



LINCOLN ELECTRIC HOLDINGS, INC.

22801 Saint Clair Avenue • Cleveland, Ohio 44117 • U.S.A.

NEWS RELEASE

LINCOLN ELECTRIC REPORTS SECOND QUARTER 2025 RESULTS

Second Quarter 2025 Highlights

- Net sales of \$1,089 million
- Operating income margin of 17.6%; Adjusted operating income margin of 17.9%
- EPS of \$2.56; Adjusted EPS of \$2.60
- Cash flows from operations of \$144 million
- Returned \$169 million to shareholders through dividends and share repurchases

CLEVELAND, Thursday, July 31, 2025 - Lincoln Electric Holdings, Inc. (the "Company") (Nasdaq: LECO) today reported second quarter 2025 net income of \$143.4 million, or diluted earnings per share (EPS) of \$2.56, which includes special item after-tax net charges of \$2.2 million, or \$0.04 EPS. This compares with prior year period net income of \$101.7 million, or \$1.77 EPS, which included special item after-tax net charges of \$32.6 million, or \$0.57 EPS. Excluding special items, second quarter 2025 adjusted net income was \$145.6 million, or \$2.60 adjusted EPS. This compares with adjusted net income of \$134.3 million, or \$2.34 adjusted EPS, in the prior year period.

Second quarter 2025 sales increased 6.6% to \$1,088.7 million reflecting a 2.9% increase in organic sales and 3.0% benefit from acquisitions. Operating income for the second quarter 2025 was \$192.1 million, or 17.6% of sales. This compares with operating income of \$148.8 million, or 14.6% of sales, in the prior year period. Excluding special items, adjusted operating income was \$195.1 million, or 17.9% of sales, as compared with \$177.6 million, or 17.4% of sales, in the prior year period.

"I am pleased to report solid second quarter results, which demonstrate how we are effectively managing the business in a dynamic operating environment while positioning for long-term growth and margin expansion," said Steven B. Hedlund, Chair, President and Chief Executive Officer. "With the progression of the business, our operating agility and strong cash generation, we are well positioned to continue to create value for our shareholders through the cycle."

Six Months 2025 Summary

Net income for the six months ended June 30, 2025 was \$261.9 million, or \$4.66 EPS, which includes special item after-tax net charges of \$5.6 million, or \$0.10 EPS. This compares with prior year period net income of \$225.1 million, or \$3.91 EPS, which included special item after-tax net charges of \$37.8 million, or \$0.66 EPS. Excluding special items, adjusted net income for the six months ended June 30, 2025 was \$267.5 million, or \$4.76 EPS. This compares with adjusted net income of \$262.9 million, or \$4.57 adjusted EPS, in the prior year period.

Sales increased 4.5% to \$2,093.1 million in the six months ended June 30, 2025 primarily reflecting a 0.8% increase in organic sales and 3.9% benefit from acquisitions. Operating income for the six months ended June 30, 2025 was \$357.1 million, or 17.1% of sales. This compares with operating income of \$313.9 million, or 15.7% of sales, in the prior year period. Excluding special items, adjusted operating income was \$364.6 million, or 17.4% of sales, as compared with \$349.0 million, or 17.4% of sales, in the prior year period.

Other Matters

The Company has entered into an agreement to acquire the remaining 65% of Alloy Steel Australia (Int) Pty Ltd. ("Alloy Steel"), for approximately \$90 million, which is expected to close on August 1, 2025, subject to the satisfaction of customary closing conditions. This transaction will result in the full ownership of Alloy Steel following the Company's April 1, 2025, acquisition of a 35% ownership interest. Alloy Steel supplies proprietary technology, engineering services and digital monitoring to the mining sector. Alloy Steel has annual revenues of approximately

\$50 million and their results will be reported in the International Welding segment. The acquisition is expected to be accretive to Company earnings, excluding transaction costs, at approximately \$0.13 to \$0.15 per diluted common share on an annual basis.

