

Onex Corporation
CONSOLIDATED BALANCE SHEETS

<i>(in millions of U.S. dollars)</i>	As at December 31, 2016	As at December 31, 2015
Assets		
Current assets		
Cash and cash equivalents	\$ 2,371	\$ 2,313
Short-term investments	154	206
Accounts receivable	3,868	2,933
Inventories	2,731	1,982
Other current assets	1,190	920
Assets held by discontinued operations	–	1,328
	10,314	9,682
Property, plant and equipment	4,275	3,265
Long-term investments	8,672	7,863
Other non-current assets	1,192	795
Intangible assets	9,286	6,528
Goodwill	9,174	7,677
	\$ 42,913	\$ 35,810
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 4,324	\$ 3,404
Current portion of provisions	305	334
Other current liabilities	1,550	976
Current portion of long-term debt of operating companies, without recourse to Onex Corporation	407	411
Current portion of Limited Partners' Interests	89	598
Liabilities held by discontinued operations	–	1,011
	6,675	6,734
Non-current portion of provisions	340	368
Long-term debt of operating companies, without recourse to Onex Corporation	22,456	17,643
Other non-current liabilities	2,169	1,704
Deferred income taxes	1,537	1,451
Limited Partners' Interests	8,385	6,720
	41,562	34,620
Equity		
Share capital	324	333
Non-controlling interests	1,841	1,353
Retained earnings (deficit) and accumulated other comprehensive loss	(814)	(496)
	1,351	1,190
	\$ 42,913	\$ 35,810

Onex Corporation

CONSOLIDATED STATEMENTS OF EARNINGS

Year ended December 31 <i>(in millions of U.S. dollars except per share data)</i>	2016	2015
Revenues	\$ 22,523	\$ 19,681
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(15,696)	(13,582)
Operating expenses	(4,268)	(3,967)
Interest income	351	264
Amortization of property, plant and equipment	(565)	(483)
Amortization of intangible assets and deferred charges	(693)	(584)
Interest expense of operating companies	(1,089)	(878)
Increase in value of investments in joint ventures and associates at fair value, net	180	175
Stock-based compensation expense	(323)	(260)
Other gains	80	239
Other expense	(87)	(435)
Impairment of goodwill, intangible assets and long-lived assets, net	(234)	(82)
Limited Partners' Interests charge	(647)	(856)
Loss before income taxes and discontinued operations	(468)	(768)
Provision for income taxes	(46)	(116)
Loss from continuing operations	(514)	(884)
Earnings from discontinued operations	478	379
Net Loss for the Year	\$ (36)	\$ (505)

Earnings (Loss) from Continuing Operations attributable to:

Equity holders of Onex Corporation	\$ (577)	\$ (946)
Non-controlling Interests	63	62
Loss from Continuing Operations for the Year	\$ (514)	\$ (884)

Net Earnings (Loss) attributable to:

Equity holders of Onex Corporation	\$ (130)	\$ (573)
Non-controlling Interests	94	68
Net Loss for the Year	\$ (36)	\$ (505)

Net Earnings (Loss) per Subordinate Voting Share of Onex Corporation

Basic and Diluted:		
Continuing operations	\$ (5.56)	\$ (8.84)
Discontinued operations	4.31	3.48
Net Loss per Subordinate Voting Share for the Year	\$ (1.25)	\$ (5.36)

