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HDH GROUP RESEARCH · REPORT ON THE GERMAN MITTELSTAND

Where the holding companies are based

Holding companies in German municipalities and districts: strongholds, formation trend, structure and residence of management

186,343
Holding companies in the database

16.1%
of all corporations

43.6%
Share of holding companies in Pullach i. Isartal, the highest value

AS OF 23 OCTOBER 2026

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Where the holding companies are based

Holding companies in German municipalities and districts: strongholds, formation trend, structure and residence of management

At a glance

186,343	43.6%	119.7	21.8%
holding companies in the database, 16.1% of all corporations	of companies in Pullach im Isartal are holding companies, the highest value in Germany	holding companies per thousand inhabitants in Grünwald; the national figure is 2.2	of incorporations in 2025 are holding companies, after 12.7% in 2009

- 186,343 German corporations have the holding and management of participations as their corporate purpose. That is one in six.
- Their strongholds lie south of Munich. In Pullach im Isartal, 43.6% of all companies are holding companies, in Grünwald and Gräfelfing more than one in four. Grünwald has 1,338 holding companies for 11,175 inhabitants.
- In the strongholds, management usually lives elsewhere. For 94.4% of holding companies in Schönefeld near Berlin, nobody in management lives in the district; in Grünwald this applies to 66.1%. Across all holding companies, the figure is 24.5%.
- The share of holding companies in incorporations has risen almost without interruption since 2009, from 12.7% to 21.8%. More than one in five new corporations is now a holding company.
- Among the federal states, Bremen, Hamburg and Bavaria have the highest shares, Saarland the lowest at 9.9%. In the eastern German territorial states, the shares range between 10.4% and 13.2%.

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Question and design

A holding company produces nothing and sells nothing. It holds shares in other companies, manages them and distributes what they earn. In Germany it is the usual form in which entrepreneurs organise their wealth, families pool their shareholdings and groups manage their subsidiaries. Dividend income of a corporation is largely exempt from corporate income tax, and the holding company allows profits to be retained and reinvested within a group.

Where these companies have their registered office is a matter of choice. A holding company needs neither staff nor space. For tax purposes, the permanent establishment is decisive, which for a holding company is as a rule the place where its business is actually conducted. This report describes where German holding companies are based, how densely they cluster in individual municipalities, from where they are managed and how their weight among incorporations has changed.

The population comprises 1,158,810 corporations in the database. A company counts as a holding company if its corporate purpose names the holding and management of participations. Municipalities are compared from 300 companies; these are 563 municipalities.

The strongholds

On national average, one in six corporations is a holding company, 16.1%. Among the 563 municipalities compared, 11 reach a share of a quarter or more. A single municipality exceeds thirty percent: Pullach im Isartal, where 566 of 1,298 companies are holding companies, 43.6%.

Two further municipalities in the Munich district follow: Grünwald with 28.3% and Gräfelfing with 27.6%. Outside Bavaria, Schönefeld on the outskirts of Berlin stands out with 25.7% and Kleinmachnow with 25.9%, together with a number of mid sized industrial towns such as Friesoythe, Ellwangen, Plettenberg and Attendorn, home to large family businesses.

