

## PRESS RELEASE | Arcadis Fourth Quarter and Full Year Results 2025

### Mixed results, repositioning for next growth phase

#### FOURTH QUARTER

- Net revenues of €887 million, organic growth of -2.9%
- Operating EBITA margin of 10.8% (Q4'24: 12.6%)
- Extensive Property & Investment (within Places) project portfolio review led to revenue adjustments
- Record free cash flow performance of €344 million (Q4'24: €183 million)

#### FULL YEAR

- Net revenues of €3.8 billion, organic growth -0.5% with areas of strength offset by Places
- Backlog of €3.6 billion, organic growth of 2.7% including large, multi-year wins
- Operating EBITA margin of 11.1%, (2024: 11.5%)
- Earnings per share (EPS) of €2.33, proposed dividend €1.05 per share (2024: €1.00)
- €175 million Share Buyback Program completed as of 16 January 2026, Net debt / Operating EBITDA at 1.5x

#### 2025 MANAGEMENT ACTIONS AND 2026 TARGETS

- During the fourth quarter Arcadis accelerated its restructuring efforts, expanded the salesforce in high-growth markets and introduced individual performance-driven incentivization
- Reduction of headcount by 1,100, €77 million in non-operating costs
- 2026 Targets: organic net revenue growth: flat. Operating EBITA margin: 11.7%-12.0%
- Capital Markets Day planned for November 2026

**Amsterdam, 19 February 2026 – Arcadis, the world's leading company delivering data-driven sustainable design, engineering, and consultancy solutions for natural and built assets, reports fourth quarter and full year 2025 results. Net revenues of €3.8 billion represented -0.5% growth for the full year. Fourth quarter Operating EBITA margin of 10.8% led to 11.1% for the full year (2024: 11.5%). Arcadis returned €225 million to its shareholders, through dividends and its Share Buyback Program. The company proposes to distribute €1.05 dividend per share.**

Alan Brookes, CEO Arcadis, said: "2025 was a challenging year for Arcadis, with mixed results. While we reported strong performance in high-growth markets including Water Optimization, Energy Transition and Climate Adaptation, headwinds in Property & Investment, Environmental Restoration and large mobility projects winding down weighed on overall performance. We delivered record cash performance, supported by measures introduced in the fourth quarter. We have taken actions to reposition the business, including targeted restructuring. In addition, we returned significant capital to the market. It has been an honor to lead Arcadis, and I am confident that Heather with her strong track record, including while leading the Resilience business since 2021, is the right person to lead Arcadis to its next phase."

Heather Polinsky, CEO Nominee, said: "Arcadis has significant strengths to build on: leading positions in key growth markets and major infrastructure delivery, combined with exceptional global talent. My priorities for 2026 and beyond are clear: focus where we can win and grow, simplify to accelerate, and drive cultural change. We will become a more client-centric organization, while we drive efficiencies and increase cross-selling opportunities by mobilizing our best expertise across the business. Critically, we are embedding a high-performance culture by clarifying accountability and aligning incentivization directly to results. We will share our strategic ambitions for the next three years together with our medium-term targets at our Capital Markets Day in November 2026. I am committed to accelerating the actions needed to unlock Arcadis' full potential and deliver sustained value to shareholders."

## KEY FIGURES\*

Period ended 31 December 2025	2025	2024	change	Q4 2025	Q4 2024	change
Gross revenues	4,875	4,995	-2%	1,190	1,244	-4%
Net revenues	3,760	3,880	-3%	887	959	-7%
Organic growth (%) <sup>1)</sup>	-0.5%	4.5%		-2.9%	2.8%	
Operating EBITDA <sup>2)</sup>	523	557	-6%	122	149	-18%
EBITA	341	418	-18%	56	112	-50%
Operating EBITA <sup>2)</sup>	418	447	-6%	95	120	-21%
Operating EBITA margin (%)	11.1%	11.5%		10.8%	12.6%	
Net income	208	243	-14%			
Net income per share (EPS, in €)	2.33	2.70	-14%			
Net income from operations per share (in €) <sup>3)</sup>	2.68	3.00	-11%			
Dividend (proposal) per share (in €)	1.05	1.00	5%			
Net working capital (%)	8.3%	10.8%				
Free cash flow <sup>4)</sup>	288	228	26%	344	183	88%
Net debt / Operating EBITDA	1.5x	1.3x				
Order intake	3,900	4,442	-12%	963	998	-4%
Backlog net revenues	3,615	3,673	-2%			
Backlog organic growth (% , yoy) <sup>1)</sup>	2.7%	16.3%				
Voluntary employee turnover <sup>5)</sup>	10.9%	11.0%				

