

Demand Forecast for Construction Equipment (February 2024)

Japan Construction Equipment Manufacturers Association (CEMA)

1. Overview

- In FY 2023, both domestic and export demand have continued to grow, and the shipment value for the full year of FY 2023 will be 3,317.8 billion yen (9% year-on-year increase), which is expected to be the third consecutive year of an increase overall.
- In FY 2024, both domestic and export demand are expected to remain steady, which will mark the fourth consecutive year of an increase overall. Out of nine types of equipment, the shipment value is expected to increase for six types, and the shipment value for the full year of FY 2024 is expected to be 3,329.1 billion yen (0.3% year-on-year increase) to mark a record high.

2. Domestic and export breakdown

(1) Domestic

- In FY 2023, it is expected that shipment value will continue to grow, supported by improvements in delivery delays for parts and components as well as stable public and private capital investment.
 - Regarding the first half of FY 2023, shipment value increased for eight types of equipment, including a 30% year-on-year increase for tractors, amounting to 468.2 billion yen (13% year-on-year increase).
 - Regarding the second half of FY 2023, shipment value is expected to rise or trend sideways for seven types of equipment, including a 14% year-on-year increase for tractors, amounting to 517.3 billion yen (2% year-on-year increase).
 - As a result, the shipment value for the full year of FY 2023 is expected to be 985.5 billion yen (7% year-on-year increase), marking an increase for the third consecutive year. (The figures have been revised upward by 25.4 billion yen (2.6%) compared to the previous forecast made as of August 2023)
- In FY 2024, shipment value is expected to increase slightly due to the continuation of stable public and private capital investment.
 - Regarding the first half of FY 2024, shipment value is expected to increase or trend sideways for six types of equipment, and amount to 475.2 billion yen (2% year-on-year increase).
 - Regarding the second half of FY 2024, shipment value is expected to increase or trend sideways for seven types of equipment, and amount to 520.5 billion yen (1% year-on-year increase).

- As a result, the shipment value for the full year of FY 2024 is expected to be 995.7 billion yen (1% year-on-year increase), marking an increase for the fourth consecutive year. (The figures have been revised upward by 21.1 billion yen (2.2%) compared to the previous forecast made as of August 2023)

(2) Exports

- In FY 2023, it is expected that shipment value will continue to grow due to factors such as the improvements in delivery delays for parts and components (similar to the domestic situation) as well as an improvement in demand for ships and the weakening of the exchange rate for the yen.
 - Regarding the first half of FY 2023, shipment value increased for seven types of equipment, including a 27% year-on-year increase for hydraulic excavators, amounting to 1,193.1 billion yen (27% year-on-year increase).
 - Regarding the second half of FY 2023, despite an increase in shipment value forecast for two types of equipment, including a 17% year-on-year increase for construction cranes, a decrease in shipment value is expected for six types of equipment (including hydraulic excavators), and shipment value is expected to be 1,139.3 billion yen (5% year-on-year decrease).
 - As a result, the shipment value for the full year of FY 2023 is expected to be 2,332.4 billion yen (9% year-on-year increase), marking an increase for the third consecutive year. (The figures have been revised upward by 100.4 billion yen (4.5%) compared to the previous forecast made as of August 2023.)
- In FY 2024, shipment value is expected to remain steady with continued increase in demand and mainly for construction cranes.
 - Regarding the first half of FY 2024, shipment value is expected to decrease for six types of equipment, and amount to 1,182.9 billion yen (1% year-on-year increase).
 - Regarding the second half of FY 2024, shipment value is expected to increase or trend sideways for four types of equipment, and amount to 1,150.5 billion yen (1% year-on-year increase).
 - As a result, the shipment value for the full year of FY 2024 is expected to trend sideways at a high level and amount to 2,333.4 billion yen (4% year-on-year increase).

[Overview of forecast results for demand]

		FY 2023			FY 2024		
		Actual results for first half of the year	Forecast for the second half of the y ear	Total forecast	Forecast for the first half of the year	Forecast for the second half of the y ear	Total forecast
Domestic	Amount (million yen)	468,158	517,300	985,458	475,200	520,500	995,700
	Year-on-year increase (%)	113	102	107	102	101	101
	Year-on-year increase compared to the previous forecast (%)	105	104	104	101	102	102
Exports	Amount (million yen)	1,193,062	1,139,300	2,332,360	1,182,880	1,150,500	2,333,380
	Year-on-year increase (%)	127	95	109	99	101	100
	Year-on-year increase compared to the previous forecast (%)	107	103	105	103	103	103
Total	Amount (million yen)	1,661,220	1,656,600	3,317,820	1,658,080	1,671,000	3,329,080
	Year-on-year increase (%)	123	97	109	100	101	100
	Year-on-year increase compared to the previous forecast (%)	106	103	105	103	103	103

Note: Spare parts are not included.

- These materials are a compilation of demand forecasts from 62 construction equipment manufacturers who were regular members of CEMA (Chairman: Hiroto Honda) as of January 2024.
- The values for the forecast period for the second half of FY 2023 and both the first and second halves of FY 2024 (three periods in total) is obtained through a survey-type forecast investigation into the domestic and export shipment values of construction equipment as categorized into nine types of equipment. This marks the 65th investigation.

Forecast of Demand for Construction Equipment

February 21, 2024

Japan Construction Equipment Manufacturers Association (CEMA)

Forecast for FY23

Upper: Value in million yen

Lower: Year-on-year comparison (%)

	1H Actual			2H Projection			Full-year Forecast		
	Domestic	Exports	Total	Domestic	Exports	Total	Domestic	Exports	Total
Tractors	61,921	149,076	210,997	74,700	144,900	219,600	136,621	293,976	430,597
	130	119	122	114	91	98	121	103	108
Hydraulic Excavators	155,481	537,255	692,736	183,100	493,400	676,500	338,581	1,030,655	1,369,236
	113	127	124	100	91	93	106	107	106
Mini Hydraulic Excavators	43,325	230,882	274,207	48,000	226,400	274,400	91,325	457,282	548,607
	111	131	128	105	98	99	108	112	112
Construction Cranes	105,754	65,745	171,499	102,500	65,800	168,300	208,254	131,545	339,799
	116	175	133	102	117	107	109	140	119
Road Equipment	18,366	22,508	40,874	19,800	22,700	42,500	38,166	45,208	83,374
	101	113	107	103	107	105	102	110	106
Concrete Equipment	16,240	734	16,974	16,600	600	17,200	32,840	1,334	34,174
	112	114	112	103	99	103	107	109	107
Foundation Work Equipment	19,762	1,480	21,242	18,600	1,400	20,000	38,362	2,880	41,242
	108	80	105	98	81	97	103	81	101
Hydraulic Breakers	12,763	4,943	17,706	12,600	4,800	17,400	25,363	9,743	35,106
Hydraulic Crushers	106	85	99	103	81	95	105	83	97
Other Construction Equipment	34,546	180,439	214,985	41,400	179,300	220,700	75,946	359,739	435,685
	93	123	117	95	100	99	94	110	107
Total	468,158	1,193,062	1,661,220	517,300	1,139,300	1,656,600	985,458	2,332,362	3,317,820
	113	127	123	102	95	97	107	109	109

Forecast of Demand for Construction Equipment

February 21, 2024

Japan Construction Equipment Manufacturers Association (CEMA)

Forecast for FY24

Upper: Value in million yen

Lower: Year-on-year comparison (%)

	1H Forecast			2H Forecast			Full-year Forecast		
	Domestic	Exports	Total	Domestic	Exports	Total	Domestic	Exports	Total
Tractors	60,700	155,288	215,988	72,500	144,900	217,400	133,200	300,188	433,388
	98	96	102	97	100	99	97	102	101
Hydraulic Excavators	158,600	515,800	674,400	183,100	488,500	671,600	341,700	1,004,300	1,346,000
	102	96	97	100	99	99	101	97	98
Mini Hydraulic Excavators	43,800	230,900	274,700	49,000	237,700	286,700	92,800	468,600	561,400
	101	100	100	102	105	104	102	102	102
Construction Cranes	111,000	73,000	184,000	105,600	72,400	178,000	216,600	145,400	362,000
	105	111	107	103	110	106	104	111	107
Road Equipment	18,400	23,000	41,400	20,600	23,200	43,800	39,000	46,200	85,200
	100	102	101	104	102	103	102	102	102
Concrete Equipment	16,900	700	17,600	16,900	600	17,500	33,800	1,300	35,100
	104	98	104	102	96	102	103	97	103
Foundation Work Equipment	18,800	1,300	20,100	17,500	1,100	18,600	36,300	2,400	38,700
	95	85	95	94	81	93	95	83	94
Hydraulic Breakers	13,500	4,300	17,800	13,500	4,600	18,100	27,000	8,900	35,900
Hydraulic Crushers	106	87	101	107	96	104	106	91	102
Other Construction Equipment	33,500	178,600	212,100	41,800	177,500	219,300	75,300	356,100	431,400
	97	99	99	101	99	99	99	99	99
Total	475,200	1,182,888	1,658,088	520,500	1,150,500	1,671,000	995,700	2,333,388	3,329,088
	102	99	100	101	101	101	101	100	100

Changes in Construction Equipment Shipment Value Statistics (Fiscal Year) Forecast for February 2024

