Interim financial statements 2025

Making sustainable choices

Accelerating a planet positive future

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Performance highlights

Strong margin, well positioned for growth

Key highlights

- Net revenues were €1,937 million: stable year-on-year on an organic basis
- Increased Key Client order intake further improving backlog quality (3% ytd organic growth)
- Strong operating EBITA margin of 11.3% in the quarter, with substantial strategic investments to accelerate future growth and further cost efficiencies
- Integration of recently acquired WSP Rail and KUA Data Centers unlocking new growth opportunities in Germany
- Well positioned for growth in the second half of 2025: large contracts ramping up, increased UK spending and improved market stability

CEO statement

Amsterdam, 31 July 2025 – Arcadis, the world's leading company delivering data-driven sustainable design, engineering, and consultancy solutions for natural and built assets, reports €965 million net revenues for the second quarter, reflecting a stable performance on an organic basis year-on-year and continued operational improvements with an operating EBITA margin of 11.3% in the second quarter, while substantially investing in strategic initiatives to accelerate future growth and further cost efficiencies.

Alan Brookes, CEO Arcadis, said:
"In the first half of 2025, Arcadis demonstrated good performance, with continued strong demand in North America and Europe offsetting more challenging conditions in UK and Australia. We increased our Key Client order intake and have further expanded our Global Excellence Centers to enhance project delivery and support our teams worldwide. Margin performance was strong while making substantial strategic investments to position us well for future growth and drive further cost efficiencies. Large contracts' ramp up, a concluded UK Spending Review and the commencement of the water cycle AMP8 have positioned us well for growth in the second half of 2025. While some uncertainty around market dynamics remains, our healthy backlog and pipeline give us confidence in our future. With our clear strategy and the expertise of our people, we continue to be on track to achieve our 2024-2026 targets."

Key figures*

In € millions		Half year			Second quarter	
Period ended 30 June 2025	2025	2024	change	2025	2024	change
Gross revenues	**2,453**	**2,512**	**-2%**	**1,237**	**1,282**	**-4%**
Net revenues	**1,937**	**1,959**	**-1%**	**965**	**991**	**-3%**
Organic growth (%)[1]	-0.1%	5.2%		-0.2%	6.0%	
Operating EBITDA[2]	**269**	**271**	**-1%**	**135**	**141**	**-4%**
EBITA	**184**	**204**	**-10%**	**100**	**108**	**-7%**
Operating EBITA[2]	**215**	**217**	**-1%**	**109**	**114**	**-4%**
Operating EBITA margin (%)	11.1%	11.1%		11.3%	11.5%	
Net income	107	112	-4%	63	54	17%
NIfO per share[3]	1.35	1.40	-3%			
Net working capital (%)	13.4%	12.7%				
Free cash flow[4]	-136	-88	-54%	2	8	-75%
Net debt	1,039	1,016	2%			
Order intake	2,055	2,194	-6%	976	1,066	-8%
Backlog net revenues	3,647	3,386	8%			
Backlog organic growth (% yoy)[1]	11.8%	5.6%				
Backlog organic growth (% ytd)[1]	2.6%	6.7%				
Voluntary employee turnover[5]	10.9%	11.3%				

1 Underlying growth excl. impact of FX, acquisitions, footprint reductions, winddowns or divestments

2 EBIT(D)A excluding restructuring, integration, acquisition, and divestment costs

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

4 Free cash flow: cash flow from operations adjusted for capex and lease liabilities

5 Voluntary employee turnover excludes the Middle East as these operations are being wound down

* 2025 and 2024 half year results as presented in this press release are unaudited

Review of the second quarter 2025

Net revenues and backlog

Revenue growth was strong in the US, Canada, and the Netherlands, supported by high demand for Energy Transition, Water, and Technology solutions. This was largely offset by a softer UK market, where revenues declined by 8% year-on-year due to the delayed outcome of the government's Spending Review. In addition, a pause in Australia's infrastructure market and a shift in our US business towards a higher quality portfolio also weighed on overall growth.

Total backlog was supported by significant order intake from clients in Pharmaceuticals, Data Centers, Energy Transition, US Water, and Rail, offsetting contracts winding down in US Environmental Restoration, Semiconductors and Mobility clients in UK and Australia.

We are well positioned for growth in the second half of 2025, supported by the ramp-up of large contracts, increased UK spending, and improved market stability.

Operating EBITA margin

Operating EBITA margin was 11.3% for the quarter, up from last year's underlying margin of 10.8% after adjusting for the €6.6 million Middle East provision release. Margin improvement was supported by strategic levers, including the expansion of our Key Clients program, now representing 67% of Net Revenues (up from 59% last year) and a rise in Global Excellence Centers' contribution to 15% (from 13% last year), with headcount now at 5,100 and preparations for the opening of our new center in Bucharest, Romania underway. Continued project selectivity, combined with ongoing investments in people and digital platforms, supported further efficiency gains. We remain on track with our strong margin trajectory towards the 12.5% target for 2026.

Review of the half year 2025

Profit & loss items

Net revenues totaled €1,937 million and were stable on an organic basis year-on-year. The operating EBITA margin was strong at 11.1% (H1'24: 11.1%[1])). Non-operating costs were €31 million, driven by right-sizing and restructuring efforts mainly in the UK in the first quarter. Net finance expenses decreased to €20 million (H1'24: €23 million), mostly driven by on average lower interest rates on loans and borrowings. Net income from operations decreased by 4% to €121 million (H1'24: €126 million), or €1.35 per share (H1'24: €1.40).

Balance sheet & Cash flow

Days Sales Outstanding (DSO) was 68 days at the end of H1'25 (H1'24: 66 days). Net Working Capital as a percentage of annualized quarterly gross revenues was 13.4% (H1'24: 12.7%), with a strong June revenue performance driving up the receivables position. Free cash flow in the quarter was a positive €2 million resulting in €-136 million for the half year (H1'24: €-88 million), in line with seasonal trends and impacted by €26 million higher cash out versus last year as 2024 benefitted from lower cash taxes in the US, and we made prepayments for Q4 2025. Net debt increased to €1,039 million (H1'24: €1,016 million) leading to a Net Debt / Operating EBITDA ratio of 1.8x (H1'24: 1.9x), well within the strategic range of 1.5-2.5x.

1 Operating EBITA Margin for H1'24 was 10.8% when excluding a one-off provision release related to Middle East of €6.6 million

Operational highlights

Resilience

(38% of net revenues)

In € millions	Half year			Second quarter		
Period ended 30 June 2025	2025	2024	change	2025	2024	change
Net revenues	726	727	0%	358	373	-4%
Organic growth (%)[1]	2.7%	8.6%		1.5%	9.0%	
Operating EBITA[2]	103	93	10%			
Operating EBITA margin (%)	14.2%	12.8%				
Order intake	802	809	-1%	327	361	-9%
Backlog net revenues	1,041	1,048	-1%			
Backlog organic growth (% yoy)[1]	7.0%	8.5%				
Backlog organic growth (% ytd)[1]	6.9%	8.3%				

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

Strong growth in Energy Transition in Germany, Climate Adaptation in the Netherlands, and Water Optimization in the US was partially offset a temporary slowdown in the UK due to delays in the AMP8 cycle not offsetting reduced infrastructure-related environmental work. Strong backlog development was supported by large framework contracts renewed at the start of the year, and underpinned by key wins in Water, Energy Transition, and Nuclear.

In the UK, revenue from AMP8 Water contracts is set to gradually increase, with orders starting to be called off at the end of the second quarter. Additionally, our expanding Energy Transition backlog is expected to support near-term revenue growth. The margin benefited from disciplined project selection and effective cost management. Significant investments in talent for Energy Transition and in AI-driven Water solutions further strengthens our position to capture growth opportunities in these markets.

