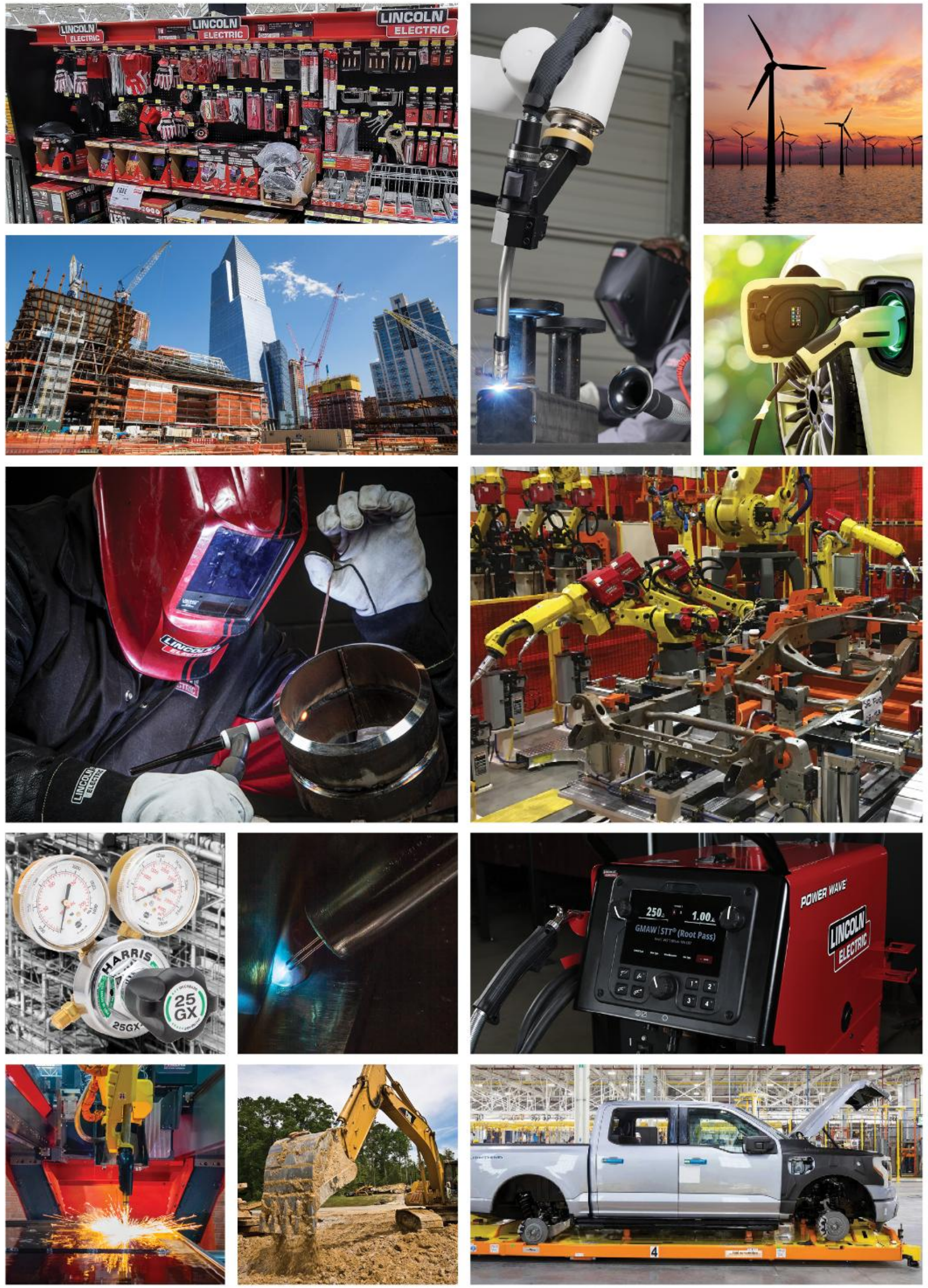
LINCOLN ELECTRIC

July 31, 2025

LINCOLN ELECTRIC HOLDINGS, INC.

Q2 2025 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.

Second Quarter 2025 Highlights:

Effectively managing dynamic operating environment on volume trends, cost management & $11M in incremental savings

Resilient Adj. operating income margin performance with a 26% incremental margin

Solid cash generation with 104% cash conversion in H1-25

Strong shareholder returns

LINCOLN ELECTRIC

$1.09B

Net Sales performance

+6.6% vs. prior year; Organic sales +2.9%

21.7%

Adjusted ROIC performance[1]

-200 bps vs. prior year

17.9%

Adjusted Operating Income Margin[1]

+50 bps vs. prior year

$144M

Cash flow from operations

-16% vs. prior year with 81% cash conversion[2]

$2.60

Adjusted EPS[1]

+11.1% vs. prior year

$169M

Returns to shareholders

($42M in dividends + $127M in share repurchases)

[1] Refer to the appendix for reconciliation of non-GAAP financial measures to U.S. GAAP.

