Business Survey 2026

Financing climate clouded – investment activity subdued

Executive Summary

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The period of cyclical weakness in Germany is continuing. This is increasingly weighing on the capital structure of enterprises. At the same time, the financing climate deteriorated noticeably in the past year, while loan demand declined – also as a result of subdued investment activity. Despite substantial investment needs, there are currently no signs of a marked revival. For enterprises to invest more, what is primarily needed is better framework conditions. This is shown in the results of the Business Survey 2026.

1. The economic situation of the survey participants was difficult: 46% of enterprises recorded declines in demand in the preceding twelve months, while only 20% registered increases. The downturn affected the enterprise sector across the board and there is no sign of a turnaround for the next twelve months: 40% expected further losses. Expectations are strongly shaped by enterprise size: large-scale enterprises (LSE) are more optimistic about the future than micro-enterprises.

2. The ongoing period of cyclical weakness is putting the capital structure of enterprises under increasing pressure. Around 31% of surveyed enterprises reported in spring 2026 that their equity ratio had fallen in the preceding twelve months. Results from a multivariate analysis show that, in all size classes considered, the probability of a deterioration in the equity ratio has risen significantly.

3. A deterioration is also becoming apparent with regard to rating. Most recently, only around 14% of enterprises reported an improvement in their rating. By contrast, 25% of surveyed enterprises reported a deterioration. Unlike in the previous survey, the balance of improvement reports minus deterioration reports is negative.

4. The financing climate has clouded compared with the previous survey. While around 32% of enterprises still regarded access to credit as easy in 2024, this figure was just 24% in the current survey. Around 26% currently see taking out a loan as difficult. The surveyed enterprises primarily attribute the perceived deterioration in the financing climate to tighter lending conditions.

5. In the twelve months prior to the start of the survey, 45% of enterprises conducted loan negotiations – a decline of around 4 percentage points compared with the previous survey in 2024. This trend is evident across all sectors and size classes. A longer-term view shows that current loan demand is well below the levels seen in the mid-2010s.

6. In the past twelve months, long-term loans were requested most frequently. Around 51% of all enterprises engaged in loan negotiations did so for loans with maturities of at least 5 years. Around 44% of enterprises negotiated medium-term loans and roughly 43% sought short-term loans.

7. The clouded financing climate is also evident in the higher share of failed loan negotiations. The greatest problems in the past year occurred with short-term loans: almost one in four negotiations (23.4%) ended without an agreement, a sharp rise of 5 percentage points compared with the survey in spring 2022. More than one in five negotiations over medium-term loans also failed. Negotiations on long-term loans, by contrast, failed somewhat less frequently (18%).

8. The topic of sustainability played a similarly important role in loan negotiations in the past year as in the 2024 survey. One in four enterprises (25%) that conducted loan negotiations in the twelve months prior to the survey indicated that sustainability was addressed in these negotiations. In the 2024 survey, the share was of a similar order of magnitude at 27%; a marked increase has not been evident since then. Sustainability aspects featured comparatively often in loan negotiations of larger enterprises. In this group, this was the case for almost half of enterprises with loan negotiations (47%) – an increase of 17 percentage points compared with 2024.

9. Although sustainability is not raised more frequently in loan discussions, it is addressed in much more concrete terms: Of the enterprises that reported

being asked about sustainability in loan discussions, nearly all (97%) were requested to provide specific sustainability information or indicators. The most commonly requested items were classic consumption data, such as energy and electricity use (around 60% in each case) and the share of renewable energies (51%). Some 46% of all enterprises were asked about a sustainability strategy. Information on greenhouse gases, ESG ratings and circular economy was requested from around one third. Details on social aspects (around 25%), pollutants (17%) and biodiversity (11%) played a role less frequently.

10. Despite the challenging cyclical environment, just over half of surveyed enterprises, at around 57%, made investments in the past year. Compared with the last time these data were collected in 2021 (referring to the 2020 investment year), this corresponds to a decline of 9 percentage points. The focus of investment was clearly on Germany – 93% of investing enterprises invested exclusively domestically. Only 2% invested exclusively abroad. For large-scale enterprises, however, foreign locations play a more important role as investment destinations.

11. The main focus of investment, at 52%, was on replacement investment, i.e. the maintenance and renewal of existing equipment and infrastructure. Growth-oriented motives ranked behind this: 42% of enterprises invested in digitalisation and 41% undertook expansion investments to increase capacity. For 38%, cost reduction was an important objective. Investments in climate and environmental protection were relevant at 18% but were not the main driver of investment activity across the enterprise sector as a whole.

12. Enterprises that did not invest in the past year cited the uncertain macroeconomic situation as the main reason (47%). In addition, sharply increased costs, particularly for energy, materials and wages (43%), curtailed the scope for investment. Some 37% did not see any immediate need for investment in the past year, while financial constraints also acted as a strong brake: a lack of internal funds (34%) and unfavourable financing conditions (28%). Bureaucratic requirements had a dampening effect for 23% and a high level of indebtedness was an obstacle for 17%.

13. Around 92% of respondents fundamentally see investment needs for their enterprise. Enterprises see the greatest future investment needs in digitalisation (53%). Cost reductions driven by investment are almost as important (51%). Replacement investment ranks third (43%). Significantly fewer enterprises see a need for expansion investment (32%), which points to rather moderate growth prospects. Investments in climate and environmental protection are considered particularly urgent by only 20%.

14. Despite substantial investment needs, only 61% of surveyed enterprises plan to invest in the coming twelve months. There is therefore no sign of a fresh start. Marked differences emerge between sectors: wholesale and foreign trade (79%) and manufacturing (69%) are particularly active. Construction, retail and the skilled trades are significantly more restrained. Here, only around half intend to invest, indicating persistent uncertainty. The focus remains on Germany: 91% plan to invest exclusively domestically, only 5% exclusively abroad. In the segment of larger enterprises, slightly more enterprises are planning investments abroad than last year.

15. In order to be able to make (more) investments, enterprises primarily need better framework conditions, above all a substantial reduction in bureaucracy (35%). According to enterprises, improved financing conditions are also important (22%). Tax relief (17%) and a more reliable order situation (16%) are likewise cited as crucial factors. Other demands include lower and more predictable energy prices (14%), greater (political) planning certainty (13%) and more easily accessible funding programmes (12%).