CANADIAN MUSEUM OF HISTORY

Quarterly Financial Statements

For the six-month period ended September 30, 2026

Unaudited

NARRATIVE DISCUSSION

These quarterly financial statements must be read in conjunction with the March 31, 2026, audited financial statements of the Canadian Museum of History (CMH) and with this narrative discussion.

OVERVIEW

The Corporation is committed to sustaining a strong financial and operational foundation for the delivery of quality museum programs and services. Responding to the Strategic Directions of its Board of Trustees, the Corporation builds accountability into its operational planning and reporting. The Corporation has at its core a management culture that fosters excellence and adaptation of best practices for continued improvement. It is accountable to Parliament and Canadians in implementing its mandate.

Economic uncertainty and budgetary pressures are affecting Museums' costs, revenues, attendance, partnerships, and investments, while public expectations for measurable results and high-quality visitor experiences continue to grow. Tourism is helping to offset some of these pressures. Tourism in the Ottawa-Gatineau region continues to grow at a moderate pace, supported by group travel, business events, leisure marketing initiatives, and federal programs such as the Strong Canada initiative. In addition, Destination Canada forecasts annual growth of nearly 10% from overseas markets through 2035. However, these prospects could be weakened by inflation, a potential economic slowdown, competition from other destinations, and geopolitical and trade tensions. To remain financially resilient, Museums are focusing on their highest-impact activities, improving efficiency, and maximizing the value of their existing assets. They are also making strategic capital investments to maintain their attractiveness and are leveraging partnerships to expand their reach.

STRATEGIC DIRECTIONS

In September 2025, after assessing multi-year progress and considering the current context, the Board and Museum Management made a forward-looking decision to focus on the following three strategic directions for 2026–27 and 2027-28, providing a strong and focused direction for the Corporation:

1. Engage people from across Canada in diverse histories and stories.
2. Advance reconciliation and strengthen our commitment to recognizing the rights of Indigenous Peoples.
3. Leverage technology to drive innovation and deepen access to Museum activities.

STATEMENT OF OPERATIONS

The Corporation's net results of operations for the six-month period ended September 30, 2026, reflects a surplus of $3.9 million, compared to a deficit of $2.4 million for the comparative period of the previous fiscal year.

Parliamentary appropriations for the period total $44.5 million, compared to $44.0 million for the same period in the previous fiscal year.

Revenues for the six-month period total $13.3 million, compared to $12.3 million for the same period in the previous fiscal year.

Operating expenses for the six-month period total $53.9 million, compared to $58.7 million for the same period in the previous fiscal year. The $4.8 million decrease is mainly explained by a decrease in personnel costs, building operations and marketing and advertising.

STATEMENT OF FINANCIAL POSITION

The Museum's unrestricted net assets as of September 30, 2026, represent $13.1 million. They were $9.2 million as of March 31, 2026.

To date, the Museum's restricted net assets totaling $19.6 million are for the renewal of permanent exhibition galleries, including the Canadian Children's Museum Renewal project. In 2017-2018, an upgrade to a permanent gallery was completed at the Canadian War Museum.

The increase in deferred contributions and the decrease in deferred contributions – National Collection Fund since March 31, 2026, are mainly due to the reallocation of $5.0 million in parliamentary appropriations to establish the Innovation Fund as approved by the Board of Trustees.

STATEMENT OF CASHFLOW

The Corporation's net cashflow for the six-month period ended September 30, 2026 increased by $1.1 million compared to a decrease of $5.9 million for the comparative period of the previous fiscal year.

OUTLOOK

Current global and domestic economic conditions continue to pose significant challenges for the Museum. Inflation, soft economic growth, and a global shift in travel contribute to uncertainty around visitation trends. Global trade disruptions and shifting supply chains continue to affect the cost and availability of materials and services essential to museum operations, exhibitions, and infrastructure projects. Government spending reductions, wage pressures, and ongoing labour shortages compound these challenges, while rising living costs affect discretionary spending on arts and culture. The same economic pressures are reflected in the fundraising and sponsorship landscape, where competition for limited philanthropic and corporate resources has intensified.

