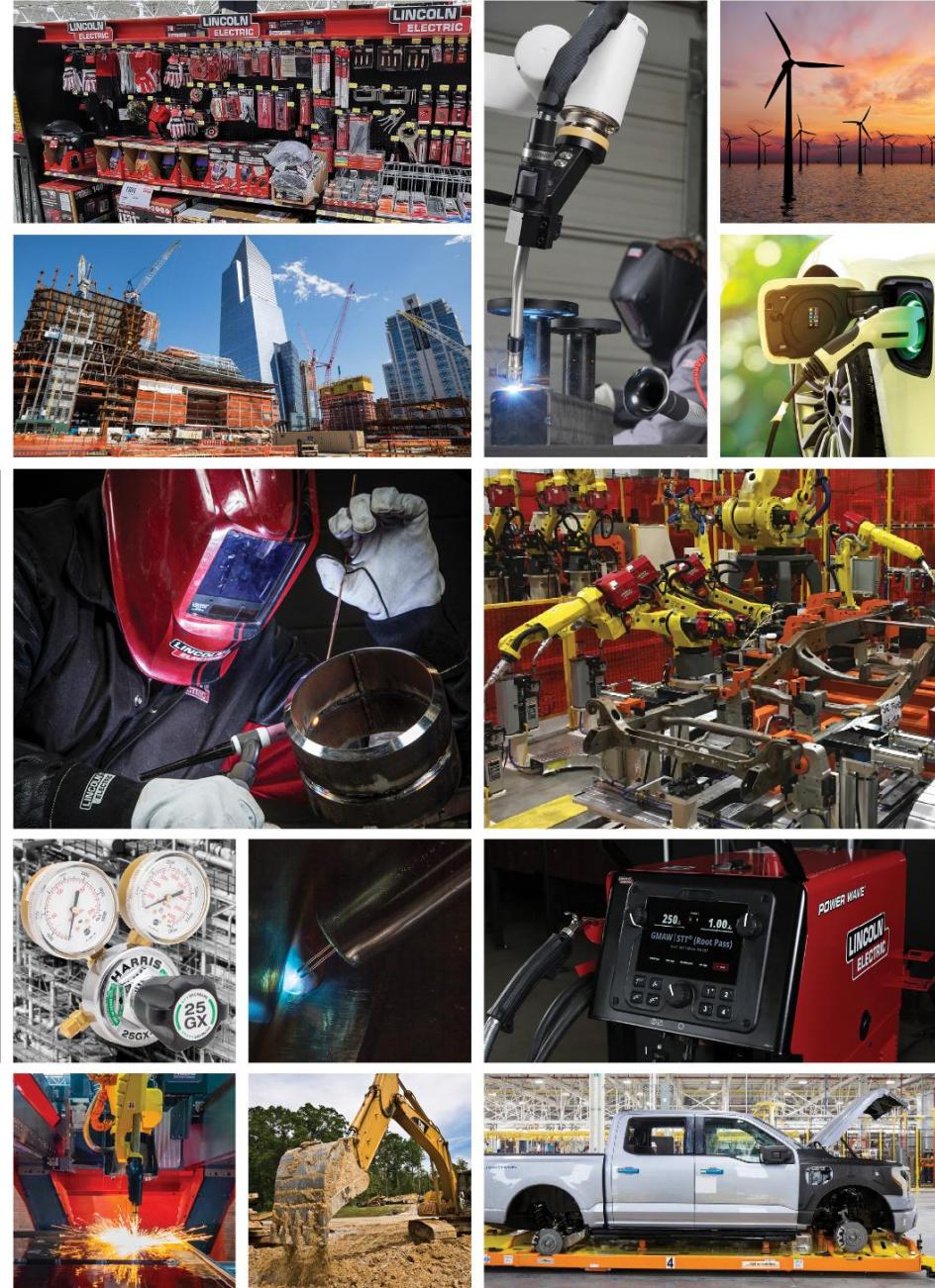




October 30, 2025 •
LINCOLN ELECTRIC HOLDINGS, INC.

