

NOTA DE PRENSA

PRESS RELEASE

THE MACHINE TOOL SECTOR CLOSES A GOOD 2017 WITH 5.3% PRODUCTION GROWTH

- Exports, well-aligned, have risen by 6% amounting to 1.25 billion Euros, the highest ever figure reached.
- The metal forming subsector has experienced a strong growth in both production (+20.6%) and in export (+25%), which has offset the slight decline of the metal cutting subsector.
- These data predict an excellent BIEMH 2018



San Sebastian, 29 January 2018.- The Advanced Manufacturing and Machine Tool sector has closed the 2017 financial year with a 5.31% increase in its production with respect to the 2016 data, amounting to 1.57 billion Euros. This growth has mainly been due to the magnificent year experienced by the metal forming subsector manufacturers, who, after an exceptional year of order acquisition in 2016, present an increase of 20.61%. The figures corresponding to components (+5.76%), tools (+7.67%), accessories (+13.18%), and machining and other services (+8%) have also experienced an upward trend. The metal cutting subsector manufacturers have maintained the figure with a slight recession of 0.97%.

Antxon Lopez Usoz, president of AFM, shows his satisfaction: *“Generally speaking, the year has been good for the sector. With some favourable economic perspectives and with capacity to offer flexible production solutions anywhere in the world, we are now collecting the fruits of our commitment to innovation, internationalisation and stable employment. After a very high order acquisition in 2016, driven by the large presses, in 2017, our factories have pulled out all the stops to deliver their products and applications, and this has enabled us to increase our turnover by more than 5% “.*

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FOREIGN MARKETS

Exports, which continue with the last financial years' record-breaking trend, have increased by a slightly higher percentage than production, - 6.21% -, amounting to 1.25 billion Euros. The strong growth of metal forming (+24.97%) and the slight decline of metal cutting (-4.32%) is also repeated here.

Regarding machine tools, in the analysis by countries (with data until the month of October), the ten major destinations of our exports: Germany at the head, representing 14.9% of the Spanish exports, China in second place, with 10.9%, and Mexico in third place, with 9.7%, occupy the same places as in 2016. Behind them, and improving their figures, USA, 7.7%, and France, 6.3%. Then, Portugal, Italy, Poland, United Kingdom and India.

Lopez Usoz declares: *"If we look at the exports, in 2017 in Europe, both Germany and France, Italy, Portugal and the United Kingdom have done very well. In the NAFTA area, Mexico, USA and even Canada have born up. And in Asia, India has recovered positions, after the uncertain 2015 and 2016, and China, as second destination, has strengthened its position. The data in Turkey and in the Eastern European countries are also good, as well as Poland, Czech Republic, Hungary and Romania. In contrast, neither Brazil nor Russia have recovered the levels they reached in 2013 or 2014, despite their enormous potential".*

DOMESTIC MARKET

In 2017, domestic consumption grew at the same rate as production and export in the sector, 5.08%, recovering a positive tone after the stagnation experienced in 2016. The figure, however, is still low, and it is estimated that it is about 25% less than its real potential, for a country that aims to increase the weight of industry in its GDP.

ORDERS

After the atypical order acquisition growth in 2016 (+22%, which is based on the extremely important entry of orders in the metal forming subsector – metal cutting dropped slightly by 4%-), this financial year has closed with a 10% drop, which is clearly

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positive. Metal cutting has acquired 10.7% more, and metal forming, although it has dropped by 26.5% with respect to a fantastic 2015, has grown, however, by 15.5% respect to 2015.

By markets, acquisitions have improved significantly in almost all contexts, most especially in Europe, with the exception of the NAFTA markets (USA, Mexico and Canada). Asia has yielded unequal results for metal cutting (better) and for metal forming.

2018 FORECAST

Despite the drop in the entry of orders, already explained, the order portfolios are good, so, in 2018 and based on our forecasts, we are expecting the 2017 growth tendency to be maintained. There is a reasonable estimate that both turnover and exports will continue to grow by figures close to 5%.

Regarding acquisition, it is still early to speculate in this regard, but it is fair to say that no major shocks are expected in a world scenario of growth acceleration, with the European continent that appears to be on the crest of a positive cycle.

Xabier Ortueta, Director General of AFM Cluster: *"We have reason to believe that we will continue to show our competitiveness in different cutting-edge solutions for industry; there is no doubt about that. I believe that if the year ends as it looks like doing, it will be a positive financial year for advanced manufacturing in the world"*.

DIGITAL AND ADVANCED MANUFACTURING AFM CLUSTER

The digital and advanced manufacturing AFM Cluster was consolidated in 2017. According to its president: *We represent more than 480 companies with a turnover of more than 2.5 billion Euros and with more than 12,000 jobs. Our vocation is to continue growing and integrating companies from the machine-tool, additive manufacturing, hand tool, industrial supply, and mechanical engineering, which want to contribute to improving the competitiveness of industry and the progress of our society.*

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The increasing Industry's digitalisation offers an excellent opportunity to provide new and more added value to our customers, offering more solutions, more efficient and productive machines.