Onex Corporation

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended December 31 <i>(in millions of U.S. dollars)</i>	2016	2015
Operating Activities		
Loss for the year from continuing operations	\$ (514)	\$ (884)
Adjustments to earnings from continuing operations:		
Provision for income taxes	46	116
Interest income	(351)	(264)
Interest expense of operating companies	1,089	878
Earnings (loss) before interest and provision for income taxes	270	(154)
Cash taxes paid	(284)	(241)
Items not affecting cash and cash equivalents:		
Amortization of property, plant and equipment	565	483
Amortization of intangible assets and deferred charges	693	584
Increase in value of investments in joint ventures and associates at fair value, net	(180)	(175)
Stock-based compensation expense	217	231
Other gains	(80)	(239)
Foreign exchange loss	34	50
Impairment of goodwill, intangible assets and long-lived assets, net	234	82
Limited Partners' Interests charge	647	856
Change in carried interest	35	127
Change in provisions	119	(51)
Other	(265)	201
	2,005	1,754
Changes in non-cash working capital items:		
Accounts receivable	(447)	(23)
Inventories	(172)	92
Other current assets	(42)	3
Accounts payable, accrued liabilities and other current liabilities	577	(52)
Increase (decrease) in cash and cash equivalents due to changes in non-cash working capital items	(84)	20
Decrease in other operating activities	(47)	(113)
Cash flows from operating activities of discontinued operations	38	219
	1,912	1,880
Financing Activities		
Issuance of long-term debt	2,708	4,219
Repayment of long-term debt	(1,445)	(1,791)
Cash interest paid	(964)	(776)
Cash dividends paid	(20)	(19)
Repurchase of share capital of Onex Corporation	(184)	(175)
Repurchase of share capital of operating companies	(59)	(435)
Contributions by Limited Partners	1,593	1,825
Issuance of share capital by operating companies	10	39
Contribution by non-controlling interests for investment in operating company	458	–
Distributions paid to non-controlling interests and Limited Partners	(1,188)	(1,030)
Decrease due to other financing activities	(61)	(82)
Cash flows from (used in) financing activities of discontinued operations	2	(123)
	850	1,652
Investing Activities		
Acquisitions, net of cash and cash equivalents in acquired companies of \$141 (2015 – \$437)	(3,089)	(2,452)
Purchase of property, plant and equipment	(569)	(704)
Proceeds from sale of property, plant and equipment	72	525
Proceeds from sale of investments in joint ventures and associates at fair value	–	20
Proceeds from sales of operating companies and businesses no longer controlled	1,024	264
Distributions received from investments in joint ventures and associates	206	82
Purchase of investment in joint venture	(44)	(120)
Payment of contingent considerations	(163)	(6)
Cash interest received	325	257
Net purchases of investments and securities for CLOs and Onex Credit Funds	(1,007)	(1,518)
Net sales (purchases) of investments and securities at parent company and operating companies	666	(1,197)
Increase (decrease) due to other investing activities	(67)	93
Cash flows used in investing activities of discontinued operations	(155)	(81)
	(2,801)	(4,837)
Decrease in Cash and Cash Equivalents for the Year	(39)	(1,305)
Decrease in cash due to changes in foreign exchange rates	(16)	(37)
Cash and cash equivalents, beginning of the period – continuing operations	2,313	3,662
Cash and cash equivalents, beginning of the period – discontinued operations	113	106
Cash and Cash Equivalents	2,371	2,426
Cash and cash equivalents held by discontinued operations	–	113
Cash and Cash Equivalents Held by Continuing Operations	\$ 2,371	\$ 2,313

