Lincoln Electric Holdings, Inc.

1Q 2013
Financial Results Conference Call
April 23, 2013

Safe Harbor & Reg-G

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.

LINCOLN® ELECTRIC
THE WELDING EXPERTS®

Q1 2013 Highlights
Generating Solid Returns on Internal Initiatives

- **Revenue largely impacted by slowing rate of macroeconomic growth, European weakness, and slowing industrial production rates in key sectors**
- **Positive impact from acquisitions**
- **Solid operating profit margin and earnings performance from internal initiatives**
  - **Product and customer mix**
  - **Benefits from cost saving initiatives**

Income Statement – Q1 2013

Ongoing Profit and Earnings Expansion

($ in Millions)	Q1 2013	% of Sales	Q1 2012	% of Sales	% Change
Net Sales	$718.6		$727.1		(1.2%)
Operating Income	$ 88.6	12.3%	$ 91.7	12.6%	(3.3%)
Operating Income, as Adjusted[1]	$ 99.3	13.8%	$ 91.7	12.6%	8.4%
Net Income	$ 66.8	9.3%	$ 64.2	8.8%	4.0%
Net Income, as Adjusted[1]	$ 77.1	10.7%	$64.2	8.8%	20.1%
Diluted EPS	$ 0.80		$ 0.76		5.3%
Diluted EPS, as Adjusted[1]	$ 0.92		$ 0.76		21.1%

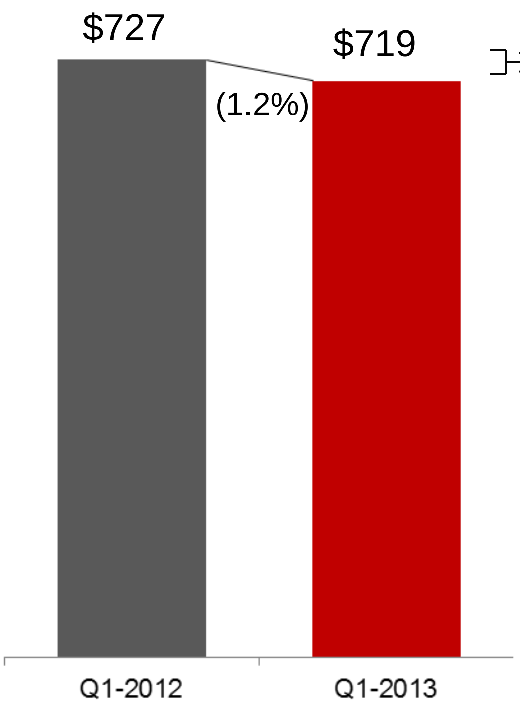
[1]Please refer to the appendix for reconciliation of non-GAAP measures.

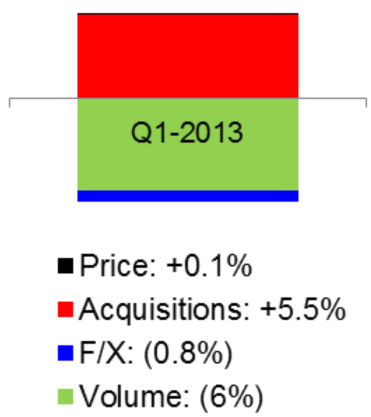
LINCOLN ELECTRIC
THE WELDING EXPERTS®

Sales Performance
Relatively Steady Despite Challenging Conditions

($ in Millions)

Q1-2013 Component
<u>of Net Sales Performance</u>





<u>Key Q1-2013 Net Sales Drivers</u>

↑ Acquisitions
↑ Equipment
↑ Exports

= Price

↓ Consumables (macro's & reshaping portfolio)
↓ Foreign Exchange

Key End Sectors

Sector Trends Illustrate Dynamic Conditions

	Transportation	Heavy Fabrication	Shipbuilding	Energy-Related[1]
				   
Areas of Strength	• U.S. • China • Mexico	• Agriculture	• Brazil – renewed investments	• Global • U.S.
Areas of Weakness	• Europe	• Europe • Asia Pacific	• Europe • Asia Pacific	• Europe
Challenges		• Comparisons • Excess inventory • Declining prices	• Excess investment	

We view intermediate- and long-term opportunities positive for Lincoln Electric and our '2020 Vision'

[1] Energy-Related includes Offshore, Pipe Mill, Pipe Line, Power Generation and Processing

