



FOR IMMEDIATE RELEASE

*All amounts in U.S. dollars  
unless otherwise stated*

## – Onex Reports First-Quarter 2016 Results –

**Toronto, May 13, 2016** – Onex Corporation ("Onex") (TSX: OCX) today announced its consolidated financial results for the first quarter ended March 31, 2016 and an update on matters following quarter-end.

### **Highlights**

- In April, we completed the sale of KraussMaffei Group for a cash enterprise value of €25 million, resulting in a gross multiple of capital invested of 2.1 times and a gross IRR of 24%. Onex' portion of the proceeds is \$192 million, including \$11 million of carried interest.
- Last month, we announced plans to launch a direct lending platform and priced our eleventh collateralized loan obligation ("CLO"). Giving effect to the closing of CLO-11, Onex Credit will manage approximately \$7 billion.
- In the first four months of 2016, approximately 2.0 million of Subordinate Voting Shares ("SVS") were repurchased for a total cost of \$118 million (C\$164 million), or an average cost per share of C\$81.42.
- In May, the quarterly dividend was increased by 10% to C\$0.06875 per share. This follows previous increases in the dividend rate over the last three years.

### **Recent Performance**

"With credit markets only recently recovering, the first quarter was quiet," said Gerry Schwartz, Chairman and Chief Executive Officer of Onex. "We've seen slow markets before. They never last forever. As always, we're well positioned with plenty of dry powder and a great team of professionals to benefit from the current investment climate when we find the right opportunities."

In addition to nearly \$2 billion of cash and near-cash, Onex has approximately \$3 billion of uncalled committed capital available from limited partners. This robust capital base provides Onex with the strength and flexibility to invest in opportunities that lie ahead.

Onex management continues to share in the risks and rewards of our businesses through the team's significant investment in everything Onex owns. At March 31, 2016, the team had an investment of approximately \$1.7 billion in underlying private equity operating businesses, credit funds and Onex shares.

## **Creating Value for Shareholders**

Onex has two long-term goals. The first is to grow our capital per share by 15% per year. For the twelve months ended March 31, 2016, Onex' capital per share increased by 5% to \$55.46. While the value of Onex' private equity investments, including realizations and distributions, increased by 12% during the period, our significant cash balance and a mark-to-market decrease in the value of our CLO investments muted the overall growth from our investing activity. Over the last five years, Onex' capital per share has increased by 9% per year.

Our second goal is to grow our fee-generating assets by 10% per year. For the twelve months ended March 31, 2016, Onex' fee-generating assets increased by 10% to \$15.0 billion, primarily due to the completion of three CLOs. Over the last five years, our fee-generating assets increased by 11% per year. As we reach our goals over the long term, we believe Onex' shares will reflect both the growth in the value of our investments and the growing contribution from managing investments for fund investors.

Onex paid a first-quarter dividend of C\$0.0625 per SVS on April 29, 2016 to shareholders of record on April 8, 2016.

## **Consolidated Results**

Onex' quarterly and full-year consolidated financial results do not follow any specific trends due to acquisitions and dispositions of businesses, changes in the value of its publicly traded and privately held operating companies and varying business cycles at its operating companies.

On a consolidated basis for the first quarter, revenues increased by 21% to nearly \$5 billion as compared to the same period of the prior year. The increase was largely due to the inclusion of revenues from the acquisitions of Survitec, SIG, Jack's and Schumacher, which were completed during 2015. In the first quarter of 2016, Onex reported a consolidated net loss of \$175 million compared to \$84 million in the same quarter of 2015. This increase in net loss was driven by a loss of \$4 million from discontinued operations compared to earnings of \$68 million during the same period in 2015.

Attached are the Consolidated Balance Sheets, Statements of Earnings, Statements of Cash Flows and information by industry segment for the quarters ended March 31, 2016 and 2015 as prepared under International Financial Reporting Standards. The complete financial statements, including Management's Discussion and Analysis of the results, are posted on Onex' website, [www.onex.com](http://www.onex.com), and are also available on SEDAR at [www.sedar.com](http://www.sedar.com). The "How We Are Invested" schedule, which details Onex' \$6.0 billion of capital and provides private company performance information, and the Pro Forma Schedule of Fees and Expenses, which provides the revenue and expenses in our asset management platforms and the parent company, are available on Onex' website, [www.onex.com](http://www.onex.com).