TABLE 1

Municipalities with the highest share of holding companies, from 300 companies

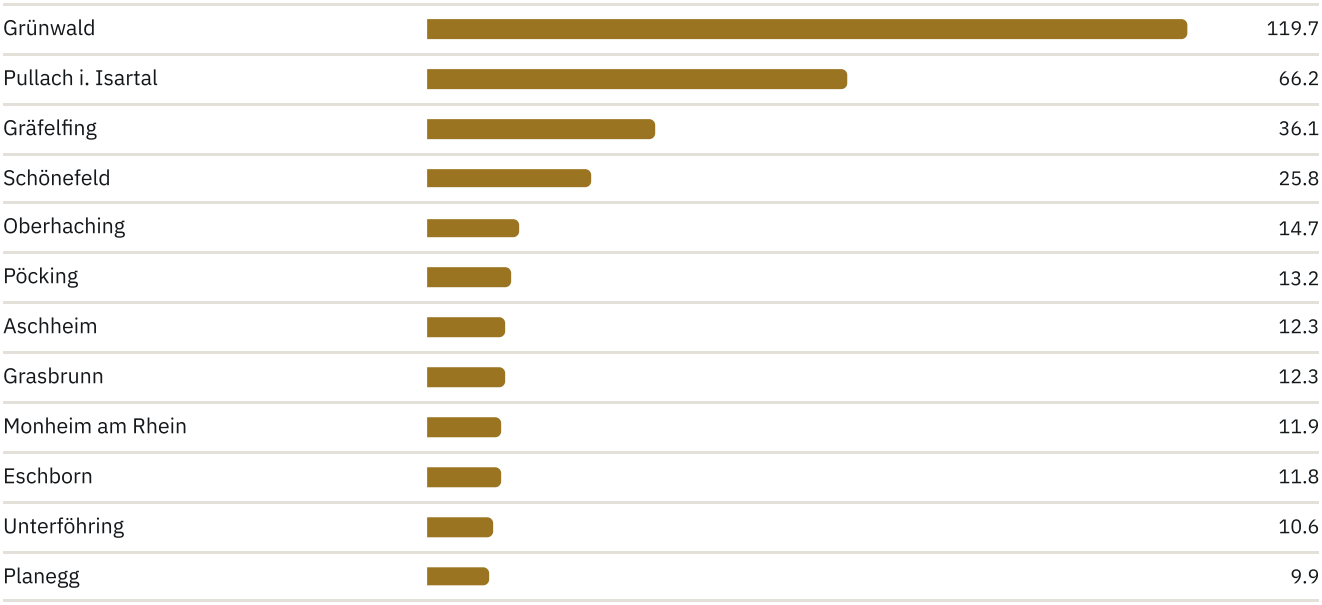
MUNICIPALITY	DISTRICT	COMPANIES	HOLDING COMPANIES	SHARE	HOLDING COMPANIES PER 1,000 INHABITANTS
Pullach i. Isartal	Munich district	1,298	566	43.6%	66.2
Grünwald	Munich district	4,730	1,338	28.3%	119.7
Gräfelfing	Munich district	1,751	484	27.6%	36.1
Gauting	Starnberg district	449	119	26.5%	5.5
Friesoythe	Cloppenburg district	402	105	26.1%	4.6
Kleinmachnow	Potsdam-Mittelmark district	394	102	25.9%	5.3
Schönefeld	Dahme-Spreewald district	1,940	499	25.7%	25.8
Ellwangen (Jagst)	Ostalbkreis	351	90	25.6%	3.7
Plettenberg	Märkischer Kreis	351	90	25.6%	3.7
Attendorn	Olpe district	357	90	25.2%	3.9
Wildeshausen	Oldenburg district	343	86	25.1%	4.0
Fulda	Fulda district	1,106	274	24.8%	4.2
Eppingen	Heilbronn district	307	76	24.8%	3.3
Laatzen	Hanover Region	379	93	24.5%	2.2
Kronberg im Taunus	Hochtaunuskreis	567	135	23.8%	7.3
Laupheim	Biberach district	300	71	23.7%	3.1
Memmingen	Memmingen	686	161	23.5%	3.6
Montabaur	Westerwaldkreis	448	105	23.4%	7.0
Greven	Steinfurt district	567	132	23.3%	3.5
Biberach an der Riß	Biberach district	442	103	23.3%	3.0

Source: HDH Group, database as of the reference date, own calculation.

The concentration becomes even clearer when holding companies are related to the number of inhabitants. In Grünwald there are 119.7 holding companies per thousand inhabitants, in Pullach 66.2, in Gräfelfing 36.1. The national average is about 2.2. The ranking by inhabitants also includes Monheim am Rhein and Eschborn, which, like Grünwald, Pullach and Schönefeld, are regarded as municipalities with low local business tax multipliers.

FIGURE 1

Holding companies per thousand inhabitants, municipalities with at least 2,000 inhabitants and 300 companies



Source: HDH Group, database as of the reference date, own calculation.

