ONEX CORPORATION

Annual Information Form

for the Year Ended December 31, 2014

February 19, 2015

TABLE OF CONTENTS

KEY DEFINITIONS

The following is a list of defined terms and names used throughout this Annual Information Form:

AIF	This Annual Information Form for Onex Corporation dated February 19, 2015
AIT	Advanced Integration Technology and its subsidiaries.
Allison Transmission	Allison Transmission Holdings, Inc. and its subsidiaries
BBAM	BBAM Limited Partnership and its subsidiaries
Bradshaw	Bradshaw International, Inc. and its subsidiaries
BSN SPORTS	BSN SPORTS, Inc. and its subsidiaries
Caliber Collision	Caliber Collision Centers and its subsidiaries
Carestream Health	Carestream Health, Inc. and its subsidiaries
CDI	Center for Diagnostic Imaging, Inc. and its subsidiaries
Celestica	Celestica Inc. and its subsidiaries
CLO	Collateralized Loan Obligation
Consolidated Financial Information	The consolidated financial information in respect of Onex and its subsidiaries or investees as set out in this AIF
Company	Onex Corporation and its subsidiaries
Davis Standard	Davis-Standard Holdings, Inc. and its subsidiaries
Emerald Expositions	Emerald Expositions, LLC and its subsidiaries
Genesis HealthCare	Genesis HealthCare, Inc. and its subsidiaries
IFRS	International Financial Reporting Standards
JELD-WEN	JELD-WEN Holding, inc. and its subsidiaries
KraussMaffei	KraussMaffei Group GmbH and its subsidiaries
Mavis Discount Tire	Mavis Tire Supply LLC and its subsidiaries
Meridian Aviation	Meridian Aviation Partners Limited and its subsidiaries
OEM	Original equipment manufacturer
ONCAP II	ONCAP II L.P., ONCAP (US) II L.P., ONCAP (US) II-A L.P. and Onex Parallel Investment (ONCAP) L.P.
ONCAP III	ONCAP III LP, ONCAP III (CANADA) LP, ONCAP Investment Partners III LP and Onex Parallel (ONCAP) III LP
Onex	Onex Corporation
Onex Credit	Onex Credit Holdings LLC and its subsidiaries
Onex Partners I	Onex Partners LP
Onex Partners II	Onex Partners II LP
Onex Partners III	Onex Partners III LP
Onex Partners IV	Onex Partners IV LP
Onex Real Estate Partners	Onex Real Estate Holdings Inc., its subsidiaries and its affiliates
Pinnacle Renewable Energy Group	Pinnacle Pellet, Inc. and its subsidiaries

PURE Canadian Gaming	PURE Canadian Gaming Corp. and its subsidiaries
ResCare	Res-Care, Inc. and its subsidiaries
RSI	RSI Home Products, Inc. and its subsidiaries
SGS International	SGS International, Inc. and its subsidiaries
Sitel Worldwide	SITEL Worldwide Corporation and its subsidiaries
Skilled Healthcare Group	Skilled Healthcare Group, Inc. and its subsidiaries
Spirit AeroSystems	Spirit AeroSystems, Inc. and its subsidiaries
The Warranty Group	The Warranty Group, Inc. and its subsidiaries
TMS International	TMS International Corp. and its subsidiaries
Tomkins	Tomkins Limited and its subsidiaries
Tropicana Las Vegas	Tropicana Las Vegas Hotel and Casino, Inc. and its subsidiaries
USI	USI Insurance Services and its subsidiaries
York	York Risk Services Holding Corp and its subsidiaries
2014 Information Circular	Notice of Annual Meeting of Shareholders and Information Circular of Onex dated March 21, 2014
2015 Information Circular	Notice of Annual Meeting of Shareholders and Information Circular of Onex dated March 20, 2015

More Than 30 Years of Successful Investing

Founded in 1984, 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 $20.7 billion of assets under management, including $6.0 billion of Onex capital. The Company is guided by an ownership culture focused on achieving strong absolute growth, with an emphasis on capital preservation.

In private equity, Onex has built more than 80 operating businesses, completing approximately 480 acquisitions with a total value of approximately $53 billion. Onex' investment returns have generated a gross multiple of capital invested of 3.0 times from its core private equity activities since inception, resulting in a 28% gross compound IRR on realized, substantially realized and publicly traded investments. Our credit business has grown considerably since 2007, driven primarily by our success with our CLO platform. With an experienced management team, significant financial resources and no debt at the parent company, Onex is well-positioned to continue building our businesses.

In addition to Onex' $6.0 billion of proprietary capital, the Company currently manages approximately $14.7 billion of invested and committed capital on behalf of its investors and partners, of which approximately 70% relates to its private equity platform and the balance to Onex Credit. The management of capital from other investors provides two significant benefits to Onex. First, Onex receives a committed stream of annual management fees on a majority of other investors' assets under management. Second, Onex has the opportunity to share in the profits of its investors through the carried interest participation.

Incorporation and Principal Office

Onex was incorporated under the Business Corporations Act (Ontario) on December 30, 1980 and its corporate name was changed to its present name by articles of amendment dated March 11, 1987. The business of Onex commenced in January 1984 through a related private equity company, Onex Capital Corporation. On March 13, 1987, through a series of transactions, substantially all the business interests of Onex Capital Corporation at that date were acquired by Onex.

The share provisions of Onex were established by articles of amendment dated April 16, 1987, and amended on August 5, 1993 to remove all dividend rights attached to the Multiple Voting Shares. The articles were subsequently restated on August 13, 1993. On December 3, 1998, the articles were further amended to create Senior Preferred Shares, Series 1. A summary of the Company's share provisions can be found in the 2013 and 2014 Information Circulars.

For convenience, references to "Onex" or the "Company" for any period prior to March 13, 1987 shall refer to Onex Capital Corporation and, unless the context otherwise requires, references to the "Company" include its subsidiaries.

Onex' registered and principal office is located on the 49th Floor, 161 Bay Street, P.O. Box 700, Toronto, Ontario, Canada M5J 2S1. Onex also has offices located in New York and London.

Throughout this AIF, all amounts are in U.S. dollars unless otherwise indicated.

2.1 Overview

Onex makes private equity investments through the Onex Partners and ONCAP Funds. Through these Funds, which have limited partners' capital and Onex proprietary capital, Onex generates annual management fee income, and is entitled to a carried interest on a majority of limited partners' capital. Onex also has Real Estate and Credit Strategies investing platforms.

As of December 31, 2014, Onex' businesses have combined assets of $29 billion, generate annual revenues of $21 billion and employ approximately 192,000 people worldwide. These companies are in a variety of industries, including electronics manufacturing services, healthcare imaging, health and human services, customer care services, building products, insurance services, credit strategies, aerospace automation, tooling and components, aircraft leasing & management, business services/tradeshows, plastics processing equipment, business services/packaging, gaming and real estate. Onex works in partnership with the management teams of our operating businesses to build the value of these businesses.

Management's objective is to build substantial value for its shareholders, partners and employees. Onex' compound annual return on its invested capital for all its realized, substantially realized and publicly traded businesses is 28% from inception in 1984 to December 31, 2014.

Since early 2004, Onex has completed its large-cap private equity acquisitions with funding from the Onex Partners Funds. The Onex Partners Funds collectively refers to Onex Partners I, Onex Partners II, Onex Partners III and Onex Partners IV. Onex Partners I initially had total capital commitments of $1.7 billion (including Onex' commitment of $400 million), and was initiated in November 2003. Onex Partners II, which closed in August 2006, initially had total capital commitments of $3.5 billion (including Onex' commitment of $1.4 billion). Onex Partners III, which closed in December 2009, initially had total capital commitments of $4.7 billion (including Onex' commitment of $1.2 billion). Onex initially had a $1.0 billion commitment to Onex Partners III, which could be either increased or decreased by $500 million with six months' notice to the limited partners. Onex' commitment to Onex Partners III was as follows:

- $500 million for new acquisitions completed from July 1, 2009 to June 15, 2010;
- $800 million for new acquisitions completed from June 16, 2010 to May 14, 2012; and
- $1.2 billion for new investments completed since May 15, 2012.

Changes to Onex' commitment did not alter Onex' ownership of businesses acquired prior to the effective dates of the changes. Onex Partners IV, which closed in May 2014, initially had total capital commitments of $5.2 billion (including Onex' commitment of $1.2 billion). In December 2014, Onex notified the limited partners of Onex Partners IV that it would be increasing its commitment by $500 million to $1.7 billion effective June 3, 2015.

New investments generally include a meaningful amount of third-party debt. This debt is serviced or supported by the cash flow, profitability and assets of the acquired company. All debt financing of the operating companies is without recourse to Onex, and there are no cross-guarantees of such debt between the operating companies. Management of an acquired company generally purchase equity ownership in such company at the time of the acquisition, and the vendor or outside investors may take an equity interest.

2.2 Recent Transactions

During the last three fiscal years, Onex completed a number of acquisitions, had realizations and received distributions from certain of our operating businesses. The tables below summarize significant transactions from the years ended December 31, 2014, 2013 and 2012.

Year ended December 31, 2014

($ millions)

Company	Fund	Transaction	Onex' & Limited Partners' share	Onex' share[1]
Acquisitions:				
AIT	Onex Partners IV	Equity invested	$ 204[2]	$ 45[2]
Flushing Town Center	Onex Real Estate Partners	Add-on investment	$ 108	$ 95
JELD-WEN	Onex Partners III	Add-on investment	$ 65	$ 16
Mavis Discount Tire	ONCAP III	Equity invested	$ 102[3]	$ 30
Sitel Worldwide	Direct Investment	Add-on investment	$ 74	$ 69
York	Onex Partners III	Equity invested	$ 521[4]	$ 173[4]
Realizations and distributions:				
Allison Transmission	Onex Partners II	Share repurchases, secondary offerings and dividends	$ 1,483	$ 461
BBAM	Onex Partners III	Distributions	$ 28	$ 7
Cypress Insurance Group	Direct Investment	Sale of business and dividends	$ 54	$ 50
Mister Car Wash	ONCAP II	Sale of business	$ 378	$ 149
Onex Real Estate Partners	Direct Investment	Sale of investments	$ 95[5]	$ 84[5]
PURE Canadian Gaming	ONCAP II & III	Debt repayment and return of capital	$ 41	$ 18
ResCare	Onex Partners I & III	Dividend	$ 120	$ 25
Spirit AeroSystems	Onex Partners I	Share repurchase and secondary offerings	$ 729	$ 222
The Warranty Group	Onex Partners I & II	Sale of business	$ 1,126	$ 382
Tomkins	Onex Partners III	Sale of business	$ 2,043	$ 554

(1) Onex' share includes carried interest received by Onex and is reduced for amounts paid under the MIP and Onex' net payment of carried interest in ONCAP II, if applicable.

(2) Onex Partners IV's investment in AIT excludes capitalized costs.

(3) ONCAP III's investment in Mavis Discount Tire excludes a $3 million equity investment by a third-party investor.

(4) Onex Partners III's equity investment in York was comprised of $400 million from Onex Partners III and $121 million as a co-investment from Onex and certain limited partners. Onex' investment was comprised of $96 million from Onex Partners III and $77 million as a co-investment.

(5) Onex Real Estate Partners primarily consists of proceeds received on the sale of properties in the Urban Housing platform

In addition to these investments, Onex recently announced two new acquisitions: SIG Combibloc Group AG ("SIG") and Survitec Group Limited ("Survitec").

In November 2014, Onex agreed to acquire SIG in a transaction valued at up to €3.75 billion. Based in Switzerland, SIG provides beverage and food producers with a comprehensive product portfolio of aseptic carton sleeves and closures, as well as the filling machines used to fill, form and seal the sleeves. The equity investment in SIG is expected to be approximately $1.25 billion and will be comprised of $600 million from Onex Partners IV and $650 million from Onex and certain other limited partners. The transaction is expected to close during the first quarter of 2015, subject to customary conditions and regulatory approvals.

In January 2015, Onex agreed to acquire Survitec for £450 million ($680 million). Based in the United Kingdom, Survitec is a market-leading provider of mission-critical marine, defence and aerospace survival equipment. The Onex Partners IV Group will make an investment of approximately $320 million for substantially all of the equity. The transaction is expected to close during the first quarter of 2015, subject to customary conditions and regulatory approvals.

Year ended December 31, 2013
($ millions)

Company	Fund	Transaction	Onex' & Limited Partners' share	Onex' share(1)
Acquisitions:				
Emerald Expositions	Onex Partners III	Equity invested	$ 350	$ 85
Meridian Aviation	Onex Partners III	Equity invested	$ 57	$ 14
Realizations and distributions:				
Allison Transmission	Onex Partners II	Share repurchase, secondary offerings and dividends	$ 613	$ 203
BBAM	Onex Partners III	Distributions	$ 24	$ 6
BSN SPORTS	ONCAP II	Sale of business	$ 227	$ 98
Caliber Collision	ONCAP II	Sale of business	$ 433	$ 173
Carestream Health	Onex Partners II	Dividend/Return of capital	$ 695	$ 303
PURE Canadian Gaming	ONCAP II & III	Debt repayment	$ 14	$ 6
RSI	Onex Partners II	Sale of business	$ 323	$ 130
The Warranty Group	Onex Partners I & II	Dividend/Return of capital	$ 63	$ 20
TMS International	Onex Partners II	Sale of business and dividends	$ 415	$ 174

(1) Onex' share includes carried interest received by Onex and is reduced for amounts paid under the MIP and Onex' net payment of carried interest in ONCAP II, if applicable.

Year ended December 31, 2012
($ millions)

Company	Fund	Transaction	Onex' & Limited Partners' share	Onex' share[1]
Acquisitions:				
BBAM[2]	Onex Partners III	Equity invested	$ 185	$ 47
Bradshaw	ONCAP III	Equity invested	$ 80	$ 24
KraussMaffei	Onex Partners III	Equity invested	$ 358	$ 90
SGS International	Onex Partners III	Equity invested	$ 260	$ 66
USI[3]	Onex Partners III	Equity invested	$ 636	$ 254
Realizations and distributions:				
Allison Transmission	Onex Partners II	Initial public offering and dividends	$ 339	$ 106
Carestream Health	Onex Partners II	Dividend and return of capital	$ 124	$ 49
CDI	Onex Partners I	Sale of business	$ 82	$ 22
The Warranty Group	Onex Partners I & II	Dividend and return of capital	$ 132	$ 41
Tomkins	Onex Partners II	Return of capital	$ 663	$ 171

(1) Onex' share includes carried interest received by Onex and is reduced for amounts paid under the Management Investment Plan.

(2) The investment in BBAM Aircraft Leasing and Management includes an investment of $20 million in the shares of FLY Leasing Limited (NYSE: FLY), of which Onex' share was $5 million.

(3) The investment in USI included $126 million as a co-investment.

2.3 Current Businesses

The operating segments at February 19, 2015 are as follows:

- ***Electronics Manufacturing Services:*** Celestica is a global provider of electronics manufacturing services.
- ***Healthcare Imaging:*** Carestream Health is a global provider of medical and dental imaging and healthcare information technology solutions.
- ***Health and Human Services:*** ResCare is a leading U.S. provider of residential, training, educational and support services for people with disabilities and special needs.
- ***Customer Care Services:*** Sitel Worldwide is a global provider of outsourced customer care services.
- ***Building Products:*** JELD-WEN is one of the world's largest manufacturers of interior and exterior doors, windows and related products for use primarily in the residential and light commercial new construction and remodelling markets.
- ***Insurance Services:*** USI is a leading U.S. provider of insurance brokerage services. York is an integrated provider of insurance solutions to property, casualty and workers' compensation specialty markets in the United States.
- ***Credit Strategies:*** Onex Credit specializes in managing credit-related investments, including event-driven, long/short, long only, market dislocation, collateralized loan obligation ("CLO") and high yield debt strategies.
- ***Other Businesses:***
  - ***Aerospace Automation, Tooling and Components:*** AIT is a leading provider of automation and tooling, maintenance services and aircraft components to the aerospace industry.
  - ***Aircraft Leasing & Management:*** BBAM is one of the world's leading managers of commercial jet aircraft. Meridian Aviation Partners Limited is an aircraft investment company established by the Onex Partners III Group.
  - ***Business Services/Tradeshows:*** Emerald Expositions is a leading operator of business-to-business tradeshows in the United States.
  - ***Plastics Processing Equipment:*** KraussMaffei is a leading manufacturer of plastic and rubber processing equipment.
  - ***Business Services/Packaging:*** SGS International is a global leader in design-to-print graphic services to the consumer products packaging industry.
  - ***Gaming:*** Tropicana Las Vegas is a hotel and casino resort with 1,467 remodelled rooms, situated on 35 acres and located directly on the Las Vegas strip.
  - ***Healthcare:*** Genesis Healthcare is a leading provider of integrated long-term healthcare services through its skilled nursing and assisted living companies, as well as rehabilitation and other related healthcare services.
  - ***Mid-Market Opportunities:*** ONCAP II and ONCAP III are private equity funds focused on acquiring and building the value of mid-market companies based in North America.
  - ***Flushing Town Center:*** Flushing Town Center is a three million-square-foot development located on approximately 14 acres in Flushing, New York.

