

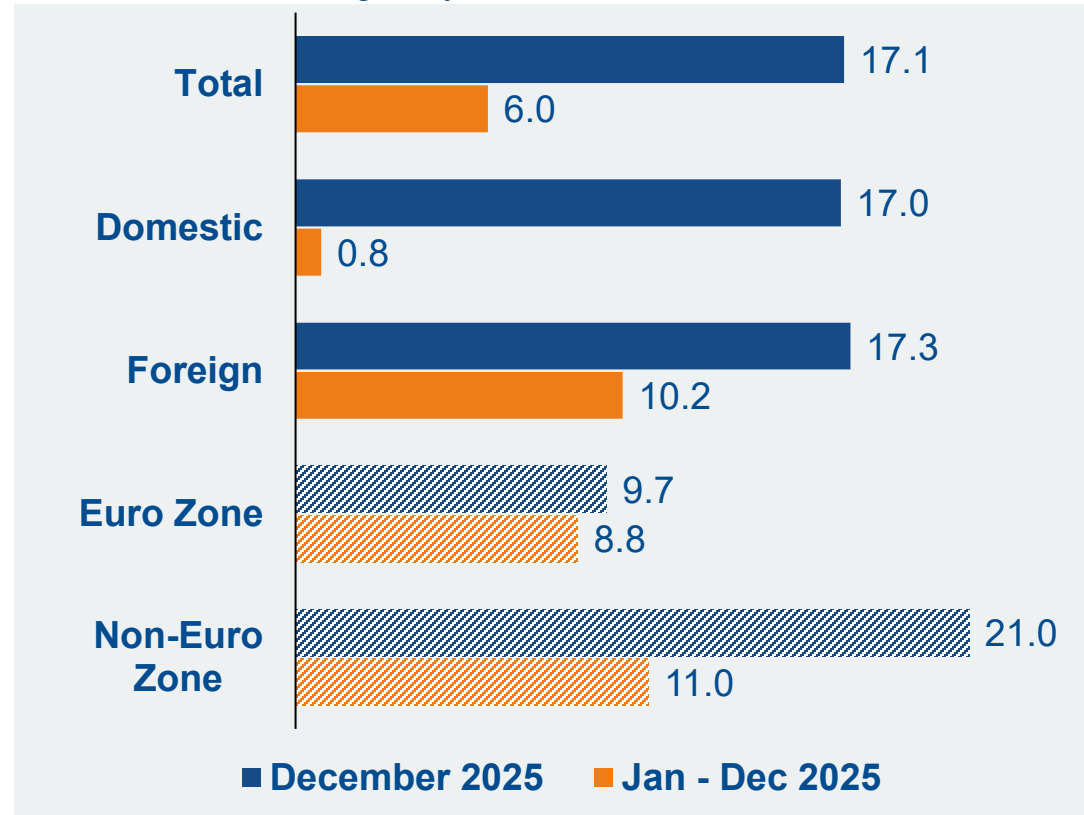
ZVEI Business Cycle Report

Edition February 2026

German electro and digital industry

New orders

Nominal values, % change on year earlier



Source: Destatis and ZVEI's own calculations; allocation of foreign orders shaded

In **December 2025**, i.e., in last year's last month, **new orders** in the German electro and digital industry soared by 17.1% (year over year). This was the best monthly performance over the course of the last year. With it, **domestic** (+17.0%) and **foreign bookings** (+17.3%) marched in tandem.

Euro zone customers raised their orders by 9.7% in December. Bookings from third countries grew twice as fast, namely by 21.0%.

In the **full last year**, incoming orders were 6.0% up. Here, the development in domestic and foreign bookings differed more starkly. The former advanced only slightly by 0.8%, whereas the latter grew by one-tenth (+10.2%).

New orders from the **euro area** were 8.8% above their pre-year value in 2025, while foreign business partners from countries **outside the common currency area** booked 11.0% more.

German electro and digital industry

Production (plans), capacity utilization and obstacles



Source: ifo institute

Real electro production – i.e., output adjusted for price – in our country advanced by 1.5% (year-on-year) in December. So, subject to later revisions by Destatis, output was slightly down by 0.4% in total 2025. Regarding this year 2026, we expect real production to grow again, namely by 2%.

Capacity utilization within the sector has further recovered by two %-age points to 80.4% of the normal full use level at the beginning of this year. **The reach of unfilled orders** likewise rose slightly compared to a quarter earlier, namely to 4.0 production months.