Q3 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.

Third Quarter 2025 Highlights:

Diligent cost management, mix, and \$8M in incremental permanent savings mitigate dynamic operating conditions

Steady Adj. operating income margin performance with a 19% incremental margin

Record cash generation with 119% cash conversion year-to-date

Strong shareholder returns

\$1.06B

Net Sales performance

+8% vs. prior year; Organic sales +6%

17.4%

Adjusted Operating Income Margin¹

+10 bps vs. prior year

\$2.47

Adjusted EPS¹

+15% vs. prior year

22.2%

Adjusted ROIC performance¹

+80 bps vs. prior year

\$237M

Cash flow from operations

+19% vs. prior year with 149% cash conversion²

\$94M

Returns to shareholders

(\$42M in dividends + \$53M 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.

- **Q3 organic sales increase on prior pricing actions and consumable volume growth**

Q3 Organic sales by product area

Led by price and consumable volumes flat-to-up in all 3 segments

Consumables increase low-teens percent

Equipment increases mid single-digit percent

Automation decreases low double-digit percent

Q3 global end sector performance¹

3 of 5 end markets flat-to-up, led by price and North American demand

General Industries up high teens percent

Energy up mid single-digit percent

Infrastructure/Const. steady

Heavy Industries down low single-digit percent

Automotive down low double-digit percent



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

Income Statement Highlights Q3-2025

(\$ in Millions)	Q3 2025	Q3 2024	% YoY Change Favorable / (Unfavorable)
Net Sales	\$ 1,061.2	\$ 983.8	7.9%
Gross Profit	\$ 389.3	\$ 352.1	10.6%
Gross Profit Margin	36.7%	35.8%	90 bps
SG&A as % of net sales	19.5%	18.9%	(60) bps
Adjusted Operating Income	\$ 184.6	\$ 169.8	8.7%
Adjusted Operating Income Margin ¹	17.4%	17.3%	10 bps
EPS	\$ 2.21	\$ 1.77	24.9%
Adjusted EPS¹	\$ 2.47	\$ 2.14	15.4%

Q3 2025 CHANGE IN NET SALES MIX²

Volume	(2.2)%	Price	7.8%	Acq/Div	1.7%	FX	0.6%
TOTAL	7.9%						

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)	Q3 2025	Q3 2024	% YoY Change	
Net Sales	\$ 691.8	\$ 637.0	8.6%	▲
Adjusted EBIT	\$ 131.6	\$ 125.5	4.9%	▲
Adjusted EBIT Margin²	18.2%	18.8%	(60) bps	▼
Q3 2025 CHANGE IN NET SALES MIX¹				

Volume (2.4%) **Price** 9.6% **Acq/Div** 1.4% **FX** -
TOTAL 8.6%

Organic sales increase on price and modest volume growth in consumables and equipment; offset by automation.

Margin reflects benefits of cost management and savings actions, offset by 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 2025	Q3 2024	% YoY Change	
Net Sales	\$ 219.6	\$ 216.2	1.6%	▲
Adjusted EBIT	\$ 25.8	\$ 20.1	28.5%	▲
Adjusted EBIT Margin²	11.3%	9.0%	+230 bps	▲
Q3 2025 CHANGE IN NET SALES MIX¹				

Volume (4.2%) **Price** 0% **Acq/Div** 3.7% **FX** 2.1%
TOTAL 1.6%

Organic sales decline narrows on a favorable prior year comparison.

Acquisition benefit from Alloy Steel.

Margin growth due to effective cost management, mix, 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)	Q3 2025	Q3 2024	% YoY Change	
Net Sales	\$ 149.8	\$ 130.5	14.8%	↑
Adjusted EBIT	\$ 28.1	\$ 22.0	27.9%	↑
Adjusted EBIT Margin²	18.3%	16.4%	+190 bps	↑
Q3 2025 CHANGE IN NET SALES MIX¹				
Volume	2.3%	Price	11.8%	Acq/Div -
FX	0.7%			
TOTAL	14.8%			

Organic sales higher on price and volume growth in HVAC and HPG's Q2 retail channel expansion.

