MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared by management, reviewed by the Audit and Corporate Governance Committee and approved by the Board of Directors of the Company. Management is responsible for the information and representations contained in these consolidated financial statements.

The Company maintains appropriate processes to ensure that relevant and reliable financial information is produced. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards. The significant accounting policies which management believes are appropriate for the Company are described in note 1 to the consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and overseeing management's performance of its financial reporting responsibilities. An Audit and Corporate Governance Committee of four non-management independent Directors is appointed by the Board of Directors.

The Audit and Corporate Governance Committee reviews the consolidated financial statements, adequacy of internal controls, audit process and financial reporting with management and with the external auditors. The Audit and Corporate Governance Committee reports to the Board of Directors prior to the approval of the audited consolidated financial statements for publication.

PricewaterhouseCoopers LLP, the Company's external auditors, who are appointed by the holders of Subordinate Voting Shares, audited the consolidated financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the shareholders their opinion on the consolidated financial statements. Their report is set out on the following page.

[signed]

Christopher A. Govan
Chief Financial Officer
February 23, 2017

[signed]

Christine M. Donaldson
Managing Director – Finance

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Onex Corporation:

We have audited the accompanying consolidated financial statements of Onex Corporation and its subsidiaries, which comprise the consolidated balance sheets as at December 31, 2016 and December 31, 2015, and the consolidated statements of earnings, comprehensive earnings, equity and cash flows for the years ended December 31, 2016 and December 31, 2015, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Onex Corporation and its subsidiaries as at December 31, 2016 and December 31, 2015 and their financial performance and their cash flows for the years ended December 31, 2016 and December 31, 2015 in accordance with International Financial Reporting Standards.

[signed]

PricewaterhouseCoopers LLP
Chartered Professional Accountants, Licensed Public Accountants
Toronto, Canada
February 23, 2017

CONSOLIDATED BALANCE SHEETS

(in millions of U.S. dollars)	**As at December 31, 2016**	As at December 31, 2015
Assets		
Current assets		
Cash and cash equivalents (note 5)	**$ 2,371**	$ 2,313
Short-term investments (note 5)	**154**	206
Accounts receivable	**3,868**	2,933
Inventories (note 6)	**2,731**	1,982
Other current assets (note 7)	**1,190**	920
Assets held by discontinued operations (note 8)	**–**	1,328
	10,314	9,682
Property, plant and equipment (note 9)	**4,275**	3,265
Long-term investments (note 10)	**8,672**	7,863
Other non-current assets (note 11)	**1,192**	795
Intangible assets (note 12)	**9,286**	6,528
Goodwill (note 12)	**9,174**	7,677
	$ 42,913	$ 35,810
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities	**$ 4,324**	$ 3,404
Current portion of provisions (note 13)	**305**	334
Other current liabilities	**1,550**	976
Current portion of long-term debt of operating companies, without recourse to Onex Corporation (note 14)	**407**	411
Current portion of Limited Partners' Interests (note 16)	**89**	598
Liabilities held by discontinued operations (note 8)	**–**	1,011
	6,675	6,734
Non-current portion of provisions (note 13)	**340**	368
Long-term debt of operating companies, without recourse to Onex Corporation (note 14)	**22,456**	17,643
Other non-current liabilities (note 17)	**2,169**	1,704
Deferred income taxes (note 18)	**1,537**	1,451
Limited Partners' Interests (note 16)	**8,385**	6,720
	41,562	34,620
Equity		
Share capital (note 19)	**324**	333
Non-controlling interests (note 20)	**1,841**	1,353
Retained earnings (deficit) and accumulated other comprehensive loss	**(814)**	(496)
	1,351	1,190
	$ 42,913	$ 35,810

See accompanying notes to the consolidated financial statements.

Signed on behalf of the Board of Directors

[signed] [signed]

Director Director

CONSOLIDATED STATEMENTS OF EARNINGS

Year ended December 31 *(in millions of U.S. dollars except per share data)*	**2016**	2015
Revenues	**$ 22,523**	$ 19,681
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	**(15,696)**	(13,582)
Operating expenses	**(4,268)**	(3,967)
Interest income	**351**	264
Amortization of property, plant and equipment (note 9)	**(565)**	(483)
Amortization of intangible assets and deferred charges	**(693)**	(584)
Interest expense of operating companies (note 22)	**(1,089)**	(878)
Increase in value of investments in joint ventures and associates at fair value, net (note 10(c))	**180**	175
Stock-based compensation expense (note 23)	**(323)**	(260)
Other gains (note 24)	**80**	239
Other expense (note 25)	**(87)**	(435)
Impairment of goodwill, intangible assets and long-lived assets, net (note 26)	**(234)**	(82)
Limited Partners' Interests charge (note 16)	**(647)**	(856)
Loss before income taxes and discontinued operations	**(468)**	(768)
Provision for income taxes (note 18)	**(46)**	(116)
Loss from continuing operations	**(514)**	(884)
Earnings from discontinued operations (note 8)	**478**	379
Net Loss for the Year	**$ (36)**	$ (505)

Earnings (Loss) from Continuing Operations attributable to:		
Equity holders of Onex Corporation	**$ (577)**	$ (946)
Non-controlling Interests	**63**	62
Loss from Continuing Operations for the Year	**$ (514)**	$ (884)

Net Earnings (Loss) attributable to:		
Equity holders of Onex Corporation	**$ (130)**	$ (573)
Non-controlling Interests	**94**	68
Net Loss for the Year	**$ (36)**	$ (505)

Net Earnings (Loss) per Subordinate Voting Share of Onex Corporation (note 27)		
Basic and Diluted:		
Continuing operations	**$ (5.56)**	$ (8.84)
Discontinued operations	**4.31**	3.48
Net Loss per Subordinate Voting Share for the Year	**$ (1.25)**	$ (5.36)

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

Year ended December 31 *(in millions of U.S. dollars)*	2016	2015
Net loss for the year	**$ (36)**	$ (505)
Other comprehensive earnings (loss), net of tax		
Items that may be reclassified to net earnings (loss):		
Currency translation adjustments	**(69)**	(270)
Change in fair value of derivatives designated as hedges	**5**	(19)
Unrealized gains on available-for-sale financial assets	**–**	2
	(64)	(287)
Items that will not be reclassified to net earnings (loss):		
Remeasurements for post-employment benefit plans	**11**	34
Other comprehensive earnings from discontinued operations, net of tax (note 8)	**42**	8
Other comprehensive loss, net of tax	**(11)**	(245)
Total Comprehensive Loss for the Year	**$ (47)**	$ (750)

Total Comprehensive Earnings (Loss) attributable to:		
Equity holders of Onex Corporation	**$ (154)**	$ (808)
Non-controlling Interests	**107**	58
Total Comprehensive Loss for the Year	**$ (47)**	$ (750)

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF EQUITY

(in millions of U.S. dollars except per share data)	Share Capital (note 19)	Retained Earnings (Deficit)	Accumulated Other Comprehensive Earnings (Loss)	Total Equity Attributable to Equity Holders of Onex Corporation	Non-controlling Interests	Total Equity
Balance – December 31, 2014	$ 336	$ 692	$ (222)[b]	$ 806	$ 1,692	$ 2,498
Dividends declared[a]	1	(19)	–	(18)	–	(18)
Issuance of shares (note 19)	6	–	–	6	–	6
Repurchase and cancellation of shares (note 19)	(10)	(165)	–	(175)	–	(175)
Investments in operating companies by shareholders other than Onex	–	30	–	30	262	292
Distributions to non-controlling interests and other adjustments	–	23	–	23	(207)	(184)
Repurchase of shares of operating companies[c]	–	(27)	–	(27)	(408)	(435)
Non-controlling interests on loss of control or sale of investments in operating companies (notes 8 and 24)	–	–	–	–	(44)	(44)
Comprehensive Earnings (Loss)						
Net earnings (loss) for the year	–	(573)	–	(573)	68	(505)
Other comprehensive earnings (loss) for the year, net of tax:						
Currency translation adjustments	–	–	(262)	(262)	(8)	(270)
Change in fair value of derivatives designated as hedges	–	–	(13)	(13)	(6)	(19)
Unrealized gains on available-for-sale financial assets	–	–	2	2	–	2
Remeasurements for post-employment benefit plans (note 32)	–	36	–	36	(2)	34
Other comprehensive earnings (loss) from discontinued operations, net of tax (note 8)	–	6	(4)	2	6	8
Balance – December 31, 2015	$ 333	$ 3	$ (499)[d]	$ (163)	$ 1,353	$ 1,190
Dividends declared[a]	**–**	**(21)**	**–**	**(21)**	**–**	**(21)**
Repurchase and cancellation of shares (note 19)	**(9)**	**(175)**	**–**	**(184)**	**–**	**(184)**
Investments in operating companies by shareholders other than Onex	**–**	**87**	**–**	**87**	**621**	**708**
Transfer of non-controlling interests to liabilities	**–**	**(55)**	**–**	**(55)**	**(42)**	**(97)**
Distributions to non-controlling interests	**–**	**–**	**–**	**–**	**(104)**	**(104)**
Repurchase of shares of operating companies[c]	**–**	**–**	**–**	**–**	**(59)**	**(59)**
Non-controlling interests on sale of an investment in an operating company (notes 8 and 24)	**–**	**–**	**–**	**–**	**(35)**	**(35)**
Comprehensive Earnings (Loss)						
Net earnings (loss) for the year	**–**	**(130)**	**–**	**(130)**	**94**	**(36)**
Other comprehensive earnings (loss) for the year, net of tax:						
Currency translation adjustments	**–**	**–**	**(58)**	**(58)**	**(11)**	**(69)**
Change in fair value of derivatives designated as hedges	**–**	**–**	**(3)**	**(3)**	**8**	**5**
Remeasurements for post-employment benefit plans (note 32)	**–**	**(3)**	**–**	**(3)**	**14**	**11**
Other comprehensive earnings (loss) from discontinued operations, net of tax (note 8)	**–**	**(11)**	**51**	**40**	**2**	**42**
Balance – December 31, 2016	**$ 324**	**$ (305)**	**$ (509)[e]**	**$ (490)**	**$ 1,841**	**$ 1,351**

(a) Dividends declared per Subordinate Voting Share during 2016 totalled C$0.26875 (2015 – C$0.2375). In 2016, shares issued under the dividend reinvestment plan amounted to less than $1 (2015 – $1). There are no tax effects for Onex on the declaration or payment of dividends.

(b) Accumulated Other Comprehensive Earnings (Loss) as at December 31, 2014 consisted of currency translation adjustments of negative $200 and unrealized losses on the effective portion of cash flow hedges of $22. Accumulated Other Comprehensive Earnings (Loss) as at December 31, 2014 included $47 of net losses related to discontinued operations. Income taxes did not have a significant effect on these items.

(c) Repurchase of shares of operating companies during 2015 consisted primarily of shares repurchased by Celestica and JELD-WEN. Repurchase of shares during 2016 consisted primarily of shares repurchased by Celestica.

(d) Accumulated Other Comprehensive Earnings (Loss) as at December 31, 2015 consisted of currency translation adjustments of negative $466, unrealized losses on the effective portion of cash flow hedges of $35 and unrealized gains on available-for-sale financial assets of $2. Accumulated Other Comprehensive Earnings (Loss) as at December 31, 2015 included $51 of net losses related to discontinued operations. Income taxes did not have a significant effect on these items.

(e) Accumulated Other Comprehensive Earnings (Loss) as at December 31, 2016 consisted of currency translation adjustments of negative $473, unrealized losses on the effective portion of cash flow hedges of $38 and unrealized gains on available-for-sale financial assets of $2. Income taxes did not have a significant effect on these items.

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended December 31 *(in millions of U.S. dollars)*	**2016**	2015
Operating Activities		
Loss for the year from continuing operations	**$ (514)**	$ (884)
Adjustments to earnings from continuing operations:		
Provision for income taxes (note 18)	**46**	116
Interest income	**(351)**	(264)
Interest expense of operating companies (note 22)	**1,089**	878
Earnings (loss) before interest and provision for income taxes	**270**	(154)
Cash taxes paid	**(284)**	(241)
Items not affecting cash and cash equivalents:		
Amortization of property, plant and equipment (note 9)	**565**	483
Amortization of intangible assets and deferred charges	**693**	584
Increase in value of investments in joint ventures and associates at fair value, net (note 10(c))	**(180)**	(175)
Stock-based compensation expense	**217**	231
Other gains (note 24)	**(80)**	(239)
Foreign exchange loss	**34**	50
Impairment of goodwill, intangible assets and long-lived assets, net (note 26)	**234**	82
Limited Partners' Interests charge (note 16)	**647**	856
Change in carried interest	**35**	127
Change in provisions	**119**	(51)
Other	**(265)**	201
	2,005	1,754
Changes in non-cash working capital items:		
Accounts receivable	**(447)**	(23)
Inventories	**(172)**	92
Other current assets	**(42)**	3
Accounts payable, accrued liabilities and other current liabilities	**577**	(52)
Increase (decrease) in cash and cash equivalents due to changes in non-cash working capital items	**(84)**	20
Decrease in other operating activities	**(47)**	(113)
Cash flows from operating activities of discontinued operations (note 8)	**38**	219
	1,912	1,880
Financing Activities		
Issuance of long-term debt	**3,075**	4,219
Repayment of long-term debt	**(1,812)**	(1,791)
Cash interest paid	**(964)**	(776)
Cash dividends paid	**(20)**	(19)
Repurchase of share capital of Onex Corporation	**(184)**	(175)
Repurchase of share capital of operating companies	**(59)**	(435)
Contributions by Limited Partners (note 16)	**1,593**	1,825
Issuance of share capital by operating companies	**10**	39
Contribution by non-controlling interests for investment in operating company (note 4)	**458**	–
Distributions paid to non-controlling interests and Limited Partners (note 16)	**(1,188)**	(1,030)
Decrease due to other financing activities	**(61)**	(82)
Cash flows from (used in) financing activities of discontinued operations (note 8)	**2**	(123)
	850	1,652
Investing Activities		
Acquisitions, net of cash and cash equivalents in acquired companies of $141 (2015 – $437) (note 4)	**(3,089)**	(2,452)
Purchase of property, plant and equipment	**(569)**	(704)
Proceeds from sale of property, plant and equipment	**72**	525
Proceeds from sale of investments in joint ventures and associates at fair value (note 10)	**–**	20
Proceeds from sales of operating companies and businesses no longer controlled (notes 8 and 24)	**1,024**	264
Distributions received from investments in joint ventures and associates (note 10)	**206**	82
Purchase of investment in joint venture (note 10)	**(44)**	(120)
Payment of contingent considerations	**(163)**	(6)
Cash interest received	**325**	257
Net purchases of investments and securities for CLOs and Onex Credit Funds (note 10)	**(1,007)**	(1,518)
Net sales (purchases) of investments and securities at parent company and operating companies (note 10)	**666**	(1,197)
Increase (decrease) due to other investing activities	**(67)**	93
Cash flows used in investing activities of discontinued operations (note 8)	**(155)**	(81)
	(2,801)	(4,837)
Decrease in Cash and Cash Equivalents for the Year	**(39)**	(1,305)
Decrease in cash due to changes in foreign exchange rates	**(16)**	(37)
Cash and cash equivalents, beginning of the period – continuing operations	**2,313**	3,662
Cash and cash equivalents, beginning of the period – discontinued operations (note 8)	**113**	106
Cash and Cash Equivalents	**2,371**	2,426
Cash and cash equivalents held by discontinued operations (note 8)	**–**	113
Cash and Cash Equivalents Held by Continuing Operations	**$ 2,371**	$ 2,313

See accompanying notes to the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(in millions of U.S. dollars except per share data)

Onex Corporation and its subsidiaries (collectively, the "Company") is a diversified company with operations in a range of industries including electronics manufacturing services, healthcare imaging, health and human services, building products, insurance services, packaging products and services, business and information services, food retail and restaurants, aerospace automation, tooling and components, aircraft leasing and management, hospital management services, survival equipment and industrial products, and in various middle-market private equity opportunities. Additionally, the Company has investments in credit strategies and real estate. Note 34 provides additional discussion of the Company's operations on a segmented basis. Throughout these statements, the term "Onex" refers to Onex Corporation, the ultimate parent company.

Onex Corporation is a Canadian corporation domiciled in Canada and is listed on the Toronto Stock Exchange under the symbol ONEX. Onex Corporation's shares are traded in Canadian dollars. The registered address for Onex Corporation is 161 Bay Street, Toronto, Ontario. Gerald W. Schwartz controls Onex Corporation by indirectly holding all of the outstanding Multiple Voting Shares of the corporation and also indirectly holds 13% of the outstanding Subordinate Voting Shares of the corporation as at December 31, 2016.

All amounts are in millions of U.S. dollars unless otherwise noted.

The consolidated financial statements were authorized for issue by the Board of Directors on February 23, 2017.

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB"). These consolidated financial statements were prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through total comprehensive earnings.

The U.S. dollar is Onex' functional currency. As such, the financial statements have been reported on a U.S. dollar basis.

CONSOLIDATION

The consolidated financial statements represent the accounts of Onex and its subsidiaries, including its controlled operating companies. Onex also controls and consolidates the operations of Onex Partners LP ("Onex Partners I"), Onex Partners II LP ("Onex Partners II"), Onex Partners III LP ("Onex Partners III") and Onex Partners IV LP ("Onex Partners IV"), referred to collectively as "Onex Partners", and ONCAP II L.P., ONCAP III LP and ONCAP IV LP, referred to collectively as "ONCAP" (as described in note 31). In addition, Onex controls and consolidates the operations of the Onex Credit asset management platform, certain funds managed by Onex Credit ("Onex Credit Funds") in which Onex, the parent company, holds an investment and collateralized loan obligations ("CLOs") of Onex Credit, referred to collectively as "Onex Credit". The results of operations of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany balances and transactions have been eliminated.

