Constellation Software Inc. Announces Results for the Third Quarter Ended September 30, 2026 and Declares Quarterly Dividend

TORONTO, ONTARIO (November 6, 2026) -- Constellation Software Inc. (TSX:CSU) ("Constellation" or the "Company") today announced its financial results for the third quarter ended September 30, 2026 and declared a $1.00 per share dividend payable on January 12, 2027 to all common shareholders of record at close of business on December 18, 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 and nine months ended September 30, 2026 and the accompanying notes, our Management Discussion and Analysis for the three and nine months ended September 30, 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 and on the Company's website www.csisoftware.com. Additional information about the Company is also available on SEDAR+ at www.sedarplus.com.

Q3 2026 and Subsequent Headlines:

- Revenue grew 19% (2% organic growth, 2% after adjusting for changes in foreign exchange rates) to $3,512 million compared to $2,948 million in Q3 2025.
- Net income attributable to common shareholders was $212 million ($10.01 on a diluted per share basis) compared to $210 million ($9.89 on a diluted per share basis) in Q3 2025.
- A number of acquisitions were completed for aggregate cash consideration of $484 million (which includes acquired cash). Deferred payments associated with these acquisitions have an estimated value of $125 million resulting in total consideration of $609 million.
- Cash flows from operations ("CFO") were $717 million, an increase of 5%, or $33 million, compared to $685 million for the comparable period in 2025.
- Free cash flow available to shareholders[1] ("FCFA2S") decreased $86 million to $443 million compared to $529 million for the same period in 2025 representing an decrease of 16%.
- Subsequent to September 30, 2026, the Company completed or has open commitments to acquire a number of businesses for aggregate cash consideration of $526 million on closing plus total estimated deferred payments of $148 million for total consideration of $673 million.

Total revenue for the quarter ended September 30, 2026 was $3,512 million, an increase of 19%, or $564 million, compared to $2,948 million for the comparable period in 2025. For the first nine months of 2026 total revenues were $10,027 million, an increase of 19%, or $1,582 million, compared to $8,446 million for the comparable period in 2025. The increase for both the three and nine month periods compared to the same periods in the prior year is primarily attributable to growth from acquisitions as the Company experienced organic growth of 2% and 4% respectively, 2% and 1% after adjusting for the impact of changes in the valuation of the US dollar against most major currencies in which the Company transacts business. Organic growth is not a standardized financial measure and might not be comparable to measures disclosed by other issuers.

Net income attributable to common shareholders of CSI for the quarter ended September 30, 2026 was $212 million compared to $210 million for the same period in 2025. On a per share basis this translated into a net income per diluted share of $10.01 in the quarter ended September 30, 2026 compared to net income per diluted share of $9.89 for the same period in 2025. For the nine months ended September 30, 2026, net income attributable to common shareholders of CSI was $853 million or $40.26 per diluted share compared to $402 million or $18.96 per diluted share for the same period in 2025.

For the quarter ended September 30, 2026, CFO increased $33 million to $717 million compared to $685 million for the same period in 2025 representing an increase of 5%. For the first nine months of 2026, CFO increased $148

1. See Non-IFRS measures.

million to $2,092 million compared to $1,944 million during the same period in 2025, representing an increase of 8%.

For the quarter ended September 30, 2026, FCFA2S decreased $86 million to $443 million compared to $529 million for the same period in 2025 representing an decrease of 16%. For the nine months ended September 30, 2026, FCFA2S increased $262 million to $1,522 million compared to $1,259 million for the same period in 2025 representing an increase of 21%. The IRGA / TSS membership liability revaluation charge relating to the investment in equity securities of Sygnity and Asseco was $77 million for the three months ended September 30, 2026 as compared to negative $25 million for the same period in 2025. The charge for the nine months ended September 30, 2026 was negative $36 million as compared to $172 million for the same period in 2025. The fair value of these investments for purposes of calculating the revaluation charge is determined by their respective share prices at the end of each reporting period.

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 September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
	($ in millions)		($ in millions)	
Net cash flows from operating activities	717	685	2,092	1,944
Adjusted for:				
Interest paid on lease obligations	(5)	(4)	(14)	(12)
Interest paid on debt	(66)	(59)	(170)	(153)
Debt transaction costs	(2)	(4)	(7)	(8)
Payments of lease obligations	(39)	(34)	(115)	(97)
IRGA / TSS membership liability revaluation charge	(117)	(16)	(105)	(236)
Property and equipment purchased	(20)	(16)	(60)	(47)
Interest and dividends received	16	13	108	44
	484	565	1,729	1,435
Less amount attributable to Non-controlling interests	(40)	(36)	(208)	(176)
Free cash flow available to shareholders	443	529	1,522	1,259

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.