Price reflects changes in metal costs and price actions.

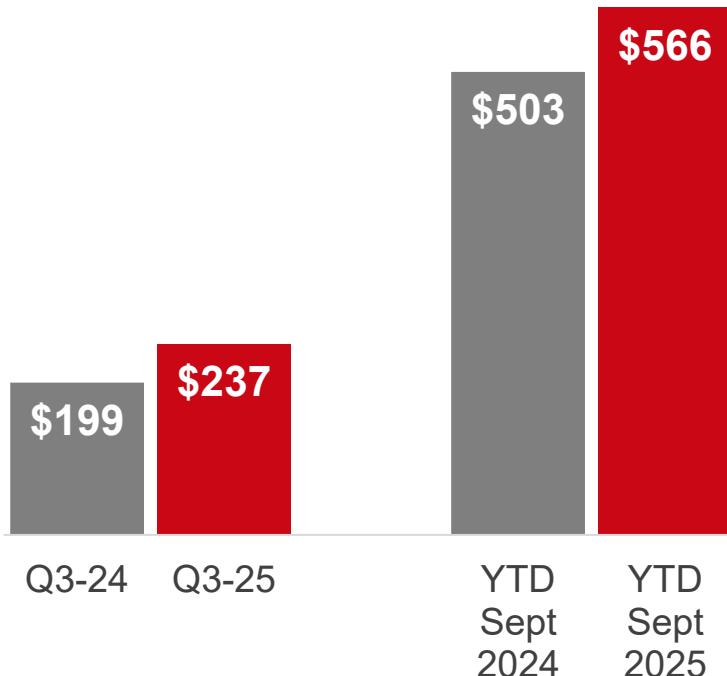
Margin improves on volumes and cost management.

¹ Figures may not sum due to rounding

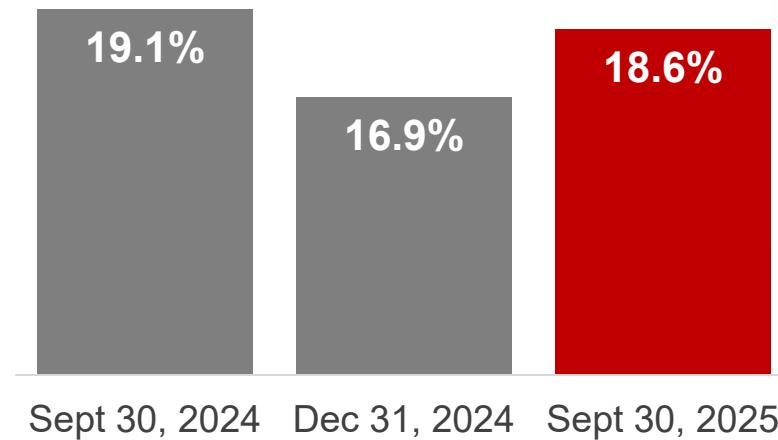
² Adjusted EBIT Margin is calculated using Total Sales, which includes Inter-segment sales.

Cash Flow From Operations & Working Capital Metrics

Cash Flow from Operations
(\$ in Millions)