Certain investments in operating companies over which the Company has joint control or significant influence, but not control, are designated, upon initial recognition, at fair value through earnings. As a result, these investments are recorded at fair value in the consolidated balance sheets, with changes in fair value recognized in the consolidated statements of earnings.

The principal operating companies and Onex' economic ownership, Onex' and the limited partners' economic ownership and voting interests in these entities, are as follows:

	December 31, 2016			December 31, 2015		
	Onex' Ownership	Onex' and Limited Partners' Ownership	Voting	Onex' Ownership	Onex' and Limited Partners' Ownership	Voting
Investments made through Onex						
Celestica Inc. ("Celestica")	13%	13%	80%	13%	13%	80%
Investments made through Onex and Onex Partners I						
Genesis Healthcare, Inc. ("Genesis Healthcare")	2%	10%	10%	2%	10%	10%
Investments made through Onex and Onex Partners II						
Carestream Health, Inc. ("Carestream Health")	36%	91%	100%	36%	91%	100%
Investments made through Onex and Onex Partners III						
BBAM Limited Partnership ("BBAM")	13%	50%	50%[a]	13%	50%	50%[a]
Emerald Expositions, LLC ("Emerald Expositions")	24%	99%	99%	24%	99%	99%
JELD-WEN Holding, Inc. ("JELD-WEN")[b]	21%	84%	84%	21%	83%	83%
KraussMaffei Group GmbH ("KraussMaffei")[c]	–	–	–	24%	95%	100%
Meridian Aviation Partners Limited and affiliates ("Meridian Aviation")	25%	100%	100%	25%	100%	100%
SGS International, LLC ("sgsco")	23%	93%	93%	23%	93%	93%
USI Insurance Services ("USI")[d]	25%	89%	100%	25%	88%	100%
York Risk Services Holding Corp. ("York")	29%	88%	100%	29%	88%	100%
Investments made through Onex, Onex Partners I and Onex Partners III						
Res-Care, Inc. ("ResCare")	20%	98%	100%	20%	98%	100%
Investments made through Onex and Onex Partners IV						
Advanced Integration Technology LP ("AIT")[e]	11%	50%	50%[a]	9%	40%	50%[a]
Clarivate Analytics[f]	26%	72%	72%	–	–	–
Jack's Family Restaurants ("Jack's")[g]	28%	96%	100%	28%	95%	100%
Save-A-Lot[h]	28%	100%	100%	–	–	–
Schumacher Clinical Partners ("Schumacher")	20%	68%	68%	21%	71%	71%
SIG Combibloc Group Holdings S.à r.l. ("SIG")	33%	99%	95%	33%	99%	95%
Survitec Group Limited ("Survitec")	18%	79%	68%	22%	99%	85%
WireCo WorldGroup ("WireCo")[i]	20%	71%	71%	–	–	–
Investments made through Onex Real Estate Partners						
Flushing Town Center	88%	88%	100%	88%	88%	100%
Other investments						
ONCAP II Fund ("ONCAP II")	47%[j]	100%	100%	46%[j]	100%	100%
ONCAP III Fund ("ONCAP III")	29%	100%	100%	29%	100%	100%
ONCAP IV Fund ("ONCAP IV")	40%	100%	100%	–	–	–

(a) 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.

(b) The economic ownership and voting interests of JELD-WEN are presented on an as-converted basis as the Company's investment is in common and convertible preferred shares. The allocation of net earnings (loss) and comprehensive earnings (loss) attributable to equity holders of Onex Corporation and non-controlling interests is calculated using an as-converted economic ownership of 88% at December 31, 2016 (December 31, 2015 – 88%) to reflect certain JELD-WEN shares that are recorded as liabilities at fair value. In January 2017, JELD-WEN completed an initial public offering, as described in note 2(r). Subsequent to the initial public offering, Onex Partners III and certain limited partner co-investors, including Onex, continue to hold a 60% economic and voting interest in JELD-WEN, of which Onex' share is a 15% economic interest.

(c) KraussMaffei was sold in April 2016, as described in note 2(d).

(d) The allocation of net earnings (loss) and comprehensive earnings (loss) attributable to equity holders of Onex Corporation and non-controlling interests is calculated using an economic ownership of 99% at December 31, 2016 to reflect certain USI shares that are recorded as liabilities at fair value.

(e) In August 2016, AIT repurchased units from investors other than Onex Partners IV, as described in note 2(h).

(f) Clarivate Analytics was acquired in October 2016, as described in note 2(l).

(g) In June 2016, the balance outstanding under the promissory note held by Onex Partners IV was converted into additional equity of Jack's, as described in note 2(a).

(h) Save-A-Lot was acquired in December 2016, as described in note 2(p).

(i) WireCo was acquired in September 2016, as described in note 2(k).

(j) Represents Onex' blended economic ownership in the ONCAP II investments.

The ownership percentages are before the effect of any potential dilution relating to the Management Investment Plan (the "MIP"), as described in note 31(d). The allocation of net earnings and comprehensive earnings attributable to equity holders of Onex Corporation and non-controlling interests is calculated using the economic ownership of Onex and the limited partners.

The voting interests include shares that Onex has the right to vote through contractual arrangements or through multiple voting rights attached to particular shares. In certain circumstances, the voting arrangements give Onex the right to elect the majority of the boards of directors of the companies. Onex may also control a company through contractual rights.

SIGNIFICANT ACCOUNTING POLICIES

Foreign currency translation

The Company's functional currency is the U.S. dollar, as it is the currency of the primary economic environment in which it operates. For such operations, monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the year-end exchange rates. Non-monetary assets and liabilities denominated in foreign currencies are translated at historical rates and revenue and expenses are translated at the average exchange rates prevailing during the month of the transaction. Exchange gains and losses also arise on the settlement of foreign-currency denominated transactions. These exchange gains and losses are recognized in earnings.

Assets and liabilities of foreign operations with non-U.S. dollar functional currencies are translated into U.S. dollars using the year-end exchange rates. Revenue and expenses are translated at the average exchange rates prevailing during the month of the transaction. Gains and losses arising from the translation of these foreign operations are deferred in the currency translation account included in equity.

Cash and cash equivalents

Cash and cash equivalents include liquid investments such as term deposits, money market instruments and commercial paper with original maturities of less than three months. The investments are carried at cost plus accrued interest, which approximates fair value.

Short-term investments

Short-term investments consist of liquid investments that include money market instruments and commercial paper with original maturities of three months to one year. The investments are carried at fair value.

Accounts receivable

Accounts receivable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. A provision is recorded for impairment when there is objective evidence (such as significant financial difficulties of the debtor) that the Company will not be able to collect all amounts due according to the original terms of the receivable. A provision expense is recorded as the difference between the carrying value of the receivable and the present value of future cash flows expected from the debtor, with an offsetting amount recorded as an allowance, reducing the carrying value of the receivable. The provision expense is included in operating expenses in the consolidated statements of earnings. When a receivable is considered permanently uncollectible, the receivable is written off against the allowance account.

Operating companies may enter into agreements to sell accounts receivable when considered appropriate, whereby the accounts receivable are transferred to an unrelated third party. The transfers are recorded as sales of accounts receivable, as the operating companies do not retain any financial or legal interest in the accounts receivable that are sold. The accounts receivable are sold at their face value less a discount as provided for in the agreements.

Inventories

Inventories are recorded at the lower of cost or net realizable value. The determination of net realizable value requires significant judgement, including consideration of factors such as shrinkage, the aging of and future demand for inventory and contractual arrangements with customers. To the extent that circumstances have changed subsequently such that the net realizable value has increased, previous writedowns are reversed and recognized in the consolidated statements of earnings in the period during which the reversal occurs. Certain inventories in the healthcare imaging and packaging products and services segments are stated using an average cost method. For substantially all other inventories, cost is determined on a first-in, first-out basis.

Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated amortization and provisions for impairment, if any. Cost consists of expenditures directly attributable to the acquisition of the asset. The costs of construction of qualifying long-term assets include capitalized interest, as applicable.

Subsequent expenditures for maintenance and repairs are expensed as incurred, while costs related to betterments and improvements that extend the useful lives of property and equipment are capitalized.

Land is not amortized. For substantially all remaining property, plant and equipment, amortization is provided for on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	up to 50 years
Machinery and equipment	up to 22 years
Leasehold improvements	up to the term of the lease

When components of an asset have a significantly different useful life or residual value than the primary asset, the components are amortized separately. Residual values, useful lives and methods of amortization are reviewed at each fiscal year end and adjusted prospectively.

Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant interest rate on the balance outstanding. The corresponding lease obligations, net of finance charges, are included in the consolidated balance sheets. Property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. When the Company is the lessee, payments made under operating leases (net of any incentives received from the lessor) are recorded in the consolidated statements of earnings on a straight-line basis over the period of the lease. Certain of the operating companies lease their property, plant and equipment under operating leases to third parties. When the Company is the lessor, payments received under operating leases (net of any incentives provided by the operating companies) are recognized in the consolidated statements of earnings on a straight-line basis over the period of the lease.

Intangible assets

Intangible assets, including intellectual property and software, are recorded at their fair value at the date of acquisition of the related operating company or at cost if internally generated or purchased. Amortization is provided for intangible assets with limited life. For substantially all limited life intangible assets, amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Trademarks and licenses	1 year to 30 years
Customer relationships	2 years to 30 years
Computer software	1 year to 20 years
Other	1 year to 50 years

Other intangibles with limited life include information databases and content collections of Clarivate Analytics with useful lives of 13 years to 20 years.

Intangible assets with indefinite useful lives are not amortized. The assessment of indefinite life is reviewed annually. Changes in the useful life from indefinite to finite are made on a prospective basis.

Goodwill

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the fair value of any contingent consideration, the amount of any non-controlling interest in the acquired company and, in a business combination achieved in stages, the fair value at the acquisition date of the Company's previously held interest in the acquired company compared to the net fair value of the identifiable assets and liabilities acquired. Substantially all of the goodwill and intangible asset amounts that appear in the consolidated balance sheets are recorded by the operating companies. The recoverability of goodwill is assessed annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Judgement is required in determining whether events or changes in circumstances during the year are indicators that a review for impairment should be conducted prior to the annual assessment. For the purposes of impairment testing, goodwill is allocated to the cash generating units ("CGUs") of the business whose acquisition gave rise to the goodwill. Impairment of goodwill is tested at the level where goodwill is monitored for internal management purposes. Therefore, goodwill will be assessed for impairment at the level of either an individual CGU or a group of CGUs. The determination of CGUs and the level at which goodwill is monitored requires judgement by management. The carrying amount of a CGU or a group of CGUs is compared to its recoverable amount, which is the higher of its value-in-use or fair value less costs to sell, to determine if an impairment exists. Impairment losses for goodwill are not reversed in future periods.

Impairment charges recorded by the operating companies under IFRS may not impact the fair values of the operating companies used in determining the change in carried interest and for calculating the Limited Partners' Interests liability. Fair values of the operating companies are assessed at the enterprise level, while impairment charges are assessed at the level of either an individual CGU or group of CGUs.

Impairment of long-lived assets

Property, plant and equipment, investment property and intangible assets are reviewed for impairment annually or whenever events or changes in circumstances suggest that the carrying amount of an asset may not be recoverable. Judgement is required in determining whether events or changes in circumstances during the year are indicators that a review for impairment should be conducted prior to the annual assessment. An impairment loss is recognized when the carrying value of an asset or CGU exceeds the recoverable amount. The recoverable amount of an asset or CGU is the greater of its value-in-use or its fair value less costs to sell.

Impairment losses for long-lived assets are reversed in future periods if the circumstances that led to the impairment no longer exist. The reversal is limited to restoring the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized in prior periods.

Investments in joint ventures and associates

Joint ventures and associates are those entities over which the Company has joint control or significant influence, but not control. Certain investments in joint ventures and associates are designated, upon initial recognition, at fair value through earnings in accordance with IAS 39, *Financial Instruments: Recognition and Measurement*. As a result, the investments are recorded at fair value in the consolidated balance sheets, with changes in fair value recognized in the consolidated statements of earnings.

Certain investments in joint ventures and associates are initially recognized at cost, and the carrying amount of the investment is adjusted to recognize the Company's share of the profit or loss in the investment, from the date that joint control or significant influence commences until the date that joint control or significant influence ceases, in accordance with IAS 39, *Financial Instruments: Recognition and Measurement*. The Company's share of the profit or loss is recognized in other income (expense) and any distributions received reduce the carrying amount of the investment.

Financing charges

Financing charges consist of costs incurred by the operating companies relating to the issuance of term borrowings and revolving credit facilities. Transaction costs related to the term borrowings are amortized over the term of the related debt or as the debt is retired, if earlier. These unamortized financing charges are netted against the carrying value of the long-term debt, as described in note 14.

Costs incurred to establish revolving credit facilities are recognized as an other non-current asset and are amortized on a straight-line basis over the term of the facility; however, to the extent that the Company expects to draw on the facility, the costs are deferred until the amounts are drawn on the facility and are then amortized over the remaining term of the facility.

Provisions

A provision is a liability of uncertain timing or amount and is generally recognized when the Company has a present obligation as a result of a past event, it is probable that payment will be made to settle the obligation and the payment can be reliably estimated. Judgement is required to determine the extent of an obligation and whether it is probable that payment will be made. The Company's significant provisions consist of the following:

a) Contingent consideration

Contingent consideration is established for business acquisitions where the Company has the obligation to transfer additional assets or equity interests to the former owners if specified future events occur or conditions are met. The fair value of contingent consideration liabilities is typically based on the estimated future financial performance of the acquired business. Financial targets used in the estimation process include certain defined financial targets and realized internal rates of return. Contingent consideration is classified as a liability when the obligation requires settlement in cash or other assets, and is classified as equity when the obligation requires settlement in own equity instruments.

b) Self-insurance

Self-insurance provisions may be established for automobile, workers' compensation, healthcare coverage, general liability, professional liability and other claims. Provisions are established for claims based on an assessment of actual claims and claims incurred but not reported. The reserves may be established based on consultation with third-party independent actuaries using actuarial principles and assumptions that consider a number of factors, including historical claim payment patterns and changes in case reserves, and the assumed rate of inflation in healthcare costs and property damage repairs.

c) Warranty

Certain operating companies offer warranties on the sale of products or services. A provision is recorded to provide for future warranty costs based on management's best estimate of probable claims under these warranties. The provision is based on the terms of the warranty, which vary by customer and product or service, and historical experience. The appropriateness of the provision is evaluated at the end of each reporting period.

d) Restructuring

Restructuring provisions are recognized only when a detailed formal plan for the restructuring – including the business or part of the business concerned, the principal locations affected, details regarding the employees affected, the restructuring's timing and the expenditures that will have to be undertaken – has been developed and the restructuring has either commenced or the plan's main features have already been publicly announced to those affected by it.

Note 13 provides further details on provisions recognized by the Company.

Pension and non-pension post-retirement benefits

Onex, the parent company, did not provide pension, other retirement or post-retirement benefits to its employees or to those of any of the operating companies during the years ended December 31, 2016 and 2015. The operating companies that offer pension and non-pension post-retirement benefits accrue their obligations under such employee benefit plans and related costs, net of plan assets. The costs of defined benefit pensions and other post-retirement benefits earned by employees are accrued in the period incurred and are actuarially determined using the projected unit credit method pro-rated on length of service, based on management's judgement and best estimates of assumptions for factors which impact the ultimate cost, including salary escalation, the retirement ages of employees, the discount rate used in measuring the liability and expected healthcare costs.

Plan assets are recorded at fair value at each reporting date. Where a plan is in a surplus, the value of the net asset recognized is restricted to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of defined benefit plans recognized in the consolidated statements of earnings comprises the net total of the current service cost, the past service cost, gains or losses from settlements and the net interest expense or income. The current service cost represents the increase in the present value of the plan liabilities expected to arise from employee service in the current period. The past service cost is the change in the benefit obligation in respect of employee service in prior periods and which results from a plan amendment or curtailment. Past service costs (or recoveries) from plan amendments are recognized immediately in earnings, whether vested or unvested.

Remeasurements, consisting of actuarial gains or losses, the actual return on plan assets (excluding the net interest component) and any change in the asset ceiling, are recognized in other comprehensive earnings. Remeasurements recognized in other comprehensive earnings are directly recorded in retained earnings, without recognition in the consolidated statements of earnings.

Defined contribution plan accounting is applied to multi-employer defined benefit plans, for which the operating companies have insufficient information to apply defined benefit accounting.

Note 32 provides further details on pension and non-pension post-retirement benefits.

Limited Partners' Interests

The interests of the limited partners and other investors through the Onex Partners, ONCAP and Onex Credit Funds are recorded as financial liabilities in accordance with IAS 32, *Financial Instruments: Presentation*. The structure of the Onex Partners, ONCAP and Onex Credit Funds as defined in the partnership agreements, specifically the limited life of the Onex Partners and ONCAP Funds and the redemption provisions of the Onex Credit Funds, requires presentation of the limited partners' interests as a liability. The liability is recorded at fair value and is primarily impacted by the change in fair value of the underlying investments in the Onex Partners, ONCAP and Onex Credit Funds, the change in carried interest on investments held by the Onex Partners and ONCAP Funds, the change in incentive fees on investments held by the Onex Credit Funds, as well as any contributions by and distributions to limited partners in those Funds. Adjustments to the fair value of the Limited Partners' Interests are reflected through earnings, net of the change in carried interest and incentive fees.

