

LINCOLN ELECTRIC HOLDINGS, INC.

FINANCE COMMITTEE CHARTER

The Finance Committee is an arm of the Board of Directors and is responsible to the Board of Directors. The mission of the Committee is to consider in greater depth than possible in full board meetings matters relating to the financial operation of the Company. Deliberations of the Committee will result in (a) a report to the Board accompanied by any recommendations the Committee deems appropriate; (b) interaction with management on matters under the purview of the Committee and working with management on changes in these matters which, if appropriate, will be reported to the Board; and (c) review, but no action required.

Matters that will be considered by the Finance Committee are:

1. Financial Performance

1.1. Evaluate goals for financial performance of the Company as proposed by management and with management present the goals to the Board for approval.

1.2. Receive suggestions from management as to how performance can and will be improved.

2. Capital Structure of the Company

Among specific items to be considered are:

2.1. Relative levels of equity and debt.

2.2. The kinds of equity and debt to be used and if changes are to be made, how to make the changes.

2.3. Assist management in identifying sources of equity and debt and, when appropriate, assist in negotiating specific issues of equity and debt.

3. Financial Operations

3.1 Review operating budgets of the Company.

3.2 Review financial performance of the Company and compare performance to budgets and goals.

4. Capital Expenditures

Review and examine requests for capital expenditures for each of the operations.

5. Pension Plans

Review the Company's pension funding in relation to the plan(s) obligations, and from time to time the Company's asset allocation decisions for the plan(s), as well as the financial performance of the various managers utilized to invest the plans assets in relationship to comparable market benchmarks.

6. Interaction with the Audit Committee

There could be overlap in purview of the Audit Committee and Finance Committee. In order to avoid confusion and duplication, the two committees must constantly coordinate their activities. It is strongly recommended that there be at least one member common to both committees.

7. Other Matters

There will be matters other than those described above that from time to time need to be considered by the Finance Committee. These matters can be identified from a wide variety of sources and will be considered as topics surface and as it is determined that the Finance Committee should consider them.

8. Committee Operations

8.1 The Committee is comprised of members of the Board. The Chairman of the Board may or may not be an official member of the Committee, but the Chairman should receive an invitation to all committee meetings. The Chief Financial Officer (who may or may not be a member of the Committee) should attend all meetings of the Finance Committee and will serve as the management staff officer of the Committee.

8.2 The Committee will meet as frequently as required to discharge its duties. Time and place of meetings should be coordinated by the management staff in conjunction with the Chairman of the Finance Committee. Every attempt should be made to provide committee members pertinent data at least one week in advance of each meeting.

8.3 Meetings of the Finance Committee may be called by the Chairman of the Board, Chief Financial Officer, Chairman of the Finance Committee, or by a majority of the members of the Finance Committee.

8.4 Minutes will be kept of all meetings by a recorder designated by the Committee.

9. Annual Performance Evaluation.

The Finance Committee will conduct and review with the Board of Directors annually an evaluation of the Finance Committee's performance with respect to the requirements of this Charter. The Finance Committee may conduct this performance evaluation in such manner as such Committee, in its business judgment, deems appropriate.

Consistent with the listing requirements of Nasdaq or any stock exchange on which the Company's shares may be listed or traded, this Charter will be included on the Company's website and will be made available upon request to the Company's Secretary.

5/1/03