Places

(36% of net revenues)

In € millions	Half year			Second quarter		
Period ended 30 June 2025	2025	2024	change	2025	2024	change
Net revenues	706	751	-6%	352	377	-7%
Organic growth (%)[1]	-3.0%	0.8%		-3.2%	2.7%	
Operating EBITA[2]	64	77	-17%			
Operating EBITA margin (%)	9.1%	10.3%				
Order intake	747	850	-12%	383	467	-18%
Backlog net revenues	1,616	1,575	3%			
Backlog organic growth (% yoy)[1]	5.5%	0.1%				
Backlog organic growth (% ytd)[1]	1.9%	5.1%				

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

Net revenues were impacted by delays in major capital expenditure decisions from Industrial Manufacturing and Property & Investment clients, which was partially offset by strong performance in the US Pharmaceutical and Data Center sectors. The acquisition of KUA in Germany further solidified our position in the high-growth Data Center sector. Solid order intake was supported by a significant US Pharma win, driving near term growth. Furthermore, the conclusion of the UK Spending Review and substantial European government spending plans, are enhancing pipeline opportunities with Key Clients in areas such as housing, defense, transport hubs and healthcare, positioning us well for the second half of the year.

Mobility

(24% of net revenues)

In € millions	Half year			Second quarter		
Period ended 30 June 2025	2025	2024	change	2025	2024	change
Net revenues	459	434	6%	232	218	6%
Organic growth (%)[1]	0.0%	7.7%		1.8%	7.1%	
Operating EBITA[2]	48	45	6%			
Operating EBITA margin (%)	10.5%	10.5%				
Order intake	468	491	-5%	241	218	10%
Backlog net revenues	892	642	39%			
Backlog organic growth (% yoy)[1]	39.7%	16.0%				
Backlog organic growth (% ytd)[1]	1.0%	10.3%				

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

North America delivered a steady performance, supported by the planned ramp-up of large US and Canadian projects secured last year. Overall, results were tempered by the delayed outcome of UK's Spending Review and a pause in Australia's infrastructure market. However, we ended the quarter with significant rail contract wins in Netherlands, Canada and the UK. In Germany, integration of the WSP Rail acquisition is progressing well and unlocking new growth opportunities. The benefits from rightsizing initiatives in the UK and Australia, implemented in the first quarter, are expected to become more evident in the coming quarters.

Intelligence

(2% of net revenues)

In € millions	Half year			Second quarter		
Period ended 30 June 2025	2025	2024	change	2025	2024	change
Net revenues	46	47	-1%	23	24	-2%
Organic growth (%)[1]	0.4%	4.3%		1.2%	1.7%	
Operating EBITA[2]	2	5	-48%			
Operating EBITA margin (%)	5.2%	10.0%				
Order intake	37	44	-16%	25	20	22%
Backlog net revenues	98	121	-19%			
Backlog organic growth (% yoy)[1]	-12.4%	6.1%				
Backlog organic growth (% ytd)[1]	-12.9%	-2.3%				

1 Underlying growth excl. impact of FX, acquisitions, footprint reductions, winddowns or divestments
2 EBITA excluding restructuring, integration, acquisition and divestment costs

Revenue growth was driven by our Enterprise Asset Management (EAM) solutions, which supported key rail clients in North America, as well as strong demand for our Tolling and Travel IQ products in the US. During the quarter, our Enterprise Decision Analytics (EDA) platform secured advisory wins with Property & Investment clients in the Places segment and with Water Optimization projects in Resilience. The combination of EDA and our deep asset expertise is a key differentiator in the market and is generating a strong pipeline of opportunities across other GBAs, as clients increasingly seek digital solutions to inform their decision-making. Continued investment in our sales capabilities and product platforms to support future growth impacted margin this quarter.

2024-2026 Strategy “Accelerating a planet positive future”

On 16 November 2023 Arcadis presented its 2024-2026 Strategy “Accelerating a planet positive future” and its 2026 targets. Financial targets include: organic net revenue growth of mid to high single digits over the cycle, operating EBITA margin of 12.5% in 2026, Net Debt / Operating EBITDA of 1.5 – 2.5x with an Investment Grade credit rating and a dividend payout ratio of 30 – 40% of Net Income from Operations.

Arcadis key financial metrics*

In € millions	Half year			Second quarter		
Period ended 30 June 2025	2025	2024	change	2025	2024	change
Gross revenues	2,453	2,512	-2%	1,237	1,282	-4%
Net revenues	1,937	1,959	-1%	965	991	-3%
Organic growth (%)[1]	-0.1%	5.2%		-0.2%	6.0%	
EBITDA	238	259	-8%	127	135	-6%
EBITDA margin (%)	12.3%	13.2%		13.2%	13.6%	
Operating EBITDA[2]	269	271	-1%	135	141	-4%
Operating EBITDA margin (%)	13.9%	13.9%		14.0%	14.2%	
EBITA	184	204	-10%	100	108	-7%
EBITA margin (%)	9.5%	10.4%		10.4%	10.9%	
Operating EBITA[2]	215	217	-1%	109	114	-4%
Operating EBITA margin (%)	11.1%	11.1%		11.3%	11.5%	
Net income	107	112	-4%	63	54	17%
Net income from operations (NIfO)[3]	121	126	-4%	70	61	15%
Net income for operations per share (in €)[3]	1.35	1.40	-3%			
Avg. number of shares (millions)	89.5	90.0		89.5	90.1	
Net working capital (%)	13.4%	12.7%				
Days Sales Outstanding (days)	68	66				
Free cash flow[4]	-136	-88	-54%	2	8	-75%
Net debt	1,039	1,016	2%			
Order intake	2,055	2,194	-6%	976	1,066	-8%
Order intake organic growth (%)[1]	-5.5%	7.2%		-5.9%	8.6%	
Book-to-bill[5]	1.06	1.12	-5%	1.01	1.08	-6%
Backlog net revenues	3,647	3,386	8%			
Backlog organic growth (% yoy)[1]	11.8%	5.6%				
Backlog organic growth (% ytd)[1]	2.6%	6.7%				
Voluntary employee turnover[6]	10.9%	11.3%				

1 Underlying growth excl. impact of FX, acquisitions, footprint reductions, winddowns or divestments
2 EBIT(D)A excluding restructuring, integration, acquisition, and divestment costs
3 Net income before non-recurring items (e.g. valuation changes of acquisition-related provisions, acquisition and divestment costs, amortization of intangible assets, expected credit loss on shareholder loans and corporate guarantees and one-off pension costs)
4 Free cash flow: cash flow from operations adjusted for capex and lease liabilities
5 Book-to-bill: order intake / net revenues
6 Voluntary employee turnover excludes the Middle East as these operations are being wound down

* 2025 and 2024 half year results as presented in this press release are unaudited

Financial calendar

- 30 October 2025 – Third Quarter 2025 Trading Update
- 19 February 2026 – Fourth Quarter and Full Year 2025 Results
- 30 April 2026 – First Quarter 2026 Trading Update

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

Risk assessment

In our Annual Integrated Report 2024, we have extensively described risk categories and risk factors that could adversely affect our business and financial performance. These risk factors are deemed to be included by reference in this report. In the first six months of 2025, we have not identified new material risk types or uncertainties which might result in pressure on revenues or income in addition to existing, earlier identified risks. Additional risk(s) not known to us, or currently believed not to be material, may occur and could later turn out to have material impact on our business, financial objectives or capital resources.

