

PRESS RELEASE

DEUTZ generates growth and achieves one of the highest profits in its recent history despite challenging market conditions in 2025

- Strategic transformation pays off: revenue up by almost 13% to €2.04 billion and new orders by almost 14%
- Increased profitability driven by new business and positive effects from Future Fit cost-cutting program: adjusted EBIT margin in line with most recent forecast at 5.5%
- New organizational structure with independent business units for achieving the targets set for 2030

Cologne, March 26, 2026 – DEUTZ, a provider of innovative and sustainable mobility and energy solutions, generated significant growth in new orders and revenue in 2025 despite a persistently weak market environment in its classic engine business. New orders rose by 13.7% to €2,077.7 million and revenue by 12.7% to €2,043.8 million. DEUTZ benefited from the broader positioning that it has established through the implementation of its portfolio strategy. With strong adjusted EBIT of €112.3 million (2024: €76.7 million), the adjusted EBIT margin was in line with the most recent forecast at 5.5% (2024: 4.2%). Besides the profitable acquisitions, savings made under the Future Fit cost-cutting program had a positive impact too. Over the course of the year, this could be seen from the quarter-on-quarter improvement in the adjusted EBIT margin, which increased to 6.8% in the fourth quarter and was thus up by 3 percentage points compared with a year earlier (Q4 2024: 3.8%).

“Even though the economic environment remained challenging, especially for the engine business, we reported one of the highest profits in our recent history. The Group’s firm focus on its strategic transformation is bearing fruit. Alongside our 6,000 employees, we are creating the next version of DEUTZ: stronger, fit for the future, and sustainable,” says DEUTZ CEO Dr. Sebastian Schulte. “Our goal is to double our revenue to €4 billion by 2030 and increase our adjusted EBIT margin to 10%. To this end, we introduced a new structure consisting of five independent business units at the start of this year.”

As a result, DEUTZ has been managed in a new way since the beginning of 2026. Five business units that are organizationally independent of one another enable the Company to take account of the different requirements of each of its areas of business and to ensure that it acts entrepreneurially and makes decisions with a much firmer focus on customers.

Energy is one of the business units that is to make a significant contribution to the achievement of the medium-term targets. Thanks to the acquisition of Frerk Aggregatebau GmbH, which was completed at the start of February, DEUTZ has created a globally scalable portfolio in the field of decentralized energy supply, strengthened its position in the rapidly growing market for data center emergency power systems, and laid the foundations for leveraging synergies throughout the value chain. The expansion of the defense business will also make DEUTZ increasingly resilient and contribute to further growth. With its acquisition of SOBEK in 2025 and its partnership with ARX Robotics, DEUTZ has successfully positioned itself as a system provider in the growing ecosystem for unmanned defense systems.

Under its strategy, DEUTZ will take steps to boost its efficiency and continue to seek out targeted M&A transactions while reducing its structural costs at the same time:

“In 2025, we initiated all of the measures planned under our Future Fit cost-cutting program and have already seen an impact of more than €25 million on our income statement. We are thus comfortably on track to achieve our goal of reducing our cost base by well over €50 million compared to 2024 by the end of this year,” says DEUTZ CFO Oliver Neu. Commenting on the DEUTZ Group’s financial position, he adds: “The purchase of the SOBEK Group in order to strategically strengthen our defense portfolio was funded by the very successful capital increase that we carried out in September 2025. Our equity ratio was just over 50% at the end of last year. We are thus optimally placed to continue investing in growth by acquisition.”

Dividend proposed for 2025

DEUTZ would like its shareholders to benefit from its positive business performance. The Board of Management and Supervisory Board will therefore propose to the Annual General Meeting on May 13, 2026 that accumulated income be used to pay an increased dividend of €0.18 per share for the 2025 financial year (2024: €0.17).

Results for 2025 in detail

New orders received by the DEUTZ Group in 2025 amounted to €2,077.7 million, which was 13.7% higher than in the prior year. This significant increase was primarily attributable to the expansion of the business portfolio as a result of the M&A transactions carried out in 2025. Moreover, the partnerships entered into and the acquisitions made in 2024 continued to see sharp rises in new orders and made a material contribution to the expansion of the service business too. Orders on hand totaled €497.7 million as at December 31, 2025 (December 31, 2024: €463.9 million).

