

Thales reports its 2026 half-year results

- Strong commercial momentum, with order intake of €12.5 billion, up 21% (+22% on an organic basis¹)
- Solid sales growth to €10.9 billion, up 6.7% (+7.8% on an organic basis and +9.6% excluding non-recurring items²)
- Continued improvement in profitability, with Adjusted EBIT³ of €1,372 million, up 9.9% (+11.4% on an organic basis)
- Adjusted net income, Group share³ reaching €990 million, up 13%
- Exceptional level of free operating cash flow generation³ at €1,865 million
- Confirmation of 2026 targets⁴, including the upward revision of certain objectives on July 3, 2026:
 - Book-to-bill⁵ above 1.1
 - Organic sales growth between +6% and +7%⁶
 - Adjusted EBIT margin between 12.6% and 12.8%
 - Conversion rate into free operating cash flow between 100% and 110%

Thales' Board of Directors (Euronext Paris: HO) met on July 22, 2026 to review the financial statements for the first half of 2026⁷.

"The first half of 2026 confirms Thales' commercial momentum, financial strength and resilience, with all financial indicators up: order intake (+22%), sales (+7.8%) and Adjusted EBIT (+11.4%), on an organic basis. Amid an increasingly uncertain geopolitical context, Thales' products and solutions underpinned by security, sovereignty and innovation once again demonstrate their relevance and appeal on a global scale. This is why Thales is confirming its 2026 targets, with an upward revision of order intake and cash generation. These results reflect the commitment of our teams in support of our customers."

Patrice Caine, Chairman & Chief Executive Officer

¹ In this press release, "organic" means "at constant scope and exchange rates". See note on methodology on page 12 and calculation on page 17.

² Cancellation of the order of 2 geostationary satellites notified during the second quarter of 2026.

³ Non-GAAP financial indicators, see definitions in the appendices, pages 12 and 13.

⁴ Assuming no new major disruptions of macroeconomic and geopolitical context.

⁵ Ratio of order intake to sales.

⁶ i.e., between €23.3 and €23.6 billion, based on the scope as of end-June 2026, the average exchange rates of the first half of 2026, and the assumption of an average EUR/USD exchange rate of 1.18 in the second half of the year.

⁷ As at the date of this press release, the limited review of the financial statements has been completed and the statutory auditors' report has been issued following the Board of Directors' meeting.

Key figures

<i>In € millions except earnings per share (in €)</i>	H1 2026	H1 2025	Total change	Organic change
Order intake	12,471	10,352	+21%	+22%
Order book at end of period	52,434	50,038	+5%	+4%
Sales	10,949	10,265	+6.7%	+7.8%
Adjusted EBIT⁸	1,372	1,248	+9.9%	+11.4%
<i>as a % of sales</i>	12.5%	12.2%	+0.4 pts	+0.4 pts
Adjusted net income, Group share⁸	990	877	+13%	
Adjusted net income, Group share, per share⁸	4.82	4.27	+13%	
Net income, Group share	485	664	(27)%	
Free operating cash flow⁸	1,865	499	+1,366	
Net cash (debt) at end of period⁸	(519)	(3,427)	+2,908	

Thales' commercial momentum remained particularly strong in the first half of 2026, with **order intake** reaching **€12,471 million**, up 21% year-on-year compared with the first half of 2025 (**+22% at constant scope and exchange rates**). This sharp progression, driven in particular by the Defence and Space segments, reflects the quality and relevance of the Group's business portfolio. The consolidated **order book** as of June 30, 2026 stood at **€52 billion**, up 5% compared with the first half of 2025, despite the removal of the order book of the orders related to the F126 programme in Germany as well as several orders in Space.

Sales totaled **€10,949 million**, up 6.7% in total change (**+7.8% at constant scope and exchange rates**) compared with the first half of 2025. This sales growth was notably supported by continued double-digit growth in Defence activities. Excluding non-recurring items impacting Space activities, organic sales growth reached +9.6% for the first half.

The Group reported an **Adjusted EBIT** of **€1,372 million** for the first half of 2026, compared with €1,248 million in the first half of 2025, up +9.9% (+11.4% on an organic basis). The Adjusted EBIT margin reached 12.5% of sales, showing solid improvement compared with the first half of 2025 (12.2% of sales).

At **€990 million, Adjusted net income, Group share**, increased by 13% year-on-year. It includes an additional temporary contribution to corporate tax in France amounting to €57 million.