Webcast Information

A conference call to discuss second quarter 2025 financial results will be webcast live today, July 31, 2025, at 10:00 a.m., Eastern Time. Those interested in participating via webcast in listen-only mode can access the event [here](#) or on the Company's [Investor Relations](#) home page at <https://ir.lincolnelectric.com>. For participants who would like to participate via telephone, please dial (888) 440-4368 (domestic) or (646) 960-0856 (international) and use confirmation code 6709091. A replay of the earnings call will be available via webcast on the Company's [website](#).

About Lincoln Electric

Lincoln Electric is the world leader in the engineering, design, and manufacturing of advanced arc welding solutions, automated joining, assembly and cutting systems, plasma and oxy-fuel cutting equipment, and has a leading global position in brazing and soldering alloys. Lincoln is recognized as the Welding Expert[™] for its leading materials science, software development, automation engineering, and application expertise, which advance customers' fabrication capabilities to help them build a better world. Headquartered in Cleveland, Ohio, Lincoln operates 71 manufacturing and automation system integration locations across 20 countries and maintains a worldwide network of distributors and sales offices serving customers in over 160 countries. For more information about Lincoln Electric and its products and services, visit the Company's website at <https://www.lincolnelectric.com>.

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, adjusted net operating profit after taxes and adjusted return on invested capital ("adjusted ROIC") 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.

Forward-Looking Statements

The Company's expectations and beliefs concerning the future contained in this news release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect management's current expectations and involve a number of risks and uncertainties. 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. Actual results may differ materially from such statements due to a variety of factors that could adversely affect the Company's operating results. The factors include, but are not limited to: general economic, financial and market conditions; the effectiveness of commercial and operating initiatives; the effectiveness of information systems and cybersecurity programs; presence of artificial intelligence technologies; completion of planned divestitures; interest rates; disruptions, uncertainty or volatility in the credit markets that may limit our access to capital; currency exchange rates and devaluations; adverse outcome of pending or potential litigation; actual costs of the Company's rationalization plans; the Company's ability to complete acquisitions, including the Company's ability to successfully integrate acquisitions; market risks and price fluctuations related to the purchase of commodities and energy; global regulatory complexity; the effects of changes in tax law, including any changes from the new legislation implemented in the One Big Beautiful Bill Act; tariff rates in the countries where the Company conducts business; and the possible effects of events beyond our control, including but not limited to, the ongoing geopolitical conflicts, political unrest, acts of terror, natural disasters and pandemics on the Company or its customers, suppliers and the economy in general. For additional discussion, see "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 and on Form 10-Q for the quarter ended March 31, 2025.

Contact

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Lincoln Electric Holdings, Inc.
Financial Highlights
 (In thousands, except per share amounts)
 (Unaudited)

Consolidated Statements of Income

| | Three Months Ended June 30, | | | | Fav (Unfav) to Prior Year | |
|--|-----------------------------|------------|--------------|------------|---------------------------|---------|
| | 2025 | % of Sales | 2024 | % of Sales | \$ | % |
| Net sales | \$ 1,088,673 | 100.0 % | \$ 1,021,683 | 100.0 % | \$ 66,990 | 6.6 % |
| Cost of goods sold | 683,126 | 62.7 % | 637,870 | 62.4 % | (45,256) | (7.1)% |
| Gross profit | 405,547 | 37.3 % | 383,813 | 37.6 % | 21,734 | 5.7 % |
| Selling, general & administrative expenses | 210,861 | 19.4 % | 208,485 | 20.4 % | (2,376) | (1.1)% |
| Rationalization and asset impairment charges | 2,542 | 0.2 % | 26,490 | 2.6 % | 23,948 | 90.4 % |
| Operating income | 192,144 | 17.6 % | 148,838 | 14.6 % | 43,306 | 29.1 % |
| Interest expense, net | 12,619 | 1.2 % | 10,661 | 1.0 % | (1,958) | (18.4)% |
| Other income (expense) | 4,034 | 0.4 % | (1,553) | (0.2)% | 5,587 | 359.8 % |
| Income before income taxes | 183,559 | 16.9 % | 136,624 | 13.4 % | 46,935 | 34.4 % |
| Income taxes | 40,163 | 3.7 % | 34,916 | 3.4 % | (5,247) | (15.0)% |
| Effective tax rate | 21.9 % | | 25.6 % | | 3.7 % | |
| Net income | \$ 143,396 | 13.2 % | \$ 101,708 | 10.0 % | \$ 41,688 | 41.0 % |
| Basic earnings per share | \$ 2.58 | | \$ 1.79 | | \$ 0.79 | 44.1 % |
| Diluted earnings per share | \$ 2.56 | | \$ 1.77 | | \$ 0.79 | 44.6 % |
| Weighted average shares (basic) | 55,545 | | 56,816 | | | |
| Weighted average shares (diluted) | 55,968 | | 57,366 | | | |