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

Q2 organic sales increase on price actions to mitigate inflation, and growth in HVAC and the retail & industrial distribution channels

Q2 Organic sales by product area

Led by price and consumables

Consumables up high single-digit percent

Automation down low single-digit percent

Equipment down mid single-digit percent

Q2 global end sector performance[1]

3 of 5 end markets grew, led by price and North American demand

General Industries up high single-digit percent

Energy up mid single-digit percent

Automotive up low single-digit percent

Infrastructure/Const. down high-single digit percent

Heavy Industries down low-teens percent

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

Income Statement Highlights Q2-2025

($ in Millions)	Q2 2025	Q2 2024	% YoY Change Favorable / (Unfavorable)
Net Sales	$ 1,088.7	$ 1,021.7	6.6%
Gross Profit	$ 405.5	$ 383.8	5.7%
Gross Profit Margin	37.3%	37.6%	(30) bps
SG&A as % of net sales	19.4%	20.4%	100 bps
Adjusted Operating Income	$ 195.1	$ 177.6	9.8%
Adjusted Operating Income Margin[1]	17.9%	17.4%	50 bps
EPS	$ 2.56	$ 1.77	44.6%
Adjusted EPS[1]	$ 2.60	$ 2.34	11.1%

Q2 2025 NET SALES MIX[2]							
Volume	(2.3)%	**Price**	5.2%	**Acq/Div**	3.0%	**FX**	0.7%
TOTAL	**6.6%**						

[1] Refer to the appendix for reconciliation of non-GAAP financial measures to U.S. GAAP.
[2] Figures may not sum due to rounding.

Americas Welding Segment

($ in Millions)	Q2 2025	Q2 2024	% YoY Change
Net Sales	$ 696.7	$ 648.9	7.4%
Adjusted EBIT	$ 137.9	$ 136.7	0.9%
Adjusted EBIT Margin[2]	18.6%	19.9%	(130) bps

Q2 2025 NET SALES MIX[1]							
Volume	(3.4)%	**Price**	6.5%	**Acq/Div**	4.7%	**FX**	(0.4)%
TOTAL	**7.4%**						

Organic sales increase on price and consumable demand, offset by slow capital investment spending.

Acquisition sales from Vanair.

Margin reflects benefits of cost management and savings actions, offset primarily by volumes and acquisition integration.

[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 2025	Q2 2024	% YoY Change
Net Sales	$ 232.8	$ 238.8	(2.5)%
Adjusted EBIT	$ 30.6	$ 25.7	18.8%
Adjusted EBIT Margin[2]	12.7%	10.4%	+230 bps

Q2 2025 NET SALES MIX[1]							
Volume	(6.8)%	**Price**	0.4%	**Acq/Div**	0.1%	**FX**	3.8%
TOTAL	**(2.5)%**						

Organic sales challenged by end market trends in portions of EMEA and a challenging prior year comparison in Asia Pacific.

Margin growth reflects effective cost management, Alloy Steel investment, and a favorable prior year comparison.

[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 2025	Q2 2024	% YoY Change
Net Sales	$ 159.1	$ 134.0	18.8%
Adjusted EBIT	$ 31.9	$ 24.9	27.9%
Adjusted EBIT Margin[2]	19.4%	18.2%	+120 bps

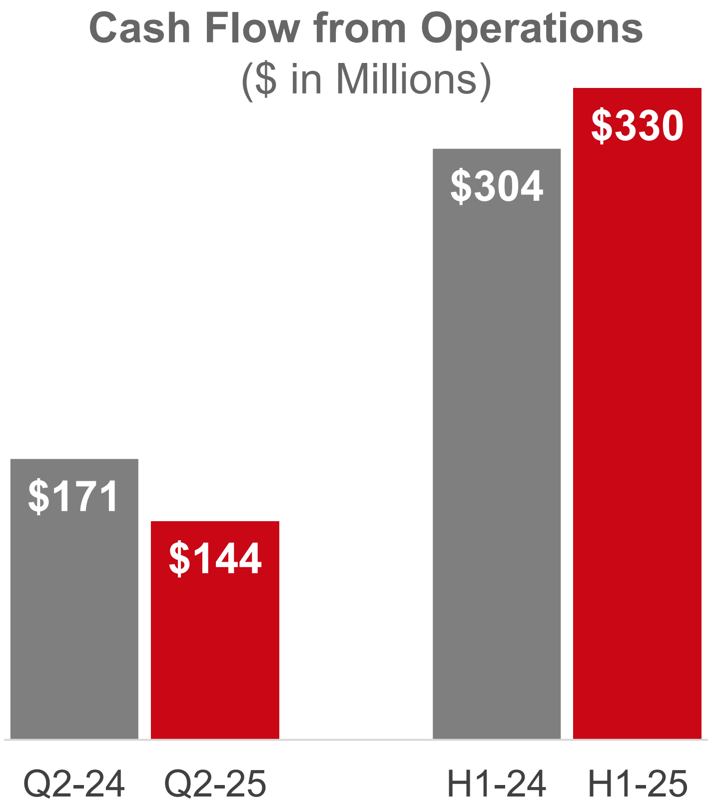
Q2 2025 NET SALES MIX[1]							
Volume	11.0%	**Price**	7.4%	**Acq/Div**	-	**FX**	0.4%
TOTAL	**18.8%**						