Responsibility statement

This interim financial report contains the figures of Arcadis N.V. for the first half year of 2025, and consists of the first half year management report, segment reporting, interim condensed consolidated financial statements, and the responsibility statement of the Executive Board. The financial information in this report is unaudited. In accordance with article 5:25d of the Financial Supervision Act (Wet of het Financieel Toezicht), the Executive Board of Arcadis N.V. hereby declares that to the best of its knowledge, the interim condensed consolidated financial statements, which have been prepared in accordance with IAS 34 'Interim Financial Reporting', give a true and fair view of the assets, liabilities, financial position and profit or loss of Arcadis N.V. and its consolidated companies, and the first half year management report gives a fair view of the information pursuant to section 5:25d subsection 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Amsterdam, the Netherlands, 31 July 2025

Alan Brookes, Chairman of the Executive Board
Willem Baars, Chief Financial Officer

Interim condensed consolidated financial statements

Interim condensed consolidated income statement

For the six-month period ended 30 June

In € millions	Note	2025	2024
Gross revenues	6	**2,453**	**2,512**
Materials, services of third parties and subcontractors		(516)	(553)
Net revenues[1]		*1,937*	*1,959*
Personnel costs	7	(1,504)	(1,519)
Other operational costs		(192)	(183)
Depreciation and amortization		(55)	(55)
Amortization other intangible assets	11	(11)	(15)
Other income/ (expense)		(2)	3
Total Operational costs		**(1,764)**	**(1,769)**
Operating income		**173**	**190**
Finance income[2]		3	2
Finance expenses[2]		(15)	(31)
Fair value change of derivatives		(8)	6
Net finance expense	8	**(20)**	**(23)**
Result from investments accounted for using the equity method		1	0
Profit before income tax		**153**	**167**
Income taxes	9	(46)	(55)
Result for the period		**107**	**112**
Result attributable to:			
Equity holders of the Company (net income)		107	112
Non-controlling interests		(0)	(0)
Result for the period		**107**	**112**
Earnings per share (in €)			
Basic earnings per share	10	1.19	1.24
Diluted earnings per share	10	1.19	1.24

1 Non-GAAP performance measure, to provide transparency on the underlying performance of our business. Reference is made to the Annual Integrated Report 2024 for the definition as used by Arcadis

2 See note 8 for more details.

Amounts throughout the financial statements are presented as a hyphen ('-') when the amounts reported are nil balances while amounts shown as zero ('0') represent balances lower than 0.5 million.

The notes on pages 15 to 28 are an integral part of these Interim condensed consolidated financial statements

Interim condensed consolidated statement of comprehensive income

For the six-month period ended 30 June

In € millions	2025	2024
Other comprehensive income, net of income tax		
Result for the period	107	112
Items that may be subsequently reclassified to profit or loss:		
Exchange rate differences for foreign operations	(168)	32
Reclassification in income statement	-	-
Changes in other comprehensive income[1]	*(168)*	*32*
Exchange rate differences for equity accounted investees	0	-
Effective portion of changes in fair value of cash flow hedges	0	1
Items that will not be reclassified to profit or loss:		
Changes related to post-employment benefit obligations	(7)	1
Taxes related to remeasurements on post-employment benefit obligations	2	0
Other comprehensive income, net of income tax	**(173)**	**34**
Total Comprehensive income for the period	**(66)**	**146**
Total comprehensive income attributable to:		
Equity holders of the Company	(66)	146
Non-controlling interests	(0)	(0)
Total Comprehensive income for the period	**(66)**	**146**

[1] This is mainly due to the depreciation of USD and CAD against EUR during the period.

Non-GAAP performance measure

In € millions	Note	2025	2024
Net income from operations[1]			
Result for the period attributable to equity holders (net income)		107	112
Amortization identifiable intangible assets, net of taxes		8	11
Disposal and M&A costs, net result from divestments		6	2
Integration costs		0	1
Net income from operations		**121**	**126**
Net income from operations per share[1] **(in €)**			
Basic earnings per share	10	1.35	1.40
Diluted earnings per share	10	1.35	1.40

[1] Non-GAAP performance measure, to provide transparency on the underlying performance of our business. Reference is made to the Annual Integrated Report 2024 for the definition as used by Arcadis

Interim condensed consolidated balance sheet

Before allocation of profit

In € millions	Note	2025 30 June	2024 31 December
Assets			
Non-current assets			
Intangible assets and goodwill	11	1,496	1,506
Property, plant and equipment		87	103
Right-of-use assets	12	201	228
Investments accounted for using the equity method	13	11	11
Other investments		3	4
Deferred tax assets		100	107
Pension assets for funded schemes in surplus		14	18
Other non-current assets		10	9
Total Non-current assets		**1,922**	**1,986**
Current assets			
Inventories		1	0
Derivatives		9	10
Trade receivables	14	639	761
Contract assets (unbilled receivables)	15	759	619
Corporate tax receivables		61	51
Other current assets		137	101
Cash and cash equivalents	16	327	376
Total Current assets		**1,933**	**1,918**
Total Assets		**3,855**	**3,904**

In € millions	Note	2025 30 June	2024 31 December
Equity & liabilities			
Shareholders' equity			
Total Equity attributable to equity holders of the Company		**1,082**	**1,233**
Non-controlling interests		(3)	(3)
Total Equity	17	**1,079**	**1,230**
Non-current liabilities			
Provisions for employee benefits	18	25	27
Provisions for other liabilities and charges	19	49	50
Deferred tax liabilities		69	63
Loans and borrowings	20	933	772
Lease liabilities	12	174	192
Derivatives		1	1
Total Non-current liabilities		**1,251**	**1,105**
Current liabilities			
Contract liabilities (billing in excess of revenue)	15	462	516
Provision for onerous contracts (loss provisions)	15	8	13
Current portion of provisions	18, 19	12	13
Corporate tax liabilities		34	57
Current portion of loans and short-term borrowings	20	101	81
Current portion of lease liabilities	12	58	70
Derivatives		12	8
Bank overdrafts	16	110	1
Accounts payable, accrued expenses and other current liabilities		728	810
Total Current liabilities		**1,525**	**1,569**
Total Liabilities		**2,776**	**2,674**
Total Equity and liabilities		**3,855**	**3,904**

The notes on pages 15 to 28 are an integral part of these Interim condensed consolidated financial statements

Interim condensed consolidated statement of changes in equity

In € millions	Share capital	Share premium	Hedge reserve	Translation reserve	Retained earnings	Shareholders' equity	Non-controlling interests	Total equity
	Attributable to equity holders of the Company							
Balance at 1 January 2025	**2**	**372**	**(1)**	**(69)**	**929**	**1,233**	**(3)**	**1,230**
Result for the period	-	-	-	-	107	107	(0)	107
Other comprehensive income:	-	-	0	(168)	(5)	(173)	-	(173)
Total comprehensive income for the period	**-**	**-**	**-**	**(168)**	**102**	**(66)**	**(0)**	**(66)**
Transactions with owners of the Company:								
Acquisitions and transactions with non-controlling interests	-	-	-	-	-	-	-	-
Dividends to shareholders	-	-	-	-	(89)	(89)	-	(89)
Share-based compensation	-	-	-	-	4	4	-	4
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**(85)**	**(85)**	**-**	**(85)**
Balance at 30 June 2025	**2**	**372**	**(1)**	**(237)**	**946**	**1,082**	**(3)**	**1,079**

In € millions	Share capital	Share premium	Hedge reserve	Translation reserve	Retained earnings	Shareholders' equity	Non-controlling interests	Total equity
	Attributable to equity holders of the Company							
Balance at 1 January 2024	**2**	**372**	**(1)**	**(117)**	**807**	**1,063**	**(2)**	**1,061**
Result for the period	-	-	-	-	112	112	(0)	112
Other comprehensive income:	-	-	1	32	1	34	(0)	34
Total comprehensive income for the period	**-**	**-**	**1**	**32**	**113**	**146**	**(0)**	**146**
Transactions with owners of the Company:								
Acquisitions and transactions with non-controlling interests	-	-	-	-	-	-	-	-
Dividends to shareholders	-	-	-	-	(76)	(76)	-	(76)
Share-based compensation	-	-	-	-	4	4	-	4
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**(72)**	**(72)**	**-**	**(72)**
Balance at 30 June 2024	**2**	**372**	**0**	**(85)**	**848**	**1,137**	**(2)**	**1,135**

The notes on pages 15 to 28 are an integral part of these Interim condensed consolidated financial statements