The Museum received annual base capital funding of $2.5 million in 2026-2027. This base funding remains below the level necessary to keep two aging buildings in good condition and to address the requirements associated with the information technology and security infrastructure. To help alleviate these pressures, the government allocated temporary funding of $2.3 million in capital funding for the 2026-2027 fiscal year. The Corporation will continue to work with the Department of Canadian Heritage on a long-term solution to address operating challenges such as escalating non-discretionary costs and the need to address critical capital projects.

STATEMENT OF MANAGEMENT RESPONSIBILITY

Management is responsible for the preparation and fair presentation of these quarterly financial statements in accordance with the Treasury Board of Canada Standard on Quarterly Financial Reports for Crown Corporations and for such internal controls as management determines is necessary to enable the preparation of quarterly financial statements that are free from material misstatement. Management is also responsible for ensuring all other information in this quarterly financial report is consistent, where appropriate, with the quarterly financial statements.

Based on our knowledge, these unaudited quarterly financial statements present fairly, in all material respects, the financial position, results of operations, changes in net assets and cash flows of the Corporation, as at the date of and for the periods presented in the quarterly financial statements.



Caroline Dromaguet
President and Chief Executive Officer



Eric Doiron, CPA
Chief Financial Officer and Vice-President of Finance, Infrastructure and Visitor Services

Gatineau, Quebec

November 18, 2026

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Statement of Financial Position

As at September 30

(In thousands of dollars)

		September 30, 2026		March 31, 2026
Assets				
Current assets				
Cash	$	3,541	$	2,212
Restricted cash and investments		7		2,557
Investments		6,034		3,812
Accounts receivable		2,612		2,749
Inventories		644		582
Prepaid expenses		1,864		1,654
		14,702		13,566
Restricted investments		12,592		14,748
Investments		83,874		84,410
Collections		1		1
Capital assets		167,599		171,211
	$	278,768	$	283,936
Liabilities and net assets				
Current liabilities				
Accounts payable and accrued liabilities	$	11,486	$	14,793
Deferred contributions (note 3)		25,330		21,210
Unearned revenues		646		749
		37,462		36,752
Deferred contributions - National Collection Fund (note 4)		7,811		12,339
Deferred contributions related to capital assets (note 5)		136,443		141,780
Employee future benefits		19,288		18,763
Asset retirement obligations		4,490		4,490
		205,494		214,124
Net assets				
Unrestricted		13,105		9,203
Restricted for permanent exhibit renewal		19,556		19,578
Investment in capital assets		40,868		40,868
Accumulated remeasurement gains and (losses)		(255)		163
		73,274		69,812
	$	278,768	$	283,936

The accompanying notes and schedules form an integral part of the financial statements.

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Statement of Operations

For the three and six-month periods ended September 30

(In thousands of dollars)

	Three-month period ended September 30		Six-month period ended September 30	
	2026	2025	2026	2025
Revenues				
Donations and sponsorships (note 6)	$ 1,100	$ 384	$ 1,601	$ 833
Interest income	992	1,018	2,028	2,197
Operating (schedule 1)	5,320	4,976	9,657	9,249
	7,412	6,378	13,286	12,279
Expenses (schedule 2)				
Collect and research	$ 4,188	$ 3,623	$ 8,099	$ 7,764
Exhibit, educate and communicate	6,577	7,998	12,719	15,296
Accommodation	10,856	10,892	21,635	22,038
Corporate management	5,674	6,647	11,453	13,595
	27,295	29,160	53,906	58,693
Net result of operations before parliamentary appropriations	(19,883)	(22,782)	(40,620)	(46,414)
Parliamentary appropriations (note 7)	22,987	23,776	44,500	44,022
Net result of operations	$ 3,104	$ 994	$ 3,880	$ (2,392)

The accompanying notes and schedules form an integral part of the financial statements.

Statement of Remeasurement Gains and Losses

For the three- and six-month periods ended September 30

(In thousands of dollars)

	Three-month period ended September 30		Six-month period ended September 30	
	2026	2025	2026	2025
Accumulated remeasurement gains, beginning of period	$ 108	$ 621	$ 163	$ 886
Unrealized gains (losses) attributed to investments	(362)	(52)	(283)	87
Amounts reclassified to the Statement of Operations - investments	(1)	85	(135)	(319)
Net change in accumulated remeasurement gains (losses) for the period	(363)	33	(418)	(232)
Accumulated remeasurement gains and (losses), end of period	$ (255)	$ 654	$ (255)	$ 654

The accompanying notes and schedules form an integral part of the financial statements.