BIEMH 2018

Once again this year, Bilbao will host the main industrial event of our country, the Machine Tool Biennial, BIEMH, which will be held from 28 May to 1 June in the BEC (Bilbao Exhibition Centre), and which we organise between BEC and AFM.

Like the sector and the association, its main fair continues to grow and it does so by incorporating new shows that complete the already enormous existing offer. Thus, on this occasion, in addition to ADDIT3D and WORKINN, which are already being held for the third time, BEDIGITAL will be held, the first event geared towards the industrial application of digital technologies, as well as IMIC, Industrial Maintenance Innovation Conference.

The perspectives respect to the exhibition and the visitors are magnificent, and once again we will open and use the 6 BEC pavilions. We already have a fantastic number of pre-registrations at this early stage. Undoubtedly, the BIEMH, and all the parallel events, are going to be an excellent lever to increase investments and consumption in Spain.

OUTSTANDING EVENTS IN 2018

AFM General Meeting: 11 May 2018, San Sebastian, Science and Technology Park of Guipuzcoa

BIEMH-ADDIT3D-BEDIGITAL: from 28 May to 1 June, BEC (Bilbao)

WORKINN: from 30 to 31 May, BEC (Bilbao)

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2017 PROVISIONAL DATA

. millions €

TOTAL FOR SECTOR	2017	2016	% 17/16
TOTAL PRODUCTION*	1.576,60	1.496,67	4,00%
Metal cutting	606,04	611,98	-0,97%
Metal forming	397,36	329,46	20,61%
Components	198,67	187,85	5,76%
Other machines and technologies	132,93	147,00	-9,57%
Tools	117,52	109,15	7,67%
Accesorios	69,44	61,35	13,18%
Machining and other services	64,27	59,51	8,00%
TOTAL EXPORT	1.258,35	1.184,75	6,21%
Export for Metal cutting	535,50	555,38	-3,58%
Export for Metal forming	349,60	279,74	24,97%
Export for Components	136,92	124,54	9,94%
Export for other machines and technologies	84,39	89,73	-5,95%
Export for Tools	67,61	61,37	10,17%
Export for Accessories	48,60	41,47	17,20%
Export for machining and other services	35,73	32,52	9,87%
Domestic sales	318,25	311,92	-3,90%
Export / Production	79,81%	79,16%	

* After deduction of the part of the accessories and components sold for Spanish-produced machine tools.

TOTAL SECTOR

. million €

	PRODUCTION	EXPORT
2012	1.327,66	1.088,13
2013	1.412,11	1.178,22
2014	1.383,00	1.101,18
2015	1.474,18	1.111,19
2016	1.496,67	1.184,75
2017*	1.576,60	1.258,35

*Provisional

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. million €

MACHINE TOOLS	2017	2016	% 17/16
TOTAL PRODUCTION	1.003,40	941,44	6,58%
Metal cutting	606,04	611,98	-0,97%
Metal forming	397,36	329,46	20,61%
TOTAL EXPORT	885,10	835,12	5,98%
Metal cutting	535,50	555,38	-3,58%
Metal forming	349,60	279,74	24,97%
Domestic sales	118,31	106,32	11,27%
Export / Production	88,21%	88,71%	
Imports	495,07	477,41	3,70%
Apparent consumption	613,38	583,73	5,08%
Export / import coverage	178,78%	174,93%	
Domestic sales /Consumption	19,29%	18,21%	

. million €

COMPONENTS	2017	2016	% 17/16
TOTAL PRODUCTION	198,67	187,85	5,76%
TOTAL EXPORT	136,92	124,54	9,94%
Domestic sales	61,75	63,31	-2,46%
Export / Production	68,92%	66,30%	

. million €

OTHER MACHINES AND TECHNOLOGIES	2017	2016	% 17/16
TOTAL PRODUCTION	132,93	147,00	-9,57%
TOTAL EXPORT	84,39	89,73	-5,95%
Domestic sales	48,54	57,27	-15,24%
Export / Production	63,48%	61,04%	

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. million €

TOOLS	2017	2016	% 17/16
TOTAL PRODUCTION	117,52	109,15	7,67%
TOTAL EXPORT	67,61	61,37	10,17%
Domestic sales	49,91	47,78	4,46%
Export / Production	57,53%	56,23%	

