# Company announcement

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# Interim Report for 1 January – 30 June 2026

## Continued improvement across all three KPIs in H1 2026

### Highlights

#### Financial performance

- On 19 May 2026, ISS and Deutsche Telekom AG (DTAG) announced a settlement agreement and extension of partnership until the end of 2035.
- Organic growth was 8.9% in Q2 2026 (Q2 2025: 3.8%), and 8.2% in H1 2026 (H1 2025: 4.1%) mainly driven by contract wins, volume growth with existing customers and projects and above-base work. Mobilisation activities for new contracts starting in H1 2026 have been high - and successful - following the commercial momentum in late 2025 and H1 2026. Based on the settlement agreement with DTAG, ISS has reassessed revenue recognised in previous years, resulting in a one-off revenue adjustment with a meaningful impact on H1 2026 organic growth, but an insignificant impact on organic growth for the full year.
- Operating margin before other items (excl. IAS 29) improved to 4.6% in H1 2026 (H1 2025: 4.2%) due to continued robust operational performance across the Group, supported by the settlement with DTAG leading to an underlying annual contractual improvement of 10–15 basis points at Group level.
- Free cash flow improved to DKK 0.6 billion in H1 2026 (H1 2025: DKK (0.5) billion) mainly driven by improved operating profit and changes in working capital, partly due to the settlement with DTAG.

#### Business update

- Strategic execution progressed according to plan, with a strengthened commercial focus that enabled ISS to secure three new contracts with revenue above DKK 100 million annually.
- Our continued strategic focus on extension of customer contracts up for renewal secured a retention rate of 95% (LTM) and extension of 14 large key account contracts (up until 10 August 2026) of which six included significant scope expansions. Three large key account contracts expired and were not renewed.
- On 1 May 2026, ISS announced the acquisition of 39.9% of shares in ISS Türkiye from the minority shareholder Actera. ISS has thereby increased its ownership of ISS Türkiye from 50.1% to 90.0%.
- On 29 June 2026, ISS acquired Tomagruppen AS with activities in both Norway and Denmark adding an estimated annual revenue of DKK 1.8 billion to Group revenue.

#### Capital distribution and outlook

- On 6 May 2026, ISS issued a 5-year bond with a principal value of EUR 750 million under the Group's EMTN programme, primarily used to repay matured bonds. On 20 July 2026, Moody's reconfirmed ISS' credit rating.
- On 7 August 2026, ISS concluded the first DKK 1,250 million tranche of its 2026 share buyback programme. The second tranche has been increased by DKK 600 million bringing the total programme to DKK 3.1 billion.
- The 2026 outlook is unchanged from the upgrade on 19 May 2026 for all three financial KPIs; organic growth of above 6% (previously above 5%), operating margin around 5.25% (previously above 5.0%) and free cash flow above DKK 3.1 billion (previously above DKK 2.5 billion).

Kasper Fangel Group CEO, ISS A/S, says:
*"Our strong results for the first half of 2026 reflect the continued strength of our operational execution and the dedicated efforts of more than 330,000 colleagues across our global organisation. We delivered improvements in all three of our financial KPI's and increased revenue by DKK 3 billion, compared with the same period last year. I'm also pleased that we reached a forward-looking agreement with Deutsche Telekom and welcomed more than 4,000 new colleagues through our bolt-on acquisition of Norwegian Tomagruppen. Our business progress makes me very excited about the future and the long-term value ISS will continue to create for our customers, employees and shareholders."*

| Financial overview | Q1 2026 | Q2 2026 | H1 2026 | H1 2025 |
|---|---|---|---|---|
| DKK million (unless otherwise stated) | | | | |
| Revenue | 21,935 | 22,767 | 44,702 | 41,613 |
| Organic growth, % | 7.4 | 8.9 | 8.2 | 4.1 |
| Operating profit before other items | | | 2,027 | 1,688 |
| Operating profit before other items, excl. IAS 29 | | | 2,057 | 1,736 |
| Operating margin (before other items), % | | | 4.5 | 4.1 |
| Operating margin (before other items), %, excl. IAS 29 | | | 4.6 | 4.2 |
| Free cash flow | | | 568 | (542) |
| Free cash flow, excl. IAS 29 | | | 562 | (558) |

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### About ISS

ISS is a leading, global provider of workplace and facility service solutions. In partnership with customers, ISS drives the engagement and well-being of people, minimises the impact on the environment, and protects and maintains property. ISS brings all of this to life through a unique combination of data, insight and service excellence at offices, factories, airports, hospitals and other locations across the globe. ISS has more than 325,000 employees around the globe, who we call "placemakers". In 2025, Group revenue was DKK 84.7 billion. For more information on the ISS Group, visit www.issworld.com