Focused on Optimizing Operations & Profitability

- Continuing to invest in long-term growth
- Executing on the acquisitions and global strategic projects
- Consolidation activities are aligning our footprint to demand to maximize profitability:
  - Efforts launched Q2-2012
  - Completed consolidation/closure: 2 facilities in Russia (Q4-2012) and Australian manufacturing facility (Q4-2012)
  - Ongoing in 2013: Expect Italian facility largely completed in Q3-2013 and the consolidation of our TechAlloy operation in Cleveland in Q4-2013
- Estimated 2013 incremental benefits: $8 to $10 million
  - Lower overhead costs
  - Manufacturing efficiencies

Efforts Yielding Solid Results and Driving Improved Shareholder Returns

LINCOLN ELECTRIC
THE WELDING EXPERTS®

Financials

Income Statement – Q1 2013

$ in Millions		Q1 2013	% of Sales		Q1 2012	% of Sales	% Change
Net Sales	$	718.6		$	727.1		(1.2%)
Gross Profit		226.6	31.5%		215.3	29.6%	5.3%
SG&A		136.9	19.1%		123.6	17.0%	10.7%
Special Items		1.1	0.1%		-	-	-
Operating Income		88.6	12.3%		91.7	12.6%	(3.3%)
Operating Income, as Adjusted		99.3	13.8%		91.7	12.6%	8.4%
Net Income	$	66.8	9.3%	$	64.2	8.8%	4.0%
Net Income, as Adjusted	$	77.1	10.7%	$	64.2	8.8%	20.1%
Diluted EPS	$	0.80		$	0.76		5.3%
Diluted EPS, as Adjusted	$	0.92		$	0.76		21.1%

Sales Mix	
Volume	(6.0%)
Price	0.1%
Acquisitions	5.5%
F/X	(0.8%)
Total	(1.2%)

Please refer to the appendix for reconciliation of non-GAAP measures

LINCOLN ELECTRIC
THE WELDING EXPERTS®

Welding Segment - North America

$ in Millions	Q1 2013	Q1 2012	Change
Net Sales	$ 419.6	$ 381.3	10.0%
Adjusted EBIT *	$ 76.7	$ 69.5	10.3%
Adjusted EBIT margin*	17.1%	16.8%	30 bps

Sales Mix*	
Volume	(1.9%)
Price	1.4%
Acquisitions	10.6%
Forex	-
Total	10.0%

Segment demonstrating good margin growth while absorbing incremental SG&A costs from acquisitions

* Figures may not sum due to rounding
Please refer to the appendix for reconciliation of non-GAAP measures

LINCOLN ELECTRIC THE WELDING EXPERTS®

Welding Segment – Europe

$ in Millions	Q1 2013	Q1 2012	Change
Net Sales	$ 110.5	$ 125.8	(12.2%)
Adjusted EBIT *	$ 10.7	$ 12.8	(16.5%)
Adjusted EBIT margin*	9.3%	9.8%	(50) bps

Sales Mix*	
Volume	(7.2%)
Price	(3.2%)
Acquisitions	-
Forex	(1.9%)
Total	(12.2%)

Segment demonstrating good resilience despite lower volumes through benefits of restructuring

* Amounts may not sum due to rounding
Please refer to the appendix for reconciliation of non-GAAP measures

Welding Segment – Asia Pacific

$ in Millions	Q1 2013	Q1 2012	Change
Net Sales	$ 70.0	$ 92.6	(24.3%)
Adjusted EBIT *	$ 2.3	$ 2.6	(10.9%)
Adjusted EBIT margin*	3.1%	2.7%	40 bps

Sales Mix*	
Volume	(21.8%)
Price	(2.1%)
Acquisitions	-
Forex	(0.5%)
Total	(24.3%)

Segment also demonstrating margin expansion on improved mix and lower fixed costs

* Amounts may not sum due to rounding
Please refer to the appendix for reconciliation of non-GAAP measures

LINCOLN ELECTRIC THE WELDING EXPERTS®

Welding Segment – South America

$ in Millions	Q1 2013	Q1 2012	Change
Net Sales	$ 36.4	$ 39.8	(8.5%)
Adjusted EBIT *	$ 5.1	$ 2.9	76.0%
Adjusted EBIT margin*	14.0%	7.3%	670 bps

Sales Mix*	
Volume	(8.3%)
Price	5.0%
Acquisitions	-
Forex	(5.4%)
Total	(8.7%)