Net income, Group share amounted to €485 million in the first half of 2026, compared with €664 million last year. This evolution takes into account an exceptional charge linked to the termination of the F126 frigates programme by the German Ministry of Defence, for an impact of €331 million on the Net income, Group share for the first half of 2026.

Free operating cash flow in the first half of 2026 was significant, amounting to **€1,865 million**, compared with €499 million in the first half of 2025. This exceptional increase is driven by a significant improvement in the change in working capital requirement compared with June 30, 2025. It results from the Group's strong momentum in order intake as well as a favourable phasing of customer payments, reflecting sound management and rigorous project execution.

Net debt stood at **€519 million** as of June 30, 2026, compared with €1,618 million as of December 31, 2025 and €3,427 million as of June 30, 2025.

⁸ Non-GAAP financial indicators, see definitions in the appendices, page 12.

Order intake

In € millions	H1 2026	H1 2025	Total change	Organic change
Aerospace	3,260	2,658	+23%	+24%
Defence	7,351	5,762	+28%	+28%
Cyber & Digital	1,806	1,886	(4)%	(1)%
Total – operating segments	12,417	10,306	+21%	+22%
Other	54	46		
Total	12,471	10,352	+21%	+22%
Of which mature markets ⁹	9,264	7,031	+32%	+33%
Of which emerging markets ⁹	3,207	3,321	(3)%	(2)%

Order intake in the first half of 2026 amounted to **€12,471 million, up 21%** compared to the first half of 2025 (22% at constant scope and exchange rates). Thales' strong commercial momentum continued in the first half of 2026, despite a high comparison basis, driven by the remarkable performance of its Defence and Space activities. The book-to-bill ratio stood at 1.14 (1.01 in the first half of 2025).

Thales booked a total of **18 large orders with a unit value exceeding €100 million** in the first half of 2026, for a total amount of **€4,850 million**. Among these orders, 7 of these orders were booked in the first quarter and 11 in the second quarter, with:

- The signature of a contract with Es'hailSat, a satellite communications operator in Qatar, to develop a new generation geostationary telecommunications satellite based on the Space INSPIRE platform;
- The signature of a contract with the European Space Agency (ESA) for the development of two Sentinel-1 Next Generation satellites under the Copernicus Earth Observation programme;
- The entry into force of a new tranche of the Exomars 2028 contract signed with ESA in 2024 to relaunch the European space mission dedicated to the exploration of the Red Planet
- An order from the Australian Government for the additional delivery of 268 next-generation Bushmaster protected mobility vehicles;
- An order from a Middle Eastern country for several air surveillance systems;
- A major contract with a civil aviation authority;
- An order from the Joint Armament Cooperation Organisation (OCCAR) to the EUROSAM GIE for the development of the two-layer ASTER/VL MICA version of the SAMP/T NG;
- An order for the provision to the German Armed Forces of thousands of optronic systems, including next-generation XTRAIM thermal weapon sights and next-generation night-vision systems;
- A contract with the Greek Defence Procurement Agency (GDDIA) for the modernisation of the mission system of Hydra-class frigates;
- Under the development of the Rafale F5 standard:
 - An order from the French Defence Procurement Agency (DGA) for the development of the next generation of the SPECTRA electronic warfare suite;
 - An order from the DGA for the development of next-generation connectivity.

At **€7,621 million**, order intake **with a unit value of less than €100 million** recorded an increase of 2% compared with the first half of 2025. Orders **with a unit value of less than €10 million** were up 3%.

Geographically¹⁰, order intake in mature markets amounted to €9,264 million, up strongly versus the first half of 2025 (+32% on a total basis and +33% on an organic basis). This momentum was driven in particular by France (+34% on an organic basis), other European countries (+46%) and Australia and

⁹ Mature markets: Europe, North America, Australia, New Zealand. Emerging markets: all other countries. See table on page 16.

¹⁰ See table on page 16.

New Zealand (+35%). Order intake in emerging markets amounted to €3,207 million, down (3)% on a total basis ((2)% on an organic basis). The Near and Middle East region recorded a very sharp increase (+202% on an organic basis), supported notably by orders in air defence and space. The decline in Asia is due to a high comparison basis resulting from the booking in the first half of 2025 of the Rafale Marine order for the Indian Navy.