| | Six Months Ended June 30, | | | | Fav (Unfav) to Prior Year | |
|--|---------------------------|------------|--------------|------------|---------------------------|---------|
| | 2025 | % of Sales | 2024 | % of Sales | \$ | % |
| Net sales | \$ 2,093,061 | 100.0 % | \$ 2,002,880 | 100.0 % | \$ 90,181 | 4.5 % |
| Cost of goods sold | 1,322,066 | 63.2 % | 1,250,668 | 62.4 % | (71,398) | (5.7)% |
| Gross profit | 770,995 | 36.8 % | 752,212 | 37.6 % | 18,783 | 2.5 % |
| Selling, general & administrative expenses | 407,526 | 19.5 % | 407,232 | 20.3 % | (294) | (0.1)% |
| Rationalization and asset impairment charges | 6,407 | 0.3 % | 31,095 | 1.6 % | 24,688 | 79.4 % |
| Operating income | 357,062 | 17.1 % | 313,885 | 15.7 % | 43,177 | 13.8 % |
| Interest expense, net | 24,746 | 1.2 % | 19,440 | 1.0 % | (5,306) | (27.3)% |
| Other income | 4,478 | 0.2 % | 709 | — | 3,769 | 531.6 % |
| Income before income taxes | 336,794 | 16.1 % | 295,154 | 14.7 % | 41,640 | 14.1 % |
| Income taxes | 74,911 | 3.6 % | 70,031 | 3.5 % | (4,880) | (7.0)% |
| Effective tax rate | 22.2 % | | 23.7 % | | 1.5 % | |
| Net income | \$ 261,883 | 12.5 % | \$ 225,123 | 11.2 % | \$ 36,760 | 16.3 % |
| Basic earnings per share | \$ 4.69 | | \$ 3.96 | | \$ 0.73 | 18.4 % |
| Diluted earnings per share | \$ 4.66 | | \$ 3.91 | | \$ 0.75 | 19.2 % |
| Weighted average shares (basic) | 55,801 | | 56,841 | | | |
| Weighted average shares (diluted) | 56,242 | | 57,505 | | | |

Lincoln Electric Holdings, Inc.
 Financial Highlights
 (In thousands)
 (Unaudited)

Balance Sheet Highlights

| Selected Consolidated Balance Sheet Data | June 30, 2025 | December 31, 2024 |
|---|----------------------|--------------------------|
| Cash and cash equivalents | \$ 299,481 | \$ 377,262 |
| Accounts receivable, net | 554,277 | 481,979 |
| Inventories | 621,440 | 544,037 |
| Total current assets | 1,725,226 | 1,645,281 |
| Property, plant and equipment, net | 660,672 | 619,181 |
| Total assets | 3,727,369 | 3,520,142 |
| Trade accounts payable | 375,833 | 296,590 |
| Total current liabilities ⁽¹⁾ | 1,025,239 | 878,802 |
| Long-term debt, less current portion | 1,150,395 | 1,150,551 |
| Total equity | 1,379,613 | 1,327,433 |
| Operating Working Capital | | |
| Average operating working capital to Net sales ⁽²⁾ | 18.4 % | 16.9 % |
| Invested Capital | | |
| Short-term debt ⁽¹⁾ | \$ 105,323 | \$ 110,524 |
| Long-term debt, less current portion | 1,150,395 | 1,150,551 |
| Total debt | 1,255,718 | 1,261,075 |
| Total equity | 1,379,613 | 1,327,433 |
| Invested capital | \$ 2,635,331 | \$ 2,588,508 |
| Total debt / invested capital | 47.6 % | 48.7 % |

(1) Includes current portion of long-term debt.

