



FOR IMMEDIATE RELEASE

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

– Onex Reports Full-Year 2019 Results –

Toronto, February 28, 2020 – Onex Corporation (TSX: ONEX) today announced its financial results for the fourth quarter and full year ended December 31, 2019.

Gerry Schwartz, Chairman and Chief Executive Officer of Onex, stated: “2019 was an active and productive year for us. Within our private equity platform, we returned \$3.7 billion to our investors – the second largest amount in our history – through multiple realization events. We were also busy on the investing front completing several new attractive acquisitions.” Mr Schwartz continued, “Further, with our acquisition of Gluskin Sheff, Onex is now well-positioned to participate in the growing interest of high net worth investors in private market investments.”

Highlights

- Onex reported segment net earnings for the three- and twelve-months ended December 31, 2019 of \$211 million and \$836 million (\$2.04 and \$8.09 per fully diluted share), respectively. These earnings were primarily driven by net gains from Onex’ private equity investments.
- Onex’ total shareholder capital increased to \$7.2 billion as of the year ended December 31, 2019 (\$69.47 (C\$90.23) per fully diluted share).
- Onex received more than \$1.2 billion in realizations and distributions from its private equity investments in 2019 – the second largest amount in our history – mainly driven by Onex Partners’ secondary share sales of Clarivate Analytics and SIG Combibloc Group and the sales of Jack’s Family Restaurants and BrightSpring Health.
- The fair value of Onex’ private equity investments increased by 6% during the fourth quarter and 21% for the full year.
- Onex’ fee-generating assets under management increased by 33% in 2019, primarily driven by the acquisition of Gluskin Sheff.
- Onex Credit increased its fee-generating assets under management by 16% to \$10.5 billion in 2019. This increase was driven by the issuance of three collateralized loan obligations totalling \$1.5 billion and capital from Gluskin Sheff clients invested in its funds.
- Onex repurchased 629,027 Subordinate Voting Shares in 2019 for a total cost of \$34 million (C\$46 million), or at an average cost per share of C\$73.59.

Financial Results

On January 1, 2019, Onex determined it met the definition of an investment entity, as defined by IFRS 10, Consolidated financial statements. This change in status has fundamentally changed how Onex prepares, presents and discusses its financial results relative to periods ending on or before December 31, 2018. Periods ending on or before December 31, 2018 have not been restated to reflect the change in Onex' investment entity status.

Accordingly, the readers of this press release, Onex' 2019 MD&A and consolidated financial statements should exercise significant caution in reviewing, considering and drawing conclusions from period-to-period comparisons and changes, as the direct comparisons between dates or across periods can be inappropriate or not meaningful if not carefully considered in this context.

For the three-months ended December 31, 2019, total segment net earnings were \$211 million (\$2.04 per fully diluted share). Net earnings from the investing segment totalled \$160 million (\$1.55 per fully diluted share) in the quarter, which was primarily driven by net gains on Onex' private equity investments. The fourth quarter net earnings from the asset and wealth management segment totalled \$51 million (\$0.49 per fully diluted share).

As a result of the change in investment entity status, Onex recognized a non-recurring net gain of \$3.5 billion from the derecognition of previously consolidated corporate investments in the first quarter. This non-cash net gain represents the difference between the fair value of previously consolidated corporate investments and their carrying value on January 1, 2019.

For the year ended December 31, 2019, total segment net earnings, which do not include the non-recurring transition gain, were \$836 million (\$8.09 per fully diluted share). Net earnings from the investing segment and the asset and wealth management segment totalled \$756 million (\$7.33 per fully diluted share) and \$80 million (\$0.76 per fully diluted share), respectively, in the same period. The same factors that contributed to the fourth-quarter performance drove the full-year results.

Enclosed are supplementary schedules and non-IFRS measures related to Onex' consolidated net earnings for the three- and twelve-months ended December 31, 2019, shareholder capital at December 31, 2019 and cash and near-cash change for the year ended December 31, 2019. The complete financial statements prepared in accordance with International Financial Reporting Standards, including Management's Discussion and Analysis of the results, are posted on Onex' website, www.onex.com, and are also available on SEDAR at www.sedar.com. A supplemental information package with additional information is available on Onex' website, www.onex.com.

