August 6, 2025

Press Release

Forecast of Demand for Construction Equipment (August 2025)

Japan Construction Equipment Manufacturers Association (CEMA)

1. General

○ For FY2025, both domestic and export demand are forecast to decrease, with the full-year shipment value forecast to total JPY 2,848.8 billion (down 3% year-on-year), marking the second consecutive annual decrease overall.

○ For FY2026, although demand for some types of equipment is forecast to recover, the overall recovery is forecast to remain modest, with the full-year shipment value forecast at JPY 2,845.7 billion (±0% year-on-year).

2. By market (domestic/exports)

(1) Domestic

○ For FY2025, domestic demand is forecast to decrease as flagship types of equipment such as hydraulic excavators, mini excavators, and tractors decline, due to reduced motivation for capital investment and other factors in anticipation of rising interest rates.

- In the first half (1H), although demand for two types of equipment (construction cranes with shipment value up 4% year-on-year, and road equipment with shipment value up 5% year-on-year) is projected to increase, demand for the other seven types is projected to decrease, resulting in a shipment value of JPY 416.6 billion (down 6% year-on-year).
- In the second half (2H), continuing from the 1H, although demand for the same two types of equipment is forecast to increase, demand for the other seven types is forecast to decrease, resulting in a shipment value of JPY 460.5 billion (down 3% year-on-year).
- As a result, the shipment value for the full year of FY2025 is forecast to be JPY 877.1 billion (down 4% year-on-year), marking a decrease for the second consecutive year. (This represents a downward revision of JPY 52.9 billion compared to the previous forecast made in February 2025.)

○ For FY2026, domestic demand is forecast to remain flat, supported by stable public investment and other factors.

- In the 1H, demand for six types of equipment is forecast to either increase or remain flat, resulting in a shipment value of JPY 418.5 billion (±0% year-on-year).
- In the 2H, demand for six types of equipment is forecast to either increase or remain flat, resulting in a shipment value of JPY 462.8 billion (±0% year-on-year).
- As a result, the shipment value for the full year of FY2026 is forecast to be JPY 881.3 billion (±0% year-on-year).

(2) Exports

○ For FY2025, export demand is forecast to decrease as the impact of high interest rates continues in North America, Europe, and other regions.

- In the 1H, demand for eight types of equipment, excluding foundation work equipment, is projected to decrease, with mini excavators included among them (shipment value down 6% year-on-year), resulting in a shipment value of JPY 983.8 billion (down 4% year-on-year).
- In the 2H, demand for seven types of equipment is forecast to decrease, with hydraulic excavators, a flagship type of equipment, included among them (shipment value down 2% year-on-year), resulting in a total shipment value of JPY 987.9 billion (down 2% year-on-year).
- As a result, the shipment value for the full year of FY2025 is forecast to be JPY 1,971.7 billion (down 3% year-on-year), marking a decrease for the second consecutive year. (This represents a downward revision of JPY 69.7 billion compared to the previous forecast made in February 2025.)

○ For FY2026, as interest rate levels stabilize, export demand for mini excavators, tractors, and other types of equipment is forecast to turn upward and remain flat overall.

- In the 1H, demand for four types of equipment is forecast to increase, resulting in a shipment value of JPY 981.3 billion (±0% year-on-year).
- In the 2H, demand for four types of equipment is forecast to increase, resulting in a shipment value of JPY 983.1 billion (±0% year-on-year).
- As a result, the shipment value for the full year of FY2026 is forecast to be JPY 1,964.4 billion (±0% year-on-year).

【Outline of Demand Forecast Survey Results】

		FY2025			FY2026		
		1H Projection	2H Forecast	Total Forecast	1H Forecast	2H Forecast	Total Forecast
Domestic	Amount (JPY million)	416,600	460,500	877,100	418,500	462,800	881,300
	Year-on-year (%)	94	97	96	100	100	100
	Year-on-year in the previous forecast (%)	99	100	100	-	-	-
Exports	Amount (JPY million)	983,800	987,900	1,971,700	981,300	983,100	1,964,400
	Year-on-year (%)	96	98	97	100	100	100
	Year-on-year in the previous forecast (%)	98	102	100	-	-	-
Total	Amount (JPY million)	1,400,400	1,448,400	2,848,800	1,399,800	1,445,900	2,845,700
	Year-on-year (%)	96	98	97	100	100	100
	Year-on-year in the previous forecast (%)	99	102	100	-	-	-

Note: Service parts are not included.

This material was compiled by CEMA (Chairman: Akira Yamamoto), based on the results of a demand forecast survey conducted with 60 construction equipment manufacturers that were regular members of CEMA as of July 2025. This 68th survey, conducted in a questionnaire format, covered nine types of construction equipment and asked respondents to forecast domestic shipment values and export values for four semi-annual periods (the first and second halves of FY2025 and FY2026).

Forecast of Demand for Construction Equipment

August 6, 2025

Japan Construction Equipment Manufacturers Association (CEMA)

Upper: Value in million yen

Lower: Year-on-year comparison (%)

	1H Projection			2H Forecast			Full-year Forecast		
	Domestic	Exports	Total	Domestic	Exports	Total	Domestic	Exports	Total
Tractors	54,700	138,400	193,100	69,600	149,100	218,700	124,300	287,500	411,800
	85	93	91	98	99	99	92	96	95
Hydraulic Excavators	117,000	380,600	497,600	128,700	389,500	518,200	245,700	770,100	1,015,800
	89	99	96	93	98	97	91	98	97
Mini Hydraulic Excavators	35,100	193,200	228,300	39,100	169,100	208,200	74,200	362,300	436,500
	92	94	94	96	102	101	94	98	97
Construction Cranes	115,300	67,000	182,300	118,300	67,300	185,600	233,600	134,300	367,900
	104	94	100	101	97	100	102	95	100
Road Equipment	17,800	25,600	43,400	19,300	27,400	46,700	37,100	53,000	90,100
	105	98	101	106	101	103	105	100	102
Concrete Equipment	14,900	600	15,500	18,800	500	19,300	33,700	1,100	34,800
	95	94	95	94	98	94	94	90	94
Foundation Work Equipment	18,400	900	19,300	18,800	1,200	20,000	37,200	2,100	39,300
	97	216	100	96	95	96	96	124	98
Hydraulic Breakers Hydraulic Crushers	13,400	4,300	17,700	13,400	4,200	17,600	26,800	8,500	35,300
	98	97	98	96	95	96	97	96	97
Other Construction Equipment	30,000	173,200	203,200	34,500	179,600	214,100	64,500	352,800	417,300
	94	96	96	99	95	96	97	95	96
Total	416,600	983,800	1,400,400	460,500	987,900	1,448,400	877,100	1,971,700	2,848,800
	94	96	96	97	98	98	96	97	97

Forecast of Demand for Construction Equipment

August 6, 2025

Japan Construction Equipment Manufacturers Association (CEMA)

Forecast for FY26

Upper: Value in million yen

Lower: Year-on-year comparison (%)

	1H Projection			2H Forecast			Full-year Forecast		
	Domestic	Exports	Total	Domestic	Exports	Total	Domestic	Exports	Total
Tractors	55,800	142,600	198,400	69,600	150,600	220,200	125,400	293,200	418,600
	102	103	103	100	101	101	101	102	102
Hydraulic Excavators	118,200	373,000	491,200	130,000	385,600	515,600	248,200	758,600	1,006,800
	101	98	99	101	99	99	101	99	99
Mini Hydraulic Excavators	35,800	197,100	232,900	39,500	170,800	210,300	75,300	367,900	443,200
	102	102	102	101	101	101	101	102	102
Construction Cranes	113,000	65,000	178,000	117,100	63,900	181,000	230,100	128,900	359,000
	98	97	98	99	95	98	99	96	98
Road Equipment	20,300	26,400	46,700	22,400	28,500	50,900	42,700	54,900	97,600
	114	103	108	116	104	109	115	104	108
Concrete Equipment	14,300	600	14,900	18,000	500	18,500	32,300	1,100	33,400
	96	99	96	96	97	96	96	100	96
Foundation Work Equipment	17,700	800	18,500	18,000	1,100	19,100	35,700	1,900	37,600
	96	94	96	96	94	96	96	90	96
Hydraulic Breakers Hydraulic Crushers	13,400	4,300	17,700	13,700	4,300	18,000	27,100	8,600	35,700
	100	101	100	102	102	102	101	101	101
Other Construction Equipment	30,000	171,500	201,500	34,500	177,800	212,300	64,500	349,300	413,800
	100	99	99	100	99	99	100	99	99
Total	418,500	981,300	1,399,800	462,800	983,100	1,445,900	881,300	1,964,400	2,845,700
	100	100	100	100	100	100	100	100	100

Changes in Construction Equipment Shipment Value Statistics (Fiscal Year)　Forecast for August 2025