(2) Average operating working capital to Net sales is defined as the sum of Accounts receivable, Inventories and contract assets less Trade accounts payable and contract liabilities as of period end divided by annualized rolling three months of Net sales.

Lincoln Electric Holdings, Inc.
Financial Highlights
 (In thousands, except per share amounts)
 (Unaudited)

Non-GAAP Financial Measures

| | <u>Three Months Ended June 30,</u> | | <u>Six Months Ended June 30,</u> | |
|---|------------------------------------|-------------|----------------------------------|-------------|
| | <u>2025</u> | <u>2024</u> | <u>2025</u> | <u>2024</u> |
| Operating income as reported | \$ 192,144 | \$ 148,838 | \$ 357,062 | \$ 313,885 |
| Special items (pre-tax): | | | | |
| Rationalization and asset impairment charges ⁽²⁾ | 2,542 | 26,490 | 6,407 | 31,095 |
| Acquisition transaction costs ⁽³⁾ | 429 | 2,182 | 1,231 | 3,944 |
| Amortization of step up in value of acquired inventories ⁽⁴⁾ | — | 112 | (140) | 112 |
| Adjusted operating income ⁽¹⁾ | \$ 195,115 | \$ 177,622 | \$ 364,560 | \$ 349,036 |
| As a percent of net sales | 17.9 % | 17.4 % | 17.4 % | 17.4 % |
| Net income as reported | \$ 143,396 | \$ 101,708 | \$ 261,883 | \$ 225,123 |
| Special items: | | | | |
| Rationalization and asset impairment charges ⁽²⁾ | 2,542 | 26,490 | 6,407 | 31,095 |
| Acquisition transaction costs ⁽³⁾ | 429 | 2,182 | 1,231 | 3,944 |
| Amortization of step up in value of acquired inventories ⁽⁴⁾ | — | 112 | (140) | 112 |
| Loss on asset disposal ⁽⁵⁾ | — | 4,950 | — | 4,950 |
| Tax effect of Special items ⁽⁶⁾ | (755) | (1,182) | (1,913) | (2,308) |
| Adjusted net income ⁽¹⁾ | 145,612 | 134,260 | 267,468 | 262,916 |
| Interest expense, net | 12,619 | 10,661 | 24,746 | 19,440 |
| Income taxes as reported | 40,163 | 34,916 | 74,911 | 70,031 |
| Tax effect of Special items ⁽⁶⁾ | 755 | 1,182 | 1,913 | 2,308 |
| Adjusted EBIT ⁽¹⁾ | \$ 199,149 | \$ 181,019 | \$ 369,038 | \$ 354,695 |
| Effective tax rate as reported | 21.9 % | 25.6 % | 22.2 % | 23.7 % |
| Net special item tax impact | 0.0 % | (4.4)% | 0.1 % | (2.1)% |
| Adjusted effective tax rate ⁽¹⁾ | 21.9 % | 21.2 % | 22.3 % | 21.6 % |
| Diluted earnings per share as reported | \$ 2.56 | \$ 1.77 | \$ 4.66 | \$ 3.91 |
| Special items per share | 0.04 | 0.57 | 0.10 | 0.66 |
| Adjusted diluted earnings per share ⁽¹⁾ | \$ 2.60 | \$ 2.34 | \$ 4.76 | \$ 4.57 |
| Weighted average shares (diluted) | 55,968 | 57,366 | 56,242 | 57,505 |

- (1) Adjusted operating income, adjusted net income, adjusted EBIT, adjusted effective tax rate and adjusted diluted EPS are non-GAAP financial measures. Refer to Non-GAAP Information section.
- (2) 2025 charges primarily relate to rationalization plans initiated in Americas Welding and International Welding. 2024 charges primarily relate to rationalization plans initiated within International Welding and the Harris Products Group.
- (3) Transaction costs related to acquisitions which are included in Selling, general & administrative expenses.
- (4) Costs related to acquisitions which are included in Cost of goods sold.
- (5) Loss on asset disposal 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.

