

Onex Corporation

CONSOLIDATED BALANCE SHEETS

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>	As at September 30, 2018	As at December 31, 2017	As at January 1, 2017
Assets			
Current assets			
Cash and cash equivalents	\$ 2,570	\$ 3,376	\$ 2,371
Short-term investments	82	258	154
Accounts receivable	3,310	3,320	3,873
Inventories	2,706	2,248	2,510
Other current assets	1,659	1,119	1,412
	10,327	10,321	10,320
Property, plant and equipment	5,071	5,326	4,275
Long-term investments	13,431	12,114	8,672
Other non-current assets	732	825	1,194
Intangible assets	8,354	7,887	9,286
Goodwill	8,345	8,223	9,174
	\$ 46,260	\$ 44,696	\$ 42,921
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	\$ 4,376	\$ 4,396	\$ 4,294
Current portion of provisions	195	235	305
Other current liabilities	1,906	1,470	1,579
Current portion of long-term debt of operating companies and credit strategies, without recourse to Onex Corporation	1,199	333	407
Current portion of Limited Partners' Interests	413	59	89
	8,089	6,493	6,674
Non-current portion of provisions	216	243	340
Long-term debt of operating companies and credit strategies, without recourse to Onex Corporation	22,317	21,716	22,456
Other non-current liabilities	1,939	2,051	2,169
Deferred income taxes	1,230	1,190	1,533
Limited Partners' Interests	8,482	7,965	8,385
	42,273	39,658	41,557
Equity			
Share capital	319	321	324
Non-controlling interests	2,106	2,145	1,857
Retained earnings (deficit) and accumulated other comprehensive earnings (loss)	1,562	2,572	(817)
	3,987	5,038	1,364
	\$ 46,260	\$ 44,696	\$ 42,921

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

Onex Corporation

CONSOLIDATED STATEMENTS OF EARNINGS

<i>(Unaudited)</i> <i>(in millions of U.S. dollars except per share data)</i>	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
Revenues	\$ 6,571	\$ 6,360	\$ 19,041	\$ 18,250
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(4,798)	(4,606)	(14,012)	(13,379)
Operating expenses	(1,121)	(1,056)	(3,272)	(3,116)
Interest income	143	97	389	272
Amortization of property, plant and equipment	(163)	(166)	(502)	(479)
Amortization of intangible assets and deferred charges	(185)	(172)	(566)	(501)
Interest expense of operating companies and credit strategies	(348)	(301)	(999)	(882)
Increase (decrease) in value of investments in joint ventures and associates at fair value, net	(46)	279	(201)	399
Stock-based compensation recovery (expense)	26	(2)	(65)	(180)
Other gains	—	658	82	658
Other income (expense)	70	(199)	(67)	(529)
Impairment of goodwill, intangible assets and long-lived assets, net	(303)	(88)	(303)	(117)
Limited Partners' Interests charge	(156)	(288)	(233)	(1,164)
Earnings (loss) before income taxes and discontinued operations	(310)	516	(708)	(768)
Provision for income taxes	(148)	(148)	(176)	(174)
Earnings (loss) from continuing operations	(458)	368	(884)	(942)
Earnings from discontinued operations	—	—	—	3,042
Net Earnings (Loss)	\$ (458)	\$ 368	\$ (884)	\$ 2,100

Earnings (Loss) from Continuing Operations attributable to:

Equity holders of Onex Corporation	\$ (425)	\$ 324	\$ (836)	\$ (984)
Non-controlling Interests	(33)	44	(48)	42
Earnings (Loss) from Continuing Operations	\$ (458)	\$ 368	\$ (884)	\$ (942)

Net Earnings (Loss) attributable to:

Equity holders of Onex Corporation	\$ (425)	\$ 324	\$ (836)	\$ 2,125
Non-controlling Interests	(33)	44	(48)	(25)
Net Earnings (Loss)	\$ (458)	\$ 368	\$ (884)	\$ 2,100

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

Basic and Diluted:				
Continuing operations	\$ (4.22)	\$ 3.18	\$ (8.28)	\$ (9.62)
Discontinued operations	—	—	—	30.42
Net Earnings (Loss) per Subordinate Voting Share	\$ (4.22)	\$ 3.18	\$ (8.28)	\$ 20.80