Note 16 provides further details on Limited Partners' Interests.

Income taxes

Income taxes are recorded using the asset and liability method of income tax allocation. Under this method, assets and liabilities are recorded for the future income tax consequences attributable to differences between the financial statement carrying values of assets and liabilities and their respective income tax bases, and on tax loss and tax credit carryforwards. Deferred tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences as well as tax loss and tax credit carryforwards can be utilized. These deferred income tax assets and liabilities are recorded using substantively enacted income tax rates. The effect of a change in income tax rates on these deferred income tax assets or liabilities is included in income in the period in which the rate change occurs. Certain of these differences are estimated based on current tax legislation and the Company's interpretation thereof.

Income tax expense or recovery is based on the income earned or loss incurred in each tax jurisdiction and the enacted or substantively enacted tax rate applicable to that income or loss. Tax expense or recovery is recognized in the income statement, except to the extent that it relates to items recognized directly in equity, in which case the tax effect is also recognized in equity.

Deferred tax liabilities for taxable temporary differences associated with investments in subsidiaries, joint ventures and associates are recognized, except when the Company is able to control the timing of the reversal of temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

In the ordinary course of business, there are transactions for which the ultimate tax outcome is uncertain. The final tax outcome of these matters may be different from the judgements and estimates originally made by the Company in determining its income tax provisions. The Company periodically evaluates the positions taken with respect to situations in which applicable tax rules and regulations are subject to interpretation. Provisions related to tax uncertainties are established where appropriate based on the best estimate of the amount that will ultimately be paid to or received from tax authorities. Accrued interest and penalties relating to tax uncertainties are recorded in current income tax expense.

Note 18 provides further details on income taxes.

Revenue recognition

Revenues are recognized net of estimated returns and allowances, trade discounts and volume rebates, where applicable. Where the Company is responsible for shipping and handling to customers, amounts charged for these services are recognized as revenue, and shipping and handling costs incurred are reported as a component of cost of sales in the consolidated statements of earnings.

Electronics Manufacturing Services

Revenue from the electronics manufacturing services segment consists primarily of product sales and services. Revenue is recognized when significant risks and rewards of ownership have been transferred to the customer and receivables are reasonably assured of collection.

For certain customers, warehousing services are provided in connection with manufacturing services. Contracts are assessed to determine whether the manufacturing and warehousing services can be accounted for as separate units of accounting. If the services do not constitute separate units of accounting, or the manufacturing services do not meet all of the revenue recognition requirements, revenue recognition is deferred until the products have been shipped to the customer.

Healthcare Imaging

Revenue from the healthcare imaging segment consists primarily of product sales and services. Revenue from product sales is recognized when the following criteria are met: significant risks and rewards of ownership have been transferred; involvement in the capacity as an owner of the goods has ceased; revenue and costs incurred can be reliably measured; and economic benefits are expected to be realized. Revenue is recorded net of provisions for estimated customer returns, rebates and other similar allowances. Services revenue is recognized at the time of service if revenues and costs can be reliably measured and economic benefits are expected to be received.

Health and Human Services

Revenue from the health and human services segment consists primarily of services. Services revenue is recognized at the time of service if revenues and costs can be reliably measured and economic benefits are expected to be received, and is recorded net of provisions for examination of expenses by agencies administering contracts and services.

Building Products

Revenue from the building products segment primarily consists of product sales. Revenue is recognized when significant risks and rewards of ownership have been transferred to the customer; involvement in the capacity as an owner of the goods has ceased; revenue and costs incurred can be reliably measured; and receivables are reasonably assured of collection. Incentive payments to customers are recorded as a reduction of revenue over the periods benefited.

Insurance Services

Revenue from the insurance services segment primarily consists of commission, fee and service revenues. Commission revenues on premiums billed and collected directly by insurance companies are recognized after the policy effective date and when the company has sufficient information to reasonably determine that the amount is owed. Commission revenues on policies billed and collected by the company are recognized on the later of the billing or the policy effective date. Commission revenues related to instalment premiums are recognized on the effective date of each instalment. Fees may be charged for policy placement in lieu of commissions, which are recognized in the same manner as commission revenues. Fee revenues from claims management are recognized as claims are processed using an estimate of services provided and costs incurred. Fee revenues are also earned from other risk management, administrative and consulting services, which are provided over a period of time. These fees are recognized when the fees and costs can be reliably measured and economic benefits are expected to be received by the company.

Revenues from managed care, specialized loss adjusting services and field investigations are recognized at the time of service if revenues and costs can be reliably measured and economic benefits are expected to be received. Service revenues from fixed price contracts are recognized on each contract proportionately over the life of the contract.

Packaging Products and Services

Revenue from the packaging products and services segment primarily consists of sales of goods and services. Revenue is measured as the fair value of the consideration received or receivable net of returns and allowances, trade discounts, volume rebates and other customer incentives. Revenue from the sale of goods is recognized when significant risks and rewards of ownership have been substantially transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be reliably estimated, and there is no continuing management involvement with the goods. Transfer of risks and rewards of ownership vary depending on the individual terms of the contract of sale and occur either upon shipment of the goods or upon receipt of the goods and/or their deployment or installation at a customer location. Revenue is recognized by reference to the stage of completion of the transaction at the end of the reporting period, when the outcome of a transaction involving rendering of services can be reliably estimated.

Business and Information Services

Revenue from the business and information services segment primarily consists of sales of subscription services and staging of trade shows and conference events. Revenue from subscription arrangements is recognized on a straight-line basis over the term of the subscription if revenues and costs can be reliably measured and economic benefits are expected to be received. Usage fees in excess of the base subscription fee are recognized as services are delivered. Revenue from staging of trade shows and conference events is recognized when the events are staged if revenues and costs can be reliably measured and economic benefits are expected to be received.

Food Retail and Restaurants

Revenue from the food retail and restaurants segment primarily consists of product sales and distribution services. Revenue is recognized when significant risks and rewards of ownership have been transferred to the customer and the collection of receivables is reasonably assured.

Credit Strategies

The credit strategies segment consists of (i) Onex Credit Manager, (ii) Onex Credit Collateralized Loan Obligations and (iii) Onex Credit Funds. In January 2015, Onex began to consolidate the Onex Credit Manager and certain funds managed by Onex Credit in which Onex, the parent company, holds an investment as a result of the transaction described in note 3(a). Revenue from the credit strategies segment primarily consists of management and incentive fees earned on capital managed by Onex Credit. Revenue is recognized when earned in accordance with the terms of the relevant investment management agreements.

The consolidated revenues exclude management and incentive fees earned from investments in Onex Credit Funds and CLOs consolidated by Onex.

Other

Other segment revenues consist of product sales, services and construction contracts:

- Revenue from product sales is recognized when the following criteria are met: significant risks and rewards of ownership have been transferred; involvement in the capacity as an owner of the goods has ceased; revenue and costs incurred can be reliably measured; and economic benefits are expected to be realized. Where product sales are subject to customer acceptance, revenue is recognized at the earlier of receipt of customer acceptance or expiration of the acceptance period. Where product sales require the company to install the product at the customer location and such installation is essential to the functionality of the product, revenue is recognized when the product has been delivered to and installed at the customer location.
- Revenue from services is recognized at the time of service, when revenues and costs can be reliably measured and economic benefits are expected to be received by the company, and is recorded net of provisions for contractual discounts and estimated uncompensated care. Where services performed are subject to customer acceptance, revenue is recognized at the earlier of receipt of customer acceptance or expiration of the acceptance period.
- Revenue from construction and other long-term contracts is recognized on each contract by reference to the percentage-of-completion of the contract activity primarily by comparing contract costs incurred to the estimated total contract costs or based on the number of units produced. The contract method of accounting involves the use of various estimating techniques to project costs at completion and includes estimates of ultimate profitability and final contract settlements. Any expected loss from a contract is recognized in the period where the estimated total contract costs exceed the estimated total contract revenue. Where the outcome of a contract cannot be reliably estimated, all contract-related costs are expensed and revenue is recognized only to the extent that those costs are recoverable. When the outcome of such contracts becomes reliably estimable, revenue is recognized prospectively.

For arrangements where the operating companies derive revenues from multiple service or product elements, the recognition of revenues is based on the individual relative fair value of each element separately identified in the arrangements.

Depending on the terms under which the operating companies supply products, they may also be responsible for some or all of the repair or replacement costs of defective products. The companies establish provisions for issues that are probable and estimable in amounts management believes are adequate to cover the ultimate projected claim costs. The final amounts determined to be due related to these matters could differ significantly from recorded estimates.

Research and development

Research and development activities can be either (a) contracted or (b) self-initiated:

a) Costs for contracted research and development activities, carried out within the scope of externally financed research and development contracts, are expensed when the related revenues are recorded.

b) Costs for self-initiated research and development activities are assessed to determine if they qualify for recognition as internally generated intangible assets. Apart from complying with the general requirements for initial measurement of an intangible asset, qualification criteria are met only when technical as well as commercial feasibility can be demonstrated and the cost can be reliably measured. It must also be probable that the intangible asset will generate future economic benefits, be clearly identifiable and allocable to a specific product. Further to meeting these criteria, only such costs that relate solely to the development phase of a self-initiated project are capitalized. Any costs that are classified as part of the research phase of a self-initiated project are expensed as incurred. If the research phase cannot be clearly distinguished from the development phase, the respective project-related costs are treated as if they were incurred in the research phase only. Capitalized development costs are generally amortized over the estimated number of units produced. In cases where the number of units produced cannot be reliably estimated, capitalized development costs are amortized over the estimated useful life of the internally generated intangible asset. Internally generated intangible assets are reviewed for impairment annually when the asset is not yet in use or when events or changes in circumstances indicate that the carrying amount may not be recoverable and the asset is in use.

During 2016, $223 (2015 – $254) of research and development costs were expensed and $10 (2015 – $16) of development costs were capitalized.

Stock-based compensation

The Company follows the fair value-based method of accounting, which is applied to all stock-based compensation plans.

There are five types of stock-based compensation plans. The first is the Company's Stock Option Plan (the "Plan"), described in note 19(e), which provides that in certain situations the Company has the right, but not the obligation, to settle any exercisable option under the Plan by the payment of cash to the option holder. The Company has recorded a liability for the potential future settlement of the vested options at the balance sheet date by reference to the fair value of the liability. The liability is adjusted each reporting period for changes in the fair value of the options, with the corresponding amount reflected in the consolidated statements of earnings.

The second type of plan is the MIP, which is described in note 31(d). The MIP provides that exercisable investment rights may be settled by issuance of the underlying shares or, in certain situations, by a cash payment for the value of the investment rights. The Company has recorded a liability for the potential future settlement of the vested rights at the balance sheet date by reference to the fair value of the liability. The liability is adjusted each reporting period for changes in the fair value of the rights, with the corresponding amount reflected in the consolidated statements of earnings.

The third type of plan is the Director Deferred Share Unit Plan ("Director DSU Plan"). A Deferred Share Unit ("DSU") entitles the holder to receive, upon redemption, a cash payment equivalent to the market value of a Subordinate Voting Share ("SVS") at the redemption date. The Director DSU Plan enables Onex Directors to apply directors' fees earned to acquire 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. The DSUs vest immediately, are redeemable only when the holder retires and must be redeemed within one year following the year of retirement. Additional units are issued for any cash dividends paid on the SVS. The Company has recorded a liability for the future settlement of the DSUs by reference to the value of the underlying SVS at the balance sheet date. On a quarterly basis, the liability is adjusted for the change in the market value of the underlying shares, with the corresponding amount reflected in the consolidated statements of earnings. To economically hedge a portion of the Company's exposure to changes in the trading price of Onex shares, the Company enters into forward agreements with a counterparty financial institution. The change in value of the forward agreements will be recorded to partially offset the amounts recorded as stock-based compensation under the Director DSU Plan. Details of the Director DSUs outstanding under the plan and the amount hedged by the Company are provided in note 19(d).

The fourth type of plan is the Management Deferred Share Unit Plan ("Management DSU Plan"). The Management DSU Plan enables Onex management to apply all or a portion of their annual compensation earned to acquire DSUs based on the market value of Onex shares at the time. The DSUs vest immediately and are redeemable only when the holder 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 SVS. Additional units are issued for any cash dividends paid on the SVS. The Company has recorded a liability for the future settlement of the DSUs by reference to the value of the underlying SVS at the balance sheet date. On a quarterly basis, the liability is adjusted for the change in the market value of the underlying shares, with the corresponding amount reflected in the consolidated statements of earnings. To economically 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. As such, the change in value of the forward agreements will be recorded to offset the amounts recorded as stock-based compensation under the Management DSU Plan. The administrative costs of those arrangements are borne entirely by participants in the plan. Management DSUs are redeemable only for cash and no shares or other securities of the Corporation will be issued on the exercise, redemption or other settlement thereof. Details of the Management DSUs outstanding under the plan are provided in note 19(d).

The fifth type of plan is employee stock option and other stock-based compensation plans in place for employees at various operating companies, under which, on payment of the exercise price, stock of the particular operating company or cash is issued. The Company records a compensation expense for such options based on the fair value over the vesting period.

Carried interest

Onex, as the General Partner of the Onex Partners and ONCAP Funds, is entitled to 20% of the realized net gains of the limited partners in each Fund, provided the limited partners have achieved a minimum 8% return on their investment. This share of the net gains is referred to as carried interest. Onex is entitled to 40% of the carried interest realized in the Onex Partners Funds. Onex management is entitled to the remaining 60% of the carried interest realized in the Onex Partners Funds. ONCAP management is entitled to that portion of the carried interest realized in the ONCAP Funds that equates to a 12% carried interest on both limited partners' and Onex' capital. Once the ONCAP IV investors achieve a return of two times their aggregate capital contributions, carried interest participation increases from 20% to 25% of the realized gains of the limited partners in ONCAP IV, equating to a 15% carried interest for ONCAP management on both limited partners' and Onex' capital.

The unrealized carried interest of the Onex Partners and ONCAP Funds is calculated based on the fair values of the underlying investments and the overall unrealized gains in each respective Fund in accordance with the limited partnership agreements. The unrealized carried interest reduces the amount due to the limited partners and will eventually be paid through the realization of the limited partners' share of the underlying Onex Partners and ONCAP Fund investments. The change in net carried interest attributable to Onex is recognized through the charge for the Limited Partners' Interests. The unrealized carried interest of the Onex Partners and ONCAP Funds attributable to management is recognized as a liability within other non-current liabilities. The charge for the change in net carried interest attributable to management is recorded within other income (expense) in the consolidated statements of earnings.

Incentive fees

Onex Credit is entitled to incentive fees on other investors' capital it manages. Incentive fees range between 5% and 20%, where applicable. Certain incentive fees (including incentive fees on CLOs) are subject to a hurdle or a minimum preferred return to investors. Onex acquired control of the Onex Credit asset management platform in January 2015. As such, beginning in January 2015, incentive fees earned by Onex Credit are entirely attributable to Onex for accounting purposes.

Financial assets and financial liabilities

Financial assets and financial liabilities are initially recognized at fair value and are subsequently accounted for based on their classification, as described below. Transaction costs in respect of an asset or liability not recorded at fair value through net earnings are added to the initial carrying amount. Gains and losses for financial instruments recognized through net earnings are primarily recognized in other income (expense) in the consolidated statements of earnings. The classification of financial assets and financial liabilities depends on the purpose for which the financial instruments were acquired and their characteristics. Except in very limited circumstances, the classification is not changed subsequent to initial recognition. Financial assets purchased and sold, where the contract requires the asset to be delivered within an established time frame, are recognized on a trade-date basis.

a) Fair value through net earnings

Financial assets and financial liabilities that are purchased and incurred with the intention of generating earnings in the near term are classified as fair value through net earnings. Other instruments may be designated as fair value through net earnings on initial recognition. The short- and long-term investments managed by third-party investment managers, as described in note 10(d), have been recognized at fair value through net earnings. The long-term debt of the CLOs is designated at fair value through net earnings upon initial recognition to eliminate a measurement inconsistency, as the asset portfolio of the CLOs is recorded at fair value through net earnings.

b) Available-for-sale

Financial assets classified as available-for-sale are carried at fair value, with the changes in fair value recorded in other comprehensive earnings. Securities that are classified as available-for-sale and which do not have a quoted price in an active market are recorded at fair value, unless fair value is not reliably determinable, in which case they are recorded at cost. Available-for-sale securities are written down to fair value through earnings whenever it is necessary to reflect an impairment. Gains and losses realized on disposal of available-for-sale securities, which are calculated on an average cost basis, are recognized in earnings. Impairments are determined based on all relevant facts and circumstances for each investment and recognized when appropriate. Foreign exchange gains and losses on available-for-sale assets are recognized immediately in earnings.

c) Held-to-maturity investments

Securities that have fixed or determinable payments and a fixed maturity date, which the Company intends and has the ability to hold to maturity, are classified as held-to-maturity and accounted for at amortized cost using the effective interest rate method. Investments classified as held-to-maturity are written down to fair value through earnings whenever it is necessary to reflect an impairment. Impairments are determined based on all relevant facts and circumstances for each investment and recognized when appropriate.

d) Loans and receivables

Financial assets that are non-derivative with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. These instruments are accounted for at amortized cost using the effective interest rate method.

e) Financial liabilities measured at amortized cost

Financial liabilities not classified as fair value through net earnings or loans and receivables are accounted for at amortized cost using the effective interest rate method. Long-term debt has been designated as a financial liability measured at amortized cost with the exception of long-term debt in the CLOs, which has been designated to be recorded at fair value through net earnings.