DEUTZ's **revenue** jumped by 12.7% compared with 2024 to stand at €2,043.8 million. Within this figure, revenue from business involving larger industrial engines resulting from the strategic partnership with Daimler Truck and the expansion of service business and the DEUTZ Energy business unit more than compensated for the decline in revenue caused by the economic headwinds. This decline in revenue particularly related to compact diesel engines with a capacity of under four liters. Moreover, the Group's defense activities made their first noticeable contribution to revenue, especially in the fourth quarter.

Despite the diseconomies of scale arising from a year-on-year reduction in engine production at the Cologne site, adjusted EBIT (**EBIT before exceptional items**)¹ improved by 46.4% to €112.3 million (2024: €76.7 million). This was attributable to the expansion of sales and service activities for Daimler Truck industrial engines, the growth of the energy business thanks to the very strong performance of Blue Star Power Systems, the contributions to earnings from the acquisitions carried out in 2025, and cost savings, for example under the Future Fit program. In line with the rise in adjusted EBIT, the **adjusted EBIT margin** improved to 5.5% (2024: 4.2%).

Cash flow from operating activities came to €143.4 million in 2025 (2024: €110.4 million). This sharp year-on-year rise was predominantly due to the increase in operating profit with an impact on cash flow, as well as to lower tax payments.

Free cash flow before mergers and acquisitions improved to €44.2 million on the back of the higher cash flow from operating activities (2024: €30.0 million).

Guidance for 2026²

Based on the assumption that the slight recovery of the engine market seen at the start of 2026 will continue, particularly in the case of engines for construction equipment and agricultural machinery, DEUTZ anticipates consolidated revenue in a range of €2.3 billion to €2.5 billion in 2026. It expects the EBIT margin before exceptional items to be in a range of 6.5% to 8.0%.³ This earnings performance should be supported by the final savings to be achieved under the Future Fit cost-cutting program, further efficiency measures, and planned acquisitions in the service business in the context of the strategy implementation. Free cash flow excluding any M&A expenditure is predicted to be in the high-double-digit millions of euros.

¹ Exceptional items in 2025 amounting to an expense of €(38.4) million that largely related to costs in connection with the Future Fit program and strategic projects and acquisitions (2024: expense of €(34.8) million).

² On the basis of information available at the end of February.

³ The ranges given here primarily reflect the scale of the expected market recovery and the influence of any economies of scale that arise as a result.

DEUTZ GROUP: OVERVIEW

€ million						
	2025	2024	Change	Q4 2025	Q4 2024	Change
New orders	2,077.7	1,827.1	13.7%	573.2	480.9	19.2%
Revenue	2,043.8	1,813.7	12.7%	543.4	507.8	7.0%
EBITDA (before exceptional items)	208.0	170.2	22.2%	61.9	44.6	38.8%
EBITDA margin (before exceptional items)	10.2%	9.4%	+0.8pp	11.4%	8.8%	+2.6pp
EBITDA	169.6	146.0	16.2%	58.9	37.7	56.2%
Adjusted EBIT (before exceptional items)	112.3	76.7	46.4%	36.8	19.4	89.7%
EBIT margin (before exceptional items)	5.5%	4.2%	+1.3pp	6.8%	3.8%	+3.0pp
Exceptional items	-38.4	-34.8	10.3%	-3.0	-17.5	82.9%
EBIT	73.9	41.9	76.4%	33.8	1.9	1,678.9%
ROCE ⁴	8.3%	6.6%	+1.7pp			
Free cash flow ⁵	-119.5	-153.1	21.9%	7.7	51.4	-85.0%
Free cash flow (before M&A)	44.2	30.0	47.3%	41.8	58.6	-28.7%
Net financial position ⁶	-269.4	-225.6	-19.4%			
Working capital ⁷	382.9	383.0	0.0%			
Working capital ratio (Dec. 31) ⁸	18.6%	22.2%	-3.6pp			
Capital expenditure (after deducting grants) ⁹	90.3	100.2	-9.9%	28.7	38.2	-24.9%
thereof right-of-use-assets for leases under IFRS 16	19.7	26.0	-24.2%	9.2	9.8	-6.1%
R&D ratio ¹⁰	4.2%	5.1%	-0.9pp			
R&D expenditure (after deducting grants)	85.0	93.4	-9.0%	21.0	23.3	-9.9%
Employees (number as at Dec. 31) ¹¹	5,712	5,228	9.3%			

⁴ Return on capital employed; before exceptional items.

