

## Constellation Software Inc. Announces Results for the First Quarter Ended March 31, 2026 and Declares Quarterly Dividend

**TORONTO, ONTARIO (May 12, 2026)** -- Constellation Software Inc. (TSX:CSU) (“Constellation” or the “Company”) today announced its financial results for the first quarter ended March 31, 2026 and declared a \$1.00 per share dividend payable on July 10, 2026 to all common shareholders of record at close of business on June 19, 2026. This dividend has been designated as an eligible dividend for the purposes of the Income Tax Act (Canada). Please note that all dollar amounts referred to in this press release are in U.S. Dollars unless otherwise stated.

The following press release should be read in conjunction with the Company’s Unaudited Condensed Consolidated Interim Financial Statements for the three months ended March 31, 2026 and the accompanying notes, our Management Discussion and Analysis for the three months ended March 31, 2026 and with our annual Consolidated Financial Statements, prepared in accordance with International Financial Reporting Standards (“IFRS”) and our annual Management’s Discussion and Analysis for the year ended December 31, 2025, which can be found on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) and on the Company’s website [www.csisoftware.com](http://www.csisoftware.com). Additional information about the Company is also available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com)

### Q1 2026 Headlines:

- Revenue increased 20% (6% organic growth, 2% after adjusting for changes in foreign exchange rates) to \$3,181 million compared to \$2,654 million in Q1 2025.
- Net income attributable to common shareholders was \$367 million for Q1 2026 (\$17.32 on a diluted per share basis), compared to net income attributable to common shareholders of \$136 million (\$6.41 on a diluted per share basis) in Q1 2025.
- A number of acquisitions were completed for aggregate cash consideration of \$697 million (which includes acquired cash). Deferred payments associated with these acquisitions have an estimated value of \$112 million resulting in total consideration of \$809 million.
- Cash flows from operations (“CFO”) were \$897 million, an increase of 9%, or \$70 million, compared to \$827 million for the comparable period in 2025.
- Free cash flow available to shareholders<sup>1</sup> (“FCFA2S”) were \$733 million, an increase of 44%, or \$223 million, compared to \$510 million for the comparable period in 2025.
- Subsequent to March 31, 2026, the Company completed or has open commitments to acquire a number of businesses for aggregate cash consideration of \$627 million on closing plus total estimated deferred payments of \$159 million for total consideration of \$786 million.

Total revenue for the quarter ended March 31, 2026 was \$3,181 million, an increase of 20%, or \$527 million, compared to \$2,654 million for the comparable period in 2025. The increase is primarily attributable to growth from acquisitions as the Company experienced organic growth of 6% in the quarter, 2% after adjusting for the impact of changes in the valuation of the US dollar against most major currencies in which the Company transacts business. For acquired companies, organic growth is calculated as the difference between actual revenues achieved by each company in the financial period following acquisition compared to the estimated revenues they achieved in the corresponding financial period preceding the date of acquisition by Constellation. Organic growth is not a standardized financial measure and might not be comparable to measures disclosed by other issuers.

The net income attributable to common shareholders of CSI for the quarter ended March 31, 2026 was \$367 million compared to \$136 million for the same period in 2025. On a per share basis this translated into net income per basic and diluted share of \$17.32 in the quarter ended March 31, 2026 compared to \$6.41 for the same period in 2025. There was no change in the number of shares outstanding.

For the quarter ended March 31, 2026, CFO increased \$70 million to \$897 million compared to \$827 million for the same period in 2025 representing an increase of 9%.

For the quarter ended March 31, 2026, FCFA2S increased \$223 million to \$733 million compared to \$510 million for the same period in 2025 representing an increase of 44%.

1. See Non-IFRS measures.

## **Forward Looking Statements**

Certain statements herein may be “forward looking” statements that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Constellation or the industry to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to vary significantly from the results discussed in the forward looking statements. These forward looking statements reflect current assumptions and expectations regarding future events and operating performance and are made as of the date hereof and Constellation assumes no obligation, except as required by law, to update any forward looking statements to reflect new events or circumstances.