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

Type	Rigion	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25 Forecast	26 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	148,517	135,345	124,300	125,400
	Total	95	79	73	112	121	137	124	98	107	94	97	111	99	91	98	106	131	91	92	101
	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	292,442	299,403	287,500	293,200
	Total	126	83	35	209	128	85	93	112	69	86	141	116	73	93	168	132	103	102	96	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	440,959	434,748	411,800	418,600
		118	82	43	174	127	96	103	107	82	90	120	108	83	92	135	123	111	99	95	102
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	327,793	269,883	245,700	248,200
	Total	108	67	50	139	143	130	140	80	88	100	107	100	104	105	103	105	102	82	91	101
Hydraulic Excavators	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	1,010,155	781,896	770,100	758,600
	Total	122	83	55	201	116	74	93	107	84	106	132	117	78	82	151	131	105	77	98	99
	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	1,337,948	1,051,779	1,015,800	1,006,800
		117	78	54	186	121	85	108	96	85	104	124	112	85	89	133	123	104	79	97	99
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	91,118	78,905	74,200	75,300
	Total	100	61	63	137	136	124	120	120	105	72	109	106	96	101	100	98	108	87	94	101
	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	478,399	371,359	362,300	367,900
	Total	115	52	54	190	125	96	115	120	102	107	119	109	100	99	144	124	118	78	98	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	569,517	450,264	436,500	443,200
		110	55	57	170	128	105	117	120	103	93	116	108	99	99	132	118	117	79	97	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	210,526	228,063	233,600	230,100
	Total	116	89	55	99	128	116	133	114	109	105	93	97	104	86	99	114	110	108	102	99
	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	137,606	140,677	134,300	128,900
	Total	135	117	47	98	118	106	139	118	90	60	98	122	102	60	142	130	147	102	95	96
	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	348,132	368,740	367,900	359,000
		123	100	51	99	124	112	136	116	101	88	94	103	103	78	109	119	122	106	100	98
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	39,522	35,185	37,100	42,700
	Total	102	80	78	129	112	124	118	102	101	91	106	92	112	100	97	95	106	89	105	115
	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	46,136	53,170	53,000	54,900
	Total	136	91	51	137	113	88	111	109	94	82	141	87	66	102	166	115	112	115	100	104
	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	85,658	88,355	90,100	97,600
		120	86	61	133	112	105	115	105	98	87	121	90	91	101	121	105	109	103	102	108
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	35,495	35,729	33,700	32,300
	Total	107	69	87	78	137	118	150	109	105	97	100	97	109	102	104	94	116	101	94	96
	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	1,671	1,228	1,100	1,100
	Total	145	53	47	112	124	121	124	105	129	74	94	59	138	65	130	114	136	74	90	100
	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	37,166	36,957	34,800	33,400
		110	67	83	80	136	118	149	109	106	95	99	95	110	100	104	95	117	99	94	96
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	39,069	38,571	37,200	35,700
	Total	137	92	82	95	106	118	137	107	109	111	100	111	94	88	96	108	105	99	96	96
	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	3,567	2,899	1,699	2,100	1,900
	Total	172	127	93	121	122	113	81	90	112	181	85	82	113	104	94	77	81	59	124	90
	Subtotal	26,905	25,558	21,348	20,831	22,506	26,277	33,590	35,348	38,461	45,119	44,331	47,699	45,697	41,048	39,252	40,799	41,968	40,270	39,300	37,600
		139	95	84	98	108	117	128	105	109	117	98	92	96	110	96	104	103	96	98	96
Hydraulic Breakers Hydraulic Crushers	Domestic	16,537	11,680	6,322	8,205	12,885	13,499	16,164	18,468	18,052	18,895	19,867	20,524	20,628	19,202	22,583	24,259	26,125	27,601	26,800	27,100
	Total	104	71	54	130	157	105	120	114	98	105	105	103	101	93	118	107	108	106	97	101
	Exports	15,209	11,267	6,884	10,196	8,061	7,115	7,033	8,481	8,962	7,561	9,079	10,068	8,633	6,200	10,205	11,784	9,419	8,842	8,500	8,600
	Total	113	74	61	148	79	88	99	121	106	84	120	111	86	72	165	116	80	94	96	101
	Subtotal	31,746	22,947	13,206	18,401	20,946	20,614	23,197	26,949	27,014	26,456	28,946	30,592	29,261	25,402	32,788	36,043	35,544	36,443	35,300	35,700
		108	72	58	139	114	98	113	116	100	98	109	106	96	87	129	110	99	103	97	101
Other Construction Equipments	Domestic	63,333	60,206	46,731	41,489	62,864	50,344	60,978	65,660	70,558	85,000	75,831	72,809	74,894	71,397	71,510	80,522	69,864	66,708	64,500	64,500
	Total	94	95	78	89	152	80	121	108	107	120	89	96	102	95	100	113	87	96	97	100
	Exports	255,218	232,921	138,429	246,303	263,219	208,447	176,218	162,671	154,579	162,160	232,278	250,791	189,585	144,232	256,705	325,629	361,407	369,430	352,800	349,300
	Total	125	91	59	178	107	79	85	92	95	105	143	108	76	76	178	127	111	102	95	99
	Subtotal	318,551	293,127	185,160	287,792	326,083	258,791	237,196	228,331	225,137	247,160	308,109	323,600	264,479	215,629	328,215	406,151	431,271	436,138	417,300	413,800
		117	92	63	155	113	79	92	96	99	110	125	105	82	82	152	124	106	101	96	99
Equipment Total	Domestic	789,066	599,999	367,883	420,894	564,294	678,501	895,199	874,991	880,009	866,489	864,595	873,997	895,532	860,562	865,782	919,988	988,029	915,990	877,100	881,300
	Total	106	76	61	114	134	120	132	98	101	98	100	101	102	96	101	106	107	93	96	100
	Exports	1,653,571	1,375,705	701,007	1,292,400	1,505,822	1,209,239	1,175,945	1,273,959	1,099,892	1,076,601	1,403,392	1,575,760	1,279,472	1,076,677	1,665,636	2,134,137	2,340,134	2,027,704	1,971,700	1,964,400
	Total	123	83	51	184	117	80	97	108	86	98	130	112	81	84	155	128	110	87	97	100
	Subtotal	2,442,637	1,975,704	1,068,890	1,713,294	2,070,116	1,887,740	2,071,144	2,148,950	1,979,901	1,943,090	2,267,987	2,449,757	2,175,004	1,937,239	2,531,418	3,054,125	3,328,163	2,943,694	2,848,800	2,845,700
		117	81	54	160	121	91	110	104	92	98	117	108	89	89	131	121	109	88	97	100
Service Parts	Domestic	101,204	89,678	89,691	90,098	98,807	101,709	114,173	118,920	119,250	120,038	118,860	118,506	124,499	125,169	132,080	137,270	142,709	151,418		
	Total	97	89	100	100	110	103	112	104	100	101	99	100	105	101	106	104	104	106		
	Exports	131,888	131,696	103,599	159,587	181,432	160,061	149,927	171,732	157,640	143,439	208,316	238,990	201,540	151,957	247,595	285,426	265,029	300,721		
	Total	117	100	79	154	114	88	94	115	92	91	145	115	84	75	163	115	93	114		
	Subtotal	233,092	221,374	193,290	249,685	280,239	261,770	264,100	290,652	276,890	263,477	327,176	357,496	326,039	277,126	379,675	422,696	407,738	452,139		
		108	95	87	129	112	93	101	110	95	95	124	109	91	85	137	111	97	111		
Grand Total	Domestic	890,270	689,677	457,574	510,992	663,101	780,210	1,009,372	993,911	999,259	986,527	983,455	992,503	1,020,031	985,731	997,862	1,057,258	1,130,738	1,067,408		
	Total	105	78	66	112	130	118	129	98	101	99	100	101	103	97	101	106	107	94		
	Exports	1,785,459	1,507,401	804,606	1,451,987	1,687,254	1,369,300	1,325,872	1,445,691	1,257,532	1,220,040	1,611,708	1,814,750	1,481,012	1,228,634	1,913,231	2,419,563	2,605,163	2,328,425		
	Total	123	84	53	180	116	81	97	109	87	97	132	113	82	83	156	127	108	89		
	Subtotal	2,675,729	2,197,078	1,262,180	1,962,979	2,350,355	2,149,510	2,335,244	2,439,602	2,256,791	2,206,567	2,595,163	2,807,253	2,501,043	2,214,365	2,911,093	3,476,821	3,735,901	3,395,833		
		116	82	57	156	120	92	109	104	93	98	118	108	89	89	132	119	108	91		

Japan Construction Equipment Manufacturers Association (CEMA)

Chairman's Press Conference

— Forecast of Demand for Construction Equipment (CE) —

(Published in August 2025)

August 5, 2025

Akira Yamamoto, CEMA Chairman

● Program

1. Opening declaration by PR Committee Chairman Higuchi at 10:30
2. Reporting by CEMA Chairman Yamamoto at 10:35 - 11:00
   - Forecast of Demand for Construction Equipment (on a shipment basis)
   - Others at 11:00～11:05
. Q&A at 11:05 - 11:30
4. Closing declaration by PR Committee Chairman Higuchi at 11:30

[Outline of CEMA Demand Forecast]

- Published in February and August every financial year. This is the 68th.
- Scope of survey: 60 CE manufacturers with CEMA regular member status
- Date of survey: As of July 2025
- Period for survey : Four periods consisting of the first and second halves of FY 2025 and the first and second halves of FY 2026
- Types of CE surveyed: 9 types(Tractors, Hydraulic Excavators (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 February 17, 2026.)

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① Trends by CE type (CY): 2017–2024

② Changes in composition ratio by destination: 2017–2024

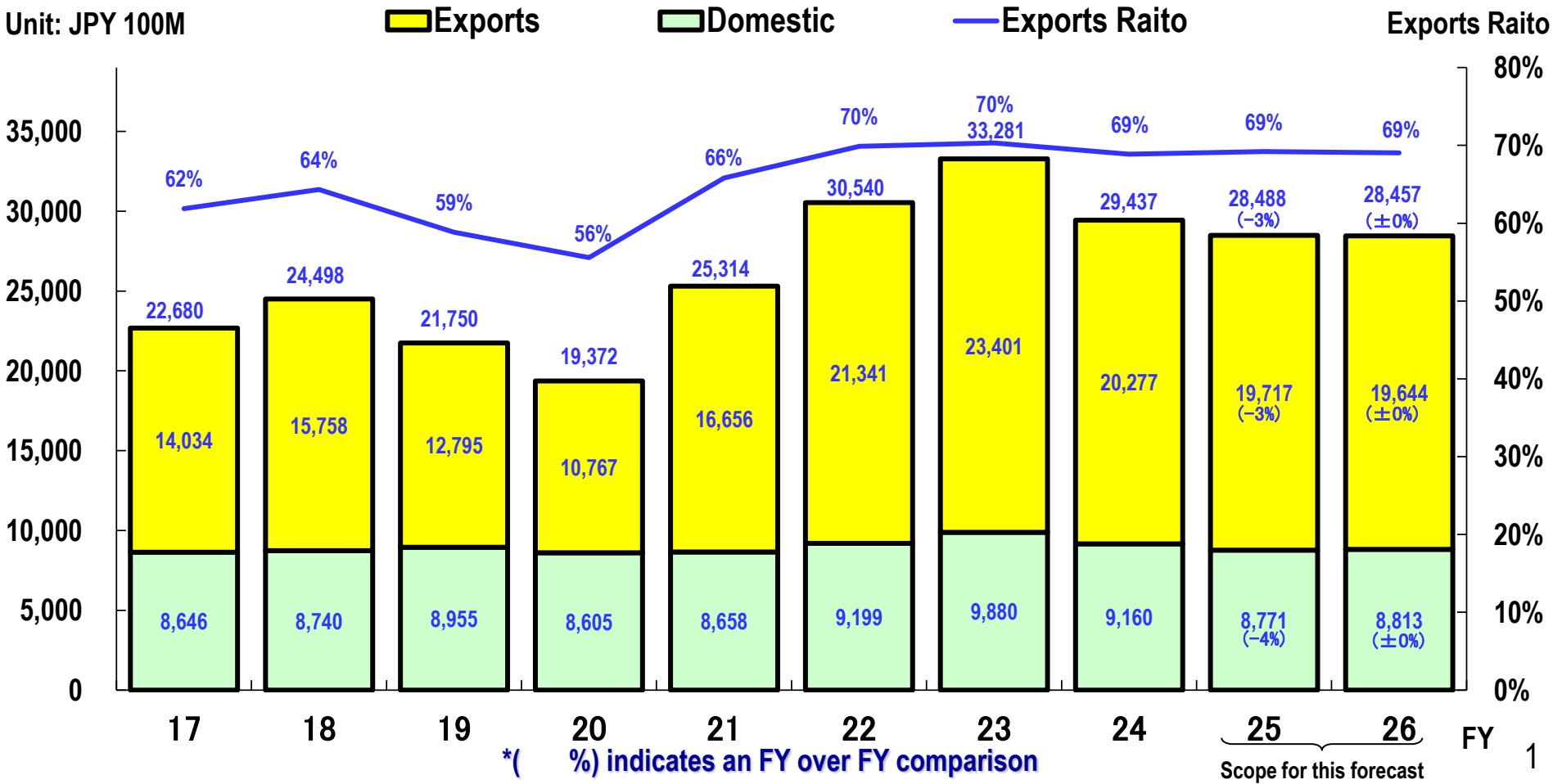
③ Changes in composition ratio by destination: Apr–Jun 2025

④ Changes in index (FY2007=100) by destination

1. Demand Forecasts for FY 25/26 (1) Shipment Value Basis

① FY over FY comparison

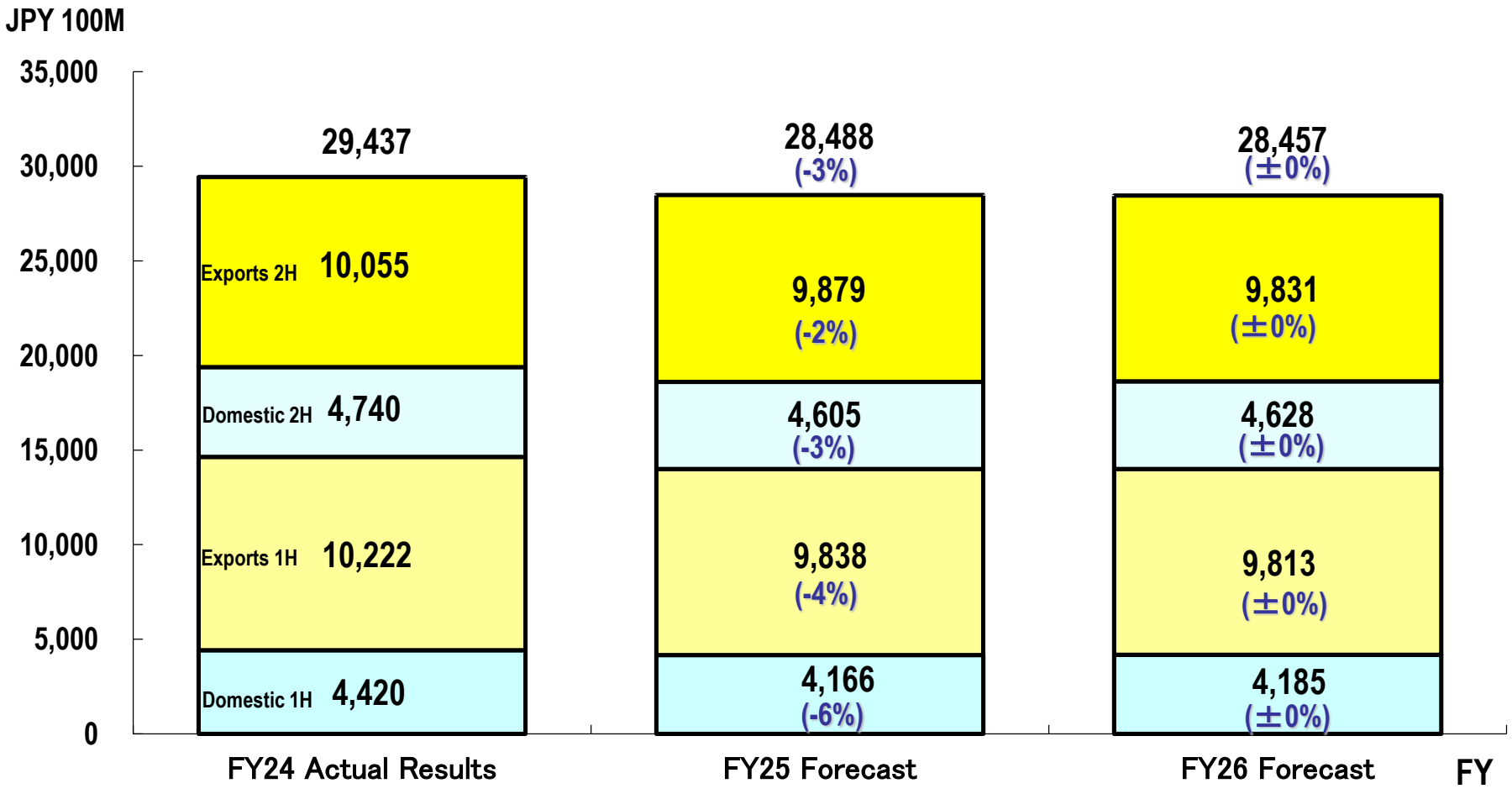
- In FY25, both domestic and export demand are forecast to decrease, with the full-year shipment value forecast to total JPY 2,848.8B (down 3% y-o-y), marking the second consecutive annual decrease overall.
- In FY26, although demand for some types of equipment is forecast to recover, the overall recovery is forecast to remain modest, with the full-year shipment value forecast to be JPY 2,845.7B (±0% y-o-y).