Upper: Value in million yen
Lower: Year-on-year comparison

Type	Region	0 7	0 8	0 9	1 0	1 1	1 2	1 3	1 4	1 5	1 6	1 7	1 8	1 9	2 0	2 1	2 2	2 3 Forecast	2 4 Forecast
Tractors	Domestic	86,751	68,094	49,643	55,364	67,182	92,194	114,555	112,494	120,740	113,657	109,773	121,769	121,000	109,716	106,968	113,201	136,621	133,200
	Total	95	79	73	112	121	137	124	98	107	94	97	111	99	91	98	106	121	97
	Exports	309,147	257,243	88,865	185,865	238,442	202,400	189,219	212,143	146,491	126,496	178,822	190,022	138,179	128,891	215,959	284,313	293,976	300,188
	Total	126	83	35	209	128	85	93	112	69	86	141	116	73	93	168	132	103	102
	Subtotal	395,898	325,337	138,508	241,229	305,624	294,594	303,774	324,637	267,231	240,153	288,595	311,791	259,179	238,607	322,927	397,514	430,597	433,388
		118	82	43	174	127	96	103	107	82	90	120	108	83	92	135	123	108	101
Excavators	Domestic	295,296	197,598	99,556	138,014	197,032	255,476	358,163	287,439	253,663	252,938	269,656	270,587	282,642	296,096	304,164	320,414	338,581	341,700
Hydraulic Excavators	Total	108	67	50	139	143	130	140	80	88	100	107	100	104	105	103	105	106	101
	Exports	719,983	595,586	326,209	655,519	760,735	559,611	520,006	558,138	468,539	498,370	659,084	773,484	599,682	491,096	739,662	965,612	1,030,655	1,004,300
	Total	122	83	55	201	116	74	93	107	84	106	132	117	78	82	151	131	107	97
	Subtotal	1,015,279	793,184	425,765	793,533	957,767	815,087	878,169	845,577	722,202	751,308	928,740	1,044,071	882,324	787,192	1,043,826	1,286,026	1,369,236	1,346,000
		117	78	54	186	121	85	108	96	85	104	124	112	85	89	133	123	106	98
Mini Hydraulic Excavators	Domestic	79,793	49,022	30,883	42,404	57,551	71,141	85,380	102,048	106,846	77,282	84,358	89,499	85,859	86,320	86,552	84,614	91,325	92,800
	Total	100	61	63	137	136	124	120	120	105	72	109	106	96	101	100	98	108	102
	Exports	186,806	96,291	52,449	99,424	124,263	119,367	137,599	164,475	167,115	178,323	212,081	230,492	231,056	228,150	329,555	407,016	457,282	468,600
	Total	115	52	54	190	125	96	115	120	102	107	119	109	100	99	144	124	112	102
	Subtotal	266,599	145,313	83,332	141,828	181,814	190,508	222,979	266,523	273,961	255,605	296,439	319,991	316,915	314,470	416,107	491,630	548,607	561,400
		110	55	57	170	128	105	117	120	103	93	116	108	99	99	132	118	112	102
Construction Cranes	Domestic	170,066	151,053	83,700	83,071	106,582	123,277	164,536	188,161	204,697	213,937	198,054	191,353	198,575	170,018	167,614	191,705	208,254	216,600
	Total	116	89	55	99	128	116	133	114	109	105	93	97	104	86	99	114	109	104
	Exports	117,935	138,168	64,616	63,442	75,053	79,265	110,171	129,724	117,057	70,016	68,681	83,835	85,182	50,719	71,997	93,810	131,545	145,400
	Total	135	117	47	98	118	106	139	118	90	60	98	122	102	60	142	130	140	111
	Subtotal	288,001	289,221	148,316	146,513	181,635	202,542	274,707	317,885	321,754	283,953	266,735	275,188	283,757	220,737	239,611	285,515	339,799	362,000
		123	100	51	99	124	112	136	116	101	88	94	103	103	78	109	119	119	107
Road Equipment	Domestic	29,515	23,546	18,270	23,649	26,464	32,883	38,762	39,546	40,084	36,442	38,692	35,743	40,185	40,327	39,236	37,396	38,166	39,000
	Total	102	80	78	129	112	124	118	102	101	91	106	92	112	100	97	95	102	102
	Exports	43,926	39,836	20,260	27,745	31,258	27,523	30,656	33,545	31,506	25,870	36,598	31,894	21,075	21,585	35,824	41,181	45,208	46,200
	Total	136	91	51	137	113	88	111	109	94	82	141	87	66	102	166	115	110	102
	Subtotal	73,441	63,382	38,530	51,394	57,722	60,406	69,418	73,091	71,590	62,312	75,290	67,637	61,260	61,912	75,060	78,577	83,374	85,200
		120	86	61	133	112	105	115	105	98	87	121	90	91	101	121	105	106	102
Concrete Equipment	Domestic	22,988	15,931	13,927	10,877	14,912	17,579	26,454	28,870	30,307	29,360	29,244	28,264	30,853	31,412	32,554	30,645	32,840	33,800
	Total	107	69	87	78	137	118	150	109	105	97	100	97	109	102	104	94	107	103
	Exports	3,229	1,704	798	896	1,107	1,342	1,660	1,739	2,244	1,664	1,558	924	1,279	830	1,078	1,225	1,334	1,300
	Total	145	53	47	112	124	121	124	105	129	74	94	59	138	65	130	114	109	97
	Subtotal	26,217	17,635	14,725	11,773	16,019	18,921	28,114	30,609	32,551	31,024	30,802	29,188	32,132	32,242	33,632	31,870	34,174	35,100
		110	67	83	80	136	118	149	109	106	95	99	95	110	100	104	95	107	103
Foundation Work Equipment	Domestic	24,787	22,869	18,851	17,821	18,822	22,108	30,207	32,305	35,062	38,978	39,120	43,449	40,896	36,074	34,601	37,232	38,362	36,300
	Total	137	92	82	95	106	118	137	107	109	111	100	111	94	88	96	108	103	95
	Exports	2,118	2,689	2,497	3,010	3,684	4,169	3,383	3,043	3,399	6,141	5,211	4,250	4,801	4,974	4,651	3,5		

Japan Construction Equipment Manufacturers Association (CEMA)

Chairman's Press Conference

— Forecast of Demand for Construction Equipment (CE) —
(Published in February 2024)

February 21, 2024

Hiroto Honda, CEMA Chairman

● Program

1. Opening declaration by PR Committee Chairman Tanaka at 10:30
2. Reporting by CEMA Chairman Honda at 10:35 - 11:00
 - Forecast of Demand for Construction Equipment (on a shipment basis)
3. Q&A at 11:00 - 11:30
4. Closing declaration by PR Committee Chairman Tanaka at 11:30

[Outline of CEMA Demand Forecast]



- Published in February and August every financial year. This is the 65th.
- Scope of survey: 62 CE manufacturers with CEMA regular member status
- Date of survey: As of January 2024
- Period for survey : Three periods consisting of the second half of FY 2023 and the first and second halves of FY 2024
- Types of CE surveyed: 9 types(Tractors, HE*, Mini HE, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE)

(The next demand forecast will be announced on August 9, 2024.)

*HE: Hydraulic Excavators

[Contents of Chairman's Press Conference]



1. Demand Forecast for FY23/24

(1) Shipment Value Basis

- ① FY over FY comparison
- ② Half year vs previous half year comparison
- ③ Changes by model (incl. service parts)
- ④ Changes by market (domestic/exports)

(2) Unit Number Basis

- ① HE (hydraulic excavators)
- ② Mini HE

2. Survey Results - Members

(1) Background to domestic demand forecasts

- ① Public works projects
- ② Private capital investments
- ③ Housing investments

(2) Behind overseas demand forecast

- ① Trend in the North American markets
- ② Trend in the European markets
- ③ Trend in Asian markets ex. China(including Oceania)
- ④ Trend in the Chinese market

(3) Trends in exchange rates

- ① JPY-USD
- ② JPY-EUR

(4) Survey Results on Topics

- ① Factors that may affect demand forecast

[FYI] Actual results for shipment value

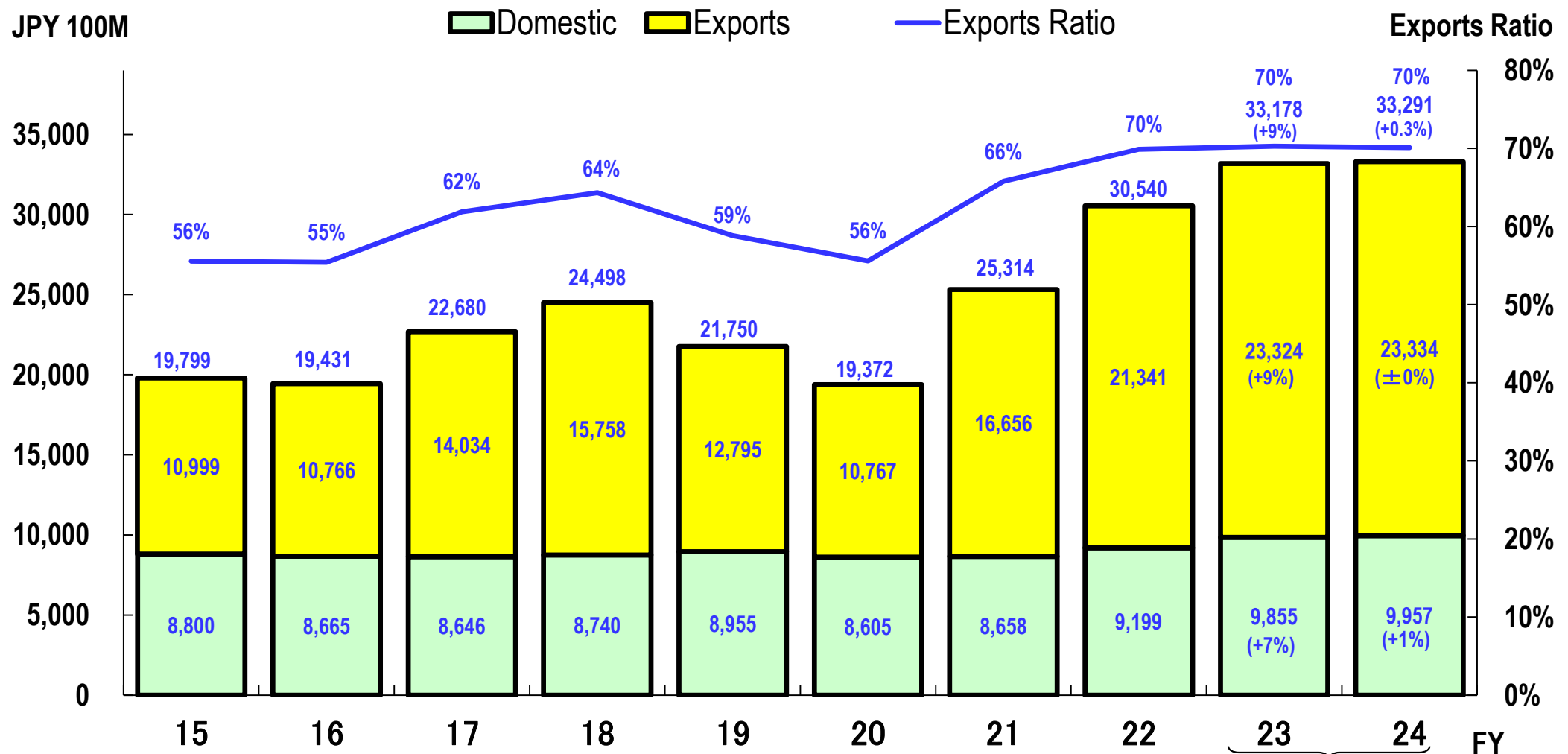
- ① Trends by equipment type (calendar year): 2015 to 2023
- ② Changes in composition ratio by destination: 2015 to 2022
- ③ Changes in composition ratio by destination: Apr-Dec 2023
- ④ Changes in index (FY2007=100)

1. Demand forecasts for FY 23/24 (1) Shipment Value Basis



① FY over FY comparison

- In FY 2023, both domestic and export sales have continued to grow, and the shipment value is expected to be 3,317.8 billion yen (9% year-on-year increase).
- In FY 2024, domestic and export sales are expected to remain steady, and the shipment value is expected to be 3,329.1 billion yen (0.3% year-on-year increase) to mark a record high.