Onex Corporation
INFORMATION BY INDUSTRY SEGMENT
FOR THE YEAR ENDED DECEMBER 31, 2016

<i>(in millions of U.S. dollars)</i>	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Building Products	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other	Consolidated Total
Revenues	\$ 6,016	\$ 1,990	\$ 1,785	\$ 3,670	\$ 1,793	\$ 2,414	\$ 525	\$ 689	\$ 4	\$ 3,637	\$ 22,523
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(5,510)	(1,127)	(1,358)	(2,788)	-	(1,541)	(180)	(578)	-	(2,614)	(15,696)
Operating expenses	(211)	(527)	(310)	(527)	(1,363)	(296)	(176)	(60)	(38)	(760)	(4,268)
Interest income	15	2	-	1	1	1	-	-	313	18	351
Amortization of property, plant and equipment	(66)	(64)	(30)	(108)	(19)	(190)	(2)	(15)	-	(71)	(565)
Amortization of intangible assets and deferred charges	(10)	(74)	(16)	(14)	(203)	(149)	(104)	(3)	(5)	(115)	(693)
Interest expense of operating companies	(11)	(148)	(23)	(81)	(194)	(218)	(92)	(20)	(164)	(138)	(1,089)
Increase in value of investments in joint ventures and associates at fair value, net	-	-	-	-	-	-	-	-	-	180	180
Stock-based compensation expense	(33)	(5)	(3)	(37)	(95)	(1)	(3)	(1)	-	(145)	(323)
Other gains	-	-	8	-	44	-	-	-	-	28	80
Other income (expense)	(29)	24	(10)	(6)	(57)	(23)	(70)	(18)	222	(120)	(87)
Impairment of goodwill, intangible assets and long- lived assets, net	-	(2)	-	(2)	(226)	-	(4)	-	-	-	(234)
Limited Partners' Interests charge	-	-	-	-	-	-	-	-	(60)	(587)	(647)
Earnings (loss) before income taxes and discontinued operations	161	69	43	108	(319)	(3)	(106)	(6)	272	(687)	(468)
Recovery of (provision for) income taxes	(25)	(30)	(15)	92	(8)	(41)	(7)	13	-	(25)	(46)
Earnings (loss) from continuing operations	136	39	28	200	(327)	(44)	(113)	7	272	(712)	(514)
Earnings from discontinued operations ^(a)	-	-	-	-	-	-	-	-	-	478	478
Net earnings (loss) for the year	\$ 136	\$ 39	\$ 28	\$ 200	\$ (327)	\$ (44)	\$ (113)	\$ 7	\$ 272	\$ (234)	\$ (36)
Total assets	\$ 2,822	\$ 1,473	\$ 995	\$ 2,669	\$ 4,656	\$ 6,144	\$ 5,765	\$ 2,185	\$ 7,624	\$ 8,580	\$ 42,913
Long-term debt ^(b)	\$ 226	\$ 1,920	\$ 421	\$ 1,615	\$ 2,824	\$ 3,447	\$ 2,667	\$ 886	\$ 5,912	\$ 2,945	\$ 22,863
Property, plant and equipment additions	\$ 77	\$ 58	\$ 28	\$ 77	\$ 25	\$ 222	\$ 2	\$ 26	\$ -	\$ 97	\$ 612
Intangible assets with indefinite life	\$ -	\$ 8	\$ 222	\$ 259	\$ 191	\$ 422	\$ 441	\$ 436	\$ -	\$ 322	\$ 2,301
Goodwill additions from acquisitions	\$ 4	\$ 15	\$ 1	\$ 16	\$ 57	\$ 5	\$ 1,313	\$ 23	\$ -	\$ 487	\$ 1,921
Goodwill	\$ 23	\$ 338	\$ 283	\$ 146	\$ 2,016	\$ 2,077	\$ 2,203	\$ 225	\$ 62	\$ 1,801	\$ 9,174
Net earnings (loss) attributable to:											
Equity holders of Onex Corporation	\$ 18	\$ 42	\$ 27	\$ 177	\$ (298)	\$ (44)	\$ (75)	\$ 6	\$ 272	\$ (255)	\$ (130)
Non-controlling interests	118	(3)	1	23	(29)	-	(38)	1	-	21	94
Net earnings (loss) for the year	\$ 136	\$ 39	\$ 28	\$ 200	\$ (327)	\$ (44)	\$ (113)	\$ 7	\$ 272	\$ (234)	\$ (36)

(a) Represents the after-tax results of KraussMaffei and Sitel Worldwide.

(b) Long-term debt includes current portion, excludes finance leases and is net of financing charges.

