

## PRESS RELEASE

Arcadis N.V.  
Gustav Mahlerplein 97-103  
P.O. Box 7895  
1008 AB Amsterdam  
The Netherlands  
Tel +31 20 2011 011  
www.arcadis.com

### ARCADIS TRADING UPDATE Q1 2022

#### Continued strong organic revenue and record backlog

- Strong order intake inclusive of projects in energy transition, environmental restoration and new mobility, underpinning the strategy
- Continued client demand for sustainable solutions and advisory, resulting in net revenue of €688 million and organic net revenue growth of 5.6%<sup>1)</sup>
- Record backlog at €2.3 billion. Organic year-on-year backlog growth of 7.6%<sup>1)</sup>
- Operating EBITA margin improved to 9.4% (Q1'21: 9.2%)
- Net Working Capital of 12.9% (Q1'21: 15.3%) and DSO of 70 days (Q1'21: 78 days)

**Amsterdam, 4 May 2022 – Arcadis (EURONEXT: ARCAD), the leading global Design & Consultancy organization for natural and built assets, sees a continued growing client demand across its Global Business Areas (GBAs), resulting in an organic net revenue growth of 5.6%, and an organic backlog growth of 7.6%. Operating EBITA margin increased to 9.4% (last year: 9.2%), driven by improved performance across all GBAs.**

**Peter Oosterveer, CEO Arcadis said:** “The impact of the crisis in Ukraine is undoubtedly being felt all around the world. We are shocked and appalled by the senseless violence and suffering, and while Arcadis does not have any employees, offices, or live projects in either Ukraine, Russia or Belarus, we are supporting humanitarian efforts through donations and volunteering initiatives. With the war now into its third month, we call on all parties to do their utmost to bring the crisis to a peaceful end.

During the quarter we have seen a further increase of clients looking for alternative energy solutions as they accelerate the transition to net zero carbon emissions and prioritize secure and renewable sources, which has been an important contributor to the organic backlog growth of 7.6%, to a record level of €2.3 billion. The organic revenue growth also improved to 5.6% this quarter.

Notwithstanding the geopolitical instability, the increase in energy costs and high inflation in a number of regions, as well as renewed COVID-19 lockdowns in China, our order intake and record backlog this quarter positions us well for the remainder of the year.

Going forward, our focus will include a further increase of our efforts and investments to provide an attractive workplace for the most talented people in our industry. Our strong purpose of improving quality of life, combined with our global reach and our capabilities for delivering sustainable solutions to our clients creates a solid foundation for further growth.”

<sup>1)</sup>underlying growth excluding the impact of currency movements, acquisitions or footprint reductions, such as the Middle East, winddowns or divestments

## KEY FIGURES

in € millions Period ended 31 March 2022	First quarter		
	2022	2021	change
Gross revenues	879	812	8%
Net revenues	688	632	9%
Organic growth <sup>1)</sup>	5.6%		
EBITDA	87	84	4%
EBITDA margin	12.6%	13.2%	
EBITA	65	57	15%
EBITA margin	9.5%	9.0%	
Operating EBITA <sup>2)</sup>	64	58	11%
Operating EBITA margin	9.4%	9.2%	
Free Cash Flow <sup>3)</sup>	-51	-39	-31%
Net Working Capital %	12.9%	15.3%	
Days Sales Outstanding	70	78	
Net Debt	205	376	-45%
Backlog net revenues (billions)	2.3	2.1	11%
Backlog organic growth (y-o-y) <sup>1)</sup>	7.6%		

<sup>1)</sup> underlying growth excluding the impact of currency movements, acquisitions or footprint reductions, such as the Middle East, winddowns or divestments

<sup>2)</sup> excluding restructuring, acquisition & divestment costs

<sup>3)</sup> Free Cash flow: Cash Flow from Operations – Capex – Lease liabilities

## INCOME STATEMENT & BACKLOG

Net revenues totaled €688 million and increased organically 5.6%. Growth was driven by all three GBAs, with Mobility being particularly strong in US and UK. The currency impact was 5%. The operating EBITA margin improved to 9.4% (Q1 2021: 9.2%), driven by all three GBAs.

At the end of March 2022 backlog was at a record high of €2.3 billion (Q1 2021: €2.1 billion). Organic backlog increased by 7.6% year-over-year, with a positive contribution of all three GBAs. Book to Bill was 1.14<sup>1)</sup> in the quarter, driven by order intake from Key Clients.