Interim condensed consolidated cash flow statement

For the six-month period ended 30 June

In € millions	Note	2025	2024
Cash flows from operating activities			
Result for the period		107	112
Adjustments for:			
Depreciation and amortization		55	55
Amortization other identifiable intangible assets		11	15
Income taxes	9	46	55
Net finance expense	8	20	23
Result from Investments accounted for using the equity method		(1)	(0)
Adjusted profit for the period (EBITDA)[1]		**238**	**260**
Change in Inventories		(0)	0
Change in Contract assets and liabilities, provision for onerous contracts		(204)	(133)
Change in Trade receivables		71	11
Change in Accounts payable		(14)	(42)
Change in Net working capital		**(147)**	**(164)**
Change in Other receivables		(47)	(23)
Change in Current liabilities		(20)	(17)
Change in Other working capital		**(67)**	**(40)**
Change in Provisions		(5)	(21)
Share-based compensation	7	4	4
(Gain)/ loss on divestments		3	0
Result on derecognition of leases		(0)	0
Change in operational derivatives		(3)	(1)
Settlement of operational derivatives		-	0
Dividend received		0	1
Interest received[2]		6	2
Interest paid[2]		(39)	(34)
Corporate tax paid		(80)	(36)
Net cash generated from operating activities		**(90)**	**(29)**

1 Non-GAAP performance measure, to provide transparency on the underlying performance of our business. Reference is made to the Annual Integrated Report 2024 for the definition as used by Arcadis.

2 See note 8 for more details.

In € millions	Note	2025	2024
Cash flows from investing activities			
Investments in (in)tangible assets		(12)	(20)
Proceeds from sale of (in)tangible assets/ reversal of non-cash items		0	0
Investments in consolidated companies		(79)	(2)
Proceeds from sale of consolidated companies		-	1
Investments in/ loans to associates and joint ventures	13	-	0
Proceeds from (sale of) associates and joint ventures		0	0
Investments in other non-current assets and other investments		(1)	(4)
Proceeds from (sale of) other non-current assets and other investments		2	2
Net cash used in investing activities		**(90)**	**(23)**
Cash flows from financing activities			
Settlement of financing derivatives		(2)	2
New long-term loans and borrowings	20	200	95
Repayment of long-term loans and borrowings	20	(50)	(15)
New short-term borrowings	20	70	15
Repayment of short-term borrowings	20	(50)	-
Payment of lease liabilities	12	(36)	(39)
Dividends paid to shareholders		(89)	(76)
Net cash used in financing activities		**43**	**(18)**
Net change in Cash and cash equivalents less Bank overdrafts		**(137)**	**(70)**
Exchange rate differences		(21)	8
Cash and cash equivalents less Bank overdrafts at 1 January		375	280
Cash and cash equivalents less Bank overdrafts at 31 December	**16**	**217**	**218**

The notes on pages 15 to 28 are an integral part of these Interim condensed consolidated financial statements

Notes to the interim condensed consolidated financial statements

1 General information

Arcadis N.V. is a public company organized under Dutch law. Its statutory seat is Amsterdam and its principal office is located in Amsterdam, the Netherlands.

Arcadis N.V. and its consolidated subsidiaries ('Arcadis', 'the Group' or 'the Company') is a leading global Design & Consultancy firm for natural and built assets. Applying deep market sector insights and collective design, consultancy, engineering, project and management services, the Group works in partnership with clients to deliver exceptional and sustainable outcomes throughout the lifecycle of their natural and built assets.

The interim condensed consolidated financial statements as at and for the six-month period ended 30 June 2025 include the interim financial statements of Arcadis N.V., its subsidiaries, and the interests in associates and jointly controlled entities.

The interim condensed consolidated financial statements are unaudited.

2 Basis of preparation

Statement of compliance

The Interim condensed consolidated financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting', and should be read in conjunction with the annual Consolidated financial statements as at and for the year ended 31 December 2024, which are available upon request from the Company's registered office at Gustav Mahlerplein 97, 1082 MS Amsterdam, the Netherlands, or at www.arcadis.com and prepared in accordance with the IFRS Accounting Standards as adopted by the European Union.

The Interim condensed consolidated financial statements do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual Consolidated financial statements as at and for the year ended 31 December 2024.

The Interim condensed consolidated financial statements were authorized for issue by the Executive Board and Supervisory Board on 31 July 2025.

Significant accounting policies

The accounting policies applied, and methods of computation used in preparing these Interim condensed consolidated financial statements are the same as those applied in the Company's Consolidated financial statements as at and for the year ended 31 December 2024.

New standards, interpretations and amendments adopted by the Group

There are no significant changes in accounting policies but one amendment to International Financial Reporting Standards and interpretations became effective for annual periods beginning on or after 1 January 2025. The new amendment does not have a material impact on the Company's financial performance in the first six months of 2025 and the financial position as at 30 June 2025.

Lack of exchangeability - Amendments to IAS 21

In August 2023, IASB amended IAS 21 to specify how to assess whether a currency is exchangeable and how to determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments have no impact on the Group's interim condensed consolidated financial statements.

Accounting estimates and management judgements

The preparation of the Interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as the information disclosed. Actual results may always differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those applied to the Consolidated financial statements as at and for the year ended 31 December 2024.

Seasonality

There is no high seasonal pattern included in the year-to-date figures, therefore no additional financial information is disclosed on the six-month period ended 30 June 2025.

Exchange rates applied

	30 June 2025		31 December 2024		30 June 2024	
In €	Average	Period-end	Average	Period-end	Average	Period-end
US Dollar (USD)	0.92	0.86	0.92	0.97	0.92	0.94
Pound Sterling (GBP)	1.19	1.17	1.18	1.21	1.17	1.18
Australian Dollar (AUD)	0.58	0.56	0.61	0.60	0.61	0.62
Chinese Yuan Renminbi (CNY)	0.13	0.12	0.13	0.13	0.13	0.13
Canadian Dollar (CAD)	0.65	0.63	0.67	0.67	0.68	0.68
Brazilian Real (BRL)	0.16	0.16	0.17	0.16	0.18	0.17
United Arab Emirates Dirham (AED)	0.25	0.24	0.25	0.26	0.25	0.25

The exchange rates applied during the Q1 and Q2 financial closes are determined ahead of the interim reporting dates and may therefore differ from the actual spot rates as at the interim reporting date. Applying spot-rates as at 30 June 2025 on the balance sheet would have decreased the asset base by €13 million, decreased the liabilities by €6 million and decreased the equity base with €7 million, mainly due to a change in the USD rates. The impact on the condensed consolidated income statement is insignificant as the effect on the average exchange rate for the half-year is limited.

3 Change in accounting policies

There are no significant changes in accounting policies adopted during the six-month period ended 30 June 2025.

4 Operating and reportable segments

The operating segment reporting follows the internal reporting used by the “Chief Operating Decision Maker” (“CODM”, being the Executive Leadership Team of the Group), to manage the business, assess the performance based on the available financial information and to allocate resources. The most important performance measures are EBITA (earnings before interest, tax, amortization of identifiable intangible assets, and impairment charges) and operating EBITA, as management believes this is key in evaluating the results of the segments relative to other companies that operate within the same industry. However, “CODM” also receives information about the segment’s net revenue.

Finance expenses, finance income, and fair value change of derivatives are not allocated to individual segments as the underlying instruments are managed on a group basis. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

The amount of segment assets and liabilities is not disclosed. Segment assets and liabilities are not included in the measures used for allocating resources and assessing segment performance. The Group discloses the goodwill by segment which corresponds to the Groups of CGU's for impairment testing purpose.

Hereafter, the Groups of CGU’s for the purpose of testing for impairment of goodwill, defined at the level of the operating segments are referred to as the CGU or the CGU’s (in case of multiple groups of CGU’s).

Therefore, the information used by the “CODM” to monitor progress, and for decision-making about operational matters is based on the four GBAs.

The operating segments are equal to the reportable segment and accordingly there is no aggregation applied.

The Company has no customers that account for more than 10% of total annual revenues.

