

# Japanese Construction Screws and Hardware Market in 2025

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## ► Introduction

**Japan Construction Market in 2025:**<sup>1</sup> The Japanese construction market in 2025 remains one of the largest and most technologically advanced in the world, characterized by stable growth, strong government involvement, and increasing pressure from structural challenges such as labour shortages and rising costs. In 2025, the total construction market size is estimated at approximately JPY 32.44 trillion (around USD 500–650 billion depending on exchange rates and methodology), reflecting annual growth of about 4.4%. This positions Japan among the top global construction markets, although growth is moderate compared to emerging economies. Over the medium term, the sector is expected to expand at a compound annual growth rate of around 3–4% through 2029–2030, reaching nearly JPY 38.75 trillion.

**Market Structure and Segmentation:**<sup>2</sup> The Japanese construction industry is highly diversified across residential, commercial, industrial, and infrastructure segments. In 2025, residential construction accounts for approximately 31.9% of total market share, making it the largest segment. Demand is driven by urban redevelopment, replacement of aging housing stock, and continued migration toward major metropolitan areas such as Tokyo. New construction dominates the market, representing about 71.6% of total activity, while renovation and retrofitting are gaining importance due to Japan's aging building stock and stricter seismic regulations. This shift toward renovation is not optional—it is structurally necessary, given that much of Japan's infrastructure was built during the post-war economic boom.

**Role of Government and Investment:**<sup>3</sup> One of the defining characteristics of Japan's construction market is the dominant role of public investment. In 2025, approximately 77.4% of construction funding originates from public sources, including national and municipal governments. Key areas of spending include:

**Infrastructure renewal (bridges, tunnels, roads), Disaster-resilient construction, Renewable energy and smart city projects:**<sup>4</sup> This heavy reliance on public funding stabilizes the market but also limits explosive growth. Private sector investment is increasing, growing at over 5% CAGR, particularly in real estate and data center construction.

**Key Growth Drivers:** Several structural factors are shaping the industry in 2025,

- 1 Aging Infrastructure:** Continuous demand for repair and retrofitting projects
- 2 Urban Redevelopment:** Large-scale projects in major cities
- 3 Sustainability Goals:** Government policies promoting green and energy-efficient buildings
- 4 Technology Adoption:** Increased use of Building Information Modeling (BIM) and prefabrication

## Key Growth Drivers:

Aging Infrastructure

Urban Redevelopment

Sustainability Goals

Technology Adoption



In addition, construction orders have shown resilience, with year-on-year growth of around 5–9% in late 2025 and early 2026, indicating stable demand.<sup>5</sup>



**Challenges and Constraints:**<sup>6</sup> Despite its size, the market faces significant structural challenges. Labor shortages are among the most critical issues, driven by Japan’s aging population. At the same time, construction cost inflation is estimated at around 5.6% in 2025, increasing pressure on margins and project feasibility.

Moreover, real growth remains relatively low, with some estimates suggesting only 1.6% real expansion in 2025, highlighting the gap between nominal growth and actual industry performance.<sup>7</sup>

## ▶ Market Size and Structure

Japan’s construction screws and hardware market represents a specialized segment within the broader industrial fasteners industry, characterized by high precision, stringent quality standards, and strong integration with advanced construction practices. In 2025, the market stands at the intersection of infrastructure renewal, seismic-resilient building requirements, and a technologically advanced manufacturing base. Unlike volume-driven markets such as China or India, Japan’s fasteners sector is quality-led rather than price-led, which fundamentally shapes its structure, margins, and competitive dynamics.

The Japanese industrial fasteners market generated approximately USD 8.6 billion in 2025.

- Forecast value (2033): USD 11.5 billion
- Annually growth (2026–2033): ~3.8%

The market was around USD 8 billion in 2024.