1. Demand Forecasts for FY 24/25 (1) Shipment Value Basis

② Half year vs previous half year comparison

- In FY25, both domestic and export demand are forecast to decrease in both the 1H and the 2H.
- In FY26, both domestic and export demand are forecast to remain flat in both the 1H and the 2H.

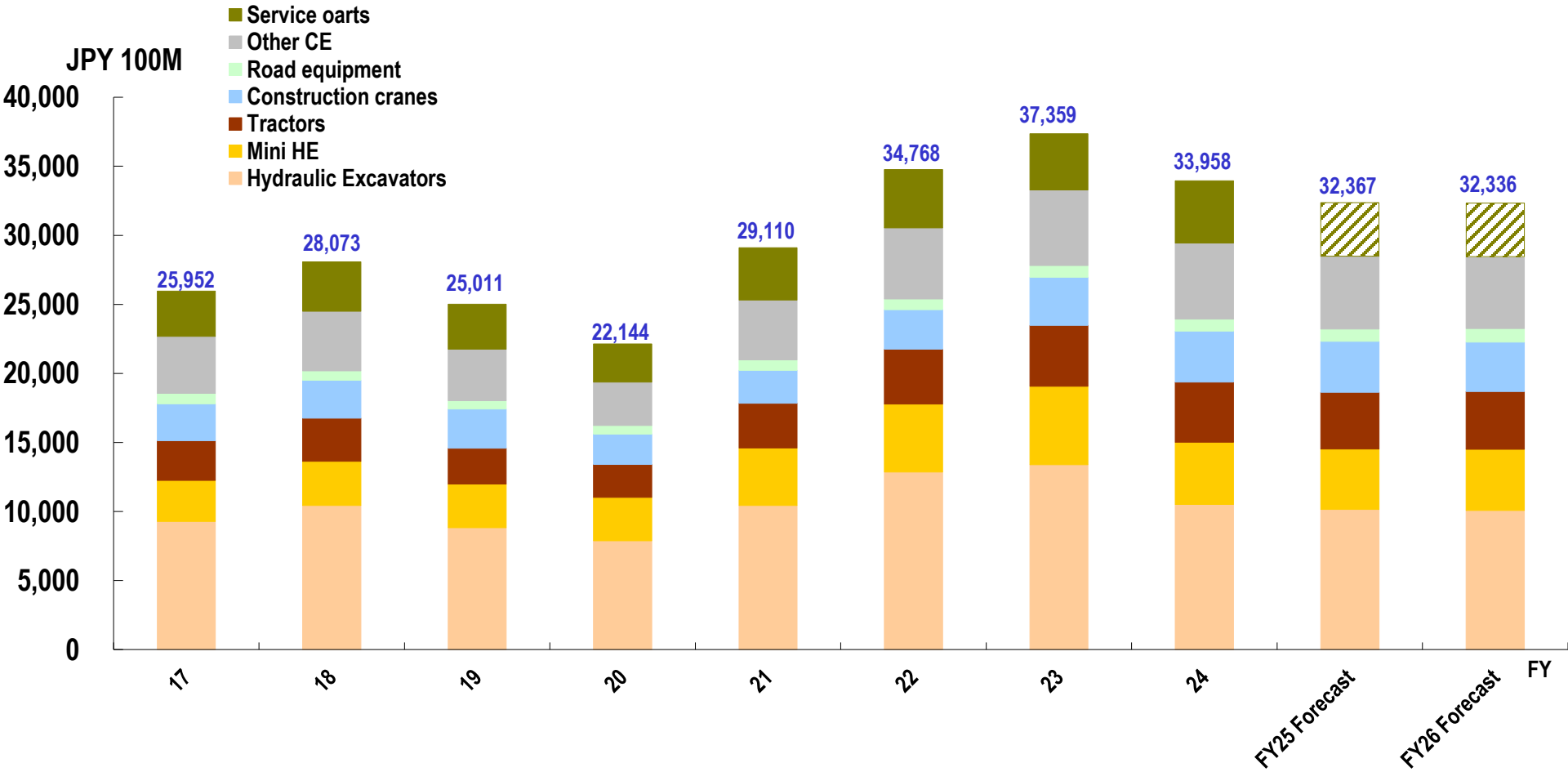


*(%) indicates an FY over FY comparison

1. Demand Forecasts for FY 25/26(1) Shipment Value Basis

③ Trends by CE type (including service parts)

- In FY25, demand is expected to increase for two types of equipment out of nine in total.
- In FY26, demand is expected to increase for five types of equipment out of nine in total.



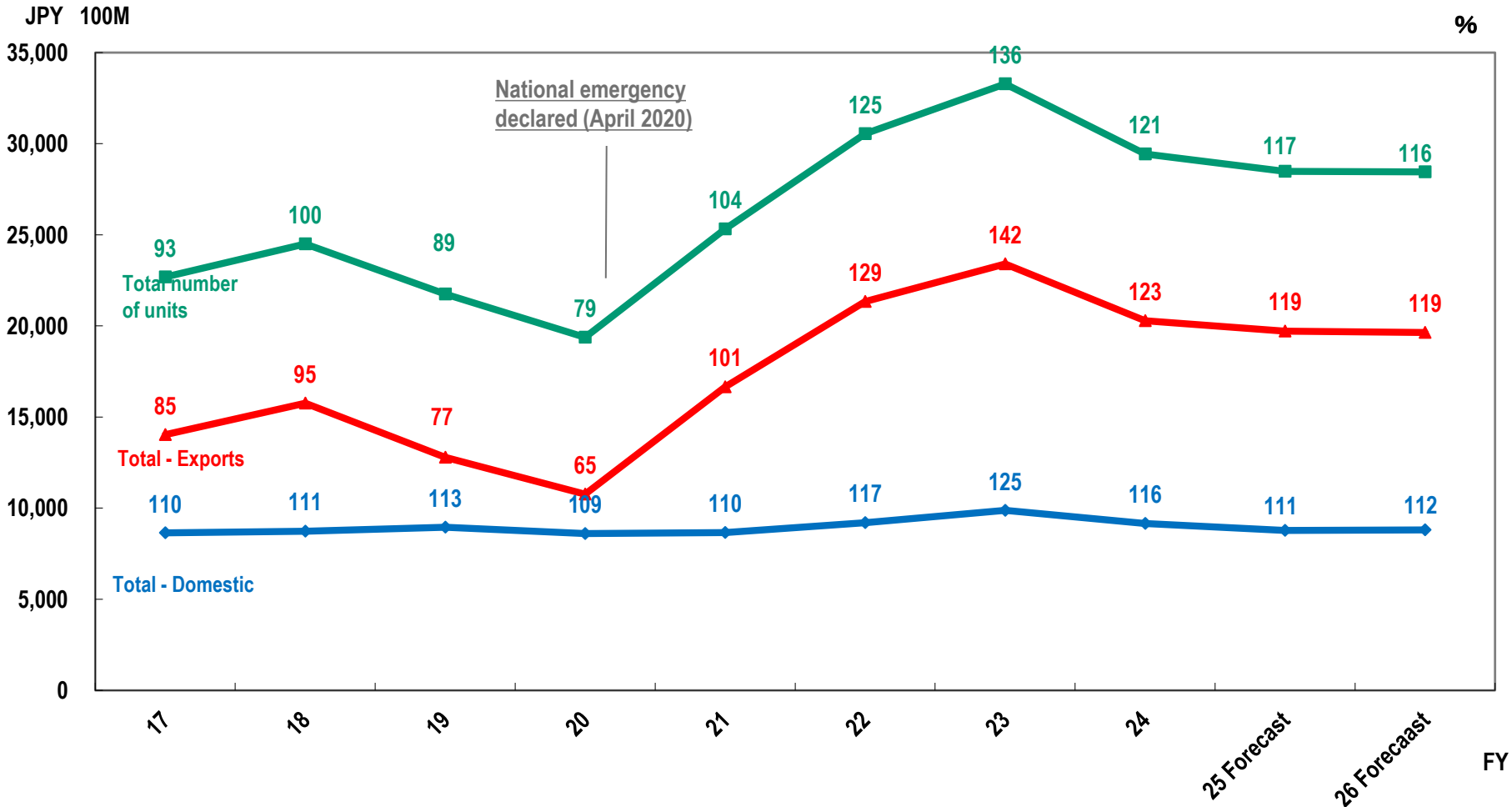
*On a shipment value basis for the following 9 types of CE: Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE. However, the forecast of service parts for FY25 and FY26 are the average amount over the past 5 years (JPY 387.9B)

Source: Statistics privately compiled by CEMA

1. Demand Forecasts for FY 25/26(1) Shipment Value Basis

④ Changes by market (Domestic/Exports)

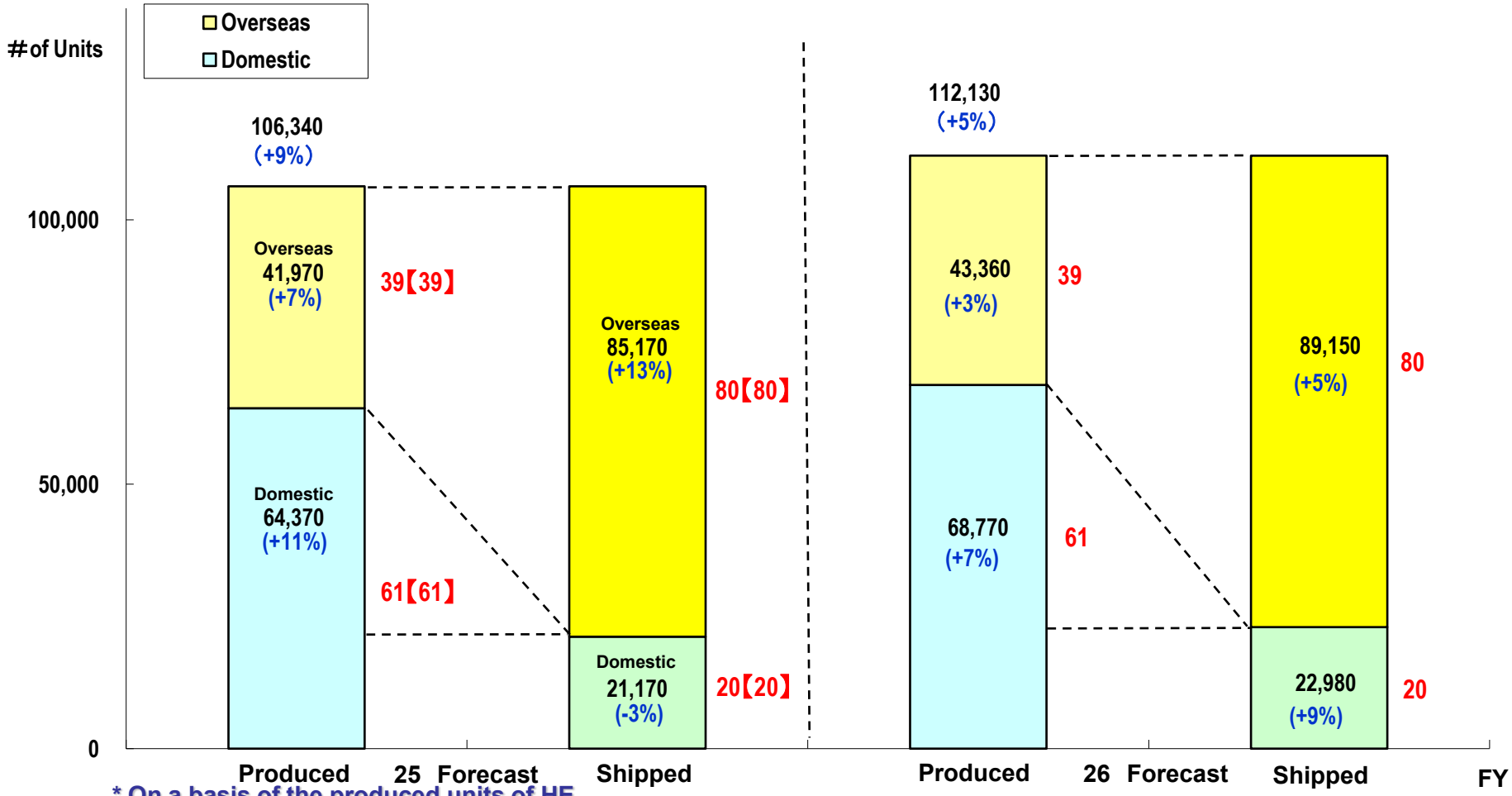
○ In FY25, both domestic and export demand are forecast to decrease. In FY26, domestic demand is forecast to increase, while export demand is forecast to remain flat.