Webcast

Onex management will host a webcast to review Onex' fourth-quarter and full year 2019 results on Friday, February 28 at 11:00 a.m. ET. The webcast will be available in listen-only mode from the Presentations and Events section of Onex' website, www.onex.com/events-and-presentations. A 90-day on-line replay will be available shortly following the completion of the event.

About Onex

Founded in 1984, Onex invests and manages capital on behalf of its shareholders, institutional investors and high net worth clients from around the world. Onex' platforms include: Onex Partners, private equity funds focused on larger opportunities in North America and Europe; ONCAP, private equity funds focused on middle market and smaller opportunities in North America; Onex Credit, which manages primarily non-investment grade debt through collateralized loan obligations, direct lending and other credit strategies; and Gluskin Sheff's actively managed public equity and public credit funds. In total, Onex has approximately \$38.4 billion of assets under management, of which approximately \$7.2 billion is its own shareholder capital. With offices in Toronto, New York, New Jersey and London, Onex and its experienced management teams are collectively the largest investors across Onex' platforms.

The Onex Partners and ONCAP businesses have assets of \$42 billion, generate annual revenues of \$28 billion and employ approximately 171,000 people worldwide. Onex shares trade on the Toronto Stock Exchange under the stock symbol ONEX. For more information on Onex, visit its website at www.onex.com. Onex' security filings can also be accessed at www.sedar.com.

Forward-Looking Statements

This press release may contain, without limitation, statements concerning possible or assumed future operations, performance or results preceded by, followed by or that include words such as "believes", "expects", "potential", "anticipates", "estimates", "intends", "plans" and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees. The reader should not place undue reliance on forward-looking statements and information because they involve significant and diverse risks and uncertainties that may cause actual operations, performance or results to be materially different from those indicated in these forward-looking statements. Except as may be required by Canadian securities law, Onex is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or other factors. These cautionary statements expressly qualify all forward-looking statements in this press release.

For further information:

Emilie Blouin
Director, Investor Relations
Tel: +1 416.362.7711

Supplementary and Non-IFRS Measures

Summarized Consolidated Net Earnings

(\$ millions except per share amounts)
Three months ended December 31, 2019

	Investing ^(a)	Asset and Wealth Management ^{(a)(b)}	Total
Segment income ^{(c)(d)}	\$ 160	\$ 116	\$ 276
Segment expenses	-	(65)	(65)
Segment net earnings	\$ 160	\$ 51	\$ 211
Stock-based compensation			(7)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(13)
Integration expense			(5)
Earnings before income taxes			186
Recovery of income taxes			1
Net earnings			\$ 187
Segment net earnings per share^(e)	\$ 1.55	\$ 0.49	\$ 2.04
Net earnings per share – diluted			\$ 1.86

(a) Refer to the consolidated financial statements for segment presentation and allocation considerations.

(b) The asset and wealth management segment includes the costs of Onex' corporate functions.

(c) The asset and wealth management segment includes an allocation of \$1 million from the investing segment, representing carried interest that would have been recognized by the asset and wealth management segment had Onex' capital been subject to carried interest under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. This allocation was made in accordance with IFRS 8 as this presentation is used by management, in part, to assess the performance of Onex.

(d) The asset and wealth management segment includes an allocation of \$15 million from the investing segment, representing management fees that would have been earned by the asset and wealth management segment had Onex' capital been subject to management fees under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. This allocation was made in accordance with IFRS 8, *Operating segments* ("IFRS 8") as this presentation is used by management, in part, to assess the performance of Onex.

(e) Calculated on a fully diluted basis.

