Press Release | Arcadis Half Year 2026 Results & 2027-2029 Strategy

Strong momentum for the next phase of profitable growth: strategic targets in place for 2027-2029

FINANCIAL RESULTS

- Organic net revenue growth step up to 2.2% for Q2'26, 1.5% for H1'26, reflecting sustained momentum
  - Raising 2026 full year net revenue growth guidance from 0% growth to low-single-digit growth
- Operating EBITA margin for Q2'26 improved to 11.4% (Q2'25: 11.3%), while continuing to invest for growth on the back of disciplined cost-out measures and rightsizing
  - Reaffirming 2026 full year operating EBITA margin guidance of 11.7%-12.0%
- Record backlog of €4.0B, order intake in the quarter up +13.5% organically to €1.1B

PROGRESS ON STRATEGIC PRIORITIES IN FIRST HALF OF 2026

- Significant project wins reflected in book-to-bill of 1.16x
- Transformation towards a more commercial and client-centric organization, redeploying over 200 leaders into customer-facing roles and maintaining strong employee engagement
- Introduced new individual performance-linked incentive program, reinforcing accountability
- Attracted key industry talent for high-growth positions and voluntary turnover further improving to 10.7%
- SATEL (Spain) acquisition: power and data center engineering firm, enhancing strong position in energy markets
- Small strategic investment in Nomic (US): AI engineering workflow tool increasing design speed and quality for our clients under lump-sum contracts

STRATEGIC PILLARS FOR 2027-2029

- **Strategic pillars for 2027-2029:**
  - ✓ **Focus on our strengths and where clients need us most**: concentrating investment in the sectors and growth markets where our expertise is recognized by clients and valued for addressing their most pressing challenges and capture emerging opportunities
  - ✓ **Simplify our organization around client needs and deliver seamlessly:** aligning the organization around client sectors and standardizing delivery through globalized service delivery teams, with a strong local presence, while scaling our leading Environmental Services across the client offering
  - ✓ **Drive performance culture** and commercial execution through enhanced incentives and talent development
- AI and Digital are embedded across all three strategic pillars, helping clients unlock new value through innovative solutions while improving productivity, efficiency and scalability across Arcadis
- Capital Markets Day taking place on 29 September 2026

STRATEGIC TARGETS FOR 2027-2029

- Organic Net Revenue growth: Mid-single digit over the cycle 2027-2029
- Operating EBITDA margin[1)]: Mid- to high-teens by 2029

Amsterdam, 30 July 2026 – Arcadis, the world's leading company delivering data-driven sustainable design, engineering, and consultancy solutions for natural and built assets, delivers another solid quarter with organic growth of 2.2%, improving from 0.8% in the first quarter and signaling a recovery in growth. Operating EBITA margin improved to 11.4%, supported by cost-out measures and ongoing rightsizing, while continuing to invest for growth. 2026 organic net revenue growth target was raised from flat to low-single-digit growth, while the operating EBITA margin target was reaffirmed. Strategic targets announced for 2027-2029 as mid-single digit organic net revenue growth and mid- to high-teens for operating EBITDA margin.

Heather Polinsky, CEO Arcadis, said: *"Arcadis has delivered a strong quarter, with a step up in growth, good order intake and a record backlog. This performance demonstrates that Arcadis is on track for increased growth and margin expansion. As a result, we have upgraded our 2026 organic net revenue growth guidance to low-single-digit growth, while we continue to invest. We are focusing on high-growth markets, including acquiring SATEL in Spain, a provider of engineering services in power design and engineering for critical infrastructure, including data centers. Our strategic investment in Nomic, an AI company specifically focused on the E&C industry, further strengthens our innovation agenda. We have launched a simplified client centric model, aligning the organization around client sectors, offering the full breadth of Arcadis' expertise. We are confident our strategy will create significant shareholder value, as we have clear plans to achieve mid-single digit growth over the cycle and mid- to high-teens operating EBITDA by 2029. We look forward to providing a comprehensive update at our Capital Markets Day in Amsterdam in September."*

1) Operating EBITDA will replace Operating EBITA as the margin KPI from 1st January 2027. Operating EBITDA for Q2'26: 13.8% and H1'26: 13.7%