*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 FY25/26（2）Unit Number Basis
① Hydraulic Excavators

- In FY25, production is expected to increase in both domestic and overseas markets, while shipments will increase overseas but decrease domestically.
- In FY26, both production and shipments are projected to increase across domestic and overseas markets.



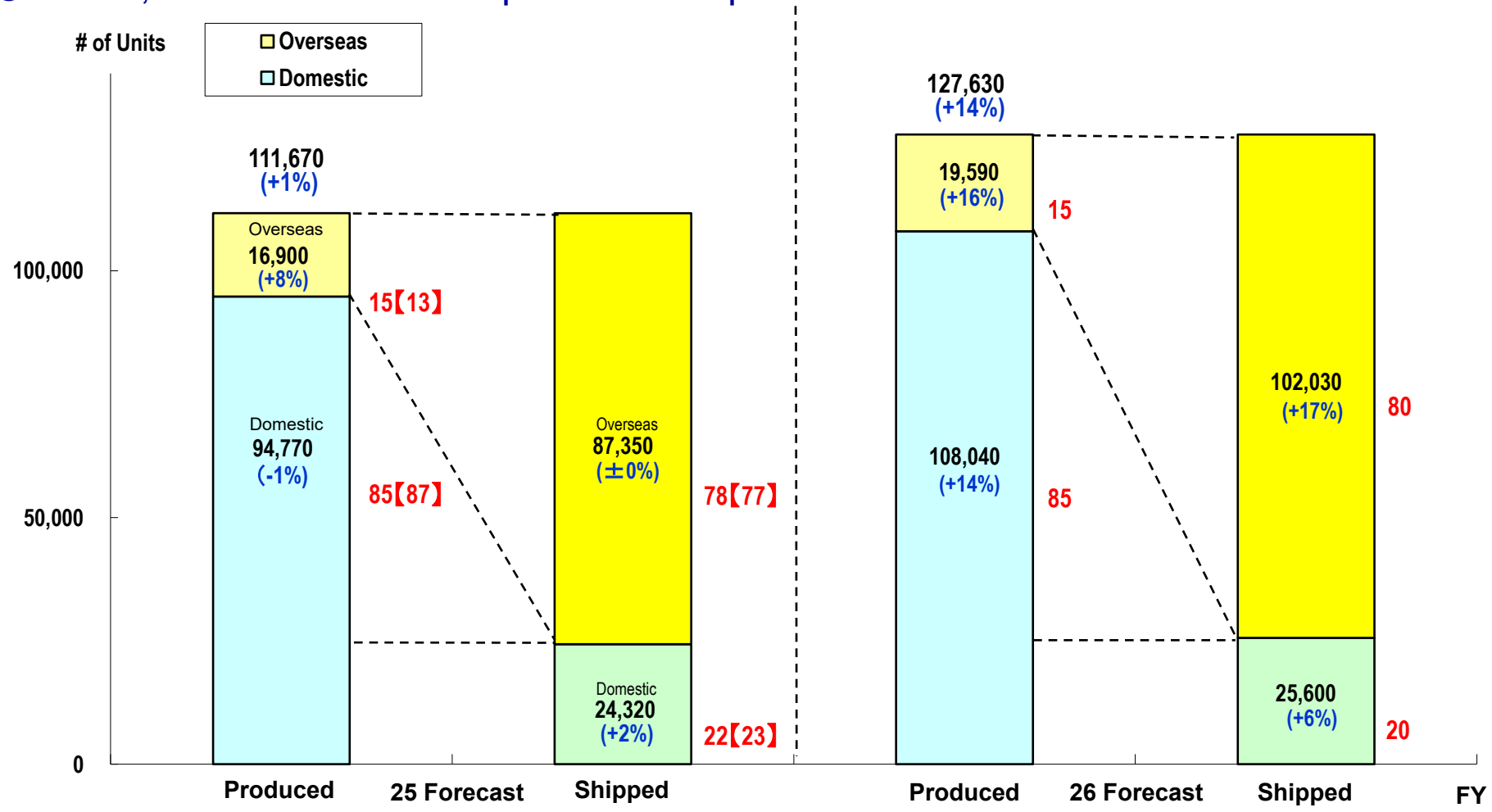
* On a basis of the produced units of HE
* Figures in red indicate domestic-overseas ratios. In【 】are projections as of February. In ( ) are FY over FY comparisons.

Source: Research by CEMA

1. Demand Forecast for FY25/26 (2) Unit Number Basis

② Mini HE

- In FY25, domestic production decreased and shipments increased, while overseas production rose.
- In FY26, both domestic and overseas production and shipments increased.



* On a basis of the produced units of Mini HE
* Figures in red indicate domestic– overseas ratios. In【 】are projections as of February. In( ) are FY over FY comparisons.

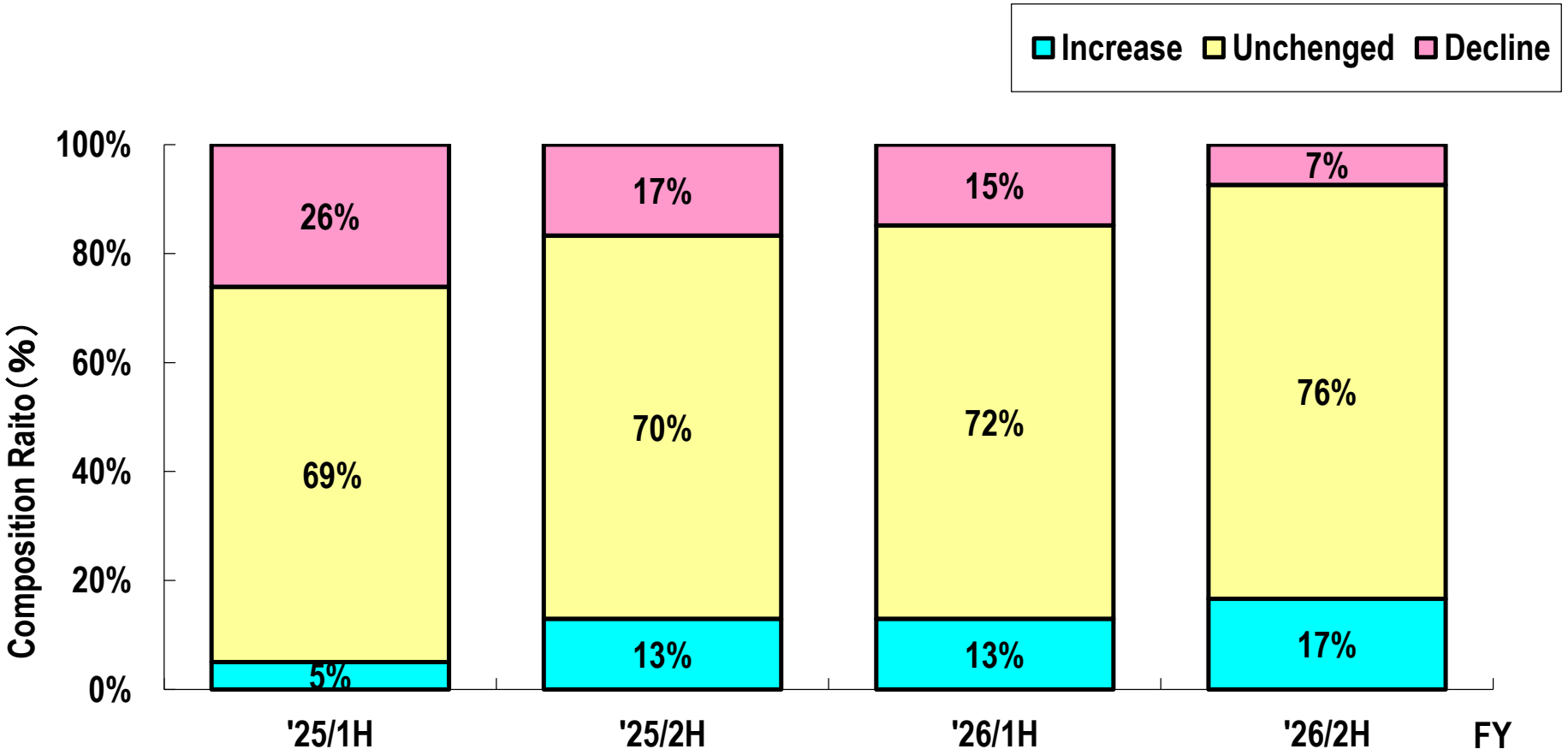
Source: Research by CEMA

2. Survey Results - Members

(1) Behind domestic demand forecast

① Public works projects

○ The majority view the situation as trending sideways for both FY25 and FY26, although an increasing number expect an increase in 2H FY25 and 2H FY26.

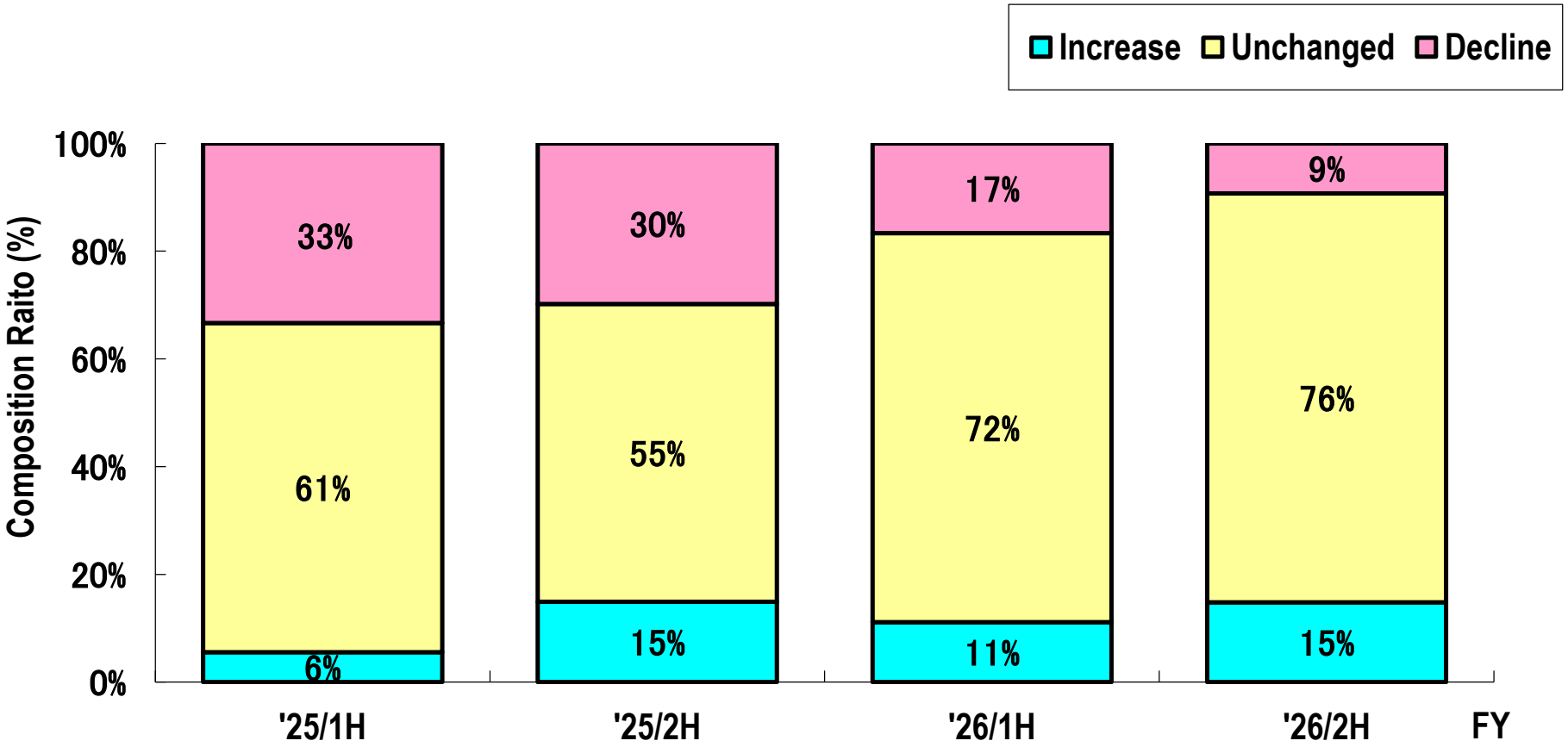


2. Survey Results - Members

(1) Behind domestic demand forecast

② Private capital investments

○ In both FY25 and FY26, most companies forecast demand to remain flat; however, in FY25 2H, more companies forecast an increase, while fewer forecast a decrease.

