



FOR IMMEDIATE RELEASE

All amounts in U.S. dollars
unless otherwise stated

– Onex Reports Full-Year 2018 Results –

Toronto, March 1, 2019 – Onex Corporation (TSX: ONEX) today announced its consolidated financial results for the fourth quarter and full year ended December 31, 2018 and an update on matters following quarter-end.

Highlights

- We invested approximately \$2.3 billion in nine operating companies in 2018, of which Onex' portion was approximately \$865 million.
- We returned approximately \$1.9 billion to our limited partners in 2018, through realizations and distributions, of which Onex' portion was approximately \$705 million, including \$37 million of carried interest. We expect to return a further \$780 million to our limited partners from the sale of BrightSpring Health Services (formerly ResCare), of which Onex' portion will be approximately \$190 million, including \$39 million of carried interest.
- We increased our assets under management at Onex Credit by 7% in 2018, driven by the issuance of CLO-15 and the capital raised for our first private debt fund, of which more than 70% of the \$1.1 billion of available capital has been invested. In February 2019, we issued CLO-16, bringing total AUM at Onex Credit to nearly \$11 billion.
- We started investing Onex Partners V, a \$7.15 billion fund, which further enhances Onex' operating leverage on its private equity manager. Our total run-rate management fees from our private equity and credit platforms increased to \$192 million.
- Our operating businesses completed 38 follow-on acquisitions, collectively raised or refinanced debt totalling \$7.0 billion and paid down approximately \$295 million of debt.
- We repurchased approximately 1.2 million Subordinate Voting Shares ("SVS") in 2018 for a total cost of \$79 million, or an average cost per share of C\$86.78. Since year-end, an additional 621,127 SVS were repurchased for a total cost of \$34 million, or an average cost per share of C\$73.58.

Recent Performance

"We had mixed results in 2018. We added nine new businesses to our private equity platform, grew our credit platform and had a number of successful realizations," said Gerry Schwartz, Chairman and Chief Executive Officer of Onex. "We were, however, disappointed with the performance of our private equity portfolio during the year. We are focused on driving change and improving the value of our businesses and believe our efforts will be rewarded in the years to come."

Onex management continues to share in the risks and rewards of our businesses through the team's significant investment in everything Onex owns. Today, the team has approximately \$1.7 billion invested in the underlying private equity operating businesses, credit funds and Onex shares, including approximately \$135 million invested in 2018.

Creating Value for Shareholders

We create value for shareholders by growing both our capital per share and our fee-generating assets over the long term. For the full year ended December 31, 2018, Onex' capital per share decreased by 5% to \$61.24, which was largely impacted by the underperformance of our private equity portfolio and volatility in our credit portfolio mark-to-market valuations in the quarter. Over the same period, our fee-generating assets decreased by 5% to \$20.6 billion driven primarily by several successful private equity realizations, the redemption of CLO-2 and net fair value decreases in Onex' private equity portfolio. Partially offsetting these decreases was capital raised for Onex Credit. Over the last five years, Onex' capital per share and our fee-generating assets grew by 4% and 11% per year, respectively.

Onex is well-positioned to grow in the years to come with nearly \$8 billion of committed, uncalled capital available to deploy for new private equity investments and a growing asset management business.

Onex paid a fourth-quarter dividend of C\$0.0875 per SVS on January 31, 2019 to shareholders of record on January 10, 2019.

Consolidated Results

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

On a consolidated basis for the fourth quarter, revenues increased by 4% to \$6.1 billion compared to the same period of the prior year. The increase was largely due to the inclusion of revenues from the acquisitions of AutoSource, IntraPac, KidsFoundation, Laces, Precision, SMG and Walter Surface Technologies. Net earnings for the fourth quarter of 2018 was \$88 million compared to \$304 million in the same quarter of 2017. This decrease in earnings was primarily driven by a decrease in the fair value of investments in joint ventures and associates; losses on investments and long-term debt in credit strategies and an increase in non-cash impairment charges recorded by certain operating companies, partially offset by a recovery of limited partners' interests.

On a consolidated basis for the full year, revenues increased by 4% to \$23.8 billion from the prior year. The increase in revenues was largely driven by the inclusion of revenues from acquisitions completed during 2018. Onex reported a consolidated net loss of \$796 million for the year compared to net earnings of \$2.4 billion in 2017. This decrease in earnings was primarily driven by \$3.3 billion of gains recorded in 2017 from the loss of control over JELD-WEN and the sale of USI; a decrease in the fair value of investments in joint ventures and associates and an increase in non-cash impairment charges recorded by certain operating companies, partially offset by a recovery of limited partners' interests.