Order intake in the **Aerospace** segment stood at **€3,260 million** compared to €2,658 million in the first half of 2025 (+24% at constant scope and exchange rates), driven mainly by Space activities. Demand remains strong in this business area, in particular among institutional customers and for major programmes such as Copernicus or Exomars. As a result, five orders with a unit value of more than €100 million were recorded in the first half of 2026.

At **€7,351 million** (compared to €5,762 million in the first half of 2025, i.e. +28% at constant scope and exchange rates), order intake in the **Defence** segment rose strongly again in the first half of 2026. The commercial momentum remains sustained across Thales' portfolio of products and solutions as well as in most geographies, particularly in the Middle East, where Thales' products and solutions are experiencing strong demand. During the first half of 2026, thirteen orders with a unit value exceeding €100 million were booked in Defence. The momentum seen in the first quarter accelerated in the second quarter, with the booking of eleven large orders, including two orders from the DGA related to the development of the F5 Rafale standard, as well as an order from the Australian Government for the delivery of Bushmaster protected mobility vehicles.

The segment's order book stood at **€41.1 billion** (compared to €38.9 billion in the first half of 2025), i.e. around 3.2 years of sales.

At **€1,806 million**, order intake in the Cyber & Digital segment was structurally very close to sales, as most of the activities in this segment operate on short sales cycles. The order book is therefore not significant.

Sales

In € millions	H1 2026	H1 2025	Total change	Organic change
Aerospace	2,779	2,759	+0.7%	+2.1%
Defence	6,316	5,593	+12.9%	+13.1%
Cyber & Digital	1,797	1,849	(2.8)%	+0.4%
Of which Cyber	681	696	(2.2)%	+1.6%
Of which Digital	1,116	1,153	(3.2)%	(0.3)%
Total – operating segments	10,892	10,202	+6.8%	+7.9%
Other	57	63		
Total	10,949	10,265	+6.7%	+7.8%
Of which mature markets ¹¹	8,563	8,135	+5.3%	+6.0%
Of which emerging markets ¹¹	2,386	2,130	+12.0%	+14.6%

Sales for the first half of 2026 totaled **€10,949 million**, compared to €10,265 million in the first half of 2025, up 6.7% in total change (+7.8% at constant scope and exchange rates).

Geographically¹⁰, sales showed a solid increase in emerging markets, growing organically by 14.6%, with a remarkable performance in the Near and Middle East region (+36.7%). Sales in mature markets increased organically by 6.0%, driven notably by Europe (+9.4%).

In the **Aerospace** segment, sales amounted to **€2,779 million**, up 0.7% year-on-year from the first half of 2025 (+2.1% at constant scope and exchange rates). Avionics activities grew in the first half of 2026. The decrease in air traffic linked to the conflict in the Middle East had a relatively limited impact on aftermarket activity, while linefit activities benefitted from the progressive ramp-up in aircraft manufacturers' production rates. Space sales showed a solid underlying progression but were impacted by the cancellation, in May 2026, of the order for two geostationary telecommunications satellites, for a total impact of approximately €(150) million. Excluding this impact, Thales' underlying growth in Aerospace remained strong and amounted to 8.8% in the first half of 2026 (including 11.0% in the second quarter).

Sales in the **Defence** segment reached **€6,316 million**, up 12.9% compared with the first half of 2025 (+13.1% at constant scope and exchange rates). After a very strong first quarter, activity continued to record double-digit organic growth in the second quarter (+11.9%). Defence activity is reaping the benefits of the Group's ramp-up in production, notably in sensors and effectors, to meet increased demand from the Group's customers. This is particularly the case in the Near and Middle East, where the Group continues to support its customers by responding to their short- and medium-term requirements.

At **€1,797 million**, sales in the **Cyber & Digital** segment were down (2.8)% compared with the first half of 2025 (+0.4% at constant scope and exchange rates). This development reflects the return to growth in Cyber activities, as well as a high comparison basis for Digital activities:

- **Cyber** businesses recorded an increase in sales in the first half of 2026, with sales up +1.6% at constant scope and exchange rates. After a slight decline in the first quarter, second-quarter sales showed a rebound, with organic growth of +4.5%.
- **Digital** activities were almost flat in the first half of 2026 (down 0.3% at constant scope and exchange rates). After a dynamic first quarter, second-quarter growth reflected a high comparison basis in Secure Connectivity Solutions, linked to the recording in the first half of

¹¹ Mature markets: Europe, North America, Australia, New Zealand. Emerging markets: all other countries. See table on page 16.