\* Most of these metrics are alternative performance measures; refer to the footnote on page 6 for more information

<sup>1)</sup> Underlying growth excludes the impact of FX, acquisitions, footprint reductions, winddowns or divestments. <sup>2)</sup> EBIT(D)A excludes restructuring, integration, acquisition, and divestment costs. <sup>3)</sup> Net income before non-recurring items (e.g. valuation changes of acquisition-related provisions, acquisition & divestment costs, expected credit loss on shareholder loans and corporate guarantees and one-off pension costs). <sup>4)</sup> Free cash flow: Cash flow from operations adjusted for Capex and Lease liabilities. <sup>5)</sup> Voluntary turnover excludes the Middle East as these operations are being wound down.

## REVIEW OF THE FOURTH QUARTER 2025

Net revenues for the fourth quarter totalled €887 million, representing a 2.9% organic decline, which was fully driven by the Property & Investment (P&I) performance within the Places Global Business Area (GBA). The operating EBITA margin stood at 10.8% (2024 Q4: 12.6%), significantly impacted by the P&I revenue adjustments following a project portfolio review.

## PROPERTY & INVESTMENT PROJECT PORTFOLIO REVIEW

The Arcadis P&I business represented 8% of the total full year 2025 net revenues, and its services are mostly offered in Canada, China and UK. In these areas the residential real estate sector has been under considerable cyclical market pressure. Meanwhile, the Oracle ERP system was rolled out in Canada, causing some operational distraction; however, the roll-out has now been fully completed. As a result, Arcadis undertook a comprehensive analysis of its project portfolio review to reassess its revenue positions in Canada in the fourth quarter, which resulted in a total revenue reduction of €22 million. The outcome of the reassessment process was independently reviewed and audited as part of the usual year-end procedure. Significant actions have been taken to reposition the business, including leadership changes, a reduction of the headcount by 400 people, with an additional 150 people due to leave the business in Q1 2026, and a focus towards growth markets.

## REVIEW OF THE FULL YEAR 2025: PROFIT & LOSS ITEMS AND BACKLOG

Net revenues totaled €3,760 million, reflecting -0.5% organic growth. Good growth in Resilience was offset by a decline in Places largely driven by the P&I portfolio performance, as well as the HS2 wind-down in UK Mobility and softness in US Environmental Restoration within Resilience. Margin was impacted by delayed rightsizing actions in Places, while Arcadis achieved margin expansion in Resilience and Mobility. €77 million of non-operating costs were driven by restructuring costs relating to a 1,100 headcount reduction. Strategic investments continued in key areas: the Key Clients program, now representing 65% of net revenues, up from 62% last year, the Global Excellence Centers (GECs) at 15% of total headcount (up from 14%), and ongoing automation and standardization to drive efficiency. Net financing expenses were €40 million (2024: €53 million), decreasing year on year from lower interest on floating debt.

Backlog grew +2.7% organically year-on year, ending at €3,615 million. Order intake stepped up in the fourth quarter from strong performance in Data Centers (UK) and Pharma (US), which will only be supportive to our revenue generation in the second half of 2026 as they take time to ramp up. This was offset by project award delays in Mobility (UK and Australia) and our Semiconductor business.

#### **MANAGEMENT ACTIONS IN 2025: DRIVING ACCOUNTABILITY AND PERFORMANCE**

In the fourth quarter, Arcadis took actions to strengthen accountability and enhance operational performance. Record cash performance of €344 million in the quarter was achieved, supported by disciplined cash collection measures. Targeted sales hires in Water, Energy, and Industrial Manufacturing were made, and a new individual performance-driven sales incentivization scheme has taken effect as of January 2026. The first phase of a value-based pricing model review was completed, and investments in automation continued, including AI-driven pursuit and project proposal processes.