Onex Corporation
INFORMATION BY INDUSTRY SEGMENT
FOR THE YEAR ENDED DECEMBER 31, 2015

<i>(in millions of U.S. dollars)</i>	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Building Products	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other	Consolidated Total
Revenues	\$ 5,639	\$ 2,141	\$ 1,821	\$ 3,378	\$ 1,752	\$ 2,070	\$ 307	\$ 168	\$ 5	\$ 2,400	\$ 19,681
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(5,175)	(1,223)	(1,382)	(2,636)	–	(1,362)	(83)	(134)	–	(1,587)	(13,582)
Operating expenses	(206)	(578)	(320)	(476)	(1,381)	(239)	(82)	(6)	(50)	(629)	(3,967)
Interest income	1	2	–	2	–	2	–	–	249	8	264
Amortization of property, plant and equipment	(59)	(63)	(29)	(102)	(17)	(144)	(1)	(4)	–	(64)	(483)
Amortization of intangible assets and deferred charges	(9)	(100)	(15)	(12)	(194)	(128)	(37)	(1)	(5)	(83)	(584)
Interest expense of operating companies	(7)	(142)	(22)	(65)	(185)	(194)	(51)	(10)	(118)	(84)	(878)
Increase in value of investments in joint ventures and associates at fair value, net	–	–	–	–	–	–	–	–	–	175	175
Stock-based compensation expense	(38)	(5)	(1)	(54)	(17)	(2)	(5)	–	–	(138)	(260)
Other gains	–	–	–	–	–	–	–	–	38	201	239
Other income (expense)	(25)	(16)	(4)	(23)	(82)	107	(8)	(5)	(195)	(184)	(435)
Impairment of goodwill, intangible assets and long-lived assets, net	(12)	–	(51)	(10)	–	(3)	(6)	–	–	–	(82)
Limited Partners' Interests (charge) recovery	–	–	–	–	–	–	–	–	26	(882)	(856)
Earnings (loss) before income taxes and discontinued operations	109	16	(3)	2	(124)	107	34	8	(50)	(867)	(768)
Recovery of (provision for) income taxes	(42)	(46)	2	(3)	45	(38)	(13)	–	–	(21)	(116)
Earnings (loss) from continuing operations	67	(30)	(1)	(1)	(79)	69	21	8	(50)	(888)	(884)
Earnings from discontinued operations ^(a)	–	–	–	–	–	–	–	–	–	379	379
Net earnings (loss) for the year	\$ 67	\$ (30)	\$ (1)	\$ (1)	\$ (79)	\$ 69	\$ 21	\$ 8	\$ (50)	\$ (509)	\$ (505)
Total assets ^(b)	\$ 2,612	\$ 1,609	\$ 1,034	\$ 2,374	\$ 5,034	\$ 6,366	\$ 1,526	\$ 532	\$ 6,284	\$ 8,439	\$ 35,810
Long-term debt ^{(b)(c)}	\$ 261	\$ 1,999	\$ 525	\$ 1,257	\$ 2,866	\$ 3,487	\$ 731	\$ 221	\$ 4,899	\$ 1,808	\$ 18,054
Property, plant and equipment additions ^(b)	\$ 81	\$ 56	\$ 36	\$ 76	\$ 24	\$ 164	\$ 1	\$ 6	\$ –	\$ 352	\$ 796
Intangible assets with indefinite life ^(b)	\$ –	\$ 8	\$ 224	\$ 259	\$ 196	\$ 429	\$ 265	\$ 175	\$ –	\$ 287	\$ 1,843
Goodwill additions from acquisitions ^(b)	\$ –	\$ –	\$ 10	\$ 43	\$ 34	\$ 1,809	\$ 58	\$ 202	\$ 62	\$ 1,008	\$ 3,226
Goodwill ^(b)	\$ 19	\$ 327	\$ 282	\$ 138	\$ 2,246	\$ 2,102	\$ 890	\$ 202	\$ 62	\$ 1,409	\$ 7,677
Net earnings (loss) attributable to:											
Equity holders of Onex Corporation	\$ 9	\$ (25)	\$ (1)	\$ (1)	\$ (71)	\$ 69	\$ 21	\$ 8	\$ (50)	\$ (532)	\$ (573)
Non-controlling interests	58	(5)	–	–	(8)	–	–	–	–	23	68
Net earnings (loss) for the year	\$ 67	\$ (30)	\$ (1)	\$ (1)	\$ (79)	\$ 69	\$ 21	\$ 8	\$ (50)	\$ (509)	\$ (505)

(a) Represents the after-tax results of KraussMaffei, Sitel Worldwide and Skilled Healthcare Group.

(b) The other segment includes KraussMaffei, which was a discontinued operation.

(c) Long-term debt includes current portion, excludes finance leases and is net of financing charges.