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

Onex Corporation

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)		Nine months ended September 30	
(in millions of U.S. dollars)		2018	2017
Operating Activities			
Loss for the period from continuing operations	\$	(884)	\$ (942)
Adjustments to loss from continuing operations:			
Provision for income taxes		176	174
Interest income		(389)	(272)
Interest expense of operating companies and credit strategies		999	882
Loss before interest and provision for income taxes		(98)	(158)
Cash taxes paid		(179)	(165)
Items not affecting cash and cash equivalents:			
Amortization of property, plant and equipment		502	479
Amortization of intangible assets and deferred charges		566	501
Decrease (increase) in value of investments in joint ventures and associates at fair value, net		201	(399)
Stock-based compensation expense		28	126
Other gains		(82)	(658)
Foreign exchange (gain) loss		(21)	30
Impairment of goodwill, intangible assets and long-lived assets, net		303	117
Limited Partners' Interests charge		233	1,164
Change in provisions		41	45
Change in carried interest		(40)	(25)
Other		(153)	148
		1,301	1,205
Changes in non-cash working capital items:			
Accounts receivable		(27)	80
Inventories		(350)	(63)
Other current assets		(11)	(3)
Accounts payable, accrued liabilities and other current liabilities		210	(56)
Decrease in cash and cash equivalents due to changes in non-cash working capital items		(178)	(42)
Increase (decrease) in other operating activities		(33)	38
Cash flows from operating activities of discontinued operations		—	10
		(1,090)	1,211
Financing Activities			
Issuance of long-term debt		4,064	2,929
Repayment of long-term debt		(2,076)	(3,058)
Cash interest paid		(916)	(787)
Cash dividends paid		(18)	(16)
Repurchase of share capital of Onex Corporation		(54)	(78)
Repurchase of share capital of operating companies		(75)	(29)
Contributions by Limited Partners		1,279	540
Issuance of share capital by operating companies		70	196
Proceeds from sale of interests in operating companies under continuing control		120	259
Proceeds from sale-leaseback transaction		—	91
Distributions paid to non-controlling interests and Limited Partners		(658)	(1,866)
Limited Partnership interest acquired by Onex, the parent company		—	(354)
Increase (decrease) due to other financing activities		15	(2)
Cash flows from financing activities of discontinued operations		—	26
		1,751	(2,149)
Investing Activities			
Acquisitions, net of cash and cash equivalents in acquired companies of \$63 (2017 – \$69)		(1,999)	(724)
Purchase of property, plant and equipment		(521)	(496)
Proceeds from sales of operating companies and businesses no longer controlled		—	3,137
Proceeds from sales of investments in joint ventures and associates		570	—
Distributions received from investments in joint ventures and associates		51	58
Purchase of investments in joint ventures and associates		(899)	(6)
Cash interest received		375	273
Cash dividends received		18	44
Change in restricted cash		(2)	(59)
Net purchases of investments and securities for credit strategies		(1,777)	(518)
Net sales (purchases) of investments and securities at parent company and operating companies		590	(569)
Decrease due to other investing activities		(20)	—
Cash flows used in investing activities of discontinued operations		—	(240)
		(3,614)	900
Decrease in Cash and Cash Equivalents for the Period		(773)	(38)
Increase (decrease) in cash due to changes in foreign exchange rates		(31)	28
Cash and cash equivalents, beginning of the period – continuing operations		3,376	2,169
Cash and cash equivalents, beginning of the period – discontinued operations		—	202
Cash and Cash Equivalents		2,572	2,361
Cash and cash equivalents held by disposal group		2	—
Cash and Cash Equivalents Held by Continuing Operations	\$	2,570	\$ 2,361