## **Webcast**

Onex management will host a conference call to review Onex' first-quarter 2016 results on Friday, May 13 at 11:00 a.m. ET. A live webcast of this conference call will be available in listen-only mode on its website, [www.onex.com](http://www.onex.com).

## **About Onex**

Onex is one of the oldest and most successful private equity firms. Through its Onex Partners and ONCAP private equity funds, Onex acquires and builds high-quality businesses in partnership with talented management teams. At Onex Credit, Onex manages and invests in leveraged loans, collateralized loan obligations and other credit securities. The Company has approximately \$22.7 billion of assets under management, including \$6.0 billion of Onex proprietary capital, in private equity and credit securities. With offices in Toronto, New York, New Jersey and London, Onex invests its capital through its two investing platforms and is the largest limited partner in each of its private equity funds.

Onex' businesses have assets of \$36 billion, generate annual revenues of \$23 billion and employ approximately 145,000 people worldwide. Onex shares trade on the Toronto Stock Exchange under the stock symbol OCX. For more information on Onex, visit its website at [www.onex.com](http://www.onex.com). The Company's security filings can also be accessed at [www.sedar.com](http://www.sedar.com).

This news release may contain forward-looking statements that are based on management's current expectations and are subject to known and unknown uncertainties and risks, which could cause actual results to differ materially from those contemplated or implied by such forward-looking statements. Onex is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or otherwise.

### **For further information:**

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Onex Corporation  
**CONSOLIDATED BALANCE SHEETS**

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>	As at March 31, 2016	As at December 31, 2015
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 1,861	\$ 2,313
Short-term investments	142	206
Accounts receivable	2,908	2,933
Inventories	2,185	1,982
Other current assets	861	920
Assets held by discontinued operations	1,400	1,328
	9,357	9,682
Property, plant and equipment	3,322	3,265
Long-term investments	8,012	7,863
Other non-current assets	781	795
Intangible assets	6,475	6,528
Goodwill	7,774	7,677
	\$ 35,721	\$ 35,810
<b>Liabilities and Equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 3,183	\$ 3,404
Current portion of provisions	331	334
Other current liabilities	951	976
Current portion of long-term debt of operating companies, without recourse to Onex Corporation	497	411
Current portion of Limited Partners' Interests	589	598
Liabilities held by discontinued operations	1,085	1,011
	6,636	6,734
Non-current portion of provisions	367	368
Long-term debt of operating companies, without recourse to Onex Corporation	17,699	17,643
Other non-current liabilities	1,818	1,704
Deferred income taxes	1,419	1,451
Limited Partners' Interests	6,823	6,720
	34,762	34,620
<b>Equity</b>		
Share capital	328	333
Non-controlling interests	1,363	1,353
Retained earnings (deficit) and accumulated other comprehensive loss	(732)	(496)
	959	1,190
	\$ 35,721	\$ 35,810