2025 of a particularly large, non-recurring order. Within Payment Services, digital banking solutions recorded solid growth, albeit mitigated by low volumes in payment cards.

Results

Adjusted EBIT	H1 2026	H1 2025	Total change	Organic change
<i>In € millions</i>				
Aerospace	289	252	+14.8%	+17.2%
<i>as a % of sales</i>	<i>10.4%</i>	<i>9.1%</i>	<i>+1.3 pts</i>	<i>+1.3 pts</i>
Defence	875	718	+21.8%	+22.0%
<i>as a % of sales</i>	<i>13.8%</i>	<i>12.8%</i>	<i>+1.0 pts</i>	<i>+1.0 pts</i>
Cyber & Digital	195	267	(26.9)%	(23.5)%
<i>as a % of sales</i>	<i>10.9%</i>	<i>14.4%</i>	<i>(3.6) pts</i>	<i>(3.4) pts</i>
Total – operating segments	1,359	1,237	+9.9%	+11.4%
<i>as a % of sales</i>	<i>12.5%</i>	<i>12.1%</i>	<i>+0.4 pts</i>	<i>+0.4 pts</i>
Other – excluding Naval Group	(26)	(24)		
Total – excluding Naval Group	1,333	1,213	+9.9%	+11.4%
<i>as a % of sales</i>	<i>12.2%</i>	<i>11.8%</i>	<i>+0.4 pts</i>	<i>+0.4 pts</i>
Naval Group (share at 35%)	39	35		
Total	1,372	1,248	+9.9%	+11.4%
<i>as a % of sales</i>	<i>12.5%</i>	<i>12.2%</i>	<i>+0.4 pts</i>	<i>+0.4 pts</i>

The Group reported an increase in its profitability for the first half of 2026, with an **Adjusted EBIT¹² of €1,372 million**, representing **12.5%** of sales, compared with €1,248 million (12.2% of sales) in the first half of 2025.

The **Aerospace** segment recorded an Adjusted EBIT of **€289 million** (10.4% of sales), compared with €252 million (9.1% of sales) in the first half of 2025. The increase in the Adjusted EBIT margin is driven in particular by improved profitability in the Space activity, which benefits in 2026 from the adaptation plan implemented over the last two years, despite the effects related to the cancellation of an order for two geostationary satellites during the period.

Adjusted EBIT for the **Defence** segment amounted to **€875 million**, compared with €718 million in the first half of 2025 (+22.0% at constant scope and exchange rates). At 13.8%, the margin of this segment is showing a notable improvement compared with that of the first half of 2025 (12.8% in the first half of 2025).

At **€195 million**, Adjusted EBIT in the **Cyber & Digital** segment decreased in the first half of 2026, compared with €267 million in the first half of 2025. The margin amounted to **10.9%** of sales (compared with 14.4% in the first half of 2025). The margin for Cyber activities was almost stable over the semester at 14.0%. The margin for Digital activities, by contrast, declined, notably due to the high comparison basis in the first half of 2025, which benefited from non-recurring elements, and due to the decline in margin within Payment Services and within Identity and Biometrics activities in challenging market contexts.

Excluding Naval Group, **unallocated EBIT** amounted to **€(26) million**, virtually stable compared to the first half of 2025 (€(24) million).

At **€39 million** in the first half of 2026, **Naval Group's** contribution to Adjusted EBIT was higher than in the first half of 2025.

Net financial interest amounted to **€(33) million**, compared with €(56) million in the first half of 2025. This improvement is driven mainly by a net debt level that is significantly lower than at June 30, 2025.

¹² Non-GAAP financial indicators, see definitions in the appendices, page 12, and calculation pages 14 and 15.

Other adjusted financial income¹³ amounted to **€(22) million** over the first six months of 2026, compared with €(30) million in the first half of 2025. This evolution principally reflects a more favourable foreign exchange result in the first half of 2026. The **adjusted financial result on pensions and other long-term employee benefits** was stable at **€(27) million**, compared with €(26) million in the first half of 2025.

