

Deutz builds strong 2026 foundation with broad-based growth across core segments

15 May 2026 | News

The company's "Future Fit" program exceeded savings targets while strengthening margins and operational performance



The company's "Future Fit" program exceeded savings targets while strengthening margins and operational performance

Cologne-based engine manufacturer Deutz has opened the 2026 financial year with a robust performance, reporting sharp increases in new orders, revenue, and earnings in the first quarter, underscoring continued momentum from its ongoing strategic transformation.

The company recorded new orders of €771.0 million, a 41.2 per cent increase compared with the same period in 2025, reflecting renewed demand across key industrial end markets, particularly construction equipment and agricultural machinery.

Revenue rose 8.4 per cent year-on-year to €530.0 million, while adjusted EBIT increased by 45.7 per cent to €37.3 million. The adjusted EBIT margin improved to 7.0 per cent, up from 5.2 per cent in Q1 2025, signaling stronger underlying profitability despite traditionally softer first-quarter seasonality.

CEO Sebastian C. Schulte said the company's diversified strategy continues to deliver results across multiple business segments, including engines, new energy, defense-related activities, and services.

"New orders, revenue, and earnings are all up sharply. Deutz has begun the new year with momentum, and the strategic transformation is increasingly paying off," he said, noting that market conditions remain challenging but are being offset by operational progress and portfolio expansion.

Chief Financial Officer Oliver Neu highlighted the successful completion of the company's "Future Fit" action plan, which has now been fully implemented and is expected to exceed its original €50 million savings target by approximately 10 per cent.

According to the company, more than €40 million in savings were generated within the Engines segment alone, which has returned to strong profitability, supported by efficiency gains and improved cost structures.

Deutz also pointed to early signs of recovery in key end markets, particularly construction and agricultural machinery, which contributed to organic growth in its engines business and strengthened order intake during the quarter.

The company emphasized that service operations continue to play an increasingly important role in its business mix, adding resilience to earnings while supporting long-term customer relationships across industrial segments.

While management acknowledged that geopolitical uncertainty and broader macroeconomic pressures continue to weigh on global industrial markets, the results indicate that Deutz is entering 2026 with a strengthened balance sheet, improved margins, and growing strategic flexibility.

The company stated that its transformation efforts are now increasingly reflected in financial performance, positioning it for sustained progress through the remainder of the year.