

Size of the Machine Tool Industry

According to Survey of Industrial Production, a study conducted by the Ministry of Economy, Trade and Industry (METI), machine tools are classified in the general category. General machinery is a category that covers boilers and motors, earthmoving / construction equipment, office equipment, refrigerating equipment, and semiconductor fabricating equipment, etc. In the machine tool industry, METI's study covered business facilities with 50 or more employees.

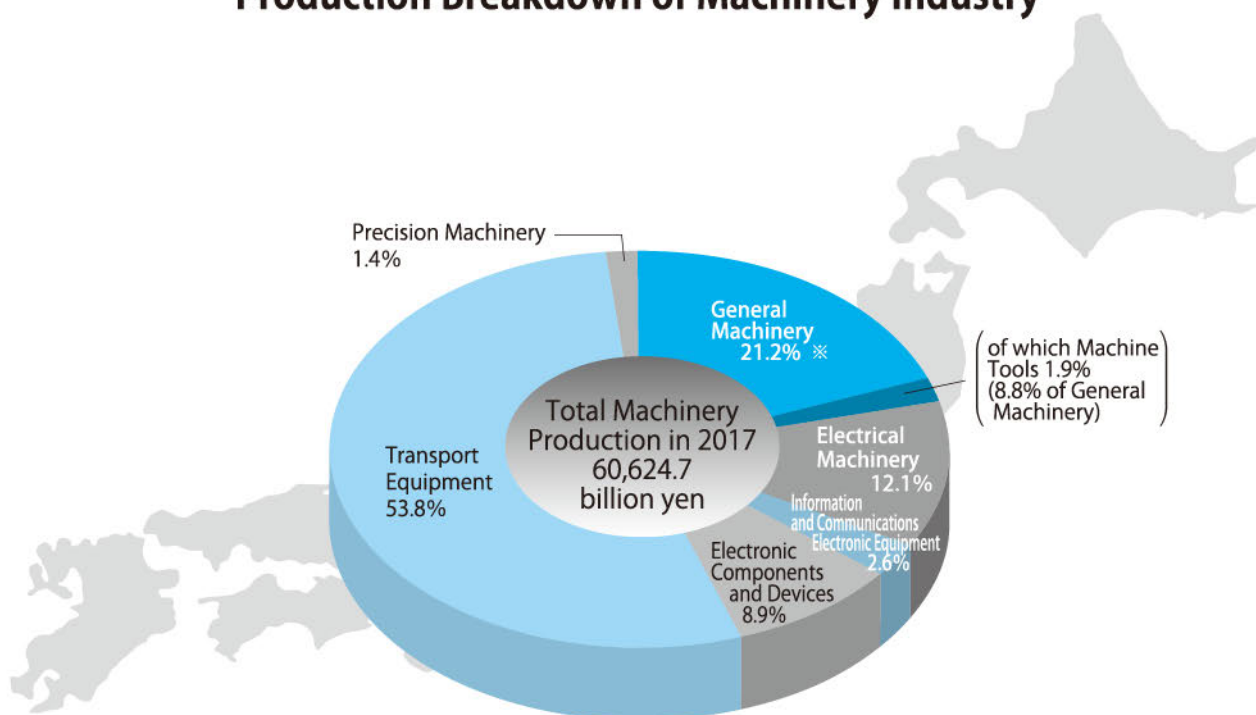
Looking at the industry in terms of the value production, the total 2017 value of production of machine tools amounted to ¥1,129.8 billion. This accounted for about 8.8% of the value of production of the general machinery industry, which amounted to 12,872.0 billion, and only about 1.9% of the value of production of the entire machinery industry, which amounted to ¥60,624.7 billion.

However, superior machine tools are the crucial factor in manufacturing a wide range of machinery. This is why machine tools are viewed within all sectors of the machinery industry as having a critical presence far greater than their share alone would indicate.

The total value of production of machine tools in 2017 rose by 11.6% over the previous year. Thus, the total production value exceeded 1 trillion yen for the four consecutive years.

Looking at the machine tool industry in terms of employment, the number of employees has been decreasing since its peak in 1992 at 37,975. After bottoming out in 2003 at 22,130 employees, the number began to rise gradually. But ever since the world economic crisis in autumn 2008, the industry has been forced to review its production systems. Each company emphasizes the training of new personnel and the transmission of outstanding skills and technologies from senior to younger employees and made the great efforts to sustain employment. The number of employees amounted to 26,170 in 2017 which increased slightly from the previous year.

