



AFTER 8.8% GROWTH IN 2022, MACHINE-TOOL SECTOR RECORDS DYNAMIC START TO FIRST QUARTER

- The good order portfolio guarantees strong production activity throughout 2023
- Although demand is expected to ebb away over the next six months, incoming orders up to March were similar to 2022.

San Sebastian, 3 May 2023.



2022 TURNOVER AND EXPORTS (FINAL DATA)

At 2022-year end, the closing turnover figures for the advanced manufacturing and machine-tool technologies sector confirm the provisional figures forecast back in January, recording growth of 8.85% with respect to 2021 figures. Despite huge uncertainty and difficulties that have made the year into a real obstacle course for investment in production resources, the good level of incoming orders accumulated throughout 2021 and 2022 has enabled the sector to continue increasing turnover.

The metal cutting machines subsector is showing a somewhat stronger performance, with growth of 18.44%, closely followed by metal forming, with almost 10%. So, we have seen a gradual recovery of the two main subsectors in the industry.

The overall positive performance of the machine-tool customer sectors, particularly the strong surge in the energy sector, the reactivation of the automotive and aeronautics sectors, together with demand from the consumer goods sector and others, has contributed to favourable figures in both subsectors.

In terms of exports, the year ended with an increase of 3.8%, marking two consecutive years of growth and reaching 1,288.3 million euros, practically the same as the record export sales recorded in 2019.

The main destinations of our exports sales in 2022 were: Italy, Germany, the US, France and China. Other countries in the top ten markets are: Mexico, Portugal, Turkey, the United Kingdom and Poland. Of particular note are the sales numbers for Italy, which has become our top export sales destination in 2022 for the first time in history, thanks to the schemes promoted by the Italian government to incentivise investment in state-of-the-art production equipment. Other markets that recorded outstanding performance in 2022 were the US (metal forming) and Germany (metal cutting).

José Pérez Berdud, president of AFM Cluster, explains: *“The truth is, it has been proven once again that our companies are well prepared to navigate extremely complex situations. Our commitment to people, technology and internationalisation has enabled us to overcome the situation caused by the war, supply chain difficulties, extremely high inflation and the rising cost of financing, among other adverse factors, to close out the year positively overall”.*



INCOMING ORDERS AND 2023 FORECAST

In 2022, incoming orders figures were good for both metal cutting and metal forming, which regained its stride after several tenuous years. With a 11.28% increase in orders throughout the year, the accumulated portfolio means that 2023 has kicked off with a growth in turnover.

This upward trend in incoming orders has continued throughout the first three months of 2023, although at a slightly slower pace. Despite this, we have managed to match incoming orders recorded in the first quarter of 2022. The measures adopted to cool off the economy affect demand and the cost of financing and this can influence incoming orders and the pace of decision making, especially for the simpler equipment and in the SME setting. We have, however, detected great dynamism in the larger, more technically complex projects, which are holding steady despite difficulties. In any event, our businesses' positive order portfolios and the good start to the year, suggest that 2023 turnover is set to grow by 5%.

Managing Director of AFM Cluster, Xabier Ortueta, adds in this regard: *"Making predictions in these turbulent times is not easy, but we are moderately optimistic. We have a robust portfolio, which will help us sustain good levels of activity throughout the year. Keeping up the excellent incoming order rate of 2022 will be complicated and our prospective analysis is pointing towards a slowdown, at least in the first half of the year. In any event, it's expected to be a temporary slump. The expected stabilisation of economic indicators and the positive forecasts in most of the strategic sectors, where we are well positioned, leads us to believe that demand will recover once again in 2024"*.

In this context of healthy workloads, it's crucial that the sector continues to defend its profitability in order to be able to continue investing in the magic formula: people and innovation to strengthen our competitiveness.

DRAWING TALENT TO THE INDUSTRY PROVES TOP SECTOR CHALLENGE

As a knowledge sector, well trained people and their talent is the machine-tool sector's main asset. But the reality is that these are becoming scarce and highly sought-after assets, making it an urgent challenge to convey to society, and particularly to young people, the virtues of a strategic sector for our well-being.

José Pérez adds that: *"The demographic situation is a factor that can't be fixed in the short or medium term and, as a society, we need to get imaginative to change birth rate trends and at the same time make it easier for people with a vocation to work in the industry. Meanwhile, the machine-tool sector should be projected as a highly attractive activity for young people. We have to redirect vocations towards an environment where work is really interesting, highly innovative and internationalised. The machine tool sector takes care of its people and working in our sector is associated with a life project that's well-paid, enriching and varied."*

Regarding the as yet unequal presence of women in our industry, the president of AFM Cluster remarked: *"It is our responsibility to recruit more women in industrial companies. We must be highly proactive in redressing the historical shortfall, generating messages that show the true reality of our industry and the appeal these jobs can have for women"*.