## BALANCE SHEET & CASH FLOW

Net working capital as a percentage of annualized gross revenues improved to 12.9% (Q1 2021: 15.3%) and Days Sales Outstanding (DSO) decreased to 70 days (Q1 2021: 78 days), resulting from our disciplined working capital management. The balance sheet strengthened year-on-year, resulting in a significantly lower net debt of €205 million (Q1 2021: €376 million). Good free cash flow performance of €-51 million during the first quarter (Q1 2021: €-39 million), considering the one-off effect in Q1 2021 of a very low accounts payable position as of Dec 31<sup>st</sup>, 2020.

<sup>1)</sup> Excluding footprint reductions, such as the Middle East, winddowns or divestments

## REVENUES BY GLOBAL BUSINESS AREA

As of January 1<sup>st</sup>, 2022 Arcadis transitioned to a its new global structure and now operates through three Global Business Areas (GBAs): Resilience, Places and Mobility. This will enable clients to benefit from Arcadis' global resources, expertise and capabilities.

### RESILIENCE

The Resilience GBA focuses on services and solutions to protect, adapt and improve our natural environment and water resources, while sustainably powering our world for future generations. During the first quarter, Arcadis' clients have accelerated their investments in energy transition, notably in the UK and the Netherlands, and we experienced increased demand for consultancy services as well as remediation and restoration services for oil and gas clients. Arcadis' US leadership position in PFAS remediation was scaled to Belgium, where the government has tightened the PFAS emission standards.

(41% of net revenues)

in € millions	First quarter		
Period ended 31 March 2022	2022	2021	change
Net revenues	281	251	12%
Organic growth <sup>1)</sup>	6.9%		

### PLACES

The Places GBA is focused on creating smart and sustainable places for owners, investors, users and communities across the real estate sector. The construction and operation of buildings generates up to 40% of annual global greenhouse gas emissions and one of Arcadis' priorities is to help clients reduce carbon over the full lifecycle of their assets.

Growth in the first quarter was driven by UK and Australia, while China was impacted by COVID-19 lockdowns and CallisonRTKL declined year-on-year from turnaround measures. Strong order intake from clients developing intelligent buildings, including the development of Datacenters and Giga-factories for electric vehicle battery production.

(33% of net revenues)

in € millions	First quarter		
Period ended 31 March 2022	2022	2021	change
Net revenues	228	219	4%
Organic growth <sup>1)</sup>	1.1%		

### MOBILITY

With better transport links crucial to creating thriving and connected cities and communities, the Mobility GBA collaborates with transport owners, operators and contractors to deliver design, asset and program management for mobility solutions across the world. Drawing on Arcadis' experience in rail, and electric vehicle adoption, we have seen strong revenue growth across the board and particularly in the US, UK and Australia.

(26% of net revenues)

in € millions	First quarter		
Period ended 31 March 2022	2022	2021	change
Net revenues	179	162	11%
Organic growth <sup>1)</sup>	9.4%		

<sup>1)</sup>underlying growth excluding the impact of currency movements, acquisitions or footprint reductions, such as the Middle East, winddowns or divestments

## FINANCIAL CALENDAR

- 12 May 2022 – Annual General Meeting of Shareholders 2021
- 28 July 2022 – Q2 and half year 2022 Results
- 27 October 2022 – Q3 2022 Trading update

## FOR FURTHER INFORMATION PLEASE CONTACT: ARCADIS INVESTOR RELATIONS

Christine Disch  
Mobile: +31 (0)6 1537 6020  
E-mail: christine.disch@arcadis.com

## ARCADIS CORPORATE COMMUNICATIONS

Chris Wiggan  
Mobile: +44 (0)7966 404889  
E-mail: chris.wiggan@arcadis.com

## ANALYST MEETING

Arcadis will hold an analyst webcast to discuss the Q1 results for 2022. The analyst meeting will be held at 10.00 hours CET today. The webcast can be accessed via the investor relations section on the company's website at <https://www.arcadis.com/en/investors/investor-calendar/2022/trading-update-q1-2022>

## ABOUT ARCADIS

Arcadis is a leading global Design & Consultancy organization for natural and built assets. Applying our deep market sector insights and collective design, consultancy, engineering, project and management services we work in partnership with our clients to deliver exceptional and sustainable outcomes throughout the lifecycle of their natural and built assets. We are 29,000 people, active in over 70 countries that generate €3.4 billion in revenues. We support UN-Habitat with knowledge and expertise to improve the quality of life in rapidly growing cities around the world. [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.

## FORWARD LOOKING STATEMENTS

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.