⁵ Cash flow from operating activities and from investing activities less interest expense.

⁶ Cash and cash equivalents less current and non-current interest-bearing financial debt.

⁷ Inventories plus trade receivables less trade payables.

⁸ Average working capital at the four quarterly reporting dates divided by revenue for the previous twelve months.

⁹ Capital expenditure on property, plant and equipment (including right-of-use assets in connection with leases) and intangible assets, excluding capitalized development expenditure in relation to the product portfolio.

¹⁰ Research and development expenditure (after deducting grants) as a percentage of revenue.

¹¹ Full-time equivalents (FTEs).

DEUTZ Engines & Services

€ million	2025	2024	Change	Q4 2025	Q4 2024	Change
New orders	1,896.6	1,654.3	14.6%	522.6	441.9	18.3%
Revenue	1,861.0	1,723.6	8.0%	492.4	458.0	7.5%
Adjusted EBIT (before exceptional items)	130.0	103.2	26.0%	40.1	26.1	53.6%
EBIT margin (before exceptional items)	7.0%	6.0%	+1.0pp	8.1%	5.7%	+2.4pp

DEUTZ Solutions

€ million	2025	2024	Change	Q4 2025	Q4 2024	Change
New orders	181.1	172.8	4.8%	50.6	39.0	29.7%
Revenue	182.8	90.1	102.9%	51.0	49.8	2.4%
Adjusted EBIT (before exceptional items)	-18.9	-25.4	25.6%	-4.0	-5.2	-23.1%
thereof DEUTZ Energy	15.2	8.7	74.7%	3.8	4.3	-11.6%
thereof DEUTZ NewTech	-34.1	-34.1	0.0%	-7.8	-9.5	-17.9%
EBIT margin (before exceptional items)	-10.3%	-28.2%	+17.9pp	-7.8%	-10.4%	+2.6pp

The 2025 annual report is available at www.deutz.com/en/investor-relations.

To mark the Company's promotion to the MDAX with effect from March 23, DEUTZ and its Board of Management will be a guest at Deutsche Börse's morning bell ringing ceremony on March 26, 2026. Related photographic materials and quotes from the members of our Board of Management will be available using the following link from 11:30 a.m.: <https://www.deutz.com/en/news/media-center/mdax>.

Upcoming financial dates

May 7, 2026: Quarterly statement for the first quarter of 2026

May 13, 2026: Annual General Meeting

August 6, 2026: Interim report for the first half of 2026

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Forward-looking statements

This press release may contain certain forward-looking statements based on current assumptions and forecasts made by the DEUTZ management team. Various known and unknown risks, uncertainties, and other factors may lead to material differences between the actual results, the financial position, or the performance of the DEUTZ Group and the estimates and assessments set out here. These factors include those that DEUTZ has described in published reports, which are available at www.deutz.com. The Company does not undertake to update these forward-looking statements or to change them to reflect future events or developments.

About DEUTZ AG

DEUTZ AG has evolved in recent years from a manufacturer of conventional engines into a system provider for innovative and sustainable mobility and energy solutions. Founded in 1864 in Cologne, where it is still based today, DEUTZ is the world's oldest engine company. The development, production, and distribution of high-performance drive systems for off-highway applications remains at the heart of its operations. DEUTZ is also playing its part in the transition to more sustainable transportation and power supplies by offering alternative drive solutions and decentralized energy and power generation systems. DEUTZ solutions are used in a wide range of applications, including construction equipment, agricultural machinery, material handling equipment such as forklift trucks and lifting platforms, stationary equipment such as generator sets (gensets), and commercial and rail vehicles. The broad-based product portfolio is complemented by an extensive service offering that encompasses maintenance and repair work, the supply of spare parts, and remanufacturing. This is being continually expanded with the addition of digital, data-driven services. With around 1,250 sales and service locations in nearly 180 countries, DEUTZ offers its customers an integrated range of products and services from a single source. DEUTZ employs around 6,000 people worldwide and generated revenue of just over €2.0 billion in 2025. Further information is available at www.deutz.com.