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Statement of Changes in Net Assets

For the three- and six-month periods ended September 30

(In thousands of dollars)

For the three-month period ended	Unrestricted	Restricted for permanent exhibit renewal	Investment in capital assets	Accumulated remeasurement gains	September 30 2026	September 30 2025
Net assets, beginning of period	$ 9,990	$ 19,567	$ 40,868	$ 108	$ 70,533	$ 66,431
Net result of operations	3,115	(11)	-	-	3,104	994
Net change in accumulated gains	-	-	-	(363)	(363)	33
Net assets, end of period	$ 13,105	$ 19,556	$ 40,868	$ (255)	$ 73,274	$ 67,458

For the six-month period ended	Unrestricted	Restricted for permanent exhibit renewal	Investment in capital assets	Accumulated remeasurement gains (losses)	September 30 2026	September 30 2025
Net assets, beginning of period	$ 9,203	$ 19,578	$ 40,868	$ 163	$ 69,812	$ 70,082
Net result of operations	3,902	(22)	-	-	3,880	(2,392)
Net change in accumulated gains (losses)	-	-	-	(418)	(418)	(232)
Net assets, end of period	$ 13,105	$ 19,556	$ 40,868	$ (255)	$ 73,274	$ 67,458

The accompanying notes and schedules form an integral part of the financial statements.

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Statement of Cash Flows

For the three- and six-month periods ended September 30

(In thousands of dollars)

	Three-month period ended September 30		Six month-period ended September 30	
	2026	2025	2026	2025
Operating activities				
Cash receipts from clients and other receivables	$ 6,773	$ 5,924	$ 12,603	$ 12,980
Cash receipts from parliamentary appropriations	18,074	15,930	34,198	30,452
Cash paid to and on behalf of employees	(11,597)	(11,343)	(24,315)	(24,431)
Cash paid to suppliers	(13,816)	(13,899)	(25,418)	(31,785)
Restricted contributions and related investment income	366	191	755	(489)
Interest received	369	96	1,481	1,105
Net cash through operating activities	169	(3,101)	(696)	(12,168)
Investing activities				
Increase in investments and restricted investments	(6,751)	(1,189)	(7,167)	(3,589)
Decrease in investments and restricted investments	6,369	1,199	9,883	12,809
Net cash through investing activities	(382)	10	2,716	9,220
Capital activities				
Acquisition of capital assets	(2,453)	(4,690)	(5,156)	(8,460)
Financing activities				
Parliamentary appropriations for the acquisition of capital assets	2,039	3,542	4,208	5,485
Increase (decrease) in cash and restricted cash	(627)	(4,239)	1,072	(5,923)
Cash and restricted cash, beginning of year				
Cash	3,708	5,225	2,212	7,067
Restricted cash	467	1,550	264	1,392
	4,175	6,775	2,476	8,459
Cash and restricted cash, end of period				
Cash	3,541	796	3,541	796
Restricted cash	7	1,740	7	1,740
	$ 3,548	$ 2,536	$ 3,548	$ 2,536

The accompanying notes and schedules form an integral part of the financial statements.

1. Mission and mandate

The Canadian Museum of History (the "Corporation"), formerly named the Canadian Museum of Civilization, was established on December 12, 2013 through an amendment to the *Museums Act*. The Canadian Museum of History is an agent Crown corporation named in *Part I of Schedule III to the Financial Administration Act* and is not subject to income tax under the provisions of the *Income Tax Act*. The Canadian Museum of History includes the Canadian War Museum.

The mission, as stated in the *Museums Act*, is as follows:

> "*to enhance Canadians' knowledge, understanding and appreciation of events, experiences, people and objects that reflect and have shaped Canada's history and identity, and also to enhance their awareness of world history and cultures."*

The Canadian Museum of History's operations are divided into four mutually supportive activities which work together to meet all aspects of its mandate. These activities are:

Collect and research

Manages, develops, conserves, and undertakes research on the collections to enhance program delivery and augment the scientific knowledge base.