Lincoln Electric Holdings, Inc.
Financial Highlights
(In thousands, except per share amounts)
(Unaudited)

Non-GAAP Financial Measures

| | Twelve Months Ended June 30, | |
|--|-------------------------------------|----------------------|
| | 2025 | 2024 |
| Return on Invested Capital | | |
| Net income as reported | \$ 502,868 | \$ 511,110 |
| Plus: Interest expense (after-tax) | 42,688 | 36,607 |
| Less: Interest income (after-tax) | 6,636 | 7,654 |
| Net operating profit after taxes | \$ 538,920 | \$ 540,063 |
| Special Items: | | |
| Rationalization and asset impairment charges | 31,172 | 16,237 |
| Acquisition transaction costs | 4,332 | 3,944 |
| Pension settlement charges | 3,792 | 845 |
| Amortization of step up in value of acquired inventories | 4,771 | 4,964 |
| Loss on asset disposal | — | 4,950 |
| Tax effect of Special items ⁽²⁾ | (11,118) | 2,357 |
| Adjusted net operating profit after taxes ⁽¹⁾ | \$ 571,869 | \$ 573,360 |
| Invested Capital | June 30, 2025 | June 30, 2024 |
| Short-term debt | \$ 105,323 | \$ 6,254 |
| Long-term debt, less current portion | 1,150,395 | 1,098,430 |
| Total debt | 1,255,718 | 1,104,684 |
| Total equity | 1,379,613 | 1,312,906 |
| Invested capital | \$ 2,635,331 | \$ 2,417,590 |
| Return on invested capital as reported | 20.4 % | 22.3 % |
| Adjusted return on invested capital ⁽¹⁾ | 21.7 % | 23.7 % |

(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.

Lincoln Electric Holdings, Inc.
Financial Highlights
 (In thousands, except per share amounts)
 (Unaudited)

Condensed Consolidated Statements of Cash Flows

| | Three Months Ended June 30, | |
|---|------------------------------------|------------------|
| | 2025 | 2024 |
| OPERATING ACTIVITIES: | | |
| Net income | \$ 143,396 | \$ 101,708 |
| Adjustments to reconcile Net income to Net cash provided by operating activities: | | |
| Rationalization and asset impairment net charges | 675 | 23,687 |
| Depreciation and amortization | 24,462 | 20,865 |
| Other non-cash items, net | (17,715) | 4,589 |
| Changes in operating assets and liabilities, net of effects from acquisitions: | | |
| Increase in accounts receivable | (18,100) | (4,881) |
| Increase in inventories | (27,481) | (18,210) |
| Increase in other current assets | (5,465) | (8,484) |
| Decrease in trade accounts payable | 3,208 | 24,999 |
| Decrease in other current liabilities | 47,373 | 3,029 |
| Net change in other long-term assets and liabilities | (6,525) | 23,385 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 143,828 | 170,687 |
| INVESTING ACTIVITIES: | | |
| Capital expenditures | (25,443) | (23,139) |
| Acquisition of businesses, net of cash acquired | (32,309) | (152,654) |
| Proceeds from sale of property, plant and equipment | 585 | 987 |
| NET CASH USED BY INVESTING ACTIVITIES | (57,167) | (174,806) |
| FINANCING ACTIVITIES: | | |
| Payments on short-term borrowings | (4,302) | (2,594) |
| Proceeds from long-term borrowings | — | 400,000 |
| Payments on long-term borrowings | — | (400,170) |
| Proceeds from exercise of stock options | 140 | 543 |
| Purchase of shares for treasury | (127,130) | (50,415) |
| Cash dividends paid to shareholders | (41,929) | (40,416) |
| NET CASH USED BY FINANCING ACTIVITIES | (173,221) | (93,052) |
| Effect of exchange rate changes on Cash and cash equivalents | (8,664) | (5,135) |
| DECREASE IN CASH AND CASH EQUIVALENTS | (95,224) | (102,306) |
| Cash and cash equivalents at beginning of period | 394,705 | 374,978 |
| Cash and cash equivalents at end of period | \$ 299,481 | \$ 272,672 |
| Cash dividends paid per share | \$ 0.75 | \$ 0.71 |