Rightsizing actions accelerated, with a reduction of 600 roles in Q4 and 1,100 for the full year, focused on increasing billability, reallocating resources to high-growth areas, and streamlining corporate overhead.

Total non-operating costs were €77 million for the year, including €39 million in Q4, with €53 million related to restructuring. Other non-operating costs included integration and M&A costs, and a small goodwill write-off.

#### **LOOKING AHEAD**

The company will be focusing on and building from leading positions in Water, Energy & Power, Technology & Life Sciences, and major infrastructure delivery: which are markets defined by structural demand and long-term investments. Arcadis will continue to embed digital and AI solutions across its portfolio, leveraging partnerships and innovation.

Arcadis plans to direct capital and talent to high-growth markets, deepen relationships with key clients and drive cost and productivity improvements. The company will simplify its business model to remove complexity, reduce layers in the business, and enable faster decisions. Alongside this, automation will be advanced and disciplined cost action taken to improve competitiveness and productivity. Accountability and client focus will be enhanced through streamlined decision-making, expanded senior management client coverage, and incentives aligned with performance.

#### **2026 Targets**

2026 will be a year of transition, and while the outlook for Resilience is robust, the Places outlook remains uncertain. Mobility performance is expected to remain mixed, with good pipeline opportunities although the timing of large contract awards in the pipeline is uncertain. Arcadis expects organic net revenue growth to be flat, with a weak start to the year. The operating EBITA margin target stands at: 11.7%-12.0%, supported by overhead reductions (driving 30 bps savings), further rightsizing, GEC contribution and disciplined project selection.

## OPERATIONAL HIGHLIGHTS RESILIENCE

(38% of net revenues)

in € millions

Period ended 31 December 2025	Full Year			Fourth Quarter		
	2025	2024	change	2025	2024	change
Net revenues	1,423	1,448	-2%	345	360	-4%
Organic growth <sup>1)</sup>	3.1%	7.7%		3.1%	6.6%	
Operating EBITA <sup>2)</sup>	205	194	6%			
Operating EBITA margin (%)	14.4%	13.4%				
Order intake	1,520	1,539	-1%	401	396	1%
Backlog net revenues	1,044	1,052	-1%			
Backlog organic growth (% , yoy) <sup>1)</sup>	8.5%	8.3%				

Resilience delivered strong performance in the US, Germany, and the Netherlands, effectively offsetting slower activity in Environmental Restoration. In the Water market, robust demand in the US supported revenue growth, which offset weakness in UK due to delays in AMP8. Arcadis reinforced its leadership position in high growth markets during the year. Climate Adaptation saw significant growth in both the US and Netherlands, while Energy Transition performance was underpinned by exceptional growth in Germany. Margin improvement was driven by disciplined project selectivity. Backlog growth was supported by Water wins in the US and Environmental Restoration projects in Brazil.

## PLACES

(36% of net revenues)

in € millions

Period ended 31 December 2025	Full Year			Fourth Quarter		
	2025	2024	change	2025	2024	change
Net revenues	1,337	1,479	-10%	298	365	-18%
Organic growth <sup>1)</sup>	-5.5%	1.3%		-13.0%	0.9%	
Operating EBITA <sup>2)</sup>	106	151	-30%			
Operating EBITA margin (%)	7.9%	10.2%				
Order intake	1,457	1,646	-11%	365	421	-13%
Backlog net revenues	1,650	1,637	1%			
Backlog organic growth (% , yoy) <sup>1)</sup>	5.8%	8.8%				

Places revenue was impacted by headwinds in P&I, which remained under pressure across key geographies due to several factors including subdued residential real estate investment activity in Canada, as well as the Oracle ERP rollout in Canada causing distraction. The winding down of a major semiconductor contract and continued delays in capex decisions, primarily in Europe, further weighed on performance. The backlog growth of 5.8% was supported by wins in US Pharma and Data Centers in the UK and Germany, however, it will take time before these wins converts into revenue.

