



United  
States

## Lincoln Electric Signs Definitive Agreement to Acquire Air Liquide Welding

April 27, 2017

 [LINCOLN ELECTRIC SIGNS DEFINITIVE AGREEMENT TO ACQUIRE AIR LIQUIDE WELDING](#)

### **Advances the '2020 Strategy' With Attractive Product and Channel Growth Opportunities Accretive to EPS, Excluding Transaction-Related Costs**

CLEVELAND, April 27, 2017 (GLOBE NEWSWIRE) -- Lincoln Electric Holdings, Inc., (the "Company") (Nasdaq:LECO) announced today that it has entered into a definitive agreement with Air Liquide to acquire its Air Liquide Welding subsidiary (the "Proposed Acquisition"). Upon completion of the Proposed Acquisition, the complementary business would enhance Lincoln Electric's global specialty consumables portfolio and extend its channel reach for equipment systems and Harris Product Group solutions in Europe. The combination would also offer European customers more comprehensive welding and cutting solutions, greater technical application expertise and improved service levels.

Lincoln Electric expects the Proposed Acquisition, once completed, to be immediately accretive to earnings, excluding transaction costs, and to generate attractive return on capital in the first five years.

"We are excited at the prospect of joining two leading welding and cutting organizations together who are dedicated to delivering best-in-class engineered solutions," said Christopher L. Mapes, Lincoln Electric's chairman, president and chief executive officer. "The complementary nature of the businesses would strengthen our geographic footprint and advance our '2020 Strategy' to drive growth in attractive end sectors and applications. It would also provide greater efficiencies in supply chain, service infrastructure, commercial reach and new product development, which will reinforce Lincoln Electric's long track record of generating value for our shareholders."

#### **Proposed Acquisition Details**

The definitive agreement reflects a €115 million (approximately USD125 million) purchase price for the Air Liquide Welding business, valued at approximately 7x Adjusted EBITDA (full year 2016). The Proposed Acquisition, excluding transaction costs, is expected to be immediately accretive to Lincoln Electric earnings at approximately \$0.03 of earnings per diluted common share (EPS) per quarter, or \$0.12 annually, in the first year after the acquisition and approximately \$0.06 EPS per quarter, or \$0.24 annually, in the second year of operation.

The Proposed Acquisition is subject to customary regulatory approvals and other closing conditions and is expected to close in the second half of 2017. Until the Proposed Acquisition closes, Lincoln Electric and Air Liquide Welding will continue to operate as independent companies and will remain committed to serving their respective customers and generating value for their shareholders.

For additional information regarding this Proposed Acquisition, please visit Lincoln Electric's investor relations website at: <http://ir.lincolnelectric.com>.

#### **Webcast Information**

Lincoln Electric will hold an investor conference call on Friday, April 28, 2017 at 9:00 a.m. (ET) to discuss the Proposed Acquisition in more detail.

The conference call will be webcast live, and the webcast, as well as the accompanying presentation materials, can be accessed on the Company's [Investor Relations](#) home page at <http://ir.lincolnelectric.com>. Listeners should go to the web site prior to the call to register and download and install any necessary audio software. Investors who are unable to access the webcast may listen to the conference call live via telephone by dialing (877) 344-3899 (domestic) or (315) 625-3087 (international) and should use confirmation code 14202988. Telephone participants are asked to dial in 10 to 15 minutes prior to the start of the conference call.

A replay of the call will be available via webcast on the Company's [website](#).

#### **About Lincoln Electric**

Lincoln Electric is the world leader in the design, development and manufacture of arc welding products, robotic arc welding systems, plasma and oxyfuel cutting equipment and has a leading global position in the brazing and soldering alloys market. Headquartered in Cleveland, Ohio, Lincoln has 47 manufacturing locations, including operations and joint ventures in 19 countries and a worldwide network of distributors and sales offices covering more than 160 countries. For more information about Lincoln Electric and its products and services, visit the Company's website at [www.lincolnelectric.com](http://www.lincolnelectric.com).

#### **About Air Liquide Welding**

Air Liquide's subsidiary, Air Liquide Welding, is a key player in the manufacturing of welding and cutting technologies. Air Liquide Welding has approximately 2,000 employees across the world and generated approximately €350 million in 2016 sales. It offers, through several internationally well-known brands (SAF-FRO and OERLIKON in the industrial field, CEMONT for professionals), a large range of related equipment, consumables and services in the market.

#### **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 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. These risks include our ability to successfully complete the Proposed Acquisition, including the receipt of required regulatory approvals and the satisfaction or waiver of other closing conditions; our ability to successfully integrate Air Liquide Welding; our ability to achieve the expected growth and efficiencies from the Air Liquide Welding acquisition; and the Air Liquide Welding acquisition being accretive to earnings and generating attractive return on capital, within the expected time frame or at all. For additional discussion of risk factors, see "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2016.

#### Contact

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Lincoln Electric Holdings, Inc.