Prior year comparative information has been restated to conform with IFRS 15, *Revenue from Contracts with Customers*, which was adopted by Onex retrospectively on January 1, 2018 (refer to Note 1 in the interim consolidated financial statements for further details).

Attached are Onex' Consolidated Balance Sheets at December 31, 2018, December 31, 2017 and January 1, 2017 and Statements of Earnings, Statements of Cash Flows and Information by Industry Segment for the years ended December 31, 2018 and 2017 which have been prepared in accordance with International Financial Reporting Standards. The complete financial statements, including Management's Discussion and Analysis of the results, are posted on Onex' website, www.onex.com, and are also available on SEDAR at www.sedar.com. A supplemental information package, which includes the How We Are Invested schedule, Schedules of Fees and Expenses and 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 2018 results on Friday, March 1 at 11:00 a.m. ET. The webcast will be available in listen-only mode from the Presentations and Events section of Onex' website, <https://ir.onex.com/events-and-presentations>. A 90-day on-line replay will be available shortly following the completion of the event.

About Onex

Onex is one of the oldest and most successful private equity firms. Through its Onex Partners and ONCAP private equity funds, Onex acquires and builds high-quality businesses in partnership with talented management teams. At Onex Credit, Onex manages and invests in leveraged loans, collateralized loan obligations and other credit securities. Onex has \$31 billion of assets under management, including \$6.4 billion of Onex proprietary capital, in private equity and credit securities. With offices in Toronto, New York, New Jersey and London, Onex and the team are collectively the largest investors across Onex' platforms.

Onex' businesses have assets of \$51 billion, generate annual revenues of \$32 billion and employ approximately 217,000 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.

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

For further information:

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ONEX CORPORATION

CONSOLIDATED BALANCE SHEETS

<i>(in millions of U.S. dollars)</i>	As at December 31, 2018	As at December 31, 2017	As at January 1, 2017
Assets			
Current assets			
Cash and cash equivalents	\$ 2,680	\$ 3,376	\$ 2,371
Short-term investments	77	258	154
Accounts receivable	3,186	3,320	3,873
Inventories	2,656	2,248	2,510
Other current assets	1,124	1,119	1,412
Assets held by discontinued operations	1,148	-	-
	10,871	10,321	10,320
Property, plant and equipment	4,913	5,326	4,275
Long-term investments	12,756	12,114	8,672
Other non-current assets	616	825	1,194
Intangible assets	8,048	7,887	9,286
Goodwill	8,213	8,223	9,174
	\$ 45,417	\$ 44,696	\$ 42,921
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	\$ 4,116	\$ 4,396	\$ 4,294
Current portion of provisions	151	227	264
Other current liabilities	1,800	1,478	1,620
Current portion of long-term debt, without recourse to Onex Corporation	879	333	407
Current portion of Limited Partners' Interests	560	59	89
Liabilities held by discontinued operations	775	-	-
	8,281	6,493	6,674
Non-current portion of provisions	162	224	254
Long-term debt, without recourse to Onex Corporation	21,465	21,716	22,456
Other non-current liabilities	1,615	2,070	2,255
Deferred income taxes	1,138	1,190	1,533
Limited Partners' Interests	7,119	7,965	8,385
	39,780	39,658	41,557
Equity			
Share capital	320	321	324
Non-controlling interests	3,075	2,145	1,857
Retained earnings (deficit) and accumulated other comprehensive earnings (loss)	2,242	2,572	(817)
	5,637	5,038	1,364
	\$ 45,417	\$ 44,696	\$ 42,921

See accompanying notes to the consolidated financial statements, including the changes in accounting policies retrospectively adopted on January 1, 2018.

