

## **DAIHEN CORPORATION Acquires LORCH: A Partnership for Sustainable Growth in Europe.**

Osaka, Auenwald, 30.08.2023 - DAIHEN CORPORATION, a globally leading provider of welding and robotics technologies, officially announced today the acquisition of LORCH, a renowned welding equipment company based in Germany, Auenwald.

This strategic acquisition marks a milestone in the history of both companies and opens exciting opportunities for long-term growth and collaboration. The decision to acquire is seen by both sides as the perfect partnership for long-term expansion in Europe. "The acquisition of LORCH into the DAIHEN Group represents a significant strategic step for us in our market presence in Europe and beyond," explains Shoichiro Minomo, CEO and President of the DAIHEN Group.

Additionally, the acquisition paves the way for a new era at LORCH as it transitions from being a family-owned business to joining a global corporation.

LORCH's current management team, workforce, foreign subsidiaries, dealer network, and the LORCH brand will remain unchanged, ensuring continuity and commitment to the valued customers.

LORCH currently maintains a network of over 400 sales partners across Europe, with a strong presence in Germany. Their reputation for exceptional technical support and customer-centric services has earned them significant customer trust. With the integration of DAIHEN's cutting-edge technology, the collaboration between LORCH and DAIHEN aims to provide enhanced value to European customers and LORCH's partners. This includes the introduction of new welding systems designed to reduce the weight of electric vehicle (EV) bodies and advanced welding equipment that significantly enhances the productivity of welding thick plates, commonly used in applications like steel frames, construction machinery, and wind power generation.

DAIHEN is well-prepared to actively support the distribution of LORCH technology through DAIHEN's robust distribution network of more than 1,100 companies held by DAIHEN sales subsidiaries in nine locations around the world, including Japan and Asia. European welding machine manufacturers, such as LORCH hold a strong brand identity and reputation for high quality, especially in Asian regions. By selling LORCH's welding machines through DAIHEN's Asian sales network, both companies will generate synergies that transcend geographical boundaries.

A closer collaboration in the field of welding automation, particularly in regard to robotics is intended. DAIHEN's provision of arc welding robots to LORCH facilitates the advancement of automation in Europe. DAIHEN's high-performance arc welding robots can be made available to customers through LORCH's sales partners. Additionally, DAIHEN will share its automation expertise know-how in Europe, actively supporting LORCH and its customers in exploring new business fields.

DAIHEN and LORCH are excited to enforce synergies in welding technology product development. The integration of both companies' technologies holds extensive promise. Collaboration between LORCH's adept development team and DAIHEN's technology experts will lead to the creation of welding machines as world-class performance and quality standards. The distribution of these exceptional products in Europe, Asia, and even the American market will undoubtedly drive our businesses to further heights. With LORCH, DAIHEN has established a partnership in Europe, where both companies will collaboratively develop products as equal partners. DAIHEN's status as a technology leader is expected to contribute significantly to the success of this cooperative effort.

“By collaborating with Lorch, DAIHEN Group will gain a leading share of the European welding machine and arc welding robot market and increase sales in Europe to over 150 million Euro by year 2026.” assures Shoichiro Minomo.

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The DAIHEN Corporation is a globally active group with over 3,800 employees and an annual turnover of approximately € 1.2 billion.

Basic research in the development focus areas of welding technology, mechatronics and robot manufacturing are just as much a part of the company's core competencies as the production of corresponding systems and their worldwide distribution.