Construction Segment Share:

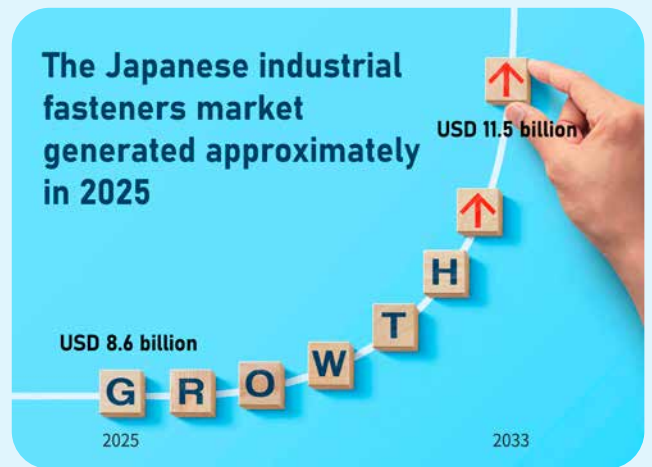
Globally, construction accounts for approximately 33.1% of total fastener demand. In Japan, this share is structurally significant due to:

Continuous urban redevelopment

Earthquake-resistant building standards

Aging infrastructure replacement

This suggests that construction-related screws and hardware likely represent a \$2.5–3.0 billion segments in Japan (2025).



## ▶ Export Demand Structure: Key Overseas Markets for Japanese Fasteners (2021–2025)


Japan’s fastener industry continues to rely heavily on export-driven demand, and the 2021–2025 trade data reveals an important structural shift in overseas market dependence. Total world imports from Japan declined from USD 2.93 billion in 2021 to USD 2.30


billion in 2025 (values in thousand USD), representing a compound annual decline of approximately 5.8%. This confirms that Japanese fasteners exports are facing a mature and increasingly competitive global environment rather than broad-based volume expansion.


Importer From Japan	2021	2022	2023	2024	2025
World	2,925,108	2,578,765	2,385,648	2,306,929	2,302,966
USA	698,976	596,225	608,596	665,391	635,937
China	768,067	609,503	452,019	388,618	382,764
Thailand	363,925	326,933	292,223	240,737	258,601
India	102,721	103,641	113,934	118,663	136,965
Indonesia	171,339	192,200	165,973	149,802	131,418
Mexico	115,601	96,923	130,550	139,384	124,760


Numbers in Thousand USD



 **United States:** Stable Strategic Anchor. **The United States remains Japan's largest and most stable premium export destination** in 2025, importing USD 635.9 million, equivalent to 27.6% of Japan's total global fastener exports. Although imports declined slightly from the 2024 peak of USD 665.4 million, the long-term trend is relatively resilient, with only a 2.3% annual decline since 2021.

 **ASEAN Markets:** Mixed Performance. Southeast Asia remains strategically relevant but uneven. Thailand: USD 258.6 million in 2025 (11.2% share). Indonesia: USD 131.4 million (5.7% share). Thailand showed a long-term decline but rebounded from 2024, suggesting renewed industrial and construction demand. Indonesia, by contrast, continued to weaken, falling from USD 171.3 million in 2021 to USD 131.4 million in 2025.

 **China:** The Sharpest Structural Decline. The most important signal in the table is the **rapid contraction of exports to China**. Japanese fastener exports to China fell from USD 768.1 million in 2021 to USD 382.8 million in 2025, a dramatic 50% decline over four years, equal to a -16.0%. China's share of Japan's exports dropped to 16.6% in 2025, down from more than 26% in 2021.

 **India:** The Most Promising Growth Market. **India is the strongest growth story in the table**. Imports from Japan increased from USD 102.7 million in 2021 to USD 137.0 million in 2025, delivering a 7.5% CAGR, the highest among all major destinations. India now represents 5.9% of total Japanese fastener exports, overtaking Indonesia.

## ► Import Supply Structure: Japan's Dependence on Foreign Fasteners (2021–2025)


While Japan remains a globally respected producer of precision fasteners, import data from 2021–2025 shows that the domestic market increasingly depends on foreign supply for selected fastener categories, especially standard screws, commodity hardware, and cost-sensitive industrial applications.