<sup>1)</sup> Underlying growth excludes the impact of FX, acquisitions, footprint reductions, winddowns or divestments

<sup>2)</sup> EBIT(D)A excludes restructuring, integration, acquisition, and divestment costs

## MOBILITY

(24% of net revenues)

in € millions

Period ended 31 December 2025	Full Year			Fourth Quarter		
	2025	2024	change	2025	2024	change
Net revenues	906	861	5%	221	211	5%
Organic growth <sup>1)</sup>	1.1%	5.7%		2.7%	1.7%	
Operating EBITA <sup>2)</sup>	108	100	9%			
Operating EBITA margin (%)	12.0%	11.6%				
Order intake	834	1,164	-28%	173	155	12%
Backlog net revenues	832	872	-5%			
Backlog organic growth (% , yoy) <sup>1)</sup>	-8.5%	53.3%				

Mobility delivered organic revenue growth for the full year, led by North America, the Netherlands, and Germany. In the UK, performance was impacted by the winddown of the HS2 project and delayed Spending Review pushing out project awards. In Australia, macroeconomic headwinds and the absence of new large-scale infrastructure projects weighed on performance. Operating EBITA margin improved reflecting enhanced billability and increased GEC contribution in the US. Soft order intake in the second half of the year was a result of changing dynamics in the US industry, with slower procurement processes, and regulatory reviews on the back of policy uncertainty.

## INTELLIGENCE

(2% of net revenues)

in € millions

Period ended 31 December 2025	Full Year			Fourth Quarter		
	2025	2024	change	2025	2024	change
Net revenues	94	93	1%	24	23	4%
Organic growth <sup>1)</sup>	5.8%	-0.5%		11.9%	-11.9%	
Operating EBITA <sup>2)</sup>	4	9	-52%			
Operating EBITA margin (%)	4.8%	10.1%				
Order intake	89	94	-5%	25	26	-4%
Backlog net revenues	89	113	-21%			
Backlog organic growth (% , yoy) <sup>1)</sup>	-9.2%	-2.6%				

Key revenue drivers for Intelligence were Enterprise Decision Analytics (EDA), Enterprise Asset Management (EAM), and Digital Transformation products. During the period, the expanded partnership with Transport for London (TfL) through EDA reinforced Arcadis' position as a trusted technical delivery service partner. Intelligence is accelerating investments in product strategy and development, technology platform harmonization, advanced data analytics and AI. As of January 2026, Intelligence products are being integrated into related GBAs, with most transitioning to Mobility. A lean, centrally managed Digital & Advisory team has also been established to drive the digital value pricing strategy and guide future investments.

<sup>1)</sup> Underlying growth excludes the impact of FX, acquisitions, footprint reductions, winddowns or divestments

<sup>2)</sup> EBIT(D)A excludes restructuring, integration, acquisition, and divestment costs

## BALANCE SHEET & CASH FLOW

Free cash flow reached a record €344 million for the quarter, bringing the full-year total to €288 million (2024: €228 million). This was driven by improved cash collection and disciplined net working capital management, resulting in an exceptionally low net working capital position at 8.3% of annualized quarterly gross revenues (2024: 10.8%). Days sales outstanding (DSO) improved to 55 days, down from 61 in the prior year.

In 2025 we returned €225 million to our shareholders: €89 million in dividends and €136 million through the buy back of shares, which was part of the €175 million Share Buyback Program launched on 1 October 2025. The program was concluded in January 2026, ultimately resulting in a 5% reduction in floating shares. For 2025, we are proposing a dividend of €1.05 per share, which represents 39% of our Net Income from Operations (target range: 30%-40%).

Net debt increased to €797 million (2024: €739 million). Net debt to operating EBITDA stood at 1.5x in 2025, well within the strategic target range of 1.5–2.5x.