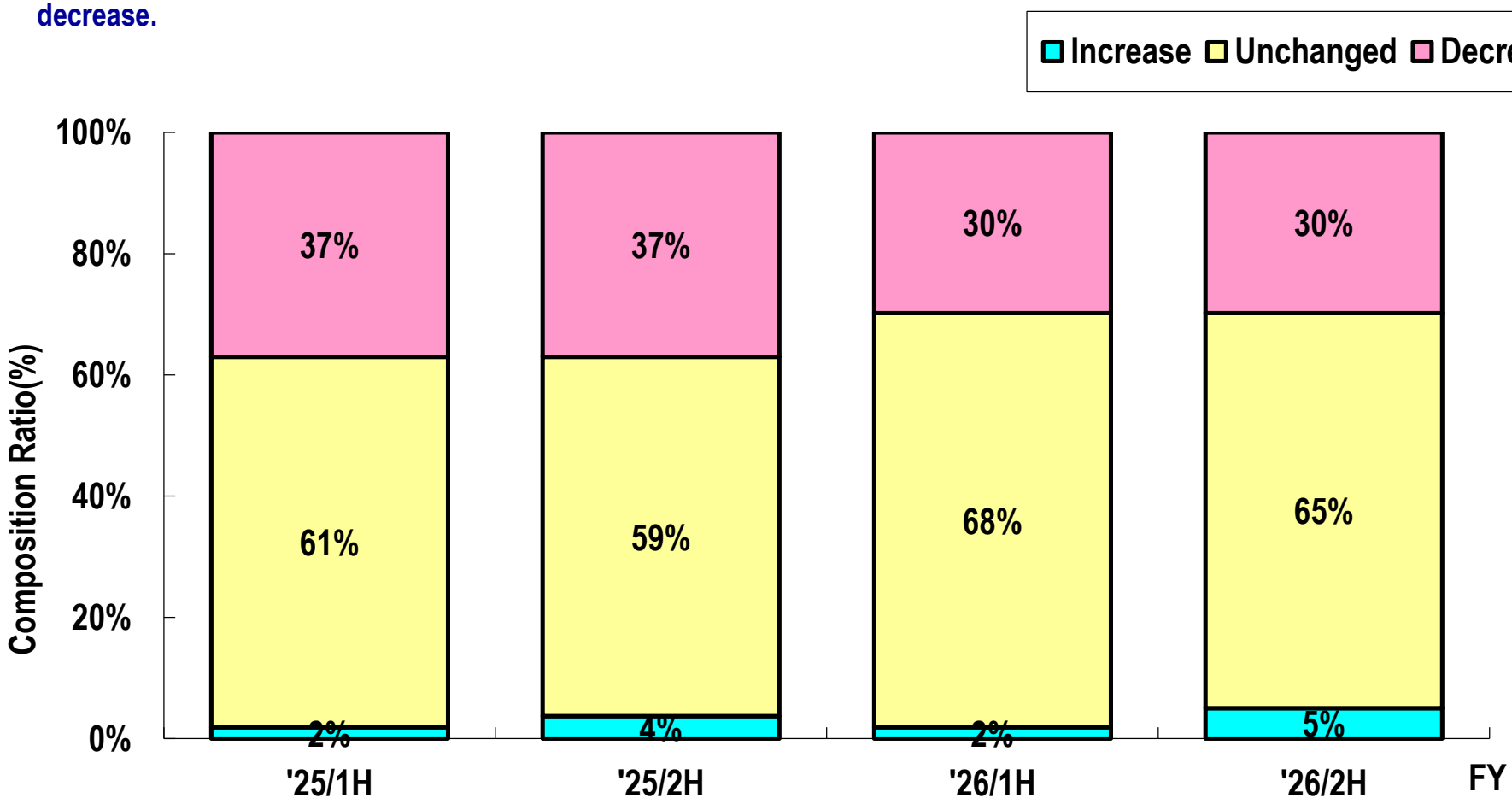


2. Survey Results - Members

(1) Behind domestic demand forecast

③ Housing investments

○ In both FY25 and FY26, 60–70% of companies forecast demand to remain flat. From FY26 1H, fewer companies forecast a decrease.

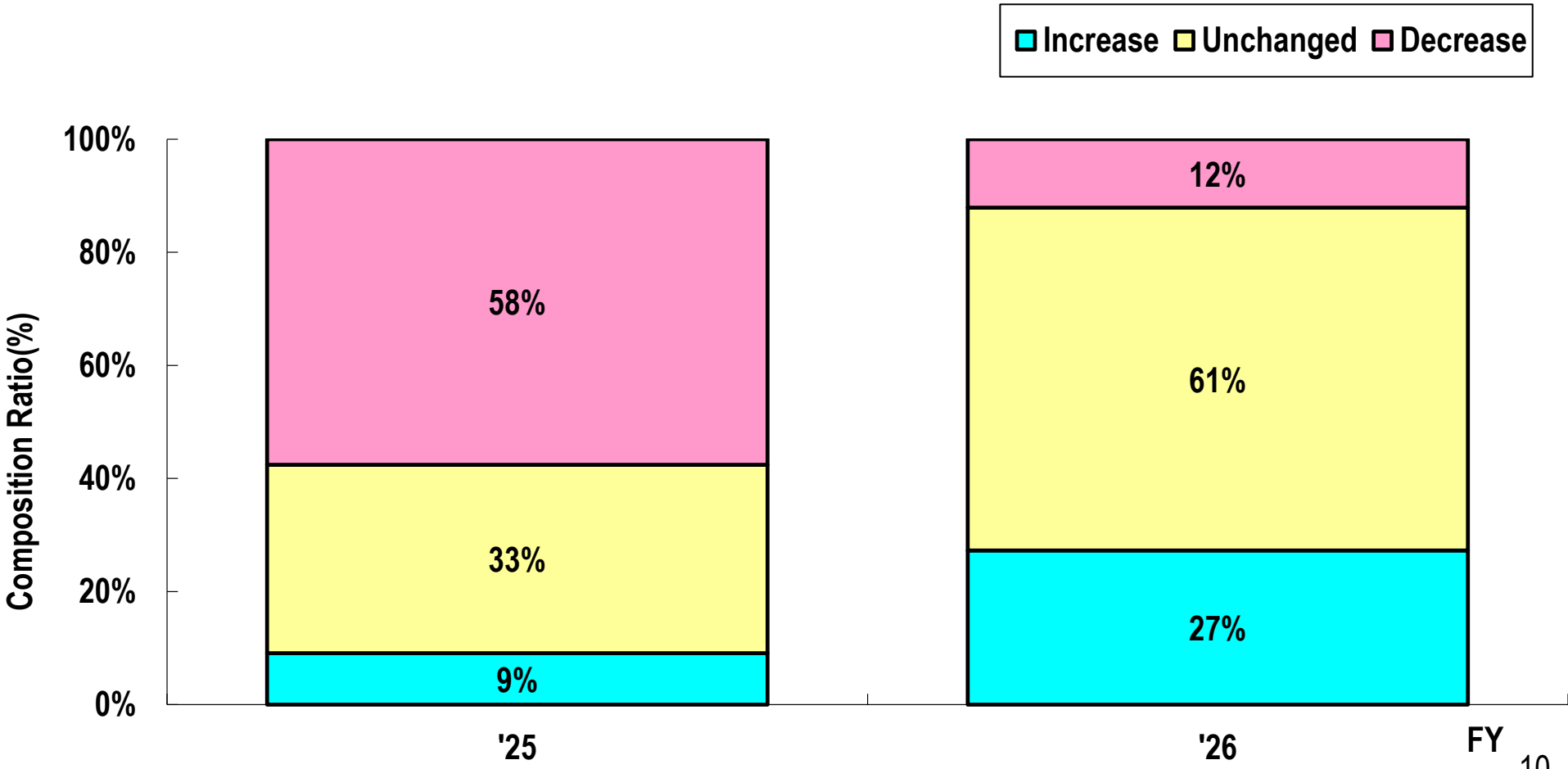


2. Survey Results - Members

(2) Behind overseas demand forecast

① Trend in the North American markets

○ While the majority expect decreases for FY25, a significantly increasing number of companies expect either increases or a sideways trend for FY26.

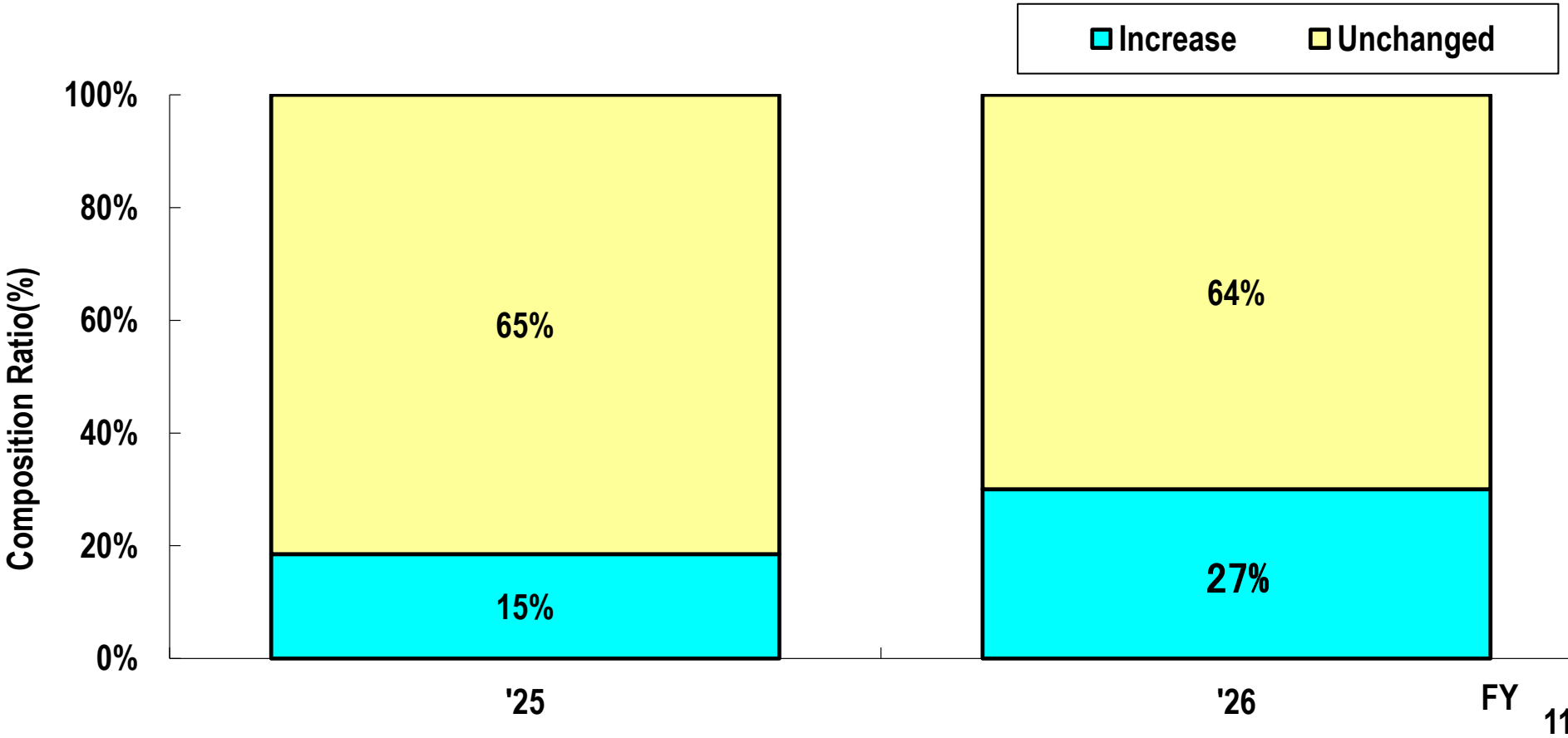


2. Survey Results - Members

(2) Behind overseas demand forecast

② Trend in the European markets

○ The majority view the situation as trending sideways for both FY25 and FY26, but for FY26, expectations for a decrease decline while those for an increase surge significantly.