Lincoln Electric Holdings, Inc.
Financial Highlights
 (In thousands, except per share amounts)
 (Unaudited)

Condensed Consolidated Statements of Cash Flows

| | Six Months Ended June 30, | |
|---|----------------------------------|-------------------|
| | 2025 | 2024 |
| OPERATING ACTIVITIES: | | |
| Net income | \$ 261,883 | \$ 225,123 |
| Adjustments to reconcile Net income to Net cash provided by operating activities: | | |
| Rationalization and asset impairment net charges | 675 | 23,751 |
| Depreciation and amortization | 48,246 | 42,451 |
| Other non-cash items, net | (14,919) | 16,535 |
| Changes in operating assets and liabilities, net of effects from acquisitions: | | |
| Increase in accounts receivable | (52,208) | (14,484) |
| Increase in inventories | (47,648) | (27,626) |
| Increase in other current assets | (3,408) | (5,153) |
| Increase in trade accounts payable | 68,092 | 28,956 |
| Increase (decrease) in other current liabilities | 68,579 | (5,092) |
| Net change in other long-term assets and liabilities | 229 | 19,520 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 329,521 | 303,981 |
| INVESTING ACTIVITIES: | | |
| Capital expenditures | (52,392) | (49,395) |
| Acquisition of businesses, net of cash acquired | (32,309) | (152,654) |
| Proceeds from sale of property, plant and equipment | 5,231 | 1,303 |
| NET CASH USED BY INVESTING ACTIVITIES | (79,470) | (200,746) |
| FINANCING ACTIVITIES: | | |
| Payments on short-term borrowings | (5,206) | (578) |
| Proceeds from long-term borrowings | — | 400,000 |
| Payments on long-term borrowings | (169) | (400,339) |
| Proceeds from exercise of stock options | 6,394 | 24,981 |
| Purchase of shares for treasury | (233,824) | (160,820) |
| Cash dividends paid to shareholders | (84,904) | (81,696) |
| NET CASH USED BY FINANCING ACTIVITIES | (317,709) | (218,452) |
| Effect of exchange rate changes on Cash and cash equivalents | (10,123) | (5,898) |
| DECREASE IN CASH AND CASH EQUIVALENTS | (77,781) | (121,115) |
| Cash and cash equivalents at beginning of period | 377,262 | 393,787 |
| Cash and cash equivalents at end of period | <u>\$ 299,481</u> | <u>\$ 272,672</u> |
| Cash dividends paid per share | \$ 1.50 | \$ 1.42 |

Lincoln Electric Holdings, Inc.
Segment Highlights ⁽¹⁾
(In thousands)
(Unaudited)

