash Flow From Operations Metrics

Cash Flow from Operations
($ in Millions)



Average Operating Working Capital to Net Sales Ratio



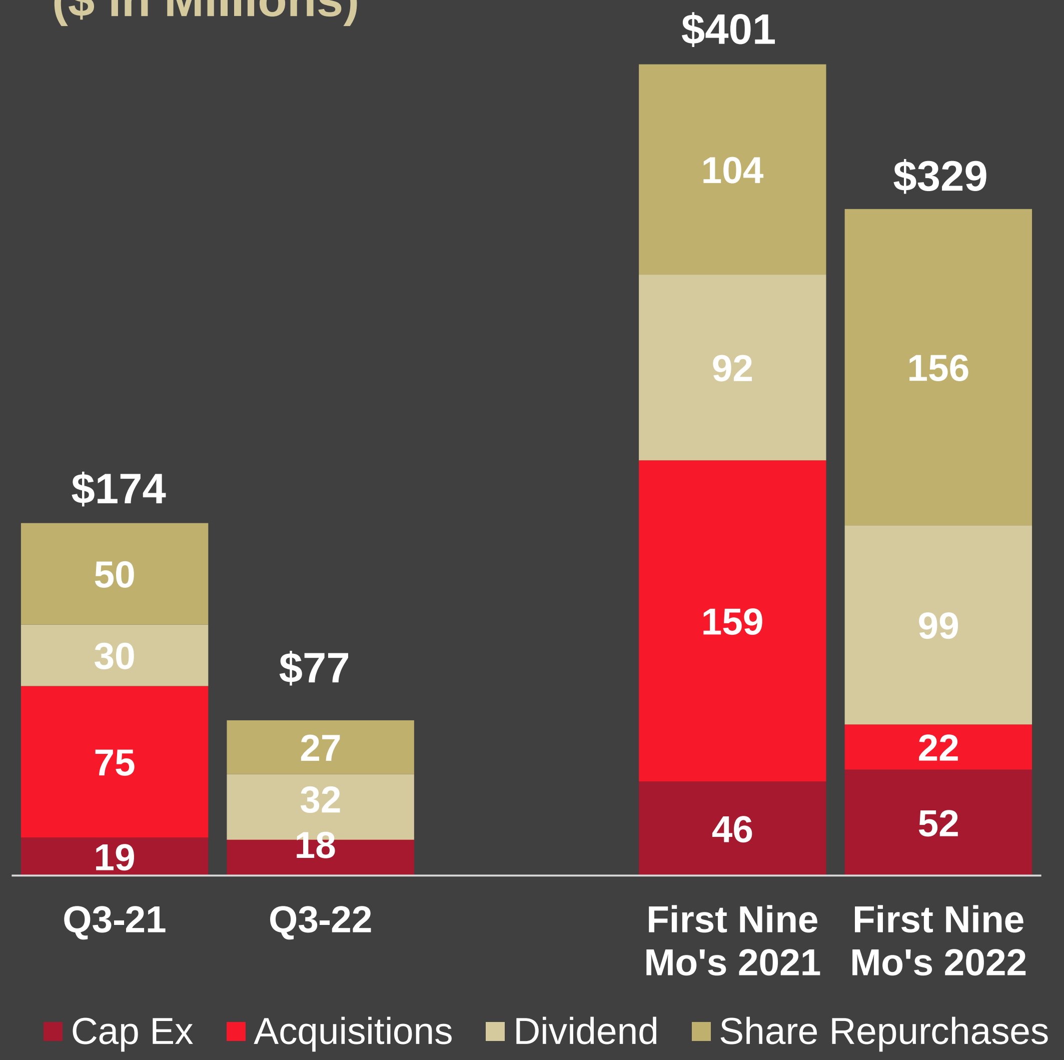
94% cash conversion[1] in Q3

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

[1]Cash conversion is defined as Net cash provided by operating activities *less* Capital expenditures *divided by* Adjusted Net income.