(\$ millions except per share amounts)
Year ended December 31, 2019

	Investing ^(a)	Asset and Wealth Management ^{(a)(b)}	Total
Segment income ^{(c)(d)}	\$ 757	\$ 324	\$ 1,081
Segment expenses	(1)	(244)	(245)
Segment net earnings	\$ 756	\$ 80	\$ 836
Stock-based compensation			(60)
Amortization of property, equipment and intangible assets, excluding right-of-use assets			(36)
Acquisition and integration expenses ^(e)			(50)
Gain on derecognition of previously consolidated corporate investments			3,719
Reclassification from accumulated other comprehensive loss on derecognition of previously consolidated corporate investments			(170)
Earnings before income taxes			4,239
Recovery of income taxes			38
Net earnings			\$ 4,277
Segment net earnings per share^(f)	\$ 7.33	\$ 0.76	\$ 8.09
Net earnings per share – diluted			\$ 42.74

(a) Refer to the consolidated financial statements for segment presentation and allocation considerations.

(b) The asset and wealth management segment includes the costs of Onex' corporate functions.

(c) The asset and wealth management segment includes an allocation of \$4 million from the investing segment, representing a net reversal of carried interest that would have been recognized by the asset and wealth management segment had Onex' capital been subject to carried interest under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. This allocation was made in accordance with IFRS 8 as this presentation is used by management, in part, to assess the performance of Onex.

(d) The asset and wealth management segment includes an allocation of \$61 million from the investing segment, representing management fees that would have been earned by the asset and wealth management segment had Onex' capital been subject to management fees under the same terms as third-party limited partners of the Onex Partners and ONCAP Funds. This allocation was made in accordance with IFRS 8 as this presentation is used by management, in part, to assess the performance of Onex.

(e) Acquisition and integration expenses primarily relate to expenses associated with the Onex Credit chief executive officer's future participation in distributions from the Onex Credit asset management platform following his retirement from the business.

(f) Calculated on a fully diluted basis.

Shareholder Capital

(\$ millions except per share amounts)

As at December 31, 2019

	Investing	Asset and Wealth Management	Total
Total segmented assets	\$ 6,561	\$ 1,024	\$ 7,585
Accounts payable and accrued liabilities	-	(39)	(39)
Accrued compensation	-	(109)	(109)
Lease and other liabilities	-	(153)	(153)
DSU hedge assets	-	(82)	(82)
Total shareholder capital^(a)	\$ 6,561	\$ 641	\$ 7,202
Shareholder capital per share (U.S. dollars)^{(a)(b)}	\$ 63.77	\$ 5.70	\$ 69.47
Shareholder capital per share (Canadian dollars)^{(a)(b)}	\$ 82.83	\$ 7.40	\$ 90.23

(a) Shareholder capital and shareholder capital per share are non-GAAP financial measures which have been calculated using methodologies that are not in accordance with IFRS. The presentation of financial measures in this manner does not have a standardized meaning prescribed under IFRS and is therefore unlikely to be comparable to similar financial measures presented by other companies. Management believes that shareholder capital is useful to investors as the metric is used, in part, to assess Onex' performance.

(b) Calculated on a fully diluted basis. Fully diluted shares include all outstanding Subordinate Voting Shares as well as outstanding stock options where Onex' share price exceeds the exercise price of the stock options and the stock options have a dilutive impact to Onex' capital per share.

Cash and Near-Cash

The table below provides a reconciliation of the change in cash and near-cash from December 31, 2018 to December 31, 2019.

(\$ millions)

Cash and near-cash on hand at December 31, 2018 ^(a)	\$ 1,439
Private equity realizations	1,216
Private equity investments	(471)
Real estate distributions	53
Net Onex Credit strategies investment activity, including warehouse facilities	133
Acquisition of Gluskin Sheff	(297)
Onex share repurchases, options exercised and dividends	(108)
Net other, including capital expenditures, management fees, operating costs and treasury income ^(b)	(123)
Cash and near-cash on hand at December 31, 2019^{(a)(b)}	\$ 1,842

(a) Includes \$395 million (December 31, 2018 – \$279 million) of treasury investments, \$97 million (December 31, 2018 – \$89 million) invested in an Onex Credit unlevered senior secured loan strategy fund and \$190 million (December 31, 2018 – \$205 million) of management fees.

(b) Other includes the impact of incentive compensation payments paid in 2019 related to the 2018 fiscal year, acquisition and integration expenses and foreign exchange on cash.