| | Americas Welding | International Welding | The Harris Products Group | Corporate / Eliminations | Consolidated |
|---|-----------------------------|----------------------------------|--------------------------------------|-------------------------------------|---------------------|
| Three months ended June 30, 2025 | | | | | |
| Net sales | \$ 696,730 | \$ 232,824 | \$ 159,119 | \$ — | \$ 1,088,673 |
| Inter-segment sales | 43,391 | 7,641 | 5,110 | (56,142) | — |
| Total sales | <u>\$ 740,121</u> | <u>\$ 240,465</u> | <u>\$ 164,229</u> | <u>\$ (56,142)</u> | <u>\$ 1,088,673</u> |
| Net income | | | | | \$ 143,396 |
| As a percent of total sales | | | | | 13.2 % |
| EBIT ⁽¹⁾ | \$ 137,010 | \$ 28,999 | \$ 31,798 | \$ (1,629) | \$ 196,178 |
| As a percent of total sales | 18.5 % | 12.1 % | 19.4 % | | 18.0 % |
| Special items charges ⁽³⁾ | 905 | 1,551 | 86 | 429 | 2,971 |
| Adjusted EBIT ⁽²⁾ | <u>\$ 137,915</u> | <u>\$ 30,550</u> | <u>\$ 31,884</u> | <u>\$ (1,200)</u> | <u>\$ 199,149</u> |
| As a percent of total sales | 18.6 % | 12.7 % | 19.4 % | | 18.3 % |
| Three months ended June 30, 2024 | | | | | |
| Net sales | \$ 648,936 | \$ 238,758 | \$ 133,989 | \$ — | \$ 1,021,683 |
| Inter-segment sales | 37,800 | 8,849 | 3,272 | (49,921) | — |
| Total sales | <u>\$ 686,736</u> | <u>\$ 247,607</u> | <u>\$ 137,261</u> | <u>\$ (49,921)</u> | <u>\$ 1,021,683</u> |
| Net income | | | | | \$ 101,708 |
| As a percent of total sales | | | | | 10 % |
| EBIT ⁽¹⁾ | \$ 136,297 | \$ (5,525) | \$ 25,063 | \$ (8,550) | \$ 147,285 |
| As a percent of total sales | 19.8 % | (2.2)% | 18.3 % | | 14.4 % |
| Special items charges ⁽⁴⁾ | 354 | 31,234 | (140) | 2,286 | 33,734 |
| Adjusted EBIT ⁽²⁾ | <u>\$ 136,651</u> | <u>\$ 25,709</u> | <u>\$ 24,923</u> | <u>\$ (6,264)</u> | <u>\$ 181,019</u> |
| As a percent of total sales | 19.9 % | 10.4 % | 18.2 % | | 17.7 % |

(1) EBIT is defined as Operating income plus Other income.

(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 2025 primarily reflect Rationalization and asset impairments net charges of \$905 in Americas Welding, \$1,551 in International Welding and \$86 in Harris Products Group, as well as acquisition transaction costs of \$429 in Corporate/Eliminations.

Lincoln Electric Holdings, Inc.
Segment Highlights
 (In thousands)
 (Unaudited)

| | Americas Welding | International Welding | The Harris Products Group | Corporate / Eliminations | Consolidated |
|---------------------------------------|-----------------------------|----------------------------------|--------------------------------------|-------------------------------------|---------------------|
| Six months ended June 30, 2025 | | | | | |
| Net sales | \$ 1,349,837 | \$ 451,885 | \$ 291,339 | \$ — | \$ 2,093,061 |
| Inter-segment sales | 73,763 | 14,473 | 9,094 | (97,330) | — |
| Total sales | <u>\$ 1,423,600</u> | <u>\$ 466,358</u> | <u>\$ 300,433</u> | <u>\$ (97,330)</u> | <u>\$ 2,093,061</u> |
| Net income | | | | | \$ 261,883 |
| As a percent of total sales | | | | | 12.5 % |
| EBIT ⁽¹⁾ | \$ 259,073 | \$ 50,599 | \$ 55,949 | \$ (4,081) | \$ 361,540 |
| As a percent of total sales | 18.2 % | 10.8 % | 18.6 % | | 17.3 % |
| Special items charges ⁽³⁾ | 3,040 | 2,963 | 264 | 1,231 | 7,498 |
| Adjusted EBIT ⁽²⁾ | <u>\$ 262,113</u> | <u>\$ 53,562</u> | <u>\$ 56,213</u> | <u>\$ (2,850)</u> | <u>\$ 369,038</u> |
| As a percent of total sales | 18.4 % | 11.5 % | 18.7 % | | 17.6 % |
| Six months ended June 30, 2024 | | | | | |
| Net sales | \$ 1,273,035 | \$ 474,519 | \$ 255,326 | \$ — | \$ 2,002,880 |
| Inter-segment sales | 67,778 | 17,257 | 6,365 | (91,400) | — |
| Total sales | <u>\$ 1,340,813</u> | <u>\$ 491,776</u> | <u>\$ 261,691</u> | <u>\$ (91,400)</u> | <u>\$ 2,002,880</u> |
| Net income | | | | | \$ 225,123 |
| As a percent of total sales | | | | | 11.2 % |
| EBIT ⁽¹⁾ | \$ 272,396 | \$ 19,182 | \$ 43,406 | \$ (20,390) | \$ 314,594 |
| As a percent of total sales | 20.3 % | 3.9 % | 16.6 % | | 15.7 % |
| Special items charges ⁽⁴⁾ | 354 | 34,304 | 1,396 | 4,047 | 40,101 |
| Adjusted EBIT ⁽²⁾ | <u>\$ 272,750</u> | <u>\$ 53,486</u> | <u>\$ 44,802</u> | <u>\$ (16,343)</u> | <u>\$ 354,695</u> |
| As a percent of total sales | 20.3 % | 10.9 % | 17.1 % | | 17.7 % |

