

**Stock Symbol: TSX: OCX**  
NEWS RELEASE - November 10, 2010

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## Onex Reports Third-Quarter 2010 Results

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*All amounts in Canadian dollars unless otherwise stated*

Toronto, November 10, 2010 – Onex Corporation (together with affiliates, "Onex") (TSX: OCX) today announced its consolidated financial results for the third quarter and nine months ended September 30, 2010 and an update on matters during and following the quarter.

### Highlights

- Onex and Canada Pension Plan Investment Board acquired Tomkins in a transaction valued at approximately US\$5 billion; Onex, Onex Partners III and Onex management invested US\$1.1 billion in the equity of the business, of which Onex' initial share was US\$345 million.
- Onex Partners III entered into an agreement to acquire all of the outstanding common shares of ResCare currently not owned by Onex or its affiliates through a tender offer at a price of US\$13.25 per share. Onex, Onex Partners III and Onex management's initial investment is expected to be approximately US\$351 million, of which Onex' portion is to be US\$63 million.
- ONCAP II acquired Sport Supply Group for approximately US\$200 million; Onex, ONCAP II and Onex management invested US\$56 million of equity in the business, of which Onex' portion was US\$29 million.
- Husky paid a US\$100 million distribution to shareholders, of which US\$35 million was Onex' share.
- Carestream Health paid a US\$60 million distribution to shareholders, of which Onex' share was US\$23 million.
- During the third quarter, Onex repurchased 607,100 shares for \$15 million; total purchases to date in 2010 are over 2.0 million shares for \$52 million.
- At October 31, Onex had approximately \$600 million of cash and near-cash investments and no debt at the parent company.

Onex is an investor and asset manager generating value from (i) growth in the Company's \$4.1 billion of proprietary capital; (ii) management fees based on the US\$7.9 billion of third-party capital committed to its Funds, and (iii) a carried interest based on the performance of those Funds.

### Investing

"The credit markets continued to strengthen remarkably throughout the third quarter and outpace the equity markets. Having over \$3 billion of committed capital and cash, and strong credit markets – Onex is in great shape to acquire new businesses," said Gerald W. Schwartz. "However, finding great businesses with strong management teams is never easy. So, the pace of our investing is difficult to predict."

In September, Onex and Canada Pension Plan Investment Board ("CPPIB") acquired Tomkins plc for approximately US\$5 billion. Tomkins has many of the attributes Onex seeks in industrial investment opportunities – #1 market positions, proprietary brands, technology and distribution, cost savings opportunities, strong free cash flow characteristics and exposure to global growth. In addition, Tomkins' management team is significantly invested in the company and therefore is well aligned with Onex and its investors. The business was bought in what we think is early in the economic cycle and we look forward to working with CPPIB and the Tomkins' team to expand the company's international reach and to find further savings opportunities.

"Overall, our existing businesses have performed well despite the difficult operating environment experienced over the last few years," said Mr. Schwartz. "The cash flow characteristics of many of our companies have enabled a number of them to pay down debt over the last year and we continue to monitor the credit markets and opportunistically refinance credit facilities and extend maturities."

During the quarter, Husky International and Carestream Health paid distributions totaling US\$160 million, of which Onex' share was US\$58 million. As well, further distributions are expected from both The Warranty Group and Carestream Health before year-end. This is a testament to the quality of Onex' industry-leading companies and their conservative balance sheets.

Onex continues to be in excellent financial condition, with approximately \$600 million in cash and near-cash items at the end of October, no debt at the parent company and approximately US\$2.7 billion of third-party uncalled capital for acquisitions through the Onex Partners and ONCAP Funds.

Over 26 years, Onex has established a strong culture that is based on long-held investing principles. The Company believes that long-term value is best created by focusing on enhancing the productivity and profitability of its businesses, and being careful to not burden them with excessive financial leverage. By transforming undervalued businesses into industry leaders, Onex has produced impressive returns over its 26-year history. As of September 30, 2010, Onex has generated a 26-year gross IRR of 29% and an average multiple of 3.4 times invested capital from its private equity investing.