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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

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 2,693	$ 3,089
Accounts receivable	1,699	1,466
Unbilled revenue	546	451
Inventories	98	66
Other assets	887	729
	5,923	5,800
Non-current assets:		
Property and equipment	253	240
Right of use assets	396	386
Deferred income taxes	485	355
Investments in associates	637	655
Other assets	497	345
Intangible assets	9,753	8,392
	12,021	10,373
Total assets	$ 17,944	$ 16,173
Liabilities and Shareholders' Equity		
Current liabilities:		
Debt with recourse to Constellation Software Inc.	$ -	$ -
Liability of CSI under the IRGA	741	775
Debt without recourse to Constellation Software Inc.	433	591
Accounts payable and accrued liabilities	2,064	1,941
Dividends payable	21	21
Deferred revenue	2,543	2,219
Provisions	22	18
Acquisition holdback payables	314	216
Lease obligations	152	143
Income taxes payable	228	150
	6,517	6,074
Non-current liabilities:		
Debt with recourse to Constellation Software Inc.	1,472	1,489
Liability of CSI under the IRGA	554	458
Debt without recourse to Constellation Software Inc.	2,094	2,051
Deferred income taxes	1,048	886
Acquisition holdback payables	277	208
Lease obligations	299	282
Other liabilities	603	457
	6,347	5,832
Total liabilities	12,864	11,906
Shareholders' equity:		
Capital stock	99	99
Accumulated other comprehensive income (loss)	72	130
Retained earnings	4,136	3,347
Non-controlling interests	772	692
	5,080	4,267
Total liabilities and shareholders' equity	$ 17,944	$ 16,173

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 September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Revenue				
License	$ 97	$ 107	$ 280	$ 290
Professional services	569	538	1,688	1,558
Hardware and other	131	89	347	244
Maintenance and other recurring	2,715	2,213	7,712	6,354
	3,512	2,948	10,027	8,446
Expenses				
Staff	1,735	1,487	5,118	4,356
Hardware	77	51	200	134
Third party license, maintenance and professional services	361	285	1,004	807
Travel, telecommunications, supplies, software and equipment	192	149	531	424
Professional fees	74	55	207	157
Other, net	77	62	261	205
Depreciation	57	52	167	148
Amortization of intangible assets	376	307	1,049	865
	2,948	2,448	8,537	7,095
Foreign exchange loss (gain)	(7)	(17)	(65)	132
IRGA/TSS Membership liability revaluation charge	117	16	105	236
Finance and other expense (income)	(4)	(83)	(64)	(191)
Share in net (income) loss of equity investees	(5)	0	(27)	0
Bargain purchase gain	(7)	(1)	(17)	(6)
Impairment of intangible and other non-financial assets	6	12	22	23
Revaluation of investment accounted for using the equity method to cost	-	260	-	260
Finance costs	84	74	248	216
	184	261	200	670
Income (loss) before income taxes	380	239	1,290	681
Current income tax expense (recovery)	194	153	529	445
Deferred income tax expense (recovery)	(57)	(76)	(185)	(185)
Income tax expense (recovery)	137	77	344	261
Net income (loss)	243	162	946	420
Net income (loss) attributable to:				
Common shareholders of Constellation Software Inc.	212	210	853	402
Non-controlling interests	31	(48)	93	18
Net income (loss)	243	162	946	420
Earnings per common share of Constellation Software Inc.				
Basic and diluted	$ 10.01	$ 9.89	$ 40.26	$ 18.96

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 September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ 243	$ 162	$ 946	$ 420
Items that are or may be reclassified subsequently to net income (loss):				
Foreign currency translation differences from foreign operations and other, net of tax	(17)	(14)	(69)	250
Items that will not be reclassified to net income (loss):				
Changes in the fair value of equity investments at FVOCI	-	(5)	-	209
Other comprehensive income (loss), net of income tax	(17)	(19)	(69)	459
Total comprehensive income (loss)	$ 226	$ 142	$ 877	$ 879
Total other comprehensive income (loss) attributable to:				
Common shareholders of Constellation Software Inc.	(15)	(17)	(57)	336
Non-controlling interests	(2)	(3)	(12)	123
Total other comprehensive income (loss)	$ (17)	$ (19)	$ (69)	$ 459
Total comprehensive income (loss) attributable to:				
Common shareholders of Constellation Software Inc.	197	193	796	738
Non-controlling interests	29	(51)	81	141
Total comprehensive income (loss)	$ 226	$ 142	$ 877	$ 879