+ INDUSTRY

In June, Bilbao is set to host the country's main platform dedicated to Smart Manufacturing. From 6 to 8 June, the event will bring together the main new developments and advancements in manufacturing processes and supplies for the industry, digitalisation and robotics, additive manufacturing, equipment for industrial processes and for maintenance. It will be a comprehensive promotional showcase that will foster making the most of sectoral synergies thanks to holding trade fairs for each respective area simultaneously: ADDIT3D, Subcontratación, Bedigital and WorkINN. To date, near 700 exhibiting companies and a host of highly specialised visitors have confirmed their participation.

AFM Cluster will be present, accompanied by their member companies and will have their own exhibition space shared with a number of their members. Also on the agenda is the 11th Advanced and Digital Manufacturing Conference, a B2B event organised by AFM Cluster which offers attendees the opportunity to find commercial, technological or R&D&i partners.

23RD ADVANCED MANUFACTURING AND MACHINE TOOL CONFERENCE

The 23rd edition of the top industry and technology conference will take place in San Sebastian from 25 to 27 October with a two-fold informative and scientific-technical programme. Almost 500 professionals from the advanced and digital manufacturing sector will come to San Sebastian to get a first-hand look at the most advanced trends in disruptive technologies, such as artificial intelligence and quantum computing, discover what the factory of the future will be like and the new business models emerging, the latest advances in robotics and automation, the demands of the most strategic customer sectors, additive manufacturing, the challenges relating to talent and sustainability. A 360-degree overview of connected industry, complete with an exhibition space promoting products and services for advanced manufacturing, including an exciting section on industrial startups.

THE COUNTRY'S MAIN INDUSTRIAL HUB

AFM CLUSTER is made up of over 700 businesses belonging to the advanced and digital manufacturing sector and constitutes the country's top and most powerful industrial ecosystem: manufacturers of manufacturing technologies such as machine-tools and 3D printing, cutting tools and components, hand tools, machining and metal-mechanical transformation companies, automation technologies, robotics and industrial digitalisation, and industrial startups. The world of manufacturing brought together and represented in one big organisation.

EVENTS

5 MAY: General Assembly and Advanced Manufacturing Day, San Sebastian

10-11 MAY: Industry Live, Madrid

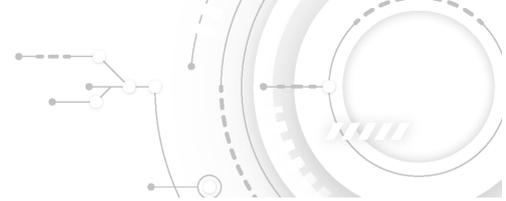
25-27 MAY: European Cutting Tool Conference (ECTA CONFERENCE), San Sebastian

6-8 JUNE: Feria +INDUSTRY, Bilbao

18-23 SEPTEMBER: EMO Trade Fair, Hanover, Germany

25-27 OCTOBER: 23RD ADVANCED MANUFACTURING AND MACHINE-TOOL CONFERENCE, San Sebastian





FINAL DATA FOR 2022

SECTOR TOTAL	2022	2021	22/21
TOTAL PRODUCTION *	1,710.22	1,571.20	8.85%
Metal cutting machines	807.75	681.98	18.44%
Metal forming machines	325.04	295.94	9.83%
Components	263.07	249.96	5.24%
Tools	134.05	130.75	2.52%
Other machines	107.81	129.19	-16.55%
Other services	88.37	99.25	-10.96%
TOTAL EXPORTS	1,288.26	1,241.47	3.77%
Metal cutting machine exports	690.36	637.43	8.30%
Metal forming machine exports	199.97	194.10	3.02%
Exports of components	174.66	170.04	2.72%
Exports of tools	76.17	70.12	8.63%
Exports of other machines	94.17	105.75	-10.95%
Exports of other services	52.93	64.03	-17.34%
Domestic sales	473.43	438.47	7.97%
Exports / Production	75.33%	79.01%	

* After deducting the components and accessories included in domestic machine tools.

. million €

	PRODUCTION	EXPORTS
2017	1,703.49	1,239.77
2018	1,796.10	1,363.19
2019	1,647.86	1,293.93
2020	1,324.12	1,006.01
2021	1,571.20	1,241.47
2022	1,710.22	1,288.26

*Provisional data





. million €

MACHINE TOOLS	2022	2021	% 22/21
TOTAL PRODUCTION	1,132.79	977.92	15.84%
Metal cutting	807.75	681.98	18.44%
Metal forming	325.04	295.94	9.83%
TOTAL EXPORTS	890.33	831.53	7.07%
Metal cutting	690.36	637.43	8.30%
Metal forming	199.97	194.10	3.02%
Domestic sales*	278.06	239.26	16.22%
Exports / Production	78.60%	85.03%	
Imports	493.02	332.62	48.22%
Apparent consumption*	771.08	510.81	50.95%

* Excluded for calculations, estimated €35.6m corresponding to exports of used machinery.