# Onex Corporation

## CONSOLIDATED STATEMENTS OF EARNINGS

<i>(Unaudited)</i> <i>(in millions of U.S. dollars except per share data)</i>	Three months ended March 31	
	2016	2015
<b>Revenues</b>	<b>\$ 4,998</b>	<b>\$ 4,129</b>
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	<b>(3,444)</b>	(2,839)
Operating expenses	<b>(1,006)</b>	(897)
Interest income	<b>77</b>	56
Amortization of property, plant and equipment	<b>(134)</b>	(96)
Amortization of intangible assets and deferred charges	<b>(157)</b>	(118)
Interest expense of operating companies	<b>(246)</b>	(178)
Increase in value of investments in joint ventures and associates at fair value, net	<b>20</b>	19
Stock-based compensation expense	<b>(51)</b>	(58)
Other income (expense)	<b>(41)</b>	20
Limited Partners' Interests charge	<b>(159)</b>	(178)
<b>Loss before income taxes and discontinued operations</b>	<b>(143)</b>	(140)
Provision for income taxes	<b>(28)</b>	(12)
<b>Loss from continuing operations</b>	<b>(171)</b>	(152)
Earnings (loss) from discontinued operations	<b>(4)</b>	68
<b>Loss for the Period</b>	<b>\$ (175)</b>	<b>\$ (84)</b>
<b>Earnings (Loss) from Continuing Operations attributable to:</b>		
Equity holders of Onex Corporation	<b>\$ (183)</b>	\$ (177)
Non-controlling Interests	<b>12</b>	25
<b>Loss from Continuing Operations for the Period</b>	<b>\$ (171)</b>	<b>\$ (152)</b>
<b>Net Earnings (Loss) attributable to:</b>		
Equity holders of Onex Corporation	<b>\$ (187)</b>	\$ (107)
Non-controlling Interests	<b>12</b>	23
<b>Net Loss for the Period</b>	<b>\$ (175)</b>	<b>\$ (84)</b>
<b>Net Earnings (Loss) per Subordinate Voting Share of Onex Corporation</b>		
Basic and Diluted:		
Continuing operations	<b>\$ (1.76)</b>	\$ (1.63)
Discontinued operations	<b>(0.03)</b>	0.65
<b>Net Loss per Subordinate Voting Share for the Period</b>	<b>\$ (1.79)</b>	<b>\$ (0.98)</b>

# Onex Corporation

## CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>(Unaudited)</i>	Three months ended March 31	
<i>(in millions of U.S. dollars)</i>	2016	2015
<b>Operating Activities</b>		
Loss for the period from continuing operations	\$ (171)	\$ (152)
Adjustments to loss from continuing operations:		
Provision for income taxes	28	12
Interest income	(77)	(56)
Interest expense of operating companies	246	178
Earnings (loss) before interest and provision for income taxes	26	(18)
Cash taxes paid	(60)	(51)
Items not affecting cash and cash equivalents:		
Amortization of property, plant and equipment	134	96
Amortization of intangible assets and deferred charges	157	118
Increase in value of investments in joint ventures and associates at fair value, net	(20)	(19)
Stock-based compensation expense	47	54
Other gains	–	(74)
Foreign exchange gain	(30)	(36)
Limited Partners' Interests charge	159	178
Change in provisions	18	5
Other	(3)	27
	428	280
Changes in non-cash working capital items:		
Accounts receivable	80	132
Inventories	(175)	156
Other current assets	79	87
Accounts payable, accrued liabilities and other current liabilities	(256)	(352)
Increase (decrease) in cash and cash equivalents due to changes in non-cash working capital items	(272)	23
Increase in other operating activities	23	7
Cash flows from operating activities of discontinued operations	28	65
	207	375
<b>Financing Activities</b>		
Issuance of long-term debt	145	565
Repayment of long-term debt	(117)	(422)
Cash interest paid	(220)	(143)
Cash dividends paid	(5)	(4)
Repurchase of share capital of Onex Corporation	(108)	(33)
Repurchase of share capital of operating companies	(42)	(53)
Contributions by Limited Partners	8	1,076
Issuance of share capital by operating companies	3	21
Distributions paid to non-controlling interests and Limited Partners	(78)	(107)
Decrease due to other financing activities	(9)	(14)
Cash flows from (used in) financing activities of discontinued operations	1	(36)
	(422)	850
<b>Investing Activities</b>		
Acquisitions, net of cash and cash equivalents in acquired companies of \$1 (2015 – \$344)	(64)	(1,275)
Purchase of property, plant and equipment	(125)	(173)
Proceeds from sale of property, plant and equipment	36	55
Proceeds from sale of investments in joint ventures and associates at fair value	–	10
Distributions received from investments in joint ventures and associates	19	–
Purchase of investment in joint venture	(33)	–
Cash interest received	74	54
Net purchases of investments and securities for CLOs and Onex Credit Funds	(215)	(271)
Net proceeds from investments and securities at parent company	107	–
Decrease due to other investing activities	(20)	(7)
Cash flows used in investing activities of discontinued operations	(11)	(27)
	(232)	1,634
<b>Decrease in Cash and Cash Equivalents for the Period</b>	<b>(447)</b>	<b>(409)</b>
Increase (decrease) in cash due to changes in foreign exchange rates	18	(27)
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
<b>Cash and Cash Equivalents</b>	<b>1,997</b>	<b>3,332</b>
<b>Cash and cash equivalents held by discontinued operations</b>	<b>136</b>	<b>98</b>
<b>Cash and Cash Equivalents Held by Continuing Operations</b>	<b>\$ 1,861</b>	<b>\$ 3,234</b>

**Onex Corporation**

**INFORMATION BY INDUSTRY SEGMENT**

**FOR THE THREE MONTHS ENDED MARCH 31, 2016**

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>	<b>Electronics Manufacturing Services</b>	<b>Healthcare Imaging</b>	<b>Health and Human Services</b>	<b>Building Products</b>	<b>Insurance Services</b>	<b>Packaging Products and Services</b>	<b>Credit Strategies</b>	<b>Other<sup>(a)</sup></b>	<b>Consolidated Total</b>
Revenues	\$ 1,353	\$ 437	\$ 453	\$ 800	\$ 450	\$ 522	\$ 1	\$ 982	\$ 4,998
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(1,241)	(252)	(346)	(623)	-	(346)	-	(636)	(3,444)
Operating expenses	(51)	(140)	(89)	(118)	(341)	(69)	(7)	(191)	(1,006)
Interest income	-	1	-	-	-	1	71	4	77
Amortization of property, plant and equipment	(15)	(16)	(7)	(30)	(5)	(45)	-	(16)	(134)
Amortization of intangible assets and deferred charges	(2)	(24)	(4)	(4)	(51)	(37)	(1)	(34)	(157)
Interest expense of operating companies	(2)	(36)	(6)	(18)	(48)	(54)	(37)	(45)	(246)
Increase in value of investments in joint ventures and associates at fair value, net	-	-	-	-	-	-	-	20	20
Stock-based compensation expense	(9)	(1)	-	(31)	(4)	(1)	-	(5)	(51)
Other income (expense)	(3)	(14)	2	(12)	(13)	(9)	84	(76)	(41)
Limited Partners' Interests charge	-	-	-	-	-	-	(6)	(153)	(159)
Earnings (loss) before income taxes and discontinued operations	30	(45)	3	(36)	(12)	(38)	105	(150)	(143)
Recovery of (provision for) income taxes	(4)	2	(1)	(2)	1	9	-	(33)	(28)
Earnings (loss) from continuing operations	26	(43)	2	(38)	(11)	(29)	105	(183)	(171)
Loss from discontinued operations <sup>(b)</sup>	-	-	-	-	-	-	-	(4)	(4)
Net earnings (loss) for the period	\$ 26	\$ (43)	\$ 2	\$ (38)	\$ (11)	\$ (29)	\$ 105	\$ (187)	\$ (175)
<b>Net earnings (loss) attributable to:</b>									
Equity holders of Onex Corporation	\$ 4	\$ (39)	\$ 2	\$ (33)	\$ (10)	\$ (29)	\$ 105	\$ (187)	\$ (187)
Non-controlling interests	22	(4)	-	(5)	(1)	-	-	-	12
Net earnings (loss) for the period	\$ 26	\$ (43)	\$ 2	\$ (38)	\$ (11)	\$ (29)	\$ 105	\$ (187)	\$ (175)
Total assets <sup>(c)</sup>	\$ 2,622	\$ 1,482	\$ 1,051	\$ 2,435	\$ 4,964	\$ 6,447	\$ 6,229	\$ 10,491	\$ 35,721
Long-term debt <sup>(d)</sup>	\$ 295	\$ 1,979	\$ 518	\$ 1,259	\$ 2,904	\$ 3,575	\$ 4,846	\$ 2,820	\$ 18,196

(a) Includes Emerald Expositions, Survitec, Jack's, Schumacher, ONCAP II, ONCAP III, Flushing Town Center, Meridian Aviation and the parent company. Investments in joint ventures and associates recorded at fair value include AIT, BBAM, Incline Aviation Fund (since March 2016), ITG and Mavis Discount Tire.

(b) Represents the after-tax results of KraussMaffei.

(c) The other segment includes KraussMaffei, which is a discontinued operation.

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

**Onex Corporation**  
**INFORMATION BY INDUSTRY SEGMENT**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2015**

<i>(Unaudited)</i> <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	Credit Strategies	Other <sup>(a)</sup>	Consolidated Total
Revenues	\$ 1,298	\$ 470	\$ 442	\$ 737	\$ 431	\$ 220	\$ 1	\$ 530	\$ 4,129
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(1,189)	(290)	(336)	(591)	–	(151)	–	(282)	(2,839)
Operating expenses	(54)	(142)	(76)	(110)	(334)	(24)	(7)	(150)	(897)
Interest income	–	1	–	–	–	–	54	1	56
Amortization of property, plant and equipment	(14)	(17)	(7)	(26)	(4)	(12)	–	(16)	(96)
Amortization of intangible assets and deferred charges	(2)	(26)	(4)	(3)	(47)	(14)	(1)	(21)	(118)
Interest expense of operating companies	(1)	(36)	(4)	(12)	(46)	(26)	(24)	(29)	(178)
Increase in value of investments in joint ventures and associates at fair value, net	–	–	–	–	–	–	–	19	19
Stock-based compensation expense	(11)	(1)	–	(9)	(5)	–	–	(32)	(58)
Other income (expense)	–	–	(4)	(19)	(22)	38	42	(15)	20
Limited Partners' Interests recovery (charge)	–	–	–	–	–	–	3	(181)	(178)
Earnings (loss) before income taxes and discontinued operations	27	(41)	11	(33)	(27)	31	68	(176)	(140)
Recovery of (provision for) income taxes	(7)	1	(5)	8	12	(3)	–	(18)	(12)
Earnings (loss) from continuing operations	20	(40)	6	(25)	(15)	28	68	(194)	(152)
Earnings from discontinued operations <sup>(b)</sup>	–	–	–	–	–	–	–	68	68
Net earnings (loss) for the period	\$ 20	\$ (40)	\$ 6	\$ (25)	\$ (15)	\$ 28	\$ 68	\$ (126)	\$ (84)
<b>Net earnings (loss) attributable to:</b>									
Equity holders of Onex Corporation	\$ 2	\$ (36)	\$ 6	\$ (23)	\$ (13)	\$ 28	\$ 68	\$ (139)	\$ (107)
Non-controlling interests	18	(4)	–	(2)	(2)	–	–	13	23
Net earnings (loss) for the period	\$ 20	\$ (40)	\$ 6	\$ (25)	\$ (15)	\$ 28	\$ 68	\$ (126)	\$ (84)
<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>									
As at December 31, 2015									
Total assets <sup>(c)</sup>	\$ 2,612	\$ 1,609	\$ 1,034	\$ 2,374	\$ 5,034	\$ 6,366	\$ 6,284	\$ 10,497	\$ 35,810
Long-term debt <sup>(d)</sup>	\$ 261	\$ 1,999	\$ 525	\$ 1,257	\$ 2,866	\$ 3,487	\$ 4,899	\$ 2,760	\$ 18,054

- (a) Includes Tropicana Las Vegas (up to August 2015), Emerald Expositions, Survitec (since March 2015), ONCAP II, ONCAP III, Flushing Town Center, Meridian Aviation and the parent company. Investments in joint ventures and associates recorded at fair value include AIT, BBAM and Mavis Discount Tire.
- (b) Represents the after-tax results of KraussMaffei, Sitel Worldwide and Skilled Healthcare Group.
- (c) The other segment includes KraussMaffei, which is a discontinued operation.
- (d) Long-term debt includes current portion, excludes finance leases and is net of financing charges.