Solid margin expansion on mix, pricing to offset currency devaluation and operational improvements

* Amounts may not sum due to rounding
Please refer to the appendix for reconciliation of non-GAAP measures

LINCOLN ELECTRIC THE WELDING EXPERTS®

The Harris Products Group

$ in Millions	Q1 2013	Q1 2012	Change
Net Sales	$ 82.1	$ 87.6	(6.3%)
Adjusted EBIT *	$ 7.2	$ 7.2	Flat
Adjusted EBIT margin*	8.5%	8.0%	50 bps

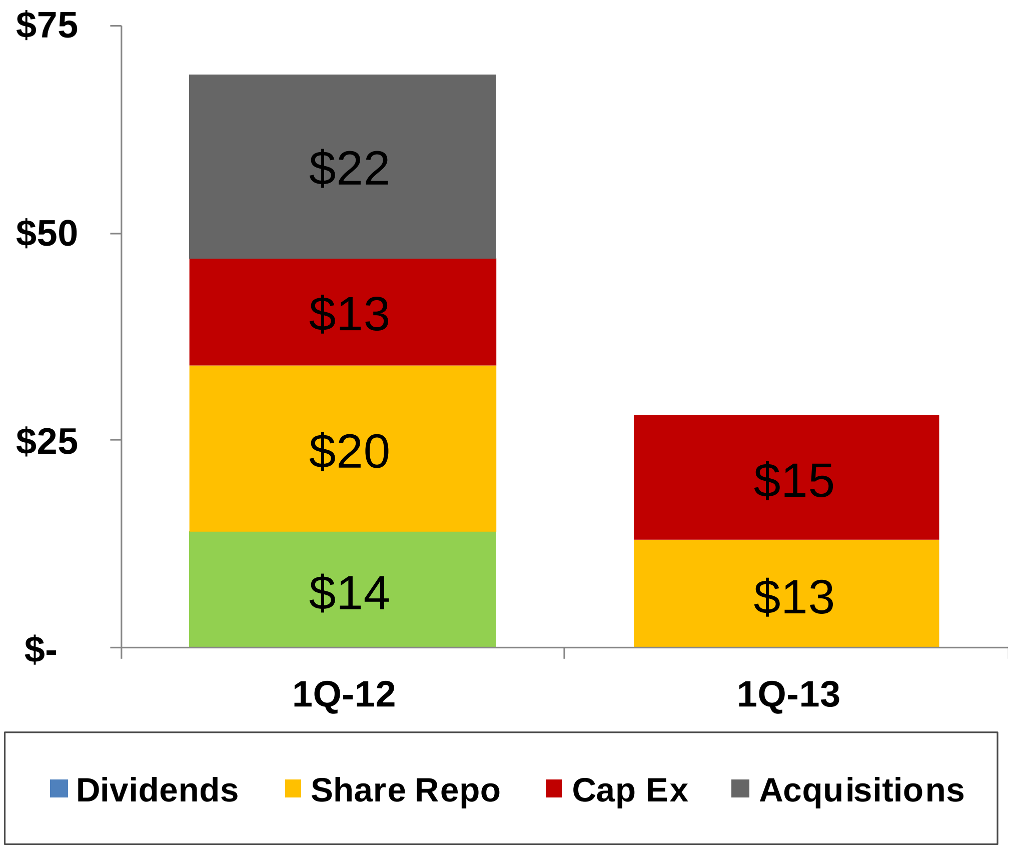
Sales Mix*	
Volume	(4.3%)
Price	(0.5%)
Acquisitions	-
Forex	(1.4%)
Total	(6.2%)

Segment improving margins on mix

* Amounts may not sum due to rounding
Please refer to the appendix for reconciliation of non-GAAP measures

LINCOLN ELECTRIC
THE WELDING EXPERTS

1Q Capital Allocation



Contributed $50 million to U.S. pension plan

- **Dividends**
  - $0 million (prepaid in 4Q/12)
  - 17.6% increase in 4Q/12 to $0.20 per common share per quarter
- **Capital Expenditures**
  - $15.1 million
  - Focused on cost improvements
- **Return on Invested Capital**
  - 18.3% at March 31, 2013
- **Share Repurchases**
  - $12.8 million