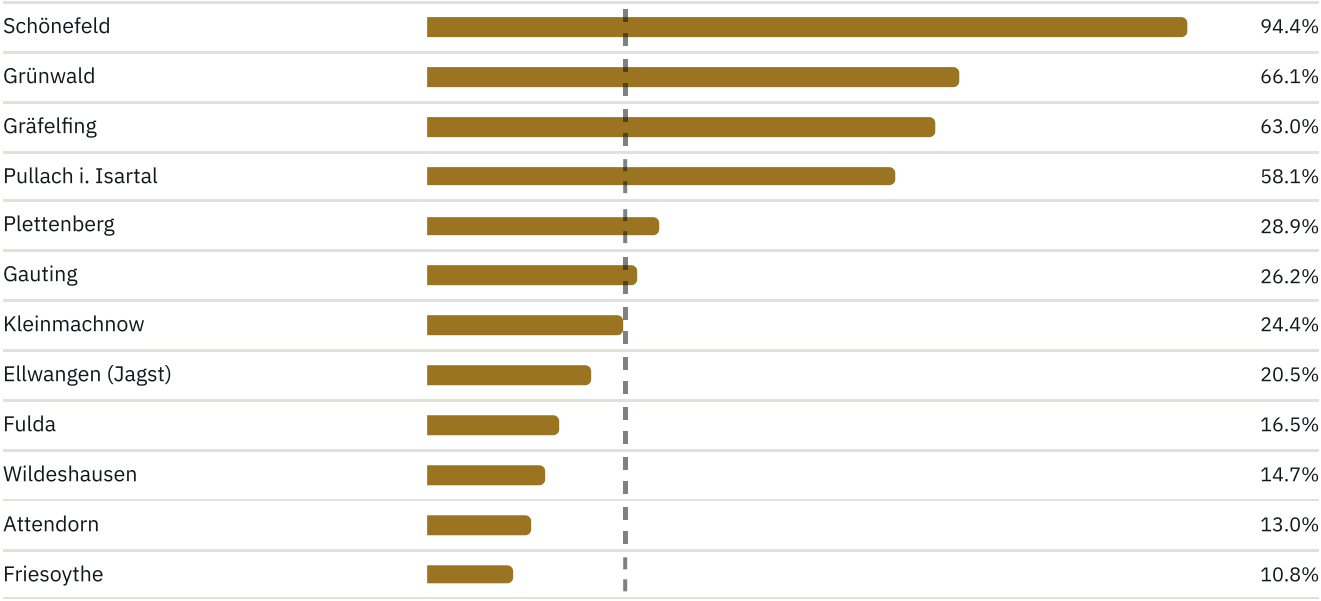
Registered office without management

A holding company can have its registered office where nobody in its management lives. How often this happens is shown by the place of residence of management. Across all holding companies, for 24.5% nobody in management lives in the district of the registered office, hardly different from the other companies at 27.8%. The typical holding company is based where its shareholder lives.

In the strongholds the picture differs. In Schönefeld, 94.4% of holding companies are managed exclusively by people living outside the Dahme Spreewald district; Berlin lies directly at the municipal boundary. In Grünwald the figure is 66.1%, in Gräfelfing 63.0%, in Pullach 58.1%. For the municipalities in the Munich district, the state capital, which forms a district of its own, is close by. In the strongholds, the registered office of the company and the residence of its management thus diverge far more often than elsewhere.

FIGURE 2

Holding companies whose entire management lives outside the district of the registered office



The twelve municipalities with the highest share of holding companies. Counted are active holding companies with a known place of residence for the entire management.

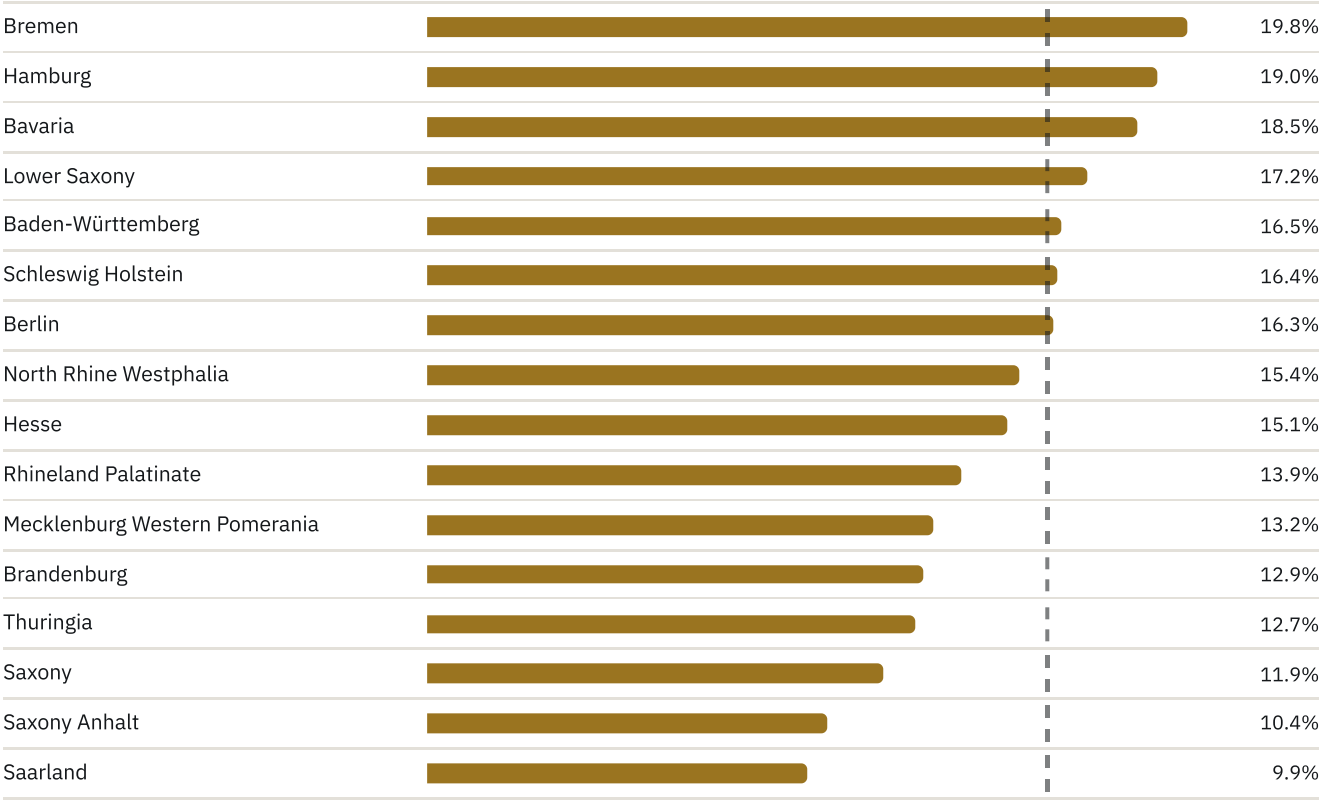
Source: HDH Group, database as of the reference date, own calculation.