Capital Allocation[1]

($ in Millions)



[1] Figures may not sum due to rounding

[2] Adjusted Return on Invested Capital. Please refer to the appendix for reconciliation of Non-GAAP metrics.

LINCOLN ELECTRIC

Q3 Capital Allocation & Returns

- **Growth**: $18 million
- **Return to Shareholders**: $59 million
- **Dividend Rate**: +9.8%
- **Record Return on Invested Capital**[2]: 28.7%

Capital Allocation Outlook

Prioritized uses of cash:

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

Full Year 2022 Assumptions

Tracking to high end of the organic sales and incremental margin range on record year-to-date 2022 performance

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 (energy, raw materials & labor)

Regional recessions

COVID pandemic shutdowns

Fori Automation, Inc. Definitive Agreement

Transaction Would Accelerate Automation Growth Strategy

- Fori Automation, Inc. is a privately held automation engineering firm headquartered in Michigan with presence in 7 countries
- $225 million Fori sales increases our automation annualized sales to $850+ million
- Expands our automation engineering capabilities with large-scale automated welding, assembly, and material handling systems, as well as end of line testing solutions
- Extends automation's geographic footprint to India and South Korea
- Fori has comparable low double-digit percent Adjusted EBIT margins to our automation portfolio

Large-scale automated welding systems

Module assembly system

Industrial-size automated guided vehicles (AGVs)

Photos courtesy of Fori Automation, Inc.

Fori Automation, Inc. Definitive Agreement

Transaction Terms Expected to Generate Value

- $427 million cash purchase price
- Transaction EBITDA multiple of 9.3x with synergies
- Expected to be accretive to EPS by $0.12 to $0.15 in the first full year reflecting integration costs and interest expense; increasing to $0.24 to $0.30 in 2025
- To be funded with available cash and a proposed $400 million term loan
- Borrowings would increase annual interest expense by $15 to $20 million
- Increases gross debt:ebitda leverage ratio to 1.63x

End of line testing systems

Industrial-size automated guided vehicles (AGVs)

Photos courtesy of Fori Automation, Inc.

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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 Adjusted 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 September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Operating income as reported	$ 142,109	$ 115,570	$ 470,848	$ 341,320
Special items (pre-tax):				
Rationalization and asset impairment charges [2]	8,364	3,484	9,405	8,277
Acquisition transaction costs [3]	3,068	—	3,068	1,923
Amortization of step up in value of acquired inventories [4]	(353)	3,690	1,106	5,531
Adjusted operating income [1]	$ 153,188	$ 122,744	$ 484,427	$ 357,051
As a percent of total sales	16.4 %	15.2 %	17.1 %	14.9 %
Net income as reported	$ 109,225	$ 31,757	$ 363,078	$ 202,039
Special items:				
Rationalization and asset impairment charges [2]	8,364	3,484	9,405	8,277
Acquisition transaction costs [3]	3,068	—	3,068	1,923
Pension charges and other net gains [5]	—	73,562	(4,273)	80,098
Amortization of step up in value of acquired inventories [4]	(353)	3,690	1,106	5,531
Tax effect of Special items [6]	(731)	(18,743)	58	(20,737)
Adjusted net income [1]	119,573	93,750	372,442	277,131
Non-controlling interests in subsidiaries' income (loss)	—	—	—	131
Interest expense, net	8,210	5,714	20,867	16,736
Income taxes as reported	28,262	6,658	93,991	51,259
Tax effect of Special items [6]	731	18,743	(58)	20,737
Adjusted EBIT [1]	$ 156,776	$ 124,865	$ 487,242	$ 365,994
Effective tax rate as reported	20.6 %	17.3 %	20.6 %	20.2 %
Net special item tax impact	(1.1)%	4.0 %	(0.5)%	0.4 %
Adjusted effective tax rate [1]	19.5 %	21.3 %	20.1 %	20.6 %
Diluted earnings per share as reported	$ 1.87	$ 0.53	$ 6.17	$ 3.36
Special items per share	0.17	1.03	0.16	1.25
Adjusted diluted earnings per share [1]	$ 2.04	$ 1.56	$ 6.33	$ 4.61
Weighted average shares (diluted)	58,526	60,055	58,815	60,168

