

## The Current Condition of the Japanese Machine Tool Industry

### **Monthly Machine Tool Orders (March 2012)**

The total value of machine tool orders in March was 115.3 billion yen. This was an increase of 11.9% compared to February and marked the second consecutive month of growth. This figure also showed an increase of 1.6% compared to the same month of the previous year, with March posting the first year-on-year growth in three months.

Driven by seasonal factors related to the end of fiscal year in March, total orders surpassed the 110 billion yen level for the first time in three months. Although there have been no major changes in the business environment for orders, an upturn in both domestic and foreign market conditions is expected.

Domestic orders rose by 26.2% over February, amounting to 39.1 billion yen. This marked the second consecutive month of growth. Domestic orders also increased by 21.9% over the same month of the previous year, marking the first year-on-year growth in two months.

Looking at major industries, orders compared to February rose by 11.9% in general machinery, by 40.1% in motor vehicles, by 30.3% in electrical and precision machinery and by 204.4% in aircraft, shipbuilding and transport equipment.

Foreign orders rose by 5.8% over February to 76.20 billion yen. However, this was a decline of 6.5% from the same month of the previous year, making March the third consecutive month of year-on-year declines.

By region, orders from Asia decreased by 4.8% from the previous month to 43.12 billion yen. This was a decrease of 3.2% from the same month of the previous year, making March the third consecutive month of year-on-year declines. Orders from Europe rose by 39.9% over February to 12.65 billion yen while declining 8.1% from the same month of the previous year. Orders from North America rose by 15.3% over February to 19.1 billion yen while declining 11.7% from the same month of the previous year.