Revenues of Onex by industry segment for the years ended December 31, 2014 and 2013 are presented in the following tables in accordance with IFRS:

($ millions)	Year Ended December 31, **2014**	2013
Electronics Manufacturing Services	**$ 5,631**	$ 5,796
Healthcare Imaging[(a)]	**2,360**	2,429
Health and Human Services[(a)]	**1,737**	1,617
Customer Care Services	**1,440**	1,438
Building Products	**3,507**	3,457
Insurance Services[(b)]	**1,079**	769
Other [(c)]	**4,039**	4,318
Total Revenues	**$ 19,793**	$ 19,824

(a) The healthcare imaging segment, consisting of Carestream Health, and the health and human services segment, consisting of ResCare, were previously included within the healthcare segment, which consisted of Carestream Health, ResCare and Skilled Healthcare Group. Skilled Healthcare Group is recorded as a discontinued operation for the years ended December 31, 2014 and 2013.

(b) The insurance services segment consists of USI and York. USI was previously included within other. There are no comparative results for York. York began to be consolidated in October 2014, when the business was acquired by Onex Partners III.

(c) 2014 other includes Flushing Town Center, Tropicana Las Vegas, SGS International, KraussMaffei, Meridian Aviation, Emerald Expositions, the operating companies of ONCAP II (Mister Car Wash up to August 2014) and ONCAP III and the parent company. 2013 other includes Flushing Town Center, Tropicana Las Vegas, SGS International, KraussMaffei, Meridian Aviation (since February 2013), Emerald Expositions (since June 2013), the operating companies of ONCAP II (BSN SPORTS up to June 2013 and Caliber Collision up to November 2013) and ONCAP III and the parent company.

During 2014, Onex operated primarily in the geographical areas of Canada, U.S., Europe and Asia and Oceania. The following table shows 2014 consolidated revenues by industry segment and geography.

	Consolidated Revenues ($ millions)	Canada	U.S.	Europe	Asia and Oceania	Other
Electronics Manufacturing Services	**$ 5,631**	4%	48%	17%	25%	6%
Healthcare Imaging[(a)]	**2,360**	1%	27%	21%	37%	14%
Health and Human Services[(a)]	**1,737**	-	100%	-	-	-
Customer Care Services	**1,440**	4%	31%	37%	14%	14%
Building Products	**3,507**	9%	47%	32%	11%	1%
Insurance Services[(b)]	**1,079**	-	99%	-	-	1%
Other [(c)]	**4,039**	8%	50%	27%	10%	5%
Total	**$ 19,793**					

(a) The healthcare imaging segment, consisting of Carestream Health, and the health and human services segment, consisting of ResCare, were previously included within the healthcare segment, which consisted of Carestream Health, ResCare and Skilled Healthcare Group. Skilled Healthcare Group is recorded as a discontinued operation for the years ended December 31, 2014 and 2013.

(b) The insurance services segment consists of USI and York. USI was previously included within other. There are no comparative results for York. York began to be consolidated in October 2014, when the business was acquired by Onex Partners III.

(c) 2014 other includes Flushing Town Center, Tropicana Las Vegas, SGS International, KraussMaffei, Meridian Aviation, Emerald Expositions, the operating companies of ONCAP II (Mister Car Wash up to August 2014) and ONCAP III and the parent company. 2013 other includes Flushing Town Center, Tropicana Las Vegas, SGS International, KraussMaffei, Meridian Aviation (since February 2013), Emerald Expositions (since June 2013), the operating companies of ONCAP II (BSN SPORTS up to June 2013 and Caliber Collision up to November 2013) and ONCAP III and the parent company.

The following are the principal operating businesses of Onex and the percentage equity interest held:

		December 31, 2014			
Principal Operating Businesses	Organized under the laws of	Onex' Ownership	Onex' Fully-Diluted Ownership	Onex' and Limited Partners' Ownership	Voting
Investments made through Onex					
Celestica	Ontario	11%	10%	11%	75%
Sitel Worldwide[(a)]	Delaware	86%	65%	86%	89%
Investments made through Onex and Onex Partners I					
Skilled Healthcare[(b)]	Delaware	9%	8%	39%	86%
Investments made through Onex and Onex Partners II					
Carestream Health	Delaware	36%	32%	91%	100%
Investments made through Onex and Onex Partners III					
BBAM	Cayman Islands	13%	13%	50%	50%[(c)]
Emerald Expositions	Delaware	24%	22%	99%	99%
JELD-WEN[(d)]	Oregon	20%	19%	81%	81%
KraussMaffei	Germany	24%	24%	96%	100%
Meridian Aviation	Ireland	25%	25%	100%	100%
SGS International	Delaware	23%	22%	93%	93%
Tropicana Las Vegas	Nevada	18%	18%	82%	82%
USI	Delaware	25%	23%	89%	100%
York	Delaware	29%	27%	88%	100%
Investments made through Onex, Onex Partners I and Onex Partners III					
ResCare	Kentucky	20%	19%	98%	100%
Investments made through Onex and Onex Partners IV					
AIT	Delaware	9%	9%	40%	50%[(c)]
Investments made through Onex Real Estate Partners					
Flushing Town Center	Delaware	88%	88%	88%	100%
Other investments					
Onex Credit[(e)]	Delaware	70%	70%	70%	50%

(a) The economic ownership interests of Sitel Worldwide are presented based on preferred share holdings.

(b) In February 2015, Skilled Healthcare Group combined with Genesis HealthCare.

(c) Onex exerts joint control or significant influence over these investments, which are designated at fair value through earnings, through its right to appoint members of the boards of directors of these entities.

(d) The economic ownership and voting interests of JELD-WEN are presented on an as-converted basis as the Company's investment is in convertible preferred shares.

(e) Represents Onex' share of the Onex Credit asset management platform. In January 2015, Onex acquired control of the Onex Credit asset management platform.

The following sections set out the industry segments in which Onex has operating companies and a description of those companies. Within each description, the operating company is referred to as the "company".

2.3.1 Electronics Manufacturing Services

The Electronics Manufacturing Services ("EMS") segment consists of the business of Celestica Inc. and its subsidiaries.

Overview of the Business

Celestica Inc. ("Celestica") is a global provider of electronics manufacturing services with revenues of $5.6 billion for 2014. The company has a global operating network of facilities in North America, Europe and Asia, and offers a range of services including design and development, engineering services, supply chain management, new product introduction, component sourcing, electronics manufacturing, assembly and test, complex mechanical assembly, systems integration, precision machining, order fulfillment, logistics and aftermarket repair and return services.

Development of the Business

In October 1996, Onex acquired Celestica in a transaction valued at approximately $560 million. Onex initially invested $114 million for a 55% equity interest. The acquisition was financed through equity of $200 million, a U.S. private placement of Senior Subordinated Notes of $200 million and secured credit facilities. The debt of Celestica was without recourse to Onex.

Equity Offerings

In July 1998, Celestica completed an initial public offering of equity resulting in net after-tax proceeds to Celestica of $399 million. The shares are listed on the New York Stock Exchange (NYSE: CLS) and Toronto Stock Exchange (TSX: CLS). Since the initial public offering, Celestica completed several other public offerings through to 2001. Since then, Celestica has repurchased shares for cancellation under several normal course issuer bids including a $175 million substantial issuer bid for 22.4 million shares in December 2012. During 2014, Celestica repurchased 8.5 million (2013 – 4.1 million) shares for cancellation under its normal course issuer bid. At December 31, 2014, Onex had an economic interest of 11% and a 75% voting interest in Celestica.

Principal Products/Operations

Celestica delivers innovative supply chain solutions globally to customers in the communications, consumer, diversified, servers and storage end markets. The products and services that Celestica provides serve a wide variety of applications, including servers; networking, wireless and telecommunications equipment; storage devices; optical equipment; aerospace and defence electronics, such as in-flight entertainment and guidance systems; healthcare products for diagnostic imaging; audio-visual equipment; set top boxes; printer supplies; peripherals; semiconductor equipment; and a range of industrial and green technology products, including solar panels and inverters. Celestica's services include design and development, engineering services, supply chain management, new product introduction, component sourcing, electronics manufacturing, assembly and test, complex mechanical assembly, systems integration, precision machining, order fulfillment, logistics and aftermarket repair and return services. Celestica has been focused on expanding these service offerings and growing its business with existing and new customers. During the past several years, Celestica has completed a number of acquisitions which enhanced and added new capabilities to their offerings and expanded their customer base in their diversified markets, in particular, semiconductor capital equipment.

Celestica operates its facilities with specialized end-to-end supply chain capabilities tailored to meet specific market and product lifecycle requirements of its customers. Celestica executes its business in centres of excellence strategically located in North America, Europe and Asia. Celestica strives to align its preferred suppliers in close proximity to these centres of excellence to increase the speed and flexibility in its supply chain, deliver higher quality products and reduce time to market for its customers.

Markets and Competition

The EMS industry is comprised of companies that offer a broad range of electronics manufacturing services to OEMs and service providers. Leading EMS companies manage global networks delivering customized supply chain solutions and offer end-to-end services for the entire product lifecycle, including design and engineering services, manufacturing, assembly, test and systems integration, fulfillment and aftermarket services.

The EMS industry is highly competitive, with multiple global EMS providers competing for the same customers and programs. Celestica's competitors include Benchmark Electronics, Flextronics International, Hon Hai Precision Industry, Jabil Circuit, Plexus and Sanmina-SCI, as well as smaller EMS companies that have a regional, product, service or industry-specific focus. EMS companies also face competition from original design manufacturers, companies that provide internally designed products and manufacturing services.

Customer or program transfers between EMS providers are part of the competitive nature of the EMS industry. Customers award new programs or shift production to other EMS providers for a number of reasons, including pricing concessions, more favourable terms and conditions, their preference or need to consolidate their supply chain capacity or number of supply chain partners, or consolidation among customers. Customers may also choose to accelerate the amount of business they outsource, insource previously outsourced business, or change the concentration or location of their EMS suppliers to better manage their supply continuity risk. Demand in the EMS industry remains volatile, making customer revenue and mix, and revenue by end markets difficult to predict. Shorter product lifecycles inherent in their end markets, short production lead times expected by customers, rapid shifts in technology for end products, model obsolescence, commoditization of certain products, the emergence of new business models that de-emphasize products and services offered through traditional OEM distribution channels, shifting patterns of demand, such as the shift from traditional network infrastructures to highly virtualized and cloud-based environments as well as software-defined networks, increased competition and pricing pressure, and the general volatility of the economy, are contributing factors.

2.3.2 Healthcare Imaging

The Healthcare Imaging segment consists of the operations of Carestream Health, Inc. and its subsidiaries.

Overview of the Business

Carestream Health, Inc. ("Carestream Health") is a leading global provider of medical and dental imaging products and services and healthcare information technology solutions. The company's offerings include digital x-ray systems, x-ray film and dental imaging products, software and services. Carestream Health also has a non-destructive testing business, which sells x-ray film and digital x-ray products to the non-destructive testing market.

Development of the Business

In late April 2007, Onex completed the $2.4 billion acquisition of the Health Group of Eastman Kodak Company. Following the purchase, the business continued operations under the new name of Carestream Health. Onex, Onex Partners II and Onex management invested $471 million in the equity of Carestream Health for an initial 98% economic interest, after giving effect to Carestream management's investment. Onex' share of the total equity was $186 million for an initial 39% economic interest. During 2009 and 2010, the company redeemed a total of $53 million of its preferred stock. Onex' share of these redemptions was $20 million. In 2011, the company redeemed $193 million of its preferred stock, of which Onex' share was $76 million. In 2012, the company redeemed $86 million of its preferred stock, of which Onex' share was $33 million. In 2013, the company redeemed the remaining $141 million of its preferred stock, of which Onex' share was $55 million.

At December 31, 2014, Onex had an economic interest of 36% and a 100% voting interest in Carestream Health.

Principal Products/Operations

Carestream Health sells digital products including computed radiography and digital radiography equipment, picture archiving and communication systems, radiology information systems, information management solutions, dental practice management software and services, as well as traditional medical products, including x-ray film, printers and media, equipment, chemistry and services. Carestream Health has three reportable segments: Medical Film, Dental and Medical Digital. The balance of Carestream Health's operations, which do not meet the criteria of a reportable segment, are reported in Other.

Markets and Competition

Carestream Health is a leading global provider of medical and dental imaging products and services and information technology solutions, offering a comprehensive suite of traditional and digital product lines in its target markets.

Primary competitors, by reportable segment, are as follows:

Carestream Health Reportable Segment	**Primary Competitors**
Medical Film	• Fuji • Agfa • Konica
Dental	• Danaher • Sirona • Agfa • Henry Schein • Patterson
Medical Digital	• Fuji • Agfa • General Electric • Phillips Medical Systems • Siemens
Other (NDT)	• GEIT/Agfa • Fuji • Durr • VMI • Foma

2.3.3 Health and Human Services

The Health and Human Services segment consists of the operations of Res-Care, Inc. and its subsidiaries.

Overview of the Business

Res-Care, Inc. ("ResCare") is a human service company that provides residential, therapeutic, job training and educational supports to people with developmental or other disabilities, to elderly people who need in-home care assistance, to youth with special needs and to adults who are experiencing barriers to employment. ResCare offers services to some 62,000 persons daily in 46 locations, including 43 states, Washington, D.C., Puerto Rico and Canada.

Development of the Business

In June 2004, Onex, Onex Partners I and Onex management invested $84 million for a 28% economic interest in ResCare, of which Onex' initial share of that investment was $19 million for an initial 7% economic interest.

In November 2010, Onex, Onex Partners III and Onex management invested $120 million to acquire the remaining shares of ResCare. With this investment, Onex, Onex Partners I, Onex Partners III and Onex management collectively held a 98% economic interest in ResCare. Onex' share of the November 2010 investment was $22 million, bringing its total investment in ResCare to $41 million and increasing its economic and voting interests to 20% and 100%, respectively.

In April 2014, ResCare entered into a new $650 million senior secured credit facility. The proceeds from the new senior secured credit facility were used to repay ResCare's former senior secured credit facility, fund a $130 million distribution to shareholders, pay fees and expenses associated with the transaction and for general corporate purposes. Onex, Onex Partners III and Onex management's portion of the distribution was $120 million, of which Onex' portion was $25 million.

At December 31, 2014, Onex had economic interest of 20% and a 100% voting interest in ResCare.

Principal Products/Operations

ResCare's programs include an array of services provided in both residential and non-residential settings to people with developmental or other disabilities, to youth with special needs, to adults who are experiencing barriers to employment and to elderly people who need in-home care assistance. ResCare also offers, through drop-in or live-in services, personal care, meal preparation, housekeeping, transportation and some skilled nursing care to the elderly in their own homes. Additionally, ResCare provides services to transition welfare recipients, young people and people who have been laid off or have special barriers to employment, into the workforce and become productive employees.

ResCare operates under five reportable operating segments: (i) Residential Services; (ii) ResCare HomeCare; (iii) Education and Training Services; (iv) Workforce Services; and (v) Pharmacy Services.

Markets and Competition

ResCare's Residential Services, HomeCare, Education and Training Services, Workforce Services and Pharmacy Services segments are subject to a number of competitive factors, including range and quality of services provided, cost-effectiveness, reporting and regulatory expertise, reputation in the community, and the location and appearance of facilities and programs. These markets are highly fragmented, with no single company or entity holding a dominant market share. ResCare competes with other for-profit companies, not-for-profit entities and governmental agencies.

Individual states are also providers of support services, primarily through the operation of large institutions. Not-for-profit organizations are also active in all states and range from small agencies serving a limited area with specific programs to multi-state organizations.

For Workforce Services, there are a small number of large for-profit service providers and many smaller providers, primarily local non-profits. This segment is one that many businesses may enter without substantial capital investment.

Certain proprietary competitors operate in multiple jurisdictions and may be well capitalized. ResCare also competes in some markets with smaller local companies that may have a better understanding of the local conditions and may be better able to gain political and public acceptance. Such competition may adversely affect ResCare's ability to obtain new contracts and complete transactions on favourable terms. ResCare faces significant competition from all of these providers in the states in which it now operates and expects to face similar competition in any state that it may enter in the future.

2.3.4 Customer Care Services

The Customer Care Services segment consists of the business of SITEL Worldwide Corporation and its subsidiaries. This business was formerly known as ClientLogic Corporation.

Overview of the Business

In January 2007, ClientLogic acquired 100% of the issued and outstanding voting stock of SITEL Corporation (NYSE: SWW), a global provider of outsourced customer care services that handled more than two million customer interactions daily. Following the acquisition, ClientLogic changed its name to SITEL Worldwide Corporation ("Sitel Worldwide").

Development of the Business

The building of ClientLogic began in April 1998 with the acquisition of North Direct Response, Inc. ("NDR"). NDR was a Toronto-based contact centre company with clients in the technology, consumer products and insurance industries. Onex invested $10 million for an initial 68% economic interest.

In September 1998, ClientLogic Corporation ("ClientLogic") was formed. From 1998 to 2003, ClientLogic completed several acquisitions in the customer care services industry. As a result of these acquisitions, Onex invested an additional $132 million in the equity of ClientLogic. In addition, during 2000, ClientLogic completed a $105 million private equity offering. Onex invested $25 million and a large Canadian pension fund invested $80 million.

In January 2007, ClientLogic acquired 100% of the issued and outstanding voting stock of SITEL Corporation ("SITEL"), a global provider of outsourced customer care services. SITEL was acquired to increase ClientLogic's competitiveness in the market, expand ClientLogic's geographic footprint, and increase offerings of ancillary services. The purchase price for SITEL was $4.25 per outstanding share or approximately $450 million in cash, funded through ClientLogic's new credit facility. The merged organization was named SITEL Worldwide Corporation.

During 2008, Onex invested $51 million in preferred shares of Sitel Worldwide.