Derivatives and hedge accounting

At the inception of a hedging relationship, the Company documents the relationship between the hedging instrument and the hedged item, its risk management objectives and its strategy for undertaking the hedge. The Company also requires a documented assessment, both at hedge inception and on an ongoing basis, of whether or not the derivatives that are used in the hedging transactions are highly effective in offsetting the changes attributable to the hedged risks in the fair values or cash flows of the hedged items.

Derivatives that are not designated as effective hedging relationships continue to be accounted for at fair value, with changes in fair value being included in other income (expense) in the consolidated statements of earnings.

When derivatives are designated as effective hedging relationships, the Company classifies them either as: (a) hedges of the change in fair value of recognized assets or liabilities or firm commitments (fair value hedges); (b) hedges of the variability in highly probable future cash flows attributable to a recognized asset or liability or a forecasted transaction (cash flow hedges); or (c) hedges of net investments in a foreign self-sustaining operation (net investment hedges).

a) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedging instruments are recorded in the consolidated statements of earnings, along with changes in the fair value of the assets, liabilities or group thereof that are attributable to the hedged risk.

b) Cash flow hedges

The Company is exposed to variability in future interest cash flows on non-trading assets and liabilities that bear interest at variable rates or are expected to be reinvested in the future.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive earnings. Any gain or loss in fair value relating to the ineffective portion is recognized immediately in the consolidated statements of earnings in other income (expense).

Amounts accumulated in other comprehensive earnings are reclassified in the consolidated statements of earnings in the period in which the hedged item affects earnings. However, when the forecasted transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in other comprehensive earnings are transferred from other comprehensive earnings and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive earnings at that time remains in other comprehensive earnings until the forecasted transaction is recognized in the consolidated statements of earnings. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive earnings is immediately transferred to the consolidated statements of earnings.

c) Net investment hedges

Hedges of net investments in foreign operations are accounted for in a manner similar to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive earnings. The gain or loss relating to the ineffective portion is recognized immediately in the consolidated statements of earnings in other income (expense). Gains and losses accumulated in other comprehensive earnings are included in the consolidated statements of earnings upon the reduction or disposal of the investment in the foreign operation.

Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. Where an impairment exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in earnings, is removed from equity and recognized in earnings.

Derecognition of financial instruments

A financial asset is derecognized if substantially all risks and rewards of ownership and, in certain circumstances, control of the financial asset are transferred. A financial liability is derecognized when it is extinguished, with any gain or loss on extinguishment to be recognized in other income (expense) in the consolidated statements of earnings.

Assets held for sale and discontinued operations

An asset is classified as held for sale if its carrying amount will be recovered by the asset's sale rather than by its continuing use in the business, the asset is available for immediate sale in its present condition and management is committed to, and has initiated, a plan to sell the asset which, when initiated, is expected to result in a completed sale within 12 months. An extension of the period required to complete the sale does not preclude the asset from being classified as held for sale, provided the delay is for reasons beyond the Company's control and management remains committed to its plan to sell the asset. Assets that are classified as held for sale are measured at the lower of their carrying amount or fair value less costs to sell and are no longer depreciated. The determination of fair value less costs to sell involves judgement by management to determine the probability and timing of disposition and the amount of recoveries and costs.

A discontinued operation is a component of the Company that has either been disposed of, or satisfies the criteria to be classified as held for sale, and represents a separate major line of business or geographic area of operations, is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations, or is an operating company acquired exclusively with a view to its disposal.

Earnings per share

Basic earnings per share is based on the weighted average number of SVS outstanding during the year. Diluted earnings per share is calculated using the treasury stock method.

Dividend distributions

Dividend distributions to the shareholders of Onex Corporation are recognized as a liability in the consolidated balance sheets in the period in which the dividends are declared and authorized by the Board of Directors.

Use of judgements and estimates

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities and equity, the related disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ materially from those estimates and assumptions. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Areas that involve critical judgements, assumptions and estimates and that have a significant influence on the amounts recognized in the consolidated financial statements are further described as follows:

Business combinations

In a business combination, substantially all identifiable assets, liabilities and contingent liabilities acquired are recorded at the date of acquisition at their respective fair values. One of the most significant areas of judgement and estimation relates to the determination of the fair value of these assets and liabilities, including the fair value of contingent consideration, if applicable. Land, buildings and equipment are usually independently appraised while short- and long-term investments are valued at market prices. If any intangible assets are identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent external valuation expert may determine the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. These valuations are linked closely to the assumptions made by management regarding the future performance of the assets concerned and any changes in the discount rate applied.

In certain circumstances where estimates have been made, the companies may obtain third-party valuations of certain assets, which could result in further refinement of the fair-value allocation of certain purchase prices and accounting adjustments.

Consolidation of structured entities

Onex indirectly controls and consolidates the operations of the CLOs of Onex Credit. The CLOs are structured entities for which voting and similar rights are not the dominant factor in determining control. Onex has used judgement when assessing the many factors to determine control, including its exposure through investments in the most subordinate capital of the CLOs, its role in the formation of the CLOs, the rights of other investors in the CLOs and control of the asset manager of the CLOs. Onex has determined that it is a principal of the CLOs with the power to affect the returns of its investment and, as a result, indirectly controls the CLOs.

During 2016 and 2015, Onex invested capital in and received distributions and proceeds from the CLOs and warehouse facilities, as described in note 10(a). Onex intends to provide additional financial collateral for CLO warehouse facilities. The collateral to be provided for the warehouse facilities is expected to be substantially reinvested in the most subordinated notes and equity of the CLOs upon closing.

Fair value of investments and debt of CLOs not quoted in an active market

The fair value of investments and debt of CLOs not quoted in an active market may be determined by Onex Credit using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding. The Company has exercised judgement and estimates on the quantity and quality of the pricing sources used. Where no market data is available, Onex Credit may value positions using models, which include the use of third-party pricing information and are usually based on valuation methods and techniques generally recognized as standard within the industry.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations may require the Company to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Limited Partners' Interests, carried interest and investments in joint ventures and associates

The measurement of the Limited Partners' Interests, carried interest and investments in joint ventures and associates at fair value through earnings is significantly impacted by the fair values of the Company's investments held by the Onex Partners and ONCAP Funds. The fair values of these investments are assessed at each reporting date, with changes reflected in the measurement of the Limited Partners' Interests, carried interest and investments in joint ventures and associates at fair value through earnings.

The valuation of the non-public investments held by the Onex Partners and ONCAP Funds requires significant judgement by the Company due to the absence of quoted market values, inherent lack of liquidity and the use of long-term projections. Valuation methodologies include observations of the trading multiples of public companies considered comparable to the private companies being valued and discounted cash flows. The valuations take into consideration company-specific items, the lack of liquidity inherent in a non-public investment and the fact that comparable public companies are not identical to the companies being valued. Considerations are necessary because, in the absence of a committed buyer and completion of due diligence similar to that performed in an actual negotiated sale process, there may be company-specific items that are not fully known that may affect value. In addition, a variety of additional factors is reviewed by management, including, but not limited to, financing and sales transactions with third parties, current operating performance and future expectations of the particular investment, changes in market outlook and the third-party financing environment. In determining changes to the valuations, emphasis is placed on current company performance and market conditions. For publicly traded investments, the valuation is based on closing market prices less adjustments, if any, for regulatory and/or contractual sale restrictions.

The Limited Partners' Interests and carried interest are measured with significant unobservable inputs (Level 3 of the fair value hierarchy). Further information is provided in note 16. Investments in joint ventures and associates designated at fair value are measured with significant unobservable inputs (Level 3 of the fair value hierarchy). Further information is provided in notes 10 and 29.

Goodwill impairment tests and recoverability of assets

The Company tests at least annually whether goodwill has suffered any impairment, in accordance with its accounting policies. The determination of the recoverable amount of a CGU (or group of CGUs) to which goodwill is allocated involves the use of estimates by management. The Company generally uses discounted cash flow-based methods to determine these values. These discounted cash flow calculations typically use five-year projections that are based on the operative plans approved by management. Cash flow projections take into account past experience and represent management's best estimate of future developments. Cash flows after the planning period are extrapolated using estimated growth rates. Key assumptions on which management has based its determination of fair value less costs to sell and value-in-use include estimated growth rates, weighted average cost of capital and tax rates. These estimates, including the methodology used, can have a material impact on the respective values and ultimately the amount of any goodwill impairment. In the year of acquisition, the fair value in excess of the carrying value at an operating company will typically be minimal as a result of the recent business combination accounting. Note 26 provides details on the significant estimates used in the calculation of the recoverable amounts for impairment testing. Likewise, whenever property, plant and equipment and other intangible assets are tested for impairment, the determination of the assets' recoverable amount involves the use of estimates by management and can have a material impact on the respective values and ultimately the amount of any impairment.

Revenue recognition

- Revenues for ResCare in the health and human services segment are substantially derived from U.S. federal, state and local government agency programs, including Medicaid and Medicare. Laws and regulations under these programs are complex and subject to interpretation. Management may be required to exercise judgement for the recognition of revenue under these programs. Management of ResCare believes that they are in compliance with all applicable laws and regulations. Compliance with such laws and regulations is subject to ongoing and future government review and interpretation, including the possibility of processing claims at lower amounts upon audit, as well as significant regulatory action including revenue adjustments, fines, penalties and exclusion from programs. Government agencies may condition their contracts upon a sufficient budgetary appropriation. If a government agency does not receive an appropriation sufficient to cover its contractual obligations, it may terminate the contract or defer or reduce reimbursements to be received by the company. In addition, previously appropriated funds could also be reduced or eliminated through subsequent legislation.
- Revenues for Schumacher in the other segment are recognized net of an allowance for uncompensated care related to uninsured patients in the period during which the services are provided. The allowance for uncompensated care is estimated on the basis of historical experience of collections associated with self-pay patients treated during the period.

Income taxes

The Company, including the operating companies, operates and earns income in numerous countries and is subject to changing tax laws or application of tax laws in multiple jurisdictions within these countries. Significant judgement is necessary in determining worldwide income tax liabilities. Although management believes that it has made reasonable estimates about the final outcome of tax uncertainties, no assurance can be given that the final outcome of these tax matters will be consistent with what is reflected in the historical income tax provisions. Such differences could have an effect on income tax liabilities and deferred tax liabilities in the period in which such determinations are made. At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the exercise of judgement on the part of management with respect to, among other things, benefits that could be realized from available tax strategies and future taxable income, as well as other positive and negative factors. The recorded amount of total deferred tax assets could be reduced if estimates of projected future taxable income and benefits from available tax strategies are lowered, or if changes in current tax regulations are enacted that impose restrictions on the timing or extent of the Company's ability to utilize future tax benefits.

The Company, including the operating companies, uses significant judgement when determining whether to recognize deferred tax liabilities with respect to taxable temporary differences associated with investments in subsidiaries, joint ventures and associates; in particular, whether the Company is able to control the timing of the reversal of the temporary differences and whether it is probable that the temporary differences will not reverse in the foreseeable future. Judgement includes consideration of the Company's future cash requirements in its numerous tax jurisdictions.

Legal provisions and contingencies

The Company and its operating companies in the normal course of operations become involved in various legal proceedings, as described in note 31(b). While the Company cannot predict the final outcome of such legal proceedings, the outcome of these matters may have a material effect on the Company's consolidated financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses, including the estimate of legal expenses to resolve the matters. Internal and external counsel are used for these assessments. In making the decision regarding the need for provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim or the disclosure of any such suit or assertion does not automatically indicate that a provision may be appropriate.

Employee benefits

Onex, the parent company, does not provide pension, other retirement or post-retirement benefits to its employees or to those of any of the operating companies. The operating companies that offer pension and non-pension post-retirement benefits account for these benefits in accordance with actuarial valuations. These valuations rely on statistical and other factors in order to anticipate future events. These factors include key actuarial assumptions, including the discount rate, expected salary increases and mortality rates. These actuarial assumptions may differ materially from actual developments due to changing market and economic conditions and therefore may result in a significant change in post-retirement employee benefit obligations and the related future expense. Note 32 provides details on the estimates used in accounting for pensions and post-retirement benefits.

Stock-based compensation

The Company's stock-based compensation accounting for its MIP options is completed using an internally developed valuation model. The critical assumptions and estimates used in the valuation model include the fair value of the underlying investments, the time to expected exit from each investment, a risk-free rate and an industry comparable historical volatility for each investment. The fair value of the underlying investments includes critical assumptions and estimates, as described for Limited Partners' Interests, carried interest and investments in joint ventures and associates.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Standards, amendments and interpretations not yet adopted or effective

IFRS 15 – Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers*, which provides a comprehensive five-step revenue recognition model for all contracts with customers. IFRS 15 requires management to exercise significant judgement and make estimates that affect revenue recognition. IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with earlier application permitted. The Company is currently evaluating the impact of adopting this standard on its consolidated financial statements.

IFRS 9 – Financial Instruments

In July 2014, the IASB issued a final version of IFRS 9, *Financial Instruments*, which replaces IAS 39, *Financial Instruments: Recognition and Measurement*, and supersedes all previous versions of the standard. The standard introduces a new model for the classification and measurement of financial assets and liabilities, a single expected credit loss model for the measurement of the impairment of financial assets and a new model for hedge accounting that is aligned with a company's risk management activities. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with earlier application permitted. The Company is currently evaluating the impact of adopting this standard on its consolidated financial statements.

IFRS 16 – Leases

In January 2016, the IASB issued IFRS 16, *Leases*, which replaces IAS 17, *Leases*. The standard provides an updated definition of a lease contract, including guidance on the combination and separation of contracts. The standard requires lessees to recognize a right-of-use asset and a lease liability for substantially all lease contracts. The accounting for lessors is substantially unchanged from IAS 17. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier application permitted if IFRS 15 is also applied. The Company is currently evaluating the impact of adopting this standard on its consolidated financial statements.

2. 2016 SIGNIFICANT TRANSACTIONS

a) Repayment of promissory notes by Jack's

In connection with the acquisition of Jack's in July 2015, as discussed in note 3(f), the Company's initial investment included a $195 promissory note held by Onex Partners IV. During 2015, Jack's made repayments of the promissory note, as discussed in note 3(f).

During the first half of 2016, Jack's made repayments of the promissory note totalling $40, including accrued interest, with net proceeds from sale-leaseback transactions completed for certain of its fee-owned restaurant properties. Onex' share of the repayments was $12.

In June 2016, the balance of $14 outstanding under the promissory note, of which Onex' share was $4, was converted into additional equity of Jack's in accordance with the promissory note agreement. Subsequent to the transaction, Onex Partners IV has a 96% economic interest in Jack's, of which Onex' share is 28%.

b) CLO-11

In January 2016, Onex established a warehouse facility in connection with its eleventh CLO denominated in U.S. dollars. Onex invested $60 in subordinated notes to support the warehouse facility's total return swap.

In May 2016, Onex closed CLO-11, which was funded through the issuance of collateralized loan instruments in a series of tranches of secured notes, secured loans and preference shares in a private placement transaction for an aggregate principal amount of $502. The secured notes and loans were offered in an aggregate principal amount of $457.

Upon the closing of CLO-11, Onex received $60 plus interest for the investment that supported the warehouse facility and invested $41 for 100% of the most subordinated capital of CLO-11. The asset portfolio held by CLO-11 consists of cash and cash equivalents and corporate loans, and has been designated to be recorded at fair value. The reinvestment period of CLO-11, during which reinvestment can be made in collateral, ends in April 2018, or earlier, subject to certain provisions. The CLO-11 portfolio is pledged as collateral for the secured notes and loans. Onex consolidates the operations and results of CLO-11.

c) Investment in Incline Aviation Fund by Onex, the parent company

In February 2016, Onex, the parent company, committed to investing $75 in Incline Aviation Fund, an aircraft investment fund managed by BBAM and focused on investments in leased commercial jet aircraft.

During 2016, Onex, the parent company, invested $13 in Incline Aviation Fund, net of distributions and bridge financing which have been returned to Onex. The Company has joint control of Incline Aviation Fund. The investment in Incline Aviation Fund has been recorded as a long-term investment at fair value through earnings, as described in note 10.

In February 2017, the amount committed by Onex to investing in Incline Aviation Fund was reduced to $50, as described in note 31(a).

d) Sale of KraussMaffei

In April 2016, the Company sold its entire investment in KraussMaffei for a cash enterprise value of €925 ($1,000). Net proceeds from the sale were €717 ($821), which included proceeds to the management of KraussMaffei. Onex Partners III received net proceeds of €669 ($753). Onex' portion of the net proceeds was $195, including carried interest and after the reduction for amounts on account of the MIP. Net proceeds to Onex Partners III and Onex included net realized losses from foreign exchange hedges of $13 and $3, respectively. The net proceeds include €9 ($10) held in escrow, of which Onex' share is €2 ($2), and a working capital adjustment of €5 ($6), of which Onex' share is €2 ($2). The escrow and working capital adjustment are expected to be received during 2017. The sale resulted in a gain of $500 based on the excess of the proceeds over the carrying value of the investment. Onex' share of the gain was $467, which was entirely attributable to the equity holders of Onex Corporation, as the interests of the Limited Partners were recorded as a financial liability at fair value.