*(%) indicates an FY over FY comparison

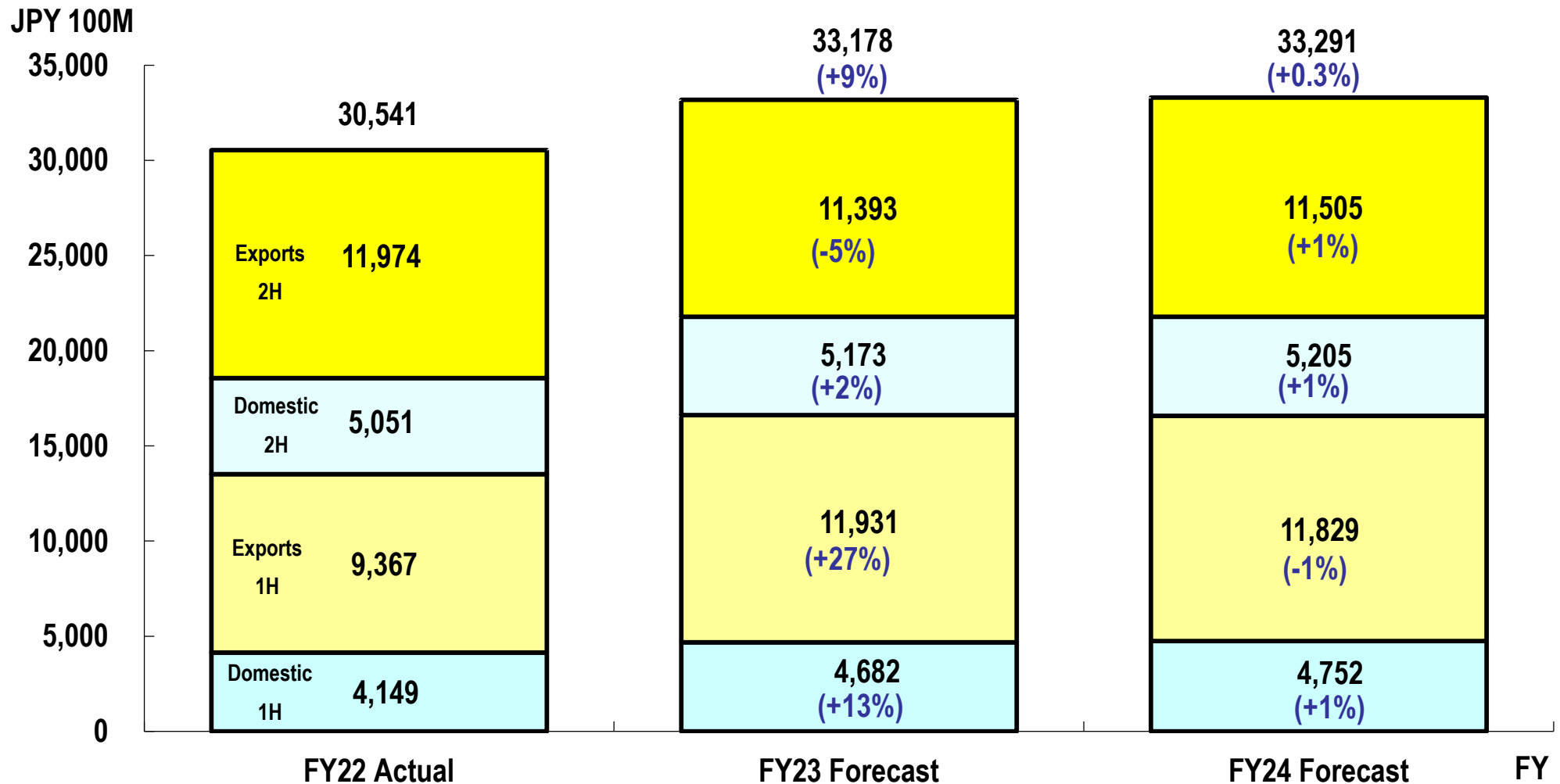
Scope for this forecast

1. Demand Forecast for FY23/24 (1) Shipment Value Basis



② Half year vs previous half year comparison

- In FY 2023, shipment value of demand greatly increased for both domestic and export markets in the first half of the fiscal year, however in the second half of the fiscal year, domestic shipment value remained steady while exports declined.
- In FY 2024, increases in domestic demand are expected in both the first and second halves of the fiscal year. For exports, demand is expected to decrease slightly in the first half of the fiscal year but is expected to increase in the second half of the fiscal year.



*(%) indicates an FY over FY comparison

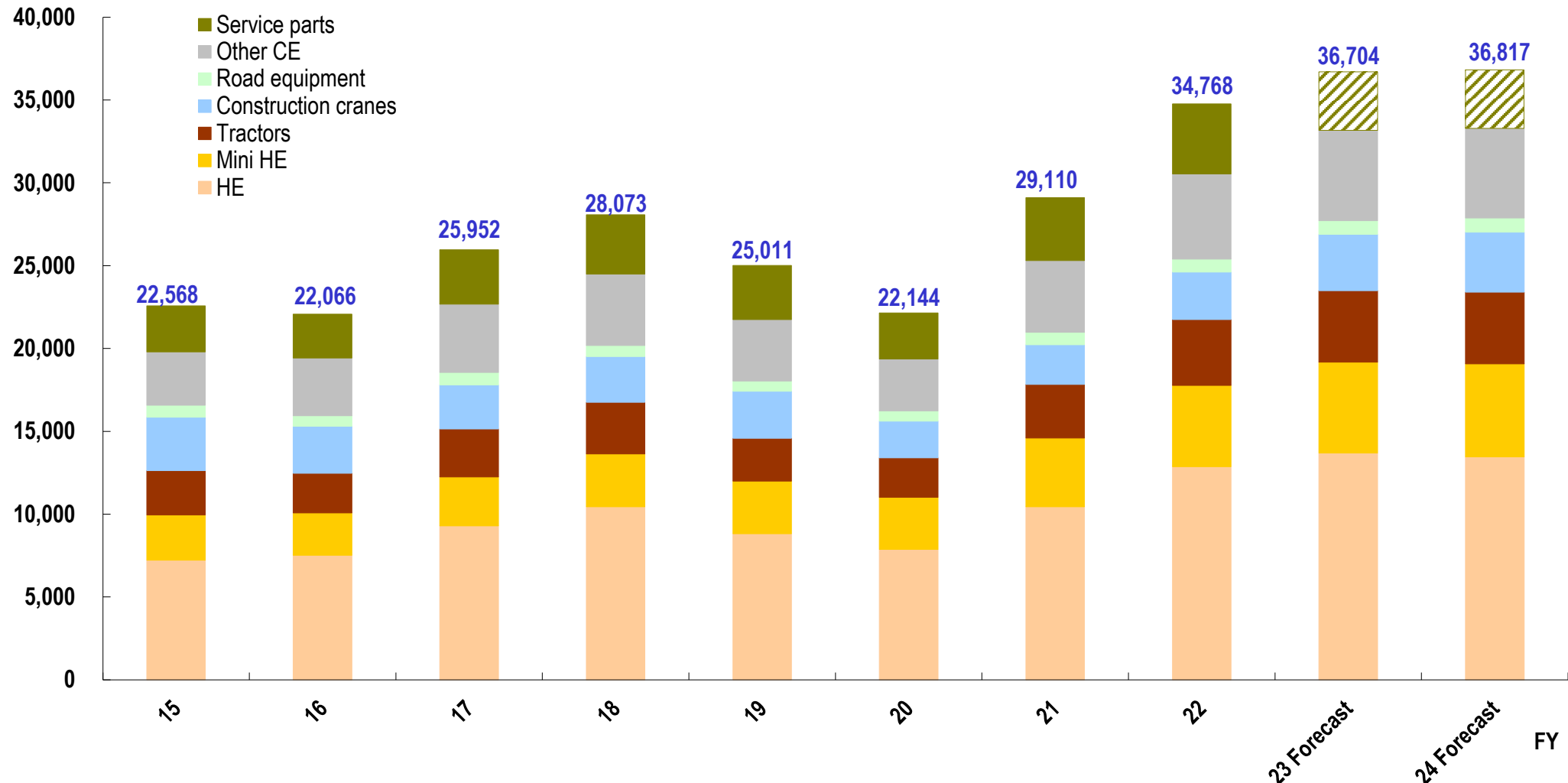
1. Demand Forecast for FY23/24 (1) Shipment Value Basis



③Changes by model (incl. service parts)

- In FY 2023, demand is expected to increase for eight types of equipment out of nine types of equipment in total.
- In FY 2024, demand is expected to increase for six types of equipment out of nine types of equipment in total.

JPY 100M



*On a shipment value basis for the following 9 types of CE: Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE. However, the forecast of service parts for FY23 and FY24 are the average amount over the past 5 years (JPY 352.6 billion)

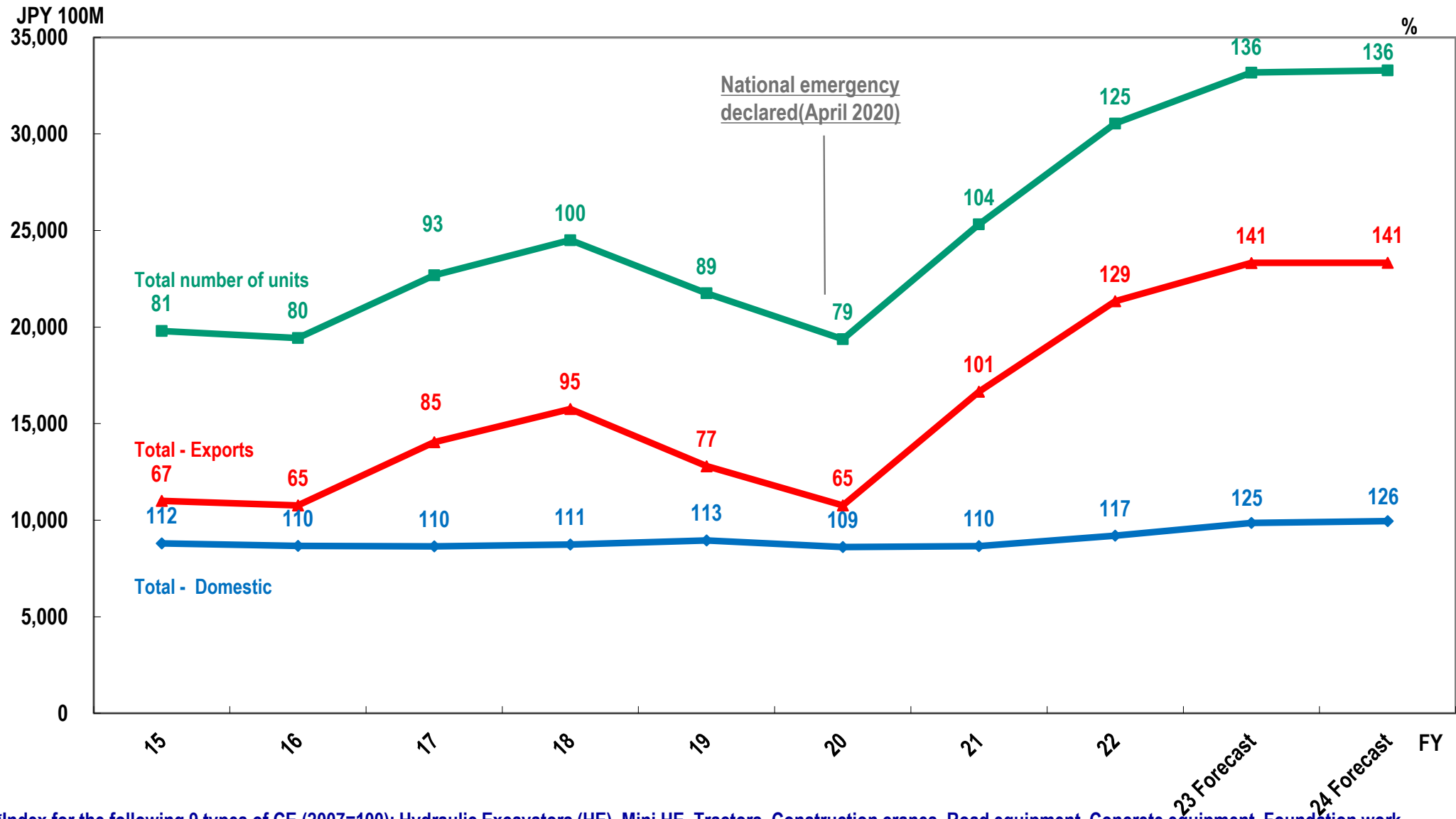
Source: Statistics privately compiled by CEMA

1. Demand Forecast for FY23/24 (1) Shipment Value Basis



④ Changes by market (Domestic/Exports)

- In FY 2023 and FY 2024, both domestic and export demand continues to be robust.



*Index for the following 9 types of CE (2007=100): Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE.