Adjusted net income, Group share¹³ amounted to **€990 million**, compared with €877 million in the first half of 2025, after an adjusted income tax charge¹³ of €(310) million, compared with €(277) million in the first half of 2025. This charge includes the additional temporary contribution of €57 million to corporate tax in France in the first half of 2026. The effective tax rate stood at **25.8%** and at 21.0% excluding the additional contribution to corporate tax in France as of June 30, 2026 (compared with 26.7% as of June 30, 2025).

Adjusted net income, Group share, per share¹³ amounted to **€4.82**, up 13% compared with the first half of 2025 (€4.27).

On July 3, 2026, Thales stated that it acknowledged the decision by the German Ministry of Defence, announced on 24 June 2026, to terminate the contract relating to the programme for six F126 frigates, for which the Dutch shipyard Damen Schelde Naval Shipbuilding ("DSNS") was the prime contractor and Thales one of the subcontractors.

Following the termination of this programme, the Group recognised an exceptional and mostly non-cash charge of €450 million in the first half of 2026. This amount mainly corresponds to costs already paid by Thales to ensure the progress of the project, as well as to a conservative estimate of the financial compensation to be received. Given its exceptional nature, it has no effect on the Group's Adjusted EBIT and Adjusted Net Income. It however impacts Thales' Net income, Group share, by about €331 million in the Group's first-half 2026 consolidated statements. This charge has no material impact on the Group's free operating cash flow.

Thales will claim all its rights in order to obtain compensation for the work carried out as part of this project and for the prejudice suffered as a result of termination of the program.

Taking into account this impact, Thales' **Net income, Group share**, for the first half of 2026 amounted to €485 million, compared with €664 million in the first half of 2025.

¹³ Non-GAAP financial indicators, see definitions in the appendices, page 12, and calculation pages 14 and 15.

Financial position as of June 30, 2026

In € millions	H1 2026	H1 2025	Variation
Operating cash flow before working capital changes, interest and tax	1,734¹⁴	1,526	+208
+ Change in working capital and provisions for contingencies	552 ¹⁴	(530)	+1,082
+ Payment of pension contributions, excluding contributions related to the reduction of the United Kingdom pension deficit	(78)	(76)	(2)
+ Net financial interest received (paid)	(26)	(40)	+14
+ Income tax paid	(11)	(71)	+60
+ Net operating investments	(307)	(310)	+4
Free operating cash flow	1,865	499	1,366
+ Net balance of disposals (acquisitions) of subsidiaries and affiliates	(6)	(64)	+59
+ Contribution to the reduction of pension financing deficits in the United Kingdom	0	(1)	+1
+ Dividends paid	(606)	(586)	(21)
+ New lease liabilities (IFRS 16)	(178)	(118)	(60)
+ Exchange rates and other	24	(113)	+137
Change in net cash (debt)	1,099	(383)	+1,483
Net cash (debt) at start of period	(1,618)	(3,044)	+1,425
+ Change in net cash (debt)	1,099	(383)	+1,483
Net cash (debt) at end of period	(519)	(3,427)	+2,908

Free operating cash flow amounted to **€1,865 million**, compared with €499 million in the first half of 2025. This exceptional increase was mainly driven by an improvement in the change in working capital requirement.

During the semester, **the net balance of acquisitions and disposals of subsidiaries and affiliates** amounted to **€(6) million**, as the Group did not finalise any significant acquisition or disposal in the period.

As of June 30, 2026, **net debt** amounted to **€519 million**, compared with €1,618 million as of December 31, 2025, after taking into account primarily the net balance of acquisitions (disposals) of subsidiaries and affiliates for a net negative amount of **€(6) million**, dividend payments of **€(606) million** (€(586) million in the first half of 2025) and new lease liabilities of **€(178) million** (€(118) million in the first half of 2025).

Shareholders' equity, Group share amounted to **€8,007 million**, compared with €7,968 million as of December 31, 2025. This evolution reflects the positive contribution of net income, Group share (+€485 million), decreased by the dividend distribution (€(606) million).

¹⁴ Excluding the impact of F126 programme cancellation for €450m.

Outlook

The performance in the first half of the year confirms the path of sustainable and profitable growth on which Thales is firmly positioned. Thanks to favourable commercial momentum across all its businesses, and the continued increase in its production capacity to meet its customers' demand, the Group enters the second half of 2026 with confidence, thereby confirming its target for organic sales growth for the year. The non-recurring items will accordingly have no effect on expected sales growth, given the underlying improvement in growth trends, notably in Defence.