**Total fastener imports into Japan increased from USD 894.2 million in 2021 to USD 925.5 million in 2025 (values in thousand USD), reflecting a modest CAGR of approximately 0.9%.**


Exporter to Japan	2021	2022	2023	2024	2025
World	894,246	1,005,761	866,612	874,301	925,501
China	326,567	371,548	313,236	305,148	312,341
Taiwan	253,674	300,275	218,253	204,039	213,121
USA	105,834	112,931	131,428	171,205	190,669

Numbers in Thousand USD

This relatively stable import trend suggests that Japan is not replacing domestic production wholesale, but rather strategically supplementing local manufacturing with external supply sources.

 **China:** Largest External Supplier. **China remains the largest foreign supplier to Japan**, exporting USD 312.3 million in 2025, equivalent to 33.7% of Japan's total fastener imports. Although imports from China peaked at USD 371.5 million in 2022, volumes have since stabilized around the USD 305–312 million range.

 **Taiwan:** Precision Mid-Market Strength. **Taiwan remains Japan's second-largest import source**, supplying USD 213.1 million in 2025, representing 23.0% of total imports. Despite a decline from the 2022 peak of USD 300.3 million, Taiwan has maintained a strong position in the Japanese market.

 **United States:** Fastest-Growing Premium Import Source. The most striking trend is the **rapid growth of imports from the United States**. Japanese imports from the U.S. rose from USD 105.8 million in 2021 to USD 190.7 million in 2025, generating a strong 15.9%. The U.S. now accounts for 20.6% of Japan's total fastener imports, nearly doubling its share over four years.



## ► Conclusion

The Japanese construction screws and hardware market in 2025 stands as a high-value, specification-driven segment within one of the world's most advanced construction ecosystems. Backed by a total construction market of approximately JPY 32.44 trillion and supported by strong public-sector funding, demand for construction fasteners remains fundamentally linked to infrastructure renewal, seismic retrofitting, urban redevelopment, and energy-efficient building projects.

With the broader Japanese industrial fasteners market reaching approximately USD 8.6 billion in 2025, the construction-related segment—estimated at USD 2.5–3.0 billion—represents a strategically important share of national fastener demand. Unlike volume-led markets, Japan's construction screws and hardware sector is defined by precision engineering, compliance with strict building standards, corrosion resistance, and seismic-grade performance requirements. This gives domestic suppliers an advantage in specialized applications, even as pricing pressure intensifies in standard product categories.

Looking ahead, the market's growth trajectory is expected to remain stable at approximately 3–4% annually through 2033, supported by the continued modernization of public infrastructure, smart city investments, modular construction, and BIM-led project execution. However, the sector will continue to face structural constraints from:

Labor  
shortages

Cost inflation

Slow real  
construction growth

Increasing import competition  
in standardized screws and hardware

The central strategic reality is clear: Japan's future in construction screws and hardware will not be won through low-cost volume, but through engineering precision, project integration, and compliance-led differentiation.

Manufacturers that align with seismic safety, green building standards, prefabrication systems, and contractor specification requirements will be best positioned to capture long-term value in this mature but technically demanding market. In short, 2025 is not a breakthrough growth year for Japan's construction fasteners market—it is a year of consolidation, specialization, and competitive repositioning, where technical superiority remains the decisive advantage. ■

<sup>1</sup><https://www.businesswire.com/news/home/20251118878148/en/Japan-Construction-Industry-Report-2025-2029-Market-to-Grow-Across-Multiple-Segments-Driven-by-Smart-Technologies-Sustainability-and-Government-Redevelopment-Initiatives--ResearchAndMarkets.com>

<sup>2</sup><https://www.mordorintelligence.com/industry-reports/japan-construction-market>

<sup>3</sup><https://www.mordorintelligence.com/industry-reports/japan-construction-market>

<sup>4</sup><https://chatgpt.com/c/69cbac4e-56f4-8320-9963-d453f02b1243>

<sup>5</sup><https://tradingeconomics.com/japan/construction-orders>

<sup>6</sup><https://www.turnerandtownsend.com/insights/balancing-tradition-and-modernisation-the-way-forward-for-japans-construction-industry/>

<sup>7</sup><https://finance.yahoo.com/news/japan-construction-industry-report-2025-115000541.htm>

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