During 2014, Onex increased its investment in Sitel Worldwide to enable the company to reduce debt and fund near-term capital expenditures supporting growth and efficiency plans. Sitel Worldwide issued $75 million of mandatorily redeemable Class D preferred shares, of which Onex' share was $69 million. The mandatorily redeemable Class D preferred shares accrue annual dividends at a rate of 16% and are redeemable at the option of the holder on or before July 2018.

At December 31, 2014, Onex had an economic interest of 86% and an 89% voting interest in Sitel Worldwide. The economic ownership interest is based on preferred shareholdings.

Principal Products/Operations

Sitel Worldwide is one of the world's largest and most diversified providers of customer care outsourcing services. The company offers its clients a wide array of services including customer service, technical support, customer acquisition, retention and revenue generation services, and back office support. The majority of Sitel Worldwide's customer care services are inbound telephonic services, but an increasing portion of services are being provided through other communication channels including email, online chat, interactive voice response and social media channels. The company serves a broad range of industry end markets, including financial services, technology, wireless, retail and consumer products, telecommunications, media and entertainment, energy and utilities, travel and transportation, internet service providers, insurance, government, and healthcare. The company currently operates one of the industry's most geographically diverse operating platforms through approximately 110 customer contact centres and related facilities in 23 countries. As of December 31, 2014, the company serviced its clients' customers in 40 languages.

Sitel Worldwide's operations are highly labour intensive. The company has a workforce of approximately 62,500 employees. The company operates in a number of jurisdictions with works council and union collective bargaining requirements and is a party to collective bargaining and other agreements, which stipulate work rules and restrict its ability to hire and fire employees without recourse, severance or adherence to certain due process and grievance procedures.

Markets and Competition

According to International Data Corporation ("IDC"), an industry analyst, customer care outsourcing service is defined as any outsourcing or consulting service that supports customer care activities and business processes such as customer service, sales, marketing and technical support. IDC estimates that the global customer care services market in which Sitel Worldwide competes is expected to grow from $64 billion in 2014 to $81 billion in 2018, a 5.9% compound annual growth rate. Sitel Worldwide believes this growth will be driven by the increasing need for high quality customer care services as more businesses make the decision to outsource non-core competencies and leverage the capabilities of specialized third-party outsourcing providers. Further, Sitel Worldwide believes that companies are increasingly limiting the number of outsourcing relationships they maintain, focusing their relationships on selected providers that can manage and handle all aspects of their daily customer interactions on a globally coordinated basis. The company believes that its comprehensive customer care service offerings, global footprint, extensive client base and experience serving a variety of end markets position the company well to participate in the growth of the customer care outsourcing services industry.

The customer care outsourcing services industry is a highly fragmented and competitive industry. Sitel Worldwide's principal competition stems from existing and prospective clients with the resources and ability to provide the same or similar services in-house. Sitel Worldwide also faces competition from customer care outsourcing companies, large multi-national information technology services providers and smaller, niche service providers that provide services in a specific geographic market, industry segment or service area. Many of these providers offer one or more of the same services as Sitel Worldwide. The company expects the intensity of competition to continue to increase in the future as existing competitors enhance and expand their service offerings and as new participants enter the market.

2.3.5 Building Products

The Building Products segment consists of JELD-WEN Holding, inc. and its subsidiaries.

Overview of the Business

JELD-WEN Holding, inc. ("JELD-WEN") is a global manufacturer of doors, windows and related millwork products.

Development of the Business

In early October 2011, Onex, Onex Partners III, Onex management and certain limited partners invested an initial $871 million in JELD-WEN consisting of $700 million of convertible preferred stock and $171 million of convertible notes. The convertible notes may be redeemed within 18 months of the issue date with proceeds from the sale of certain non-core assets and, to the extent not redeemed, will convert into additional convertible preferred stock. Onex' initial share of this investment was $298 million, including $240 million in convertible preferred stock and $58 million of the convertible notes. In October 2011, $42 million of the convertible notes were redeemed, Onex' share of which was $14 million.

In February 2012, Onex sold a total of $83 million of its original investment in JELD-WEN to certain limited partners and others at the same cost basis as Onex' original investment. Onex received proceeds of $79 million, reflecting the cost reduction from JELD-WEN's convertible notes redemption prior to the sale. As a result of the sale, Onex' investment was reduced to $205 million consisting of $173 million of convertible preferred stock and $32 million of the convertible notes. During 2012, a further $16 million of the convertible notes were redeemed, Onex' share of which was $4 million. During 2013, the company redeemed an additional $52 million of the convertible notes, Onex' share of which was $13 million. In April 2013, the remaining convertible promissory notes and accrued interest totaling $72 million, of which Onex' share was $18 million, were converted into Series A Convertible Preferred Stock in accordance with the terms of the purchase agreement.

In October 2012, JELD-WEN acquired CM Holdings, Inc., the parent company of CraftMaster Manufacturing, Inc. ("CMI") for approximately $80 million. CMI is a manufacturer and marketer of doors, door facings, and exterior composite trim and panels. In conjunction with this transaction, Onex, Onex Partners III, Onex management and certain limited partners invested an additional $50 million in JELD-WEN, Onex' share of which was $12 million.

During 2014, Onex, Onex Partners III, Onex management and certain limited partners made a net investment of $65 million to acquire common stock of JELD-WEN from existing shareholders, of which Onex' net investment was $16 million.

At December 31, 2014, Onex had an economic interest of 20% and an 81% voting interest in JELD-WEN, on an as-converted basis.

Principal Products/Operations

JELD-WEN is a global manufacturer of residential and light commercial doors and is also one of the largest manufacturers of residential windows in the world. Its products are sold globally through multiple distribution channels, including retail home centres, wholesale distributors and building product dealers that supply homebuilders, contractors and consumers.

JELD-WEN offers a full line of residential interior doors in all of its end markets, a wide range of residential exterior doors in North America and an extensive line of commercial interior doors in Europe. The company's product portfolio encompasses all types of materials, including solid wood, composite wood, steel, glass and fibreglass. In Europe, JELD-WEN also sells highly engineered commercial doors, with features such as soundproofing, fire resistance, radiation resistance and added security. JELD-WEN offers value-add services in all of its markets, including pre-hanging and pre-finishing.

JELD-WEN manufactures wood, vinyl and aluminum windows for the United States and Canada, wood and aluminum windows for Australia and wood windows for the United Kingdom. JELD-WEN also manufactures patio doors in North America, Australia and the United Kingdom and shower enclosures and wardrobes in Australia. JELD-WEN's window product lines comprise a full range of styles, features and energy-saving options.

In addition to doors and windows, JELD-WEN sells a variety of other ancillary products including mouldings, trim board, lumber, cutstock, glass, stairs, hardware and locks, cabinets and screens as well as installation and other services.

Markets and Competition

JELD-WEN sells its products in approximately 85 countries. Primary markets include the United States, Canada, Europe and Australia.

Nearly 50% of JELD-WEN's sales in the United States are attributable to doors, with a majority of the remaining sales attributable to windows. At current activity levels, approximately 60% of total U.S. sales are driven by residential repair and remodelling activity with the remainder driven by new home construction. Major competitors in the United States include Masonite International, Pella Corporation, Andersen Corporation and Ply Gem Holdings.

Window sales represent approximately 50% of JELD-WEN's sales in Canada, with a majority of the remaining sales coming from doors. Approximately 65% of the company's Canadian sales are driven by new home construction with the remainder driven by residential repair and remodel activity. Major competitors in Canada include Masonite International and All Weather Windows.

Door sales represent the large majority of JELD-WEN's sales in Europe. New residential construction represents approximately 30% of sales, residential repair and model demand represents approximately 40% of sales and sales to non-residential customers, which include hospitals, hotels, schools and office buildings, represent approximately 30% of European net sales. JELD-WEN competes in Europe with local and regional producers within each country and region.

Door sales represent approximately 30% of JELD-WEN's Australian sales. Windows, shower enclosures, mouldings and wardrobes represent the majority of the remaining sales. New home construction represents approximately 40% of total demand for JELD-WEN's products in Australia, with the remainder attributed to residential repair and remodel activity. Major competitors in Australia include Hume Doors, Trend Windows, Bradnam's Windows & Doors and Dowell Windows.

2.3.6 Insurance Services

The Insurance Services segment consists of USI, Inc. and its subsidiaries and York Risk Services Holding Corp. and its subsidiaries.

USI, Inc.

Overview of the Business

USI, Inc. ("USI") is a leader in the insurance brokerage market in the United States. The company offers a broad range of property and casualty ("P&C") and employee benefits insurance products and services to middle-market businesses. USI also sells personal lines insurance products to individuals and offers affinity insurance programs, employee benefit enrollment services, retirement consulting and wholesale brokerage services.

Development of the Business

In December 2012, Onex, Onex Partners III and Onex management acquired USI in a transaction valued at $2.3 billion. Onex, Onex Partners III and Onex management invested $636 million for an initial 93% economic interest. Onex' share of this investment was $254 million, including $126 million as a co-investment, for an initial 37% economic interest.

In March 2013, as contemplated at the time of the acquisition of USI in December 2012, $84 million of the amount originally invested by Onex as a co-investment in USI was sold, at Onex' original cost, to certain limited partners and others as a co-investment. After giving effect to the co-investment sale, Onex' investment in USI was $170 million, of which $128 million was funded through Onex Partners III and $42 million represents the portion of the co-investment retained by Onex.

In May 2014, USI acquired 40 insurance brokerage and consulting offices across the United States from Wells Fargo Insurance. The purchase price for the acquisition was $133 million, which was financed by USI with a $125 million incremental term loan and cash from USI.

In October 2014, USI acquired seven retail insurance brokerage locations across the United States from Willis North America Inc. The purchase price for the acquisition was $66 million, which was financed with cash from USI.

At December 31, 2014, Onex had an economic interest of 25% and a 100% voting interest in USI.

Principal Products/Operations

As an insurance broker, USI acts as an intermediary between clients seeking insurance coverage and insurance carriers ("insurers"). The company does not take any underwriting risk. Through its network of approximately 140 fully integrated local offices in 40 states, USI has national scale while maintaining a strong local market presence. USI focuses on serving middle-market businesses, which are underserved by the highly fragmented insurance brokerage industry.

USI operates through two reportable business segments: Retail and Specialty. The Retail segment, comprising approximately 75% of the company's revenues, includes the company's retail insurance brokerage operations, which sell P&C products, employee benefits and personal lines insurance policies directly to clients. The Specialty segment includes four business lines: (i) programs; (ii) enrollment & communications; (iii) retirement consulting; and (iv) employee benefits wholesale.

Markets and Competition

The insurance brokerage industry is highly fragmented and local in nature, with thousands of brokers and agents catering primarily to small and mid-sized businesses. Overall, there are approximately 290 brokerage firms with annual revenues over $10 million, compared to approximately 38,200 brokerage firms with less than $10 million in annual revenue. USI competes for clients on the basis of geographic reach, client service, pricing, product offerings, reputation and the ability to tailor its products and risk management services to the specific needs of clients.

With respect to P&C insurance, most of the company's competition is from numerous regional and local brokerage firms that focus primarily on middle-market businesses and, to a lesser extent, from larger national brokerage firms. In addition, insurers compete with USI by directly soliciting clients without the assistance of an independent broker or agent.

The company's employee benefits services compete with offerings from consulting firms, other brokers, third-party administrators, producer groups and insurers. Competition in the segment is further intensified by industry trends towards clients engaging multiple brokers to service different portions of their account.

York Risk Services Holding Corp.

Overview of the Business

York Risk Services Holding Corp. ("York") is an integrated provider of insurance solutions to property, casualty and workers' compensation specialty markets in the United States. The company offers customized claims handling, medical cost containment for injured workers ("managed care"), specialized loss adjusting, risk pool administration, loss control, consulting and other risk management services. York provides these services to a wide variety of strategic partners including self-insured companies, public entities, insurance carriers, insurance pools, alternative risk groups and insurance intermediaries.

Development of the Business

In October 2014, Onex, Onex Partners III, Onex management and certain limited partners acquired York in a transaction valued at $1.325 billion. Onex, Onex Partners III, Onex management and certain limited partners' equity investment in York was $521 million and was comprised of $400 million from Onex, Onex Partners III and Onex management and $121 million as a co-investment from Onex and certain limited partners. Onex' total investment in York was $173 million and was comprised of $96 million through Onex Partners III and $77 million as a co-investment.

At December 31, 2014, Onex had an economic interest of 29% and a 100% voting interest in York.

Principal Products/Operations

York offers employers and insurance carriers a range of services designed to help manage claims and limit losses for various property and casualty ("P&C") insurance risks. The company's fundamental value proposition to clients is that it can reduce the total cost of their workers' compensation and other insurance programs by aggressively managing claims to ensure prompt and cost-effective resolution with lower total loss costs and faster return to work for injured employees.

York's customers include mid-to-large-sized employers that self-insure their workers' compensation or other P&C exposures. For employers that lack sufficient scale to self-insure, York can administer and service claims for groups of similar employers that form self-insured, multiemployer risk pools. York also works with insurance carriers that outsource their claims management which is most common for smaller insurers or insurers that are entering a new region or line of insurance.

Approximately 50% of York's revenue is generated from the provision of claims management services, 40% of revenue through managed care services, and 10% of revenue through other service offerings.

Markets and Competition

The third-party administrator ("TPA") industry is concentrated at the large end of the market (serving Fortune 1000 businesses, insurance carriers and large public entities) and fragmented at the low-to-medium end of the market (serving local or regional organizations). York is the third-largest P&C TPA by revenue in the U.S. and one of only a handful that have the nationwide presence required to serve large clients with employees across many states. In contrast to the two larger TPAs, Sedgwick and Gallagher Bassett, which primarily serve Fortune 1000 clients, York focuses on specialty markets where it can develop expertise and strong market positions.

2.3.7 Credit Strategies

The Credit Strategies segment consists of the business of Onex Credit and its related affiliates which manage credit-related investments, including event-driven, long/short, long only, market dislocation, collateralized loan obligation ("CLO") and high yield debt strategies.

Onex Credit

In November 2007, Onex acquired a 50% interest in GK Capital, an investment advisor that manages an event driven long/short stressed and distressed strategy with a historical track record of achieving attractive risk-adjusted returns while focusing on capital preservation. Following this acquisition, GK Capital was renamed Onex Credit and launched a leveraged investment strategy in December 2007 to take advantage of the dislocation in the leveraged loan market that occurred as a result of the sub-prime and structured finance crisis. In 2009 and 2010, Onex Credit launched closed-end investment funds listed on the Toronto Stock Exchange (TSX: OCS-UN and OSL-UN). In 2011, Onex Credit completed a follow-on offering for OCP Credit Strategy Fund (TSX: OCS-UN). Onex Credit is an SEC Registered Investment Advisor and is registered in the province of Ontario as a portfolio manager, in the provinces of Ontario, Quebec and Newfoundland and Labrador as an investment fund manager, and in all the provinces and territories of Canada as an exempt market dealer. In October 2014, Onex Credit announced it was establishing a London office to expand the platform to Europe. Initially, the platform will focus on placement of European CLOs.

Onex made an aggregate investment of $80 million in 2007 in the acquisition of a 50% interest in GK Capital and in strategies managed by Onex Credit. The business has grown considerably over the past seven years and Onex has increased its ownership interest during this time. At December 31, 2014, Onex had a 70% ownership interest. In January 2015, Onex acquired control of the Onex Credit asset management platform. The total consideration paid to obtain control consisted of approximately $26 million in cash and the issuance of 111,393 of Onex' Subordinate Voting Shares.

Collateralized Loan Obligation Platform

During 2012, Onex Credit established its CLO platform. A CLO is a leveraged structured vehicle that holds a widely diversified collateral asset portfolio that is funded through the issuance of long-term debt in a series of tranches of secured notes and equity.

As of January 31, 2015, Onex Credit had established seven CLOs which were funded through the issuance of secured notes and equity in private placement transactions in an aggregate principal amount of $3.8 billion as follows:

		As at December 31, 2014	
($ millions)	Closing Date	Aggregate principal amount[1]	Onex' investment at cost[2]
CLO-1	March 2012	$ 327	$ 17
CLO-2	November 2012	517	26
CLO-3	March 2013	512	18
CLO-4	October 2013	514	40
CLO-5	March 2014	420	43
CLO-6	June 2014	1,002	83
CLO-7	November 2014	514	41
		$ 3,806	$ 268

(1) Gross of original issue discounts and net of principal repayments.
(2) Net of original issue discounts and sales to third parties.

At December 31, 2014, Onex' remaining total investment at original cost in the Onex Credit CLO platform was $328 million, including $60 million invested in the warehouse facility for Onex Credit's eighth CLO. In total, at December 31, 2014, Onex Credit had approximately $4.3 billion of assets under management.

2.3.8 Other Businesses

2.3.8.1 Aerospace Automation, Tooling and Components

The aerospace automation, tooling and components business consists of Advanced Integration Technology and its subsidiaries.

Overview of the Business

Advanced Integration Technology ("AIT") designs, fabricates and installs automated tooling and equipment used in the assembly of complex and higher value aerospace structures. The company also integrates aerospace automation, tooling and equipment to enable the facilitization of modern aerospace manufacturing facilities. As a separate line of business, AIT also makes aircraft parts and repairs aircraft components and tooling. AIT serves its customers through facilities in the United States, Canada, Spain and Sweden.

Development of the Business

In December 2014, Onex, Onex Partners IV and Onex management acquired a 40% economic interest in AIT. Onex, Onex Partners IV and Onex management's investment was $204 million, of which Onex' share was $45 million.

