

The Current Condition of the Japanese Machine Tool Industry

Monthly Machine Tool Orders (April 2012)

The total value of machine tool orders in April was 107.3 billion yen. This was a decrease of 6.9% compared to March and marked the first month of decline in three months. This figure also showed an increase of 0.4% compared to the same month of the previous year, with April posting the second consecutive month of year-on-year growth.

In reaction to the end-of-the-fiscal-year run-up in orders in March, total orders for April decreased month on month for the first time in three months. However, orders have still exceeded 100 billion yen for three consecutive months.

Although modest recovery trends continue in the business environment for orders, a further upturn in both domestic and foreign market conditions is expected.

Domestic orders fell by 12.1% from March, amounting to 34.3 billion yen. This was the first decline in three months. Domestic orders increased by 3.0% over the same month of the previous year, marking the second consecutive month of growth.

Looking at major industries, orders compared to March rose by 3.0% in general machinery, fell by 25.4% in motor vehicles, rose by 20.3% in electrical and precision machinery and fell by 58.3% in aircraft, shipbuilding and transport equipment.

Foreign orders fell by 4.2% from March to 72.99 billion yen. This made April the first month of decline in three months and also marked a decline of 0.8% from the same month of the previous year, making April the fourth consecutive month of year-on-year declines.

By region, orders from Asia decreased by 0.1% from the previous month to 43.09 billion yen. However, this was an increase of 9.2% over the same month of the previous year, with April posting growth for the first time in four months. Orders from Europe fell by 20.1% from March to 10.11 billion yen and fell by 28.9% from the same month of the previous year. Orders from North America fell by 1.6% from March to 18.8 billion yen while increasing 3.2% over the same month of the previous year.

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	12/01-12/04	year-to-year	Apr. '12	Apr. 12/Mar. 12	Apr. 12/Apr. 11
						(%)	(%)		(%)	(%)	(%)	(%)
1.	Primary Metals	8,766	144.6	3,101	1,551	50.0	59.8	2,147	82.3	596	93.0	3973.3
2.	Fabricated Metal Products	16,595	147.9	3,489	3,276	93.9	87.0	4,525	71.2	1,249	96.7	48.2
Machinery & Equipment Industries	3. Industrial Machinery	188,942	150.5	44,718	42,646	95.4	92.9	59,185	97.5	16,539	103.0	111.9
	(of which dies and molds)	21,803	133.3	5,800	5,683	98.0	118.0	7,819	124.5	2,136	92.0	146.0
	4. Motor Vehicles	122,256	136.8	32,479	30,722	94.6	106.7	40,466	109.8	9,744	74.6	120.7
	(of which auto parts)	83,748	140.2	23,010	19,648	85.4	103.2	25,121	102.6	5,473	75.4	100.6
	5. Electrical Machinery	23,613	122.8	4,983	4,648	93.3	83.8	6,956	80.1	2,308	140.6	73.5
	6. Precision Machinery	22,858	106.5	6,011	4,599	76.5	92.3	6,144	86.0	1,545	99.0	71.6
	5-6. Electrical & Precision Machinery (Sub Total)	46,471	114.2	10,994	9,247	84.1	87.8	13,100	82.8	3,853	120.3	72.7
	7. Aircraft, Shipbuilding & Transport equipment	13,662	97.2	3,050	5,038	165.2	145.2	6,216	145.4	1,178	41.7	146.3
	3-7 Machinery & Equipment Industries (Sub Total)	371,331	137.7	91,241	87,653	96.1	98.8	118,967	101.1	31,314	89.1	108.1
8.	Other Machinery & Equipment	13,969	133.2	3,494	2,263	64.8	68.0	2,840	63.8	577	66.8	51.6
9.	Government, Public Agencies & Schools	3,247	98.6	1,400	485	34.6	50.9	510	46.7	25	39.1	18.0
10.	Others	5,287	106.7	1,490	1,661	111.5	191.1	2,033	167.6	372	54.6	108.1
11.	Trading Companies	2,404	132.0	583	1,016	174.3	237.4	1,207	201.8	191	50.8	112.4
1-11.	Domestic Total	421,599	137.1	104,798	97,905	93.4	97.3	132,229	98.7	34,324	87.9	103.0
12.	Foreign	904,589	134.8	224,291	217,722	97.1	94.6	290,716	95.7	72,994	95.8	99.2
1-12.	Grand Total	1,326,188	135.5	329,089	315,627	95.9	95.4	422,945	96.6	107,318	93.1	100.4
	(of which: NC machines)	1,290,606	138.1	320,194	306,645	95.8	94.8	411,334	96.4	104,689	93.5	101.4

Sales	1,179,316	138.5	305,403	366,430	120.0	122.3	455,160	123.6	88,730	52.7	129.4
(of which: NC machines)	1,143,920	140.4	296,767	354,171	119.3	121.8	441,130	123.8	86,959	52.9	132.6
Order Backlog	653,138	128.5	653,138	603,683	92.4	111.8	622,397	108.4	622,397	103.1	108.4
(of which: NC machines)	623,263	130.2	623,263	576,781	92.5	112.6	594,661	109.0	594,661	103.1	109.0

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	1,599	50.7																	6,349	39.5	
		Taiwan	1,818	150.1	1,294	91.2	1,460	81.0	1,111	71.4																	5,683	94.9	
		China	22,956	69.8	28,065	87.8	27,443	103.2	29,432	104.2																		107,896	90.1
		Other	493	594.0	526	26300.0	137	119.1	73	1042.9																		1,229	593.7
		East Asia Total	26,648	72.0	31,458	84.7	30,836	88.4	32,215	97.7																		121,157	85.3
	Other Asia	Thailand	7,766	225.8	5,189	117.0	5,496	121.9	5,756	281.5																	24,207	167.8	
		Malaysia	400	92.0	1,976	1197.6	548	192.3	394	102.6																	3,318	261.5	
		Singapore	1,576	374.3	1,028	211.5	379	86.1	804	167.5																	3,787	207.3	
		India	3,832	189.6	3,356	189.9	2,332	80.3	2,349	101.1																		11,869	131.7
		Other	2,363	148.4	2,291	157.7	3,530	229.5	1,574	124.0																		9,758	166.7
		Other Asia Total	15,937	201.5	13,840	166.6	12,285	127.0	10,877	167.3																		52,939	163.4
Sub Total		42,585	94.9	45,298	99.6	43,121	96.8	43,092	109.2																		174,096	99.8	
Europe	E U	Germany	3,587	88.4	2,559	59.4	4,945	98.4	3,579	85.3																	14,670	83.4	
		U. Kingdom	1,292	89.0	1,879	159.2	1,682	131.7	1,503	127.8																	6,356	125.0	
		Italy	506	45.5	452	35.5	433	26.1	1,088	79.7																	2,479	45.8	
		France	961	102.1	984	98.0	1,318	76.3	1,070	96.1																		4,333	90.6
		Central Europe	202	22.4	402	42.3	875	77.8	636	54.6																		2,115	51.1
		Other West Europe	794	78.9	993	90.5	1,694	128.1	862	46.3																		4,343	82.1
		Other East Europe	178	147.1	140	127.3	204	313.8	161	110.3																		683	154.5
		Russia	425	77.7	753	133.3	200	208.3	123	30.8																		1,501	93.3
	Sub Total		8,936	77.6	9,044	77.1	12,651	91.9	10,110	71.1																		40,741	79.5
	North America	USA	15,577	121.3	14,918	98.4	16,621	90.3	16,498	101.7																		63,614	101.5
Canada		980	158.3	822	79.7	935	83.3	851	71.9																		3,588	90.7	
Mexico		673	39.3	791	59.2	1,506	73.5	1,414	185.1																		4,384	74.8	
Sub Total		17,230	113.5	16,531	94.3	19,062	88.3	18,763	103.2																		71,586	98.8	
S. & C. America	Brazil	465	63.0	822	107.2	446	49.5	570	77.2																		2,303	73.3	
	Other	3	2.7	13	108.3	48	77.4	10	21.7																		74	32.0	
	Sub Total		468	55.1	835	107.2	494	51.3	580	74.0																		2,377	70.4
Other	Australia	83	18.9	272	264.1	382	105.8	307	39.0																		1,044	61.8	
	Other	206	228.9	39	63.9	485	218.5	142	82.1																		872	159.7	
	Sub Total		289	54.7	311	189.6	867	148.7	449	46.8																		1,916	85.7
Grand Total		69,508	95.3	72,019	95.2	76,195	93.5	72,994	99.2																		290,716	95.7	
Of which: NC Machines		68,479	94.8	70,828	95.3	75,098	94.8	72,412	100.7																		286,817	96.4	

(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