Amounts received on account of the carried interest related to this transaction totalled $30. Consistent with the terms of Onex Partners, Onex was allocated 40% of the carried interest, with 60% allocated to management. Onex' share of the carried interest received was $12 and was included in the net proceeds to Onex. The carried interest that would have otherwise been distributed to Onex was reduced by $7 as a result of the realized loss from the sale of Tropicana Las Vegas, Inc. ("Tropicana Las Vegas") in August 2015. Management's share of the carried interest was $18 and has been similarly reduced as a result of the realized loss from the sale of Tropicana Las Vegas. Amounts paid on account of the MIP totalled $7 for this transaction and have been deducted from the net proceeds to Onex.

The operations of KraussMaffei have been presented as discontinued in the consolidated statements of earnings and cash flows for the years ended December 31, 2016 and 2015, as presented in note 8.

e) Sale of Univers by USI

In May 2016, USI completed the sale of Custom Benefit Programs, Inc., also known as Univers Workplace Benefits ("Univers"), a provider of employee communication and benefits enrolment services for employers. USI received net cash proceeds of $166 from the sale and recognized a pre-tax gain of $44, which has been recorded in other gains. Univers did not represent a major line of business for USI.

In December 2016, USI applied $50 of the net cash proceeds from the sale of Univers toward the prepayment of its term loans.

f) Acquisition of ECI by Schumacher

In June 2016, Schumacher acquired ECI Healthcare Partners ("ECI"), a provider of emergency and hospital medicine physician management services in the United States, for $140. In connection with this transaction, Schumacher amended its senior secured credit facilities to increase its first lien term loan by $130, as discussed in note 14(l). The balance of the purchase price was funded through a rollover of equity from management of ECI of $21. The adjusted purchase price recognized at the date of closing was $136, as well as additional non-cash consideration of $6. Subsequent to the transaction, Onex Partners IV has a 68% economic interest in Schumacher, of which Onex' portion is 20%.

g) CLO-12

In July 2016, Onex established a warehouse facility in connection with its twelfth CLO denominated in U.S. dollars. Onex invested $60 in preferred shares to support the warehouse facility and a financial institution provided borrowing capacity of up to $240.

In October 2016, Onex closed CLO-12, which was funded through the issuance of collateralized loan instruments in a series of tranches of secured notes and preference shares in a private placement transaction for an aggregate principal amount of $558. The secured notes were offered at an aggregate principal amount of $501.

Upon the closing of CLO-12, Onex received $60 plus interest for the investment that supported the warehouse facility and invested $56 for 100% of the most subordinated capital of CLO-12. The asset portfolio held by CLO-12 consists of cash and cash equivalents and corporate loans, and has been designated to be recorded at fair value. The reinvestment period of CLO-12, during which reinvestment can be made in collateral, ends in October 2020, or earlier, subject to certain provisions. The CLO-12 portfolio is pledged as collateral for the secured notes. Onex consolidates the operations and results of CLO-12.

h) AIT unit repurchase and distributions

In July 2016, AIT entered into a new credit facility consisting of a $225 term loan. The net proceeds from the credit facility were used in August 2016 to repurchase units from investors other than Onex Partners IV and to fund a distribution of $174. As a result of the unit repurchase, Onex Partners IV's economic interest in AIT increased to 50%, of which Onex' share was an 11% economic interest. Onex Partners IV's share of the distribution was $107, of which Onex' share was $24.

In addition, during 2016, AIT distributed an additional $18 to Onex Partners IV, of which Onex' share was $3. The additional distributions were funded by the company's free cash flow.

i) Sale of Cicis

In August 2016, ONCAP II sold its investment in CiCi's Holdings, Inc. ("Cicis") for net proceeds of $66, of which Onex' share was $29. Included in the net proceeds is $13 held in escrow, of which Onex' share is $6. ONCAP management received $1 in carried interest on the sale of Cicis. The impact to Onex and Onex management was a net payment of less than $1 in carried interest to ONCAP management.

The Company recorded a pre-tax gain of $28 based on the excess of the proceeds over the carrying value of the investment. Onex' share of the pre-tax gain was $12. The gain on the sale is entirely attributable to the equity holders of Onex Corporation, as the interests of the limited partners were recorded as a financial liability at fair value.

Cicis did not represent a separate major line of business, and as a result, the operating results up to the date of disposition have not been presented as a discontinued operation. The cash proceeds recorded in the consolidated statements of cash flows for the sale of Cicis were reduced for Cicis' cash and cash equivalents of $13 at the date of sale.

j) Acquisition of Tecta

In August 2016, ONCAP III completed the acquisition of Tecta America Corporation ("Tecta"). Based in the United States, Tecta is a leading national commercial roofing company offering installation, replacement and repair services. The equity investment in Tecta was $124, for a 97% economic interest, and was initially comprised of an investment of $99 by ONCAP III and an additional investment of $25 by Onex. Onex' combined investment was $54, for a 42% economic interest. The remainder of the purchase price was financed with debt financing, without recourse to Onex Corporation, and through a rollover of equity by management of Tecta.

In December 2016, following the consent previously received from the Advisory Committee of ONCAP III, the General Partner of ONCAP III syndicated $37 of the investment in Tecta, representing 29% of the economic interest, to ONCAP IV at the same cost as the original investment. The additional investment of $25 made by Onex represented Onex' pro-rata share of the portion of the investment that was transferred to ONCAP IV. Subsequent to the syndication, ONCAP III and IV each held a $62 investment in Tecta. Onex' investment in Tecta consisted of $18 through ONCAP III and $25 through ONCAP IV for a combined 33% economic interest. Tecta is included within the other segment.

k) Acquisition of WireCo

In September 2016, Onex Partners IV acquired control and an initial 72% economic interest through a recapitalization of WireCo, a leading global manufacturer of mission-critical steel wire rope, synthetic rope, specialty wire and engineered products, for $916. Onex Partners IV invested $270 in WireCo, of which Onex' share was $76. The remainder of the recapitalization was financed with first and second lien debt financing, as described in note 14(q). WireCo is included within the other segment.

l) Acquisition of Clarivate Analytics

In October 2016, Onex, in partnership with Baring Private Equity Asia, completed the acquisition of the Intellectual Property and Science business from Thomson Reuters for $3,550. The business, which now operates as Clarivate Analytics, owns and operates a collection of leading subscription-based businesses focused on scientific and academic research, patent analytics and regulatory standards, pharmaceutical and biotech intelligence, trademark protection, domain brand protection and intellectual property management. The equity investment was $1,635 for a 100% economic interest in Clarivate Analytics. The Company's equity investment of $1,177 was comprised of $700 from Onex Partners IV and $477 as a co-investment from Onex and certain limited partners, for a 72% economic interest. Onex' share of the equity investment was $419, and was comprised of $197 through Onex Partners IV and $222 as a co-investment, for a 26% economic interest. The remainder of the purchase price was financed with debt financing, without recourse to Onex Corporation. Clarivate Analytics is included within the business and information services segment.

m) Distributions from JELD-WEN

In November 2016, JELD-WEN amended its existing credit facility to borrow an incremental $375, as described in note 14(h). The proceeds from the incremental borrowing, along with a draw on the company's revolving credit facility, were used to fund a distribution of $400 to shareholders. Onex Partners III's and certain limited partner co-investors' share, including Onex, of the distribution was $327. Onex' portion of the distribution was $81, of which $46 related to Onex' investment through Onex Partners III and $35 related to Onex' co-investment. The remaining balance was primarily distributed to third-party shareholders and management of JELD-WEN.

In addition, in August 2016 JELD-WEN distributed a purchase price adjustment of $24 related to the initial investment in JELD-WEN in October 2011 to Onex Partners III and certain limited partner co-investors, including Onex. Onex' share of the purchase price adjustment was $6.

n) ONCAP IV

In November 2016, Onex completed fundraising for ONCAP IV, reaching aggregate commitments of $1,107, including Onex' commitment of $480, as described in note 31(k).

o) Acquisition of Wilhelmsen Safety by Survitec

In November 2016, Survitec completed the acquisition of the safety-related business activities of Wilhelmsen Maritime Services ("Wilhelmsen Safety") for £164 ($205). The adjusted purchase price recognized at the date of closing was £161 ($200). In connection with the transaction, Onex Partners IV invested $35 in Survitec, of which Onex' share was $8. The remainder of the purchase price and transaction costs was funded through a rollover of equity by Wilhelmsen Maritime Services of $80 and with proceeds from Survitec's existing senior secured credit facilities. Subsequent to the transaction, Onex Partners IV had a 79% economic interest in Survitec, of which Onex' share was an 18% economic interest.

p) Acquisition of Save-A-Lot

In December 2016, the Company completed the acquisition of the Save-A-Lot business ("Save-A-Lot") from SUPERVALU INC. for $1,365. Save-A-Lot is one of the largest hard-discount grocery retailers for value-seeking shoppers in the United States. Onex Partners IV invested $660 for a 100% economic interest in Save-A-Lot, of which Onex' share was $186 for a 28% economic interest. The balance of the purchase price was substantially financed with debt financing, without recourse to Onex Corporation. Save-A-Lot is included within the food retail and restaurants segment.

q) Pending acquisition of Parkdean Resorts

In December 2016, Onex Partners IV agreed to acquire Parkdean Resorts, a leading operator of caravan holiday parks in the United Kingdom, for £1,350. The Company expects to make an investment of $627, comprised of $427 from Onex Partners IV and $200 as a co-investment from Onex and certain limited partners, for an economic interest of approximately 91%. Onex' share of the investment is expected to be $170, comprised of $126 through Onex Partners IV and $44 as a co-investment, for an economic interest of approximately 25%. In connection with this transaction, Onex Partners IV and certain limited partner co-investors, including Onex, have entered into agreements to hedge the commitment to pay the purchase price denominated in pounds sterling against fluctuations in value relative to the U.S. dollar. The transaction is expected to close during the first quarter of 2017, subject to customary conditions and regulatory approvals.

r) Initial public offering by JELD-WEN

In January 2017, JELD-WEN completed an initial public offering of 28.75 million shares of its common stock (NYSE: JELD), including the exercise of the over-allotment option. The offering was priced at $23.00 per share for gross proceeds of $661. As part of the offering, JELD-WEN issued approximately 22.3 million treasury shares. The net proceeds from treasury shares were used to repay $375 of JELD-WEN's combined term loan with the balance for working capital and other general corporate purposes. Onex Partners III and certain limited partner co-investors, including Onex, sold approximately 6.5 million shares in the transaction for net proceeds of $140. Onex' portion of the net proceeds was $40, including approximately $6 of carried interest.

Amounts received on account of the carried interest related to this transaction totalled $14. Consistent with the terms of Onex Partners, Onex was allocated 40% of the carried interest, with 60% allocated to management. Onex' share of the carried interest received was $6 and was included in the net proceeds to Onex. Management's share of the carried interest was $8. No amounts were paid on account of the MIP for this transaction as the required realized investment return hurdle for Onex was not met at this time.

Onex Partners III and certain limited partner co-investors, including Onex, continue to hold approximately 62.8 million shares of JELD-WEN's common stock for a 60% economic interest, of which Onex' share is approximately 15.5 million shares for a 15% economic interest. Since this transaction did not result in a loss of control of JELD-WEN, the transaction will be recorded as a transfer of equity to non-controlling interests holders in the consolidated financial statements, with the cash proceeds received in excess of the historical accounting carrying value being recorded directly to retained earnings.

s) Warehouse facility of CLO-13

In February 2017, Onex established a warehouse facility in connection with its thirteenth CLO denominated in U.S. dollars. Onex invested $10 in subordinated notes to support the warehouse facility and a financial institution provided an initial borrowing capacity of up to $40. The subordinated notes do not have a stated rate of interest, but will receive certain excess available funds after payment of principal, accrued interest and certain expenses upon closing of CLO-13. The asset portfolio consists of cash and cash equivalents and corporate loans and is pledged as collateral for borrowings under the warehouse facility. The warehouse facility matures on the earlier of the closing of CLO-13 and February 2018. Onex is expected to consolidate the warehouse facility for CLO-13.

t) Distributions from operating businesses

From January 1, 2016 through February 23, 2017, the Company received distributions of $730 from certain operating businesses, of which $719 was received during the twelve months ended December 31, 2016. Onex' portion of the distributions, including carried interest, was $210, of which $205 was received during the twelve months ended December 31, 2016. The distributions include the repayments of the promissory note by Jack's and the distributions by AIT and JELD-WEN, as previously described in note 2. The other significant distributions received by the Company are described below.

During the year ended December 31, 2016, BBAM distributed $50 to Onex Partners III, of which Onex' share was $13. The distributions were funded by the company's free cash flow.

In June 2016, Meridian Aviation distributed $39 to Onex Partners III, of which Onex' share was $12, including carried interest of $2. The distribution was funded from cash on hand at Meridian Aviation, which was primarily from gains on investments in aircraft.

During the year ended December 31, 2016, Flushing Town Center distributed $37 of proceeds primarily from the sale of commercial units, of which Onex' share was $33. The distributions by Flushing Town Center included $8 related to the amounts held in escrow from the July 2015 sale of the retail space and adjoining parking garage of Flushing Town Center, of which Onex' share was $7.

In December 2016, Hopkins Manufacturing Corporation ("Hopkins") entered into a new credit facility. The net proceeds from the credit facility were used to repay the existing credit facilities and to fund an $80 distribution to shareholders. The Company's share of the distribution was $71, of which Onex' share was $21. ONCAP management received $4 in carried interest in January 2017 from the Hopkins distribution. The impact to Onex and Onex management was a net payment of less than $1 in carried interest to ONCAP management.

In January 2017, PURE Canadian Gaming Corp. ("PURE Canadian Gaming") distributed C$15 to shareholders. ONCAP II and III's portion of the distribution to shareholders was C$15 ($11), of which Onex' portion was C$6 ($5).

3. 2015 SIGNIFICANT TRANSACTIONS

a) Onex Credit asset management platform

In January 2015, Onex acquired control of the Onex Credit asset management platform for $32, which included non-cash consideration of $6 associated with the issuance of 111,393 of Onex' SVS. The acquisition of control of the Onex Credit asset management platform was accounted for based on an implied fair value of $119 for the business. The Company's previous interest in the Onex Credit asset management platform was equity-accounted with a carrying value of $49 and was derecognized at fair value, resulting in the recognition of a non-cash gain of $38 during the first quarter of 2015.

The Onex Credit asset management platform was previously jointly controlled with Onex Credit's chief executive officer, and Onex previously held a 70% economic interest in the business. Onex Credit's management team remains in place with its chief executive officer continuing to participate in the performance of the Onex Credit asset management platform. Onex consolidates 100% of the Onex Credit asset management platform, with a reduced allocation of the net earnings to Onex Credit's chief executive officer recognized as compensation expense.

As a result of the above transaction, the Company consolidates the Onex Credit asset management platform and certain funds managed by Onex Credit in which Onex, the parent company, holds an investment. The Company's previous interest in the Onex Credit Funds was recorded at a fair value of $475 and is included in the net assets acquired for the purchase price allocation at the same amount. The interests of other investors in the Onex Credit Funds consolidated by Onex are presented as Limited Partners' Interests for the Onex Credit Funds at fair value. The addition to the Limited Partners' Interests included approximately $200 of investments held by the Onex and Onex Credit management teams.

b) Skilled Healthcare Group combination agreement

In February 2015, Skilled Healthcare Group, Inc. ("Skilled Healthcare Group") combined with Genesis HealthCare, LLC, a leading U.S. operator of long-term care facilities. The combined company now operates under the Genesis Healthcare name and continues to be publicly traded (NYSE: GEN). The Company lost its multiple voting rights, which reduced its voting ownership to 10% from 86% before the combination. Onex no longer controls Skilled Healthcare Group due to the loss of the multiple voting rights and, therefore, the operations of Skilled Healthcare Group up to the date of the transaction in February 2015 are presented as discontinued in the consolidated statements of earnings and cash flows.

Earnings from discontinued operations of $70 for the year ended December 31, 2015 included the recognition of a non-cash gain of $68 associated with measuring the Company's interest in Skilled Healthcare Group at fair value at the date of the combination. Subsequent to the February 2015 transaction date, the Company's investment in the combined company has been recorded as an other long-term investment at fair value through earnings, with changes in fair value recorded in other income (expense).

c) Acquisition of Survitec

In March 2015, the Company acquired Survitec for £450 ($670). Based in the United Kingdom, Survitec is a provider of mission-critical marine, defence and aerospace survival equipment. Onex Partners IV invested $322 for substantially all of the equity, with the remainder of the equity owned by Survitec's management. Onex' share of the equity investment was $73. The balance of the purchase price was substantially financed with debt financing, without recourse to Onex Corporation. The Company initially acquired a 99% economic interest, of which Onex' portion was 22%. Survitec is included within the other segment.

In September 2015, Survitec acquired Survival Craft Inspectorate Limited ("SCI") for up to £45 ($68). The purchase price consisted of £32 ($49) paid on closing of the transaction and an additional amount of up to £13 ($19) payable based on the future performance of SCI. Based in the United Kingdom, SCI is a supplier of certified lifeboat-related safety equipment and services. In connection with this transaction, Onex Partners IV invested £9 ($13) in Survitec, of which Onex' share was £2 ($3). The remainder of the purchase price and transaction costs were funded by Survitec through a draw on its acquisition facility and an incremental term loan.

d) Acquisition of SIG

In March 2015, the Company completed the acquisition of SIG for a value of up to €4,040 ($4,250). Based in Switzerland, SIG provides food and beverage producers with a comprehensive product portfolio of aseptic carton packaging filling systems, aseptic carton packaging sleeves, spouts and caps, as well as after-market support services. The purchase price consisted of €3,865 ($4,067) paid on closing of the transaction and an additional amount of up to €175 ($183) payable based on SIG's financial performance in 2015 and 2016. The purchase price included the recognition of €175 ($183) of the additional amount. The Company's equity investment in SIG was completed in U.S. dollars in the amount of $1,215 for substantially all of the equity. The Company's equity investment was comprised of $583 from Onex Partners IV and $632 as a co-investment from Onex and certain limited partners. Onex' total investment in SIG was $405 and was comprised of $131 through Onex Partners IV and $274 as a co-investment. The balance of the purchase price was financed with debt financing, without recourse to Onex Corporation. At the date of the acquisition, the Company had a 100% economic interest, of which Onex' portion was 33%. SIG is included in the packaging products and services segment with sgsco.