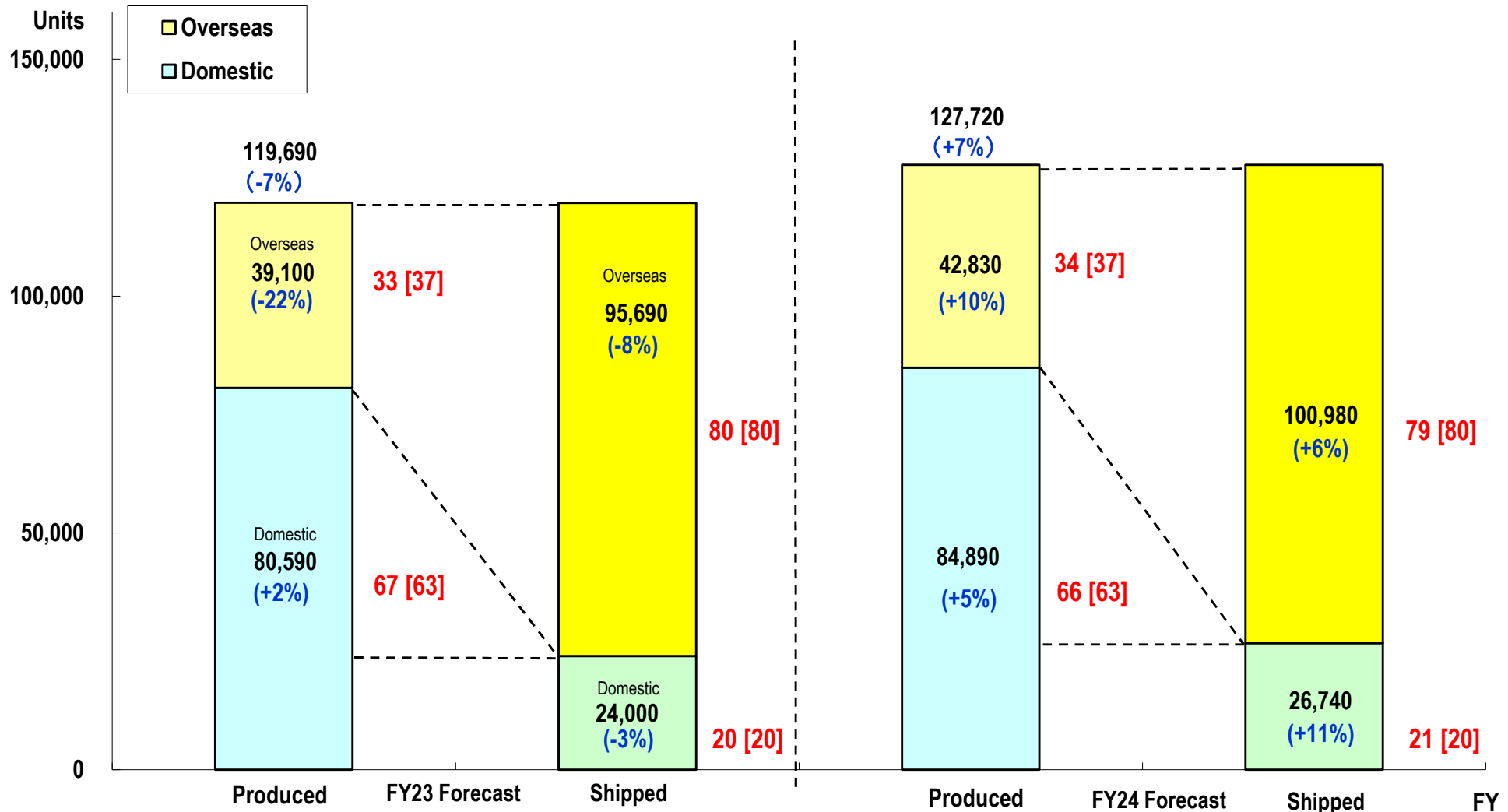
Source: Statistics privately compiled by CEMA

1. Demand Forecast for FY23/24 (2) Unit Number Basis



① Hydraulic Excavators

- In FY 2023, domestic production increased, while overseas production and shipments both decreased.
- In FY 2024, both production and shipments are expected to increase for domestic and overseas markets.



* On a basis of the produced units of HE

* Figures in red indicate domestic-overseas ratios In [] are projections as of as of August. In () are FY over FY comparisons.

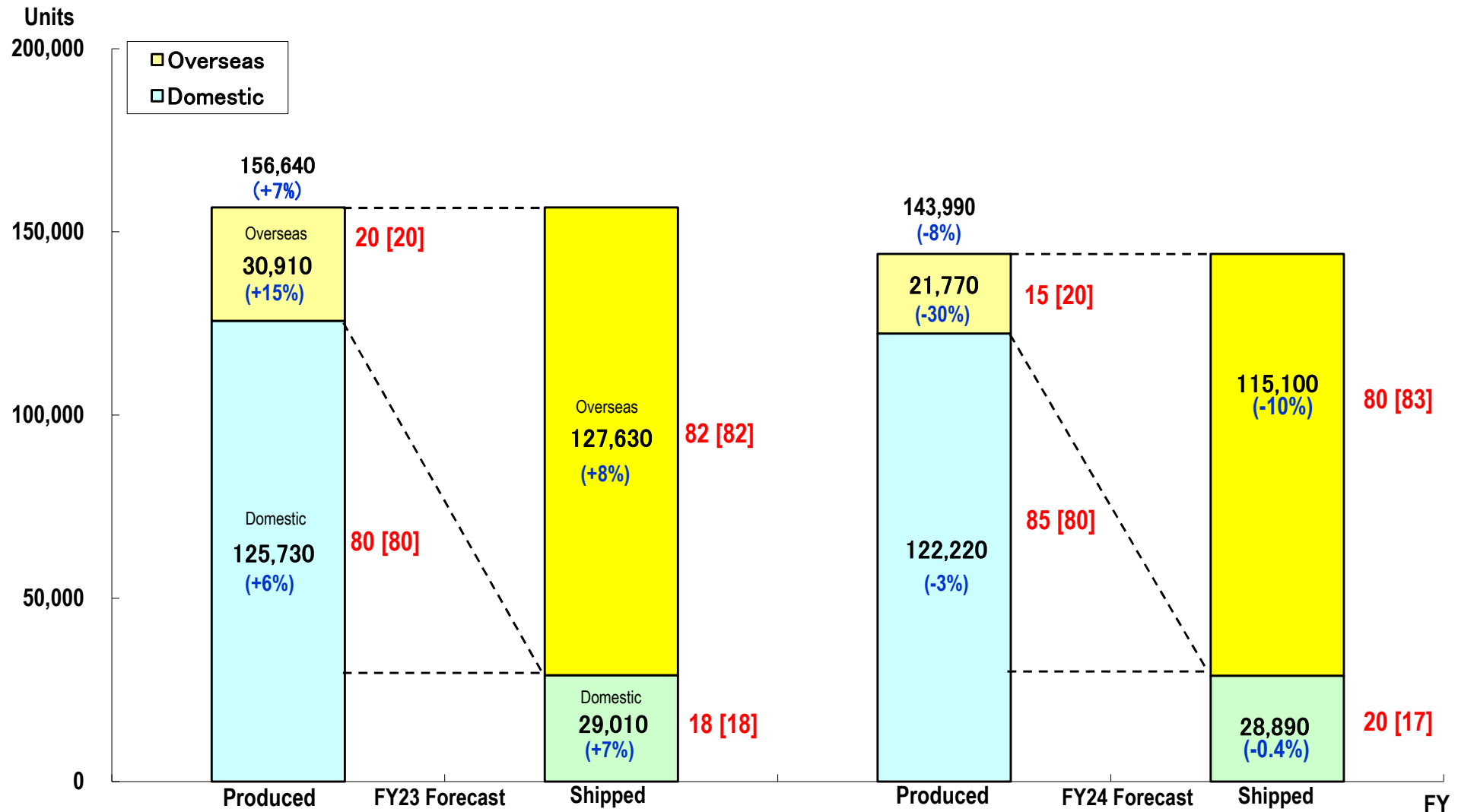
Source: Research by CEMA

1. Demand Forecast for FY23/24 (2) Unit Number Basis



② Mini HE

- In FY 2023, production and shipment value both increased for domestic and export markets.
- In FY 2024, production and shipment value are both expected to decrease for domestic and export markets.



* On a basis of the produced units of Mini HE

* Figures in red indicate domestic– overseas ratios. In [] are projections as of August. In () are FY over FY comparisons.

Source: Research by CEMA

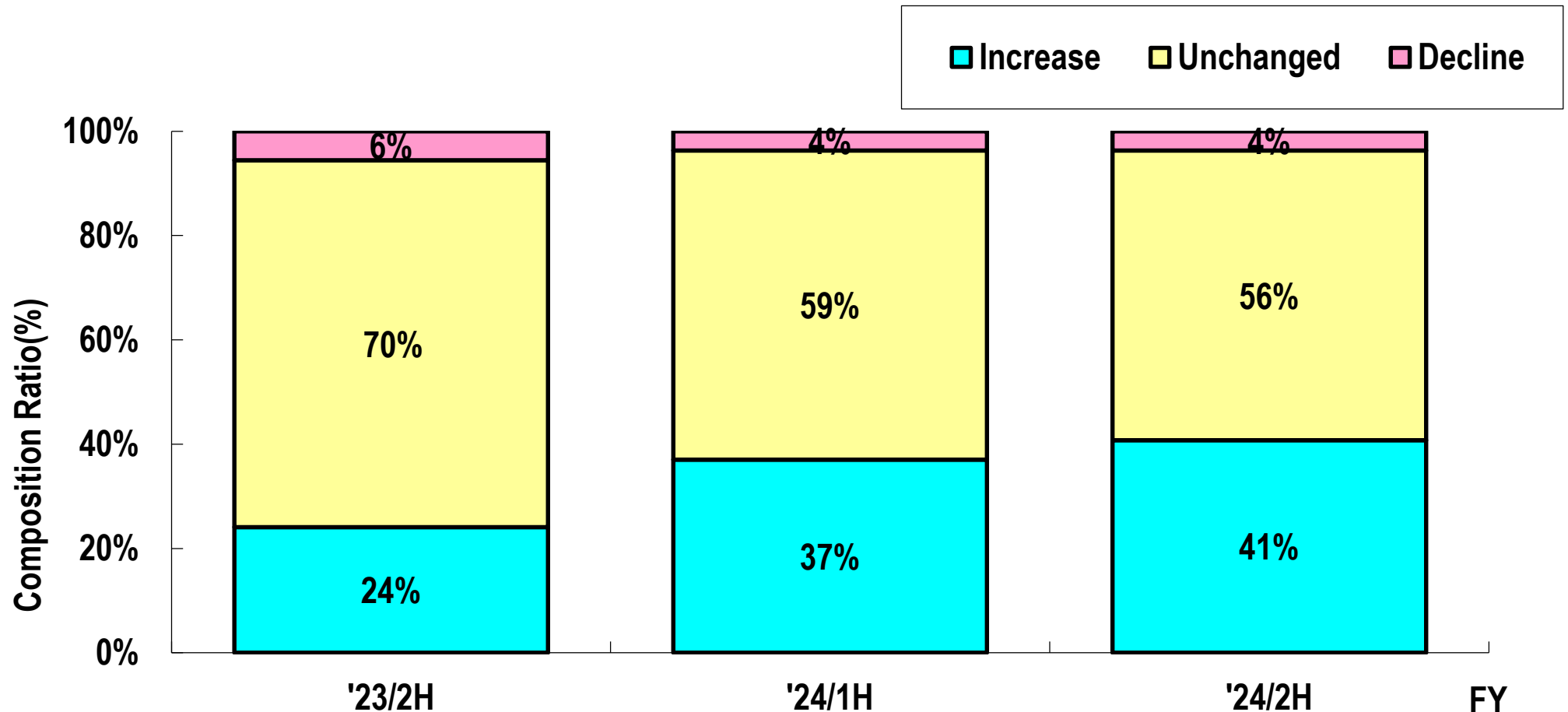
2. Survey Results - Members

(1) Behind domestic demand forecast



① Public works projects

- In the second half of FY 2023, the majority view the situation as trending sideways, while an increasing number of companies expect an increase in public investment in FY 2024.