## **Non-IFRS Measures**

Free cash flow available to shareholders “FCFA2S” refers to net cash flows from operating activities less interest paid on lease obligations, interest paid on debt, debt transaction costs, payments of lease obligations, the IRGA / TSS membership liability revaluation charge, and property and equipment purchased, and includes interest and dividends received, and the proceeds from sale of interest rate caps. The portion of this amount applicable to non-controlling interests is then deducted. We believe that FCFA2S is useful supplemental information as it provides an indication of the uncommitted cash flow that is available to shareholders if we do not make any acquisitions, or investments, and do not repay any debts. While we could use the FCFA2S to pay dividends or repurchase shares, our objective is to invest all of our FCFA2S in acquisitions which meet our hurdle rate.

FCFA2S is not a recognized measure under IFRS and, accordingly, readers are cautioned that FCFA2S should not be construed as an alternative to net cash flows from operating activities.

The following table reconciles FCFA2S to net cash flows from operating activities:

	Three months ended March 31,	
	<u>2026</u>	<u>2025</u>
	(\$ in millions)	
<b>Net cash flows from operating activities</b>	897	827
<b>Adjusted for:</b>		
Interest paid on lease obligations	(4)	(4)
Interest paid on debt	(61)	(62)
Debt transaction costs	(1)	(0)
Payments of lease obligations	(38)	(31)
IRGA / TSS membership liability revaluation charge	76	(94)
Property and equipment purchased	(19)	(15)
Interest and dividends received	12	11
	<hr/>	<hr/>
	863	632
Less amount attributable to Non-controlling interests	(130)	(121)
Free cash flow available to shareholders	733	510

Due to rounding, certain totals may not foot.

### About Constellation Software Inc.

Constellation's common shares are listed on the Toronto Stock Exchange under the symbol "CSU". Constellation acquires, manages and builds vertical market software businesses.

### For further information:

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**SOURCE: CONSTELLATION SOFTWARE INC.**

# CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statements of Financial Position

(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

March 31, 2026 December 31, 2025

## Assets

### Current assets:

Cash and cash equivalents	\$	3,010	\$	3,089
Accounts receivable		1,630		1,467
Unbilled revenue		478		450
Inventories		83		66
Other assets		755		726
		5,956		5,798

### Non-current assets:

Property and equipment		239		241
Right of use assets		390		384
Deferred income taxes		369		355
Investments in associates		683		655
Other assets		425		345
Intangible assets		8,907		8,388
		11,013		10,368

<b>Total assets</b>	<b>\$</b>	<b>16,969</b>	<b>\$</b>	<b>16,167</b>
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## Liabilities and Shareholders' Equity

### Current liabilities:

Debt with recourse to Constellation Software Inc.	\$	-	\$	-
Liability of CSI under the IRGA		655		775
Debt without recourse to Constellation Software Inc.		585		591
Accounts payable and accrued liabilities		1,759		1,941
Dividends payable		21		21
Deferred revenue		2,891		2,215
Provisions		17		17
Acquisition holdback payables		238		218
Lease obligations		149		141
Income taxes payable		217		150
		6,532		6,069

### Non-current liabilities:

Debt with recourse to Constellation Software Inc.		1,480		1,489
Liability of CSI under the IRGA		478		458
Debt without recourse to Constellation Software Inc.		1,925		2,051
Deferred income taxes		935		890
Acquisition holdback payables		234		208
Lease obligations		289		282
Other liabilities		487		451
		5,828		5,830

<b>Total liabilities</b>		<b>12,360</b>		<b>11,899</b>
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### Shareholders' equity:

Capital stock		99		99
Accumulated other comprehensive income (loss)		98		130
Retained earnings		3,687		3,347
Non-controlling interests		725		692
		4,609		4,267