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

Nine months ended September 30, 2026

	Equity Attributable to Common Shareholders of CSI					
	Capital stock	Accumulated other comprehensive income (loss)	Retained earnings	Total	Non-controlling interests	Total equity
Balance at January 1, 2026	**$ 99**	**$ 130**	**$ 3,347**	**$ 3,576**	**$ 692**	**$ 4,267**
Total comprehensive income (loss):						
Net income (loss)	-	-	853	853	93	946
Other comprehensive income (loss)						
Foreign currency translation differences from foreign operations and other, net of tax and	-	(57)	-	(57)	(12)	(69)
Total other comprehensive income (loss)	**-**	**(57)**	**-**	**(57)**	**(12)**	**(69)**
Total comprehensive income (loss)	**-**	**(57)**	**853**	**796**	**81**	**877**
Transactions with owners, recorded directly in equity						
Other movements in non-controlling interests	-	-	(0)	(0)	(0)	(1)
Dividends to shareholders of the Company	-	-	(64)	(64)	-	(64)
Balance at September 30, 2026	**$ 99**	**$ 72**	**$ 4,136**	**$ 4,307**	**$ 772**	**$ 5,080**

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
Nine months ended September 30, 2025

	Equity Attributable to Common Shareholders of CSI					
	Capital stock	Accumulated other comprehensive income (loss)	Retained earnings	Total	Non-controlling interests	Total equity
Balance at January 1, 2025	**$ 99**	**$ (224)**	**$ 2,919**	**$ 2,795**	**$ 493**	**$ 3,288**
Total comprehensive income (loss):						
Net income (loss)	-	-	402	402	18	420
Other comprehensive income (loss)						
Foreign currency translation differences from foreign operations and other, net of tax and changes in the fair value of equity investments at FVOCI	-	336	-	336	123	459
Total other comprehensive income (loss)	**-**	**336**	**-**	**336**	**123**	**459**
Total comprehensive income (loss)	**-**	**336**	**402**	**738**	**141**	**879**
Transactions with owners, recorded directly in equity						
Other movements in non-controlling interests	-	0	0	0	(1)	(0)
Dividends paid to non-controlling interests	-	-	-	-	(0)	(0)
Dividends to shareholders of the Company		-	(64)	(64)	-	(64)
Balance at September 30, 2025	**$ 99**	**$ 112**	**$ 3,258**	**$ 3,469**	**$ 634**	**$ 4,103**

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 September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Cash flows from (used in) operating activities:				
Net income (loss)	243	162	946	420
Adjustments for:				
Depreciation	57	52	167	148
Amortization of intangible assets	376	307	1,049	865
IRGA/TSS Membership liability revaluation charge	117	16	105	236
Finance and other expense (income)	(4)	(83)	(64)	(191)
Share in net (income) loss of equity investees	(5)	0	(27)	0
Bargain purchase (gain)	(7)	(1)	(17)	(6)
Impairment of intangible and other non-financial assets	6	12	22	23
Revaluation of investment accounted for using the equity method to cost	-	260	-	260
Finance costs	84	74	248	216
Income tax expense (recovery)	137	77	344	261
Foreign exchange loss (gain)	(7)	(17)	(65)	132
Depreciation of third party costs	4	5	11	14
Change in non-cash operating assets and liabilities exclusive of effects of business combinations	(157)	(47)	(175)	(2)
Transaction costs associated with equity securities classified as FVOCI	-	-	-	(2)
Income taxes paid	(126)	(131)	(451)	(430)
Net cash flows from (used in) operating activities	717	685	2,092	1,944
Cash flows from (used in) financing activities:				
Interest paid on lease obligations	(5)	(4)	(14)	(12)
Interest paid on debt	(66)	(59)	(170)	(153)
Increase (decrease) in Topicus revolving credit debt facility without recourse to CSI	12	301	(251)	197
Proceeds from issuance of debt facilities without recourse to CSI	102	77	700	445
Repayments of debt facilities without recourse to CSI	(307)	(108)	(536)	(207)
Other financing activities	33	(1)	24	(1)
Dividends paid to non-controlling interests	-	-	-	(0)
Debt transaction costs	(2)	(4)	(7)	(8)
Payments of lease obligations, net of sublease receipts	(39)	(34)	(115)	(97)
Dividends paid to common shareholders of the Company	(21)	(21)	(64)	(64)
Net cash flows from (used in) financing activities	(294)	147	(431)	100
Cash flows from (used in) investing activities:				
Acquisition of businesses	(484)	(281)	(1,913)	(755)
Cash obtained with acquired businesses	33	44	189	100
Post-acquisition settlement payments, net of receipts	(99)	(70)	(262)	(200)
Purchases of investments and other assets	(25)	(36)	(72)	(225)
Proceeds from sales of other investments and other assets	0	0	1	16
Decrease (increase) in restricted cash	(28)	(289)	(26)	(284)
Interest, dividends and other proceeds received	16	13	108	44
Property and equipment purchased	(20)	(16)	(60)	(47)
Net cash flows from (used in) investing activities	(608)	(634)	(2,037)	(1,351)
Effect of foreign currency on cash and cash equivalents	(8)	(3)	(20)	97
Increase (decrease) in cash and cash equivalents	(193)	195	(395)	790
Cash and cash equivalents, beginning of period	$ 2,886	$ 2,575	$ 3,089	$ 1,980
Cash and cash equivalents, end of period	$ 2,693	$ 2,770	$ 2,693	$ 2,770