States, districts and cities

Among the federal states, the city states of Bremen (19.8%) and Hamburg (19.0%) lead, followed by Bavaria (18.5%). The share is lowest in Saarland at 9.9% and in Saxony Anhalt at 10.4%. In all eastern German territorial states it is below the national average. An obvious explanation is that less private business wealth has accumulated there over generations to be pooled in family holding companies.

FIGURE 3

Share of holding companies in all corporations, by federal state



Source: HDH Group, database as of the reference date, own calculation.

Among the districts, the Schweinfurt district leads with 31.2%. Here, as in some other smaller districts, a single group of companies with many holding companies at a few addresses is enough to raise the share considerably. Among the large districts, the Munich district leads with 23.4%. The lowest shares are found in Speyer, Sonneberg district, Spree-Neiße district, Neustadt an der Weinstraße, Frankfurt (Oder).

A general pull towards the surroundings of the large cities can hardly be discerned. In Berlin, Hamburg, Cologne, Frankfurt am Main, Stuttgart and Düsseldorf, the share of holding companies is higher in the city than in the neighbouring districts; in Frankfurt am Main, for example, 16.9% compared with 13.6%. Only in Munich do the surroundings, at 21.3%, reach the value of the city (21.0%). The strongholds are individual municipalities.

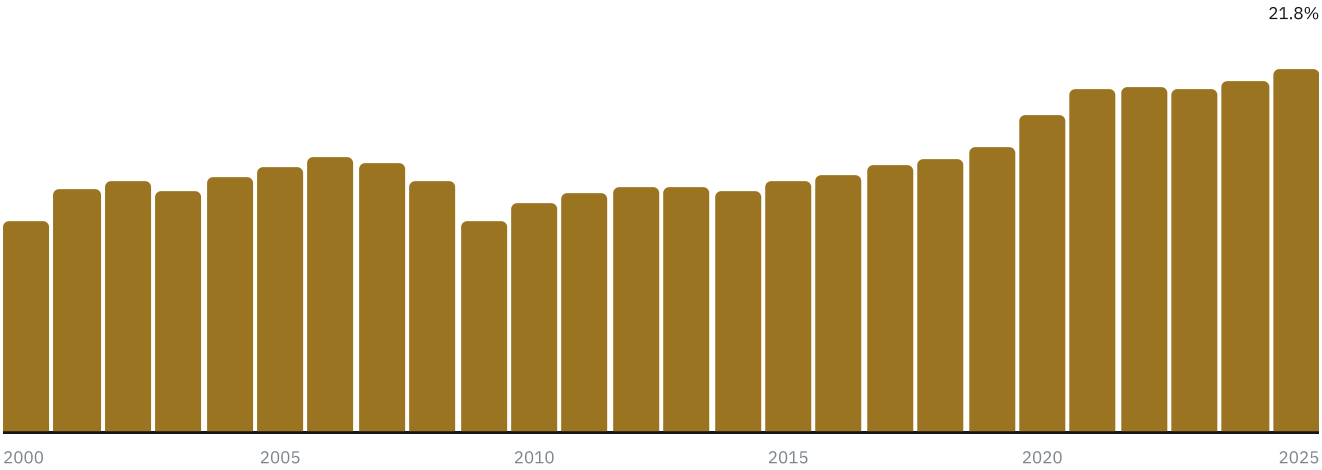
By size of municipality, too, the share differs little. It is 16.2% in small municipalities with fewer than 5,000 inhabitants, 14.8% in cities with between 100,000 and 500,000 inhabitants and 17.5% in the large cities with 500,000 inhabitants or more.