<b>Total liabilities and shareholders' equity</b>	<b>\$</b>	<b>16,969</b>	<b>\$</b>	<b>16,167</b>
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# CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statements of Income (loss)

(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

	Three months ended March 31,	
	2026	2025
Revenue		
License	\$ 91	\$ 96
Professional services	546	487
Hardware and other	100	74
Maintenance and other recurring	2,444	1,996
	3,181	2,654
Expenses		
Staff	1,687	1,412
Hardware	57	40
Third party license, maintenance and professional services	312	254
Travel, telecommunications, supplies, software and equipment	159	131
Professional fees	64	47
Other, net	87	70
Depreciation	55	46
Amortization of intangible assets	326	272
	2,745	2,272
Foreign exchange loss (gain)	(45)	32
IRGA/TSS Membership liability revaluation charge	(76)	94
Finance and other expense (income)	(15)	(80)
Share in net (income) loss of equity investee	(10)	0
Bargain purchase gain	0	-
Impairment of intangible and other non-financial assets	8	3
Finance costs	81	71
	(58)	119
Income (loss) before income taxes	493	262
Current income tax expense (recovery)	172	137
Deferred income tax expense (recovery)	(78)	(49)
Income tax expense (recovery)	93	89
Net income (loss)	400	174
Net income (loss) attributable to:		
Common shareholders of Constellation Software Inc.	367	136
Non-controlling interests	33	38
Net income (loss)	400	174
Earnings per common share of Constellation Software Inc.		
Basic and diluted	\$ 17.32	\$ 6.41

# CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statements of Comprehensive Income (loss)

(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

	Three months ended March 31,	
	2026	2025
Net income (loss)	\$ 400	\$ 174
Items that are or may be reclassified subsequently to net income (loss):		
Foreign currency translation differences from foreign operations and other, net of tax	(37)	79
Items that will not be reclassified to net income (loss):		
Changes in the fair value of equity investments at FVOCI	-	120
Other comprehensive income (loss), net of income tax	(37)	199
<b>Total comprehensive income (loss)</b>	<b>\$ 363</b>	<b>\$ 372</b>
Total other comprehensive income (loss) attributable to:		
Common shareholders of Constellation Software Inc.	(32)	139
Non-controlling interests	(5)	60
<b>Total other comprehensive income (loss)</b>	<b>\$ (37)</b>	<b>\$ 199</b>
Total comprehensive income (loss) attributable to:		
Common shareholders of Constellation Software Inc.	335	275
Non-controlling interests	28	97
<b>Total comprehensive income (loss)</b>	<b>\$ 363</b>	<b>\$ 372</b>

# CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statement of Changes in Equity

(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

Three months ended March 31, 2026

	Equity Attributable to Common Shareholders of CSI			Total	Non-controlling interests	Total equity
	Capital stock	Accumulated other comprehensive income (loss)	Retained earnings			
<b>Balance at January 1, 2026</b>	\$ 99	\$ 130	\$ 3,347	\$ 3,576	\$ 692	\$ 4,267
<i>Total comprehensive income (loss):</i>						
Net income (loss)	-	-	367	367	33	400
<i>Other comprehensive income (loss)</i>						
Foreign currency translation differences from foreign operations and other, net of tax and changes in the fair value of equity investments at FVOCI	-	(32)	-	(32)	(5)	(37)
<b>Total other comprehensive income (loss)</b>	-	<b>(32)</b>	-	<b>(32)</b>	<b>(5)</b>	<b>(37)</b>
<b>Total comprehensive income (loss)</b>	-	<b>(32)</b>	<b>367</b>	<b>335</b>	<b>28</b>	<b>363</b>
Transactions with owners, recorded directly in equity						
Other movements in non-controlling interests	-	-	(5)	(5)	5	0
Dividends to shareholders of the Company	-	-	(21)	(21)	-	(21)
<b>Balance at March 31, 2026</b>	\$ 99	\$ 98	\$ 3,687	\$ 3,884	\$ 725	\$ 4,609

# CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statement of Changes in Equity

(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

Three months ended March 31, 2025

	Equity Attributable to Common Shareholders of CSI			Total	Non-controlling interests	Total equity
	Capital stock	Accumulated other comprehensive income (loss)	Retained earnings			
<b>Balance at January 1, 2025</b>	\$ 99	\$ (224)	\$ 2,919	\$ 2,795	\$ 493	\$ 3,288
<i>Total comprehensive income (loss):</i>						
Net income (loss)	-	-	136	136	38	174
<i>Other comprehensive income (loss)</i>						
Foreign currency translation differences from foreign operations and other, net of tax	-	139	-	139	60	199
<b>Total other comprehensive income (loss)</b>	-	<b>139</b>	-	<b>139</b>	<b>60</b>	<b>199</b>
<b>Total comprehensive income (loss)</b>	-	<b>139</b>	<b>136</b>	<b>275</b>	<b>97</b>	<b>372</b>
Transactions with owners, recorded directly in equity						
Other movements in non-controlling interests	-	-	(4)	(4)	4	(0)
Dividends paid to non-controlling interests	-	-	-	-	(0)	(0)
Dividends to shareholders of the Company	-	-	(21)	(21)	-	(21)
<b>Balance at March 31, 2025</b>	\$ 99	\$ (85)	\$ 3,030	\$ 3,045	\$ 594	\$ 3,639

# CONSTELLATION SOFTWARE INC.

Condensed Consolidated Interim Statements of Cash Flows

(In millions of U.S. dollars, except per share amounts. Due to rounding, numbers presented may not foot.)

Unaudited

	Three months ended March 31,	
	2026	2025
Cash flows from (used in) operating activities:		
Net income (loss)	400	174
Adjustments for:		
Depreciation	55	46
Amortization of intangible assets	326	272
IRGA/TSS Membership liability revaluation charge	(76)	94
Finance and other expense (income)	(15)	(80)
Share in net (income) loss of equity investee	(10)	0
Bargain purchase (gain)	0	-
Impairment of intangible and other non-financial assets	8	3
Finance costs	81	71
Income tax expense (recovery)	93	89
Foreign exchange loss (gain)	(45)	32
Depreciation of third party costs	4	5
Change in non-cash operating assets and liabilities exclusive of effects of business combinations	185	231
Transaction costs associated with equity securities classified as FVOCI	-	(2)
Income taxes paid	(107)	(107)
Net cash flows from (used in) operating activities	897	827
Cash flows from (used in) financing activities:		
Interest paid on lease obligations	(4)	(4)
Interest paid on debt	(61)	(62)
Increase (decrease) in Topicus revolving credit debt facility without recourse to CSI	(286)	31
Proceeds from issuance of debt facilities without recourse to CSI	244	27
Repayments of debt facilities without recourse to CSI	(73)	(30)
Other financing activities	4	(1)
Dividends paid to non-controlling interests	-	(0)
Debt transaction costs	(1)	(0)
Payments of lease obligations, net of sublease receipts	(38)	(31)
Dividends paid to common shareholders of the Company	(21)	(21)
Net cash flows from (used in) in financing activities	(236)	(91)
Cash flows from (used in) investing activities:		
Acquisition of businesses	(697)	(94)
Cash obtained with acquired businesses	77	11
Post-acquisition settlement payments, net of receipts	(69)	(16)
Purchases of investments and other assets	(32)	(175)
Decrease (increase) in restricted cash	1	7
Interest, dividends and other proceeds received	12	11
Property and equipment purchased	(19)	(15)
Net cash flows from (used in) investing activities	(726)	(271)
Effect of foreign currency on cash and cash equivalents	(13)	33
Increase (decrease) in cash and cash equivalents	(78)	497
Cash and cash equivalents, beginning of period	\$ 3,089	\$ 1,980
Cash and cash equivalents, end of period	\$ 3,010	\$ 2,477