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

Onex Corporation

INFORMATION BY INDUSTRY SEGMENT

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2018

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other ^(a)	Consolidated Total
Revenues	\$ 1,711	\$ 388	\$ 466	\$ 199	\$ 649	\$ 410	\$ 1,110	\$ 1	\$ 1,637	\$ 6,571
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(1,579)	(240)	(354)	—	(425)	(127)	(942)	—	(1,131)	(4,798)
Operating expenses	(56)	(99)	(76)	(175)	(77)	(157)	(148)	(12)	(321)	(1,121)
Interest income	—	—	—	—	—	—	1	135	7	143
Amortization of property, plant and equipment	(18)	(14)	(7)	(2)	(57)	(5)	(24)	—	(36)	(163)
Amortization of intangible assets and deferred charges	(3)	(4)	(6)	(12)	(39)	(80)	(4)	(1)	(36)	(185)
Interest expense of operating companies and credit strategies	(7)	(24)	(6)	(19)	(57)	(49)	(22)	(86)	(78)	(348)
Decrease in value of investments in joint ventures and associates at fair value, net	—	—	—	—	—	—	—	—	(46)	(46)
Stock-based compensation recovery (expense)	(7)	—	(2)	(2)	(1)	(6)	(1)	—	45	26
Other income (expense)	(19)	(35)	(1)	2	49	(17)	(1)	79	13	70
Impairment of goodwill, intangible assets and long-lived assets, net	—	—	—	—	—	—	(71)	—	(232)	(303)
Limited Partners' Interests charge	—	—	—	—	—	—	—	(18)	(138)	(156)
Earnings (loss) before income taxes	22	(28)	14	(9)	42	(31)	(102)	98	(316)	(310)
Provision for income taxes	(13)	(9)	(2)	(1)	(22)	(2)	(79)	—	(20)	(148)
Net earnings (loss)	\$ 9	\$ (37)	\$ 12	\$ (10)	\$ 20	\$ (33)	\$ (181)	\$ 98	\$ (336)	\$ (458)
Net earnings (loss) attributable to:										
Equity holders of Onex Corporation	\$ 1	\$ (34)	\$ 12	\$ (9)	\$ 21	\$ (26)	\$ (181)	\$ 98	\$ (307)	\$ (425)
Non-controlling interests	8	(3)	—	(1)	(1)	(7)	—	—	(29)	(33)
Net earnings (loss)	\$ 9	\$ (37)	\$ 12	\$ (10)	\$ 20	\$ (33)	\$ (181)	\$ 98	\$ (336)	\$ (458)

- (a) Includes Flushing Town Center, Meridian Aviation, Parkdean Resorts, Survitec, Schumacher, WireCo, the operating companies of ONCAP II, III and IV (excluding IntraPac and Precision) and the parent company. Investments in joint ventures and associates recorded at fair value include AIT, BBAM, Incline Aviation Fund, JELD-WEN, Pinnacle Renewable Energy, PowerSchool (since August 2018) and Venanpri Group.

Onex Corporation

INFORMATION BY INDUSTRY SEGMENT

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other ^(a)	Consolidated Total
Revenues	\$ 1,534	\$ 467	\$ 444	\$ 195	\$ 609	\$ 333	\$ 1,269	\$ 1	\$ 1,508	\$ 6,360
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(1,409)	(262)	(335)	—	(384)	(136)	(1,081)	—	(999)	(4,606)
Operating expenses	(50)	(127)	(74)	(170)	(71)	(108)	(155)	(14)	(287)	(1,056)
Interest income	—	1	—	—	—	—	—	89	7	97
Amortization of property, plant and equipment	(16)	(15)	(7)	(3)	(51)	(1)	(29)	—	(44)	(166)
Amortization of intangible assets and deferred charges	(1)	(11)	(4)	(12)	(39)	(70)	(4)	(1)	(30)	(172)
Interest expense of operating companies and credit strategies	(3)	(40)	(6)	(19)	(54)	(35)	(23)	(55)	(66)	(301)
Increase in value of investments in joint ventures and associates at fair value, net	—	—	—	—	—	—	—	—	279	279
Stock-based compensation recovery (expense)	(6)	(1)	(3)	(1)	1	(6)	—	—	14	(2)
Other gain	—	658	—	—	—	—	—	—	—	658
Other income (expense)	(6)	(5)	(1)	2	(105)	21	(27)	(21)	(57)	(199)
Recovery (impairment) of goodwill, intangible assets and long-lived assets, net	—	—	—	—	(1)	—	20	—	(107)	(88)
Limited Partners' Interests charge	—	—	—	—	—	—	—	(3)	(285)	(288)
Earnings (loss) before income taxes and discontinued operations	43	665	14	(8)	(95)	(2)	(30)	(4)	(67)	516
Recovery of (provision for) income taxes	(8)	(107)	(4)	3	(5)	(16)	13	—	(24)	(148)
Net earnings (loss)	\$ 35	\$ 558	\$ 10	\$ (5)	\$ (100)	\$ (18)	\$ (17)	\$ (4)	\$ (91)	\$ 368
Net earnings (loss) attributable to:										
Equity holders of Onex Corporation	\$ 5	\$ 507	\$ 9	\$ (4)	\$ (100)	\$ (12)	\$ (17)	\$ (4)	\$ (60)	\$ 324
Non-controlling interests	30	51	1	(1)	—	(6)	—	—	(31)	44
Net earnings (loss)	\$ 35	\$ 558	\$ 10	\$ (5)	\$ (100)	\$ (18)	\$ (17)	\$ (4)	\$ (91)	\$ 368