ONEX CORPORATION

CONSOLIDATED STATEMENTS OF EARNINGS

Year ended December 31 <i>(in millions of U.S. dollars except per share data)</i>	2018	2017
Revenues	\$ 23,785	\$ 22,767
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(17,563)	(16,624)
Operating expenses	(4,077)	(3,903)
Interest income	538	376
Amortization of property, plant and equipment	(643)	(612)
Amortization of intangible assets and deferred charges	(744)	(662)
Interest expense	(1,439)	(1,191)
Increase (decrease) in value of investments in joint ventures and associates at fair value, net	(585)	760
Stock-based compensation recovery (expense)	58	(175)
Other gains	343	731
Other expense	(517)	(703)
Impairment of goodwill, intangible assets and long-lived assets, net	(627)	(179)
Limited Partners' Interests recovery (charge)	714	(1,350)
Loss before income taxes and discontinued operations	(757)	(765)
Recovery of (provision for) income taxes	(89)	66
Loss from continuing operations	(846)	(699)
Earnings from discontinued operations	50	3,103
Net Earnings (Loss) for the Year	\$ (796)	\$ 2,404
Earnings (Loss) from Continuing Operations attributable to:		
Equity holders of Onex Corporation	\$ (711)	\$ (768)
Non-controlling Interests	(135)	69
Loss from Continuing Operations for the Year	\$ (846)	\$ (699)
Net Earnings (Loss) attributable to:		
Equity holders of Onex Corporation	\$ (663)	\$ 2,401
Non-controlling Interests	(133)	3
Net Earnings (Loss) for the Year	\$ (796)	\$ 2,404
Net Earnings (Loss) per Subordinate Voting Share of Onex Corporation		
Basic and Diluted:		
Continuing operations	\$ (7.05)	\$ (7.51)
Discontinued operations	0.48	31.05
Net Earnings (Loss) per Subordinate Voting Share for the Year	\$ (6.57)	\$ 23.54

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ONEX CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended December 31 <i>(in millions of U.S. dollars)</i>	2018	2017
Operating Activities		
Loss for the year from continuing operations	\$ (846)	\$ (699)
Adjustments to loss from continuing operations:		
Provision for (recovery of) income taxes	89	(66)
Interest income	(538)	(376)
Interest expense	1,439	1,191
Earnings before interest and provision for (recovery of) income taxes	144	50
Cash taxes paid	(241)	(241)
Items not affecting cash and cash equivalents:		
Amortization of property, plant and equipment	643	612
Amortization of intangible assets and deferred charges	744	662
Decrease (increase) in value of investments in joint ventures and associates at fair value, net	585	(760)
Stock-based compensation expense (recovery)	(111)	117
Other gains	(343)	(731)
Foreign exchange (gain) loss	(31)	74
Impairment of goodwill, intangible assets and long-lived assets, net	627	179
Limited Partners' Interests charge (recovery)	(714)	1,350
Change in provisions	19	32
Change in carried interest	(132)	(39)
Other	235	252
	1,425	1,557
Changes in non-cash working capital items:		
Accounts receivable	(159)	(34)
Inventories	(273)	55
Other current assets	(60)	59
Accounts payable, accrued liabilities and other current liabilities	229	123
Increase (decrease) in cash and cash equivalents due to changes in non-cash working capital items	(263)	203
Increase due to other operating activities	57	5
Cash flows from operating activities of discontinued operations	129	110
	1,348	1,875
Financing Activities		
Issuance of long-term debt	7,023	8,053
Repayment of long-term debt	(5,597)	(7,227)
Cash interest paid	(1,228)	(1,047)
Cash dividends paid	(25)	(22)
Repurchase of share capital of Onex Corporation	(77)	(93)
Repurchase of share capital of operating companies	(122)	(54)
Contributions by Limited Partners	1,596	673
Issuance of share capital by operating companies	1,278	198
Proceeds from sale of interests in operating companies under continuing control	631	259
Proceeds from sale-leaseback transaction	-	91
Distributions paid to non-controlling interests and Limited Partners	(1,255)	(2,332)
Limited Partnership interest acquired by Onex, the parent company	-	(156)
Increase (decrease) due to other financing activities	(123)	113
Cash flows from (used in) financing activities of discontinued operations	29	(46)
	2,130	(1,590)
Investing Activities		
Acquisitions, net of cash and cash equivalents in acquired companies of \$105 (2017 - \$75)	(2,597)	(970)
Purchase of property, plant and equipment	(654)	(709)
Proceeds from sales of operating companies and businesses no longer controlled	410	3,214
Proceeds from sales of investments in joint ventures and associates	570	591
Distributions received from investments in joint ventures and associates	63	71
Purchase of investments in joint ventures and associates	(1,243)	(6)
Cash interest received	522	367
Cash dividends received	28	106
Change in restricted cash	5	(38)
Net purchases of investments and securities for credit strategies	(1,781)	(944)
Net sales (purchases) of investments and securities at parent company and operating companies	578	(691)
Increase (decrease) due to other investing activities	160	(45)
Cash flows used in investing activities of discontinued operations	(145)	(263)
	(4,084)	683
Increase (Decrease) in Cash and Cash Equivalents for the Year		
Increase (decrease) in cash due to changes in foreign exchange rates	(606)	968
	(63)	37
Cash and cash equivalents, beginning of the year - continuing operations	3,362	2,160
Cash and cash equivalents, beginning of the year - discontinued operations	14	211
Cash and Cash Equivalents	2,707	3,376
Cash and cash equivalents held by discontinued operations	27	14
Cash and Cash Equivalents Held by Continuing Operations	\$ 2,680	\$ 3,362

See accompanying notes to the consolidated financial statements, including the changes in accounting policies retrospectively adopted on January 1, 2018.