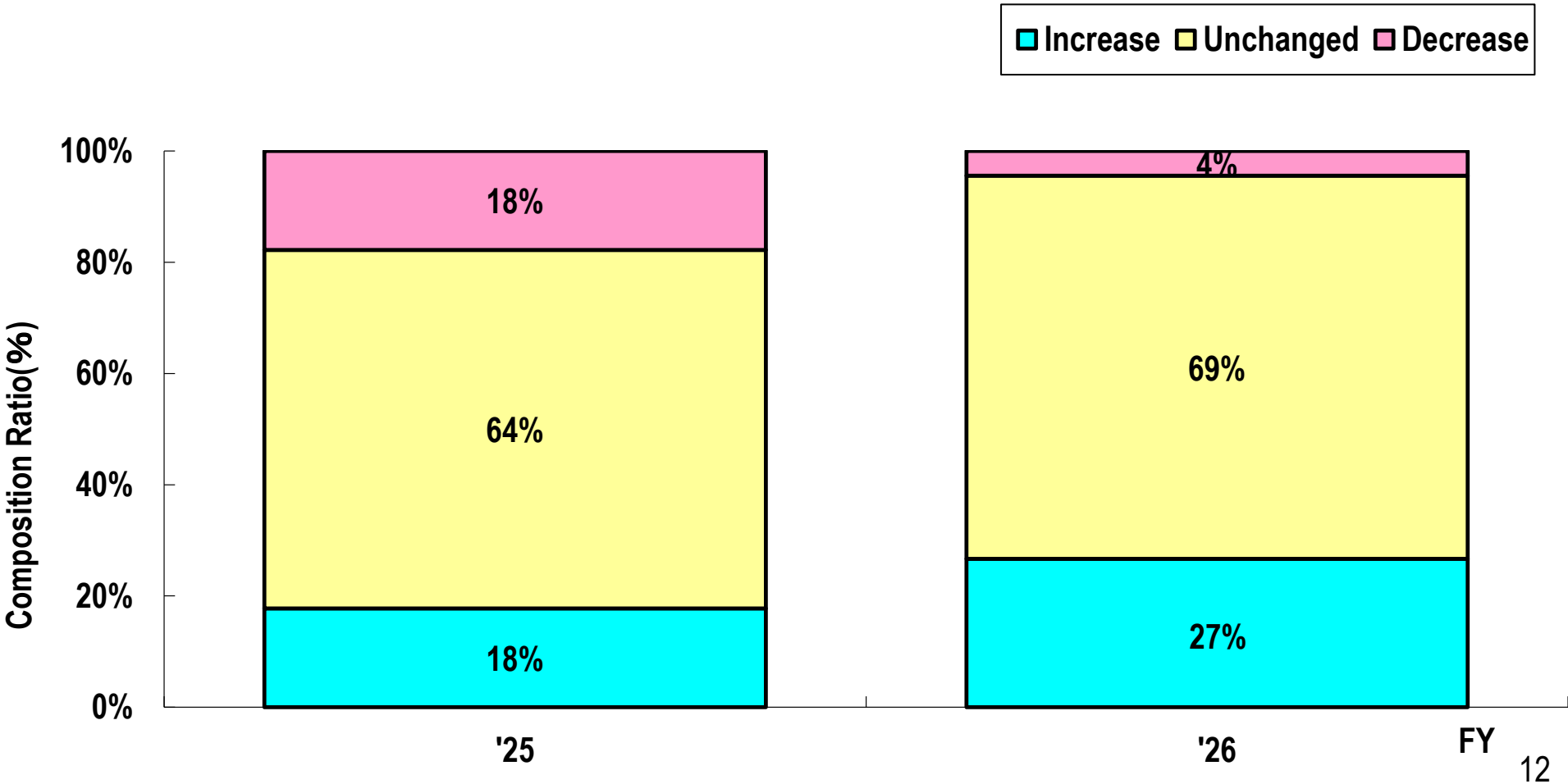


2. Survey Results - Members

(2) Behind overseas demand forecast

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

○ In both FY25 and FY26, most companies forecast demand to remain flat; however, in FY26, significantly fewer companies forecast a decrease, while more forecast an increase.

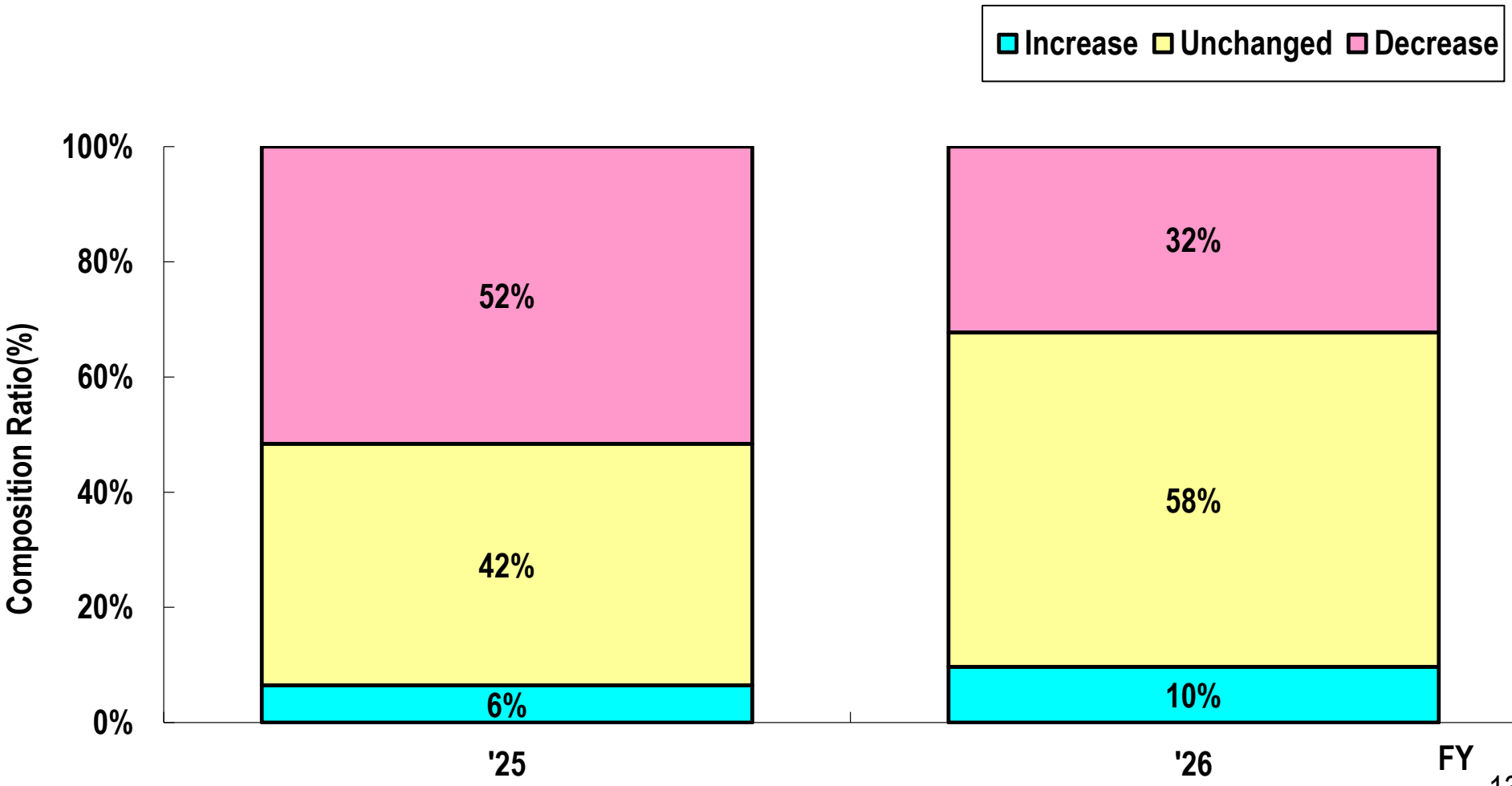


2. Survey Results - Members

(2) Behind overseas demand forecast

④ Trend in the Chinese market

○ Many expect a decrease for FY25, while more expect the situation to trend sideways for FY26.

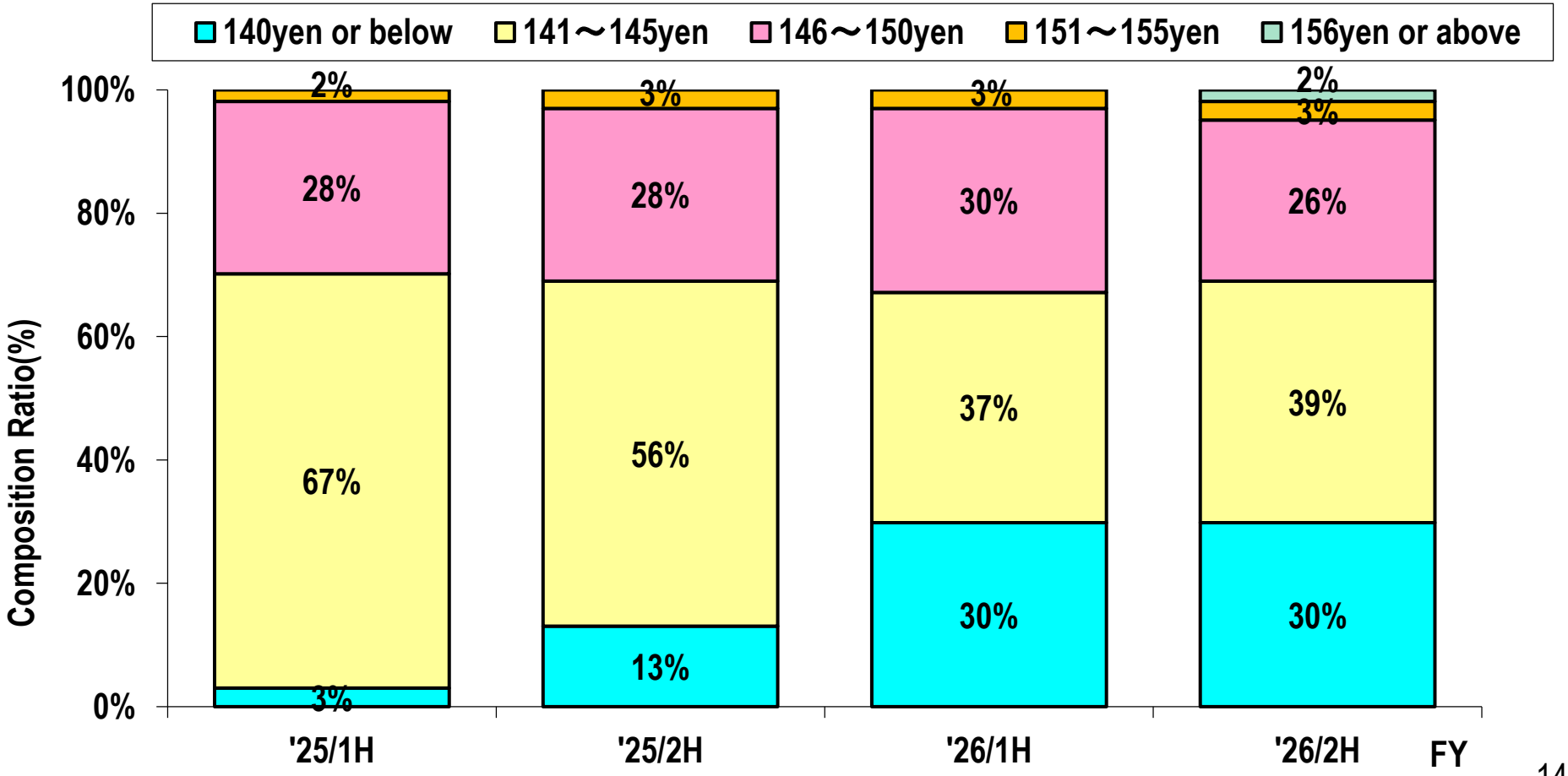


2. Survey Results - Members

(3) Trends in exchange rates

①JPY-USD

- More than half expect the exchange rate to hover between 141 and 145 yen for FY25.
- For FY26, an increasing number expect the yen to appreciate.