. million €

COMPONENTS AND EQUIPMENT	2022	2021	% 22/21
TOTAL PRODUCTION	263.07	249.96	5.24%
TOTAL EXPORTS	174.66	170.04	2.72%
Domestic sales	88.41	79.92	10.62%
Exports / Production	66.39%	68.03%	

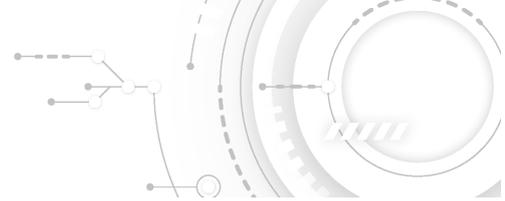
. million €

TOOLS	2022	2021	% 22/21
TOTAL PRODUCTION	134.05	130.75	2.52%
TOTAL EXPORTS	76.17	70.12	8.63%
Domestic sales	57.88	60.63	-4.54%
Exports / Production	56.82%	53.63%	

. million €

OTHER MACHINES	2022	2021	% 22/21
TOTAL PRODUCTION	107.81	129.19	-16.55%
TOTAL EXPORTS	94.17	105.75	-10.95%
Domestic sales	13.64	23.44	-41.81%
Exports / Production	87.35%	81.86%	

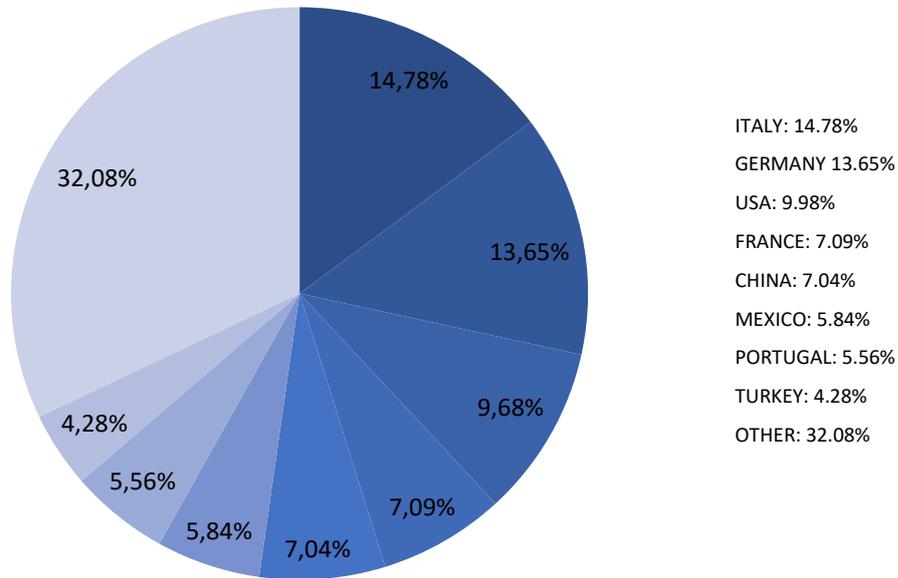




. million €

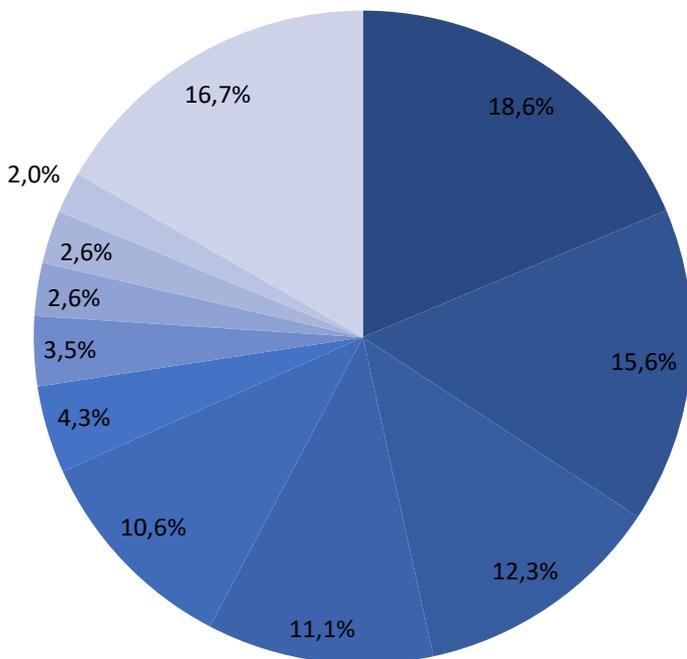
OTHER SERVICES	2022	2021	% 22/21
TOTAL PRODUCTION	88.37	99.25	-10.96%
TOTAL EXPORTS	52.93	64.03	-17.34%
Domestic sales	35.44	35.22	0.62%
Exports / Production	59.90%	64.51%	