With regard to the Adjusted EBIT margin, Thales confirms its expectation of a solid increase in margin, driven primarily by the margin progression in the Aerospace and Defence segments.

The robust momentum and strong visibility enjoyed by the Group, in particular within Defence activities, led to the upward revision of the expected book-to-bill ratio and conversion rate into operating free cash flow for the year on July 3, 2026.

In the absence of any changes in the macroeconomic and geopolitical environment, Thales confirms all its financial objectives for 2026:

- A book-to-bill ratio above 1.1 (objective revised upwards on July 3, 2026);
- Organic sales growth expected between +6% and +7%, corresponding to sales of €23.3 to €23.6 billion¹⁵;
- Adjusted EBIT margin expected between 12.6% and 12.8%;
- Conversion into operating free cash flow expected between 100% and 110% (objective revised upwards on July 3, 2026).

This press release contains certain forward-looking statements. Although Thales believes that its expectations are based on reasonable assumptions, actual results may differ significantly from the forward-looking statements due to various risks and uncertainties, as described in the Company's Universal Registration Document, which has been filed with the French financial markets authority (Autorité des marchés financiers – AMF).

About Thales

Thales (Euronext Paris: HO) is a global leader in advanced technologies for the Defence, Aerospace, and Cyber & Digital sectors. Its portfolio of innovative products and services helps address several major challenges: sovereignty, security, sustainability and inclusion.

The Group allocates €4.5 billion per year in Research & Development in key areas, particularly for critical environments, such as Artificial Intelligence, Cybersecurity, Quantum, Cloud technologies and 6G.

Thales has more than 85,000 employees in 65 countries. In 2025, the Group generated sales of €22.1 billion.

¹⁵ Based on end of June 2026 scope, average foreign exchange rates for H1 2026 and an assumption of average EUR/USD at 1.18 for H2 2026.

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UPCOMING EVENTS

Order intake and sales as of
September 30, 2026

October 22, 2026 (before market)

Appendices

Note on methodology

In this press release, amounts expressed in millions of euros are rounded to the nearest million. As a result, the sums of the **rounded amounts** may differ very slightly from the reported totals. All ratios and changes are calculated based on underlying amounts.

“**Organic change**” measures the movement in monetary indicators excluding the effects of changes in exchange rates and scope of consolidation. It is obtained by calculating the difference between the indicator for the previous year discounted at the exchange rates applicable for the current year for entities whose reporting currency is not the euro, less the contribution of entities divested during the current year, and the value of the indicator for the current year, less the contribution of entities acquired during the current year. The calculation of organic change in sales is detailed on page 17.

Definitions of non-GAAP financial indicators

In order to facilitate the monitoring and benchmarking of its financial and operating performance, the Group presents three key non-GAAP indicators, which exclude non-operating and/or non-recurring items. They are determined as follows:

- **Adjusted EBIT:** income from operations; plus the share in net income of equity affiliates, excluding (i) expenses related to business combinations (amortization of assets valued as part of the purchase price allocation, other expenses directly linked business combinations) (ii) the impact of changes in the Thales share price on the expense recognized in the income statement in respect of LTI plans.
- **Adjusted net income:** net income, less the following elements, net of the corresponding tax effects:
 - Amortization of acquired assets (PPA);
 - Expenses recorded in the income from operations or in “financial results” which are directly related to business combinations, which by their nature are unusual;
 - Disposal of assets, change in scope of consolidation and other;
 - Impairment of assets;
 - Changes in the value of derivative instruments (recognized under “other financial income and expenses” in the consolidated financial statements);
 - Actuarial gains or losses on long-term benefits (recognized under “Finance costs on pensions and other long term employee benefits” in the consolidated financial statements);
 - Impact of changes in the Thales share price on the expense recognized in the income statement in respect of LTI plans.
- **Free operating cash flow** corresponds to the net cash flow from operating activities before contributions to reduce the pension deficit in the United Kingdom, and after deducting net operating investments.

Defining Adjusted EBIT and Adjusted net income involves defining other indicators in the **adjusted income statement**: adjusted cost of sales, adjusted gross margin (corresponding to the difference between sales and the adjusted cost of sales), adjusted indirect costs, other adjusted financial income, adjusted financial income on pensions and long-term employee benefits, adjusted income tax, Adjusted net income, Group share, per share, calculated as described on pages 18 and 19.