(a) Includes Flushing Town Center, Meridian Aviation, Parkdean Resorts, Survitec, Schumacher, WireCo, the operating companies of ONCAP II, III and IV and the parent company. Investments in joint ventures and associates recorded at fair value include AIT, BBAM, Incline Aviation Fund, JELD-WEN (since May 2017), Mavis Discount Tire and Venanpri Group.

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

Onex Corporation

INFORMATION BY INDUSTRY SEGMENT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other ^(a)	Consolidated Total
Revenues	\$ 4,906	\$ 1,180	\$ 1,346	\$ 596	\$ 1,932	\$ 1,243	\$ 3,371	\$ 3	\$ 4,464	\$ 19,041
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(4,532)	(702)	(1,016)	—	(1,274)	(533)	(2,859)	—	(3,096)	(14,012)
Operating expenses	(164)	(316)	(232)	(528)	(243)	(367)	(454)	(37)	(931)	(3,272)
Interest income	1	2	—	—	2	—	1	361	22	389
Amortization of property, plant and equipment	(55)	(47)	(21)	(6)	(172)	(12)	(68)	—	(121)	(502)
Amortization of intangible assets and deferred charges	(9)	(22)	(14)	(35)	(121)	(237)	(13)	(4)	(111)	(566)
Interest expense of operating companies and credit strategies	(16)	(71)	(19)	(55)	(172)	(145)	(64)	(229)	(228)	(999)
Decrease in value of investments in joint ventures and associates at fair value, net	—	—	—	—	—	—	—	—	(201)	(201)
Stock-based compensation expense	(25)	(4)	(5)	(4)	(2)	(16)	(5)	—	(4)	(65)
Other gain	—	—	—	—	—	—	—	—	82	82
Other income (expense)	(44)	(28)	(2)	4	23	(81)	1	83	(23)	(67)
Impairment of goodwill, intangible assets and long-lived assets, net	—	—	—	—	—	—	(72)	—	(231)	(303)
Limited Partners' Interests charge	—	—	—	—	—	—	—	(35)	(198)	(233)
Earnings (loss) before income taxes	62	(8)	37	(28)	(27)	(148)	(162)	142	(576)	(708)
Provision for income taxes	(23)	(17)	(2)	(5)	(28)	(17)	(58)	—	(26)	(176)
Net earnings (loss)	\$ 39	\$ (25)	\$ 35	\$ (33)	\$ (55)	\$ (165)	\$ (220)	\$ 142	\$ (602)	\$ (884)

Net earnings (loss) attributable to:

Equity holders of Onex Corporation	\$ 5	\$ (22)	\$ 34	\$ (29)	\$ (53)	\$ (128)	\$ (221)	\$ 142	\$ (564)	\$ (836)
Non-controlling interests	34	(3)	1	(4)	(2)	(37)	1	—	(38)	(48)
Net earnings (loss)	\$ 39	\$ (25)	\$ 35	\$ (33)	\$ (55)	\$ (165)	\$ (220)	\$ 142	\$ (602)	\$ (884)

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i> As at September 30, 2018	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other ^(a)	Consolidated Total
Total assets	\$ 3,316	\$ 1,229	\$ 1,135	\$ 1,506	\$ 6,974	\$ 6,592	\$ 1,885	\$ 10,922	\$ 12,701	\$ 46,260
Long-term debt ^(b)	\$ 400	\$ 1,136	\$ 448	\$ 949	\$ 3,953	\$ 3,084	\$ 916	\$ 8,650	\$ 3,980	\$ 23,516

- (a) Includes Flushing Town Center, Meridian Aviation, Parkdean Resorts, Survitec, Schumacher, WireCo, the operating companies of ONCAP II, III and IV (excluding IntraPac and Precision) and the parent company. Investments in joint ventures and associates recorded at fair value include AIT, BBAM, Incline Aviation Fund, JELD-WEN, Mavis Discount Tire (up to March 2018), Pinnacle Renewable Energy (since February 2018), PowerSchool (since August 2018) and Venanpri Group.
- (b) Long-term debt includes current portion, excludes finance leases and is net of financing charges.