At December 31, 2014, Onex had an economic interest of 9% and a 50% voting interest in AIT.

Principal Products/Operations

AIT designs, fabricates and installs automated tooling and equipment that facilitates aerospace assembly processes by removing touch labour, improving process times and reducing quality escapes. AIT also manufactures non-automated tools that help shape, mold, or assemble aircraft parts. As a separate line of business, the company also makes aircraft parts and repairs aircraft components and tooling.

OEMs rely on external providers for the development and implementation of tooling and automation as they themselves focus on developing, building, and selling aircraft, and not on the equipment and tooling required in modern manufacturing facilities.

Markets and Competition

Demand for AIT's products is driven by: (i) introductions of new and derivative aircraft types; (ii) the secular trend toward increased automation in aerospace manufacturing; (iii) further outsourcing of non-core tooling design and fabrication by OEMs and their tier one suppliers; (iv) increases in aircraft production rates; (v) changes in manufacturing processes over the production life of an aircraft; and (vi) the refurbishment or replacement of existing tooling.

2.3.8.2 Aircraft Leasing & Management

The Aircraft Leasing & Management business consists of BBAM Limited Partnership and its subsidiaries and Meridian Aviation Partners Limited and its subsidiaries.

BBAM Limited Partnership

Overview of the Business

BBAM Limited Partnership ("BBAM") is one of the world's leading managers of commercial jet aircraft. As of December 31, 2014, BBAM managed more than 400 aircraft valued at more than $12 billion for private and institutional investors. BBAM is a non-controlled Onex investment and is designated at fair value through earnings in Onex' consolidated financial statements.

Development of the Business

In December 2012, Onex, Onex Partners III and Onex management invested $167 million, including $2 million for capitalized acquisition expenses, in BBAM for a 50% economic and voting interest in the company. Onex' share of this investment was $42 million for a 13% economic interest.

As part of the transaction, Onex, Onex Partners III and Onex management invested a further $20 million in FLY Leasing Limited ("FLY") (NYSE: FLY), Onex' share of which was $5 million. FLY is a Dublin-based lessor of commercial jet aircraft, for which BBAM acts as the exclusive manager.

At December 31, 2014, Onex had an economic interest of 13% and a 50% voting interest in BBAM.

Principal Products/Operations

With more than 400 aircraft under management, BBAM is one of the world's leading managers of commercial jet aircraft. Headquartered in San Francisco, BBAM employs approximately 130 people internationally and maintains in-house capabilities encompassing aircraft origination, disposition, lease marketing, technical management, capital markets, tax structuring, legal services, contracts administration and investor reporting.

BBAM acts as the exclusive manager for a number of aircraft portfolios, which include, among others, aircraft owned by FLY, aircraft originated for the Japanese lease market under an exclusive partnership with Nomura Babcock & Brown Co., Ltd. and aircraft owned by Meridian Aviation Partners Limited. Under its management and servicing arrangements, BBAM acquires aircraft, arranges lease agreements, markets aircraft for sale and re-lease, monitors lessee compliance with lease obligations and enforces lessor rights against lessees.

Meridian Aviation Partners Limited

Overview of the Business

Meridian Aviation Partners Limited ("Meridian Aviation") is mandated to pursue aircraft investment opportunities. BBAM Limited Partnership acts as the exclusive manager of aircraft owned by Meridian Aviation.

Development of the Business

In February 2013, Onex established Meridian Aviation to invest in commercial jet aircraft to be leased to airlines. Onex, Onex Partners III and Onex management invested $32 million in Meridian Aviation to fund the initial deposits on six commercial jet aircraft to be leased to a major airline. Onex' share of the deposits was $8 million.

In July 2013, Onex, Onex Partners III and Onex management invested $25 million in Meridian Aviation to fund further deposits under the initial agreement. Onex' share of the deposits was $6 million.

In December 2014, Onex, Onex Partners III and Onex management invested $20 million in Meridian Aviation to support additional aircraft investments. Onex' share of the investment was $5 million.

At December 31, 2014, Onex had an economic interest of 25% and a 100% voting interest in Meridian Aviation.

Principal Products/Operations

Meridian Aviation invests in commercial jet aircraft, with a focus on special situations more likely to result in attractive risk-adjusted equity returns after taking into consideration aircraft quality, maintenance condition, the economic value of the lease income stream, aircraft management costs, and the credit quality of the airline lessee.

2.3.8.3 Business Services/Tradeshows

The Business Services/Tradeshows business consists of Emerald Expositions, LLC and its subsidiaries.

Overview of the Business

Emerald Expositions, LLC ("Emerald Expositions") is a leading operator of large business-to-business ("B2B") tradeshows in the United States across nine end markets.

Development of the Business

In June 2013, Onex, Onex Partners III and Onex management completed the $950 million acquisition of Nielsen Expositions from its parent, an affiliate of Nielsen Holdings N.V. Following the purchase, the business continued under the new name of Emerald Expositions. Onex, Onex Partners III and Onex management invested $350 million for an initial 100% economic interest. Onex' share of this investment was $85 million for an initial 24% economic ownership and a 100% voting ownership.

In January 2014, Emerald Expositions completed the acquisition of GLM for $332 million. GLM is an operator of B2B tradeshows in the United States. Onex, Onex Partners III and Onex management invested $140 million, of which Onex' share was $34 million. The remainder of the purchase price and transaction costs were funded by Emerald Expositions through an amendment to its credit facility to increase its term loan by $200 million.

At December 31, 2014, Onex held a 24% economic interest and a 99% voting interest in Emerald Expositions.

Principal Products/Operations

Emerald Expositions is a leading operator of large B2B tradeshows in the United States. Emerald Expositions generates approximately 92% of its revenue through tradeshows and conference events, primarily by selling booth space to its customers, or "exhibitors". The remaining 8% of revenue is derived from a combination of digital and print publications, as well as the sale of advertising on Emerald Expositions' show websites. Emerald Expositions produces more than 80 tradeshows and conference events per year, connecting hundreds of thousands of buyers and sellers across nine end markets exposed to different stages of the economic cycle.

2.3.8.4 Plastics Processing Equipment Business

The Plastics Processing Equipment business consists of KraussMaffei Group GmbH and its subsidiaries.

Overview of the Business

KraussMaffei Group GmbH ("KraussMaffei") is a leading global provider of plastic and rubber processing solutions across a broad variety of industries and technologies headquartered in Munich, Germany. KraussMaffei has key manufacturing facilities in Germany, Switzerland, Slovakia and China. KraussMaffei provides plastics and rubber processing solutions in three key technologies through its KraussMaffei, KraussMaffei Berstorff and Netstal brands. KraussMaffei serves industries including packaging, automotive, infrastructure, chemicals, electronic technologies, medical and consumer.

Development of the Business

In December 2012, Onex, Onex Partners III and Onex management acquired KraussMaffei in a transaction valued at €568 million. Onex, Onex Partners III and Onex management invested $358 million for an initial 97% economic interest. Onex' share of this investment was $90 million for an initial 25% economic ownership and a 100% voting ownership.

In July 2013, $8 million of accounts receivable held by Onex, Onex Partners III and Onex management was converted to additional equity of KraussMaffei. Onex' share of the additional equity was $2 million.

At December 31, 2014, Onex held a 24% economic interest and a 100% voting interest in KraussMaffei.

Principal Products/Operations

KraussMaffei provides plastics and rubber processing solutions through the following three business segments: Injection Molding Machinery, Extrusion and Reaction Processing Machinery representing approximately 60%, 30% and 10% of fiscal 2014 revenue, respectively. KraussMaffei operates eight manufacturing facilities in Germany and six manufacturing facilities throughout the rest of Europe, the United States and Asia.

Markets and Competition

Demand for plastics and rubber processing machinery is affected by general economic conditions. KraussMaffei is exposed to fluctuations in the overall economic conditions of the markets in the countries in which it sells its plastics processing manufactured systems, including growth in gross domestic product ("GDP") of such countries. The majority of KraussMaffei's sales are in Europe, followed by North America and Asia. Apart from such overall economic conditions, KraussMaffei's business performance is further dependent on macroeconomic trends in the plastics and rubber processing machinery market as well as specific trends in the regional markets in which it operates.

Injection Molding Machinery

Injection molding machinery is the largest market segment of the plastics processing machinery industry with total sales of approximately $12 billion constituting 39% of the total market in 2014.

Injection molding machines typically operate at rapid production rates and can make complex shapes that need little finishing. Injection molding is used in every major plastics end market and is used for items such as automotive components, packaging, consumer products and medical supplies.

Extrusion

Extrusion is used to form continuous thermoplastic sheet, film, pipe, tubing, rods, as well as wire and cable coatings. Extrusion machinery represents approximately 21% of the total plastics processing machinery market in 2014. Construction and packaging applications dominate the extrusion equipment market. Extrusion equipment is also used in the manufacture of consumer and institutional products, electrical and electronic equipment, tire and a variety of coatings. The tire industry and the construction sector, in which plastics have replaced wood and other materials in window profiles, doors, siding, pipe, fencing and other products, are expected to remain the largest markets for extrusion machinery.

Reaction Processing Machinery

The reaction processing machinery market comprises approximately 4% of the total plastics processing machinery industry. Reaction processing machinery primarily serves the automotive, infrastructure and consumer industries.

Competition

While participants of all sizes exist, the market is dominated by mid-sized and large companies. The industry is somewhat fragmented and the top 6 largest manufacturers accounted for approximately 20% of all worldwide sales in 2012. Smaller firms typically only produce a limited scope of machinery or application and very few offer a complete range of products and technologies.

Industry participants within each technology category can be further differentiated by the nature of the plastics and rubber processing machinery products and solutions they offer, which range from technically advanced and customized solutions at the higher-end of the market to standard machines at the lower-end of the market. High-end offerings include turnkey solutions for custom applications and are typically high-performance systems with long life expectancies and offer benefits such as reliability, high throughput and short cycle times as well as highly precise, repeatable and dependable production output. Low-end market players offer standard, off-the-shelf machines with lower precision, slower cycle times and no customization/engineering for customers. While the low-end of the market has seen increasing pricing pressure because its equipment is largely based on standard designs and well-understood production techniques, differentiation at the high-end of the market, which is the primary focus of KraussMaffei, continues to be driven more by technological capability and machinery quality. Not all companies offer high-end solutions and only a limited number of players other than KraussMaffei offer solutions across multiple technologies. Leading injection molding manufacturers include KraussMaffei, Engel, Arburg, Sumitomo, Haitian International and Husky Injection Molding Systems. Leading extrusion machinery manufacturers include KraussMaffei, Reifenhäuser Group, Tröster, Coperion, Battenfeld-Cincinnati and Davis-Standard. Leading reaction process machinery manufacturers include KraussMaffei, Cannon and Hennecke.

2.3.8.5 Business Services/Packaging

The Business Services/Packaging business consists of SGS International, Inc. and its subsidiaries.

Overview of the Business

SGS International, Inc. ("SGS International") is a vertically-integrated provider of design-to-print graphic services to branded consumer products companies ("CPGs"), retailers and the printers that service them. The company's integrated service platform includes brand execution, image production and image carrier services as well as an array of enterprise solutions, which facilitate digital file management and ensure streamlined communication across the entire value chain. SGS International does not focus on creative brand strategy or large-scale printing of product packaging.

The company has 54 production facilities and more than 100 on-site customer locations across 24 countries.

Development of the Business

In October 2012, Onex, Onex Partners III and Onex management acquired SGS International in a transaction valued at $813 million. Onex, Onex Partners III and Onex management invested $260 million for an initial 95% economic interest. Onex' share of this investment was $66 million for an initial 24% economic interest.

In October 2012, SGS International acquired Stevenson Color, Inc., an integrated provider of graphic services to branded consumer products companies and retailers.

During 2013, SGS International completed three acquisitions which provided the company with additional capabilities to service its customers. Such capabilities included certification and measurement of print vendors, 3D computer graphic imaging and product sampling fulfillment.

At December 31, 2014, Onex had an economic interest of 23% and a 93% voting interest in SGS International.

Principal Products/Operations

SGS International is one of the largest providers of design-to-print graphic services in North America serving many of the world's leading CPGs, retailers, packaging converters and other consumer goods companies. In addition, SGS International is one of several firms within the industry that are vertically integrated within the graphic services value chain. This allows the company to offer a seamless design-to-print solution that transforms a brand design or concept into digital graphics that are then applied to a series of product packages.

The brand development process typically begins with a collaborative effort between a customer and its creative agency to develop an overall brand strategy and marketing campaign. SGS International often plays a role in these meetings by using its knowledge of the graphic services value chain to identify possible execution constraints. The creative agency provides SGS International with the brand concept, which captures the overall aesthetic design of the brand, in a master digital art file. This handoff initiates the company's integrated service offering which can be broken down into brand execution, image production, enterprise solutions and image carrier services.

2.3.8.6 Gaming

The Gaming business consists of Tropicana Las Vegas Hotel and Casino, Inc. and its subsidiaries.

Overview of the Business

Tropicana Las Vegas Hotel and Casino, Inc. ("Tropicana Las Vegas") is a casino resort with 1,467 remodelled rooms, situated on 35 acres and located directly on the Las Vegas Strip ("The Strip").

Development of the Business

In May 2008, Tropicana Entertainment, LLC and its Las Vegas subsidiaries (collectively, "Tropicana") filed for relief under Chapter 11 of the U.S. Bankruptcy Code. During 2008 and 2009, Onex and Onex Partners III acquired the majority of the debt of the business and successfully worked with other lenders to prepare a reorganization plan that enabled the company to emerge from bankruptcy protection under Onex' control. In 2009, Onex, Onex Partners III, Onex management and Onex' gaming business partner, Alex Yemenidjian, invested $145 million in Tropicana Las Vegas, of which Onex' share was $32 million.

From 2009 to 2012, Tropicana Las Vegas raised $200 million of capital through four rights offerings. Onex, Onex Partners III, Onex management and Alex Yemenidjian contributed a total of $174 million through the rights offerings. Onex' portion of the investments was $38 million.

In total at December 31, 2014, Onex, Onex Partners III, Onex management and Alex Yemenidjian had $319 million invested in Tropicana Las Vegas, of which Onex' share was $70 million. Onex had an economic interest of 18% and held an 82% voting interest in Tropicana Las Vegas, on an as-converted basis.

Principal Products/Operations

Tropicana Las Vegas operates a hotel and casino resort, offering gaming, accommodation, dining, entertainment, retail, convention and other resort amenities. The property includes 1,467 remodelled hotel rooms and approximately 50,000 square feet of casino space. Approximately 40% of its net revenues are derived from gaming activities, while the balance is from non-gaming activities. As a resort-based operation, the company's operating results are highly dependent on the volume of customers at its resort, which in turn impacts the price it can charge for hotel rooms and other amenities.

Most of Tropicana Las Vegas' revenue is essentially cash-based through customers wagering with cash or paying for non-gaming services with cash or credit cards. The company's operating results tend to be seasonal in nature. Operations are affected by a number of factors including the timing of major city-wide convention groups, major sporting events, the amount and timing of marketing and special events for the casino guests, and the level of casino play during major holidays. Tropicana Las Vegas' results are not dependent on key individual customers, though successful marketing campaigns to customer groups, such as convention customers, or the financial health of customer segments, such as higher-end casino players from a particular country or region, can impact the company's results.

Tropicana Las Vegas operates 24 hours a day, 365 days a year. Casino and hotel operations are owned by the company. Other resort amenities are owned and managed by Tropicana Las Vegas or owned by the company and managed by third parties for a fee or leased to third parties.

2.3.8.7 Healthcare

Overview of the Business

Genesis HealthCare, LLC (“Genesis HealthCare”) based in Kennett Square, Pennsylvania, is a leading provider of integrated long-term healthcare services through its skilled nursing and assisted living companies, as well as rehabilitation and other related healthcare services.

Development of the Business

In late December 2005, Onex, Onex Partners I and Onex management completed the acquisition of Skilled Healthcare Group, Inc. (“Skilled Healthcare Group”) in a transaction valued at $640 million. Onex, Onex Partners I and Onex management invested $207 million for a 93% economic interest. Onex’ net investment in this acquisition was $49 million for an initial 22% economic interest.

In May 2007, Skilled Healthcare Group completed an initial public offering of 8.3 million new common shares. As part of the offering, Onex, Onex Partners I and Onex management sold 10.6 million shares, of which Onex’ portion was 2.5 million shares.

In August 2014, Skilled Healthcare Group entered into an agreement to combine with Genesis HealthCare, a leading U.S. operator of long-term care facilities. The transaction was completed in February 2015 and the newly combined company is operating under the name Genesis Healthcare (NYSE: GEN). In accordance with the terms of the purchase and combination agreement, each share of Skilled Healthcare Group common stock issued and outstanding immediately prior to the closing of the purchase and combination was converted into the right to receive shares of the newly combined company. Skilled Healthcare Group shareholders own approximately 26% of the combined company, of which Onex, Onex Partners I and Onex management’s share of the economic ownership is 10%. Onex, Onex Partners I and Onex management’s voting ownership was reduced to 10% from 86% before the purchase and combination.