2. Survey Results - Members

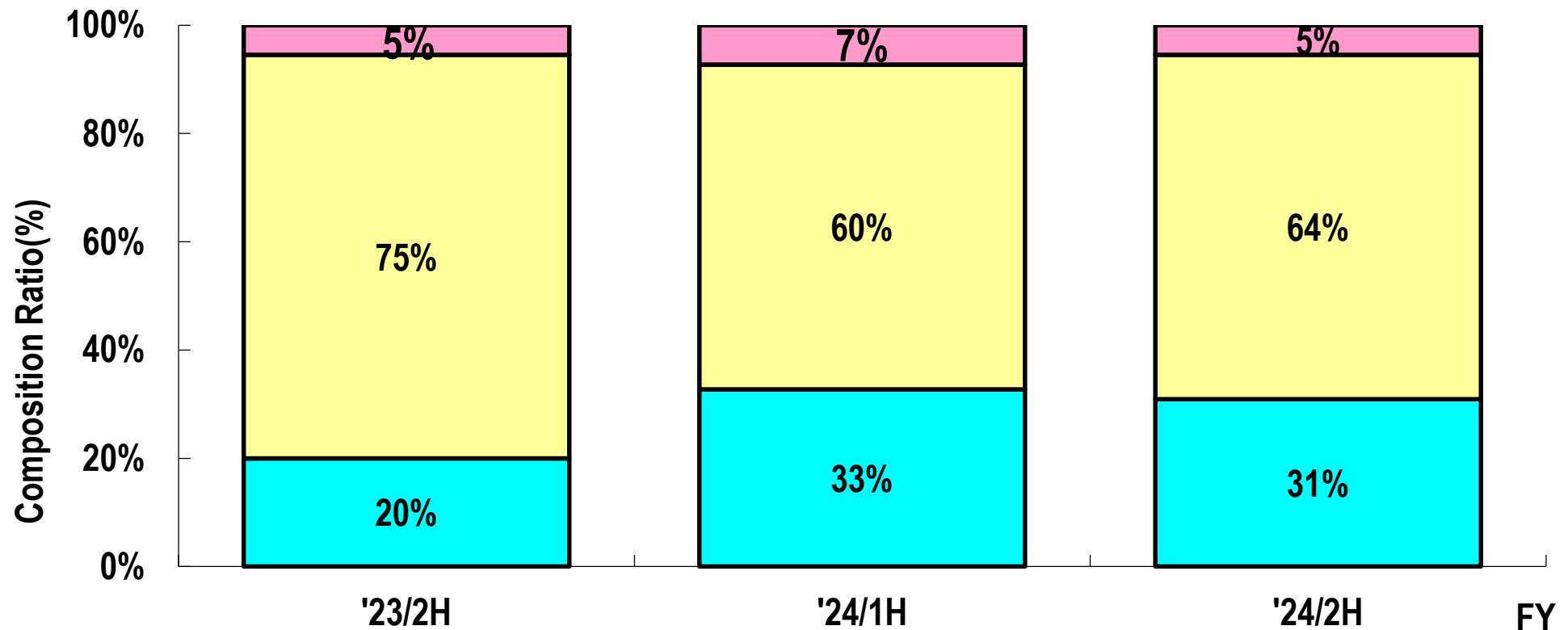
(1) Behind domestic demand forecast



② Private capital investments

- The majority view the situation in both the second half of FY 2023 and FY 2024 as trending sideways, while an increasing number of companies expect an increase in private capital investment in the first half of FY 2024.

■ Increase ■ Unchanged ■ Decline



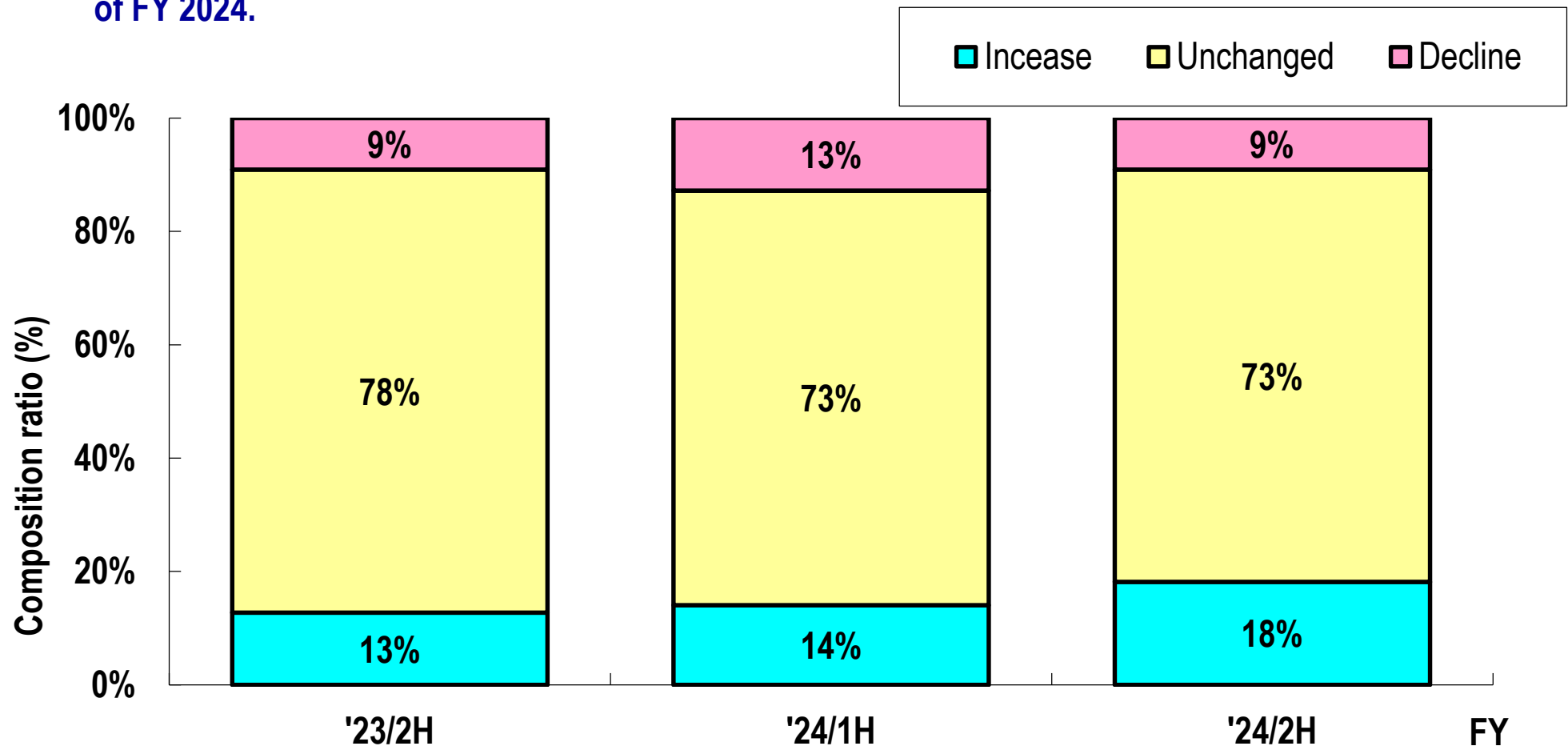
2. Survey Results - Members

(1) Behind domestic demand forecast



③ Housing investments

- The majority view the situation in both the second half of FY 2023 and FY 2024 as trending sideways, while an increasing number of companies expect an increase in housing investment in the second half of FY 2024.



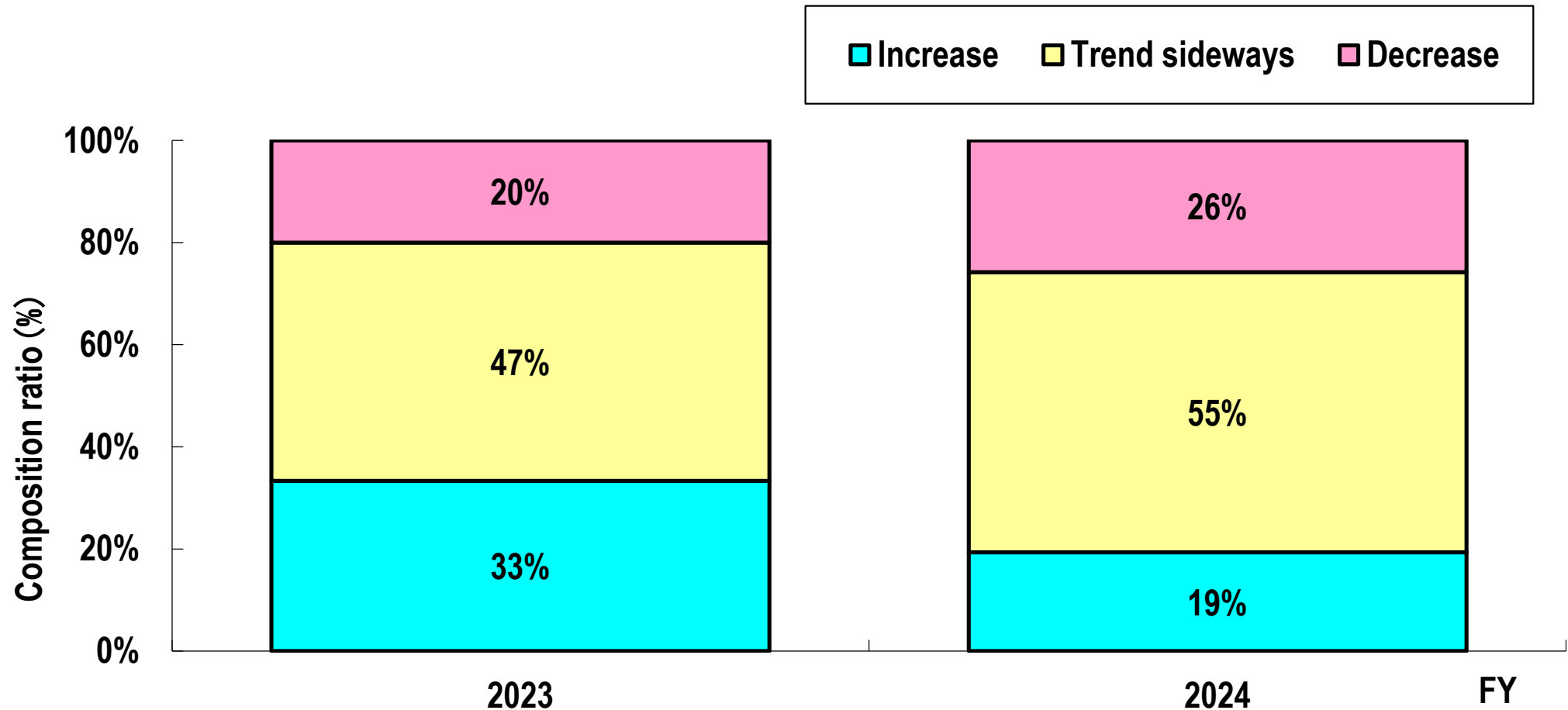
2. Survey Results - Members

(2) Behind overseas demand forecast



① Trend in the North American markets

- In FY 2023, many companies still see an increase in demand, but there is a slight increase in the number of companies expecting a decrease in FY 2024.