KEY FIGURES*

in € millions	Half Year			Second Quarter		
Period ended 30 June 2026	2026	2025	change	2026	2025	change
Gross revenues	2,479	2,453	1%	1,286	1,237	4%
Net revenues	1,907	1,937	-2%	974	965	1%
Organic growth (%)[1]	1.5%	-0.1%		2.2%	-0.2%	
Operating EBITDA[2]	261	269	-3%	135	135	-1%
Operating EBITDA margin (%)	13.7%	13.9%		13.8%	14.0%	
EBITA	173	184	-6%	86	100	-14%
Operating EBITA[2]	213	215	-1%	111	109	2%
Operating EBITA margin (%)	11.2%	11.1%		11.4%	11.3%	
Net income[3]	102	106	-4%	53	63	-16%
Net income from operations per share (in €)[4]	1.30	1.35	-4%			
Net working capital (%)	12.2%	13.4%				
Free cash flow[5]	-149	-136	-10%	0	2	-100%
Net Debt	1,042	1,039	0%			
Order intake	2,207	2,055	7%	1,098	976	13%
Order intake organic growth (%)[1]	10.3%	-5.5%		13.5%	-5.9%	
Backlog net revenues	3,951	3,647	8%			
Backlog organic growth (%, yoy)[1]	6.7%	11.8%				
Backlog organic growth (%, ytd)[1]	6.7%	2.6%				
Voluntary turnover	10.7%	10.9%				

** 2025 and 2026 half year results as presented in this press release are unaudited*
1) Underlying growth excluding impact of FX, acquisitions, footprint reductions, winddowns or divestments.
2) EBIT(D)A excluding restructuring, integration, acquisition, and divestment costs
3) Net income and NIfO comparative figures have been revised to reflect adjustments to the provisional opening balances of acquired entities on 31 Dec 2025.
4) 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)
5) Free cash flow: cash flow from operations adjusted for capex and lease liabilities

REVIEW OF THE SECOND QUARTER AND HALF YEAR RESULTS 2026

NET REVENUES AND BACKLOG

During the second quarter organic growth improved to 2.2% year-on-year, supported by high-growth solutions stepping up. Growth was led by Resilience, driven by US water infrastructure investments, UK AMP8 programs, German grid expansion projects and climate adaptation in Netherlands. Mobility delivered growth through solid execution in North America and Continental Europe. In Places, momentum improved with strong demand from data centers in US and UK, as well as US pharma, while offset by continued weakness in the Property & Investment business in Canada and China.

Order intake significantly increased in the second quarter, up 13.5% organically to €1.1 billion, reflected in a record high backlog of €4.0 billion at the end of the first half. Book to Bill was strong at 1.13x with all Global Business Areas delivering well above 1x. Order intake growth was supported by Energy Transition projects in Germany, water infrastructure programs in US and UK, environmental restoration projects in Latin America, and continued demand from data center clients, while Mobility recorded strong bookings in the UK. Non-operating costs were €25 million in the quarter, driven by restructuring measures to optimize overhead costs and address low-billability areas.

OPERATING EBITA MARGIN

Operating EBITA margin improved to 11.4% in Q2 (Q2 2025: 11.3%), reflecting the impact of strategic actions implemented since the start of 2026, including portfolio mix improvements, efficiency gains and rightsizing measures. Arcadis continued to invest in growth, AI-enabled solutions and digital capabilities, supporting further improvement in the second half of the year.

2026 GUIDANCE

Based on the strong first-half performance and increased visibility from a record backlog, Arcadis upgraded its full-year 2026 organic net revenue growth guidance from flat to low-single-digit growth. Arcadis continues to expect operating EBITA margin expansion to 11.7%–12.0%, supported by ongoing efficiency and rightsizing measures, improved portfolio quality and operational execution. While maintaining disciplined cost management, Arcadis continues to invest in future growth opportunities, including high-growth markets, digital capabilities and AI-enabled solutions, positioning the company for sustainable long-term growth.

OPERATIONAL HIGHLIGHTS

RESILIENCE

(38% of net revenues)

in € millions	Half Year			Second Quarter		
Period ended 30 June 2026	**2026**	**2025**	change	**2026**	**2025**	change
Net revenues	733	727	1%	377	358	5%
Organic growth[1]	5.2%	2.7%		6.9%	1.5%	
Operating EBITA[2]	111	103	8%			
Operating EBITA margin (%)	15.1%	14.2%				
Order intake	818	803	2%	407	327	24%
Backlog net revenues	1,168	1,042	12%			
Backlog organic growth (%, yoy)[1]	9.4%	6.9%				
Backlog organic growth (%, ytd)[1]	7.8%	6.8%				

Resilience delivered strong performance with organic net revenue growth driven by water in the US, the continued ramp-up of UK AMP8 programs and strong momentum in Germany, where grid expansion projects supported significant growth. Order intake remained strong, underpinned by robust demand in water, energy transition and environmental restoration in LATAM, resulting in strong organic backlog growth and increased visibility for the second half of the year. Strong growth and an improved portfolio mix drove operating EBITA margin expansion.