# Main Statistics of Metal Cutting Machine Tools

Value in Millions of Yen

Period	ORDERS								PRODUCTION				SALES		INVENTORY		EXPORTS		IMPORTS		EMPLOYEES	WHOLE-SALE
	Total	%	Domestic	%	Foreign	%	Sales	Order Backlog	Unites	Weight	Value	%	Unites	Value	Unites	Weight	Value	%	Value	%	No. of	PRICE
	Value		Value		Value		Value	Value		ton						ton					Persons	INDEX
C.Y. 1990	1,412,123	111.2	1,038,791	111.5	373,332	110.5	1,323,494	612,728	196,131	459,814	1,303,442	114.4	196,966	1,336,812	9,723	25,170	455,809	106.4	68,645	135.9	36,849	100.0
1991	1,141,209	80.8	848,219	81.7	292,990	78.5	1,257,208	489,427	172,034	428,691	1,265,587	97.1	169,496	1,288,204	15,122	31,239	411,948	90.4	58,496	85.2	37,965	101.8
1992	710,221	62.2	474,561	55.9	235,660	80.4	826,975	354,933	116,649	283,840	831,087	65.7	118,591	850,528	14,408	28,126	330,291	80.2	41,027	70.1	38,265	101.2
1993	531,783	74.9	322,570	68.0	209,213	88.8	594,359	266,959	88,930	213,731	592,727	71.3	92,321	619,656	12,252	24,718	306,094	92.7	25,230	61.5	34,512	97.7
1994	573,083	107.8	315,493	97.8	257,590	123.1	562,809	273,172	88,109	215,620	554,080	93.5	89,860	575,984	11,016	20,842	328,786	107.4	25,226	100.0	29,340	96.2
1995	775,538	135.3	407,238	129.1	368,300	143.0	716,330	330,125	100,293	278,759	699,351	126.2	101,019	710,628	10,831	19,606	478,054	145.4	41,032	162.7	28,394	100.0
1996	938,194	121.0	509,777	125.2	428,417	116.3	866,418	400,399	106,813	316,732	837,453	119.7	108,124	850,630	10,378	21,546	591,653	123.8	64,384	156.9	27,678	98.4
1997	1,130,609	120.5	635,136	124.6	495,473	115.7	1,062,001	470,117	115,149	410,045	1,017,129	121.5	116,160	1,070,158	11,125	19,657	649,395	109.8	71,443	111.0	27,487	100.1
1998	989,200	87.5	457,214	72.0	531,986	107.4	1,093,216	381,690	96,805	397,333	1,010,541	99.4	96,649	1,060,603	11,296	24,964	657,055	101.2	65,843	92.2	28,354	99.3
1999	756,616	76.5	361,922	79.2	394,694	74.2	814,406	322,337	71,710	280,409	739,461	73.2	73,659	775,298	7,215	19,025	529,222	80.5	63,711	96.8	27,793	95.8
2000	975,046	128.9	521,686	144.1	453,360	114.9	887,942	402,721	90,916	313,842	814,636	110.2	91,797	816,123	7,004	17,697	620,056	117.2	85,572	134.3	24,962	100.0
2001	788,898	80.9	411,125	78.8	377,773	83.3	874,107	313,370	74,572	300,527	776,453	95.3	74,911	781,440	6,922	18,320	558,403	90.1	69,619	81.4	23,848	100.3
2002	675,837	85.7	350,322	85.2	325,515	86.2	670,714	308,372	55,807	227,217	585,098	75.4	58,144	594,957	4,483	16,083	484,668	86.8	50,904	73.1	22,545	98.8
2003	851,101	125.9	441,587	126.1	409,514	125.8	792,356	348,947	65,673	272,171	690,205	118.0	64,013	692,463	3,851	14,687	564,105	116.4	53,163	104.4	22,130	99.2
2004	1,236,192	145.2	672,839	152.4	563,353	137.6	1,025,726	555,840	79,500	361,935	878,082	127.2	76,091	879,589	4,092	17,384	683,066	121.1	88,245	166.0	22,141	101.6
2005	1,363,203	110.3	746,709	111.0	616,494	109.4	1,275,637	644,180	92,385	453,038	1,110,257	126.4	88,719	1,125,758	5,049	23,025	815,110	119.3	107,453	121.8	22,907	100.0
2006	1,436,970	105.4	733,009	98.2	703,961	114.2	1,407,258	684,266	100,171	492,096	1,211,230	109.1	94,383	1,232,261	6,963	26,930	921,456	113.0	135,649	126.2	23,503	101.1
2007	1,589,991	110.6	726,424	99.1	863,567	122.7	1,522,632	758,815	106,282	515,268	1,303,164	107.6	98,752	1,317,226	9,662	32,006	892,032	96.8	72,601	53.5	24,624	100.6
2008	1,301,147	81.8	566,820	78.0	734,327	85.0	1,472,029	574,383	95,310	492,188	1,249,184	95.9	88,319	1,267,372	11,436	31,685	874,723	98.1	60,226	83.0	25,323	101.5
2009	411,809	31.6	159,648	28.2	252,161	34.3	596,920	382,592	29,459	181,556	490,275	39.2	29,894	514,793	9,567	22,682	321,399	36.7	28,717	47.7	24,542	100.2
2010	978,622	237.6	307,527	192.6	671,095	266.1	851,272	508,446	74,718	311,621	834,109	170.1	67,954	820,517	10,486	24,518	608,551	189.3	30,579	106.5	23,380	100.0