. million €

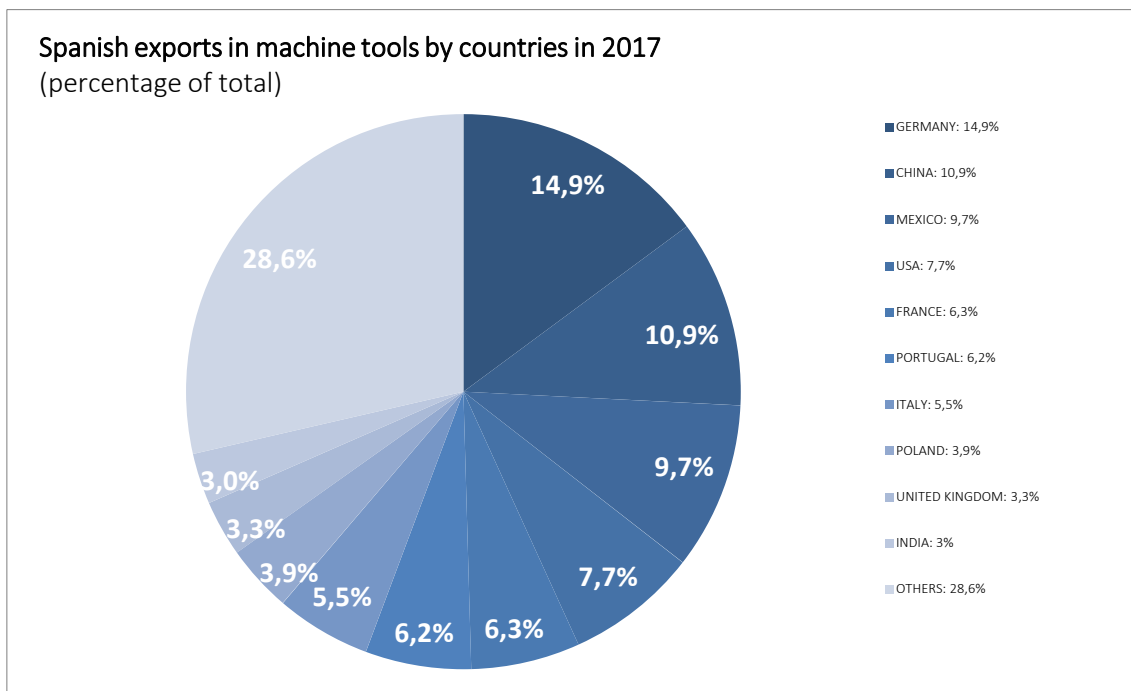
ACCESSORIES	2017	2016	% 17/16
TOTAL PRODUCTION	69,44	61,35	13,18%
TOTAL EXPORT	48,60	41,47	17,20%
Domestic sales	20,83	19,88	4,79%
Export / Production	70,00%	67,60%	

. million €

MACHINING AND OTHER SERVICES	2017	2016	% 17/16
TOTAL PRODUCTION	64,27	59,51	8,00%
TOTAL EXPORT	35,73	32,52	9,87%
Domestic sales	28,54	26,99	5,75%
Export / Production	55,59%	54,65%	

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NOTE 1/2018

For further information please contact the Director of the Communication Department, María Ruiz-Lopetedi, telephones 943 309 009/679 979 083.

ABOUT AFM CLUSTER

AFM CLUSTER is the organisation that represents the interests of Advanced Manufacturing in Spain. Comprised of four industrial associations, it groups together more than 480 companies, which employ more than 12,000 people and bill more than 2.5 billion Euros. From its headquarters in San Sebastian, and its establishment in Tianjin (China), AFM CLUSTER works to promote internationalisation, industrial development, strategic positioning and employee training in its associated companies.

AFM CLUSTER provides service to the following four associated and synergistic sectors:

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- Machine tool and advanced manufacturing technologies. AFM-Advanced Manufacturing Technologies is the original association that the CLUSTER is named after. Founded more than 70 years ago, it has 128 members that supply machine tools and other equipment to industry, to manufacture components, accessories and cutting tools.
- Additive Manufacturing and 3D printing. ADDIMAT groups together 59 companies that operate in this new sector. Destined to be a relevant piece in many industrial sectors such as, for instance, aerospace, biomedics and automotive industry.
- Manual Tools, Hardware and Industrial Supply. ESKUIN represents 23 companies that manufacture manual tools and hardware products in Spain, with the highest quality and safety standards.
- Machining and Metal-mechanical transformation. AFMEC includes the group of machining and metal mechanical transformation workshops in Spain. With 227 member companies, its aim is to give visibility and services to one of the most important industrial groups in Spain.

AFM CLUSTER also has around 50 service companies for industry, which we call collaborating members. All these companies form the large advanced manufacturing family in Spain. AFM CLUSTER forms part of different international associations such as CECIMO, ECTA or CEO, and it organises international fairs and events such as BIEMH, ADDIT3D, FERROFORMA, SUCONTRATACION, WORKINN or the CMH-Advanced Manufacturing and Machine Tool Congress.