In € millions	Resilience	Places	Mobility	Intelligence	Total segments	Corporate and unallocated amounts	Total consolidated
H1 2025							
Total gross revenue	**1,015**	**883**	**570**	**59**	**2,527**	-	**2,527**
Inter-segment	(14)	(36)	(21)	(4)	(75)	-	(75)
External gross revenue	**1,001**	**847**	**550**	**55**	**2,453**	-	**2,453**
Materials, services of third parties and subcontractors	(275)	(141)	(91)	(9)	(516)	-	(516)
Net revenue[1]	**726**	**706**	**459**	**46**	**1,937**	-	**1,937**
Operating costs	(610)	(636)	(407)	(40)	(1,693)	(3)	(1,696)
Other income	(1)	(1)	(1)	1	(2)	-	(2)
Depreciation and amortization	(21)	(18)	(12)	(4)	(55)	-	(55)
EBITA[1]	**94**	**51**	**39**	**3**	**187**	**(3)**	**184**
Amortization of other intangible assets	(1)	(8)	(1)	(1)	(11)	-	(11)
Operating income	**93**	**43**	**38**	**2**	**176**	**(3)**	**173**
Operating EBITA[1]	**103**	**64**	**48**	**2**	**217**	**(3)**	**215**
Total capital expenditure[2]	**4**	**4**	**3**	**0**	**12**	-	**12**

In € millions	Resilience	Places	Mobility	Intelligence	Total segments	Corporate and unallocated amounts	Total consolidated
H1 2024							
Total gross revenue	**1,027**	**963**	**521**	**58**	**2,569**	-	**2,569**
Inter-segment	(13)	(33)	(9)	(2)	(57)	-	(57)
External gross revenue	**1,014**	**930**	**512**	**56**	**2,512**	-	**2,512**
Materials, services of third parties and subcontractors	(287)	(179)	(78)	(9)	(553)	-	(553)
Net revenue[1]	**727**	**751**	**434**	**47**	**1,959**	-	**1,959**
Operating costs	(616)	(665)	(380)	(38)	(1,699)	(3)	(1,702)
Other income	1	2	0	0	3	-	3
Depreciation and amortization	(21)	(19)	(11)	(4)	(55)	-	(55)
EBITA[1]	**91**	**69**	**43**	**4**	**207**	**(3)**	**204**
Amortization of other intangible assets	(1)	(11)	(1)	(2)	(15)	-	(15)
Operating income	**90**	**58**	**42**	**2**	**193**	**(3)**	**190**
Operating EBITA[1]	**93**	**77**	**45**	**5**	**220**	**(3)**	**217**
Total capital expenditure[2]	**7**	**8**	**4**	**1**	**20**	-	**20**

1 Non-GAAP performance measure, to provide transparency on the underlying performance of our business. Reference is made to the Annual Integrated Report 2024 for the definition as used by Arcadis

2 Amount of investments in (in)tangible assets

Geographical information

In € millions	Net revenues by origin H1 2025	H1 2024
United States	726	708
Canada	143	143
UK & Ireland	432	456
Netherlands	167	159
Germany	109	87
Belgium	70	75
Other Europe	75	68
Asia & Oceania	154	198
Latin America	61	65
Total	**1,937**	**1,959**

5 Consolidated interests

Business combinations

Acquisition of KUA Group

On 19 March 2025, the Group acquired 100% of the voting shares of KUA Group, two non-listed companies based in Germany. KUA Group is operating in complex data centers design and in architecture, design and engineering, and planning and permitting services. These capabilities complement Arcadis' strengths in site selection due diligence, program and cost management, and sustainability advisory.

Acquisition of WSP Infrastructure Engineering GmbH

On 30 April 2025, the Group acquired 100% of the voting shares of WSP Infrastructure Engineering GmbH ("WSP"), a non-listed company based in Germany. WSP is an engineering firm specialized in rail infrastructure, signaling, structural engineering and software development. Post acquisition, WSP has been renamed to Arcadis Mobility Germany GmbH ("AMG")

Total assets acquired and liabilities assumed

The provisional fair values of the assets acquired and the liabilities assumed for KUA Group and AMG are valued as at their respective date of acquisition. As neither acquisition is individually material, the disclosures required by IFRS 3 are presented in aggregate. The preliminary allocation to the identifiable net assets are presented below:

In € millions	Fair value recognized on acquisition
Assets	
Intangible assets	0
Property, Plant and equipment	0
Right-of-use assets	3
Other investments	4
Other non-current assets	0
Trade receivables	8
Contract assets (unbilled receivables)	6
Corporate tax receivables	1
Other current assets	1
Cash and cash equivalents	9
	33
Liabilities	
Lease liabilities	3
Contract liabilities (billing in excess of revenue)	4
Corporate tax liabilities	6
Accounts payable, accrued expenses and other current liabilities	4
Provisions	1
	17
Total identifiable net assets at fair value	**16**
Cash consideration transferred	88
Assumption of shareholder debt	5
Deferred consideration	5
Contingent consideration (earn-out)	10
Total consideration transferred	**108**
Goodwill arising on acquisitions	**92**

The goodwill is attributable to the workforce and the synergies with the acquired business. The preliminary goodwill for KUA Group and AMG are allocated to Places and Mobility GBA's respectively for the purpose of annual goodwill impairment testing.

Fair values measurement and provisional purchased accounting

The Group sought an independent valuation for the acquired entities' other intangible assets (mostly backlog and customer relationships) that will be completed during the second half of 2025.

The Group measured the acquired lease liabilities using the present value of the remaining lease payments at the date of acquisition. The right-of-use assets were measured at an amount equal to the lease liabilities and adjusted to reflect the favourable terms of the lease relative to market terms. The right-of-use assets and lease liabilities have been measured provisionally, and the Group will complete the assessment during the measurement period.

The net assets recognized at closing date were based on a provisional assessment of their fair value, and the Group intends to complete the assessment of the fair values of assets and liabilities as soon as reasonably possible, with a maximum of one year after the acquisition date.

Purchase consideration - cash outflow

In € millions	Cash outflow on acquisition
Cash outlflow to acquire subsidiary	
Cash consideration	**(88)**
Balance acquired from acquisition	
Cash and cash equivalents	**9**
Net outflow of cash - investing activities	**(79)**

Business divestments

There were no business divestments during the six-month period ended 30 June 2025.

Deferred consideration

As at 30 June 2025, the liability for contractual after-payments and earn-outs for acquisitions amounts to €16 million (31 December 2024: €1 million). The non-current liability relates to earn-out payable of €10 million to be settled in 2028 due to KUA Group acquisition. An amount of €6 million is due within one year and reported as 'Other current liabilities'. This relates to deferred consideration of €5 million due to KUA Group acquisition and the contingent consideration of €1 million from acquisition of Hotspot by IBI Group prior to Arcadis acquisition.

6 Revenue

Disaggregation of revenues

The management monitors the financial information based on the four Global Business Areas. The revenue for each of the four Global Business Areas are included in note 4.

Contract balances

The Group has recognized the following assets and liabilities related to contracts with customers:

In € millions	30 June 2025	31 December 2024
Trade receivables	639	761
Contract assets (Unbilled receivables)	759	619
Contract liabilities (Billing in excess of revenue)	(462)	(516)
Long-term retention receivable	1	1
Provision for onerous contracts (loss provisions)	(8)	(13)
Total	**929**	**852**

7 Share-based compensation

Long-Term Incentive Plans

To stimulate the realization of long-term Company goals and objectives, Arcadis NV uses Long-Term Incentive Plans (LTIPs). Based on the 2023 Arcadis NV Long-Term Incentive Plan, the Company can grant equity-settled and cash-settled awards to eligible employees.

Restricted Share Unit (RSUs) granted in 2025

In the first six months of 2025, the following RSUs have been granted under the 2023 LTIP:

	Number of RSUs	Grant date	Vesting date[1]	Share price at grant date	Fair value at grant date
Annual grant EB/ELT	64,087	20 May 2025	20 May 2028	€ 45.76	€9.76/ €43.37
Annual grant other employees	157,382	20 May 2025	20 May 2028	€ 45.76	€43.37

[1] Vesting is on the 5th business day after ex-dividend date in the third year after the grant.