ONEX CORPORATION

INFORMATION BY INDUSTRY SEGMENT

FOR THE YEAR ENDED DECEMBER 31, 2018

	Electronics Manufacturing Services	Healthcare Imaging	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other	Consolidated Total
Revenues	\$ 6,633	\$ 1,601	\$ 793	\$ 2,776	\$ 1,647	\$ 4,467	\$ 3	\$ 5,865	\$ 23,785
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(6,117)	(959)	-	(1,839)	(699)	(3,838)	-	(4,111)	(17,563)
Operating expenses	(226)	(424)	(700)	(328)	(518)	(597)	(49)	(1,235)	(4,077)
Interest income	1	4	-	2	-	1	499	31	538
Amortization of property, plant and equipment	(74)	(62)	(9)	(238)	(14)	(87)	-	(159)	(643)
Amortization of intangible assets and deferred charges	(15)	(25)	(47)	(163)	(318)	(18)	(5)	(153)	(744)
Interest expense	(26)	(98)	(74)	(307)	(201)	(85)	(324)	(324)	(1,439)
Decrease in value of investments in joint ventures and associates at fair value, net	-	-	-	-	-	-	-	(585)	(585)
Stock-based compensation recovery (expense)	(33)	(4)	(4)	(2)	(23)	(7)	-	131	58
Other gains	-	-	-	-	-	-	-	343	343
Other expense	(61)	(74)	-	(65)	(96)	(8)	(206)	(7)	(517)
Impairment of goodwill, intangible assets and long-lived assets, net	-	-	-	(52)	(39)	(150)	-	(386)	(627)
Limited Partners' Interests recovery (charge)	-	-	-	-	-	-	(1)	715	714
Earnings (loss) before income taxes and discontinued operations	82	(41)	(41)	(216)	(261)	(322)	(83)	125	(757)
Recovery of (provision for) income taxes	17	(18)	(9)	(4)	(3)	(49)	-	(23)	(89)
Earnings (loss) from continuing operations	99	(59)	(50)	(220)	(264)	(371)	(83)	102	(846)
Earnings from discontinued operations ^(a)	-	-	-	-	-	-	-	50	50
Net earnings (loss)	\$ 99	\$ (59)	\$ (50)	\$ (220)	\$ (264)	\$ (371)	\$ (83)	\$ 152	\$ (796)
Net earnings (loss) attributable to:									
Equity holders of Onex Corporation	\$ 14	\$ (52)	\$ (44)	\$ (163)	\$ (197)	\$ (372)	\$ (83)	\$ 234	\$ (663)
Non-controlling interests	85	(7)	(6)	(57)	(67)	1	-	(82)	(133)
Net earnings (loss)	\$ 99	\$ (59)	\$ (50)	\$ (220)	\$ (264)	\$ (371)	\$ (83)	\$ 152	\$ (796)

(in millions of U.S. dollars)
As at December 31, 2018

	Electronics Manufacturing Services	Healthcare Imaging	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other	Consolidated Total
Total assets	\$ 3,738	\$ 1,192	\$ 1,487	\$ 6,771	\$ 6,526	\$ 1,784	\$ 10,247	\$ 13,672	\$ 45,417
Long-term debt ^(b)	\$ 747	\$ 1,149	\$ 950	\$ 2,762	\$ 3,088	\$ 953	\$ 8,420	\$ 4,275	\$ 22,344
Property, plant and equipment additions ^(c)	\$ 88	\$ 41	\$ 6	\$ 299	\$ 14	\$ 81	\$ 3	\$ 189	\$ 721
Intangible assets with indefinite life	\$ -	\$ 8	\$ 148	\$ 438	\$ 308	\$ 436	\$ -	\$ 421	\$ 1,759
Goodwill additions from acquisitions ^(c)	\$ 175	\$ -	\$ 1	\$ 86	\$ 433	\$ -	\$ -	\$ 556	\$ 1,251
Goodwill	\$ 198	\$ 227	\$ 615	\$ 2,278	\$ 2,685	\$ 230	\$ 62	\$ 1,918	\$ 8,213

(a) Represents the after-tax results of BrightSpring Health (up to December 2018).

(b) Includes the current portion of long-term debt, excludes finance leases and is net of financing charges.