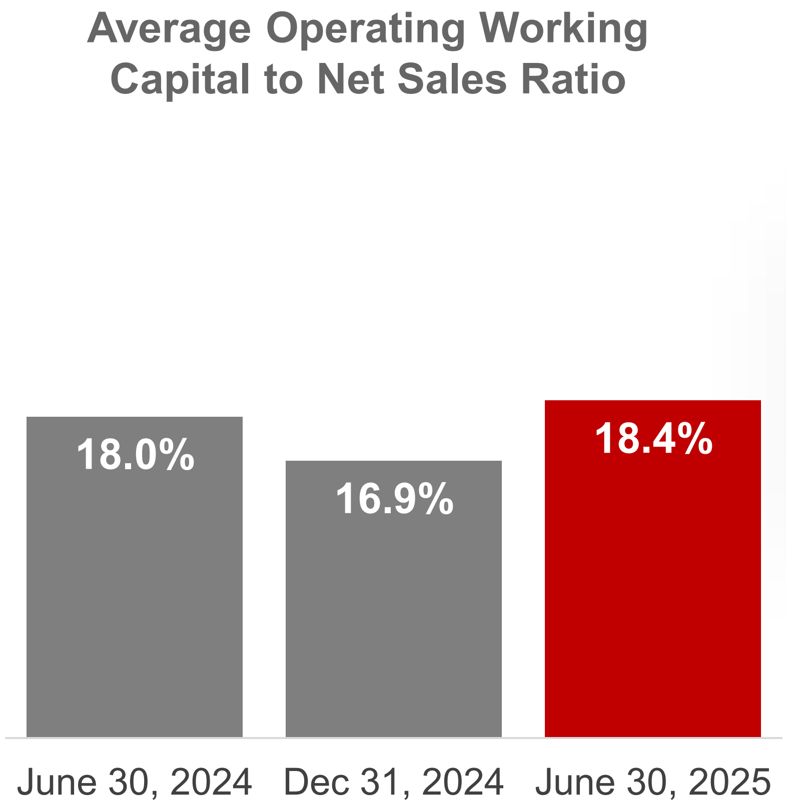
Organic sales higher on volume growth across all product areas, led by HVAC and retail channel expansion. Price reflects changes in metal costs and price actions.

Margin improves on volumes and cost management.