Average Operating Working
Capital to Net Sales Ratio

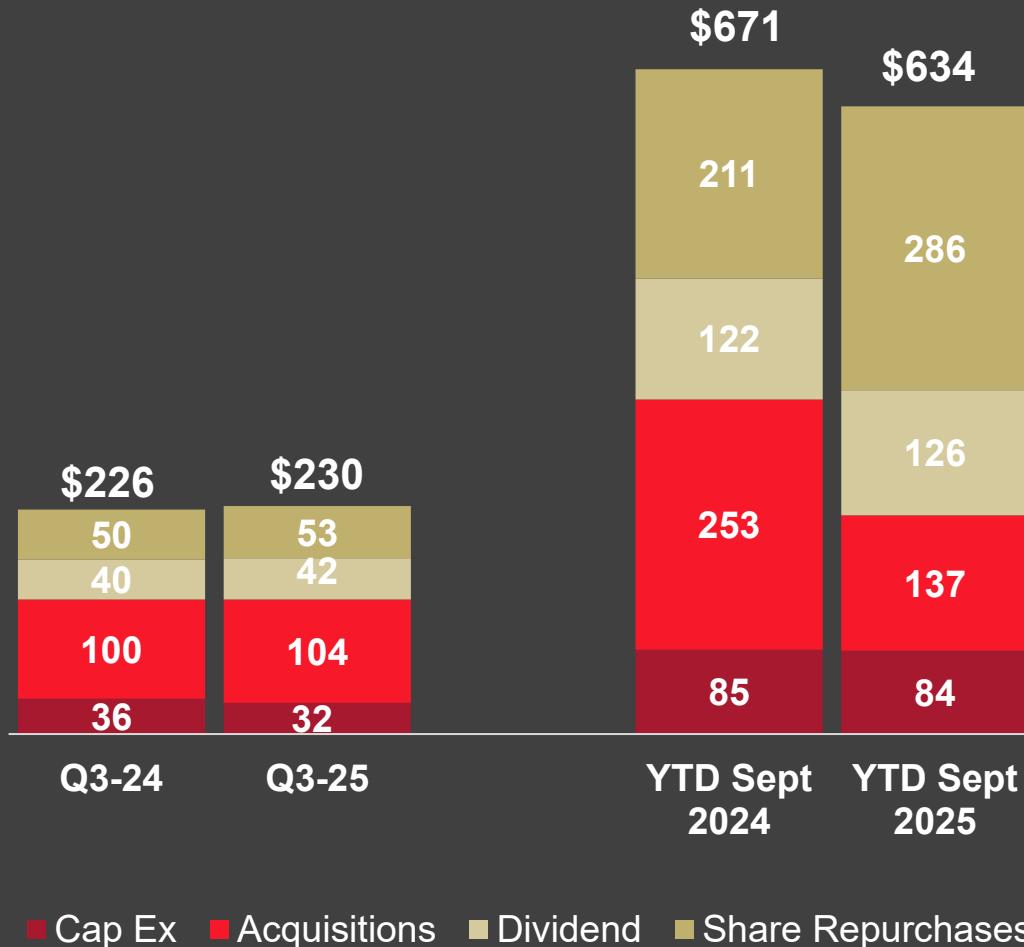


119% cash conversion¹
first nine months-2025

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

Capital Allocation¹

(\$ in Millions)



Q3 Capital Allocation & Returns

- **Growth:** \$136 million
- **Return to Shareholders:** \$94 million
- **Return on Invested Capital²:** 22.2%

Capital Allocation Strategy

Prioritized uses of cash:

- Growth investments (organic and M&A)
- Return to shareholders
 - Announced higher 2026 dividend: +5.3% pay out rate
 - Share repurchases

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.

• Full Year 2025 Assumptions

Maintaining most operating assumptions - updating interest expense and increasing cash conversion