Net cash (debt) corresponds to the difference between the sum of the “Cash and cash equivalents” and “Other current financial assets” items, and short- and long-term borrowings, including lease liabilities, after deduction of interest rate hedging derivatives.

Please note that only the consolidated financial statements as of June 30, 2026 are audited by the statutory auditors, including Adjusted EBIT, the calculation of which is outlined in Note 2 “Segment information”, net cash (debt), the definition and calculation of which appears in Note 6.2 “Net cash

(debt)", free operating cash flow, the definition and calculation of which is specified in Note 6.3 "Changes in net debt". Adjusted financial information other than that provided in the notes to the consolidated financial statements is subject to the verification procedures applicable to all information included in this press release.

The impact of these adjustment entries on the income statements at June 30, 2026 and June 30, 2025 is detailed in the tables on pages 14 and 15. The calculation of free operating cash flow is detailed on page 9.

Adjusted income statement, Adjusted EBIT and Adjusted net income – H1 2026

	Consolidated income statement H1 2026	Adjustments					Adjusted income statement H1 2026
<i>In € millions except earnings per share (in €)</i>		(1)	(2)	(3)	(4)	(5)	
Sales	10,949	—	—	—	—	—	10,949
Cost of sales	(7,964)	149	—	—	—	4	(7,811)
Research and development expenses	(674)	—	—	—	—	—	(674)
Marketing and selling expenses	(798)	—	—	—	—	—	(798)
General and administrative expenses	(361)	—	—	—	—	—	(361)
Restructuring costs	(24)	—	—	—	—	—	(24)
Income from operations	1,128	149	—	—	—	4	1,281
Share in net income of equity affiliates	83	7	—	—	—	—	91
EBIT	N/A	156	—	—	—	4	1,372
Gains and losses on disposals of assets, changes in scope and other	(512)	—	512	—	—	—	—
Impairment of assets	—	—	—	—	—	—	—
Net financial interest	(33)	—	—	—	—	—	(33)
Other financial income and expenses	(38)	—	—	16	—	—	(22)
Finance costs on pensions and other long-term employee benefits	(24)	—	—	—	(3)	—	(27)
Income tax	(134)	(38)	(135)	(4)	1	(1)	(310)
<i>Effective income tax rate*</i>	25.6%	—	—	—	—	—	25.8%
Net income	471	119	377	12	(2)	3	980
Non-controlling interests	14	(4)	—	—	—	—	10
Net income, Group share	485	115	377	12	(2)	3	990
<i>Average number of shares (thousands)</i>	205,505	—	—	—	—	—	205,505
Net income, Group share per share (in €)	2,36	—	—	—	—	—	4,82

(*) Income tax divided by net income before income tax and before share in net income of equity affiliates.

Adjustments (see definitions on pages 12 and 13):

- (1) Impact of business combinations: amortization of assets valued as part of the purchase price allocation, other expenses directly related to acquisitions.
- (2) Income from disposals of assets, changes in scope and others.
- (3) Change in fair value of foreign exchange derivatives.
- (4) Actuarial gains (losses) on long-term benefits.
- (5) Impact of the evolution of the share price of Thales on long-term equity compensation plans.

Adjusted income statement, Adjusted EBIT and Adjusted net income – H1 2025

	Consolidated income statement H1 2025	Adjustments					Adjusted income statement H1 2025
<i>In € millions except earnings per share (in €)</i>		(1)	(2)	(3)	(4)	(5)	
Sales	10,265	—	—	—	—	—	10,265
Cost of sales	(7,556)	203	—	—	—	46	(7,307)
Research and development expenses	(627)	—	—	—	—	—	(627)
Marketing and selling expenses	(774)	—	—	—	—	—	(774)
General and administrative expenses	(355)	—	—	—	—	—	(355)
Restructuring costs	(55)	—	—	—	—	—	(55)
Income from operations	898	203	—	—	—	46	1,147
Share in net income of equity affiliates	93	8	—	—	—	—	101
EBIT	N/A	211	—	—	—	46	1,248
Gains and losses on disposals of assets, changes in scope and other	(22)	—	22	—	—	—	—
Impairment of assets	—	—	—	—	—	—	—
Net financial interest	(56)	—	—	—	—	—	(56)
Other financial income and expenses	(44)	—	—	14	—	—	(30)
Finance costs on pensions and other long-term employee benefits	(22)	—	—	—	(4)	—	(26)
Income tax	(205)	(51)	(7)	(4)	1	(12)	(277)
<i>Effective income tax rate*</i>	27,2%	—	—	—	—	—	26,7%
Net income	642	160	16	10	(3)	34	859
Non-controlling interests	22	(4)	—	—	—	—	18
Net income, Group share	664	156	16	10	(3)	34	877
<i>Average number of shares (thousands)</i>	205,818	—	—	—	—	—	205,818
Net income, Group share per share (in €)	3,22	—	—	—	—	—	4,26

(*) Income tax divided by net income before income tax and share in the profit of equity-accounted companies.