Management of SIG completed investments in SIG during the second quarter of 2015, reducing the Company's economic interest in SIG at December 31, 2015 to 99%, of which Onex' portion was 33%.

At December 31, 2015, SIG had revised its estimate of the additional amount to €125 ($136), resulting in a recovery of €50 ($55) recognized in other income (expense).

During 2016, SIG further revised its estimate of the additional amount, as described in note 25(h). The additional amount based on the company's financial performance in 2015 was paid during 2016. At December 31, 2016, the estimate of the additional amount related to SIG's financial performance in 2016 was €7 ($8). The amount represents management's best estimate of the fair value at December 31, 2016, which is subject to sensitivity associated with various factors, including foreign currency fluctuations, as well as uncertainty regarding the treatment of certain items.

e) Investment in ITG

In June 2015, the Company acquired a 45% economic interest in Ingersoll Tools Group ("ITG"). Based in Canada and Spain, ITG is a global leader in the manufacturing of consumable wear components that are embedded into agricultural soil preparation and seeding equipment implements. ITG is also a leading provider of branded manual hand tools to the agricultural, construction and gardening end markets in the United States, Iberia and Latin America. The Company's investment of $70 for joint control of ITG was made by ONCAP III. Onex' share of the investment was $21 and a 13% economic interest.

f) Acquisition of Jack's

In July 2015, the Company completed the acquisition of Jack's for $640. Based in the United States, Jack's is a regional premium quick-service restaurant operator. Onex Partners IV initially invested a total of $415 in Jack's, of which Onex' portion was $120. The remainder of the purchase price was substantially financed with debt financing, without recourse to Onex Corporation. The Company's initial investment in Jack's consisted of an equity investment of $220 and a $195 promissory note. Onex' initial investment in Jack's consisted of an equity investment of $63 and $57 of the promissory note. The Company initially acquired a 95% economic interest in Jack's, of which Onex' portion was 27%. Jack's is included within the food retail and restaurants segment.

During the fourth quarter of 2015, Jack's made repayments of the promissory note totalling $143, including accrued interest, with net proceeds from sale-leaseback transactions completed for certain of its fee-owned restaurant properties. Onex' share of the repayments was $41.

During 2016, Jack's made additional repayments of the promissory note, as described in note 2(a).

g) Acquisition of Chatters

In July 2015, ONCAP III completed the acquisition of Chatters Canada ("Chatters"). Based in Canada, Chatters is a retailer and distributor of hair and beauty care products as well as an operator and franchisor of hair and beauty salons. The Company's equity investment of C$55 ($43) was made by ONCAP III, of which Onex' portion was C$16 ($13). The Company initially acquired an 81% economic interest in Chatters, of which Onex' portion was 24%. Chatters is included within the other segment.

h) Partial realization of Flushing Town Center

In July and December 2015, Onex Real Estate Partners sold substantially all of the retail space and adjoining parking structures of Flushing Town Center. Onex Real Estate Partners continues to develop the second phase of condominiums at the project. Onex Real Estate Partners received net proceeds of $136, of which Onex' share was $119. Included in the net proceeds was $8 held in escrow, of which Onex' share was $7. Amounts held in escrow were received during 2016, as described in note 2(t). No amounts were paid on account of the MIP related to this transaction as the required performance targets had not been met at that time. Onex Real Estate Partners recorded a pre-tax gain of $60 on the transaction, of which Onex' share was $52.

The retail space and adjoining parking structures of Flushing Town Center did not represent a major line of business, and as a result, the operating results up to the date of disposition have not been presented as a discontinued operation.

i) Acquisition of Schumacher

In late July 2015, the Company acquired Schumacher for $690. Schumacher is a leading provider of emergency and hospital medicine physician practice management services in the United States. Onex Partners IV invested a total of $219 in Schumacher, of which Onex' portion was $63. The remainder of the purchase price was financed through a rollover of equity and cash contributed by other investors, and with proceeds of $385 from its senior secured facilities, without recourse to Onex Corporation. The Company initially acquired a 65% economic interest in Schumacher, of which Onex' portion was 19%. Schumacher is included within the other segment.

In August 2015, Schumacher acquired Hospital Physician Partners ("HPP"), a provider of emergency and hospital medicine physician practice management services in the United States, for $271. In connection with this transaction, Onex Partners IV made an add-on investment in Schumacher of $105 and the balance of the equity was funded by an investment from the management of HPP and Schumacher and other investors. The remainder of the purchase price was financed by Schumacher with proceeds from an increase of $150 to its senior secured credit facilities and cash from Schumacher's balance sheet. Onex' share of the add-on investment in Schumacher was $30. The add-on investment increased the Company's economic interest in Schumacher at that time to 71%, of which Onex' portion was 21%.

j) Acquisition of STS by Mavis Discount Tire

In August 2015, Mavis Tire Supply, LLC ("Mavis Discount Tire") acquired Somerset Tire Service, Inc. ("STS"), one of the largest tire retailers in the United States. In conjunction with this transaction, the Company invested additional capital in Mavis Discount Tire. The Company's investment was $48 and was comprised of $27 from ONCAP III and $21 as a co-investment from Onex and certain limited partners. Onex' total add-on investment in Mavis Discount Tire was $25 and was comprised of $8 through ONCAP III and $17 as a co-investment. In addition, in connection with this transaction, the Company's consolidated results include an additional $2 equity investment by a third-party investor. Subsequent to the add-on investment, the Company had a 46% economic interest in Mavis Discount Tire, of which Onex' portion was a 17% economic interest.

k) Sale of Tropicana Las Vegas

In August 2015, Onex Partners III sold its entire investment in Tropicana Las Vegas for an enterprise value of $360. Onex Partners III and certain limited partners received net proceeds of $230, of which Onex' share was $50. The Company recorded a pre-tax gain of $102 based on the excess of the proceeds over the carrying value of the investment. Onex' share of the gain was $22. The gain on sale was entirely attributable to the equity holders of Onex Corporation, as the interest of the limited partners was recorded as a financial liability at fair value. No amounts were paid on account of the MIP for this transaction as the required investment return hurdle for Onex was not met. In addition, no carried interest was paid or received on this transaction. As a result of the loss realized on Tropicana Las Vegas, the carried interest that would have otherwise been distributed to Onex in respect of future realizations in the Onex Partners III Fund was reduced by $7, as described in note 2(d). The amount of carried interest ultimately received from the Onex Partners III Fund will be based on the overall performance of the Fund.

Tropicana Las Vegas did not represent a major line of business, and as a result, the operating results up to the date of disposition have not been presented as a discontinued operation. The cash proceeds recorded in the consolidated statements of cash flows for the sale of Tropicana Las Vegas were reduced for Tropicana Las Vegas' cash and cash equivalents of $1 at the date of sale.

l) Sale of Sitel Worldwide

In September 2015, the Company sold its entire investment in SITEL Worldwide Corporation ("Sitel Worldwide"). The Company's cash proceeds were $35, of which Onex' share was $33. In addition, the Company had estimated it could receive an earn-out component of approximately $21, of which Onex' share would be $20. No amounts were paid on account of the MIP for this transaction as the required investment return hurdle for Onex was not met.

A gain of $365 was recorded within discontinued operations during the third quarter of 2015 based on the excess of the proceeds over the carrying value of the investment. The carrying value of the investment was negative at the time of sale as a result of the Company's portion of the accumulated losses from the operations of Sitel Worldwide that offset the Company's original investments. Onex' share of the gain was $360.

In June 2016, the Company signed an agreement to settle the earn-out component from the sale. As a result, the Company expects to receive payments totalling $36 over a period of six years. Onex' share of the earn-out component is expected to be $33. A gain of $23 was recorded within discontinued operations during the second quarter of 2016, of which Onex' share was $21. The gain reflects the present value of the future payments under the agreement. During 2016, the Company received $3 of the scheduled payments under the earn-out settlement agreement, of which Onex' share was $3.

The operations of Sitel Worldwide up to the date of disposition have been presented as discontinued in the consolidated statements of earnings and cash flows.

m) Distributions from operating businesses

During 2015, Onex and its partners received distributions from certain operating businesses of $988, including the repayment of the promissory note by Jack's, as described in note 3(f). Onex' portion of the distributions was $257. The significant distributions are described below.

In March 2015, ResCare increased its term loan, as described in note 14(j), to fund a distribution of $105 to shareholders. Onex Partners I and Onex Partners III's portion of the distribution was $47 and $50, respectively, of which Onex' share was $20. The remaining balance was primarily distributed to the management of ResCare.

In July 2015, JELD-WEN increased its borrowings, as described in note 14(h), partially to fund a distribution of $432 to shareholders. Onex Partners III's share of the distribution was $359. Onex' share of the distribution was $89, of which $51 related to Onex' investment through Onex Partners III and $38 related to Onex' co-investment. The remaining balance was primarily distributed to third-party shareholders and the management of JELD-WEN.

In August 2015, USI amended its existing senior secured credit facility, as described in note 14(p), to fund a distribution of $230 to shareholders. Onex Partners III's share of the distribution was $181. Onex' share of the distribution was $51, of which $38 related to Onex' investment through Onex Partners III and $13 related to Onex' co-investment. The balance of the proceeds was primarily distributed to employees of USI.

In August 2015, PURE Canadian Gaming distributed C$25 to shareholders, which was primarily funded by the company's free cash flow generated during the year. ONCAP II and III's share of the distribution to shareholders was C$23 ($18), of which Onex' share was C$10 ($8).

In October 2015, Meridian Aviation completed a distribution of $85 to Onex Partners III, of which Onex' share was $21.

During 2015, AIT completed distributions of $30, including a purchase price adjustment, to Onex Partners IV, of which Onex' share was $7. The distributions were funded by the company's free cash flow generated during the year.

During 2015, BBAM completed distributions of $52 to Onex Partners III, of which Onex' share was $13. The distributions were funded by the company's free cash flow generated during the year.

4. ACQUISITIONS

During 2016 and 2015 several acquisitions, which were accounted for as business combinations, were completed either directly by Onex or through subsidiaries of Onex. Any third-party borrowings in respect of these acquisitions are without recourse to Onex.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition, irrespective of the extent of any non-controlling interests. The fair value is determined using a combination of valuation techniques, including discounted cash flows and projected earnings multiples. The key inputs to the valuation techniques include assumptions related to future customer demand, material and employee-related costs, changes in mix of products and services produced or delivered, and restructuring programs. Any non-controlling interests in the acquired company are measured either at fair value or at the non-controlling interests' proportionate share of the identifiable assets and liabilities of the acquired business. The excess of the aggregate of the consideration transferred, the amount of any non-controlling interests in the acquired company and, in a business combination achieved in stages, the fair value at the acquisition date of the Company's previously held interest in the acquired company compared to the fair value of the identifiable net assets acquired are recorded as goodwill. Acquisition-related costs are expensed as incurred and related restructuring charges are expensed in the periods after the acquisition date. Costs incurred to issue debt are deferred and recognized, as described in note 1. Subsequent changes in the fair value of contingent consideration recorded as a liability at the acquisition date are recognized in consolidated earnings or loss.

In certain circumstances where preliminary estimates have been made, the companies may obtain third-party valuations of certain assets, which could result in further refinement of the fair value allocation of certain purchase prices and accounting adjustments. The results of operations for all acquired businesses are included in the consolidated statements of earnings, comprehensive earnings and equity of the Company from their respective dates of acquisition.

2016 ACQUISITIONS

Details of the purchase price and allocation to the assets and liabilities acquired, net of debt financing, are as follows:

	Schumacher[a]	WireCo[b]	Clarivate Analytics[c]	Survitec[d]	Save-A-Lot[e]	JELD-WEN[f]	USI[g]	ONCAP[h]	Other[i]	Total
Cash and cash equivalents	$ 3	$ 27	$ 46	$ 16	$ 30	$ 1	$ –	$ 18	$ –	$ 141
Other current assets	63	324	299	59	426	27	13	138	26	1,375
Intangible assets with limited life	47	186	2,204	112	312	48	64	65	20	3,058
Intangible assets with indefinite life	–	112	170	–	261	–	–	3	8	554
Goodwill	68	160	1,273	70	23	16	57	188	66	1,921
Property, plant and equipment and other non-current assets	30	367	73	21	647	16	1	21	7	1,183
	211	1,176	4,065	278	1,699	108	135	433	127	8,232
Current liabilities	(28)	(110)	(348)	(49)	(306)	(19)	(14)	(100)	(10)	(984)
Non-current liabilities	(41)	(680)	(2,082)	(29)	(733)	(2)	–	(171)	(16)	(3,754)
	142	386	1,635	200	660	87	121	162	101	3,494
Non-controlling interests in net assets	–	(116)	(458)	–	–	–	–	(4)	–	(578)
Interests in net assets acquired	$ 142	$ 270	$ 1,177	$ 200	$ 660	$ 87	$ 121	$ 158	$ 101	$ 2,916

a) In June 2016, Schumacher acquired ECI, as described in note 2(f).

b) In September 2016, the Company acquired WireCo, as described in note 2(k).

c) In October 2016, the Company acquired Clarivate Analytics, as described in note 2(l). Cash consideration paid for Clarivate Analytics includes the $458 contribution from Baring Private Equity Asia.

d) In November 2016, Survitec acquired Wilhelmsen Safety, as described in note 2(o).

e) In December 2016, the Company acquired Save-A-Lot, as described in note 2(p).

f) JELD-WEN completed two acquisitions for total consideration of $87.

g) USI completed nine acquisitions for total consideration of $121, of which $20 was non-cash consideration.

h) ONCAP includes the acquisition of Tecta, as described in note 2(j). In addition, ONCAP includes acquisitions made by Bradshaw International, Inc. ("Bradshaw"), Chatters, Cicis, EnGlobe Corp. and Tecta for total consideration of $34, of which $1 was non-cash consideration.

i) Other includes acquisitions made by Carestream Health, Celestica, Emerald Expositions, ResCare and sgsco for total consideration of $101, of which $16 was non-cash consideration.

Included in the acquisitions above were gross receivables of $595 due from customers, of which contractual cash flows of $16 are not expected to be recovered. The fair value of these receivables at the dates of acquisition was determined to be $579.

Revenue and net losses from the date of acquisition for these acquisitions to December 31, 2016 were $1,226 and $164, respectively.

The Company estimates it would have reported consolidated revenues of approximately $28,400 and a net loss of approximately $275 for the year ended December 31, 2016 if acquisitions completed during 2016 had occurred on January 1, 2016.

Goodwill of the acquisitions was attributable primarily to the skills and competence of the acquired workforce, non-contractual established customer bases and technological knowledge of the acquired companies. Goodwill of the acquisitions that is expected to be deductible for tax purposes was $1,150.

2015 ACQUISITIONS

Details of the purchase price and allocation to the assets and liabilities acquired are as follows:

	Survitec[j]	SIG[k]	Jack's[l]	Schumacher[m]	ONCAP[n]	Onex Credit[o]	Other[p]	Total
Cash and cash equivalents	$ 42	$ 144	$ 11	$ 74	$ 4	$ 158	$ 4	$ 437
Other current assets	167	445	202	191	50	20	53	1,128
Long-term investments	–	227	–	19	–	751	–	997
Intangible assets with limited life	373	1,102	12	232	15	43	157	1,934
Intangible assets with indefinite life	–	336	175	–	35	–	12	558
Goodwill	294	1,780	202	681	33	62	174	3,226
Property, plant and equipment and other non-current assets	66	1,300	62	64	17	–	16	1,525
	942	5,334	664	1,261	154	1,034	416	9,805
Current liabilities	(112)	(640)	(214)[1]	(168)	(23)	(43)	(49)	(1,249)
Other non-current liabilities	(452)	(3,479)	(220)	(490)	(48)	(29)	(25)	(4,743)
Limited Partners' Interests	–	–	–	–	–	(368)	–	(368)
	378	1,215	230	603	83	594	342	3,445
Non-controlling interests in net assets	(1)	–	(10)	(125)	(10)	–	–	(146)
Interests in net assets acquired	$ 377	$ 1,215	$ 220	$ 478	$ 73	$ 594	$ 342	$ 3,299

(1) Included in current liabilities of Jack's was $195 of acquisition financing provided by the Company, of which Onex' share was $57.

j) In March 2015, the Company acquired Survitec, as described in note 3(c). In September 2015, Survitec acquired SCI, as described in note 3(c). In addition, Survitec completed two other acquisitions during 2015 for total consideration of $6.

k) In March 2015, the Company completed the acquisition of SIG, as described in note 3(d).

l) In July 2015, the Company completed the acquisition of Jack's, as described in note 3(f).

m) In late July 2015, the Company acquired Schumacher, as described in note 3(i). In addition, in August 2015, Schumacher acquired HPP, as described in note 3(i).

n) In July 2015, ONCAP III completed the acquisition of Chatters, as described in note 3(g). In addition, ONCAP includes acquisitions made by Cicis, Bradshaw, Davis-Standard Holdings, Inc. ("Davis-Standard") and Hopkins Manufacturing Corporation ("Hopkins") for total consideration of $30.

o) The purchase price and allocation to the assets and liabilities acquired for Onex Credit include the acquisition of control of the Onex Credit asset management platform and the resulting consolidation of certain Onex Credit Funds, as described in note 3(a).

p) Other includes acquisitions made by Emerald Expositions, JELD-WEN, ResCare, sgsco, USI and York for total consideration of $342, of which $37 was non-cash consideration.

