With an annual turnover of up to EUR 500 million, the 3.67 million small and medium-sized enterprises form the backbone of the German economy

- They represent 99.95 per cent of all companies. Around 1,800 companies are large-scale companies.
- They invest EUR 158 billion in new buildings and facilities, representing a share of 27 per cent of the total gross fixed capital formation and 45 per cent of total corporate investment.
- They employ 29.1 million people, or 68 per cent of the working population.
- They provide training for more than 1.2 million young people – that is 89 per cent of all trainees.
- Micro enterprises with less than 10 employees provide a good third (34 %) of workplaces in the German SME sector.

The vast majority of the enterprises are small …

- 87 per cent have an annual turnover of less than EUR 1 million.
- Less than 1 per cent of the SMEs have a turnover of greater than EUR 50 million.

… and service-oriented

- Three quarters of small and medium-sized enterprises operate in service industries.
- Business services account for the greatest share at nearly 31 per cent.
- Only about 7 per cent of the SMEs operate in the manufacturing industry.
PROFILE THE SME SECTOR IN GERMANY
(SMALL AND MEDIUM-SIZED ENTERPRISES)

Share of SMEs with foreign sales by employment size class

Internationalisation depends on firm size
- The volume of foreign sales of the total SME sector is about EUR 534 billion
- SMEs active abroad generate on average 27 per cent of their total revenue abroad.
- SMEs in R&D-intensive manufacturing are most active abroad (65%)

Equity ratio in the SME sector by employment size class
in per cent

The SME sector significantly improved its equity base between 2002 and 2014
- In 2014 the average equity ratio in the SME sector was 29.7 per cent.
- Between 2002 and 2014 the average equity ratio in the SME sector rose by more than 11 percentage points.
- Larger SMEs have a higher equity ratio compared to smaller enterprises.

Key innovation indicators for the SME sector
in per cent

Innovative activities declined in the SME sector between 2004 and 2012
- Decline in innovators between 2004 and 2012.
- Product innovations declined considerably between 2006 and 2012.