PLACES

(35% of net revenues)

in € millions	Half Year			Second Quarter		
Period ended 30 June 2026	**2026**	**2025**	change	**2026**	**2025**	change
Net revenues	659	707	-7%	339	352	-4%
Organic growth[1]	-3.9%	-3.2%		-1.7%	-3.5%	
Operating EBITA[2]	49	63	-22%			
Operating EBITA margin (%)	7.4%	8.9%				
Order intake	763	749	2%	387	384	1%
Backlog net revenues	1,722	1,624	6%			
Backlog organic growth (%, yoy)[1]	7.0%	5.4%				
Backlog organic growth (%, ytd)[1]	3.1%	1.9%				

Places organic net revenue declined as weakness in the Property & Investment, particularly in Canada and China, continued to weigh on performance. However, momentum improved during the second quarter, supported by strong demand from data center clients, growth in US pharma and a gradual recovery in European pharma. Data centers also remained a key driver of backlog growth. Operating EBITA performance was impacted by weak Property & Investment billability. The benefits of rightsizing and cost actions are expected to support the margin performance in the second half of the year.

[1] Underlying growth excludes the impact of FX, acquisitions, footprint reductions, winddowns or divestments
[2] EBITA excludes restructuring, integration, acquisition, and divestment costs

MOBILITY

(27% of net revenues)

in € millions	Half Year			Second Quarter		
Period ended 30 June 2026	2026	2025	change	2026	2025	change
Net revenues	515	503	2%	258	254	1%
Organic growth[1)]	3.8%	0.3%		1.1%	2.2%	
Operating EBITA[2)]	56	51	9%			
Operating EBITA margin (%)	10.8%	10.2%				
Order intake	626	503	25%	305	264	15%
Backlog net revenues	1,061	981	8%			
Backlog organic growth (%, yoy)[1)]	3.3%	31.7%				
Backlog organic growth (%, ytd)[1)]	12.0%	-0.6%				

Mobility delivered organic growth driven by strong performance in Rail and Highways across North America, Germany and the Netherlands. Growth was partly offset by the wind-down of a large project in the UK. Order intake strengthened during the second quarter, supported by wins in the UK, contributing to organic backlog growth. Project pipeline in Germany and North America remained strong, with conversion of those opportunities expected to support growth acceleration in the second half of the year. Operating EBITA margin improved, reflecting pricing discipline and higher utilization of the Global Excellence Centers.

[1)] Underlying growth excludes the impact of FX, acquisitions, footprint reductions, winddowns or divestments
[2)] EBITA excludes restructuring, integration, acquisition, and divestment costs

ARCADIS KEY FINANCIAL METRICS*

in € millions	Half Year			Second Quarter		
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Gross revenues	2,479	2,453	1%	1,286	1,237	4%
Net revenues	1,907	1,937	-2%	974	965	1%
Organic growth (%)[1)]	1.5%	-0.1%		2.2%	-0.2%	
EBITDA	222	238	-7%	110	127	-14%
EBITDA margin (%)	11.6%	12.3%		11.3%	13.2%	
Non operating costs	40	31	28%	25	9	187%
Operating EBITDA[2)]	261	269	-3%	135	135	-1%
Operating EBITDA margin (%)	13.7%	13.9%		13.8%	14.0%	
EBITA	173	184	-6%	86	100	-14%
EBITA margin (%)	9.1%	9.5%		8.8%	10.4%	
Operating EBITA[2)]	213	215	-1%	111	109	2%
Operating EBITA margin (%)	11.2%	11.1%		11.4%	11.3%	
Net income[3)]	102	106	-4%	53	63	-16%
Net Finance expenses	21	20	5%			
Net income from operations (NIfO)[3)4)]	111	121	-8%	58	69	-16%
NIfO per share (in €)[4)]	1.30	1.35	-4%			
Avg. number of shares (millions)	85.4	89.5		85.1	89.5	
Net working capital (%)	12.2%	13.4%				
Days sales outstanding (days)	66	68				
Free cash flow[5)]	-149	-136	-10%	0	2	-100%
Net Debt	1,042	1,039	0%			
Order intake	2,207	2,055	7%	1,098	976	13%
Order intake organic growth (%)[1)]	10.3%	-5.5%		13.5%	-5.9%	
Book-to-bill[6)]	1.16	1.06	9%	1.13	1.01	11%
Backlog net revenues	3,951	3,647	8%			
Backlog organic growth (%, yoy)[1)]	6.7%	11.8%				
Backlog organic growth (%, ytd)[1)]	6.7%	2.6%				
Backlog organic growth (%, qtd)[1)]	2.0%	-0.1%				
Voluntary turnover[7)]	10.7%	10.9%				

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5) Free cash flow: cash flow from operations adjusted for capex and lease liabilities
6) Book-to-bill: order intake / net revenues
7) Voluntary employee turnover excludes the Middle East as these operations are being wound down

FINANCIAL CALENDAR

- 29 September 2026 – Capital Markets Day
- 28 October 2026 – Q3 2026 Trading Update

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/trading-update/

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 billion in gross revenues for 2025. 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.

DISCLAIMER

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.