Exhibit, educate and communicate

Develops, maintains, and communicates exhibits, programs and activities to further knowledge, critical understanding, appreciation and respect for human cultural achievements and human behaviour.

Accommodation

Managing and maintaining all facilities and related security and hosting services.

Corporate management

Governance, corporate management, audit and evaluation, fundraising, commercial activities, finance and administration, human resources and information systems.

2. Significant accounting policies

Basis of accounting

These unaudited financial statements have been prepared in accordance with Canadian public sector accounting standards. The Corporation has elected to apply the Section 4200 series for government-not-for-profit organizations, and the deferral method of accounting for contributions.

Basis of preparation

These interim financial statements are intended to provide an update on the latest complete set of audited annual financial statements for the year ended March 31, 2026. Accordingly, they should be read in conjunction with the audited annual financial statements. The interim financial statements are unaudited for all periods presented. The accounting policies used in the preparation of these interim condensed financial statements are consistent with those disclosed in the Corporation's last audited annual financial statements.

Contingencies

In the normal course of its operations, the Corporation becomes involved in various claims or legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the Corporation's financial statements.

Measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards applicable for government not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses for the period. Employee future benefits, artifact donations and the estimated useful lives of capital assets are the most significant items where estimates are used. Actual results could differ significantly from those estimated.

3. Deferred contributions

Deferred contributions represent contributions from non-government sources and Parliamentary appropriations received by the Corporation that are restricted for specific purposes and are deferred until spent on intended purpose.

Changes in the deferred contributions balance during the period were as follows:

	Non-government sources	Parliamentary appropriations	September 30, 2026 (6 months)	March 31, 2026 (12 months)
Balance, beginning of year	$ 5,150	$ 16,060	$ 21,210	$ 23,164
Additions				
Amounts received during the period	125	-	125	2,760
Deferred investment income	106	-	106	249
Internal reallocation [1]	-	5,000	5,000	-
	231	5,000	5,231	3,009
Deductions				
Amounts recognized as revenue	(318)	(793)	(1,111)	(4,963)
Balance, end of period	$ 5,063	$ 20,267	$ 25,330	$ 21,210

[1] On February 19, 2026, the Board of Trustees approved the reallocation of $5,000,000 in parliamentary appropriations from the National Collection Fund to a newly established Innovation Fund for fiscal year 2027. The amount is presented within deferred contributions and is intended to support innovation initiatives within the organization.

4. Deferred contributions - National Collection Fund

The National Collection Fund represents funds for the acquisition of artifacts by the Canadian Museum of History and the Canadian War Museum. Funds are deducted from the National Collection Fund upon acquisition of selected artifacts.

Changes in the National Collection Fund balance during the period were as follows:

	Parliamentary appropriations	Non-government entities	September 30, 2026 (6 months)	March 31, 2026 (12 months)
Balance, beginning of year	$ 11,198	$ 1,141	$ 12,339	$ 11,893
Additions				
Amounts received during the period	-	251	251	-
Deferred investment income	196	25	221	507
	196	276	472	507
Deductions				
Amounts recognized as revenue	-	-	-	(61)
Internal reallocation [1]	(5,000)	-	(5,000)	-
	(5,000)	-	(5,000)	(61)
Balance, end of period	$ 6,394	$ 1,417	$ 7,811	$ 12,339

[1] On February 19, 2026, the Board of Trustees approved the reallocation of $5,000,000 in parliamentary appropriations from the National Collection Fund to a newly established Innovation Fund for fiscal year 2027. The amount is presented within deferred contributions and is intended to support innovation initiatives within the organization.