2011	1,326,188	135.5	421,599	137.1	904,589	134.8	1,179,316	653,138	94,158	443,648	1,173,643	140.7	87,356	1,171,398	10,417	28,690	855,195	140.5	43,442	142.1	24,355	101.0
F.Y. 2008	969,042	60.8	411,396	57.1	557,646	63.9	1,275,929	407,075	77,453	424,752	1,080,759	82.1	72,334	1,100,554	10,562	28,864	743,900	81.3	53,151	77.7	25,362	101.8
2009	547,149	56.5	189,013	45.9	358,136	64.2	556,418	391,021	34,932	172,191	476,318	44.1	33,993	492,459	9,142	19,841	333,805	44.9	28,317	53.3	24,123	99.6
2010	1,113,604	203.5	353,591	187.1	760,013	212.2	963,307	540,050	82,277	360,362	959,686	201.5	75,721	953,339	9,531	21,282	687,264	205.9	34,378	121.4	23,401	100.3
2011	1,311,100	117.7	418,853	118.5	892,247	117.4	1,246,026	603,683														101.5
2011 1-3	330,715	169.0	100,651	184.4	230,064	163.0	299,720	540,050	22,461	107,397	290,533	176.1	21,899	300,160	9,531	21,282	198,041	166.0	11,526	149.2	23,520	100.7
4-6	343,585	140.1	107,317	134.0	236,268	143.1	257,495	623,352	23,654	105,784	279,246	151.9	21,103	270,863	9,707	24,600	200,177	151.7	9,135	138.9	24,005	101.2
7-9	322,799	123.2	108,833	128.0	213,966	120.9	316,698	629,457	24,213	116,662	309,357	134.1	22,677	310,074	9,665	25,262	226,481	136.1	12,482	163.4	24,799	100.9
10-12	329,089	119.4	104,798	119.3	224,291	119.4	305,403	653,138	23,830	113,805	294,507	115.6	21,677	290,301	10,417	28,690	230,496	120.8	10,299	119.3	25,097	101.2
2012 1-3	315,627	95.4	97,905	97.3	217,722	94.6	366,430	603,683														102.8
2010 9	92,011	213.6	27,117	138.7	64,894	275.9	99,945	472,249	7,528	33,513	87,125	216.6	6,945	90,473	9,756	21,017	59,006	250.5	2,852	141.3	23,383	100.6
10	80,233	171.0	25,364	161.1	54,869	176.1	66,157	485,579	7,110	30,282	80,870	242.8	6,278	75,120	10,114	23,684	55,695	224.6	2,951	111.7	23,246	100.4
11	96,692	204.2	30,939	202.2	65,753	205.2	82,481	500,274	7,086	30,900	83,775	221.0	6,184	78,979	10,457	25,100	64,405	259.9	2,698	170.5	23,395	100.0
12	98,790	164.0	31,526	178.7	67,264	157.9	89,754	508,446	7,280	32,904	90,046	197.2	6,751	90,645	10,486	24,518	70,746	215.1	2,987	140.9	23,404	100.4
2011 1	104,576	189.8	31,615	200.4	72,961	185.5	73,165	540,302	6,633	28,737	78,488	184.5	5,932	74,325	10,740	26,281	45,084	166.3	3,895	131.0	23,526	100.8
2	112,653	173.9	36,999	189.5	75,654	167.1	90,338	562,054	7,500	36,222	97,508	186.6	7,192	94,999	10,501	27,648	69,402	193.7	3,310	148.4	23,484	100.9
3	113,486	149.6	32,037	166.1	81,449	144.0	136,217	540,050	8,328	42,438	114,537	163.3	8,775	130,836	9,531	21,282	83,555	148.2	4,321	171.2	23,550	100.3
4	106,943	132.3	33,332	150.1	73,611	125.6	68,590	574,355	7,456	31,795	82,184	139.4	6,611	79,922	9,456	22,560	65,928	155.5	2,754	136.8	23,805	100.9
5	108,061	134.0	32,297	112.7	75,764	145.8	83,553	602,741	7,610	33,496	91,654	163.1	6,652	86,773	9,693	24,211	60,491	144.1	3,154	151.2	24,038	100.9
6	128,581	153.5	41,688	142.5	86,893	159.4	105,352	623,352	8,588	40,493	105,408	153.6	7,840	104,168	9,707	24,600	73,758	155.1	3,226	130.1	24,173	101.7
7	113,363	134.8	35,763	122.2	77,600	141.4	93,816	642,900	8,371	36,893	98,006	138.7	7,228	94,706	10,015	25,813	79,292	150.4	4,605	190.7	24,214	100.7
8	98,929	115.2	37,574	131.3	61,355	107.2	96,229	645,603	7,467	37,452	97,426	133.7	7,344	97,994	9,841	26,859	65,962	120.6	3,528	148.8	25,069	101.0
9	110,507	120.1	35,496	130.9	75,011	115.6	126,653	629,457	8,375	42,317	113,925	130.8	8,105	117,374	9,665	25,262	81,227	137.7	4,348	152.5	25,115	101.1
10	101,110	126.0	31,709	125.0	69,401	126.5	84,482	646,080	7,313	34,214	87,503	108.2	6,634	86,313	9,923	26,140	67,016	120.3	3,041	103.1	25,222	101.1
11	111,998	115.8	37,732	122.0	74,266	112.9	102,661	655,414	7,993	39,048	101,582	121.3	7,174	96,380	10,262	28,654	75,235	116.8	3,360	124.6	25,053	100.8
12	115,981	117.4	35,357	112.2	80,624	119.9	118,260	653,138	8,524	40,543	105,422	117.1	7,869	107,608	10,41							