2.3.8.8 Mid-Market Opportunities

The Mid-Market business consists of the businesses of ONCAP II and ONCAP III. ONCAP II currently has interests in the businesses of EnGlobe Corp., based in Quebec City, Quebec; CiCi's Holdings Inc., based in Dallas, Texas; and Pinnacle Pellet, Inc., based in Vancouver, British Columbia. ONCAP III currently has interests in the business of Hopkins Manufacturing Corporation, based in Emporia, Kansas; Davis-Standard Holdings, Inc., based in Pawcatuck, Connecticut; Bradshaw International, Inc., based in Rancho Cucamonga, California; and Mavis Tire Supply LLC, based in Millwood, New York. ONCAP II and ONCAP III both have interests in Pure Canadian Gaming Corp., based in Edmonton, Alberta.

Overview of the Businesses

ONCAP II and ONCAP III are private-equity funds formed by Onex to invest in mid-market, North American-based companies. ONCAP II invested in opportunities requiring between C$20 million and C$75 million in equity or equity-related capital. ONCAP III invests in opportunities requiring less than $125 million in equity or equity-related capital. The investments made by ONCAP II and ONCAP III are usually controlling interests; in the case of a non-controlling interest, the investment will be accompanied by appropriate controls and board representation. ONCAP II and ONCAP III have the objective to provide the capital and management expertise necessary to grow mid-size public or private companies into larger companies in order to take advantage of the greater investor appeal, higher valuations and increased attractiveness to strategic buyers of large capitalization companies.

Development of the Business

In 1999, Onex formed ONCAP I, a C$400 million private equity fund, established to invest in North American-based, mid-market companies. ONCAP I dissolved effective October 31, 2012 as all investments were realized. In 2005, Onex formed ONCAP II, a C$574 million private equity fund, of which Onex has committed approximately C$252 million. A subsidiary of Onex is the General Partner of ONCAP II. At December 31, 2014, Onex had a 46% economic interest in ONCAP II and voted 100% as the General Partner of the fund.

In 2011, Onex formed ONCAP III, its third mid-market private equity fund. ONCAP III is a C$800 million private equity fund, of which Onex has committed approximately C$252 million. A subsidiary of Onex is the General Partner of ONCAP III. At December 31, 2014, Onex had a 29% economic interest in ONCAP III and voted 100% as the General Partner of the fund.

The investments currently held by ONCAP II and/or ONCAP III are as follows:

EnGlobe

In March 2006, ONCAP II made an investment in EnGlobe Corp. ("EnGlobe"), a leading environmental services company specializing in the management, treatment, reuse and disposal of organic waste and contaminated soil, with an emphasis on beneficial reuse with operations in Canada, France and the U.K. ONCAP II invested $18 million (C$20 million), of which Onex' share was approximately $8 million (C$9 million). From November 2006 to December 2008, ONCAP II made additional investments totalling $33 million (C$38 million), of which Onex' share was $14 million (C$16 million). In December 2013, ONCAP II made an additional investment of $3 million (C$3 million), of which Onex' share was $1 million (C$1 million). In June 2014, EnGlobe combined its business with LVM Inc., a leading Canadian geotechnical, materials and environmental engineering firm. The transaction was financed with debt financing and an equity investment from third-party investors.

CiCi's Pizza

In June 2007, ONCAP II completed its $50 million investment in CiCi's Pizza, based in Coppell, Texas. CiCi's Pizza is a franchisor of family-oriented "all you want" buffet style restaurants. CiCi's Pizza and its franchisees operate approximately 450 restaurants in 33 states serving approximately 60 million guests annually. Onex' share of the investment was $22 million.

Pinnacle Renewable Energy Group

In May 2011, ONCAP II invested $63 million (C$61 million) to acquire Pinnacle Pellet, Inc. ("Pinnacle Renewable Energy Group"), based in Vancouver, British Columbia. Pinnacle Renewable Energy Group is one of the largest producers of wood pellets in the world. Onex' share of the investment was $30 million (C$29 million). During 2012, Pinnacle Pellet, Inc. changed its name to Pinnacle Renewable Energy Inc. In December 2013, ONCAP II made an additional investment of $10 million (C$10 million), of which Onex' share was $5 million (C$5 million).

PURE Canadian Gaming

In May 2011, ONCAP II invested $114 million (C$111 million) to acquire Alberta Bingo Supplies Ltd. ("PURE Canadian Gaming"), previously named Casino ABS, based in Edmonton, Alberta. The investment consisted of $11 million (C$11 million) of equity and $103 million (C$100 million) in subordinated notes. PURE Canadian Gaming is the largest casino operator in Alberta, with four casinos. As contemplated at the time of the original investment, in December 2011 ONCAP III purchased a share of the investment in PURE Canadian Gaming from ONCAP II for $25 million (C$25 million). After giving effect to the ONCAP III purchase, Onex' share of the investment was $50 million (C$49 million), including $42 million (C$41 million) through ONCAP II and $8 million (C$8 million) through ONCAP III. In March 2013, PURE Canadian Gaming repurchased $14 million (C$15 million) of subordinated notes held primarily by ONCAP II and ONCAP III. Onex' share of the repurchase of subordinated notes was $6 million (C$6 million). In May 2014, PURE Canadian Gaming repurchased $31 million (C$34 million) of subordinated notes held primarily by ONCAP II and ONCAP III and made a $10 million (C$11 million) distribution to shareholders. Onex' share of the repurchase of subordinated notes and distribution to shareholders was $18 million (C$20 million).

Hopkins

In June 2011, ONCAP III invested $44 million to acquire Hopkins Manufacturing Corporation ("Hopkins"), based in Emporia, Kansas. Hopkins designs, manufactures and markets a diverse range of product categories in the automotive aftermarket industry. Onex' share of the investment was $13 million.

Davis-Standard

In December 2011, ONCAP III invested $103 million to acquire Davis-Standard Holdings, Inc. (“Davis-Standard”), based in Pawcatuck, Connecticut. Davis-Standard is a global leader in the manufacture of highly engineered extrusion and converting systems and operates five manufacturing facilities in the United States, China and Germany. Onex’ share of the investment was $30 million.

Bradshaw

In December 2012, ONCAP III invested $80 million to acquire Bradshaw International, Inc. (“Bradshaw”), based in Rancho Cucamonga, California. Bradshaw is a leading designer, marketer and category manager of everyday houseware products for supermarket, mass merchant, value, specialty and other channels. Onex’ share of the investment was $24 million.

Mavis Discount Tire

In October 2014, ONCAP III invested $102 million to acquire a 46% economic interest and joint control of Mavis Tire Supply LLC (“Mavis Discount Tire”), based in Millwood, New York. Mavis Discount Tire is a leading regional tire retailer operating in the tire and light vehicle service industry with over 150 retail locations. Onex’ share of the investment was $30 million. In addition, the consolidated financial statements include a $3 million equity investment in Mavis Discount Tire by a third-party investor.

2.3.8.9 Real Estate

The Real Estate business consists of the business of Flushing Town Center its subsidiaries and its affiliates.

Onex Real Estate Partners

In January 2005, Onex established Onex Real Estate Partners, a partnership dedicated to acquiring and improving real estate assets in North America. As of January 31, 2015, Onex Real Estate Partners' primary investment was Flushing Town Center.

During 2007, Onex Real Estate Partners partnered with Muss Development to construct the Flushing Town Center project (also known as Sky View Parc), a three million-square-foot development located on approximately 14 acres in Flushing, New York. In the first quarter of 2010, a subsidiary of Onex became the managing partner of the Flushing Town Center project. The project is being developed in two phases and will ultimately consist of 1,248 condominium units constructed above retail space and a parking garage facility. The first phase, comprising of 800,000 square feet of retail space, a 2,500 space parking garage facility and three residential buildings (consisting of 448 condominium units) was completed in 2011. The second phase, comprising of three residential buildings (approximately 800 condominium units) is commencing development.

In December 2010, Onex Real Estate Partners made additional investments in Flushing Town Center through the following transactions: (i) the purchase of senior debt positions in Flushing Town Center for $37 million; and (ii) the purchase of a mezzanine position in Flushing Town Center for $25 million. Subsequently, Onex Real Estate Partners made additional equity investments in Flushing Town Center, including a $95 million equity investment in May 2014. Flushing Town Center concurrently entered into new credit facilities with third-party lenders consisting of a $195 million mortgage loan and $70 million of mezzanine loans. The proceeds from the new credit facilities, along with the equity investment from Onex Real Estate Partners, were used to repay the third-party lenders of the existing senior construction loan. In addition, Onex Real Estate Partners invested $28 million during 2014 and up to January 31, 2015, of which $18 million was invested in support of the second phase of the project. As of January 31, 2015, Onex Real Estate Partners' remaining investment in Flushing Town Center was $313 million, representing a 100% economic interest. Onex' share of the remaining investment was $273 million.

2.4 Prior Businesses

The description that follows includes businesses that over the past three years ceased to be part of Onex.

2014 Divestitures

Allison Transmission

In August 2007, Onex, Onex Partners II, certain limited partners, and Onex management, in partnership with The Carlyle Group, acquired Allison Transmission, Inc. (“Allison Transmission”) from General Motors Corporation in a transaction valued at $5.6 billion. Allison Transmission was the world leader in the design and manufacturing of automatic transmissions for commercial vehicles, including on-highway trucks and buses, off-highway and defence vehicles. Onex Partners II and The Carlyle Group equally split the total equity investment of $1.5 billion. Onex, Onex Partners II, certain limited partners and Onex management invested approximately $763 million for an initial 50% economic interest. Onex’ portion of that investment was $237 million for an initial 16% economic interest and a 49% voting interest.

In March 2012, Allison Transmission completed an initial public offering of approximately 30.0 million shares of common stock, including the over-allotment option. As part of the offering, Onex, Onex Partners II, certain limited partners and Onex management sold approximately 15.0 million shares, of which Onex’ portion was approximately 4.7 million shares.

During 2013, Allison Transmission completed secondary offerings to the public of 46.6 million shares of common stock, including the over-allotment option, and repurchased 4.7 million shares of common stock, for a total sale of 51.3 million shares of common stock. As part of the offerings and share repurchase, Onex, Onex Partners II, certain limited partners and Onex management sold approximately 25.7 million shares, of which Onex’ portion was approximately 8.0 million shares.

From February 2014 through September 2014, Onex, Onex Partners II, certain limited partners and Onex management sold their remaining shares of Allison Transmission through a share repurchase and four secondary offerings completed by Allison Transmission. The offerings were priced between $29.17 and $30.46 per share compared to Onex’ cash cost per share of $8.44. Onex, Onex Partners II, certain limited partners and Onex management sold approximately 50 million shares for net proceeds of $1.5 billion, of which Onex’ share was $459 million, including carried interest of $38 million.

Including prior realizations and dividends, Onex, Onex Partners II, certain limited partners and Onex management received total net proceeds of $2.4 billion compared to their original investment of $763 million, resulting in a gross multiple of capital invested of 3.2 times and a gross return on investment of 21% per annum. Onex received total net proceeds of approximately $770 million, including prior realizations and dividends, compared to its original investment of $237 million.

Spirit AeroSystems

In June 2005, Onex’ subsidiary, Mid-Western Aircraft Systems, Inc. purchased assets and certain liabilities of Boeing’s commercial aerostructures manufacturing operations in Kansas and Oklahoma in a transaction valued at approximately $1.2 billion. Onex, Onex Partners I, Onex management and certain limited partners invested $375 million for a 100% economic interest. Onex' initial share of the investment was $108 million for a 29% economic interest.

In November 2006, Spirit AeroSystems Holdings, Inc., the parent company of Spirit AeroSystems, Inc. ("Spirit AeroSystems"), became a publicly traded company with an initial public offering of 63.4 million shares, of which Spirit AeroSystems sold 10.4 million new shares and existing stockholders sold 53.0 million shares. Spirit AeroSystems was one of the largest independent non-OEM designers and manufacturers of commercial aerostructures in the world, based on annual revenues.

In May 2007, certain existing stockholders, including Onex, sold an additional 34.3 million shares. In April 2011, Onex, Onex Partners I, certain limited partners and Onex management sold a further 10.0 million shares.

From March 2014 through August 2014, Onex, Onex Partners I, certain limited partners and Onex management sold their remaining 22.4 million shares of Spirit AeroSystems in three transactions: a secondary offering in March 2014 priced at $28.52 per share, a secondary offering and share repurchase in June 2014 priced at $32.31 per share and a secondary offering in August 2014 priced at $35.67 per share. Onex' cash cost for these shares was $3.33 per share. Onex, Onex Partners I, certain limited partners and Onex management received net cash proceeds of $729 million from these transactions, of which Onex' share was $222 million, including carried interest of $27 million.

Including prior realizations, Onex, Onex Partners I, certain limited partners and Onex management received total net proceeds of $3.2 billion compared to their original investment of $375 million, resulting in a gross multiple of capital invested of 8.5 times and a gross return on investment of 201% per annum. Onex received total net proceeds of approximately $1.0 billion, including prior realizations, compared to its original investment of $108 million.

Tomkins

In September 2010, Onex, Onex Partners III and Onex management, in partnership with the Canadian Pension Plan Investment Board ("CPPIB"), acquired Tomkins plc in a transaction valued at $5.0 billion. Tomkins Limited ("Tomkins") was a global engineering and manufacturing group that manufactures a variety of products for the industrial, automotive and building products markets. Onex Partners III and CPPIB split equally the total equity investment of $2.1 billion. Onex, Onex Partners III and Onex management invested approximately $1.1 billion. Onex' portion of that investment was $345 million.

In early December 2010, Onex, Onex Partners III, Onex management and CPPIB sold $314 million of their investment in Tomkins to various co-investors who were primarily limited partners of Onex Partners III.

In December 2012, the company returned $1.2 billion of capital. Onex, Onex Partners III, Onex management and the co-investors' share of the distribution was $663 million, of which Onex' share was $171 million.

In July 2014, Onex, together with CPPIB, sold Gates Corporation ("Gates"), the principal remaining business of Tomkins, for an enterprise value of $5.4 billion. Proceeds from the sale to the Onex, Onex Partners III, Onex management and the co-investors were $2.0 billion. Onex' share of the proceeds was $542 million, including carried interest of $54 million. In addition, residual assets of Tomkins were sold in the second half of 2014 for total proceeds to Onex, Onex Partners III, Onex management and the co-investors of $46 million. Including prior distributions from Tomkins, Onex,

Onex Partners III, Onex management and the co-investors received total net proceeds of $2.7 billion compared to their original investment of $1.2 billion, resulting in a gross multiple of capital invested of 2.2 times and a gross return on investment of 27% per annum. Onex will have received total net proceeds of approximately $727 million, including prior distributions of $171 million, compared to its original investment of $315 million.

The Warranty Group

In November 2006, Onex, Onex Partners I, Onex Partners II and Onex management completed the acquisition of The Warranty Group, Inc. ("The Warranty Group") in a transaction valued at approximately $710 million. The Warranty Group was one of the world's largest integrated underwriters and administrators of extended warranties and related products. Onex, Onex Partners I, Onex Partners II and Onex management invested approximately $498 million for an initial 98% economic interest. Onex' initial share of that investment was $157 million for an initial 31% economic interest. In June 2007, Onex, Onex Partners I, Onex Partners II and Onex management received a $10 million purchase price adjustment, of which Onex' share was $3 million. During 2012, the company redeemed $96 million of its preferred stock, of which Onex' share was $30 million. During 2013, the company redeemed $31 million of its preferred stock, of which Onex' share was $9 million.

In August 2014, Onex sold its investment in The Warranty Group for an enterprise value of approximately $1.5 billion. Onex, Onex Partners I, Onex Partners II and Onex management received net proceeds of $1.126 billion. Onex, Onex Partners I, Onex Partners II and Onex management invested a total of $498 million to acquire The Warranty Group and have received total net proceeds of $1.529 billion, including prior distributions of $403 million. The investment in The Warranty Group generated a gross multiple of invested capital of approximately 3.1 times and a gross return on investment of 19% for Onex, Onex Partners I, Onex Partners II and Onex management. Onex' portion of the sale proceeds was $382 million, including carried interest of $51 million. Including prior distributions, Onex received total net proceeds of $509 million compared to its original investment of $157 million.

Mister Car Wash

In April 2007, ONCAP II completed its $44 million acquisition of Mister Car Wash Holdings, Inc. ("Mister Car Wash"), based in Tucson, Arizona. Mister Car Wash was a leading car wash operator in the United States. Onex' share of the investment was $19 million, which included $7 million in debt. In August and December 2008, ONCAP II invested $8 million in total in Mister Car Wash primarily relating to add-on acquisitions completed by the company. Onex' share of these investments was $4 million. In July 2009, ONCAP II purchased less than $1 million in additional debt of Mister Car Wash with cash on hand. In May 2012, Mister Car Wash repurchased its subordinary notes, which were primarily held by ONCAP II. ONCAP II received approximately $28 million, of which Onex' share was $12 million including accrued interest.

In August 2014, the ONCAP II sold Mister Car Wash. Net proceeds to ONCAP II were $386 million, of which Onex' share was $153 million. Onex received total net proceeds of approximately $168 million, including prior distributions of $15 million, compared to its original investment of $23 million.

2013 Divestitures

RSI

In October 2008, Onex, Onex Partners II and Onex management invested $318 million to acquire a 50% economic interest in RSI Home Products, Inc. ("RSI"), of which Onex' share was $126 million for an approximate 20% economic interest. RSI was a leading manufacturer of kitchen, bathroom and home organization cabinetry sold through home centre retailers and distributors.

Onex invested in a convertible Series A Preferred Stock that provided for a priority return of capital and a 10% compound annual return, but otherwise participated equally with the common shareholders.