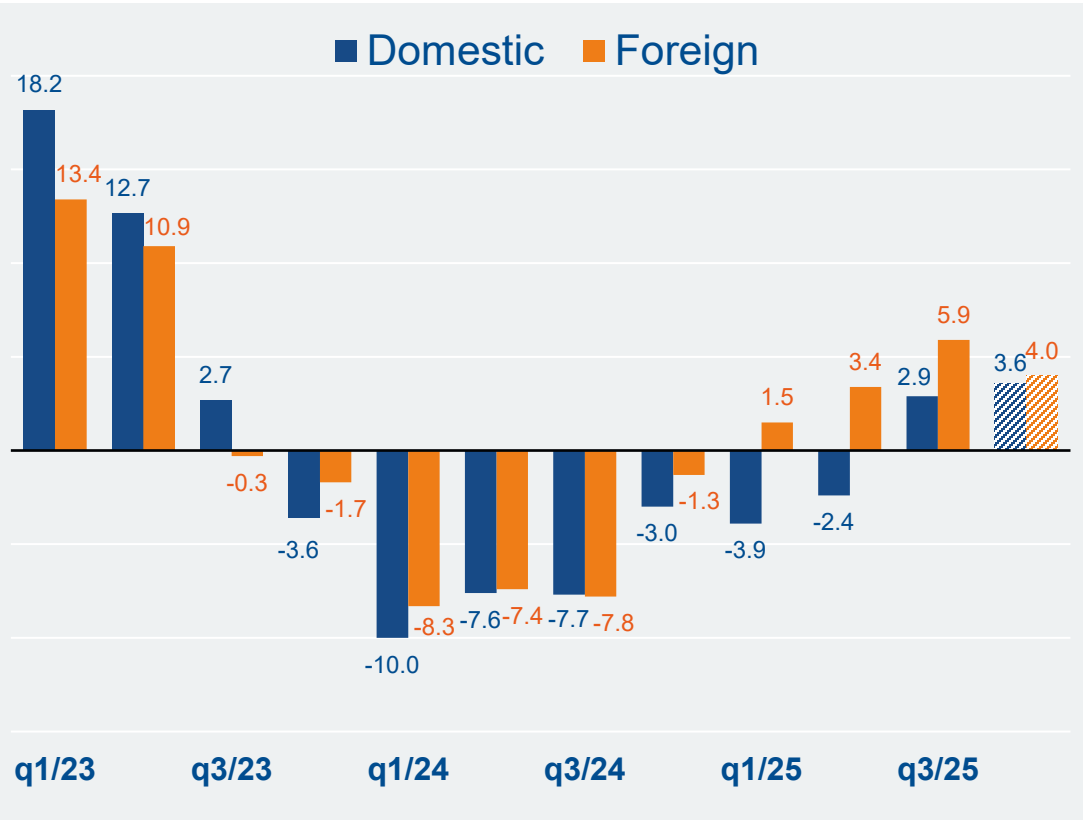
Both **production** and **employment plans** were raised at the start of the first quarter. The balance of companies intending to increase or rather decrease their output in the next three months soared from -5 to +14 %-age points. With recruiting plans, here the corresponding difference advanced from -21 to a reading of -11.

Concerning running obstacles to production, things have largely remained the same: 40% of our companies suffer from a **shortfall of demand**. A **lack of (skilled) workers** (14%) or **material shortages** (11%) follow, but far behind.

German electro and digital industry

Turnover

Nominal quarterly values, % change on year earlier



Source: Destatis and ZVEI's own calculations; current quarter shaded

Nominal revenues in the domestic electro and digital industry came to €20.3bn in **December 2025**, leaving them 5.3% higher than a year earlier.

While **domestic sales** were slightly down (-0.7%), turnover with **foreign clients** rose by 10.6%. Among businesses with foreigners, there were differences, too. Sales to euro zone customers (+17.8%) advanced significantly more strongly than those to partners from third countries (+7.1%).