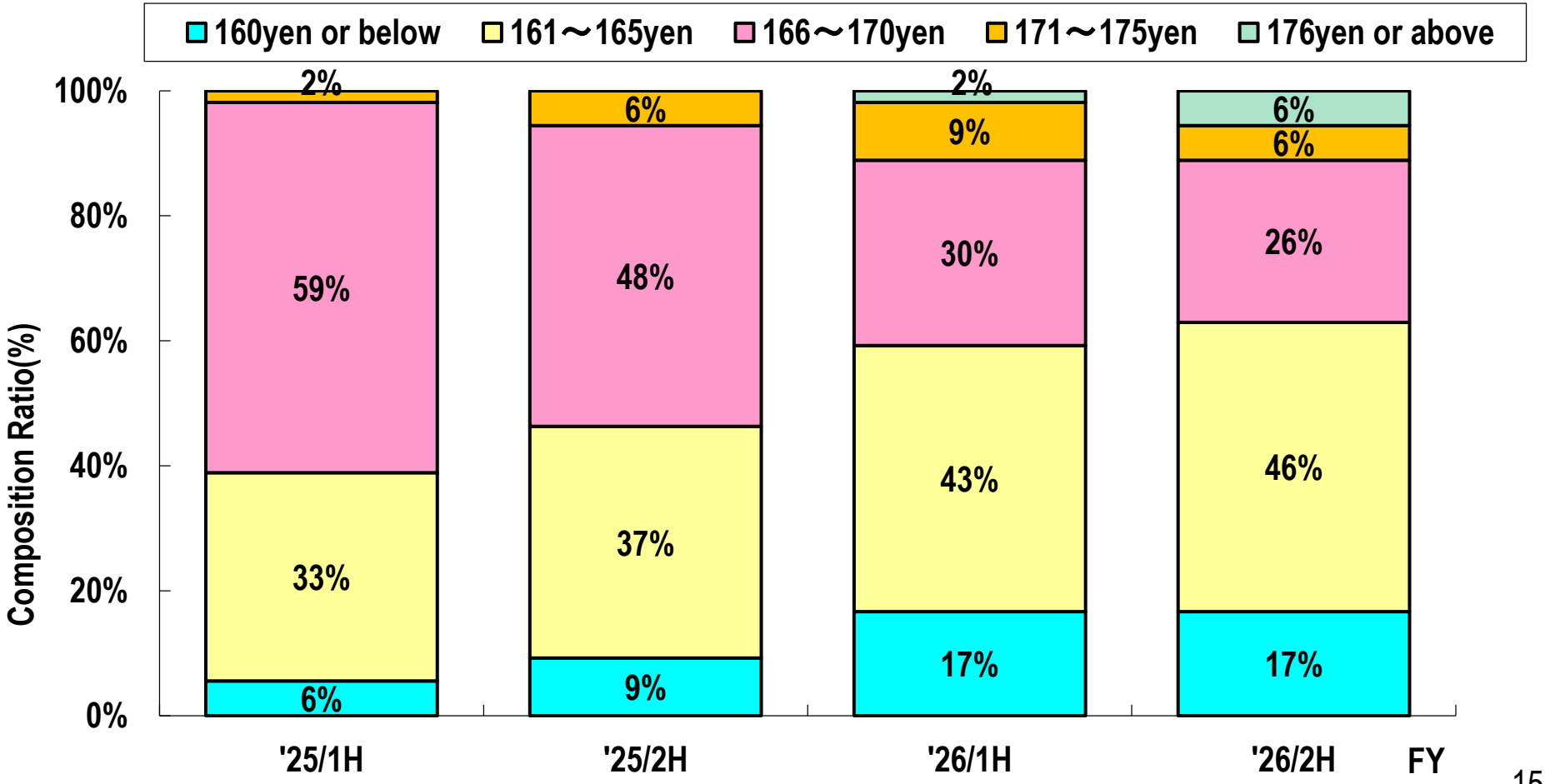


2. Survey Results - Members

(3) Trends in exchange rates

②JPY-EUR

- Many expect 166-170 yen for FY25. Many expect the rate to hover between 166 and 170 yen against the euro for FY25.
- For FY26, an increasing number expect the euro to depreciate.



2. Survey Results - Members

(4) Survey Results on Topics

Factors that may affect demand forecast ①

- **As factors positively affecting demand forecasts, many companies cited public investment, private capital investment, and exchange rate trends for the domestic market, while for overseas markets, exchange rate trends as well as public and private investment were frequently mentioned.**
- **On the other hand, as factors negatively affecting demand forecasts, many companies cited resource prices, logistics costs, and steel prices for the domestic market, while for overseas markets, exchange rate trends, the Russia/Ukraine issue, and conflicts in the Middle East were frequently mentioned.**

	Positive factors	Negative factors
Domestic market	① Public works projects（123） ② Public works projects（109） ③Trends in exchange rate（25）	①State of resource prices（66） ②State of logistics costs（62） ③State of steel material prices（42）
Overseas markets	①Trends in exchange rate（76） ②Public works projects（66） ③Private capital investment（50）	①Trends in exchange rate（56） ②Russia-Ukraine issue（40） ③Conflicts in the Middle East（39）

- Based on three choices each (in order of priority) for domestic and overseas from the following 13 items made by a respondent as potentially affecting factors on the future market conditions:

1.Public works projects, 2. Private capital investments, 3. Trends in exchange rates, 4. Interest rate hikes by central banks,
5. Russia-Ukraine issue, 6. Conflicts in the Middle East 7. Container availability, 8. Parts/components availability,
9. State of resource prices, 10. State of logistics costs, 11. State of steel material prices, 12. Inventory at sales outlet, and 13. Others

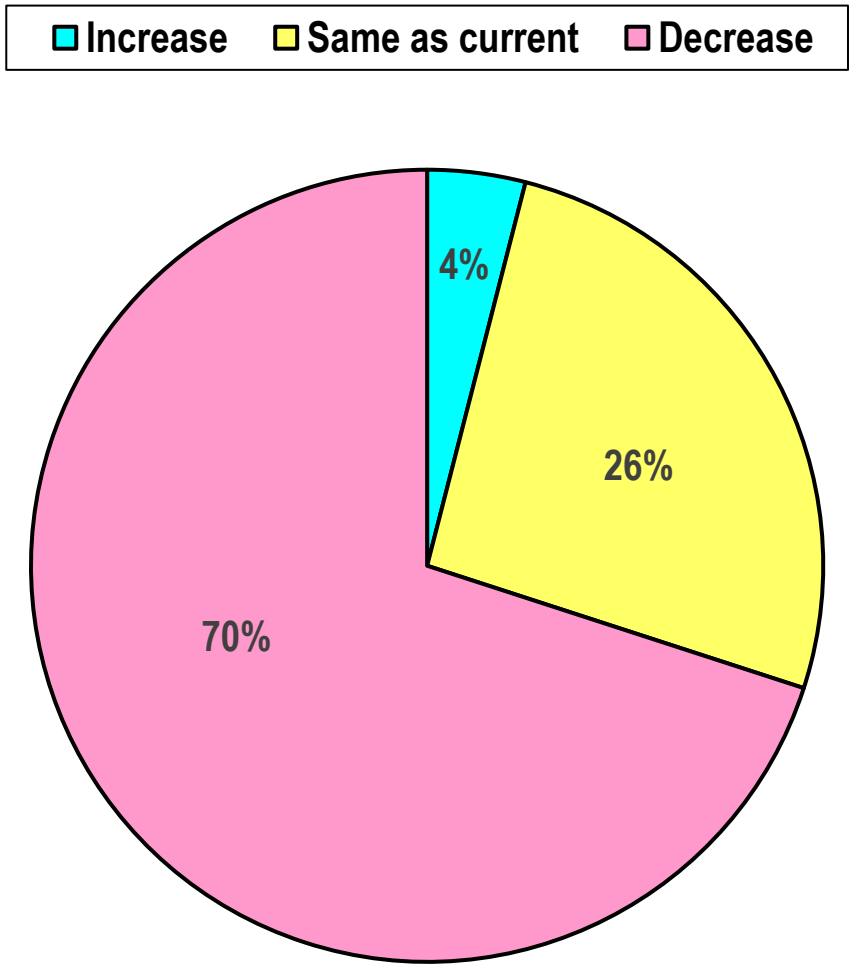
- The choices are numbered (① ② ③) in order of influence, allocating 3 points for ①, 2 points for ② and 1 point for ③.

2. Survey Results - Members

(4) Survey Results on Topics

Factors that may affect demand forecast ②

Impact of the new Trump administration taking office in the U.S. on exports and demand from Japan



*Note: Number of respondents: 54 companies

[Main reasons behind responses]

① Increase

- Expectations for increased investment in oil- and gas-related projects in the United States.

② Same as current

- Progress in government infrastructure plans is expected to increase construction projects and boost demand for construction equipment; however, this may be offset by risks such as tariff hikes under the Trump administration and exchange rate impacts.

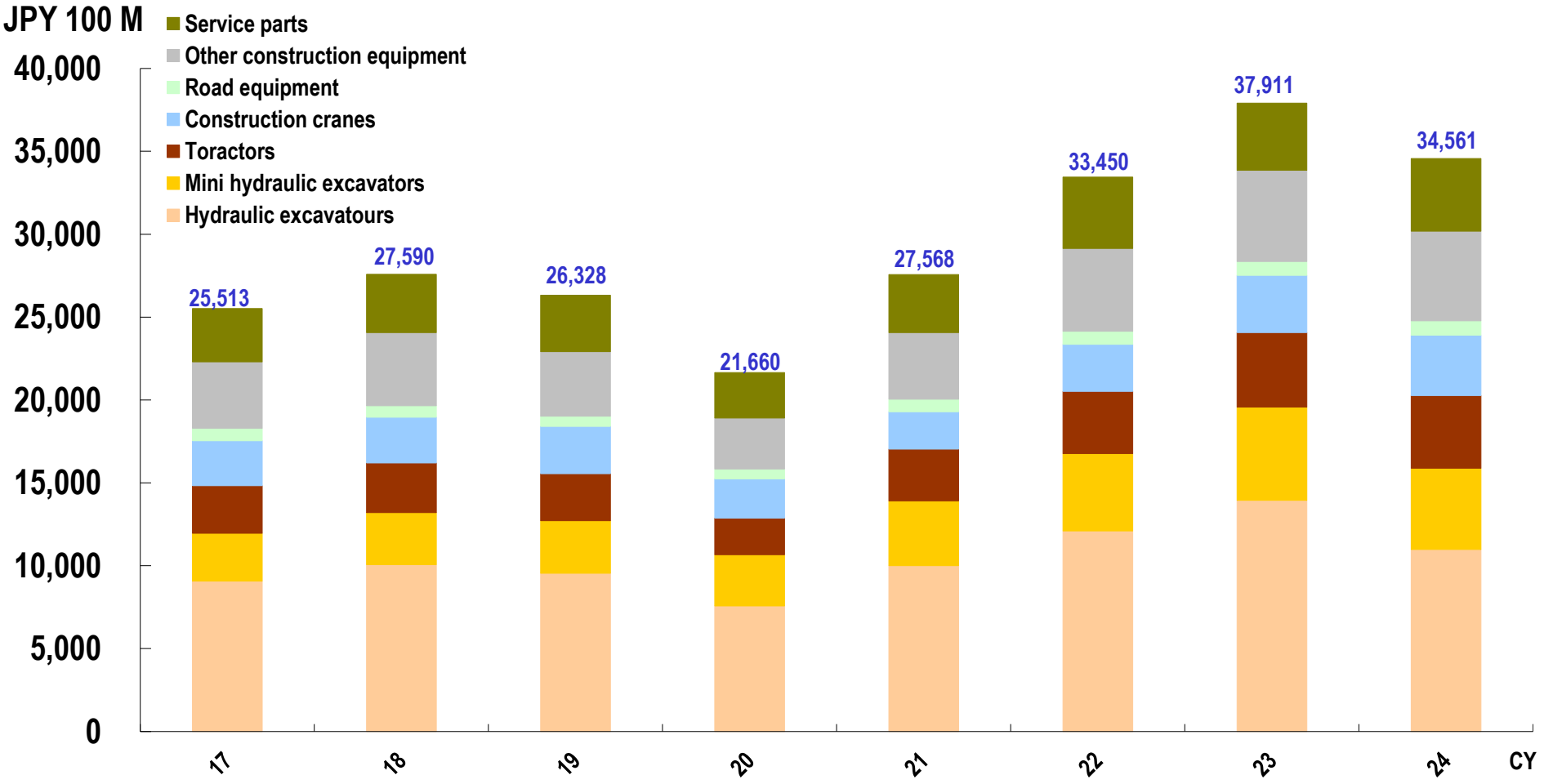
③ Decrease

- Rising export prices due to tariff increases, persistently high consumer prices driven by inflation expectations, and signs of a slowdown in investment and the economy.
- With the outlook remaining uncertain, business expansion is expected to be put on hold for the time being.