5. Deferred contributions related to capital assets

Changes in the deferred contributions related to capital assets balance during the period were as follows:

	Used for acquisitions		To be used for capital asset acquisitions	September 30, 2026	March 31, 2026
	Non-government sources	Parliamentary appropriations	Parliamentary appropriations	(6 months)	(12 months)
Balance, beginning of year	$ 1,247	$ 125,685	$ 14,848	$ 141,780	$ 153,464
Additions					
Capital asset acquisitions	-	4,007	-	4,007	8,405
Parliamentary appropriations deferred for capital asset acquisitions in future periods	-	-	-	-	2,252
	-	4,007	-	4,007	10,657
Deductions					
Amounts used during the period	(33)	(8,360)	(951)	(9,344)	(22,341)
Balance, end of period	$ 1,214	$ 121,332	$ 13,897	$ 136,443	$ 141,780

Deferred capital contributions from non-government sources represent the unamortized portion of donations from non-government sources restricted and used to acquire depreciable capital assets.

Deferred capital funding through Parliamentary appropriations represents the unamortized portion of Parliamentary appropriations restricted and used to acquire depreciable capital assets or restricted to be used for future acquisitions of depreciable capital assets.

6. Donations and sponsorships

Donations and sponsorships revenue is composed of:

	September 30, 2026	September 30, 2025
Cash donations and sponsorships	$ 701	$ 773
In-kind sponsorships and artifact donations	900	60
Donations recognized as revenue	$ 1,601	$ 833

7. Parliamentary appropriations

The Corporation receives Parliamentary appropriations from the Government of Canada to support its operating and capital activities. The table below illustrates the Parliamentary appropriations received during the period, and the accounting adjustments required to arrive at the calculation of revenue that conforms to public sector accounting standards.

	September 30, 2026	September 30, 2025
Main Estimates amount provided for operating and capital activities	$ 38,406	$ 35,937
Less current period Parliamentary appropriations not recognized as revenue:		
Used for capital asset acquisitions	(3,059)	(1,154)
Add prior period Parliamentary appropriations recognized as revenue in current period:		
Amortization of deferred capital funding	8,360	8,079
Restricted amounts used in current period	793	1,160
Parliamentary appropriations recognized as revenue	$ 44,500	$ 44,022

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Schedule 1 - Operating Revenues
For the three and six-month period ended September 30
(In thousands of dollars)

	Three-month period ended September 30		Six-month period ended September 30	
	2026	2025	2026	2025
General admission and programs	$ 2,731	$ 2,612	$ 4,792	$ 4,810
Facility rentals, events and concessions	1,043	926	2,138	1,761
Boutique sales	760	672	1,295	1,202
Parking	622	600	1,127	1,145
Memberships	116	127	234	258
Travelling exhibits	25	21	32	41
Other	23	18	39	32
	$ 5,320	$ 4,976	$ 9,657	$ 9,249

CANADIAN MUSEUM OF HISTORY

(Unaudited)

Schedule 2 - Expenses
For the three and six-month period ended September 30
(In thousands of dollars)

	Three month-period ended September 30		Six month-period ended September 30	
	2026	2025	2026	2025
Personnel costs [1]	$ 11,530	$ 12,327	$ 23,669	$ 26,833
Amortization of capital assets	4,212	4,054	8,415	8,134
Payments in lieu of property taxes	2,771	2,612	5,565	5,244
Building operations	1,898	2,524	3,613	4,540
Professional and special services[1]	1,088	1,099	1,817	2,248
Online programs assistance	905	1,510	1,389	1,972
Collection acquisitions	809	155	1,449	289
Repairs and maintenance	733	859	1,497	1,823
Utilities	722	722	1,419	1,425
IT infrastructure and systems	680	1,044	1,565	1,828
Exhibit fabrication and rental	471	438	1,098	1,192
Cost of goods sold	447	342	686	704
Materials and supplies	437	226	602	453
Other	236	188	395	354
Marketing and advertising	200	865	348	1,185
Travel and hospitality	74	96	229	269
Rentals and leases	72	72	130	161
Royalties	10	27	20	39
	$ 27,295	$ 29,160	$ 53,906	$ 58,693

[1] Certain comparative figures have been reclassified to conform with the presentation adopted in the current period. Training fees, previously presented within personnel costs, are now presented within professional and special services. As a result, $45 and $180 were reclassified from personnel costs to professional and special services for the three-month and six-month periods ended September 30, 2025, respectively. This reclassification had no impact on total expenses or net results.