(c) Amounts for 2018 include BrightSpring Health (up to December 2018), which is a discontinued operation.

See accompanying notes to the consolidated financial statements, including the changes in accounting policies retrospectively adopted on January 1, 2018.

ONEX CORPORATION

INFORMATION BY INDUSTRY SEGMENT

FOR THE YEAR ENDED DECEMBER 31, 2017

	Electronics Manufacturing Services	Healthcare Imaging	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other	Consolidated Total
Revenues	\$ 6,143	\$ 1,862	\$ 775	\$ 2,395	\$ 1,262	\$ 4,724	\$ 4	\$ 5,602	\$ 22,767
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(5,645)	(1,068)	–	(1,528)	(517)	(3,984)	–	(3,882)	(16,624)
Operating expenses	(209)	(507)	(696)	(302)	(414)	(572)	(64)	(1,139)	(3,903)
Interest income	2	2	–	2	–	1	346	23	376
Amortization of property, plant and equipment	(68)	(62)	(6)	(199)	(8)	(105)	–	(164)	(612)
Amortization of intangible assets and deferred charges	(9)	(47)	(46)	(150)	(253)	(18)	(5)	(134)	(662)
Interest expense	(12)	(145)	(72)	(223)	(176)	(82)	(211)	(270)	(1,191)
Increase in value of investments in joint ventures and associates at fair value, net	–	–	–	–	–	–	–	760	760
Stock-based compensation expense	(30)	(4)	(3)	(1)	(20)	(6)	–	(111)	(175)
Other gain	–	731	–	–	–	–	–	–	731
Other expense	(39)	(9)	(3)	(107)	(77)	(69)	(111)	(288)	(703)
Impairment of goodwill, intangible assets and long-lived assets, net	–	–	–	(2)	(7)	(5)	–	(165)	(179)
Limited Partners' Interests charge	–	–	–	–	–	–	(20)	(1,330)	(1,350)
Earnings (loss) before income taxes and discontinued operations	133	753	(51)	(115)	(210)	(116)	(61)	(1,098)	(765)
Recovery of (provision for) income taxes	(27)	(61)	60	18	48	32	–	(4)	66
Earnings (loss) from continuing operations	106	692	9	(97)	(162)	(84)	(61)	(1,102)	(699)
Earnings from discontinued operations ^(a)	–	–	–	–	–	–	–	3,103	3,103
Net earnings (loss)	\$ 106	\$ 692	\$ 9	\$ (97)	\$ (162)	\$ (84)	\$ (61)	\$ 2,001	\$ 2,404
Net earnings (loss) attributable to:									
Equity holders of Onex Corporation	\$ 14	\$ 630	\$ 7	\$ (98)	\$ (114)	\$ (85)	\$ (61)	\$ 2,108	\$ 2,401
Non-controlling interests	92	62	2	1	(48)	1	–	(107)	3
Net earnings (loss)	\$ 106	\$ 692	\$ 9	\$ (97)	\$ (162)	\$ (84)	\$ (61)	\$ 2,001	\$ 2,404

<i>(in millions of U.S. dollars)</i> As at December 31, 2017	Electronics Manufacturing Services	Healthcare Imaging	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other	Consolidated Total
Total assets	\$ 2,964	\$ 1,321	\$ 1,524	\$ 6,808	\$ 5,656	\$ 2,094	\$ 10,048	\$ 14,281	\$ 44,696
Long-term debt ^(b)	\$ 187	\$ 1,132	\$ 939	\$ 3,770	\$ 2,566	\$ 943	\$ 7,877	\$ 4,635	\$ 22,049
Property, plant and equipment additions ^(c)	\$ 95	\$ 64	\$ 6	\$ 269	\$ 8	\$ 48	\$ 1	\$ 261	\$ 752
Intangible assets with indefinite life	\$ –	\$ 8	\$ 148	\$ 443	\$ 458	\$ 436	\$ –	\$ 564	\$ 2,057
Goodwill additions from acquisitions	\$ –	\$ –	\$ 1	\$ –	\$ 72	\$ –	\$ –	\$ 495	\$ 568
Goodwill	\$ 23	\$ 227	\$ 616	\$ 2,327	\$ 2,304	\$ 230	\$ 62	\$ 2,434	\$ 8,223

(a) Represents the after-tax results of BrightSpring Health, JELD-WEN (up to May 2017) and USI (up to May 2017).

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

(c) Amounts for 2017 include BrightSpring Health, JELD-WEN (up to May 2017) and USI (up to May 2017), which are discontinued operations.

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