[For Reference] Actual results shipment value

①Trends by CE type (including service parts): 2017 to 2024 (calendar year)

○ **In 2024, decreased for four types of equipment, marking the first decline in four years, and the shipment value ended up at JPY 3,456.1 billion yen (down 9% y-o-y).**

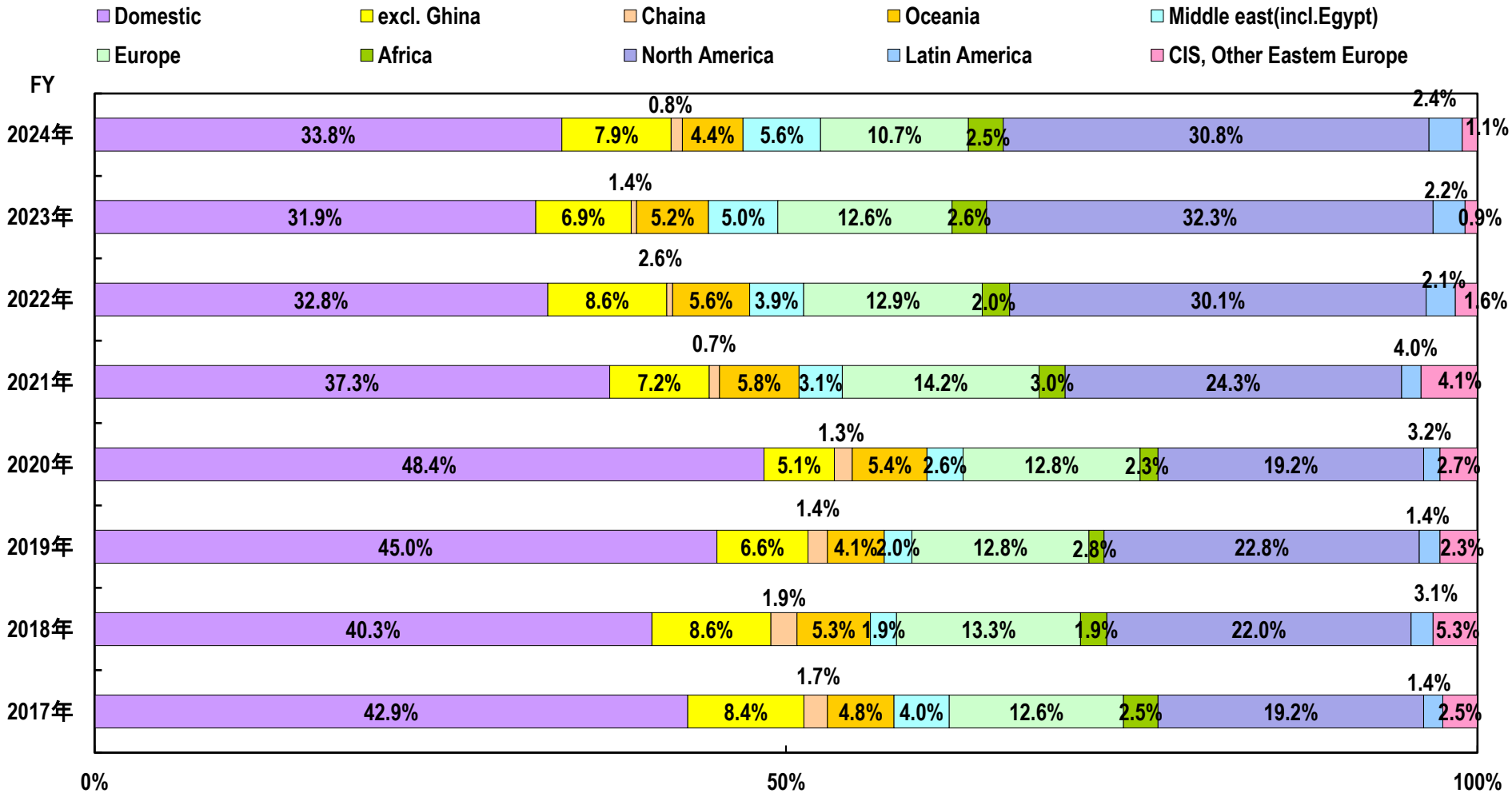


* On a shipment value basis for the following 9 types of CE: Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE (including service parts).
Source: Statistics privately compiled by CEMA

[For Reference] Actual results shipment value

② Changes in composition ratio of shipment value by destination: 2017 to 2024

○ In FY24, the share of North America decreased, making the domestic market the largest destination.



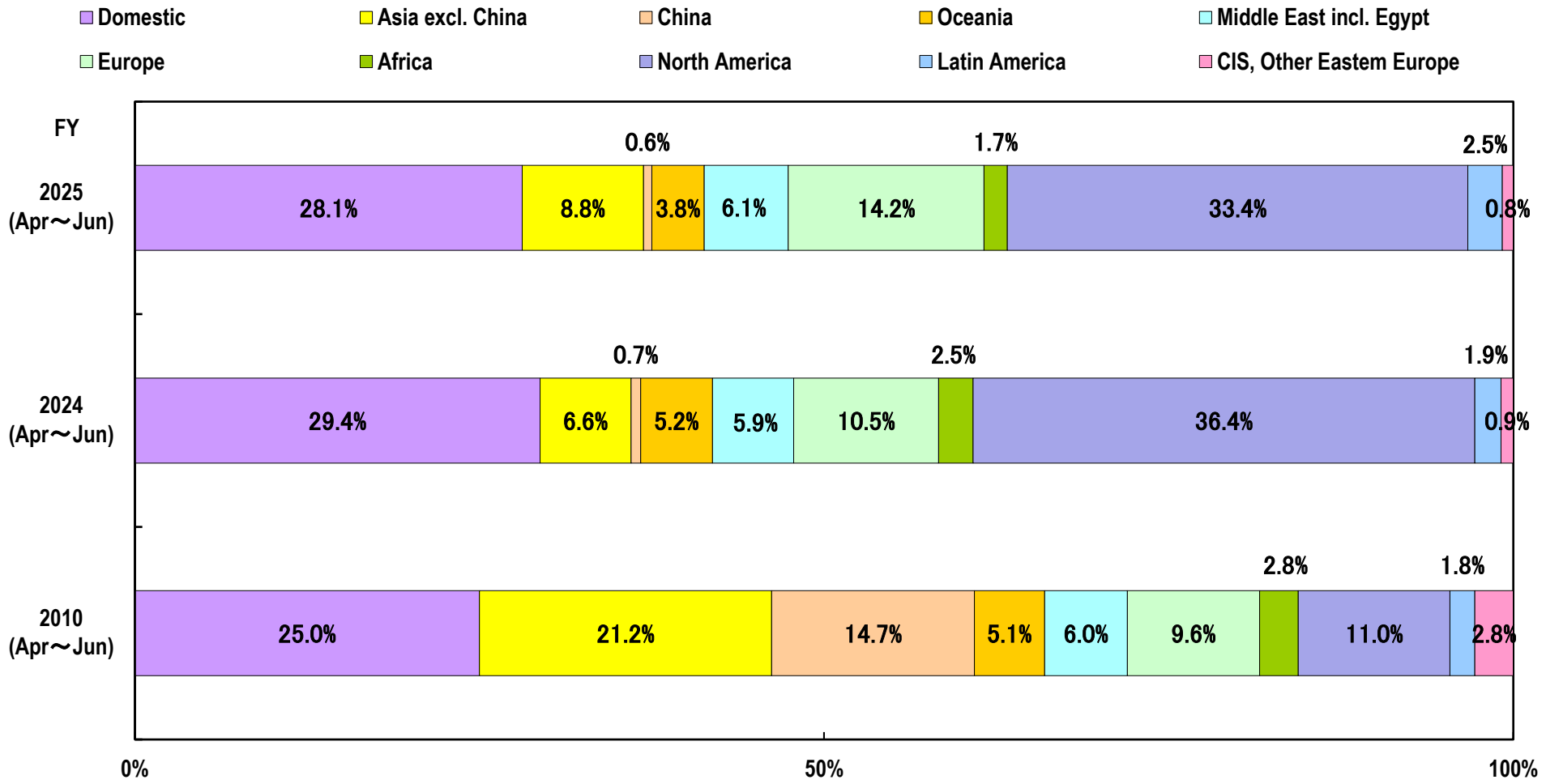
* On a shipment value basis for the following 9 types of CE: Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE (excluding components)

Source: Statistics privately compiled by CEMA

[For Reference] Actual results shipment value

③ Changes in composition ratio by destination: Apr-Dec 2024

○ In FY25, the share of N. America is forecast to decrease compared with the previous year, while the shares of Asia and Europe are forecast to increase



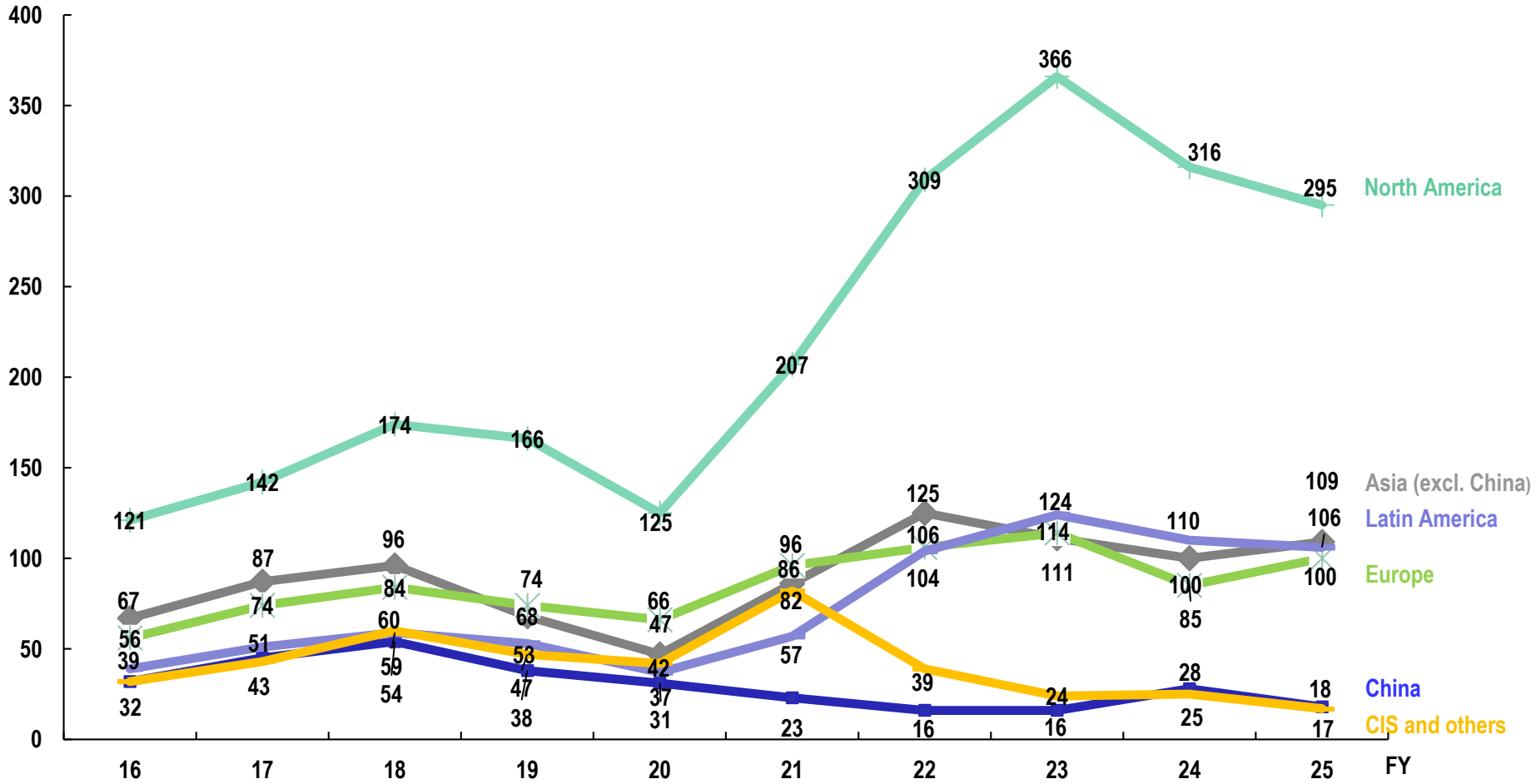
* On a shipment value basis for the following 9 types of CE: Hydraulic Excavators (HE), Mini HE, Tractors, Construction cranes, Road equipment, Concrete equipment, Foundation work equipment, Hydraulic breakers & crushers, and Other CE (excluding components)

Source: Statistics privately compiled by CEMA

[For Reference] Actual results shipment value

④ Changes in index (FY2007=100) by destination

○ The shipment value index for N. America has decreased, while the shipment value indices for Asia and Europe have shown an increasing or recovering trend.



*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 FY25 are estimates based on actual data by destination for Apr-Jun. Source: Statistics privately compiled by CEMA

Japan Construction Equipment Manufacturers Association (CEMA)

Chairman's Press Conference

The next demand forecast will be announced on Tuesday, February 17, 2026.