One in five incorporations

The weight of holding companies is growing. In 2009, after the financial crisis, 12.7% of newly incorporated corporations were holding companies. Since then the share has risen almost year after year, to 17.2% in 2019, 20.6% in 2021 and 21.8% in 2025. More than one in five new corporations today exists to hold participations.

FIGURE 4

Share of holding companies in the incorporations of a year, 2000 to 2025



Companies still registered today, by year of incorporation.

Source: HDH Group, database as of the reference date, own calculation.

Several developments are likely to contribute. Many founders and shareholders now hold their shares in operating companies through a holding company of their own from the outset, often in the inexpensive form of the entrepreneurial company (UG). In addition, there is the change of generation in the Mittelstand, in the course of which shareholdings are organised, transferred and combined in family holding companies.

Structure of holding companies

Holding companies have a lean structure. 68.8% are managed by a single person, scarcely more than the other companies at 67.6%. 15.2% are entrepreneurial companies (UG), more often than in the rest of the database at 11.6%. The median share capital of a holding GmbH is EUR 25,000, the statutory minimum.

Group agreements are less frequent among holding companies, at 20.4 per thousand compared with 28.3 for the other companies; the agreement as a rule binds the subsidiary. Management is of a similar age to the rest of the database: the oldest member of management has a median age of 53 years, and 9.8% of holding companies are managed exclusively by people aged 65 or over.

TABLE 2

Active holding companies and other companies compared

INDICATOR	HOLDING COMPANIES	OTHER COMPANIES
Companies	173,899	858,666
Managed by one person	68.8%	67.6%
Entrepreneurial company (UG)	15.2%	11.6%
Group agreements per 1,000	20.4	28.3
Management exclusively 65+	9.8%	10.2%
Management exclusively outside the district	24.5%	27.8%

Source: HDH Group, database as of the reference date, own calculation.

Assessment

In the German Mittelstand, the holding company is the normal form of wealth organisation. Most holding companies are based where their shareholders live, are managed by one person and hold one or a few participations. Their growing share of incorporations shows that this form is becoming the standard for more and more entrepreneurs.

Alongside this, there is a small number of municipalities that attract holding companies in exceptional density. They lie close to large cities, and their holding companies are overwhelmingly managed from outside. Why precisely these municipalities attract so many holding companies cannot be answered from the data alone. Besides the tax multipliers, proximity to wealthy shareholders, to advisers and banks and the reputation of an address play a role.

For municipalities, tax authorities and economic development agencies, the spatial distribution reveals where competition between locations for companies takes effect and where the registered office and actual management diverge.

Method and limitations

Data basis

The basis is the HDH Group database of registered corporations with their registered office in Germany as of 23 October 2026, with 1,158,810 companies. Municipalities, districts and population figures follow the territorial status of 31 December 2025.

Definitions

- **Holding company:** a company whose corporate purpose names the holding, acquisition and management of participations. Companies that additionally name an operating activity are included.
- **Municipality:** the municipality of the registered office of the company. Municipalities with at least 300 companies are compared, for values per inhabitant additionally with at least 2,000 inhabitants.
- **Management outside the district:** no managing director or management board member lives in the district or independent city of the registered office. Counted are companies whose entire management can be assigned to a place of residence.
- **Share of incorporations:** holding companies among the companies of a year of incorporation that are still registered today.

Limitations

- The definition follows the registered corporate purpose. Companies that hold participations without naming this in their corporate purpose are missing.
- The study covers corporations. Participations held in partnerships or privately are not included.
- The report describes distributions. Tax multipliers and tax payments are outside the scope of the evaluation; the report makes no statement on the reasons for the choice of location of individual companies.
- Case numbers below ten are withheld.

Literature

- Büttner, T. (2003): Tax base effects and fiscal externalities of local capital taxation: evidence from a panel of German jurisdictions. Journal of Urban Economics 54 (1), pp. 110 to 128.
- Fossen, F. M. and Steiner, V. (2018): The tax-rate elasticity of local business profits. German Economic Review 19 (2), pp. 162 to 189.

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