BERLIN—Germany's economy is likely to show strong growth for the first three months of the year when results are released next month, the finance ministry said Monday.

The ministry attributed the expected increase to unusually mild weather conditions during the winter months and strong domestic demand, particularly in the industrial and construction sectors.

"Germany's economic upward trend has led to a broad-based economic upswing," the ministry said in its latest monthly report. "Clear positive stimulus can be recorded especially from expansion in the industrial sector as well as growth of construction activities."

It warned however that there will be an economic backlash in the second quarter because real gross domestic product data for the January to March period, due to be released on May 15, is likely to be exaggerated by the winter's unexpectedly mild weather.

"This technical effect mustn't be interpreted as a slowdown of the economic momentum," the ministry said, adding that economic indicators point to an upward economic trend.

Domestic demand will remain an important growth pillar and imports will likely rise stronger than exports, it forecast.

One indicator highlighting the strength of Germany economy was tax revenue, which soared 7.2% on the year in March, boosted by a 7.5% increase in payroll tax revenues, said the ministry.

The government forecast on Tuesday that the economy will accelerate by 1.8% this year and grow 2% in 2015.

Write to Andrea Thomas at andrea.thomas@wsj.com