The fair value (€9.76) of the RSUs granted to EB and ELT members subject to meeting a Total Shareholder Return condition (1/3) was determined using a Monte Carlo simulation model, which considers the market conditions expected to impact Arcadis' TSR performance in relation to the peer group.

LTIP costs in H1 2025

The costs of RSUs are amortized over the vesting period and are included in 'Personnel costs'. In the first six months of 2025, an amount of €4 million (H1 2024: €4 million) is included for the RSUs granted to employees in 2025, 2024, 2023 and 2022.

Cash-settled awards granted in 2025

In the first six months of 2025, a number of 2,936 cash-settled awards have been granted under the 2023 LTIP. These awards will vest at the same date as the granted equity-settled awards (RSUs).

8 Net finance expense

In € millions	H1 2025	H1 2024
Interest income[1]	3	2
Finance income	**3**	**2**
Interest expense on loans and borrowings	(20)	(21)
Other interest expense	(6)	(4)
Interest expense on leases	(4)	(4)
Foreign exchange differences	15	(2)
Finance expense	**(15)**	**(31)**
Fair value change of derivatives	(8)	6
Total	**(20)**	**(23)**

1 Comparative figures are adjusted as interest income and expense on notional cash pools are presented as net amount.

Arcadis utilizes notional cash pools in which debit and credit balances both attract interest income and expense, respectively. The Finance income in the first six months of 2025 increased to €3 million (H1 2024: €2 million) due to notional cash pools being extended to other legal entities in the Group. The outcome is netted and presented in other interest income.

The finance expense decreased to €15 million (H1 2024: €31 million) due to a positive impact from foreign exchange differences (mainly USD). The impact is partly offset by fair value change of derivatives.

9 Income taxes

The effective income tax rate (income taxes divided by profit before income tax, excluding total result from investments accounted for using the equity method) for the six-month period ended 30 June 2025 is 30.0% (H1 2024: 33.1%). Management's estimate of the weighted average annual income tax rate expected for the full financial year is between 28% and 30%.

The effective tax rate differs from the corporate income tax rate in the Netherlands, primarily due to statutory tax rates in jurisdictions that the Company is operating in that are different than the Dutch statutory income tax rate, movements in derecognition of deferred tax assets, non-deductible items, non-recoverable withholding taxes, and prior year adjustments.

10 Earnings per share

For calculating the earnings per share, the following numbers of average shares were used:

Number of shares	H1 2025	H1 2024
Average number of issued shares	90,442,091	90,442,091
Average number of treasury shares	(975,983)	(401,852)
Total average number of ordinary outstanding shares	**89,466,108**	**90,040,239**
Average number of potentially dilutive shares	-	-
Total average number of diluted shares	**89,466,108**	**90,040,239**

For the calculation of earnings per share, no distinction is made between the different classes of shares.

The total earnings of the Group and the earnings per share are as follows:

In € millions	H1 2025	H1 2024
Net income	107	112
Net income from operations[1]	121	126

[1] Non-GAAP performance measure, to provide transparency on the underlying performance of our business. Reference is made to the Annual Integrated Report 2024 for the definition as used by Arcadis

In €	H1 2025	H1 2024
Earnings per share/Diluted earnings per share		
Net income	1.19/ 1.19	1.24/ 1.24
Net income from operations[1]	1.35/ 1.35	1.40/ 1.40

[1] Non-GAAP performance measure, to provide transparency on the underlying performance of our business. Reference is made to the Annual Integrated Report 2024 for the definition as used by Arcadis

11 Intangible assets and goodwill

In € millions	Goodwill	Other intangible assets	Software	Intangibles under development	Total
Cost	1,318	426	64	1	1,809
Accumulated amortization	-	(258)	(47)	-	(305)
Balance at 1 January 2024	**1,318**	**169**	**17**	**1**	**1,505**
Additions	-	-	8	1	9
Disposals/ Write-offs	(0)	-	(0)	-	(0)
Amortization charges	-	(29)	(9)	-	(38)
Exchange rate differences	32	(2)	0	0	30
Movement 2024	**32**	**(31)**	**(1)**	**1**	**1**
Cost	1,350	427	70	2	1,849
Accumulated amortization	-	(289)	(54)	-	(343)
At 31 December 2024	**1,350**	**138**	**16**	**2**	**1,506**
Additions	-	-	2	1	3
Acquisitions of subsidiaries	92	-	0	-	92
Disposals/ Write-offs	(3)	-	(0)	-	(3)
Amortization charges	-	(11)	(3)	-	(14)
Exchange rate differences	(83)	(4)	(1)	(0)	(88)
Movement H1 2025	**6**	**(15)**	**(2)**	**1**	**(10)**
Cost	1,356	403	62	3	1,824
Accumulated amortization	-	(280)	(48)	-	(328)
At 30 June 2025	**1,356**	**123**	**14**	**3**	**1,496**

12 Right-of-use assets and lease liabilities

The movements in the Right-of-use assets and lease liabilities in the first six months of 2025 are summarized below.

Right-of-use assets

In € millions	Leased land and buildings	Leased furnitures and fixtures	Leased (IT) equipment	Leased vehicles	Total
Balance at 1 January 2024	**222**	**0**	**1**	**26**	**249**
Additions	30	0	0	14	44
Remeasurements	(1)	0	(0)	0	(1)
Depreciation charges	(53)	(0)	(1)	(13)	(67)
Derecognitions	(2)	-	(0)	-	(2)
Exchange rate differences	4	0	1	0	5
Movement 2024	**(22)**	**0**	**0**	**1**	**(21)**
At 31 December 2024	**200**	**0**	**1**	**27**	**228**
Additions	9	0	1	6	16
Remeasurements	(1)	0	(1)	(0)	(2)
Depreciation charges	(26)	(0)	(0)	(7)	(33)
Acquisitions/ (divestments)	2	-	0	1	3
Derecognitions	(0)	-	-	0	(0)
Exchange rate differences	(11)	(0)	(0)	(0)	(11)
Movement H1 2025	**(27)**	**(0)**	**(0)**	**-**	**(27)**
At 30 June 2025	**173**	**(0)**	**1**	**27**	**201**

Lease liabilities

In € millions	30 June 2025	31 December 2024
Balance at 1 January	**262**	**281**
Additions	16	44
Remeasurements	(2)	(1)
Payments	(36)	(78)
Acquisitions/ (divestments)	3	-
Interest	4	9
Exchange rate differences	(15)	7
Closing balance	**232**	**262**
Non-current	174	192
Current	58	70
Total	**232**	**262**

During the period, right-of-use assets decreased due to depreciation charges during the period amounting to €33 million. This is partially offset by additions and remeasurements as a result of new offices leases and vehicle leases in North America and Europe, and lease extensions exercised during the period. No impairment is recognized on right-of-use assets in the first six months of 2025.

In accordance with the Company's accounting policy, the service element of leases is not included in the right-of-use assets and lease liabilities.

13 Investments accounted for using the equity method

The most significant investments in associates and joint ventures are the same as reported in the Consolidated financial statements as at and for year ended 31 December 2024.

There are no loans to associates or joint ventures outstanding as at 30 June 2025 (2024: nil). The joint ventures have share capital consisting solely of ordinary shares, which are held indirectly by the Group, and are non-listed shares. As such there are no available quoted market price for the shares.

14 Trade receivables

Trade receivables include items maturing within one year.