Onex Corporation

INFORMATION BY INDUSTRY SEGMENT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i>	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other ^(a)	Consolidated Total
Revenues	\$ 4,573	\$ 1,392	\$ 1,327	\$ 574	\$ 1,681	\$ 977	\$ 3,585	\$ 3	\$ 4,138	\$ 18,250
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(4,197)	(802)	(1,004)	—	(1,083)	(399)	(3,023)	—	(2,871)	(13,379)
Operating expenses	(157)	(392)	(230)	(503)	(221)	(315)	(430)	(39)	(829)	(3,116)
Interest income	1	2	—	—	2	—	—	252	15	272
Amortization of property, plant and equipment	(49)	(46)	(22)	(7)	(148)	(6)	(79)	—	(122)	(479)
Amortization of intangible assets and deferred charges	(6)	(37)	(11)	(34)	(112)	(187)	(13)	(4)	(97)	(501)
Interest expense of operating companies and credit strategies	(9)	(116)	(16)	(55)	(155)	(127)	(61)	(154)	(189)	(882)
Increase in value of investments in joint ventures and associates at fair value, net	—	—	—	—	—	—	—	—	399	399
Stock-based compensation expense	(23)	(4)	(3)	(2)	—	(15)	(2)	—	(131)	(180)
Other gain	—	658	—	—	—	—	—	—	—	658
Other expense	(21)	(8)	(3)	(3)	(78)	(44)	(74)	(88)	(210)	(529)
Impairment of goodwill, intangible assets and long-lived assets, net	—	—	(1)	—	(2)	—	(4)	—	(110)	(117)
Limited Partners' Interests charge	—	—	—	—	—	—	—	(16)	(1,148)	(1,164)
Earnings (loss) before income taxes and discontinued operations	112	647	37	(30)	(116)	(116)	(101)	(46)	(1,155)	(768)
Recovery of (provision for) income taxes	(20)	(120)	(12)	10	(6)	(33)	44	—	(37)	(174)
Earnings (loss) from continuing operations	92	527	25	(20)	(122)	(149)	(57)	(46)	(1,192)	(942)
Earnings from discontinued operations ^(b)	—	—	—	—	—	—	—	—	3,042	3,042
Net earnings (loss)	\$ 92	\$ 527	\$ 25	\$ (20)	\$ (122)	\$ (149)	\$ (57)	\$ (46)	\$ 1,850	\$ 2,100
Net earnings (loss) attributable to:										
Equity holders of Onex Corporation	\$ 12	\$ 480	\$ 24	\$ (18)	\$ (122)	\$ (105)	\$ (57)	\$ (46)	\$ 1,957	\$ 2,125
Non-controlling interests	80	47	1	(2)	—	(44)	—	—	(107)	(25)
Net earnings (loss)	\$ 92	\$ 527	\$ 25	\$ (20)	\$ (122)	\$ (149)	\$ (57)	\$ (46)	\$ 1,850	\$ 2,100

<i>(Unaudited)</i> <i>(in millions of U.S. dollars)</i> As at December 31, 2017	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other ^(a)	Consolidated Total
Total assets	\$ 2,964	\$ 1,321	\$ 971	\$ 1,524	\$ 6,808	\$ 5,656	\$ 2,094	\$ 10,048	\$ 13,310	\$ 44,696
Long-term debt ^(c)	\$ 187	\$ 1,132	\$ 379	\$ 939	\$ 3,770	\$ 2,566	\$ 943	\$ 7,877	\$ 4,256	\$ 22,049

(a) Includes Flushing Town Center, Meridian Aviation, Parkdean Resorts (since March 2017), Survitec, Schumacher, WireCo, the operating companies of ONCAP II, III and IV and the parent company. Investments in joint ventures and associates recorded at fair value include AIT, BBAM, Incline Aviation Fund, JELD-WEN (since May 2017), Mavis Discount Tire and Venanpri Group.

(b) Represents the after-tax results of JELD-WEN and USI.

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

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