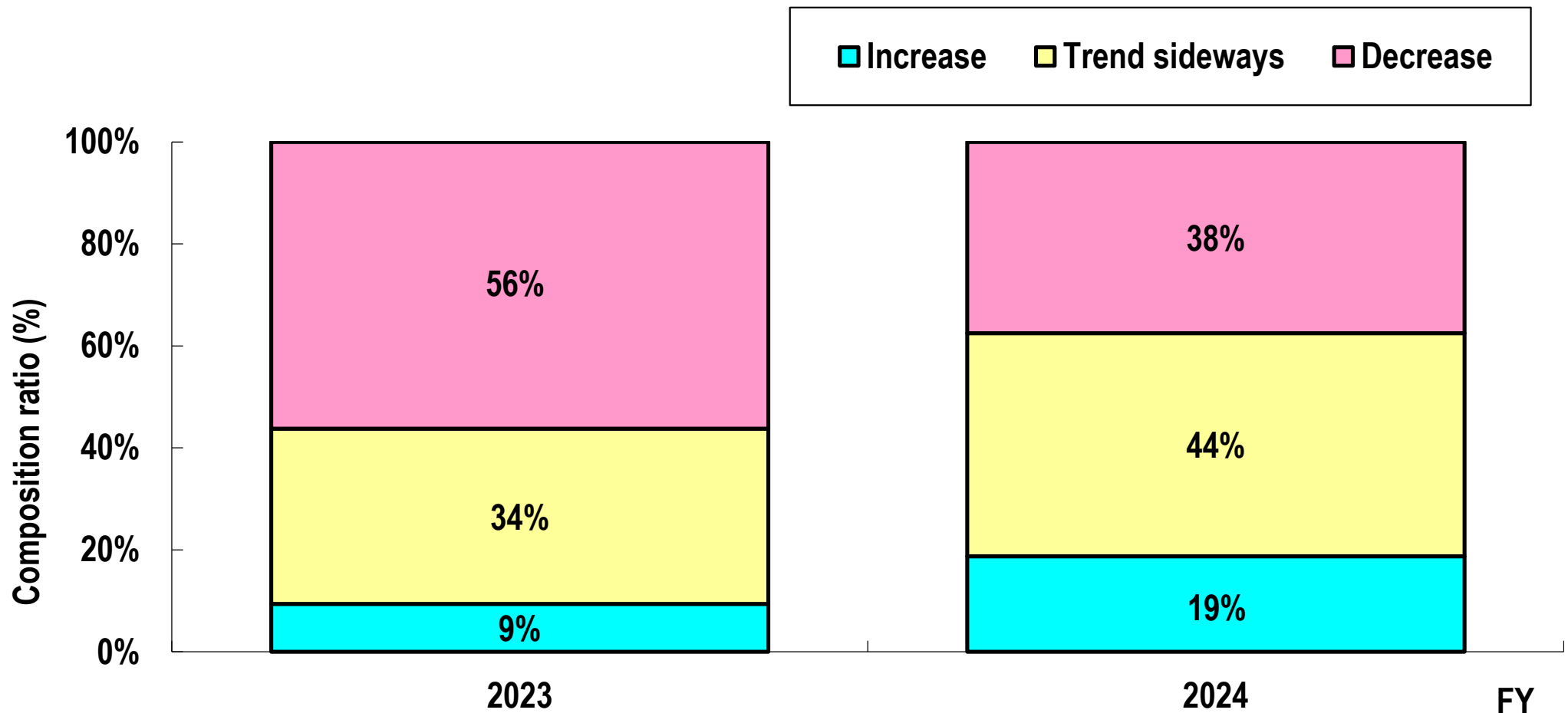
2. Survey Results - Members

(2) Behind overseas demand forecast



② Trend in the European markets

- In FY 2023, many companies see a decrease in demand, but an increasing number of companies expect an increase in FY 2024.



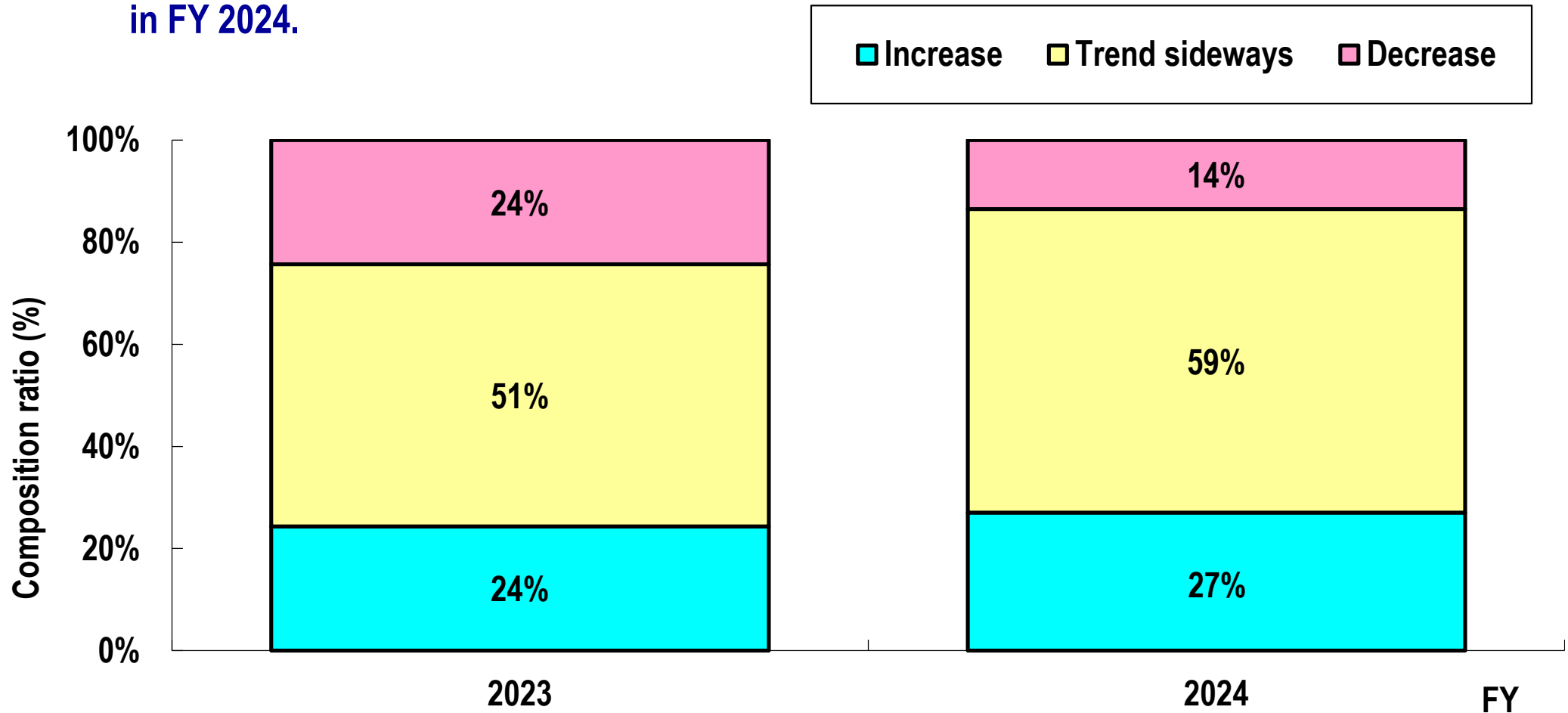
2. Survey Results - Members

(2) Behind overseas demand forecast



③ Trend in Asian markets ex. China (including Oceania)

- Through FY 2023 and FY 2024, more than half of companies see the situation as trending sideways, but there is a slight increase in the number of companies expecting an increase in FY 2024.



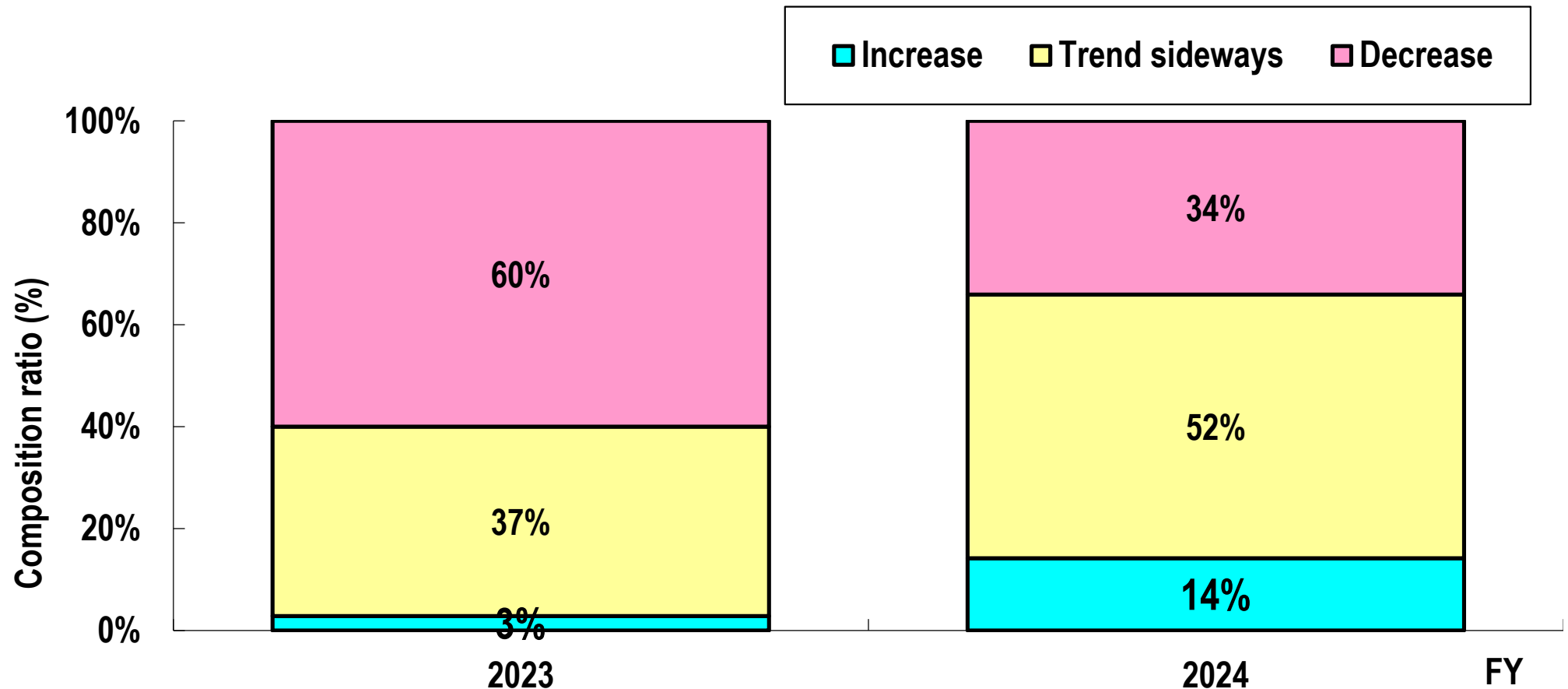
2. Survey Results - Members

(2) Behind overseas demand forecast



④ Trend in the Chinese market

- In FY 2023, more than half of companies see a decrease in demand, but there is an increase in the number of companies expecting the situation to trend sideways in FY 2024.



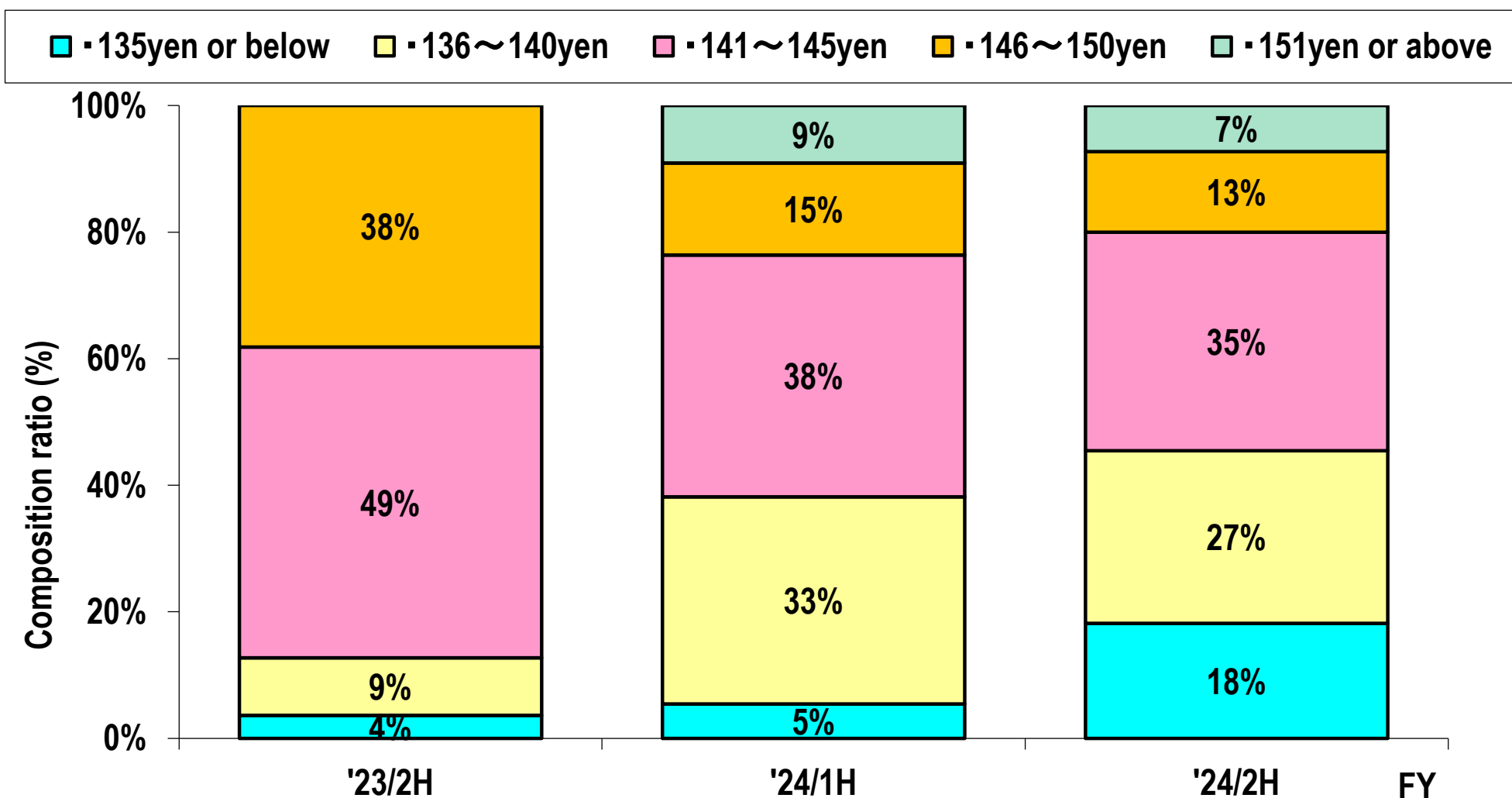
2. Survey Results - Members

(3) Trends in exchange rates



①JPY-USD

- In the second half of FY 2023, about half of companies see the exchange rate moving between 141 and 145 yen. In FY 2024, an increasing number of companies expect the yen to continue to appreciate.