Production Breakdown of Machinery Industry



Source: Ministry of Economy, Trade and Industry (METI)

※ "Civil engineering and construction machinery, mining equipment and crushing machine" is not included in "General Machinery" in 2017 statistics.

Scale of Machinery & Equipment / Machine Tool Industries

(Value in Millions of Yen)

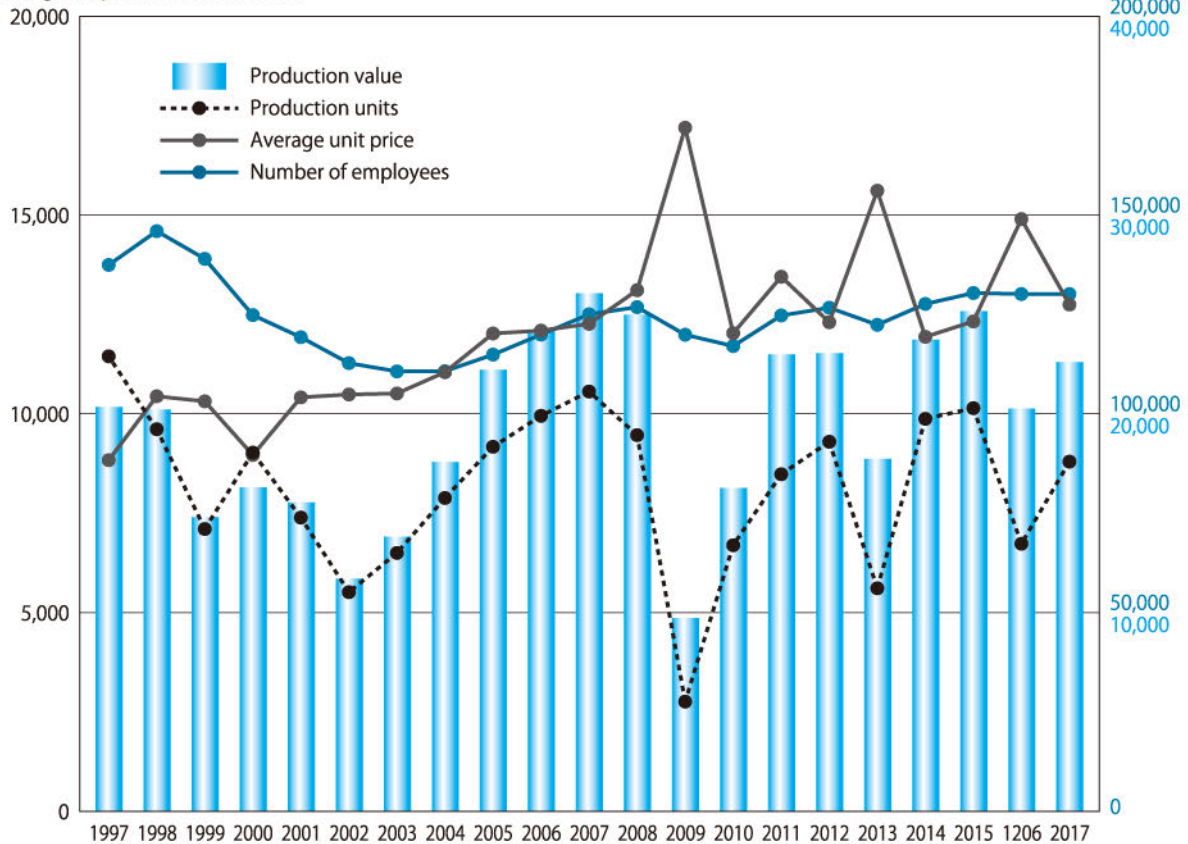
Year	Machinery & Equipment (A)		Machine Tool Industry (B)		Shares (%) $\frac{(B)}{(A)} \times 100$	
	Production Value	Number of Employees	Production Value	Number of Employees	Production Value	Number of Employees
2012	62,479,577	1,031,114	1,151,980	25,333	1.8	2.5
2013	59,297,921	1,021,500	886,372	24,473	1.5	2.4
2014	62,655,311	1,025,210	1,186,293	25,524	1.9	2.5
2015	62,201,522	1,025,851	1,258,087	26,072	2.0	2.5
2016	60,220,802	1,002,512	1,012,810	26,023	1.7	2.6
2017	60,624,713	1,010,079	1,129,823	26,170	1.9	2.6

Source: METI

Trend of Production Units / Production Value and Number of Employees

(Production value in 100 Millions of Yen)
(Average unit price in thousands of Yen)

Production units: Units
(Number of employees: persons)



Source: METI