In € millions	30 June 2025	31 December 2024
Trade receivables	684	809
Provision for trade receivables (individually impaired bad debt)	(47)	(49)
Provision for trade receivables (Expected Credit Loss)	(1)	(1)
Receivables from associates	3	2
Total	**639**	**761**

Provision for Trade receivables

The ageing of Trade receivables and the related provision, excluding Receivables from associates, at reporting date is:

In € millions	30 June 2025 Gross Receivables	30 June 2025 Provision bad debt	30 June 2025 Provision ECL	31 December 2024 Gross Receivables	31 December 2024 Provision bad debt	31 December 2024 Provision ECL
Not past due	450	(3)	(0)	529	(4)	(0)
Past due 0-30 days	82	(1)	(0)	108	(1)	(0)
Past due 31-60 days	33	(0)	(0)	39	(1)	(0)
Past due 61-120 days	25	(0)	(0)	31	(0)	(0)
Past due 121-364 days	44	(5)	(1)	40	(5)	(1)
More than 364 days due	50	(38)	(0)	62	(38)	(0)
Total	**684**	**(47)**	**(1)**	**809**	**(49)**	**(1)**

The total provision for Trade receivables has developed as follows in the six-month period ended 30 June 2025:

In € millions	30 June 2025	31 December 2024
Balance at 1 January	**50**	**61**
Acquisitions/ divestments	-	(1)
Additions charged to profit or loss	2	15
Release of unused amounts	(2)	(15)
Remeasurement Expected Credit Loss	(0)	-
Utilizations	(0)	(10)
Exchange rate differences	(2)	0
Balance at 31 December	**48**	**50**

15 Contract assets and liabilities

The balances of Contract assets and Contract liabilities, as well as the Provision for onerous contracts, are as follows:

In € millions	30 June 2025 Contract assets	30 June 2025 Contract liabilities	30 June 2025 Provision for onerous contracts	30 June 2025 Net position	31 December 2024 Contract assets	31 December 2024 Contract liabilities	31 December 2024 Provision for onerous contracts	31 December 2024 Net position
Cumulative revenue	9,134	7,896	-		11,122	8,366	-	
Loss provisions	-	-	(8)		-	-	(13)	
Expected credit loss allowance	(1)	(2)	-		(3)	(4)	-	
Billings to date	(8,374)	(8,356)	-		(10,500)	(8,878)	-	
Total	**759**	**(462)**	**(8)**	**289**	**619**	**(516)**	**(13)**	**90**

16 Cash and cash equivalents

Restricted cash amounted to €13 million and is composed of cash balances mainly held in China (31 December 2024: €19 million). The Group has control over these balances; although the balances are available for local operations, repatriation may be limited due to restrictive local regulatory and judicial requirements. As a result, the cash balances of some countries cannot be fully included in the global cash pooling or liquidity enhancement structures. In line with industry practice, the Company considers cash outside of global cash pooling or liquidity enhancement structures to be restricted if the Group is unable to repatriate cash within a defined period via either dividends, intercompany loans, or settlement of intercompany invoices.

As of 30 June 2025, no Cash and cash equivalents and Bank overdrafts have been offset. The bank overdraft as of 30 June 2025 is €110 million (31 December 2024: €1 million). The increase in bank overdrafts is attributed to the strategic utilization of extended notional cash pool structures with our core bank partners.

17 Equity attributable to equity holders

The development of the number of shares issued/ outstanding in the six-month period ended 30 June 2025 is presented in the table below.

Number of shares	Ordinary shares	Priority shares	Treasury stock	Total issued shares
At 31 December 2024	**89,411,305**	**600**	**1,030,786**	**90,442,691**
Shares issued (stock dividend)	-	-	-	-
Shares cancelled	-	-	-	-
Repurchased shares	-	-	-	-
Exercised shares and options	211,708	-	(211,708)	-
At 30 June 2025	**89,623,013**	**600**	**819,078**	**90,442,691**

Dividends

Dividend for the year ended 31 December 2024 was paid in May 2025. Based on the number of shares outstanding and a declared dividend of €1.00 per share, the total dividend amounted to €89 million (including priority shares). All dividends were paid in cash.

Purchase of shares

The Executive Board may, as mandated by the General Meeting of Shareholders and with approval from the Supervisory Board and Stichting Prioriteit Arcadis NV, purchase fully paid-up shares in Arcadis NV. In the first six months of 2025, no share was repurchased.

Vesting of RSUs

A total of 211,708 shares were transferred to participants in the Long-Term Incentive Plan due to the vesting of the RSUs granted in May 2022. Due to the Total Shareholder Return, sustainability performance and earnings per share position of Arcadis within the peer group these RSUs have vested for part of the participants at 128.3% of the grant.

18 Provisions for employee benefits

An actuarial loss (remeasurement) of €5 million (H1 2024: €1 million gain, net of taxes) has been recognized in Other comprehensive income in the six-month period ended 30 June 2025. The actuarial loss is mainly related to the defined benefit pension plans in the UK in which the fund experienced underperformance of pension asset investments as a result of US trade policy influencing asset prices.

The total provision for employee benefits amounts to €25 million as at 30 June 2025, of which €5 million is a current portion of the provision.

19 Provisions for other liabilities and charges

The movements in the Provision for other liabilities and charges in the six-month period ended 30 June 2025 are as follows:

In € millions	Restructuring	Litigation	Restoration	Other	**Total**
Balance at 1 January 2024	**10**	**40**	**6**	**7**	**63**
Additions	9	20	1	1	31
Amounts used	(7)	(19)	(0)	(0)	(26)
Release of unused amounts	(4)	(4)	-	(1)	(9)
Reclassifications	(0)	-	0	(0)	0
Exchange rate differences	0	(0)	0	0	(0)
Balance at 31 December 2024	**8**	**37**	**7**	**7**	**59**
Additions	16	1	0	4	21
Amounts used	(18)	(1)	(0)	(1)	(20)
Release of unused amounts	(1)	(2)	-	-	(3)
Reclassifications	-	0	0	0	0
Exchange rate differences	(0)	(0)	(1)	(0)	(1)
Balance at 30 June 2025	**5**	**35**	**6**	**10**	**56**
Non-current	4	32	5	8	49
Current	1	3	1	2	7
Balance at 30 June 2025	**5**	**35**	**6**	**10**	**56**

20 Loans and borrowings

Loans and borrowings as of 30 June 2025 are as follows:

In € millions	Interest rates between	30 June 2025	31 December 2024
Short-term bank loans	1.5% - 3.7%	81	81
Long-term bank loans	1.5% - 5.1%	426	275
Senior unsecured notes	4.9%	497	497
Other long-term debt[1]		10	-
Short-term borrowings	0.9% - 3.1%	20	-
Total Loans and borrowings		**1,034**	**853**
Current		101	81
Non-current		933	772
Total		**1,034**	**853**

The movement in non-current loans and borrowings was as follows:

In € millions	30 June 2025	31 December 2024
Balance at 1 January	**772**	**871**
New debt	200	95
Accrued interest	1	-
Redemptions	(50)	(116)
Acquisitions (deferred consideration)	10	-
From long-term to current position other long-term	-	(81)
Other	-	3
Exchange rate differences	-	(0)
Closing balance	**933**	**772**

The movement in short-term debts and current portion of long-term debts was as follows:

In € millions	30 June 2025	31 December 2024
Balance at 1 January	**81**	**-**
New debt	70	60
Redemptions	(50)	(60)
From long-term to current position other long-term	-	81
Closing balance	**101**	**81**

Principal financing and debt reduction transactions during the period

As of 30 June 2025, the Company has drawn €150 million under the existing Revolving Credit Facility (RCF) and €20 million under the uncommitted facilities from core banks.

Credit facilities

The total short-term credit facilities amount to €490 million, which includes all uncommitted credit facilities, bank guarantee facilities and surety bond lines with financial institutions of which €287 million has been used as of 30 June 2025 (31 December 2024: €369 million facility and €158 million used respectively).

The Group has short-term uncommitted credit facilities of €182 million with relationship banks and bank guarantee facilities totalling €150 million (31 December 2024: €142 million and €101 million respectively). These short-term credit facilities are used for financing of working capital and for general corporate purposes of the Group.

As of 30 June 2025, the total amount of bank guarantees and letters of credit that were outstanding under the €150 million guarantee facilities amounted to €53 million (31 December 2024: €54 million). Additionally, there were other outstanding bank guarantees, letters of credit and surety bonds amounting to €104 million (31 December 2024: €102 million).