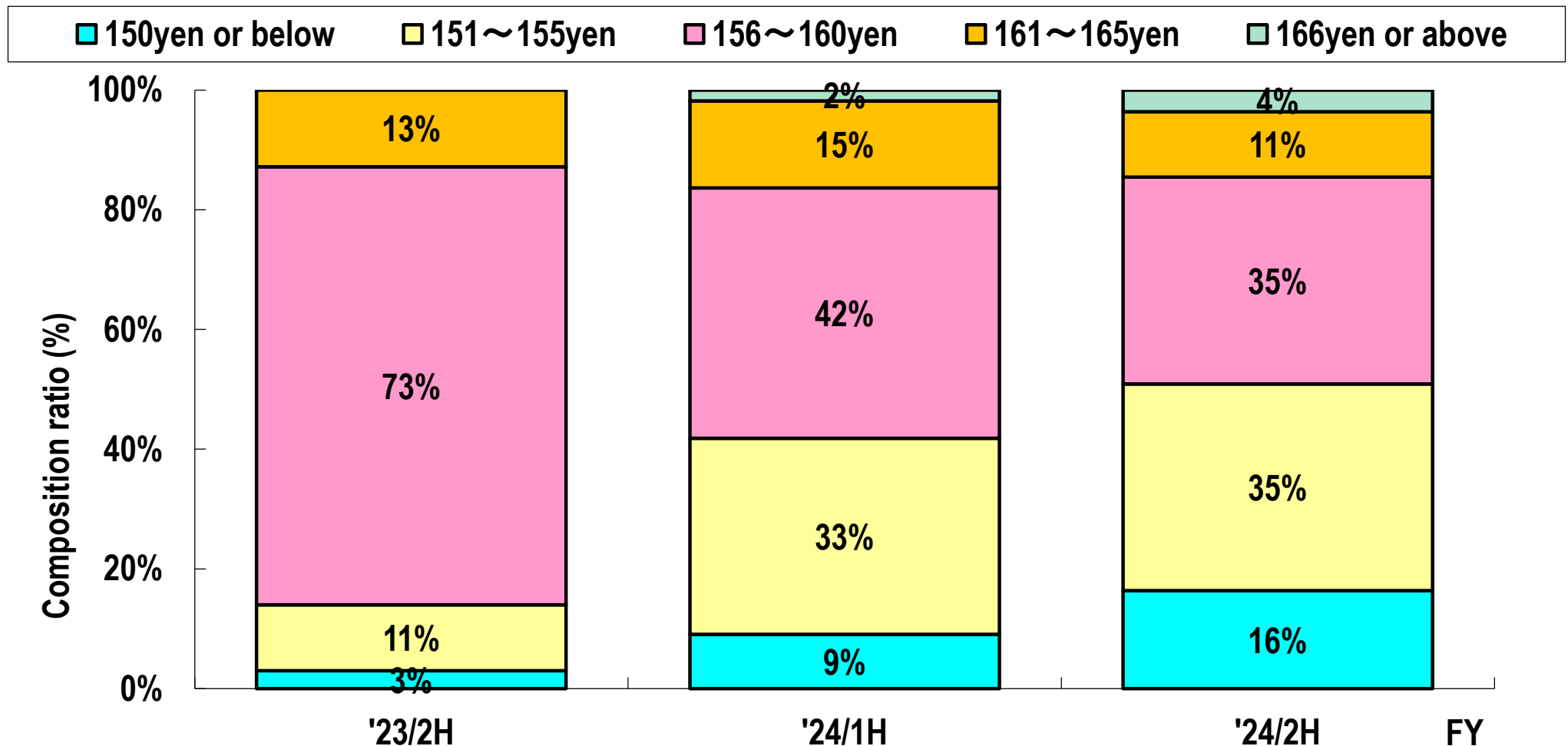
2. Survey Results - Members



(3) Trends in exchange rates

②JPY-EUR

- In the second half of FY 2023, about 70% of companies see the exchange rate moving between 156 and 160 yen. In FY 2024, an increasing number of companies expect the yen to continue to appreciate.



(4) Survey Results on Topics

Factors that may affect demand forecast

- As factors that positively affect demand, many companies suggested public investment, private capital investment, and trends in exchange rates for both domestic and overseas markets.
- On the other hand, as factors that negatively affect demand, many companies suggested the state of resource prices and the state of logistics costs for the domestic market. For overseas markets, in addition to resource prices, many companies suggested the Russia/Ukraine issue and central banks in each country raising interest rates as factors that negatively affect demand.

	Positive factors	Negative factors
Domestic market	①Public investment (131) ②Private capital investment (93) ③Trends in exchange rates (22)	①State of resource prices (65) ②State of logistics costs (61) ③State of steel prices (58)
Overseas markets	①Trends in exchange rates (85) ②Public investment (63) ③Private capital investment (53)	①The Russia/Ukraine issue (60) ②State of resource prices (41) ③Central banks in each country raising interest rates (39)

- Based on three choices each (in order of priority) for domestic and overseas from the following 12 items made by a respondent as potentially affecting factors on the future market conditions:

1. Public works projects, 2. Private capital investments, 3. Exchange rates, 4. Worldwide interest rate hikes, 5. Russia-Ukraine issues, 6. Container availability, 7. Parts/components availability, 8. Resource prices, 9. Transport cost, 10. Steel prices, 11. Inventory at sales outlet, and 12. Others

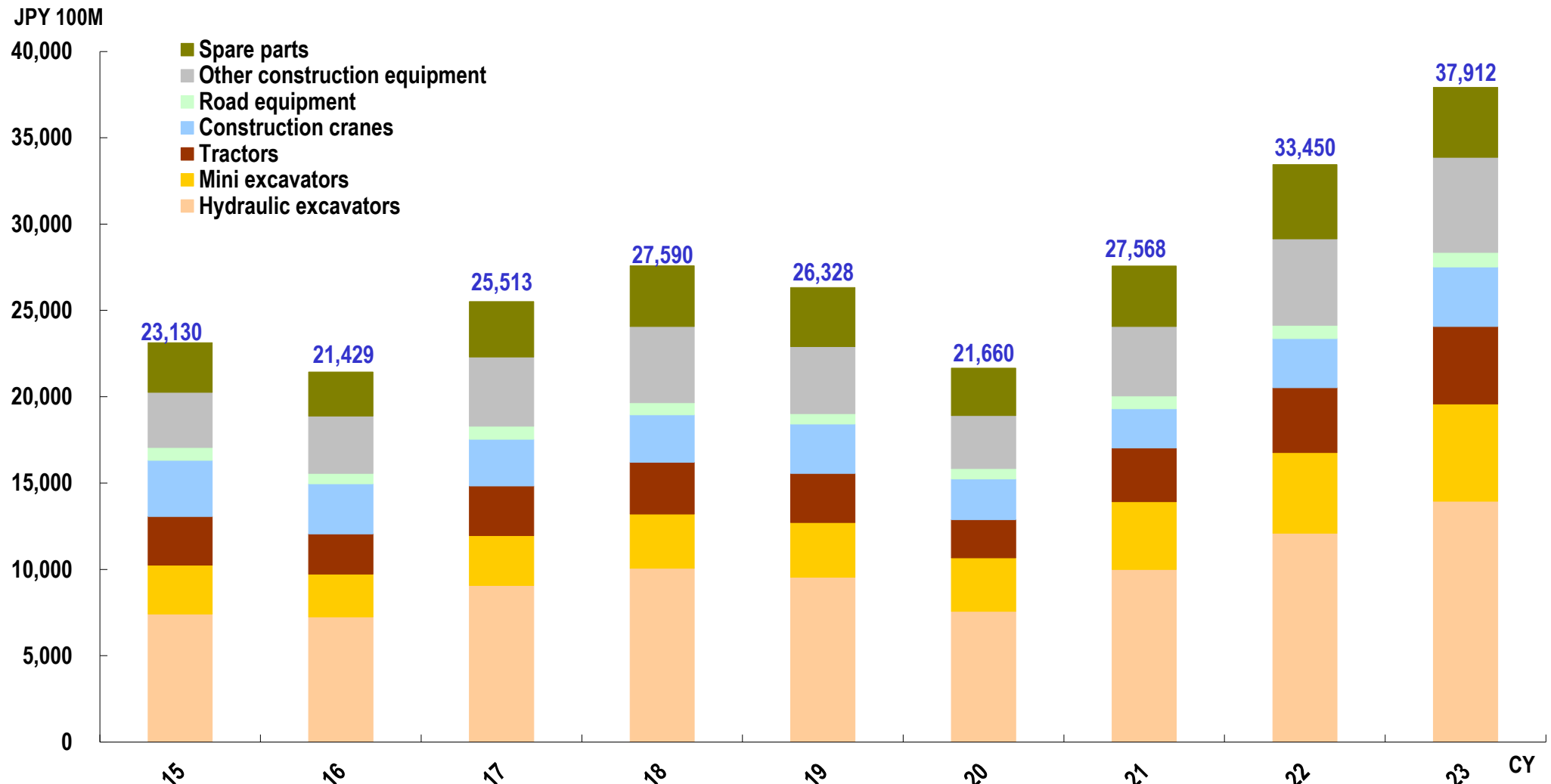
- The choices are numbered (① ② ③) in order of influence, allocating 3 points for ①, 2 points for ② and 1 point for ③.

[FYI] Actual results for shipment value



① Trends by equipment type (calendar year): 2015 to 2023

- Demand increased for seven types of equipment in 2023, marking a record high of 3,791.2 billion yen (13% increase).