Included in the 2015 acquisitions above were gross receivables of $443 due from customers, of which $31 of contractual cash flows were not expected to be recovered. The fair value of these receivables at the dates of acquisition was determined to be $412.

Revenue and net earnings from the date of acquisition to December 31, 2015 for these acquisitions were $2,764 and $45, respectively.

The Company estimates it would have reported consolidated revenues of approximately $20,900 and a net loss of approximately $545 for the year ended December 31, 2015 if the acquisitions completed during 2015 had occurred on January 1, 2015.

Goodwill of the 2015 acquisitions was attributable primarily to the skills and competence of the acquired workforce and non-contractual established customer bases and industry relationships of the acquired companies. Goodwill of the 2015 acquisitions that was expected to be deductible for tax purposes was $181.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised the following:

As at December 31	**2016**	2015
Cash at bank and on hand	**$ 1,537**	$ 1,458
Money market funds	**557**	457
Commercial paper	**163**	311
Bank term deposits and other	**114**	87
Total cash and cash equivalents	**$ 2,371**	$ 2,313

Beginning in the second quarter of 2015, Onex, the parent company, transferred a portion of its cash and cash equivalents to accounts managed by third-party investment managers, as described in note 30. At December 31, 2016, the fair value of investments managed by third-party investment managers was $472 (2015 – $1,188), of which $147 (2015 – $204) was included in short-term investments and $325 (2015 – $984) was included in long-term investments.

6. INVENTORIES

Inventories comprised the following:

As at December 31	**2016**	2015
Raw materials	**$ 1,031**	$ 952
Work in progress	**280**	250
Finished goods	**1,066**	588
Real estate held for sale	**354**	192
Total inventories	**$ 2,731**	$ 1,982

During the year ended December 31, 2016, $9,352 (2015 – $8,476) of inventory was expensed in cost of sales. Note 13(b) provides details on inventory provisions recorded by the Company.

7. OTHER CURRENT ASSETS

Other current assets comprised the following:

As at December 31	**2016**	2015
Restricted cash	**$ 314**	$ 196
Prepaid expenses	**250**	144
Other receivables	**179**	135
Income and value-added taxes receivable	**143**	123
Other	**304**	322
Total other current assets	**$ 1,190**	$ 920

8. DISCONTINUED OPERATIONS

The following tables show revenues, expenses and net after-tax results from discontinued operations. The sales of Cicis in August 2016 and Tropicana Las Vegas in August 2015 and the partial sales of Flushing Town Center during 2015, as described in notes 2 and 3, did not represent separate major lines of business, and as a result, have not been presented as discontinued operations.

Year ended December 31	**2016**			2015			
	KraussMaffei[a]	**Sitel Worldwide[b]**	**Total**	KraussMaffei[a]	Sitel Worldwide[b]	Skilled Healthcare Group[c]	Total
Revenues	**$ 420**	**$ –**	**$ 420**	$ 1,345	$ 1,009	$ 69	$ 2,423
Expenses	**(461)**	**–**	**(461)**	(1,321)	(1,060)	(67)	(2,448)
Earnings (loss) before income taxes	**(41)**	**–**	**(41)**	24	(51)	2	(25)
Provision for income taxes	**(4)**	**–**	**(4)**	(19)	(10)	–	(29)
Gain, net of tax	**500**	**23**	**523**	–	365	68	433
Net earnings for the year	**$ 455**	**$ 23**	**$ 478**	$ 5	$ 304	$ 70	$ 379

a) KraussMaffei

The operations of KraussMaffei have been presented as discontinued in the consolidated statements of earnings and cash flows for the years ended December 31, 2016 and 2015, as described in note 2(d).

b) Sitel Worldwide

The operations of Sitel Worldwide have been presented as discontinued in the consolidated statements of earnings and cash flows for the years ended December 31, 2016 and 2015, as described in note 3(l).

c) Skilled Healthcare Group

In February 2015, Skilled Healthcare Group combined with Genesis HealthCare, LLC, as described in note 3(b). As a result of the transaction, Onex no longer controls Skilled Healthcare Group due to the loss of the multiple voting rights and, therefore, the operations of Skilled Healthcare Group up to the date of the transaction in February 2015 are presented as discontinued in the consolidated statements of earnings and cash flows.

The following table shows the summarized assets and liabilities of discontinued operations. The balances as at December 31, 2015 represent only those of KraussMaffei, as Sitel Worldwide and Skilled Healthcare Group were sold in 2015. There were no assets or liabilities of discontinued operations at December 31, 2016, as KraussMaffei was sold in April 2016.

As at December 31, 2015	KraussMaffei
Cash and cash equivalents	$ 113
Other current assets	499
Intangible assets	327
Goodwill	202
Property, plant and equipment and other non-current assets	187
	1,328
Current liabilities	(485)
Non-current liabilities	(526)
Net assets of discontinued operations	$ 317

The following table presents the summarized aggregate cash flows from (used in) discontinued operations of KraussMaffei (up to April 2016), Sitel Worldwide (up to September 2015) and Skilled Healthcare Group (up to February 2015).

Year ended December 31	2016			2015			
	KraussMaffei	Sitel Worldwide	Total	KraussMaffei	Sitel Worldwide	Skilled Healthcare Group	Total
Operating activities	$ 38	$ –	$ 38	$ 132	$ 82	$ 5	$ 219
Financing activities	2	–	2	(64)	(59)	–	(123)
Investing activities	(155)	–	(155)	(40)	(32)	(9)	(81)
Increase (decrease) in cash and cash equivalents for the year	(115)	–	(115)	28	(9)	(4)	15
Increase (decrease) in cash due to changes in foreign exchange rates	2	–	2	(8)	–	–	(8)
Cash and cash equivalents, beginning of the year	113	–	113	93	9	4	106
Cash and cash equivalents, end of the year	–	–	–	113	–	–	113
Proceeds from sales of operating companies no longer controlled	805	3	808	–	35	–	35
	$ 805	$ 3	$ 808	$ 113	$ 35	$ –	$ 148

9. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprised the following:

	Land	Buildings	Machinery and Equipment	Construction in Progress	Total
At December 31, 2014					
Cost	$ 464	$ 1,707	$ 2,749	$ 125	$ 5,045
Accumulated amortization and impairments	(9)	(503)	(1,631)	–	(2,143)
Net book amount	$ 455	$ 1,204	$ 1,118	$ 125	$ 2,902
Year ended December 31, 2015					
Opening net book amount	$ 455	$ 1,204	$ 1,118	$ 125	$ 2,902
Additions	–	58	460	278	796
Disposals	(46)	(299)	(198)	(16)	(559)
Amortization charge	–	(91)	(392)	–	(483)
Amortization charge (discontinued operations)	–	(9)	(34)	–	(43)
Acquisition of subsidiaries	51	250	839	114	1,254
Disposition of operating companies	(199)	(45)	(31)	(5)	(280)
Transfer to discontinued operations	(27)	(41)	(82)	(9)	(159)
Impairment charge	(4)	(3)	(16)	(1)	(24)
Impairment charge (discontinued operations)	–	–	(1)	–	(1)
Transfers from construction in progress	–	26	255	(281)	–
Foreign exchange	(14)	(41)	(80)	(11)	(146)
Other	2	1	5	–	8
Closing net book amount	$ 218	$ 1,010	$ 1,843	$ 194	$ 3,265
At December 31, 2015					
Cost	$ 231	$ 1,432	$ 3,456	$ 195	$ 5,314
Accumulated amortization and impairments	(13)	(422)	(1,613)	(1)	(2,049)
Net book amount	$ 218	$ 1,010	$ 1,843	$ 194	$ 3,265
Year ended December 31, 2016					
Opening net book amount	**$ 218**	**$ 1,010**	**$ 1,843**	**$ 194**	**$ 3,265**
Additions	**5**	**58**	**207**	**342**	**612**
Disposals	**(6)**	**(17)**	**(33)**	**(1)**	**(57)**
Amortization charge	**–**	**(99)**	**(466)**	**–**	**(565)**
Acquisition of subsidiaries	**62**	**474**	**479**	**44**	**1,059**
Disposition of operating companies	**(1)**	**(5)**	**(4)**	**(1)**	**(11)**
Impairment charge	**–**	**(1)**	**(3)**	**–**	**(4)**
Transfers from construction in progress	**–**	**39**	**257**	**(296)**	**–**
Foreign exchange	**(2)**	**(6)**	**(11)**	**–**	**(19)**
Other	**–**	**–**	**(5)**	**–**	**(5)**
Closing net book amount	**$ 276**	**$ 1,453**	**$ 2,264**	**$ 282**	**$ 4,275**
At December 31, 2016					
Cost	**$ 289**	**$ 1,959**	**$ 4,233**	**$ 283**	**$ 6,764**
Accumulated amortization and impairments	**(13)**	**(506)**	**(1,969)**	**(1)**	**(2,489)**
Net book amount	**$ 276**	**$ 1,453**	**$ 2,264**	**$ 282**	**$ 4,275**

Property, plant and equipment cost and accumulated amortization and impairments have been reduced for components retired during 2016 and 2015. At December 31, 2016, property, plant and equipment includes amounts under finance leases of $177 (2015 – $101) and related accumulated amortization of $69 (2015 – $48). During 2016, borrowing costs of $4 (2015 – $5) were capitalized and are included in the cost of additions.

10. LONG-TERM INVESTMENTS

Long-term investments comprised the following:

As at December 31	2016	2015
Corporate loans held by CLOs and warehouse facilities[a]	$ 6,217	$ 4,992
Long-term investments held by Onex Credit Funds[b]	808	675
Investments in joint ventures and associates – at fair value through earnings[c]	751	733
Onex Corporation investments in managed accounts[d]	325	984
Investments in joint ventures and associates – equity-accounted[e]	318	297
Other	253	182
Total	$ 8,672	$ 7,863

a) Corporate loans held by CLOs and warehouse facilities

A CLO is a leveraged structured vehicle that holds a widely diversified collateral asset portfolio and is funded through the issuance of collateralized loan instruments in a series of tranches of secured notes and loans, subordinated notes and equity. As of December 31, 2016, Onex Credit had eleven CLOs (2015 – nine CLOs) under management, which were funded through the issuance of secured notes and loans, subordinated notes and/or equity in private placement transactions in an initial aggregate amount of $6,576 (2015 – $5,516), as described in note 14(d). Onex' remaining net investment in the CLOs at December 31, 2016 was $350 (2015 – $405) and has been made in the most subordinated capital of each respective CLO. During 2016, Onex received distributions from the CLOs of $73 (2015 – $53), excluding investment income earned during the warehouse periods of the CLOs and proceeds from redemptions.

The asset portfolio held by the CLOs consists of cash and cash equivalents and corporate loans that have been designated to be recorded at fair value. The asset portfolio of each CLO is pledged as collateral for its respective senior secured notes and loans. The CLOs have initial reinvestment periods ranging from two to four years, during which reinvestment can be made in collateral. Onex is required to consolidate the operations and results of the CLOs, as described in note 1.

At December 31, 2016 and 2015, the asset portfolio of the CLOs and warehouse facilities comprised the following:

	Closing Date	As at December 31, 2016	As at December 31, 2015
CLO-2[i]	November 2012	$ 380	$ 457
CLO-3	March 2013	471	461
CLO-4	October 2013	477	456
CLO-5	March 2014	386	373
CLO-6	June 2014	919	881
CLO-7	November 2014	475	451
CLO-8	April 2015	732	694
CLO-9	July 2015	718	694
CLO-10	October 2015	496	472
CLO-11[ii]	May 2016	490	–
CLO-12[ii]	October 2016	543	–
Warehouse facilities[iii]		130	53
Total		$ 6,217	$ 4,992

(i) In November 2016, Onex priced a refinancing of CLO-2 and extended the reinvestment period of the remaining capital in CLO-2 by two years to November 2018.

(ii) During 2016, Onex closed CLO-11 and CLO-12, as described in note 2(b) and (g), respectively.

(iii) At December 31, 2016 and 2015, the warehouse facilities consisted of EURO CLO-1, the first CLO denominated in euros, which was established in March 2015. During 2015, Onex purchased €20 ($21) of subordinated notes to support the warehouse facility. During 2016, Onex purchased an additional €10 ($11) of subordinated notes and a financial institution has provided borrowing capacity of up to €103 ($109). The subordinated notes do not have a stated rate of interest, but will receive certain excess available funds after payment of principal, accrued interest and certain expenses upon the closing of EURO CLO-1. The warehouse facility matures on the earlier of the closing of EURO CLO-1 and March 2017. Onex consolidates the warehouse facility for EURO CLO-1, and at December 31, 2016, the fair value of the asset portfolio included €123 ($130) (2015 – €50 ($53)) of corporate loans.

In February 2017, Onex purchased an additional €10 ($11) of subordinated notes to support an increase in the warehouse facility's borrowing capacity.

In addition, in June 2015, the Company redeemed its first CLO denominated in U.S. dollars. CLO-1 was established in March 2012 and its reinvestment period ended in March 2015. Upon the redemption of CLO-1, all secured notes were repaid, including accrued interest, and the equity was settled for the residual proceeds in the CLO. Onex received $16 for its remaining investment in the equity of CLO-1. In aggregate, Onex has received $53 of proceeds and distributions related to CLO-1 compared to its original investment of $38.

b) Long-term investments held by Onex Credit Funds

Investments held by Onex Credit Funds are recorded at fair value and classified as fair value through earnings. At December 31, 2016, Onex' share of the net investment in the Onex Credit Funds was $521 (2015 – $472).

c) Investments in joint ventures and associates – at fair value through earnings

Investments in joint ventures and associates designated at fair value through earnings primarily include investments in AIT, BBAM, ITG (since June 2015) and Mavis Discount Tire. The fair value measurements for these investments include significant unobservable inputs (Level 3 of the fair value hierarchy). The joint ventures and associates also typically have financing arrangements that restrict their ability to transfer cash and other assets to the Company.

Details of changes in investments designated at fair value included in long-term investments are as follows:

Balance – December 31, 2014	$ 540
Purchase of investments	120
Sale of investments	(20)
Distributions received	(82)
Increase in fair value of investments, net	175
Balance – December 31, 2015	733
Purchase of investments	**44**
Distributions received	**(206)**
Increase in fair value of investments, net	**180**
Balance – December 31, 2016	**$ 751**

AIT

During 2016, AIT completed total distributions of $199, of which Onex Partners IV's share was $125 and Onex' share was $27, as described in note 2(h).

During 2015, AIT completed total distributions of $42, including a purchase price adjustment, of which Onex Partners IV's share was $30. Onex' share of the AIT distributions was $7.

BBAM

During 2016, BBAM completed total distributions of $106 (2015 – $108), of which Onex Partners III's share was $50 (2015 – $52) and Onex' share was $13 (2015 – $13), as described in note 2(t).

Incline Aviation Fund

During 2016, Onex, the parent company, invested $13 in Incline Aviation Fund, net of distributions and bridge financing, as described in note 2(c).

ITG

In June 2015, the Company acquired a 45% economic interest in ITG, as described in note 3(e).

Mavis Discount Tire

In August 2015, Mavis Discount Tire acquired STS, as described in note 3(j).

d) Onex Corporation investments in managed accounts

Long-term investments consist of securities that include money market instruments, federal and municipal debt instruments, corporate obligations and structured products with maturities of one year to five years. Short-term investments consist of liquid investments that include money market instruments and commercial paper with original maturities of three months to one year. The investments are managed to maintain an overall weighted average duration of two years or less. At December 31, 2016, the fair value of investments managed by third-party investment managers was $472 (2015 – $1,188), of which $147 (2015 – $204) was included in short-term investments and $325 (2015 – $984) was included in long-term investments. The decrease in the fair value of the investments managed by third-party investment managers reflects net redemptions of $732 related to acquisitions completed by Onex during 2016.

e) Investments in joint ventures and associates – equity-accounted

At December 31, 2016 and 2015, investments in equity-accounted joint ventures and associates primarily included investments held by JELD-WEN, Meridian Aviation and SIG.