21 Capital and financial risk management

In the six-month period ended 30 June 2025 there was no change in the Company's financial risk management objectives and policies, and in the nature and extent of risk arising from financial instruments compared to prior year.

Lines of Credit

In millions		30 June 2025		31 December 2024	
Type	Interest/fees	Available	Utilized	Available	Utilized
		EUR	EUR	EUR	EUR
Revolving Credit Facility	EURIBOR	600	150	600	-
Senior unsecured notes	4.875%	500	500	500	500
Uncommitted multi-currency facilities	Floating	182	81	142	-
Schuldschein notes	Fixed/floating	358	358	358	358
Guarantee facility	0.30% - 0.65%	150	53	101	54
Other (loans)	Various	49	49	19	1
Other (bank guarantees and surety bonds)	Various	108	104	107	102

Fair value

The financial instruments carried at fair value are analyzed by valuation method, using the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

All financial instruments carried at fair value within the Company are categorized in Level 2, except for the other investments in Techstars and Switch Energy, and the deferred consideration whereby a Level 3 valuation has been used. The valuation techniques and the inputs used in the fair value measurement did not change in the first six months of 2025 compared to 2024.

The fair value of loans and receivables is based on the present value of future principal and interest cash flows, discounted at the Group specific market rate of interest at reporting date. For financial leases the market rate of interest is determined by reference to similar lease agreements.

Financial covenants

The financial covenant set under the contracts of the committed credit facilities that are applicable to Arcadis includes a Total Leverage ratio (average net debt to EBITDA). The Total Leverage ratio for the €600 million Revolving Credit Facility and the 2020 Schuldschein loans has a maximum of 3.5x.

For the Revolving Credit Facility, the Applicable Rating of the Rating Agency (S&P) prevails over the Total Leverage ratio in case of a rating of at least BBB or Baa2, which is the case at half-year 2025.

The Total Leverage ratio for the 2023 Schuldschein loans, which is based on Operating EBITDA, also has a maximum of 3.5x.

Both ratios are included in the next tables.

In € millions	Note	30 June 2025	31 December 2024
Long-term loans and borrowings	20	933	772
Current portion of loans and borrowings	20	101	81
Lease liabilities	12	174	192
Current portion of lease liabilities	12	58	70
Bank overdrafts	16	110	1
Total debt		**1,376**	**1,116**
Less: cash and cash equivalents		(327)	(376)
Net debt		**1,049**	**739**
Less: non-current portion deferred consideration	5	(10)	-
Net debt		**1,039**	**739**
EBITDA according to debt covenants[1]		**522**	**541**
Adjusted Operating EBITDA according to debt covenants[2]		**570**	**568**

[1] EBITDA adjusted for share-based compensation and acquisition effects, in accordance with debt covenants. Non-GAAP performance measure, to provide transparency on the underlying performance of our business. Reference is made to the Annual Integrated Report 2024 for the definition as used by Arcadis

[2] EBITDA adjusted for share-based compensation, restructuring, integration, disposal and acquisition related costs and net result from divestments, and any material one-off exceptional non-cash impairments and/or material one-off exceptional non-cash write-offs.

Ratios

	30 June 2025	31 December 2024
Average net debt to EBITDA ratio according to debt covenants RCF and 2020 Schuldschein (Total Leverage Ratio)	1.7	1.6
Average net debt to adjusted Operating EBITDA ratio according to debt covenants for 2023 Schuldschein and Eurobond	1.6	1.5

The ratios as disclosed above are calculated based on the definitions as agreed with and aligned between the different providers of committed credit facilities. The calculation of the average Net Debt to EBITDA ratio is based on the average Net Debt of Q4 2024 and Q2 2025. Throughout the first six months of 2025, Arcadis complied with all financial covenants.

All outstanding loans and the syndicated Revolving Credit Facility do not contain an interest coverage ratio.

Going concern assumption

Management has assessed the going concern assumption and exercised judgment in making reasonable estimates. Based on the latest available financial (cash flow) forecasts and sensitivity analysis performed, management concluded that there is no material uncertainty related to events and conditions that may cast significant doubt on the Group's ability to continue as a going concern.

22 Commitments and contingent liabilities

The commitments as at 30 June 2025 for the drawn / utilized guarantees and other commitments are summarized below.

Summary of commitments

In € millions	30 June 2025	31 December 2024
Short-term leases	1	1
Low-value leases	1	1
Total committed off-balance leases	**2**	**2**

In € millions	30 June 2025	31 December 2024
Bank guarantees	157	157
Corporate guarantees	149	163
Eliminations	(105)	(99)
Guarantees	**201**	**221**
Leases	2	2
Other commitments[1]	98	163
Total	**301**	**386**

[1] This relates to software and information technology products commitments.

Lease contracts

The off-balance sheet leases at 30 June 2025 include short-term leases and low value leases.

Guarantees

Arcadis has issued corporate guarantees as security for credit facilities, bank guarantee facilities and surety bond lines. Guarantees or guarantee-like items issued by a financial intermediary (such as bank guarantees and surety bonds) can be issued in relation to projects, advances received, tender bonds or lease commitments to avoid cash deposits. Bank guarantees or surety bonds issued for project performance can be claimed by clients where Arcadis fails to deliver in line with the agreed contract. In such cases, the liability of the bank should be no greater than the original liability on Arcadis. In case the failure to perform arose due to an error or omission by Arcadis, the claim could be covered by the professional indemnity insurance cover.

The tables below summarizes the outstanding corporate and bank guarantees. They reflect only items that have been drawn or utilized that are not already shown on the balance sheet.

In € millions	Corporate Guarantees	Bank guarantees	Eliminations[1]	Total
Debt facility financing	3	-	-	3
Bank guarantee and surety bond financing	103	157	(82)	178
Other	43	-	(23)	20
Balance at 30 June 2025	**149**	**157**	**(105)**	**201**

[1] To avoid double-counting and the overstatement of contingent obligations, only one instance of any off-balance sheet item is reported, e.g. if Arcadis N.V. has provided a corporate guarantee for a local bank guarantee facility, any claim for payment by a client on an outstanding bank guarantee can only be honored once.

In € millions	Corporate Guarantees	Bank guarantees	Eliminations[1]	Total
Debt facility financing	3	-	-	3
Bank guarantee and surety bond financing	114	157	(75)	196
Other	46	-	(24)	22
Balance at 31 December 2024	**163**	**157**	**(99)**	**221**

[1] To avoid double-counting and the overstatement of contingent obligations, only one instance of any off-balance sheet item is reported, e.g. if Arcadis N.V. has provided a corporate guarantee for a local bank guarantee facility, any claim for payment by a client on an outstanding bank guarantee can only be honored once.

On 30 June 2025, only a part of the local bank guarantee facilities and local debt facilities have been used.

Other commitments

Other commitments as of 30 June 2025 do not significantly differ (in nature) from the Company's other commitments at 31 December 2024.

Contingent liabilities

In the first six months of 2025, the Company was involved in various legal and regulatory claims and proceedings as a result of its normal course of business, either as plaintiff or defendant. Provisions are recognized only when management believes it is probable that Arcadis will be held liable, the amount is reasonably estimable, and the claim has not been insured.

23 Related party transactions

From time-to-time Arcadis enters into related party transactions. These transactions are conducted on an arm's length basis with terms comparable to transactions with third parties. Intercompany transactions, balances, and unrealized gains on transactions between group companies are eliminated on consolidation.

The nature of the related party transactions conducted in the six-month period ended 30 June 2025 does not deviate in substance from the transactions as reflected in the Consolidated financial statements as at and for the year ended 31 December 2024.

The Company was not a party to any material transaction or loans with parties who hold at least 10% of the shares in Arcadis NV.

24 Events after the balance sheet date

There are no material subsequent events, that would have changed the judgement and analysis by management of the financial position of the Company at 30 June 2025, or the result for the period ended 30 June 2025.

Amsterdam, the Netherlands, 31 July 2025

The Executive Board

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