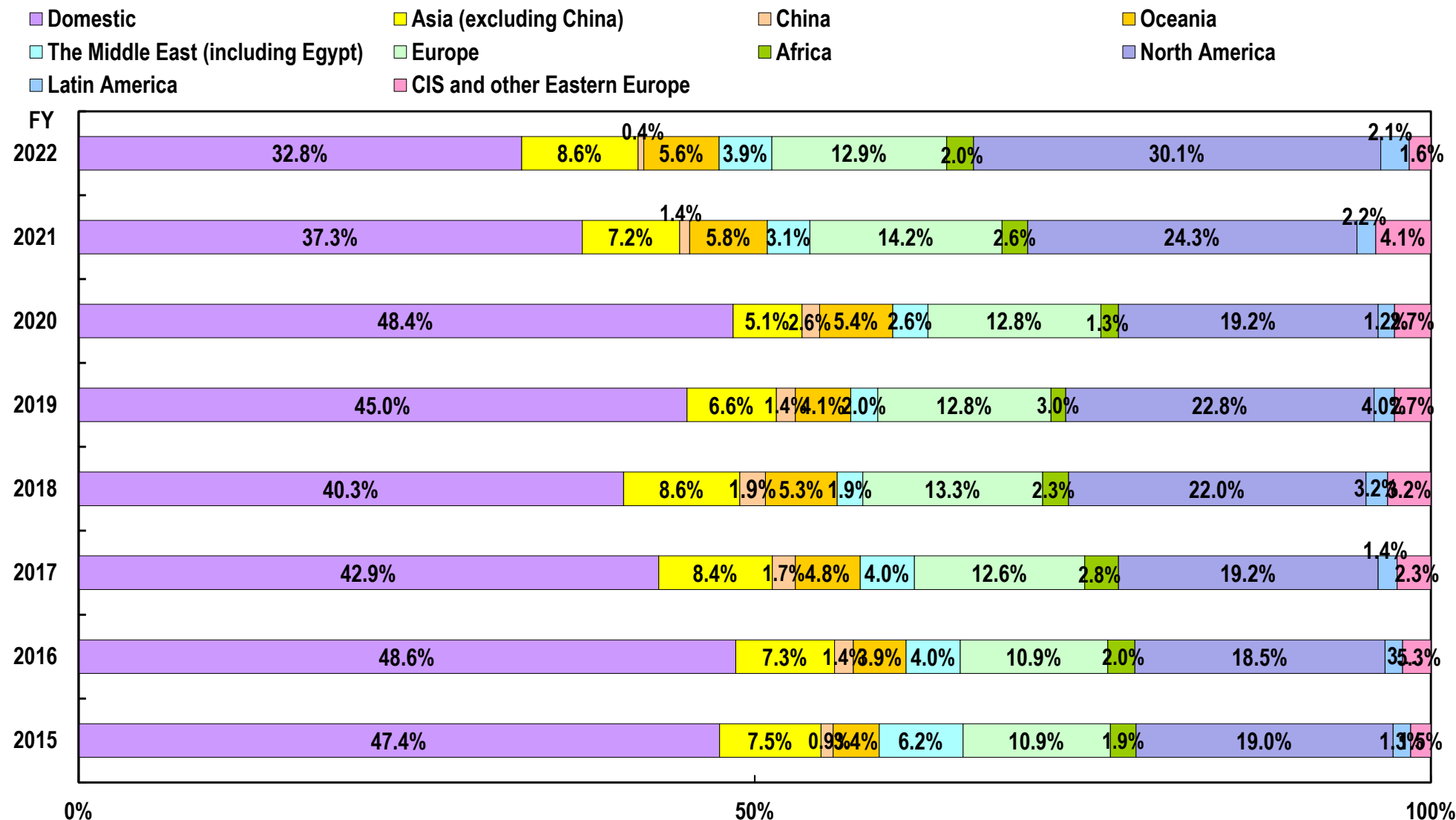
* On a shipment value basis for the following 9 types of CE: Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE. However, the forecast of service parts for FY23 and FY24 are the average amount over the past 5 years (JPY 352.6 billion)

Source: Statistics privately compiled by CEMA

[FYI] Actual results for shipment value

② Changes in composition ratio by destination: 2015 to 2022

- The ratio for North America rapidly increased in FY 2022, and exceeds 30% overall.

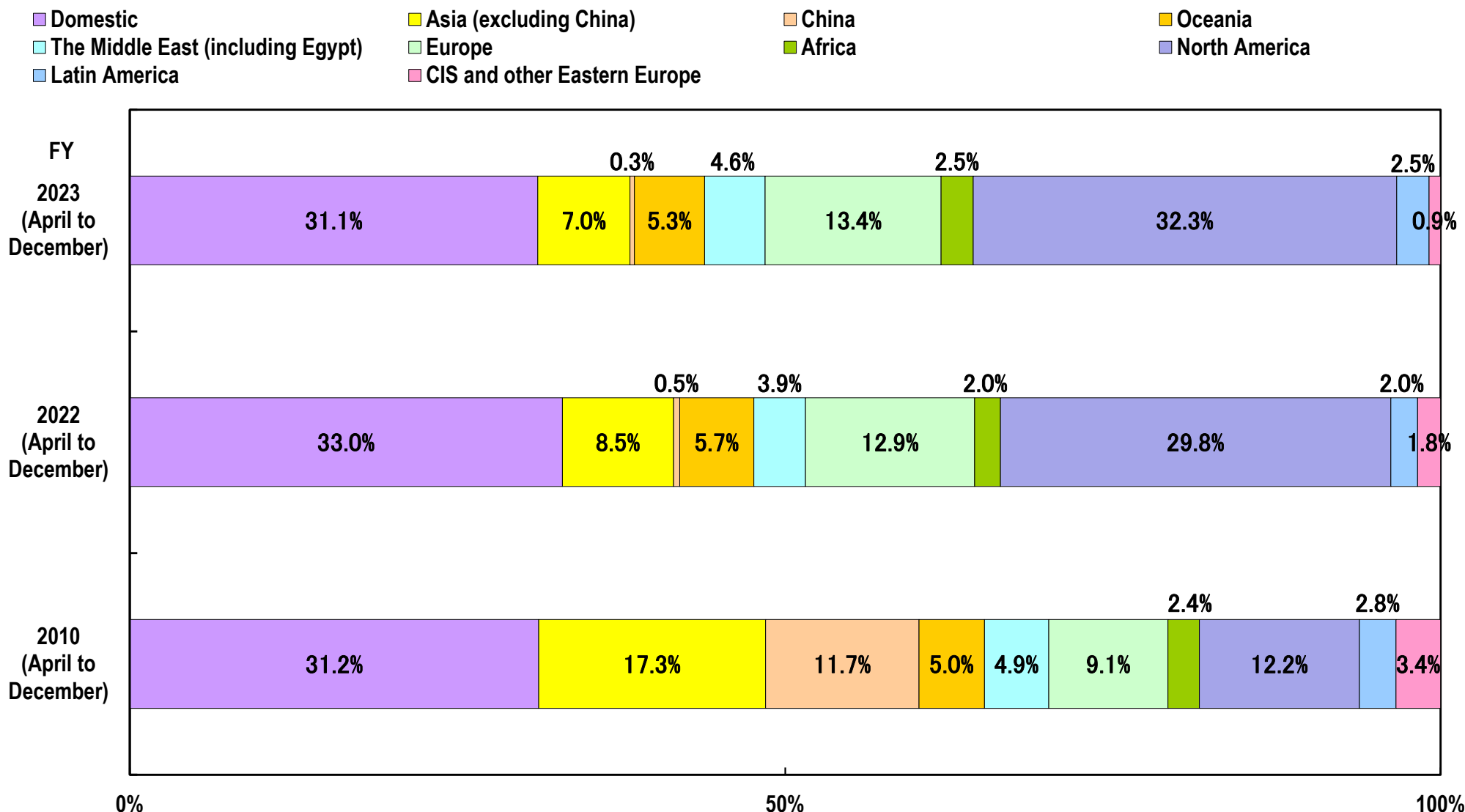


* On a shipment value basis for the following 9 types of CE: Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE (excluding components)

Source: Statistics privately compiled by CEMA

③Changes in composition ratio by destination: Apr-Dec 2023

○ In FY 2023, the ratio increased for both North America and Europe compared to the previous fiscal year.



*On a shipment value basis for the following 9 types of CE: Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE (excluding components)

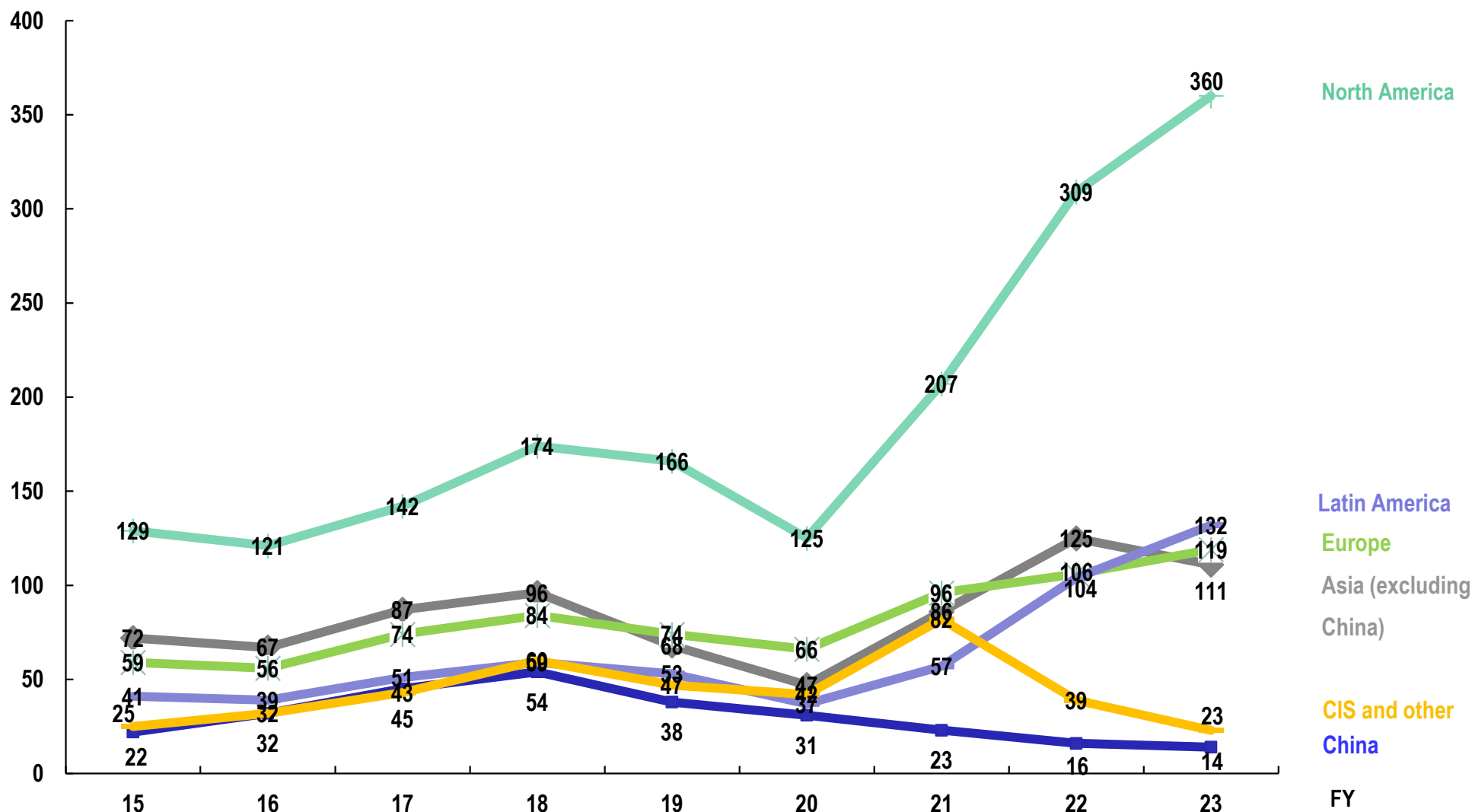
*Apr-Dec 2010 means the same period of the year in which China's proportion was the highest.

Source: Statistics privately compiled by CEMA

[Reference values] Shipment value by destination

4) Trends in shipment value indexed to FY 2007 as 100

- Although demand for North America greatly increased, demand for China as well as Russia and the CIS slightly decreased.



*Index for the following 9 types of CE (2007=100): Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE

Note: Figures for FY23 are estimates based on actual data by destination for Apr-Dec.

Source: Statistics privately compiled by CEMA