Q & A

LINCOLN®
ELECTRIC
THE WELDING EXPERTS®

LINCOLN ELECTRIC THE WELDING EXPERTS®

Non-GAAP Financial Measures

Non-GAAP Financial Measures: Reconciliation of Operating Income, Net Income and Earnings to Non-GAAP Adjusted Operating Income, Adjusted Net Income and Adjusted Earnings

(In thousands, except per share amounts)
(Unaudited)

	Three months ended March 31,	
	2013	2012
Operating income as reported	$ 88,630	$ 91,650
Special items (pre-tax):		
Rationalization charges (gains) (1)	1,051	—
Venezuelan currency devaluation (2)	9,660	—
Adjusted operating income (3)	$ 99,341	$ 91,650
Net income as reported	$ 66,806	$ 64,243
Special items (after-tax):		
Rationalization charges (gains) (1)	673	—
Venezuelan currency devaluation (2)	9,660	—
Adjusted net income (3)	$ 77,139	$ 64,243
Diluted earnings per share as reported	$ 0.80	$ 0.76
Special items	0.12	—
Adjusted diluted earnings per share (3)	$ 0.92	$ 0.76
Weighted average shares (diluted)	83,786	84,608

(1) The three months ended March 31, 2013 include net charges associated with severance and other costs from the consolidation of manufacturing operations initiated in 2012 partially offset by gains related to the sale of assets at rationalized operations.

(2) Represents the impact of the devaluation of the Venezuelan currency.

(3) Adjusted operating income, Adjusted net income and Adjusted diluted earnings per share are non-GAAP financial measures that management believes are important to investors to evaluate and compare the Company's financial performance from period to period. Management uses this information in assessing and evaluating the Company's underlying operating performance. 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.

LINCOLN ELECTRIC THE WELDING EXPERTS®

Non-GAAP Financial Measures

Non-GAAP Financial Measures: EBIT and Adjusted EBIT
(In thousands)
(Unaudited)

	North America Welding	Europe Welding	Asia Pacific Welding	South America Welding	The Harris Products Group	Corporate / Eliminations	Consolidated
Three months ended March 31, 2013							
Net sales	$ 419,554	$ 110,491	$ 70,039	$ 36,374	$ 82,115	$ —	$ 718,573
Inter-segment sales	28,985	4,279	4,384	20	2,224	(39,892)	—
Total	$ 448,539	$ 114,770	$ 74,423	$ 36,394	$ 84,339	$ (39,892)	$ 718,573
EBIT (1)	$ 75,800	$ 10,707	$ 2,096	$ (4,548)	$ 7,151	$ (603)	$ 90,603
As a percent of total sales	16.9%	9.3%	2.8%	(12.5%)	8.5%		12.6%
Special items charge (gain) (2)	$ 860	$ (6)	$ 197	$ 9,660	$ —	$ —	$ 10,711
EBIT, as adjusted (3)	$ 76,660	$ 10,701	$ 2,293	$ 5,112	$ 7,151	$ (603)	$ 101,314
As a percent of total sales	17.1%	9.3%	3.1%	14.0%	8.5%		14.1%
Three months ended March 31, 2012							
Net sales	$ 381,329	$ 125,803	$ 92,563	$ 39,838	$ 87,589	$ —	$ 727,122
Inter-segment sales	33,542	4,451	3,817	—	2,383	(44,193)	—
Total	$ 414,871	$ 130,254	$ 96,380	$ 39,838	$ 89,972	$ (44,193)	$ 727,122
EBIT (1)	$ 69,519	$ 12,811	$ 2,573	$ 2,905	$ 7,153	$ (1,753)	$ 93,208
As a percent of total sales	16.8%	9.8%	2.7%	7.3%	8.0%		12.8%
Special items charge (gain)	$ —	$ —	$ —	$ —	$ —	$ —	$ —
EBIT, as adjusted (3)	$ 69,519	$ 12,811	$ 2,573	$ 2,905	$ 7,153	$ (1,753)	$ 93,208
As a percent of total sales	16.8%	9.8%	2.7%	7.3%	8.0%		12.8%

(1) EBIT is defined as Operating income plus Equity earnings in affiliates and Other income.

(2) Special items in the three months ended March 31, 2013 include rationalization and asset impairment charges (gains) and the impact of the devaluation of the Venezuelan currency.

(3) The primary profit measure used by management to assess segment performance is EBIT, as adjusted. EBIT for each operating segment is adjusted for special items to derive EBIT, as adjusted.

LINCOLN ELECTRIC
THE WELDING EXPERTS®