In December 2010, RSI completed a refinancing transaction. As a part of this transaction, the Series A Preferred Stock was converted to Series B Preferred Stock, Series C Redeemable Preferred Stock and Class B Common Stock. Following the conversion, RSI redeemed all of Onex' Series C Redeemable Preferred stock and Onex' investment was reduced to $78 million.

In February 2013, Onex, Onex Partners II and Onex management completed the sale of its 50% interest in RSI for total proceeds of $323 million, of which Onex' share was $130 million, including carried interest.

Hawker Beechcraft

In late March 2007, Onex, Onex Partners II and Onex management, in partnership with Goldman Sachs Capital Partners, acquired Raytheon Aircraft Company in a transaction valued at $3.5 billion. The total initial equity invested by Onex, Onex Partners II and Onex management was $520 million for a 49% economic interest, of which Onex' share was $205 million for an initial 20% economic interest. The business continued under the name Hawker Beechcraft. Hawker Beechcraft Corporation ("Hawker Beechcraft") is a leading designer and manufacturer of business jet, turboprop and piston aircraft through its *Hawker* and *Beechcraft* brands.

The decline in the general aviation industry resulted in Hawker Beechcraft being unable to meet certain of its financial obligations. During the second quarter of 2012, Hawker Beechcraft filed for bankruptcy protection in the United States. During the first quarter of 2013, Hawker Beechcraft exited bankruptcy protection. As part of the restructuring, Onex has a nominal equity interest in the company.

BSN SPORTS

In August 2010, ONCAP II completed the acquisition of BSN SPORTS, Inc. ("BSN SPORTS"), formerly known as Sport Supply Group, Inc., for $56 million. Onex' share of that investment was $29 million. BSN SPORTS was a leading marketer, manufacturer and distributor of sporting goods products, athletic equipment and apparel and footwear products directly to the institutional and team sports marketplace in the United States.

In June 2013, ONCAP II sold its investment in BSN SPORTS for net proceeds of $236 million, of which Onex' share was $114 million. Included in the net proceeds received on the sale were approximately $16 million of additional amounts held in escrow and other items, of which Onex' share was $8 million. During the fourth quarter of 2013, $6 million of additional proceeds were received by ONCAP II, of which Onex' share was $3 million. Amounts paid on account of this transaction related to the Management Investment Plan ("MIP") totalled $6 million. In addition, management of ONCAP received $18 million in carried interest, which included a net payment of $7 million of carried interest by Onex and management of Onex.

TMS International

In January 2007, Onex acquired TMS International Corp. ("TMS International"), formerly known as Tube City IMS Corporation, in a transaction valued at approximately $620 million. Onex, Onex Partners II and Onex management invested $199 million in the equity of TMS International for an initial 87% economic interest, after giving effect to TMS International management's investment. Onex' share of the equity investment was $79 million for an initial 35% economic interest. TMS International was a leading provider of outsourced services to steel mills.

During the fourth quarter of 2008 and early 2009, Onex, Onex Partners II and Onex management made an additional investment of $50 million in promissory notes of TMS International. TMS International used the funds for capital expenditures, including capital expenditures at new facilities required pursuant to new customer contracts.

In March 2010, TMS International repaid $23 million of the promissory notes held by Onex, Onex Partners II and Onex management, including accrued interest. Onex' share of this repayment was $9 million.

In April 2011, TMS International completed an initial public offering of approximately 12.9 million common shares. As part of the offering, Onex, Onex Partners II and Onex management sold approximately 1.9 million shares, of which Onex' portion was approximately 0.7 million shares.

In October 2013, Onex, Onex Partners II and Onex management sold their remaining 23.4 million shares of TMS International for proceeds of $410 million, of which Onex' share was $172 million, including carried interest.

Caliber Collision

In October 2008, ONCAP II completed a $57 million investment in Caliber Collision Centers ("Caliber Collision"), based in Lewisville, Texas. Caliber Collision was a leading provider of auto repair services with collision centres located in Texas, Southern California, Oklahoma, Arizona and Nevada. Onex' share of the investment was $25 million. In October 2009, ONCAP II invested an additional $1 million; Onex' share of this transaction was approximately half.

In November 2013, ONCAP II sold its investment in Caliber Collision for net proceeds of $437 million, of which Onex' share was $193 million. Amounts paid on account of this transaction related to the MIP totalled $12 million. In addition, management of ONCAP received $42 million in carried interest, which included a net payment of $8 million of carried interest by Onex and management of Onex.

2012 Divestitures

CDI

In January 2005, Onex, Onex Partners I and Onex management acquired Center for Diagnostic Imaging, Inc. ("CDI"), a leading provider of diagnostic and therapeutic radiology services. Onex, Onex Partners I and Onex management invested $73 million in the equity of the business for an approximate 84% economic interest. Onex' share of this investment was $17 million for an initial 20% economic interest. In 2011, the company returned $42 million of capital to Onex, Onex Partners I and Onex management. Onex' share of the capital returned was $10 million.

In July 2012, Onex, Onex Partners I and Onex management sold its investment in CDI for proceeds of $91 million, of which Onex' share was $24 million, including carried interest.

3.1 Financial Information

The following is a summary of key consolidated financial information of Onex for fiscal years ended December 31, 2014 and 2013 in accordance with IFRS:

	Year ended December 31	
($ millions except per share amounts)	**2014**	2013
Revenues	**$ 19,793**	$ 19,824
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	**(14,208)**	(14,630)
Operating expenses	**(3,737)**	(3,553)
Interest income	**142**	106
Amortization of property, plant and equipment	**(410)**	(429)
Amortization of intangible assets and deferred charges	**(495)**	(496)
Interest expense of operating companies	**(830)**	(699)
Increase in value of investments in joint ventures and associates at fair value, net	**412**	1,098
Stock-based compensation expense	**(230)**	(320)
Other gains	**317**	561
Other items	**(378)**	(435)
Impairment of goodwill, intangible assets and long-lived assets, net	**(51)**	(223)
Limited Partners' Interests charge	**(1,069)**	(1,855)
Loss before income taxes and discontinued operations	**(744)**	(1,051)
Recovery of (provision for) income taxes	**(79)**	488
Loss from continuing operations	**(823)**	(563)
Earnings (loss) from discontinued operations	**982**	(250)
Net Earnings (Loss) for the Year	**$ 159**	$ (813)
Earnings (Loss) from Continuing Operations attributable to:		
Equity holders of Onex Corporation	**$ (872)**	$ (590)
Non-controlling Interests	**49**	27
Loss from Continuing Operations for the Year	**$ (823)**	$ (563)
Net Earnings (Loss) attributable to:		
Equity holders of Onex Corporation	**$ (115)**	$ (354)
Non-controlling Interests	**274**	(459)
Net Earnings (Loss) for the Year	**$ 159**	$ (813)
Net Earnings (Loss) per Subordinate Voting Share of Onex Corporation		
Basic and Diluted:		
Continuing operations	**$ (7.91)**	$ (5.20)
Discontinued operations	**6.87**	2.08
Net Loss for the Year	**$ (1.04)**	$ (3.12)

3.2 Quarterly Information

The following is a summary of key consolidated financial information of the Company for the last eight quarterly periods in accordance with IFRS:

	2014				2013			
($ millions except per share amounts)	Dec	Sept	June	Mar	Dec	Sept	June	Mar
Revenues	**$ 5,213**	**$ 5,003**	**$ 4,988**	**$ 4,589**	$ 4,996	$ 5,129	$ 5,035	$ 4,664
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	**(3,628)**	**(3,616)**	**(3,622)**	**(3,342)**	(3,643)	(3,743)	(3,751)	(3,493)
Operating expenses	**(1,063)**	**(878)**	**(911)**	**(885)**	(928)	(893)	(859)	(873)
Interest income	**40**	**35**	**36**	**31**	32	26	23	25
Amortization of property, plant and equipment	**(106)**	**(103)**	**(102)**	**(99)**	(101)	(113)	(109)	(106)
Amortization of intangible assets and deferred charges	**(135)**	**(119)**	**(118)**	**(123)**	(124)	(122)	(123)	(127)
Interest expense of operating companies	**(269)**	**(195)**	**(189)**	**(177)**	(191)	(194)	(165)	(149)
Increase in value of investments in joint ventures and associates at fair value, net	**22**	**2**	**33**	**355**	534	274	14	276
Stock-based compensation expense	**(64)**	**(18)**	**(65)**	**(83)**	(82)	(100)	(23)	(115)
Other gains	**-**	**317**	**-**	**-**	391	-	170	-
Other items	**(83)**	**(92)**	**(132)**	**(71)**	(155)	(13)	(182)	(93)
Impairment of goodwill, intangible assets and long-lived assets, net	**(83)**	**(5)**	**37**	**-**	(91)	(10)	(114)	-
Limited Partners' Interests charge	**(229)**	**(264)**	**(326)**	**(250)**	(657)	(352)	(472)	(374)
Earnings (loss) before income taxes and discontinued operations	**(385)**	**67**	**(371)**	**(55)**	(19)	(111)	(556)	(365)
Recovery of (provision for) income taxes	**14**	**(44)**	**(35)**	**(14)**	30	524	(71)	5
Earnings (loss) from continuing operations	**(371)**	**23**	**(406)**	**(69)**	11	413	(627)	(360)
Earnings (loss) from discontinued operations	**4**	**365**	**445**	**168**	(234)	(14)	(91)	89
Net Earnings (loss) for the Period	**$ (367)**	**$ 388**	**$ 39**	**$ 99**	$ (223)	$ 399	$ (718)	$ (271)
Earnings (Loss) from Continuing Operations attributable to:								
Equity holders of Onex Corporation	**$ (352)**	**$ (2)**	**$ (434)**	**$ (84)**	$ 17	$ 364	$ (625)	$ (346)
Non-controlling interests	**(19)**	**25**	**28**	**15**	(6)	49	(2)	(14)
Earnings (Loss) from Continuing Operations for the Period	**$ (371)**	**$ 23**	**$ (406)**	**$ (69)**	$ 11	$ 413	$ (627)	$ (360)
Net Earnings (Loss) attributable to:								
Equity holders of Onex Corporation	**$ (350)**	**$ 364**	**$ (89)**	**$ (40)**	$ 200	$ 366	$ (612)	$ (308)
Non-controlling interests	**(17)**	**24**	**128**	**139**	(423)	33	(106)	37
Net Earnings (Loss) for the Period	**$ (367)**	**$ 388**	**$ 39**	**$ 99**	$ (223)	$ 399	$ (718)	$ (271)
Net Earnings (Loss) per Subordinate Voting Share of Onex Corporation								
Basic and Diluted:								
Continuing Operations	**$ (3.21)**	**$ (0.02)**	**$ (3.93)**	**$ (0.75)**	$ 0.15	$ 3.22	$ (5.49)	$ (3.06)
Discontinued Operations	**0.01**	**3.33**	**3.13**	**0.39**	1.62	–	0.11	0.35
Net Earnings (Loss) for the Period	**$ (3.20)**	**$ 3.31**	**$ (0.80)**	**$ (0.36)**	$ 1.77	$ 3.22	$ (5.38)	$ (2.71)

3.3 Dividends and Dividend Policy

Dividends are paid quarterly on or about the last day of January, April, July and October in each year. The Board of Directors normally reviews dividends in May of each year, with any changes becoming effective with the July payment. During 2012, the quarterly dividend was C$0.0275 per Subordinate Voting Share. In May 2013, Onex increased its quarterly dividend by 36% to C$0.0375 per Subordinate Voting Share in the second quarter of 2013. In May 2014, Onex increased its quarterly dividend by 33% to C$0.05 per Subordinate Voting Share in the second quarter of 2014. As of January 31, 2015, the quarterly dividend remained at C$0.05 per Subordinate Voting Share.

In January 1989, a special stock dividend at that time of C$1.50 (pre-splits) per Subordinate Voting Share was paid from the net gain on the sale of the Onex Packaging Inc. shares. These figures do not reflect the 2-for-1 stock splits effective June 1, 2000 and 1999.

On December 30, 1991, a special stock dividend at that time at the rate of C$3.50 (pre-splits) per Subordinate Voting Share was paid from proceeds of the sale of Beatrice Foods. Recipients of the special dividend were offered the opportunity to reinvest all or part of the proceeds in Subordinate Voting Shares of Onex at a price of C$5.90 (pre-splits) per share. Upon completion of the dividend investment rights offering on February 28, 1992, an additional 7,560,475 (pre-splits) Subordinate Voting Shares were issued for net proceeds of C$44 million. These figures do not reflect the 2-for-1 stock splits effective June 1, 2000 and 1999.

On August 5, 1993, the shareholders approved a special resolution amending the Articles of the Company that removed all dividend rights attaching to the Multiple Voting Shares. Subsequently, a Special Dividend was declared to the holder of Multiple Voting Shares by way of a stock dividend of 7,097,370 (pre-splits) Subordinate Voting Shares, which, immediately following issuance, represented 20% of the total issued and outstanding Subordinate Voting Shares. These figures do not reflect the 2-for-1 stock splits effective June 1, 2000 and 1999.

Management’s Discussion and Analysis of Results of Operations and Financial Conditions

The information is in Onex’ Management’s Discussion and Analysis and Financial Statements Report for the year ended December 31, 2014, which is incorporated herein by reference. This document is available on SEDAR at www.sedar.com.

Capital Structure

Onex Corporation had the following authorized and outstanding share capital at January 31, 2015:

i) 100,000 Multiple Voting Shares, which entitle their holders to elect 60% of the Company's Directors and carry such number of votes in the aggregate as represents 60% of the aggregate votes attached to all shares of the Company carrying voting rights. The Multiple Voting Shares have no entitlement to a distribution on winding up or dissolution other than the payment of their nominal paid in value. At January 31, 2015, Onex had 100,000 Multiple Voting Shares outstanding.

ii) An unlimited number of Subordinate Voting Shares, which carry one vote per share and as a class are entitled to: 40% of the aggregate votes attached to all shares of the Company carrying voting rights; elect 40% of the Directors; and to appoint the auditors. These shares are entitled, subject to the prior rights of other classes, to distributions of the residual assets on winding up and to any declared but unpaid cash dividends. The shares are entitled to receive cash dividends, dividends in kind and stock dividends as and when declared by the Board of Directors. These shares trade on the Toronto Stock Exchange under the symbol OCX. At January 31, 2015, Onex had 108,538,860 Subordinate Voting Shares issued and outstanding.

The Multiple Voting Shares and Subordinate Voting Shares are subject to provisions whereby, if an event of change occurs (such as Mr. Schwartz, Chairman and CEO, ceasing to hold, directly or indirectly, more than 5,000,000 Subordinate Voting Shares or related events), the Multiple Voting Shares will thereupon be entitled to elect only 20% of the Directors and otherwise will cease to have any general voting rights. The Subordinate Voting Shares would then carry 100% of the general voting rights and be entitled to elect 80% of the Directors.

iii) An unlimited number of Senior and Junior Preferred Shares issuable in series. The Directors are empowered to fix the rights to be attached to each series. There is no consolidated paid-in value for these shares. There are no Senior and Junior Preferred Shares issued and outstanding at January 31, 2015.

Share Trading Information

	2014		
		Share Price	
	Share Volume (millions)	High	Low
January	3.4	$ 59.03	$ 55.48
February	2.8	$ 59.37	$ 56.09
March	2.9	$ 62.75	$ 58.78
April	3.9	$ 63.03	$ 60.30
May	2.9	$ 67.78	$ 61.43
June	3.2	$ 68.43	$ 64.85
July	2.2	$ 67.45	$ 62.95
August	2.6	$ 63.99	$ 61.60
September	2.2	$ 63.93	$ 60.01
October	2.5	$ 63.69	$ 58.27
November	1.7	$ 66.23	$ 61.58
December	3.8	$ 69.19	$ 62.21
Fiscal 2014	34.1	$ 69.19	$ 55.48

Markets for the Securities of Onex

Public Offering of Shares in 1994

In February 1994, Onex issued 5,500,000 (pre-splits) Subordinate Voting shares at C$17.75 (pre-split) per share pursuant to a public offering; net proceeds were C$94 million. After the offering, Onex had 41,013,404 (pre-splits) Subordinate Voting Shares outstanding. These figures do not reflect the 2-for-1 stock splits, effective June 1, 2000 and 1999.

Public Offering of Shares in 1997

In January 1997, Onex issued 7,650,000 (pre-splits) Subordinate Voting Shares at C$23.00 (pre-splits) per share pursuant to a public offering; net proceeds were C$169 million. After the offering, Onex had 47,507,282 Subordinate Voting Shares outstanding. These figures do not reflect the two for one stock splits effective June 1, 2000 to 1999.

Stock Split

On March 5, 1999, the Board of Directors approved a split of Onex' Subordinate Voting Shares on a two-for-one basis, subject to shareholder approval at the Annual and Special Meeting. On May 13, 1999, shareholders approved the two for one stock split of Onex' Subordinate Voting Shares for those shares held of record on June 1, 1999. On March 21, 2000, the Board of Directors approved a further split of Onex' Subordinate Voting Shares on a two for one basis subject to shareholder approval at the Annual and Special Meeting. On May 11, 2000, shareholders approved the two for one stock split of Onex' Subordinate Voting Shares for those shares held on record June 1, 2000.