(1) EBIT is defined as Operating income plus Other income.

(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 2025 primarily reflect Rationalization and asset impairments net charges of \$3,040 in Americas Welding, \$3,103 in International Welding and \$264 in Harris Products Group, as well as acquisition transaction costs of \$1,231 in Corporate/Eliminations.

(4) Special items in 2024 primarily reflect rationalization net charges of \$29,354 in International Welding, primarily due to the impact of the Company's disposition of its Russian entity, and \$1,396 in the Harris Products Group, a loss on asset disposal of \$4,950 recorded to Other income (expense) in International Welding, and acquisition transaction costs of \$3,944 in Corporate/Eliminations.

Lincoln Electric Holdings, Inc.
Change in Net Sales by Segment
(In thousands)
(Unaudited)

Three Months Ended June 30th Change in Net Sales by Segment

| | Net Sales 2024 | Change in Net Sales due to: | | | | Net Sales 2025 |
|---------------------------|---------------------|-----------------------------|------------------|------------------|---------------------|---------------------|
| | | Volume | Price | Acquisitions | Foreign Exchange | |
| Operating Segments | | | | | | |
| Americas Welding | \$ 648,936 | \$ (22,346) | \$ 42,265 | \$ 30,192 | \$ (2,317) | \$ 696,730 |
| International Welding | 238,758 | (16,172) | 852 | 315 | 9,071 | 232,824 |
| The Harris Products Group | 133,989 | 14,671 | 9,858 | — | 601 | 159,119 |
| Consolidated | \$ 1,021,683 | \$ (23,847) | \$ 52,975 | \$ 30,507 | \$ 7,355 | \$ 1,088,673 |
| % Change | | | | | | |
| Americas Welding | | (3.4)% | 6.5 % | 4.7 % | (0.4)% | 7.4 % |
| International Welding | | (6.8)% | 0.4 % | 0.1 % | 3.8 % | (2.5)% |
| The Harris Products Group | | 11.0 % | 7.4 % | — | 0.4 % | 18.8 % |
| Consolidated | | (2.3)% | 5.2 % | 3.0 % | 0.7 % | 6.6 % |

Six Months Ended June 30th Change in Net Sales by Segment

| | Net Sales 2024 | Change in Net Sales due to: | | | | Net Sales 2025 |
|---------------------------|---------------------|-----------------------------|------------------|------------------|---------------------|---------------------|
| | | Volume | Price | Acquisitions | Foreign Exchange | |
| Operating Segments | | | | | | |
| Americas Welding | \$ 1,273,035 | \$ (47,086) | \$ 55,634 | \$ 77,519 | \$ (9,265) | \$ 1,349,837 |
| International Welding | 474,519 | (29,820) | 1,680 | 1,130 | 4,376 | 451,885 |
| The Harris Products Group | 255,326 | 15,458 | 21,392 | — | (837) | 291,339 |
| Consolidated | \$ 2,002,880 | \$ (61,448) | \$ 78,706 | \$ 78,649 | \$ (5,726) | \$ 2,093,061 |
| % Change | | | | | | |
| Americas Welding | | (3.7)% | 4.4 % | 6.1 % | (0.8)% | 6.0 % |
| International Welding | | (6.3)% | 0.4 % | 0.2 % | 0.9 % | (4.8)% |
| The Harris Products Group | | 6.1 % | 8.4 % | — | (0.4)% | 14.1 % |
| Consolidated | | (3.1)% | 3.9 % | 3.9 % | (0.2)% | 4.5 % |