

**MACHINE TOOL ORDERS: THE FOURTH QUARTER OF 2016 IS STATIONARY (+0.3%)
FOREIGN ORDERS START AGAIN (+3.4%)
"HYPER-DEPRECIATION WAITING EFFECT" IN THE DOMESTIC MARKET (-12.1%)**

In the fourth quarter of 2016, the index of machine tool orders, processed by the Studies Dept. of UCIMU-SISTEMI PER PRODURRE, shows a stationary situation, registering a 0.3% increase compared with the same period of the previous year. In absolute value it reached 133.3, thus well over the average 100 established in 2010.

The overall outcome has been determined by the positive results of orders collected in the foreign market, grown by 3.4% compared with the period October-December 2015. The absolute value of the index amounts to 130.3.

A different trend was recorded with regard to the index of orders collected by the Italian manufacturers in the domestic market: after thirteen consecutive quarters of growth, it decreased by 12.1%. However, the absolute value remains very high, amounting to 153.3.

On an annual basis, the index reported an average rise of 1.6% (absolute value 130.8) versus 2015. The performance of foreign orders was certainly not brilliant: they went down by 2.6% (absolute index 130.1). On the other hand, a strong growth was registered with regard to domestic orders, increased by 7.4% (absolute index 131.6), as a testimony to the liveliness of the Italian market.

By making a comparison between the absolute indexes calculated on an annual basis, we observe that 2016 was the best year in terms of order collection with 130.8. This figure shows that all the ground lost during the recession has not yet been regained, but however we are very close to the level recorded in 2008, when the absolute index scored 140.

In this really favourable framework, we have to consider the reduction in the order collection registered in the last quarter in the domestic market. This drop can partly be due to the comparison with the extremely positive performance of the fourth quarter of 2015, which was immediately after EMO MILANO, the world exhibition of the sector that reported record-breaking figures in October 2015. Nevertheless, the real reason is to be mainly seen in the decision of Italian users to suspend the investments, while waiting to understand methods, time and application technicalities of the provisions included in the National Plan "Industry 4.0", with particular reference to Hyper-Depreciation at 250%.

Massimo Carboniero, President of UCIMU-SISTEMI PER PRODURRE stated: "The preliminary 2016 data presented in December, last year's index of orders and the collection trend of applications to exhibit at LAMIERA, - the trade show scheduled to take place in Milan next May - highlight the liveliness of the Italian market that has started to invest again in production systems".

"Substantially, the decrease recorded since the last quarter does not worry us at all, because - continued **Massimo Carboniero** - it is clearly due to the waiting effect for the Hyper-Depreciation at 250%. The market is actually flourishing, as we can already see today, not even a month after the re-opening of production activities. The announcement of the Government authorities regarding the National Plan "Industry 4.0" made in September, followed by the subsequent optimizations and explanations concerning the applicability of the measures, together with the uncertainty of the framework due to the result of the referendum, led the enterprises to wait and postpone the orders until the new year. There was also a concern that the provision of the Hyper-Depreciation at 250% could be applicable only with orders placed starting from the year 2017".

"Now the law has come into effect, but however much is to be done to clear up any misunderstanding and to allow a correct interpretation of its rules, an essential passage to have the provided tools really work as a purchasing incentive".

"For this reason - asserted **Massimo Carboniero** - UCIMU-SISTEMI PER PRODURRE has planned a series of special initiatives for its member companies, conceived to analyse the applicability aspects of rules and to fully understand the basic difference between Super-Depreciation and Hyper-Depreciation".

"As manufacturers we have always had the task to provide, together with the technology, a complete service to make the user's purchase easy; this activity implies the complete knowledge of the subject included in the Budget Law, with reference to the measures that incentivise the investments in production systems. Actually, - concluded the President of UCIMU - the Italian manufacturers are recognised not so much as "simple suppliers", but rather as "real partners" by their customers".

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Contact:

Claudia Mastrogiuseppe, External Relations and Press Office Manager, +390226 255.299, +393482618701 press@ucimu.it
Massimo Civello, External Relations and Press Office, +390226 255.266, +393487812176 press2@ucimu.it
Raffaella Antinori, Technical Press Office, +390226 255.244, technical.press@ucimu.it