NET NEW ORDERS—METAL CUTTING MACHINE TOOLS IN JAPAN

(Value in Millions of Yen)

Industry \ Period		Total 2011	11/10 (%)	11/10-11/12	12/01-12/03	Previous Quarter (%)	year-to-year (%)	12/01-12/03	year-to-year (%)	Mar. '12	Mar. 12/Feb. 12 (%)	Mar. 12/Mar. 11 (%)
1.	Primary Metals	8,766	144.6	3,101	1,551	50.0	59.8	1,551	59.8	641	97.4	68.2
2.	Fabricated Metal Products	16,595	147.9	3,489	3,276	93.9	87.0	3,276	87.0	1,292	107.4	183.0
Machinery & Equipment Industries	3. Industrial Machinery	188,942	150.5	44,718	42,646	95.4	92.9	42,646	92.9	16,050	111.9	108.9
	(of which dies and molds)	21,803	133.3	5,800	5,683	98.0	118.0	5,683	118.0	2,321	120.7	126.9
	4. Motor Vehicles	122,256	136.8	32,479	30,722	94.6	106.7	30,722	106.7	13,067	140.1	130.1
	(of which auto parts)	83,748	140.2	23,010	19,648	85.4	103.2	19,648	103.2	7,254	109.8	116.3
	5. Electrical Machinery	23,613	122.8	4,983	4,648	93.3	83.8	4,648	83.8	1,642	137.9	151.1
	6. Precision Machinery	22,858	106.5	6,011	4,599	76.5	92.3	4,599	92.3	1,560	123.1	114.3
	5-6. Electrical & Precision Machinery (Sub Total)	46,471	114.2	10,994	9,247	84.1	87.8	9,247	87.8	3,202	130.3	130.6
	7. Aircraft, Shipbuilding & Transport equipment	13,662	97.2	3,050	5,038	165.2	145.2	5,038	145.2	2,822	304.4	271.3
	3-7 Machinery & Equipment Industries (Sub Total)	371,331	137.7	91,241	87,653	96.1	98.8	87,653	98.8	35,141	129.9	124.3
8.	Other Machinery & Equipment	13,969	133.2	3,494	2,263	64.8	68.0	2,263	68.0	864	99.7	67.4
9.	Government, Public Agencies & Schools	3,247	98.6	1,400	485	34.6	50.9	485	50.9	64	30.2	10.4
10.	Others	5,287	106.7	1,490	1,661	111.5	191.1	1,661	191.1	681	124.5	2432.1
11.	Trading Companies	2,404	132.0	583	1,016	174.3	237.4	1,016	237.4	376	91.5	188.9
1-11.	Domestic Total	421,599	137.1	104,798	97,905	93.4	97.3	97,905	97.3	39,059	126.2	121.9
12.	Foreign	904,589	134.8	224,291	217,722	97.1	94.6	217,722	94.6	76,195	105.8	93.5
1-12.	Grand Total	1,326,188	135.5	329,089	315,627	95.9	95.4	315,627	95.4	115,254	111.9	101.6
	(of which: NC machines)	1,290,606	138.1	320,194	306,645	95.8	94.8	306,645	94.8	111,990	112.4	100.7