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 \$50-55 million

Low-to-mid 20% tax rate

\$100 to \$120 million in cap-ex

100+% cash conversion

\$300 to \$400 million in 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Operating income as reported	\$ 176,657	\$ 145,560	\$ 533,719	\$ 459,445
Special items (pre-tax):				
Rationalization and asset impairment net charges ⁽²⁾	5,831	20,227	12,238	51,322
Acquisition transaction costs ⁽³⁾	452	610	1,683	4,551
Amortization of step up in value of acquired inventories ⁽⁵⁾	1,622	3,359	1,482	3,474
Adjusted operating income ⁽¹⁾	<u>\$ 184,562</u>	<u>\$ 169,756</u>	<u>\$ 549,122</u>	<u>\$ 518,792</u>
As a percent of net sales	<u>17.4 %</u>	<u>17.3 %</u>	<u>17.4 %</u>	<u>17.4 %</u>
Net income as reported	\$ 122,628	\$ 100,756	\$ 384,511	\$ 325,879
Special items:				
Rationalization and asset impairment net charges ⁽²⁾	5,831	20,227	12,238	51,322
Acquisition transaction costs ⁽³⁾	452	610	1,683	4,551
Pension settlement charges ⁽⁴⁾	—	3,966	—	3,966
Amortization of step up in value of acquired inventories ⁽⁵⁾	1,622	3,359	1,482	3,474
Loss on asset disposal ⁽⁶⁾	—	—	—	4,950
Tax effect of Special items ⁽⁷⁾⁽⁸⁾	6,685	(6,550)	4,772	(8,858)
Adjusted net income ⁽¹⁾	<u>\$ 137,218</u>	<u>\$ 122,368</u>	<u>\$ 404,686</u>	<u>\$ 385,284</u>
Interest expense, net	13,648	11,974	38,394	31,414
Income taxes as reported	43,367	31,186	118,278	101,217
Tax effect of Special items ⁽⁷⁾⁽⁸⁾	(6,685)	6,550	(4,772)	8,858
Adjusted EBIT ⁽¹⁾	<u>\$ 187,548</u>	<u>\$ 172,078</u>	<u>\$ 556,586</u>	<u>\$ 526,773</u>
Effective tax rate as reported	26.1 %	23.6 %	23.5 %	23.7 %
Net special item tax impact ⁽⁸⁾	(5.0)%	—	(1.6)%	(1.5)%
Adjusted effective tax rate ⁽¹⁾	<u>21.1 %</u>	<u>23.6 %</u>	<u>21.9 %</u>	<u>22.2 %</u>
Diluted earnings per share as reported	\$ 2.21	\$ 1.77	\$ 6.86	\$ 5.68
Special items per share	0.26	0.37	0.36	1.04
Adjusted diluted earnings per share ⁽¹⁾	<u>\$ 2.47</u>	<u>\$ 2.14</u>	<u>\$ 7.22</u>	<u>\$ 6.72</u>
Weighted average shares (diluted)	55,574	57,066	56,020	57,349

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 and 2024 net charges primarily relate to rationalization plans within all three segments. Charges in 2024 include the impact of the Company's disposition of its Russian entity.
- 3) Transaction costs related to acquisitions which are included in Selling, general & administrative expenses.
- 4) Pension settlement charges primarily due to the final settlement associated with the termination of a pension plan and are included in Other income (expense).
- 5) Costs related to acquisitions which are included in Cost of goods sold.
- 6) Loss on asset disposal included in Other income (expense).
- 7) 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.
- 8) The OBBBA was enacted in the United States on July 4, 2025. During the third quarter of 2025, the Company recognized tax expense of approximately \$8,800, reflecting the cumulative impact of the OBBBA provisions.

Non-GAAP Financial Measures

Adjusted Return on Invested Capital (ROIC)

(In thousands)
(Unaudited)

	Twelve Months Ended September 30,	
	2025	2024
Return on Invested Capital		
Net income as reported	\$ 524,740	\$ 482,523
Plus: Interest expense (after-tax)	43,488	37,665
Less: Interest income (after-tax)	6,181	7,845
Net operating profit after taxes	<u>\$ 562,047</u>	<u>\$ 512,343</u>
Special Items:		
Rationalization and asset impairment net charges	16,776	29,390
Acquisition transaction costs	4,174	4,554
Pension settlement (gains) charges	(174)	4,811
Amortization of step up in value of acquired inventories	3,034	3,471
Loss on asset disposal	—	4,950
Tax effect of Special items ⁽²⁾	2,117	(2,413)
Adjusted net operating profit after taxes ⁽¹⁾	<u>\$ 587,974</u>	<u>\$ 557,106</u>
Invested Capital	September 30, 2025	September 30, 2024
Short-term debt	\$ 88,203	\$ 111,993
Long-term debt, less current portion	1,150,315	1,150,616
Total debt	<u>1,238,518</u>	<u>1,262,609</u>
Total equity	1,414,633	1,339,190
Invested capital	<u>\$ 2,653,151</u>	<u>\$ 2,601,799</u>
Return on invested capital as reported	21.2 %	19.7 %
Adjusted return on invested capital ⁽¹⁾	<u>22.2 %</u>	<u>21.4 %</u>