Onex continues to believe that its success in building companies and its record of capital preservation and superior returns are direct results of the

strong alignment of interests between Onex shareholders, the limited partners and the management team. At September 30, 2010, Onex' management team had almost \$1.2 billion invested in Onex shares and in its operating companies.

### **Asset Management**

Onex' asset management business continues to add value through the significant and predictable management fees it earns on US\$7.9 billion of third-party capital and through the meaningful carried interest opportunity on that capital. The current annualized rate of management fees received is approximately US\$100 million, which more than offsets Onex' operating costs.

Onex will continue to evaluate opportunities to grow its asset management platforms – private equity, credit investing and real estate. In October, Onex Credit Partners filed a prospectus for an initial public offering of units for its second Canadian closed-end retail fund to be traded on the TSX. The offering is scheduled to close on November 19, 2010.

### **Consolidated Third-Quarter Results**

Onex' quarterly and full-year consolidated financial results do not follow any specific trends due to acquisitions and dispositions of businesses, the impact of foreign currency translation and varying business cycles at its operating companies.

On a consolidated basis for the third quarter, revenues decreased 2% to \$6.0 billion and operating earnings were down 5% to \$489 million compared to the same period of last year. Onex reported a net loss of \$44 million compared to a loss of \$180 million in the third quarter of 2009. The 2009 net loss included a loss for Hawker Beechcraft due primarily to significant impairment charges related to goodwill and intangible and other assets, which was somewhat offset by gains from the sale of EMSC shares in August 2009.

On a consolidated basis for the nine months ended September 30, 2010, revenues were down 5% to \$17.8 billion and operating earnings were flat at \$1.4 billion compared to the same period last year.

Net loss for the period was \$48 million compared to net earnings of \$72 million for the nine months ended September 30, 2009. The 2009 net earnings included the gains from the sale of EMSC shares and Onex' remaining ownership in Cineplex Entertainment in April 2009 and a non-cash \$100 million income tax recovery in the first quarter of last year. Onex reported cash generated from operations for the nine months of \$452 million compared to \$778 million for the same period last year.

The Company paid a third-quarter dividend of \$0.0275 per Subordinate Voting Share on October 29, 2010 to shareholders of record on October 8, 2010.

Operating earnings as referred to in this press release are a non-GAAP measure. See Management's Discussion and Analysis for the definition and reconciliation to the consolidated statements of earnings.

Attached are the Consolidated Balance Sheets, Statements of Earnings, Statements of Cash Flows and information by industry segment for the third quarter ended September 30, 2010 and 2009. The complete financial statements, including Management's Discussion and Analysis of the results, are posted on Onex' website, [www.onex.com](http://www.onex.com), and are also available on SEDAR at [www.sedar.com](http://www.sedar.com). Also attached is the "How We Are Invested" page, which details Onex' \$4.1 billion of proprietary capital and provides private company performance information.

### **Webcast**

Onex management will host a conference call to review the Company's third-quarter 2010 results at 4:30 p.m. ET today. A live webcast of this conference call will be available in listen-only mode on its website, [www.onex.com](http://www.onex.com).

### **About Onex**

Onex is one of North America's oldest and most successful investment firms committed to acquiring and building high-quality businesses in partnership with talented management teams. Onex manages investment platforms focused on private equity, real estate and credit securities. In total, the company manages approximately US\$13 billion, of which US\$9 billion is third-party capital. As well, Onex invests its own capital directly and as a substantial limited partner in its Funds.

Onex' businesses generate annual revenues of \$37 billion, have assets of \$42 billion and employ more than 240,000 people worldwide. Onex shares trade on the Toronto Stock Exchange under the stock symbol OCX. For more information on Onex, visit its website at [www.onex.com](http://www.onex.com). The Company's security filings can also be accessed at [www.sedar.com](http://www.sedar.com).

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

### **For further information:**

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[Consolidated Balance Sheets, Statements of Earnings, Statements of Cash Flows and information by industry segment for the third quarter ended September 30, 2010 and 2009](#)

[How We Are Invested](#)