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. 2022 charges are primarily related to non-cash asset impairment charges. 2021 charges are primarily related to severance, gains or losses on the disposal of assets.
3. Related to the contemplated acquisition 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

Adjusted Return on Invested Capital (ROIC)

(In thousands)
(Unaudited)

Return on Invested Capital	Twelve Months Ended September 30, 2022	Twelve Months Ended September 30, 2021
Net income as reported	$ 437,505	$ 267,117
Plus: Interest expense (after-tax)	20,732	17,520
Less: Interest income (after-tax)	1,019	1,193
Net operating profit after taxes	$ 457,218	$ 283,444
Special Items:		
Rationalization and asset impairment charges	10,955	17,729
Acquisition transaction costs	3,068	1,923
Pension settlement charges	42,131	81,695
Amortization of step up in value of acquired inventories	1,379	5,531
Tax effect of Special items (2)	(26,393)	(21,868)
Adjusted net operating profit after taxes (1)	$ 488,358	$ 368,454

Invested Capital	September 30, 2022	September 30, 2021
Short-term debt	$ 68,375	$ 41,404
Long-term debt, less current portion	711,250	717,787
Total debt	779,625	759,191
Total equity	924,228	857,893
Invested capital	$ 1,703,853	$ 1,617,084
Return on invested capital as reported	26.8 %	17.5 %
Adjusted return on invested capital (1)	28.7 %	22.8 %

1. Adjusted net operating profit after taxes and Adjusted ROIC 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 September 30, 2022

(In thousands)
(Unaudited)

	Americas Welding	International Welding	The Harris Products Group	Corporate / Eliminations	Consolidated
Three months ended September 30, 2022					
Net sales	$ 585,628	$ 216,497	$ 133,115	$ —	$ 935,240
Inter-segment sales	35,353	9,994	2,642	(47,989)	—
Total sales	$ 620,981	$ 226,491	$ 135,757	$ (47,989)	$ 935,240
Net income					$ 109,225
As a percent of total sales					11.7 %
EBIT (1)	$ 119,157	$ 16,861	$ 14,432	$ (4,753)	$ 145,697
As a percent of total sales	19.2 %	7.4 %	10.6 %		15.6 %
Special items charges (gains) (3)	(353)	8,364	—	3,068	11,079
Adjusted EBIT (2)	$ 118,804	$ 25,225	$ 14,432	$ (1,685)	$ 156,776
As a percent of total sales	19.1 %	11.1 %	10.6 %		16.8 %
Three months ended September 30, 2021					
Net sales	$ 461,508	$ 227,165	$ 117,781	$ —	$ 806,454
Inter-segment sales	37,480	7,078	1,945	(46,503)	—
Total sales	$ 498,988	$ 234,243	$ 119,726	$ (46,503)	$ 806,454
Net income					$ 31,757
As a percent of total sales					3.9 %
EBIT (1)	$ 10,983	$ 22,417	$ 15,433	$ (4,704)	$ 44,129
As a percent of total sales	2.2 %	9.6 %	12.9 %		5.5 %
Special items charges (gains) (4)	73,574	6,615	547	—	80,736
Adjusted EBIT (2)	$ 84,557	$ 29,032	$ 15,980	$ (4,704)	$ 124,865
As a percent of total sales	16.9 %	12.4 %	13.3 %		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 September 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 an adjustment to the amortization of step up in value of acquired inventories of $353 in Americas Welding related to an acquisition, Rationalization and asset impairment charges of $8,364 in International Welding and acquisition transaction costs of $3,068 in Corporate/Eliminations related to the contemplated acquisition.
4. Special items in 2021 reflect Rationalization and asset impairment charges of $3,484 primarily in International Welding, pension settlement charges of $73,562 in Americas Welding and amortization of step up in value of acquired inventories of $3,143 and $547 in International Welding and The Harris Products Group, respectively, related to acquisitions.