- 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, including the cumulative impact of the OBBBA provisions. 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, 2025

(In thousands)
(Unaudited)

	Americas Welding	International Welding	The Harris Products Group	Corporate / Eliminations	Consolidated
Three months ended September 30, 2025					
Net sales	\$ 691,794	\$ 219,629	\$ 149,804	\$ —	\$ 1,061,227
Inter-segment sales	30,058	9,830	3,441	(43,329)	—
Total sales	<u>\$ 721,852</u>	<u>\$ 229,459</u>	<u>\$ 153,245</u>	<u>\$ (43,329)</u>	<u>\$ 1,061,227</u>
Net income					\$ 122,628
As a percent of total sales					11.6 %
EBIT ⁽¹⁾	\$ 127,240	\$ 23,059	\$ 27,762	\$ 1,582	\$ 179,643
As a percent of total sales	17.6 %	10.0 %	18.1 %		16.9 %
Special items charges ⁽³⁾	4,375	2,762	316	452	7,905
Adjusted EBIT ⁽²⁾	<u>\$ 131,615</u>	<u>\$ 25,821</u>	<u>\$ 28,078</u>	<u>\$ 2,034</u>	<u>\$ 187,548</u>
As a percent of total sales	<u>18.2 %</u>	<u>11.3 %</u>	<u>18.3 %</u>		<u>17.7 %</u>
Three months ended September 30, 2024					
Net sales	\$ 637,026	\$ 216,224	\$ 130,509	\$ —	\$ 983,759
Inter-segment sales	30,845	7,371	3,155	(41,371)	—
Total sales	<u>\$ 667,871</u>	<u>\$ 223,595</u>	<u>\$ 133,664</u>	<u>\$ (41,371)</u>	<u>\$ 983,759</u>
Net income					\$ 100,756
As a percent of total sales					10.2 %
EBIT ⁽¹⁾	\$ 102,158	\$ 17,175	\$ 20,690	\$ 3,893	\$ 143,916
As a percent of total sales	15.3 %	7.7 %	15.5 %		14.6 %
Special items charges ⁽⁴⁾	23,357	2,926	1,269	610	28,162
Adjusted EBIT ⁽²⁾	<u>\$ 125,515</u>	<u>\$ 20,101</u>	<u>\$ 21,959</u>	<u>\$ 4,503</u>	<u>\$ 172,078</u>
As a percent of total sales	<u>18.8 %</u>	<u>9.0 %</u>	<u>16.4 %</u>		<u>17.5 %</u>

Non-GAAP Financial Measures

(continued)

**Footnotes for EBIT and
Adjusted EBIT Reconciliation –
Three Months Ended
September 30, 2025**

- 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 2025 primarily reflect Rationalization and asset impairments net charges of \$4,150 in Americas Welding, \$1,365 in International Welding and \$316 in The Harris Products Group. In addition, there was an amortization of step up in value of acquired inventories of \$1,397 in International Welding, as well as acquisition transaction costs of \$452 in Corporate/Eliminations.
- 4) Special items in 2024 primarily reflect Rationalization net charges of \$16,282 in Americas Welding, \$2,676 in International Welding and \$1,269 in The Harris Products Group. In addition, there was an amortization of step up in value of acquired inventories of \$3,109 and \$250 in Americas Welding and International Welding, respectively, pension settlement charges of \$3,966 in Americas Welding and acquisition transaction costs of \$610 in Corporate/Eliminations.