Stock Option Plan

Under the 1994 Stock Option Plan of Onex, options and/or share appreciation rights for a term not exceeding ten years may be granted to Directors, officers and employees relative to the acquisition of Subordinate Voting Shares of the Corporation at a price not less than the market value of the shares on the business date preceding the date of the grant. Options or share appreciation rights may not be exercised unless the average market price (in the five business days prior to the exercise) of the Subordinate Voting Shares exceeds the exercise price of the options or share appreciation rights by at least 25%. The payment, if any, of special distribution to holders of Subordinate Voting Shares could result in an adjustment of the exercise price. There are 15,612,000 Subordinate Voting Shares reserved for issuance, post June 1, 1999 and June 1, 2000 stock splits, under the Stock Option Plan. At January 31, 2015, options representing 12,391,059 shares were outstanding.

Dividend Reinvestment Plan

In October 1999, Onex reinstated its Dividend Reinvestment Plan ("the Plan"). The Plan provides a means for Canadian holders of Onex' Subordinate Voting Shares to reinvest cash dividends into new Subordinate Voting Shares issued by Onex at a 5% discount to a market-related value and without payment of brokerage commissions. The Plan was amended in March 2004 to remove the discount to market so that future shares acquired under the Plan would be determined based on a 20 trading day market value. During 2014, Onex issued 7,952 Subordinate Voting Shares under the Plan at an average cost of C$61.18 per Subordinate Voting Share. From January 1, 2015 to January 31, 2015, Onex issued an additional 2,101 Subordinate Voting Shares under the Plan at an average cost of C$68.48 per Subordinate Voting Share.

Normal Course Issuer Bids

Onex had in place Normal Course Issuer Bids ("NCIBs") during 2014 and 2015, which enables the Company to repurchase up to 10% of its public float of Subordinate Voting Shares. Under the NCIB that expired on April 15, 2014, Onex repurchased 1,567,614 Subordinate Voting Shares at a total cost of $82 million (C$86 million). In July 2014, Onex repurchased 1,000,000 of its Subordinate Voting Shares in a private transaction for a cash cost of C$65.99 per Subordinate Voting Share or $62 million (C$66 million), which represented a slight discount to the trading price of Onex shares at that date. The shares were held indirectly by Mr. Gerald W. Schwartz, who is Onex' controlling shareholder. The shares repurchased in the private transaction are included in the shares repurchased under the NCIB. As of January 31, 2015, Onex had repurchased 2,574,072 Subordinate Voting Shares at a total cost of C$168 million under the NCIB that expires April 15, 2015.

Other Securities

Deferred Share Unit Plans

In November 2004, Onex established a Director Deferred Share Unit Plan ("Director DSU Plan"), which allows Onex' directors to apply directors' fees to acquire Deferred Share Units ("DSUs") based on the market value of Onex shares at the time. Grants of DSUs may also be made to Onex directors from time to time. Holders of DSUs are entitled to receive, for each DSU upon redemption, a cash payment equivalent to the market value of a Subordinate Voting Share at the redemption date. The DSUs vest immediately, are only redeemable once the holder resigns from the board of directors and must be redeemed by the end of the year following the year of resignation. Additional units are issued equivalent to the value of any cash dividends that would have been paid on the Subordinate Voting Shares. Onex has entered into forward agreements with a counterparty financial institution to hedge Onex' exposure to changes in the market value of Onex' Subordinate Voting Shares associated with substantially all of the outstanding Director DSUs. At January 31, 2015, Onex had 584,926 DSUs outstanding under the Director DSU Plan, of which 577,464 were hedged.

Effective December 2007, a Management Deferred Share Unit Plan ("Management DSU Plan") was established as a further means of encouraging personal and direct economic interest by senior management in the performance of the Subordinate Voting Shares by the Company's senior management. Under the Management DSU Plan, the members of the Company's senior management team are given the opportunity to designate all or a portion of their annual compensation for the purchase of Management DSUs in lieu of cash. Management DSUs are redeemable by the participant only after he or she has ceased to be an officer or employee of the Company or an affiliate for a cash payment equal to the then-current market price of the Subordinate Voting Shares. Management DSUs are redeemable only for cash and no shares or other securities of Onex will be issued on the exercise, redemption or other settlement thereof. In December 2012, 69,143 Management DSUs were issued to management, having an aggregate value, at the date of grant, of approximately $3 million in lieu of cash compensation for Onex' 2012 fiscal year. In January 2014, Onex issued 97,704 Management DSUs to management having an aggregate value, at the date of grant, of approximately $5 million in lieu of that amount of cash compensation for Onex' 2013 fiscal year. In January and February 2015, Onex issued 116,037 Management DSUs to management having an aggregate value, at the date of grant, of approximately $7 million (C$8 million) in lieu of that amount of cash compensation for Onex' 2014 fiscal year. To hedge the Company's exposure to changes in the trading price of Onex shares associated with the Management DSU Plan, the Company enters into forward agreements with a counterparty financial institution for all grants under the Management DSU Plan. The administrative costs of those arrangements are borne entirely by participants in the plan. At January 31, 2015, Onex had 632,900 MDSUs outstanding under the Management DSU Plan.

Material Contracts

In February 2004, Onex completed the closing of its first large-cap private equity fund, Onex Partners LP ("Onex Partners I"), with funding commitments totalling $1.7 billion. Onex Partners I provided committed capital for acquisitions not related to Onex' operating companies at December 31, 2003 or ONCAP. Onex has provided a commitment of $400 million of the total $1.7 billion of committed capital to Onex Partners I. As of January 31, 2015, Onex Partners I has completed 10 investments or acquisitions with $1.5 billion of equity, including Onex, being invested. In January 2015, the wind up date for Onex Partners I was extended to February 2016. Onex Partners I may be further extended with the approval of a majority in interest of the limited partners for up to one additional one-year period.

In August 2006, Onex closed its second large-cap private equity fund, Onex Partners II LP ("Onex Partners II"), with total capital commitments of $3.5 billion. Onex Partners II provided committed capital for acquisitions not related to Onex' operating companies at December 31, 2003 or to ONCAP or Onex Partners I. Onex has committed $1.4 billion, or 41% of the total committed capital of Onex Partners II. As of January 31, 2015, Onex Partners II has completed seven investments or acquisitions, investing $2.9 billion of equity, including Onex, in those transactions.

In December 2009, Onex closed its third large-cap private equity fund, Onex Partners III LP ("Onex Partners III") with total commitments of approximately $4.3 billion, which included an $800 million commitment from Onex. Onex Partners III provided committed capital for acquisitions not related to Onex' operating companies at December 31, 2003 or to ONCAP, Onex Partners I or Onex Partners II. Onex initially had a $1.0 billion commitment for the period from January 1, 2009 to June 30, 2009. On December 31, 2008, Onex gave notice to the investors of Onex Partners III that Onex' commitment would be decreasing to $500 million effective July 1, 2009. In December 2009, Onex notified the investors of Onex Partners III that it would be increasing its commitment to $800 million effective June 16, 2010. In November 2011, Onex notified the investors of Onex Partners III that it would be further increasing its commitment to $1.2 billion effective May 15, 2012. As of January 31, 2015, Onex Partners III has completed 10 investments or acquisitions, investing $4.2 billion of limited partners' capital in those transactions.

In May 2014, Onex closed its fourth large-cap private equity fund, Onex Partners IV LP ("Onex Partners IV") with total commitments of $5.2 billion, which included a $1.2 billion commitment from Onex. Onex Partners IV will provide capital for new acquisitions not related to Onex' operating companies at December 31, 2003 or to ONCAP, Onex Partners I, Onex Partners II or Onex Partners III. In December 2014, Onex notified the investors of Onex Partners IV that it would be increasing its commitment to $1.7 billion effective June 3, 2015. As of January 31, 2015, Onex Partners IV has completed one investment, investing $208 million of limited partners' capital in that transaction.

Onex Partners I, Onex Partners II, Onex Partners III and Onex Partners IV will be collectively referred to as Onex Partners. Onex controls the General Partner and Manager of Onex Partners. Management of Onex have committed as a group to invest a minimum of 1% in all acquisitions of Onex Partners, with the exception of Onex Partners IV which requires the management of Onex to invest a minimum of 2% in all acquisitions.

In May 2006, Onex closed its second mid-market fund, ONCAP II, with total capital commitments of C$574 million. ONCAP II provided committed capital for acquisitions of small and medium-sized businesses requiring between C$20 and C$75 of initial equity capital. Onex has committed C$252 million of the total committed capital of ONCAP II. As of January 31, 2015, ONCAP II has completed eight investments or acquisitions, investing C$483 million of equity, including Onex, in those transactions.

In September 2011, Onex closed its third mid-market fund, ONCAP III, with total capital commitments of C$800 million. ONCAP III provides committed capital for ONCAP-sponsored acquisitions of small and medium-sized businesses requiring less than $125 of initial equity capital. Onex has committed C$252 million of the total committed capital of ONCAP III. As of January 31, 2015, ONCAP III has completed five investments or acquisitions, investing C$369 million of equity, including Onex, in those transactions.

ONCAP II and ONCAP III will be collectively referred to as ONCAP. Onex controls the General Partner and Manager of ONCAP. Management of ONCAP have committed as a group to invest a minimum of 1% in all acquisitions of ONCAP.

Onex initially received annual management fees based upon 2% of the capital committed to Onex Partners I and II and ONCAP II by investors other than Onex and management of Onex and ONCAP. The annual management fee of Onex Partners I was reduced to 1% of the net funded commitment at the end of the initial fee period, in November 2006, when Onex established the successor fund, Onex Partners II. Onex Partners II's annual management fee was reduced to 1% of the net funded commitment at the end of its initial fee period in November 2008 when Onex established the successor fund, Onex Partners III. ONCAP II's annual management fee was reduced to 2% of the net funded commitment at the end of its initial fee period in July 2011, when Onex established the successor fund, ONCAP III. Prior to December 2013, Onex received annual management fees based upon 1.75% of the capital committed to Onex Partners III by investors other than Onex and management of Onex. The annual management fee was reduced to 1% of the net funded commitment at the end of the initial fee period in December 2013. Onex obtained approval for an extension of the commitment period for Onex Partners III into 2014 to enable further amounts to be invested through the Fund. The October 2014 investment in York was the final new investment made by Onex Partners III. During the initial fee period of ONCAP III, Onex receives annual management fees based upon 2% of capital committed to ONCAP III by investors other than Onex and management of Onex and ONCAP. During the initial fee period of Onex Partners IV, Onex receives annual management fees based upon 1.7% of capital committed to Onex Partners IV by investors other than Onex and management of Onex. Onex' increased commitment to Onex Partners IV will not impact the annual management fees.

The General Partners are entitled to a carried interest equal to 20% of the overall gains achieved by the investors other than Onex in each of the Onex Partners and ONCAP Funds. The carried interest is determined on an individual fund basis and is subject to the fund investors having achieved a minimum 8% annual return on their investment over the life of each Fund. The investment by Onex Partners and ONCAP investors for this purpose takes into consideration management fees and other amounts paid in by investors of each Fund.

The returns to Onex Partners and ONCAP investors, other than Onex and management of Onex and ONCAP, are based upon all investments made through each Fund, separately, with the result that initial carried interest received by Onex on gains could be recovered from Onex if subsequent investments in the Fund do not achieve the overall target return level of 8%. Onex, as sponsor of the Fund is allocated 40% of the carried interest with 60% allocated to management.

At January 31, 2015, Onex Partners I was fully funded with total investments of $1.5 billion, of which Onex' share was $346 million. Onex Partners II was fully funded with total investments of $2.9 billion, of which Onex' share was $1.2 billion. Onex Partners III was fully funded with total investments of $4.2 billion, of which Onex' share was $927 million. Onex Partners IV was funded with an investment of $208 million, of which Onex' share was $46 million. ONCAP II was fully funded with total investments of C$483 million, of which Onex' share was C$221 million. ONCAP III was funded with total investments of C$369 million, of which Onex' share was C$108 million.

Interests of Experts

The Company's independent auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have issued an independent auditors' report dated February 19, 2015 in respect of the Company's consolidated financial statements as at December 31, 2014 and December 31, 2013. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

Directors

Information concerning the current directors of Onex is set out starting at page 3 of the 2014 Information Circular under the heading "Election of Directors", which information is incorporated herein by reference. Information concerning the proposed directors of Onex will be set out in the 2015 Information Circular. Information Circulars are available on SEDAR at www.sedar.com.

Officers and Executives

The following table includes executives of the Company and of certain of its subsidiaries performing analogous functions.

Name of Municipality of Residence	***Principal Occupation***
Gerald W. Schwartz Toronto, Ontario	*Chairman of the Board* *President and Chief Executive Officer*
Donald W. Lewtas Toronto, Ontario	*Chief Financial Officer*
Ewout R. Heersink Oakville, Ontario	*Senior Managing Director*
Robert M. LeBlanc Newtown, Connecticut	*Senior Managing Director*
Seth M. Mersky Toronto, Ontario	*Senior Managing Director*
Anthony Munk Toronto, Ontario	*Senior Managing Director*
Timothy A.R. Duncanson Toronto, Ontario	*Managing Director*
Konstantin Gilis Toronto, Ontario	*Managing Director*
Christopher A. Govan Oakville, Ontario	*Managing Director*
Joshua Hausman New York, New York	*Managing Director*
David R. Hirsch London, England	*Managing Director*
David J. Mansell Toronto, Ontario	*Managing Director*
Tony Morgan London, England	*Managing Director*
Tawfiq Popatia Toronto, Ontario	*Managing Director*

Name of Municipality of Residence	*Principal Occupation*
Matthew Ross New York, New York	*Managing Director*
Manish Srivastava Toronto, Ontario	*Managing Director*
Nigel Wright London, England	*Managing Director*
Andrea E. Daly Toronto, Ontario	*Vice President, General Counsel and Secretary*
David Copeland Toronto, Ontario	*Vice President, Taxation*
Christine M. Donaldson Oakville, Ontario	*Vice President, Finance*
Emma Thompson Toronto, Ontario	*Head of the Funds Group*

All of the Officers and Executives have held these positions over the past five years except for the following. Mr. Gilis assumed the position of Managing Director on January 1, 2011 and prior to that date held the position of Principal. Mr. Morgan joined the Company in 2012 as a Managing Director and prior to that was Vice President in the Principal Investing Group at the Canada Pension Plan Investment Board. Mr. Heersink, Mr. LeBlanc, Mr. Mersky and Mr. Munk assumed the position of Senior Managing Directors on January 1, 2013 and prior to that date held the position of Managing Directors. Mr. Hausman assumed the position of Managing Director on January 1, 2013 and prior to that date held the position of Principal. Mr. Hirsch and Mr. Popatia assumed the position of Managing Director on January 1, 2014 and prior to that date held the position of Principals. Mr. Wright took a temporary leave of absence from the Company from 2010 to 2013 to serve as Chief of Staff in the Office of the Prime Minister of Canada and returned to the Company in 2014. Mr. Ross and Mr. Srivastava assumed the position of Managing Director on January 1, 2015 and prior to that date held the position of Principals.

At January 31, 2015, Mr. Schwartz, and the other Officers, Executives and Directors of the Company as a group, beneficially owned directly or indirectly, or exercised control or direction, or may be deemed to have exercised control or direction, over an aggregate of 23% of the outstanding Subordinate Voting Shares of the Company.

Audit and Corporate Governance Committee Charter

Purpose

The primary function of the Audit and Corporate Governance Committee is to assist the board of directors in fulfilling its oversight responsibilities by reviewing the financial information that will be provided to the shareholders and others, the systems of internal controls that management and the board of directors have established, and the Corporation's and its subsidiaries' audit and financial reporting process. The Committee has the responsibility to review and monitor the corporate governance practices of the Corporation.

The external auditors' ultimate responsibility is to the board of directors and the Audit and Corporate Governance Committee, as representatives of the shareholders. These representatives have the ultimate authority to evaluate and, where appropriate, recommend replacement of the external auditors.

The Audit and Corporate Governance Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in ensuing sections of this Charter. The Committee is given full access to the Corporation's management and records and external auditors as necessary to carry out these responsibilities. The Committee has the authority to carry out such special investigations as it sees fit in respect of any matters within its various roles and responsibilities.

Composition and Qualification

The Audit and Corporate Governance Committee shall be comprised of four directors, each of whom will be an independent director, as defined in Multilateral Instrument 52-110 — Audit Committees, as adopted by the Ontario Securities Commission.

All members of the Committee shall be financially literate and thus be able to read and understand a set of financial statements that have a level of complexity of accounting that is comparable to that of the Corporation's financial statements. At least one member of the Committee shall have accounting or related financial expertise. This could include past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer of an entity with financial oversight responsibilities.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit and Corporate Governance Committee shall:

(a) Review the accounting principles, policies and practices followed by the Corporation and its subsidiaries in accounting for and reporting its financial results of operations.

(b) Review the Corporation's audited annual consolidated financial statements and the unaudited quarterly financial statements. Also review and recommend to the board for approval any accompanying related documents such as the Annual Information Form or equivalent filings and the Management's Discussion and Analysis prior to the disclosing of the information to the public.

(c) Review the draft earnings press release quarterly.

(d) Satisfy itself that adequate procedures are in place for the review of any other public disclosure by the Corporation of financial information extracted or derived from the Corporation's financial statements and periodically assess the adequacy of those procedures.

(e) Oversee the work of the external auditor and recommend to the board of directors the selection and compensation of the external auditors to be put forward to the shareholders at the annual meeting.

(f) Obtain on a quarterly basis a formal written statement from the external auditors delineating the relationship between the audit firm and the Corporation, and review and discuss with the external auditors such relationship to determine the "independence" of the auditors.

(g) Review any management letter prepared by the external auditors concerning the Corporation's internal financial controls, record keeping and other matters and management's response thereto.