## ARCADIS KEY FINANCIAL METRICS\*

in € millions						
Period ended 31 December 2025	2025	Full Year 2024	change	2025	2024	change
Gross revenues	4,875	4,995	-2%	1,190	1,244	-4%
Net revenues	3,760	3,880	-3%	887	959	-7%
Organic growth (%) <sup>1)</sup>	-0.5%	4.5%		-2.9%	2.8%	
EBITDA	447	529	-16%	83	141	-41%
EBITDA margin (%)	11.9%	13.6%		9.4%	14.7%	
Operating EBITDA <sup>2)</sup>	523	557	-6%	122	149	-18%
Operating EBITDA margin (%)	13.9%	14.3%		13.8%	15.5%	
EBITA	341	418	-18%	56	112	-50%
EBITA margin (%)	9.1%	10.8%		6.3%	11.7%	
Operating EBITA <sup>2)</sup>	418	447	-6%	95	120	-21%
Operating EBITA margin (%)	11.1%	11.5%		10.8%	12.6%	
Non-Operating costs	-77	-29	163%	-39	-9	355%
Effective income tax rate	26%	29%				
Net income	208	243	-14%			
Net income per share (EPS, in €)	2.33	2.70	-14%			
Net income from operations (NI <sub>FO</sub> ) <sup>3)</sup>	238	270	-12%			
NI <sub>FO</sub> per share (in €) <sup>3)</sup>	2.68	3.00	-11%			
Dividend (proposal) per share (in €)	1.05	1.00	5%			
Avg. number of shares (millions)	89.1	90.0				
Net working capital (%)	8.3%	10.8%				
Days sales outstanding (days)	55	61				
Free cash flow <sup>4)</sup>	288	228	26%	344	183	88%
Net debt	797	739	8%			
Net debt / Operating EBITDA	1.5x	1.3x				
Order intake	3,900	4,442	-12%	963	998	-4%
Order intake organic growth (%) <sup>1)</sup>	-10.4%	13.7%				
Book-to-bill <sup>5)</sup>	1.04	1.14	-9%	1.09	1.04	4%
Backlog net revenues	3,615	3,673	-2%			
Backlog organic growth (% yoy) <sup>1)</sup>	2.7%	16.3%				
Voluntary employee turnover <sup>6)</sup>	10.9%	11.0%				

\* Most of these metrics are alternative performance measures; refer to reconciliation to the most directly comparable IFRS measures provided in "Alternative Performance Measures" section of "Arcadis 2025 Financial Report" on pages 297-300, available at Arcadis website.

<sup>1)</sup> Underlying growth excludes the impact of FX, acquisitions, footprint reductions, winddowns or divestments

<sup>2)</sup> EBIT(D)A excludes restructuring, integration, acquisition, and divestment costs

<sup>3)</sup> Net income before non-recurring items (e.g. valuation changes of acquisition-related provisions, acquisition & divestment costs, expected credit loss on shareholder loans and corporate guarantees and one-off pension costs)

<sup>4)</sup> Free cash flow: Cash flow from operations adjusted for Capex and Lease liabilities

<sup>5)</sup> Book-to-bill: Order intake / Net revenues

<sup>6)</sup> Voluntary turnover excludes the Middle East as these operations are being wound down



## FINANCIAL CALENDAR

- 30 April 2026 – Q1 2026 Trading Update
- 20 May 2026 – Annual General Meeting of Shareholders
- 30 July 2026 – Q2 and Half Year 2026 Results
- 29 October 2026 – Q3 2026 Trading Update
- November 2026 – Capital Markets Day

Arcadis IR investor calendar: <https://www.arcadis.com/en/investors/investor-calendar>

## ARCADIS INVESTOR RELATIONS

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## ANALYST WEBCAST

Today at 14:00 CET.

<https://www.arcadis.com/en/investors/investor-calendar/2026/q4-and-full-year-2025-results>

## ABOUT ARCADIS

Arcadis is the world's leading company delivering data-driven sustainable design, engineering, and consultancy solutions for natural and built assets. We are around 34,000 architects, data analysts, designers, engineers, project planners, water management and sustainability experts, all driven by our passion for improving quality of life. As part of our commitment to accelerating a planet positive future, we work with our clients to make sustainable project choices, combining digital and human innovation, and embracing future-focused skills across the environment, energy and water, buildings, transport, and infrastructure sectors. We operate in over 30 countries, and reported €5.0 billion in gross revenues for 2024. [www.arcadis.com](http://www.arcadis.com)

## REGULATED INFORMATION

This press release contains information that qualifies or may qualify as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

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Statements included in this press release that are not historical facts (including any statements concerning investment objectives, other plans and objectives of management for future operations or economic performance, or assumptions or forecasts related thereto) are forward-looking statements. These statements are only predictions and are not guarantees. Actual events or the results of our operations could differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements are typically identified by the use of terms such as “may”, “will”, “should”, “expect”, “could”, “intend”, “plan”, “anticipate”, “estimate”, “believe”, “continue”, “predict”, “potential” or the negative of such terms and other comparable terminology. The forward-looking statements are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements.