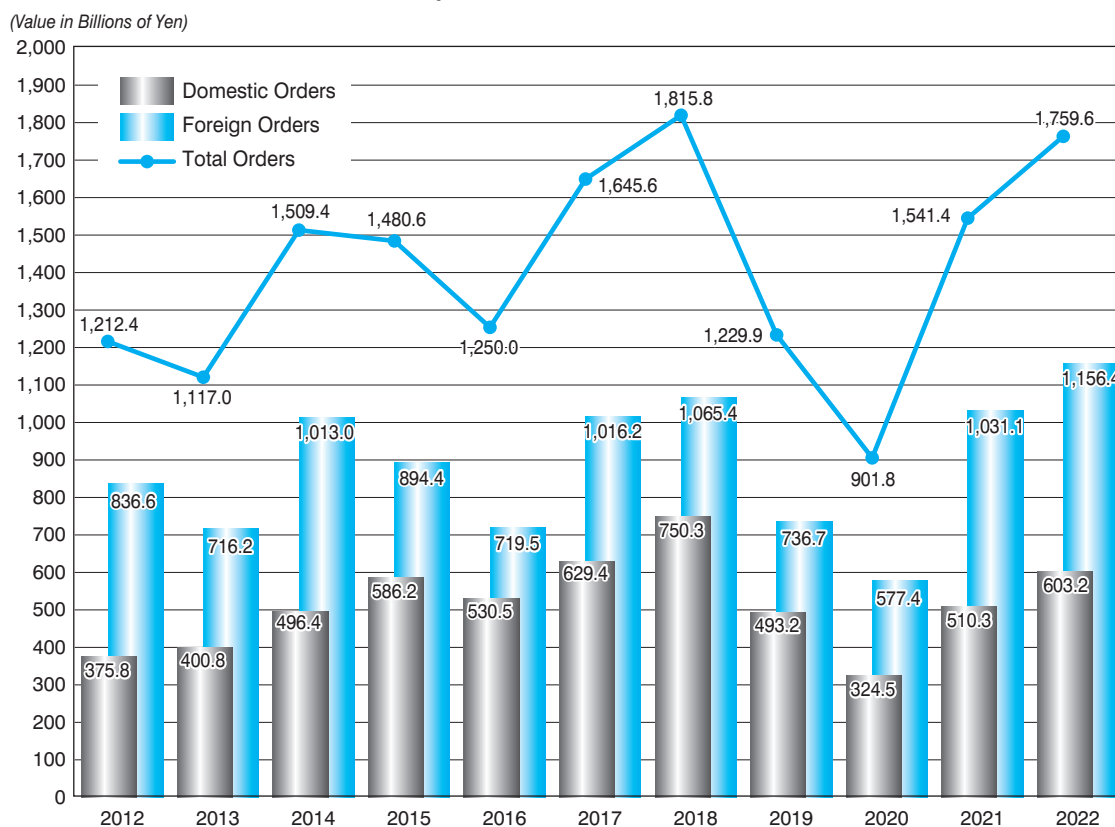


Trends in Orders of Machine Tools

Machine Tool Orders

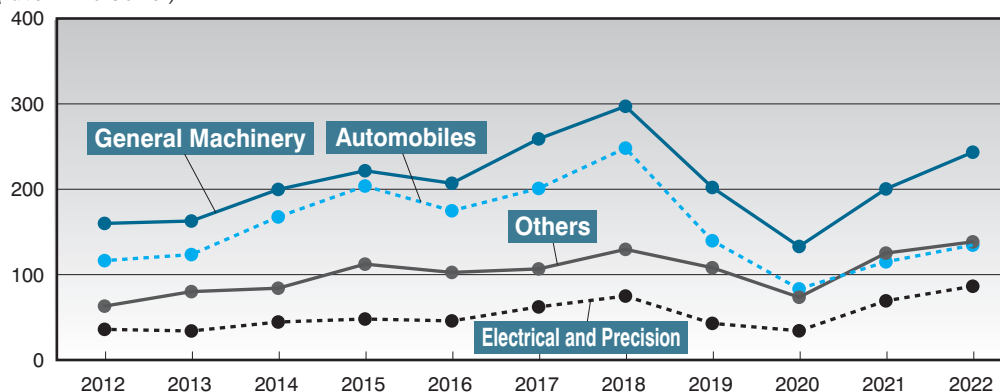


Source: JMTBA

- The amount of machine tool orders in 2022 increased by 14.2% from the previous year to 1,759.6 billion yen, increasing for the second consecutive year. Both domestic and overseas demand are compensating for labor shortages, and there is strong demand for automation and process consolidation to shorten delivery times. It was the second largest order amount after 2018 (1,815.8 billion yen).
- Domestic orders in 2022 were 603.2 billion yen, up 18.2% from the previous year. It exceeded 600 billion yen for the first time in four years. "Electrical machinery" (up 26.6% year-on-year, 57.0 billion yen) and "Metal products" (up 25.6% year-on-year, 50.6 billion yen) recorded the highest value since 2000. On the other hand, "automobiles" (up 17.0% year-on-year, 134.7 billion yen), and "aircraft/shipbuilding/transportation machinery" (up 17.7% year-on-year, 18.9 billion yen), etc. became a development that lacked momentum, due to the movement of next-generation vehicles aimed at reducing CO2 emissions and the impact of the corona crisis, the momentum was lacking.
- Foreign orders in 2022 increased by 12.1% year-on-year to 1,156.4 billion yen, surpassing 1 trillion yen for the second consecutive year and marking a record high. Asia increased 7.6% year-on-year to 556.7 billion yen, Europe increased 9.7% year-on-year to 231.1 billion yen, and North America increased 22.0% year-on-year to 344.5 billion yen. Orders in Asia and North America hit record highs, and orders in Europe were the fourth highest ever.
- Despite these strong orders, the trend toward long delivery times has further intensified due to the difficulty in obtaining parts and materials, and the monthly order backlog reached a record high of 920.1 billion yen in October.

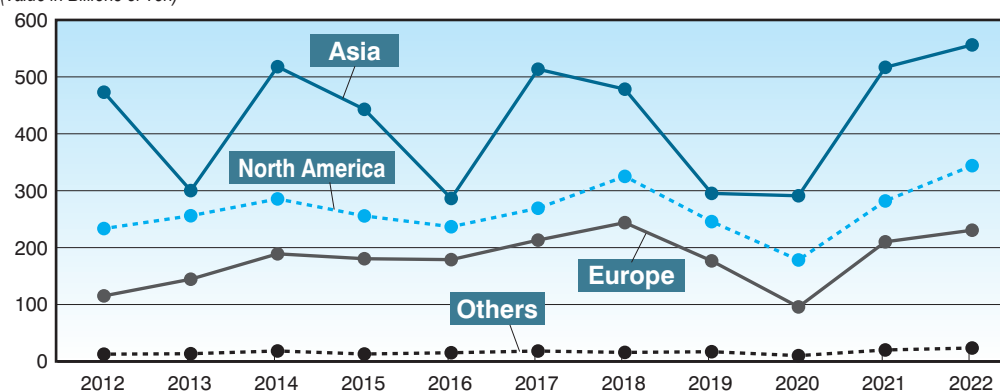
Domestic Orders: Trend of Order Value by Industry

(Value in Billions of Yen)



Foreign Orders: Trend of Order Value by Region

(Value in Billions of Yen)



Machine Tool Order by Type of Machine

(Value in Millions of Yen)

Type of Machine	Year		2022		'22/'21 (%)	Share (%)
	2020	2021	2022			
Turning Machines	287,676 (283,725)	510,051 (504,551)	581,730 (576,885)	114.1 (114.3)	33.1 (33.4)	
Drilling Machines	180 (0)	210 (0)	209 (0)	99.5 (-)	0.0 (-)	
Boring Machines	7,032 (6,646)	14,087 (13,863)	14,622 (14,375)	103.8 (103.7)	0.8 (0.8)	
Milling Machines	2,866 (2,228)	3,670 (2,996)	3,851 (3,330)	104.9 (111.1)	0.2 (0.2)	
Grinding Machines	56,694 (51,788)	95,654 (87,929)	115,632 (107,738)	120.9 (122.5)	6.6 (6.2)	
Gear Cutting & Finishing Machines	15,280 (14,958)	29,646 (29,456)	35,342 (34,949)	119.2 (118.6)	2.0 (2.0)	
Special-Purpose Machines	14,816 (14,322)	20,683 (19,981)	17,785 (17,203)	86.0 (86.1)	1.0 (1.0)	
Machining Centers	384,079 (384,079)	654,601 (654,601)	725,600 (725,600)	110.8 (110.8)	41.2 (42.0)	
Vertical	232,243 (232,243)	377,061 (377,061)	404,619 (404,619)	107.3 (107.3)	23.0 (23.4)	
Horizontal	120,165 (120,165)	230,020 (230,020)	259,868 (259,868)	113.0 (113.0)	14.8 (15.0)	
Other Machining Centers	31,671 (31,671)	47,520 (47,520)	61,113 (61,113)	128.6 (128.6)	3.5 (3.5)	
Electrical Discharge Machines	31,151 (31,046)	52,166 (51,962)	57,122 (56,517)	109.5 (108.8)	3.2 (3.3)	
Other Machine Tools	85,351 (79,268)	136,050 (124,995)	177,598 (160,766)	130.5 (128.6)	10.1 (9.3)	
FMS	16,710 (16,710)	24,601 (24,601)	30,110 (30,110)	122.4 (122.4)	1.7 (1.7)	
Total	901,835 (884,770)	1,541,419 (1,514,935)	1,759,601 (1,727,473)	114.2 (114.0)	100.0 (100.0)	

Source: JMTBA

(): Share of NC Machine Tools