(h) Discuss with the external auditors their views about the quality of the implementation of Canadian Generally Accepted Accounting Principles, with a particular focus on the accounting estimates and judgements made by management and management's selection of accounting principles. Meet in private with appropriate members of management and separately with the external auditors on a regular basis to share perceptions on these matters, discuss any potential concerns and agree upon appropriate action plans. Review with the external auditor their views on the adequacy of the Corporation's financial personnel.

(i) Approve the scope of the annual audit, the audit plan, the access granted to the Corporation's records and the co-operation of management in any audit and review function.

(j) Review the effectiveness of the independent audit effort, including approval of the fees charged in connection with the annual audit, any quarterly reviews and any non-audit services being provided.

(k) Evaluate the lead audit partner and discuss rotation of the lead audit partner and other active audit engagement team partners.

(l) Assess the effectiveness of the working relationship of the external auditors with management and become involved, if necessary, to resolve disagreements between management and the external auditor regarding financial reporting matters.

(m) Review the financial risk management policies followed by the Corporation in operating its business activities and the completeness and fairness of any disclosure thereof. Review the use of derivative financial instruments by the Corporation.

(n) Review and approve management's decisions relating to any potential need for internal auditing, including whether this function should be outsourced and if such function is outsourced, approve the supplier of such service.

(o) Review annually the Audit and Corporate Governance Committee Charter for compliance and adequacy and recommend any changes to the board.

(p) Determine the nature of non-audit services the external auditor is prohibited from providing to the Corporation. The Committee will pre-approve all non-audit services provided by the external auditor to the Corporation.

(q) Review compliance with regulatory requirements relating to CEO/CFO certifications.

(r) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the external auditor.

(s) Establish and review procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(t) Report to the board on the major items covered at each Audit and Corporate Governance Committee meeting and make recommendations to the board and management concerning these matters. Annually report to the board on the effectiveness of the Audit and Corporate Governance Committee.

(u) Perform any other activities consistent with this Charter, the Corporation's by-laws and governing law as the Committee or the board deems necessary or appropriate.

(v) Establish criteria for immediate reporting of significant complaints to the Committee and obtaining periodic reports about other complaints received.

(w) Review of management's antifraud programs and controls, including the fraud risk assessment process.

(x) Review, on a timely basis, reports describing the nature, status and eventual disposition of any alleged or suspected fraud.

Corporate Governance Responsibilities

While corporate governance remains the responsibility of the board of directors, the Committee shall review and monitor the corporate governance practices of the Corporation. This includes:

(a) Reviewing the corporate governance disclosures that may be made by the Corporation.

(b) Reviewing compensation for members of the board of directors and recommending compensation levels to the board.

(c) Assessing on an annual basis the corporate governance practices. This would include requiring the completion of an annual questionnaire of the board members on corporate governance and the effectiveness of the board.

(d) Reviewing financial qualifications of Committee members.

(e) Overseeing the orientation program for new directors.

(f) Reviewing the performance of directors over the age of 72, with the exception of the Chief Executive Officer.

(g) Monitoring on a continuing basis the overall effectiveness of the Corporation's system of corporate governance.

(h) Annually assessing the performance of the Committee as a whole and of its members individually, considering improvements and taking decisive corrective action.

Audit and Corporate Governance Meetings

The Audit and Corporate Governance Committee will meet on a quarterly basis and will hold special meetings as circumstances require. The timing of the meetings shall be determined by the Committee. The Committee may engage external advisors as it determines necessary, with notice to the lead director, and may set the compensation for such advisors.

At all Audit and Corporate Governance Committee meetings a majority of the members shall constitute a quorum.

Composition of the Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee is comprised of four directors, each of whom is an independent director. The members of the Committee are:

Audit and Corporate Governance Committee Member	*Experience and Education*
Peter C. Godsoe, O.C.	Mr. Godsoe was Chairman of the Board until March 2, 2004 and Chief Executive Officer until December 2, 2003 of the Bank of Nova Scotia. From 1966, he held positions of increasing responsibilities with the Bank of Nova Scotia, becoming Chairman of the Board in 1995. In 2002, Mr. Godsoe received the Order of Canada and was inducted into the Canadian Business Hall of Fame. Mr. Godsoe holds a Bachelor of Science degree in Mathematics and Physics from the University of Toronto and a Master of Business Administration degree from Harvard Business School. He is also a Chartered Accountant and a Fellow of the Institute of Chartered Accountants of Ontario.
Serge Gouin	Mr. Gouin is the former Chairman of the Board of Quebecor Media Inc. He is the former Advisory Director of Citigroup Global Markets Canada Inc. (1998-2003) and President and Chief Operating Officer of Le Groupe Vidéotron Ltée. (1991-1996). Mr. Gouin holds a Bachelor of Arts degree from the University of Montreal as well as a Bachelor of Arts degree and Master of Business Administration degree from the Ivey School of Business.
Robert Prichard	Mr. Prichard is non-executive Chairman of Torys LLP and was previously President and Chief Executive Officer of each of Metrolinx and Torstar Corporation. Mr. Prichard holds a Master of Business Administration degree from the University of Chicago, a Bachelor of Laws degree from the University of Toronto and a Master of Laws degree from Yale University. He is also an Officer of the Order of Canada, a Member of the Order of Ontario and a fellow of the Royal Society of Canada.
Arni C. Thorsteinson, C.F.A.	Mr. Thorsteinson is the President of Shelter Canadian Properties Limited, a diversified real estate development and management company. He holds a Bachelor of Commerce (Honours) from the University of Manitoba and a Chartered Financial Analyst designation.

All of the Audit and Corporate Governance Committee members are financially literate and are able to read and understand a set of financial statements that have a level of complexity of accounting that is comparable to that of the Company’s financial statements.

Onex Audit and Non-Audit Services Pre-Approval Policies and Procedures

Purpose
The purpose of this policy is to set guidelines for the pre-approval of services that are to be provided by the companies' auditors, and to establish services that the auditors may not provide ("Prohibited Services"). For the purpose of this policy Prime Auditor shall refer to the auditor of Onex Corporation (the "Company") and Secondary Auditor shall refer to an auditor of a wholly-owned subsidiary or operating company (a "company") where that auditor is not the same as the Prime Auditor. At the time of approval of this policy the Prime Auditor was PricewaterhouseCoopers and the Secondary Auditors were KPMG, Deloitte and Ernst & Young.

Objective
To provide oversight of the work of the independent auditors and ensure compliance with regulatory requirements.

Scope
This policy applies to Onex Corporation, all of its corporate wholly-owned subsidiaries, including foreign subsidiaries, and operating companies.

Prohibited Services
The following services may not be provided by the Prime Auditor or Secondary Auditor to Onex Corporation nor to any subsidiaries or affiliates:

- management functions;
- human resources;
- broker or dealer, investment adviser, or investment banking services;
- legal services;
- expert services unrelated to the audit, and
- any other services that the Board determines or, by regulation, are not permissible.

The following services may not be provided by an auditor of a company to that company or any of its subsidiaries or affiliates:

- bookkeeping or other services related to the accounting records or financial statements of the audit client;
- financial information systems design and implementation;
- appraisal or valuation services, fairness opinions, or contribution-in-kind reports;
- actuarial services; and
- internal audit outsourcing services.

Pre-approval for Required Non-Audit Services
A registered public accounting firm may engage in any non-audit service, including tax services, litigation support and internal control documentation, that is not described in the Prohibited Services, only if the activity is approved in advance by the audit committee of that company, in accordance with the Pre-approval Requirements section of this policy.

Pre-approval Requirements
In general:

(a) Any services where Onex' auditor (currently PricewaterhouseCoopers) would be engaged, approval must be obtained in advance from Onex Corporation.

(b) Audit Committee Action – All auditing services and non-audit services provided to a company by the auditor of the company shall be pre-approved by the audit committee of that company. Lists of the nature of specific services that are pre-approved are provided below. Services not listed must be specifically pre-approved before the engagement commences.

Pre-approval of Individual Services
From time to time it is expected that certain services, which are not contemplated in the Pre-approval Requirements Section of this policy, may need to be specifically pre-approved. Where these services are to be performed for the Company then the Audit Committee has delegated the authority to effect such pre-approval to the Chairman of the Audit Committee or such other member of the Audit Committee as the Chairman may choose to appoint. Where such services are to be performed for other subsidiaries or affiliates who have their own Audit Committee, it is expected that this company's Audit Committee should first approve such services and thereafter communicate the nature of such services to the Onex Audit Committee for approval.

Pre-approval of Services to be provided by PricewaterhouseCoopers
Any non-audit services where fees are estimated to be in excess of $250,000 the Audit Committee of Onex Corporation, or its Chair, is to approve in advance.

Report of Services to the Audit Committee
At each regularly scheduled meeting of the Audit Committee, management shall report on all new pre-approved engagements of the Company's Prime Auditor to the Company and its subsidiaries and affiliates.

Similarly, where a subsidiary has an Audit Committee, at each regularly scheduled meeting management of that company should report on all new pre-approved engagements of its respective auditor to its Audit Committee.

Lists of Services for Audit Committee Pre-approval

1. Audit services

Type of Service	*Description*
Financial Statement Audit	Recurring audit of consolidated financial statements including subsidiary companies, statutory audits and assistance with statutory audit disclosures. Also including review of other documents associated with the annual audit, MD&A, Annual Report, AIF, and Proxy Circular. Also including tax and accounting consultations required in connection with the financial statements audit pertaining to complex or unusual transactions and/or other consultations required to perform an audit in accordance with generally accepted auditing standards.
Quarterly Reviews	Review of interim financial statements conducted in accordance with generally accepted auditing standards.
Regulatory financial filings	Services related to regulatory filings and prospectus including consent and comfort letters.

2. Audit Related Services

Type of Service	*Description*
Internal control attestation services	Attestation services relating to the report on the entity's internal controls as specified in Section 404 of the Sarbanes-Oxley Act and any similar requirements which may be introduced under Canadian and other local legislation/regulations.
Consultation regarding GAAP	Discussions, review of impact of new pronouncements and other assistance in connection with the interpretation of accounting literature, including technical update sessions.
Employee Benefit Plans	Audit of pension and other employee benefit plans and funds for regulatory purposes.
Specified audit procedures	Such procedures being outside the scope of the normal financial statement audit (for example specific inventory observance).
Financial due diligence	Assistance in financial and tax due diligence, including review of financial statements, financial data and records, tax returns, tax forms and tax filings, discussions with target's finance and accounting personnel. Accounting consultations and audits in connection with acquisitions and divestures.
Post-acquisition balance sheet audits	Audit services conducted on a balance sheet subsequent to a purchase of a business which is not required by regulation or statue, such services being executed in accordance with generally accepted auditing standards.
Review of other financial information	Reviews of financial information conducted in accordance with standards for review engagements as provided for in generally accepted auditing standards.
Internal control training / seminars	Assistance provided in training on internal controls and other related seminars.
Application and general control reviews	Review of IT and general controls related to specific applications, including overall general computer controls, excluding those that are a part of the financial statement audit.
SOX advisory services	Advisory services with respect to complying with Sarbanes-Oxley Section 404, National Instrument 51-109 and any similar requirements, which may be introduced by Canadian and other local legislation/regulations. Provided that at no such time shall such services involve the auditor acting in the capacity as management.
Other attest services	Attest services that are not required by statute or regulation, including attest services in respect of special audit reports to support tax filings.
Forensic investigations	Fact finding services and forensic investigations as long as such services are permitted under the independence rules.
Financial statement translation	Translation of statutory or regulator financial statements and related information.

3. Tax Services

Type of Service	*Description*
Corporate tax compliance	Preparation and/or review of corporate tax returns, filings and forms. Consultation regarding handling of items for tax returns, required disclosures, elections, and filings positions available.
Indirect tax compliance and advisory	Indirect tax recovery, compliance and advisory services (VAT, GST, HST, payroll tax and other commodity taxes) including compliance advice, audit support, recovery services.
Routine corporate tax advisory services	Assistance with tax audits, examination of requests for information. Responding to requests regarding technical interpretations, applicable laws and regulations, and tax accounting. Tax advice on financings, inter-company transactions, foreign tax credits, foreign income tax, tax accounting, foreign earnings and profits, capital tax, sales tax, use tax, property tax, the treatment in any jurisdiction of foreign subsidiary income, VAT, GST, excise tax or equivalent taxes in the jurisdiction. Assistance with tax appeals that are not in front of a tax court or its equivalent. Advice regarding tax legislation or codes including interpretations, procedures and advance tax rulings or private letter rulings thereof, or their equivalent, in applicable jurisdictions in the following areas: income, capital sales, use, property, excise, local value added (VAT and GST).
Transfer pricing	Advice and assistance with respect to transfer pricing matters, including preparation of reports used by the company to comply with taxing authority documentation requirements regarding royalties, services and inter-company pricing and assistance with tax exemptions.
Tax related M&A advisory services	Tax advice on mergers, acquisitions, restructurings, financings and other merger and acquisition related transactions proposed and actual. Including tax due diligence and acquisition structuring in support of M&A transactions.
Legal tax services	Assistance with incorporation of new companies and drafting documents such as memorandum of association, articles of association, and board minutes. Provide legal advice on intra-group structuring, cross-border and commercial transactions, impact of competition rules, financing issues, intellectual property and information technology protection.
Customs and duties	Compliance reviews and advice on compliance in the areas of tariffs and classification, origin, pricing and documentation. Assistance with customs audits or requests for information.
Expatriate tax services	Preparation of individual income tax returns, advice on impact of changes in local tax laws and consequences of changes in compensation programs or practices. Compliance and advice in relation to benefits and compensation, stock options and tax equalization policies.
Valuation services	Preparation of non-financial reporting tax valuations including valuations undertaken as part of a corporate restructuring, intangible asset valuations, valuation of share options, tax, purchase price allocations.

4. Other Services

Type of Service	*Description*
Valuation	Valuation services to review and comment on valuations prepared by the company or third parties, valuations for decision-support analysis and deal valuations.
Information technology (IT) systems and related services	Design or implementing an IT system that is not a financial system. Advise the company on how to assess its IT systems, processes, controls and outsourcing requirements and how to identify possible vendors of IT system design or implementation or outsourcing services. Review and comment on an IT system designed, implemented or operated by the company or another service provider.
Transaction services	Vendor due diligence, structuring advice, assist in developing corporate strategies and post deal integration services.
Internal audit services	Assisting an existing in-house internal audit function with specific, limited and non-recurring projects. Operational or other internal audit services unrelated to the internal accounting controls, financial systems or financial statements. Advising on and assessing the company’s internal audit activities.
Technology Products	The following technology related products from our primary auditor are considered permissible: Comperio (Accounting research tool); Teammate (Electronic working papers); and Global Best Practices (Global benchmarking database).

Fees Paid to Auditors

The following table sets forth the aggregate fees incurred by the Company and operating companies for audit and other services performed by the Company's auditor, PricewaterhouseCoopers, for the years ended December 31, 2014 and 2013.

	2014	2013
Audit at corporate office	$ 1,485,000	$ 1,679,000
Audit at operating companies [a][b]	14,826,000	18,126,000
	16,311,000	19,805,000
Tax at corporate office	1,456,000	947,000
Tax at operating companies	4,519,000	2,272,000
	5,975,000	3,219,000
Other at corporate office [c]	805,000	1,038,000
Other at operating companies [b][c]	1,109,000	8,470,000
	1,914,000	9,508,000
Total	$ 24,200,000	$ 32,532,000

(a) Sarbanes-Oxley related fees grouped with audit in the operating companies.

(b) 2013 included amounts related to the following businesses sold during 2014: Allison Transmission, Spirit AeroSystems, Tomkins and The Warranty Group.

(b) Includes fees for acquisition due diligence, advisory and consulting services for business transition, IFRS and other non-audit services.

Additional Information

Additional information, including information concerning the remuneration of Directors and Officers, their indebtedness to the Company, principal holders of the Company's securities, options and share appreciation rights to acquire securities, interests of insiders in material transactions, and the normal course issuer bid is, where applicable, contained in the 2014 Information Circular and will be contained in the 2015 Information Circular. A review of the Corporation's corporate governance policies, with reference to the current and proposed Corporate Governance Guidelines of the Toronto Stock Exchange, is also included in the Information Circulars.

Additional financial information, including comparative consolidated audited financial statements, is provided in the Company's 2014 Management's Discussion and Analysis and Financial Statements.

Copies of the 2015 Information Circular, this Annual Information Form, the Management's Discussion and Analysis and Financial Statements of Onex for the year ended December 31, 2014, and any interim unaudited financial statements of Onex subsequent to such date, are available on the Company's website (www.onex.com) or, upon request, from Investor Relations, Onex Corporation, 161 Bay Street, P.O. Box 700, Toronto, Ontario, M5J 2S1 or on the Canadian Systems for Electronics Document Analysis and Retrieval (SEDAR) at www.sedar.com. In the event that Onex Corporation should file a preliminary short-form prospectus in respect of a distribution of its securities, or should a receipt be issued by the applicable securities regulators in respect of such a short-form prospectus, copies of any documents, other than those referred to above, incorporated by reference into said preliminary short-form prospectus, will also be made available.

Registrar and Transfer Agent

The registrar and transfer agent for the Company's Subordinate Voting Shares is:

CST Trust Company
P.O. Box 700
Postal Station B
Montreal, Quebec H3B 3K3
(416) 682-3860
or call toll-free throughout Canada and the United States
1-800-387-0825
www.canstockta.com
or inquiries@canstockta.com (e-mail)