Adjustments (see definitions on pages 12 and 13):

- (1) Impact of business combinations: depreciation of assets valued under purchase price allocation, other charges directly related to acquisitions.
- (2) Result of disposals, changes in scope and others.
- (3) Change in fair value of foreign exchange derivatives.
- (4) Actuarial gains and losses on long-term benefits.
- (5) Impact of the evolution of the share price of Thales on long-term equity compensation plans.

Order intake by destination – H1 2026

	H1 2026	H1 2025	Total change	Organic change	2026 weighting as a %
<i>In € millions</i>					
France	2,547	1,899	+34%	+34%	20%
United Kingdom	486	433	+12%	+16%	4%
Rest of Europe	3,927	2,706	+45%	+46%	31%
Subtotal Europe	6,960	5,037	+38%	+39%	56%
United States and Canada	1,436	1,376	+4%	+9%	12%
Australia and New Zealand	867	618	+40%	+35%	7%
Total mature markets	9,264	7,031	+32%	+33%	74%
Asia	1,501	2,516	(40%)	(40%)	12%
Near and Middle East	1,238	424	+192%	+202%	10%
Rest of the world	468	381	+23%	+24%	4%
Total emerging markets	3,207	3,321	(3%)	(2%)	26%
Total all markets	12,471	10,352	+21%	+22%	100%

Sales by destination – H1 2026

	H1 2026	H1 2025	Total change	Organic change	2026 weighting as a %
<i>In € millions</i>					
France	2,947	3,002	(1.8)%	(1.7)%	27%
United Kingdom	708	708	(0.0)%	+3.0%	6%
Rest of Europe	3,305	2,669	+23.9%	+23.6%	30%
Subtotal Europe	6,960	6,378	+9.1%	+9.4%	64%
United States and Canada	1,091	1,312	(16.8)%	(12.8)%	10%
Australia and New Zealand	511	445	+15.0%	+10.5%	5%
Total mature markets	8,563	8,135	+5.3%	+6.0%	78%
Asia	1,063	999	+6.4%	+9.4%	10%
Near and Middle East	790	593	+33.1%	+36.7%	7%
Rest of the world	533	537	(0.7)%	+0.1%	5%
Total emerging markets	2,386	2,130	+12.0%	+14.6%	22%
Total all markets	10,949	10,265	+6.7%	+7.8%	100%

Order intake and sales – Q2 2026

Order intake	Q2 2026	Q2 2025	Total change	Organic change
<i>In € millions</i>				
Aerospace	1,738	1,128	+54%	+55%
Defence	5,111	4,455	+15%	+14%
Cyber & Digital	949	968	(2)%	(2)%
Total – operating segments	7,798	6,552	+19%	+19%
Other	20	22		
Total	7,818	6,574	+19%	+19%

Sales

In € millions

Aerospace	1 395	1 417	(1.6)%	(1.4)%
Defence	3 268	2 903	+12.6%	+11.9%
Cyber & Digital	938	953	(1.5)%	(0.9)%
Of which Cyber	358	345	+3.8%	+4.5%
Of which Digital	580	608	(4.6)%	(4.0)%
Total – operating segments	5 601	5 273	+6.2%	+6.0%
Other	32	32		
Total	5 633	5 305	+6.2%	+6.0%

Organic change in sales by quarter

	2025 sales	Exchange rates effect	Impact of disposals	2026 sales	Impact of acquisitions	Total change	Organic change
<i>In € millions</i>							
Q1	4,960	(116)	(5)	5,316	+6	+7.2%	+9.7%
Q2	5,305	1	(2)	5,633	+11	+6.2%	+6.0%
H1	10,265	(116)	(7)	10,949	+17	+6.7%	+7.8%