Spanish exports of machine tools per country in 2022 (percentage of total figure)



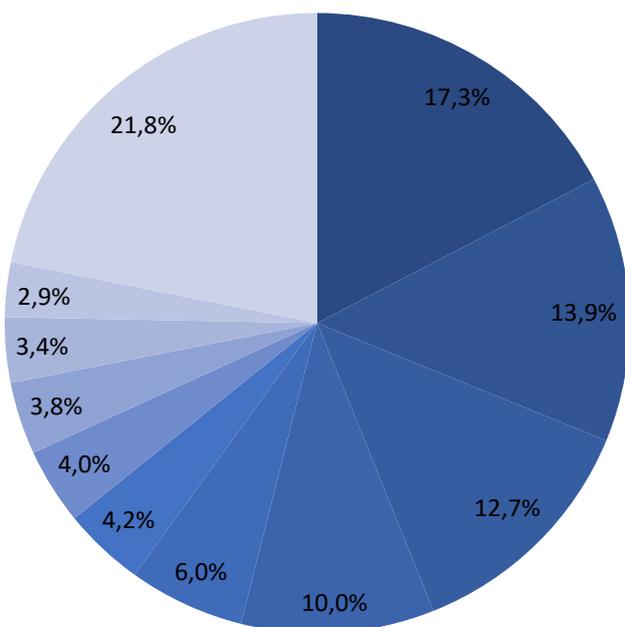


Spanish exports of components for machine tools by country in 2022
(percentage of total)



CHINA: 18,65%
 GERMANY: 15,62%
 FRANCE: 12,3%
 ITALY: 11,13%
 USA: 10,57%
 UNITED KINGDOM: 4,32%
 SWITZERLAND: 3,46%
 BRAZIL: 2,63%
 MEXICO: 2,61%
 JAPAN: 2,05%
 OTHER: 16,67%

Spanish exports of tools for machine tools by country in 2022
(percentage of total)



FRANCE: 17,32%
 MEXICO: 13,86%
 GERMANY: 10,00%
 PORTUGAL: 6,01%
 TURKEY: 4,22%
 POLAND: 3,98%
 NETHERLANDS: 3,76%
 UNITED KINGDOM: 3,41%
 CZECH REPUBLIC: 2,85%
 OTHER: 21,84%





ABOUT AFM CLUSTER

AFM CLUSTER is the organisation that represents the interests of Advanced and Digital Manufacturing. AFM comprises six industrial associations, through which it represents over 700 companies, which employ 17,000 people and have a joint turnover of 3.8 billion euros. From its headquarters in San Sebastian, and its plant in Tianjin (China), AFM CLUSTER works to promote internationalisation, industrial development, strategic positioning and upskilling in its associated companies. The six related and synergistic sectors that AFM CLUSTER provides services to are the following:

- 1 Machine-tool and advanced manufacturing technologies. **AFM** is the founding association, which gives its name to the CLUSTER. With 77 years of experience, it has 126 members.
- 2 Additive Manufacturing and 3D Printing. **ADDIMAT** brings together 109 companies operating in this new sector, destined to be a relevant part in many industrial sectors, such as, for example, the aerospace, biomedical and automotive sectors.
- 3 Hand Tools, Hardware and Industrial Supply. **ESKUIN** represents 20 companies that manufacture hand tools to the highest standards of quality and safety.
- 4 Machining and Metal-Mechanical Transformation. With 186 member companies, **AFMEC** aims to bring visibility and services to one of the most important industrial groups in Spain.
- 5 Technology-based companies and startups. **UPTEK** represents 152 technological companies and startups dedicated to advanced and digital manufacturing.
- 6 Companies offering smart tech for advanced manufacturing. **STECH** groups together 106 businesses to form a collective with specific offerings in smart tech for manufacturing.

AFM CLUSTER is also partnered with over 100 industry services companies. AFM CLUSTER forms part of different international associations, such as CECIMO, ECTA or CEO, it is the co-organiser, along with BEC -Bilbao Exhibition Centre-, of the international fairs BIEMH, ADDIT3D, WORKINN and BEDIGITAL and it actively collaborates in the fairs + INDUSTRY and SUBCONTRATACIÓN. It is a co-organiser of CMH - Congress on Advanced and Digital Manufacturing and Machine Tools.