[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 & Working Capital Metrics

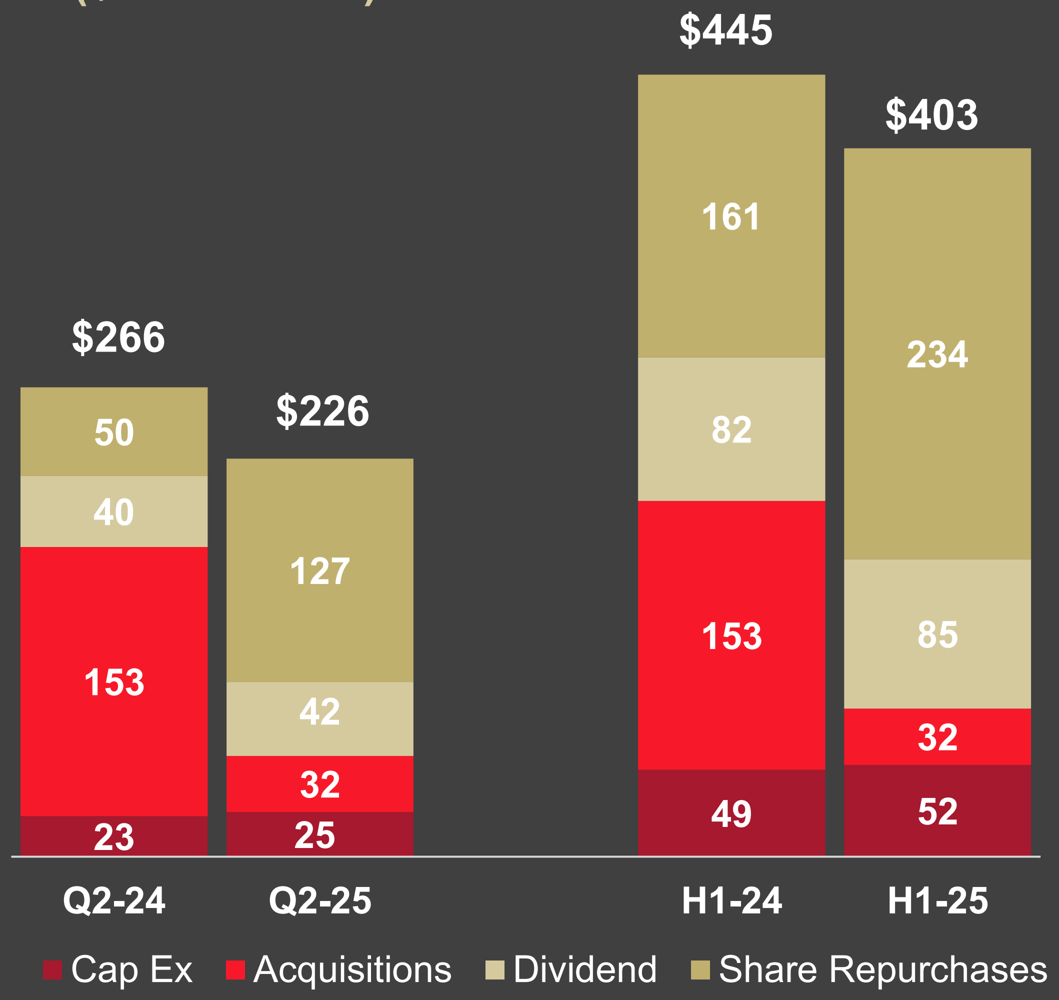




104% cash conversion[1] in H1-2025

[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.

Q2 Capital Allocation & Returns

- **Growth**: $57 million
- **Return to Shareholders**: $169 million
- **Return on Invested Capital[2]**: 21.7%

Capital Allocation Strategy

Prioritized uses of cash:

- Growth investments (organic and M&A)
- Return to shareholders
  - Dividend: +5.6% 2025 pay out rate
  - Share repurchases

Full Year 2025 Assumptions

Raising assumptions to reflect first half performance and Alloy Steel

Assumptions

LSD% organic sales growth
(price partially offset by volumes)

Neutral price/cost

Adj Op income margin steady to up slightly at high-teens incremental margin

Interest expense, net $45 to $50 million

Low-to-mid 20% tax rate

$100 to $120 million in cap-ex

90+% cash conversion

$300 to $400 share repurchases

7-cents EPS contribution from Alloy Steel

Risks

Net impact of trade & regulatory policies

Economic and geopolitical headwinds

Inflation (raw materials & labor)

Opportunities
(not in assumptions)

Velion™ DC Fast Charger

New acquisitions

Contact:

Amanda Butler

Vice President, Investor Relations & Communications

✉ Amanda_Butler@lincolnelectric.com
✆ 216.383.2534

Non-GAAP Information

Adjusted operating income, Adjusted net income, Adjusted EBIT, EBITDA, Adjusted EBITDA, 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 June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
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

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 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.

Non-GAAP Financial Measures

Adjusted Return on Invested Capital (ROIC)

(In thousands)
(Unaudited)

Return on Invested Capital	Twelve Months Ended June 30, 2025	Twelve Months Ended June 30, 2024
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.

Segment EBIT

EBIT and Adjusted EBIT Reconciliation – Three Months Ended June 30, 2025

(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	$ 740,121	$ 240,465	$ 164,229	$ (56,142)	$ 1,088,673
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]	$ 137,915	$ 30,550	$ 31,884	$ (1,200)	$ 199,149
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	$ 686,736	$ 247,607	$ 137,261	$ (49,921)	$ 1,021,683
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]	$ 136,651	$ 25,709	$ 24,923	$ (6,264)	$ 181,019
As a percent of total sales	19.9 %	10.4 %	18.2 %		17.7 %

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, 2025

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.

4) Special items in 2024 primarily reflect rationalization net charges of $26,284 in International Welding, primarily due to the impact of the Company's disposition of its Russian entity, a loss on asset disposal of $4,950 recorded to Other income (expense) in International Welding, and acquisition transaction costs of $2,182 in Corporate/Eliminations.