Sales	1,179,316	138.5	305,403	366,430	120.0	122.3	366,430	122.3	168,271	156.4	123.5
(of which: NC machines)	1,143,920	140.4	296,767	354,171	119.3	121.8	354,171	121.8	164,234	160.9	124.0
Order Backlog	653,138	128.5	653,138	603,683	92.4	111.8	603,683	111.8	603,683	91.9	111.8
(of which: NC machines)	623,263	130.2	623,263	576,781	92.5	112.6	576,781	112.6	576,781	91.8	112.6

# NET NEW ORDERS BY DESTINATION

(Value in Millions of Yen)

2012		Jan.		Feb.		Mar.		Apr.		May		Jun.		Jul.		Aug.		Sep.		Oct.		Nov.		Dec.		Total 2012		
			%		%		%		%		%		%		%		%		%		%		%		%		%	
Asia	East Asia	Korea	1,381	49.1	1,573	41.8	1,796	28.2																			4,750	36.7
		Taiwan	1,818	150.1	1,294	91.2	1,460	81.0																			4,572	103.1
		China	22,956	69.8	28,065	87.8	27,443	103.2																			78,464	85.8
		Other	493	594.0	526	26300.0	137	119.1																			1,156	578.0
		East Asia Total	26,648	72.0	31,458	84.7	30,836	88.4																			88,942	81.6
	Other Asia	Thailand	7,766	225.8	5,189	117.0	5,496	121.9																			18,451	149.0
		Malaysia	400	92.0	1,976	1197.6	548	192.3																			2,924	330.4
		Singapore	1,576	374.3	1,028	211.5	379	86.1																			2,983	221.5
		India	3,832	189.6	3,356	189.9	2,332	80.3																			9,520	142.3
		Other	2,363	148.4	2,291	157.7	3,530	229.5																			8,184	178.6
		Other Asia Total	15,937	201.5	13,840	166.6	12,285	127.0																			42,062	162.5
	Sub Total		42,585	94.9	45,298	99.6	43,121	96.8																			131,004	97.1
	Europe	E U	Germany	3,587	88.4	2,559	59.4	4,945	98.4																		11,091	82.8
			U. Kingdom	1,292	89.0	1,879	159.2	1,682	131.7																		4,853	124.2
Italy			506	45.5	452	35.5	433	26.1																		1,391	34.4	
France			961	102.1	984	98.0	1,318	76.3																		3,263	88.9	
Central Europe			202	22.4	402	42.3	875	77.8																		1,479	49.7	
Other West Europe			794	78.9	993	90.5	1,694	128.1																		3,481	101.6	
Other East Europe			178	147.1	140	127.3	204	313.8																		522	176.4	
Russia			425	77.7	753	133.3	200	208.3																		1,378	114.1	
Sub Total		8,936	77.6	9,044	77.1	12,651	91.9																		30,631	82.8		
North America		USA	15,577	121.3	14,918	98.4	16,621	90.3																		47,116	101.5	
	Canada	980	158.3	822	79.7	935	83.3																		2,737	98.7		
	Mexico	673	39.3	791	59.2	1,506	73.5																		2,970	58.3		
	Sub Total		17,230	113.5	16,531	94.3	19,062	88.3																		52,823	97.3	
S. & C. America	Brazil	465	63.0	822	107.2	446	49.5																		1,733	72.0		
	Other	3	2.7	13	108.3	48	77.4																		64	34.6		
	Sub Total		468	55.1	835	107.2	494	51.3																		1,797	69.4	
Other	Australia	83	18.9	272	264.1	382	105.8																		737	81.7		
	Other	206	228.9	39	63.9	485	218.5																		730	195.7		
	Sub Total		289	54.7	311	189.6	867	148.7																		1,467	115.1	
Grand Total		69,508	95.3	72,019	95.2	76,195	93.5																		217,722	94.6		
Of which:NC Machines		68,479	94.8	70,828	95.3	75,098	94.8																		214,405	95.0		

(Note) 1. The countries newly joined EU are included in "Central Europe" since May, 2004. 2. Oceania, Middle East and Africa are included in "Other" region.

Japan Machine Tool Builders' Association