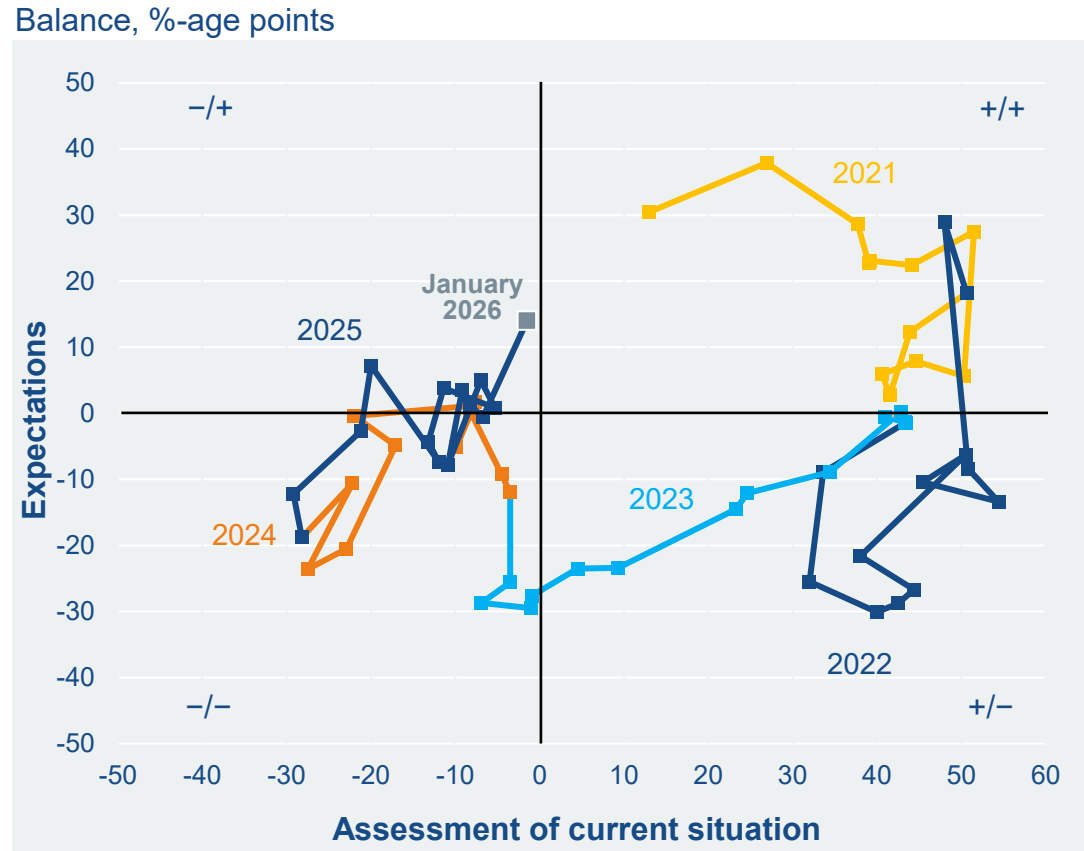
Preliminary, in the **complete year of 2025** our sector's aggregated turnover summed up to €224.5bn and, therewith, came in 2.0% above its 2024 value. Average **producer prices** were 1.3% up in that year.

Domestic sales stagnated at €105.4bn in 2025 (+0.1%), whereas revenues with foreign business partners were able to rise by 3.7% to €119.1bn.

Eventually, foreign turnover divided into €46.8bn made with countries from the **common currency area** (+6.5%) and €72.3bn generated **outside** (+2.2%).

German electro and digital industry

Business climate



Source: ifo Institute

The **business climate** in the German electro and digital industry has strongly improved at the start of this year. Both the companies' assessment of their **current economic situation** as well as their overall **business expectations** significantly changed for the better in **January 2026** compared to December.

20% of our sector's firms described their present situation as good in January. At the same time, 58% evaluated it as stable, while 22% found it bad.

Regarding the next six months to come, expectations on balance clearly turned positive. 24% of the electro companies now reckon with rising businesses. 66% and 10% are awaiting steady or rather declining affairs, respectively.

The more specific **export expectations** made a great leap forward in January, too. Here, the balance of firms forecasting their deliveries abroad to go up or down in the next three months ahead rose from +5 %-age points back in December to a reading of +12 now.

German electro and digital industry

Business cycle figures

year over year, %	2024	2025 December	2025 Jan - Dec
New orders	-10.1%	+17.1%	+6.0%
domestic	-13.8%	+17.0%	+0.8%
foreign	-6.8%	+17.3%	+10.2%
euro zone	-8.8%	+9.7%	+8.8%
non-euro zone	-5.8%	+21.0%	+11.0%
Production, real	-8.9%	+1.5%	-0.4%
Turnover, bn €	220.1 -7.5%	20.3 +5.3%	224.5 +2.0%
domestic, bn €	105.3 -8.1%	9.3 -0.7%	105.4 +0.1%
foreign, bn €	114.8 -7.0%	11.0 +10.6%	119.1 +3.7%
euro zone, bn €	44.0 -0.1%	4.1 +17.8%	46.8 +6.5%
non-euro zone, bn €	70.8 -10.7%	6.9 +7.1%	72.3 +2.2%

year over year, %	2024	2025 November	2025 Jan - Nov
Employees, thousand	889.6 ¹⁾ -2.0%	877.3 ¹⁾ -1.7%	880.7 ²⁾ -1.8%
Exports, bn €	246.4 -3.5%	21.4 +6.8%	236.2 +4.6%
Imports, bn €	254.9 -5.3%	24.0 +10.1%	252.4 +7.9%
	2024	2025 December	2025 Jan - Dec
Producer prices	+1.6%	+1.8%	+1.3%
Material prices	+0.6%	+1.5%	+1.0%
Export prices	+0.7%	+0.5%	+0.4%
Import prices	-2.0%	-2.0%	-1.8%
Balance of positive and negative answers	2024	2026 January	2025 December
Business climate	-12	+6	-4
- Economic situation	-15	-2	-7
- Expected business for next 6 months	-9	+14	-1
Export expectations for next 3 months	±0	+12	+5
Production plans for next 3 months	-6	+14	-5
Employment plans	-16	-11	-21
	2024	2026 January	2025 October
Capacity utilization	77.8%	80.4%	78.2%
Reach of unfilled orders, in months	4.1	4.0	3.9

Sources: ifo Institute, Destatis and ZVEI's own calculations; 1) end of period; 2) average

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