11. OTHER NON-CURRENT ASSETS

Other non-current assets comprised the following:

As at December 31	2016	2015
Deferred income taxes (note 18)	**$ 418**	$ 158
Defined benefit pensions (note 32)	**198**	177
Restricted cash	**168**	138
Derivatives	**103**	108
Other	**305**	214
Total	**$ 1,192**	$ 795

12. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets comprised the following:

	Goodwill	Trademarks and Licenses	Customer Relationships	Computer Software	Other Intangible Assets with Limited Life[i]	Other Intangible Assets with Indefinite Life	Total Intangible Assets
As at December 31, 2014							
Cost	$ 5,069	$ 1,455	$ 4,489	$ 674	$ 500	$ 503	$ 7,621
Accumulated amortization and impairments	(141)	(276)	(1,443)	(463)	(370)	–	(2,552)
Net book amount	$ 4,928	$ 1,179	$ 3,046	$ 211	$ 130	$ 503	$ 5,069
Year ended December 31, 2015							
Opening net book amount	$ 4,928	$ 1,179	$ 3,046	$ 211	$ 130	$ 503	$ 5,069
Additions	–	–	3	74	12	–	89
Disposals	(13)	–	(9)	(2)	(1)	–	(12)
Amortization charge	–	(19)	(410)	(51)	(86)	–	(566)
Amortization charge (discontinued operations)	–	(10)	(22)	(7)	(10)	–	(49)
Acquisition of subsidiaries	3,226	710	1,146	46	590	–	2,492
Disposition of operating companies	(118)	(36)	(1)	(12)	(2)	–	(51)
Transfer to discontinued operations	(202)	(164)	(132)	(6)	(25)	–	(327)
Impairment charge	(45)	(3)	(5)	(2)	–	(3)	(13)
Foreign exchange	(97)	(50)	(56)	(2)	5	(2)	(105)
Other	(2)	–	–	(8)	3	6	1
Closing net book amount	$ 7,677	$ 1,607	$ 3,560	$ 241	$ 616	$ 504	$ 6,528
As at December 31, 2015							
Cost	$ 7,851	$ 1,879	$ 5,249	$ 705	$ 1,054	$ 504	$ 9,391
Accumulated amortization and impairments	(174)	(272)	(1,689)	(464)	(438)	–	(2,863)
Net book amount[ii]	$ 7,677	$ 1,607	$ 3,560	$ 241	$ 616	$ 504	$ 6,528
Year ended December 31, 2016							
Opening net book amount	**$ 7,677**	**$ 1,607**	**$ 3,560**	**$ 241**	**$ 616**	**$ 504**	**$ 6,528**
Additions	**–**	**–**	**–**	**73**	**7**	**2**	**82**
Disposals	**(72)**	**(5)**	**(43)**	**(2)**	**–**	**(2)**	**(52)**
Amortization charge	**–**	**(24)**	**(459)**	**(78)**	**(121)**	**–**	**(682)**
Acquisition of subsidiaries[i]	**1,921**	**600**	**979**	**209**	**1,824**	**–**	**3,612**
Disposition of operating companies	**(49)**	**(80)**	**(28)**	**(1)**	**–**	**–**	**(109)**
Impairment charge	**(226)**	**(2)**	**(2)**	**–**	**–**	**–**	**(4)**
Foreign exchange	**(86)**	**(16)**	**(36)**	**(1)**	**(37)**	**–**	**(90)**
Other	**9**	**–**	**(3)**	**1**	**3**	**–**	**1**
Closing net book amount	**$ 9,174**	**$ 2,080**	**$ 3,968**	**$ 442**	**$ 2,292**	**$ 504**	**$ 9,286**
As at December 31, 2016							
Cost	**$ 9,500**	**$ 2,336**	**$ 6,058**	**$ 996**	**$ 2,835**	**$ 504**	**$ 12,729**
Accumulated amortization and impairments	**(326)**	**(256)**	**(2,090)**	**(554)**	**(543)**	**–**	**(3,443)**
Net book amount[ii]	**$ 9,174**	**$ 2,080**	**$ 3,968**	**$ 442**	**$ 2,292**	**$ 504**	**$ 9,286**

(i) Acquisition of subsidiaries includes other intangible assets with limited life including information databases and content collections totalling $1,720 which arose from the acquisition of Clarivate Analytics, as described in note 2(l). At December 31, 2016, the information databases and content collections had a cost of $1,720 and accumulated amortization of $26.

(ii) At December 31, 2016, trademarks and licenses included amounts determined to have indefinite useful lives of $1,797 (2015 – $1,339).

Additions to goodwill and intangible assets primarily arose through business combinations (note 4). Additions to intangible assets through internal development were $31 (2015 – $24) and those acquired separately were $51 (2015 – $65). Included in the balance of intangible assets at December 31, 2016 were $317 (2015 – $109) of internally generated intangible assets.

Goodwill primarily represents the costs of certain intellectual property and process know-how obtained in acquisitions. Intangible assets include trademarks, non-competition agreements, customer relationships, software, information databases, content collections, contract rights and expiration rights obtained in the acquisition of certain facilities. Certain intangible assets are determined to have indefinite useful lives when the Company has determined there is no foreseeable limit to the period over which the intangible assets are expected to generate net cash inflows.

13. PROVISIONS

A summary of provisions presented contra to assets in the consolidated balance sheets detailed by the components of charges and movements is presented below.

	Accounts Receivable Provision[a]	Inventory Provision[b]	Total
Balance – December 31, 2015	$ 75	$ 67	$ 142
Charged (credited) to statements of earnings:			
Additional provisions	46	56	102
Unused amounts reversed during the year	(13)	(12)	(25)
Amounts used during the year	(31)	(20)	(51)
Other adjustments	(1)	1	–
Balance – December 31, 2016	$ 76	$ 92	$ 168

a) Accounts receivable provisions are established by the operating companies when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivable. When a receivable is considered permanently uncollectible, the receivable is written off against the allowance account.

b) Inventory provisions are established by the operating companies for any excess, obsolete or slow-moving items.

A summary of provisions presented as liabilities in the consolidated balance sheets detailed by the components of charges and movements is presented below.

	Contingent Consideration[c]	Restructuring[d]	Self-Insurance[e]	Warranty[f]	Other[g]	Total
Current portion of provisions	$ 137	$ 35	$ 70	$ 50	$ 42	$ 334
Non-current portion of provisions	181	6	106	34	41	368
Balance – December 31, 2015	$ 318	$ 41	$ 176	$ 84	$ 83	$ 702
Charged (credited) to statements of earnings:						
Additional provisions	54	82	251	62	58	507
Unused amounts reversed during the year	(94)	(3)	(1)	(11)	(10)	(119)
Acquisition of subsidiaries	31	2	86	2	14	135
Amounts used during the year	(180)	(73)	(239)	(50)	(32)	(574)
Increase in provisions due to passage of time and changes in discount rates	5	–	–	–	–	5
Other adjustments	(7)	1	(1)	(1)	(3)	(11)
Balance – December 31, 2016	$ 127	$ 50	$ 272	$ 86	$ 110	$ 645
Current portion of provisions	(41)	(37)	(113)	(53)	(61)	(305)
Non-current portion of provisions	$ 86	$ 13	$ 159	$ 33	$ 49	$ 340

c) The provision for contingent consideration relates to acquisitions completed by the Company. At December 31, 2016, the estimated fair value of contingent consideration liability was primarily related to the contingent consideration associated with Carestream Health and USI. During 2016, SIG settled the portion of the contingent consideration related to the company's financial performance in 2015, as described in note 3(d).

d) Restructuring provisions are typically to provide for the costs of facility consolidations and workforce reductions incurred at the operating companies.

The operating companies record restructuring provisions relating to employee terminations, contractual lease obligations and other exit costs when the liability is incurred. The recognition of these provisions requires management to make certain judgements regarding the nature, timing and amounts associated with the planned restructuring activities, including estimating sublease income and the net recovery from equipment to be disposed of. At the end of each reporting period, the operating companies evaluate the appropriateness of the remaining accrued balances. The restructuring plans are expected to result in cash outflows for the operating companies between 2017 and 2024.

The closing balance of restructuring provisions comprised the following:

As at December 31	2016	2015
Employee termination costs	$ 40	$ 34
Lease and other contractual obligations	7	4
Facility exit costs and other	3	3
Total restructuring provisions	$ 50	$ 41

e) Self-insurance provisions are established by the operating companies for automobile, workers' compensation, healthcare coverage, general liability, professional liability and other claims. Provisions are established for claims based on an assessment of actual claims and claims incurred but not reported. The reserves may be established based on consultation with third-party independent actuaries using actuarial principles and assumptions that consider a number of factors, including historical claim payment patterns and changes in case reserves, and the assumed rate of inflation in healthcare costs and property damage repairs.

f) Warranty provisions are established by the operating companies for warranties offered on the sale of products or services. Warranty provisions are established to provide for future warranty costs based on management's best estimate of probable claims under these warranties.

g) Other includes legal, transition and integration, asset retirement and other provisions. Transition and integration provisions are typically to provide for the costs of transitioning the activities of an operating company from a prior parent company upon acquisition and to integrate new acquisitions at the operating companies.

14. LONG-TERM DEBT OF OPERATING COMPANIES, WITHOUT RECOURSE TO ONEX CORPORATION

Long-term debt of operating companies, without recourse to Onex Corporation, comprised the following:

As at December 31	2016	2015
Carestream Health[a]	$ 1,930	$ 2,012
Celestica[b]	228	263
Clarivate Analytics[c]	2,030	–
CLOs and warehouse facilities[d]	5,912	4,899
Emerald Expositions[e]	707	743
Flushing Town Center[f]	308	124
Jack's[g]	193	281
JELD-WEN[h]	1,640	1,275
Meridian Aviation[i]	22	–
ResCare[j]	421	533
Save-A-Lot[k]	718	–
Schumacher[l]	664	540
sgsco[m]	584	595
SIG[n]	2,973	3,022
Survitec[o]	515	425
USI[p]	1,918	1,979
WireCo[q]	609	–
York[r]	958	952
ONCAP operating companies[s]	1,229	1,121
Other	4	4
Less: long-term debt of operating companies held by the Company	(319)	(395)
Long-term debt, December 31	23,244	18,373
Less: financing charges	(381)	(319)
	22,863	18,054
Current portion of long-term debt of operating companies	(407)	(411)
Consolidated long-term debt of operating companies	$ 22,456	$ 17,643

Onex Corporation does not guarantee the debt of its operating companies, nor are there any cross-guarantees between operating companies. Onex Corporation may hold debt as part of its investment in certain operating companies.

The financing arrangements for each operating company typically contain certain restrictive covenants, which may include limitations or prohibitions on additional indebtedness, payment of cash dividends, redemption of capital, capital spending, making of investments and acquisitions and sales of assets. The financing arrangements may also require the redemption of indebtedness in the event of a change of control of an operating company. In addition, certain financial covenants must be met by those operating companies that have outstanding debt. Future changes in business conditions of an operating company may result in non-compliance with certain covenants by that company.

No adjustments to the carrying amount or classification of assets or liabilities of any operating company have been made in the consolidated financial statements with respect to any possible non-compliance.

The annual minimum repayment requirements for the next five years and thereafter on consolidated long-term debt are as follows:

2017	$ 407
2018	582
2019	4,149
2020	1,355
2021	1,595
Thereafter	15,156
Total	$ 23,244

a) Carestream Health

					Gross principal outstanding	
As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	**2016**	2015
First lien term loan[i]	$ 1,850	LIBOR + 4.00%	Floor 1.00%	Jun 2019	**$ 1,464**	$ 1,553
Second lien term loan[i]	500	LIBOR + 8.50%	Floor 1.00%	Dec 2019	**480**	480
Revolving credit facility[ii]	150	LIBOR + 4.00%	Floor 1.00%	Jun 2018	**–**	–
Long-term debt					**1,944**	2,033
Unamortized discount					**(14)**	(21)
Long-term debt, net of unamortized discount					**$ 1,930**	$ 2,012

Substantially all of Carestream Health's assets are pledged as collateral under the credit facility.

(i) First and second lien term loans include optional redemption provisions at a range of redemption prices plus accrued and unpaid interest.

(ii) Interest rate at an alternative base plus a margin of 3.00% may apply.

In connection with the credit facility, the company has entered into a series of interest rate swap agreements that swap the variable rate portion for fixed rates through December 2017. The agreements have an initial notional amount of $960, reducing to $920 during the term of the agreements.

b) Celestica

				Gross principal outstanding	
As at December 31	Size of facility	Interest rate	Maturity	2016	2015
Term loan[i][ii]	$ 250	LIBOR + up to 3.00%	May 2020	$ 213	$ 238
Revolving credit facility[i][iii]	300	LIBOR + up to 2.4%	May 2020	15	25
Long-term debt				$ 228	$ 263

(i) As amended in June 2015.

(ii) Margin varies depending on the company's leverage ratio.

(iii) The revolving credit facility has an accordion feature that allows the company to increase the credit limit by an additional $150 upon satisfaction of certain terms and conditions. Celestica has pledged certain assets as security for borrowings under its revolving credit facility.

In June 2015, Celestica repurchased and cancelled approximately 26.3 million of its SVS, representing approximately 15% of the total issued and outstanding Multiple Voting Shares and SVS of the company at December 31, 2014. The purchase price per share was $13.30 for a total cost of $350. The transaction was financed using a combination of the net proceeds of a newly issued $250 term loan, $25 drawn on the company's existing revolving credit facility and cash on hand. Celestica amended its existing revolving credit facility to add the term loan as a component under such facility and to extend its maturity from October 2018 to May 2020. As a result of the repurchase, Onex' economic and voting interests at that time increased to 13% and 79%, respectively.

Celestica also has uncommitted bank overdraft facilities available for intraday and overnight operating requirements that totalled $70 (2015 – $70) at December 31, 2016.

At December 31, 2016, Celestica had issued $26 (2015 – $27) of letters of credit under its revolving credit facility.

c) Clarivate Analytics

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding 2016
First lien term loan[i]	$ 1,550	LIBOR + 3.75%	Floor 1.00%	Oct 2023	$ 1,546
Revolving credit facility[ii]	175	LIBOR + up to 3.25%	n/a	Oct 2021	–
Senior unsecured notes[iii]	500	7.875%	n/a	Oct 2024	500
Long-term debt					2,046
Unamortized discount					(8)
Embedded derivative					(8)
Long-term debt, net of unamortized discount					$ 2,030

Substantially all of Clarivate Analytics' assets are pledged as collateral under the senior secured credit facility.

(i) The term loan can be repaid in whole or in part without premium or penalty at any time prior to maturity.

(ii) Margin varies depending on the company's leverage ratio.

(iii) Interest on the senior unsecured notes is payable semi-annually beginning in April 2017. The senior unsecured notes may be redeemed by the company at any time at various premiums above face value.

Onex, in partnership with Baring Private Equity Asia, acquired Clarivate Analytics in October 2016, as described in note 2(l). In October 2016, Clarivate Analytics entered into a senior secured credit facility, which consisted of a first lien term loan and a revolving credit facility, and issued senior unsecured notes.

d) CLOs and warehouse facilities

A CLO is a leveraged structured vehicle that holds a widely diversified collateral asset portfolio and is funded through the issuance of collateralized loan instruments in a series of tranches of secured notes and loans, subordinated notes and equity. As of December 31, 2016, Onex Credit had eleven CLOs (2015 – nine CLOs) under management, which had secured notes and loans, subordinated notes and equity outstanding as follows:

	Closing date	As at December 31, 2016	As at December 31, 2015
CLO-2	November 2012	$ 412	$ 515
CLO-3	March 2013	512	512
CLO-4	October 2013	514	514
CLO-5	March 2014	420	420
CLO-6	June 2014	1,002	1,002
CLO-7	November 2014	514	514
CLO-8	April 2015	764	764
CLO-9	July 2015	758	758
CLO-10	October 2015	512	512
CLO-11	May 2016	502	–
CLO-12	October 2016	558	–
		6,468	5,511
Onex' investment at notional amounts		(513)	(418)
Total		$ 5,955	$ 5,093

The secured notes and loans and subordinated notes bear interest at a rate of LIBOR plus a margin and mature between November 2023 and October 2028. The secured notes and loans, subordinated notes and equity of the CLOs are designated at fair value through net earnings upon initial recognition. At December 31, 2016, the fair value of the secured notes, subordinated notes and equity held by investors other than Onex was $5,855 (2015 – $4,870).

The notes and loans of CLOs are secured by, and only have recourse to, the assets of each respective CLO. The notes and loans are subject to redemption provisions, including mandatory redemption if certain coverage tests are not met by each respective CLO. Optional redemption of the notes is available at certain periods and optional repricing of the notes is available subject to certain customary terms and conditions being met by each respective CLO.

In March 2015, Onex established a warehouse facility in anticipation of its first CLO denominated in euros, EURO CLO-1. During 2015 and 2016, Onex purchased €20 ($21) and €10 ($11), respectively, of subordinated notes to support the warehouse facility and a financial institution provided borrowing capacity of up to €103 ($109), as described in note 10. At December 31, 2016, €54 ($57) (2015 – €27 ($29)) was outstanding under the warehouse facility for EURO CLO-1. In February 2017, Onex purchased an additional €10 ($11) of subordinated notes to support an increase in the warehouse facility's borrowing capacity.

In May 2016, Onex closed CLO-11, which was funded through the issuance of collateralized loan instruments in a series of tranches of secured notes, secured loans and preference shares, as described in note 2(b).

In October 2016, Onex closed CLO-12, which was funded through the issuance of collateralized loan instruments in a series of tranches of secured notes and preference shares, as described in note 2(g).

In November 2016, Onex priced a refinancing of CLO-2, as described in note 10(a).

e) Emerald Expositions

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding 2016	2015
Term loan[i][ii]	$830	LIBOR + 3.75%	Floor 1.00%	Jun 2020	**$ 713**	$ 550
Revolving credit facility[i][iii]	100	LIBOR + up to 4.50%	n/a	Jun 2018	**–**	–
Senior notes[iv]	200	9.00%	n/a	Jun 2021	**–**	200
Long-term debt					**713**	750
Unamortized discount					**(6)**	(7)
Long-term debt, net of unamortized discount					**$ 707**	$ 743

Substantially all of Emerald Expositions' assets are pledged as collateral under the credit facility.

(i) As amended in October 2016.

(ii) The term loan can be repaid in whole or in part without premium or penalty at any time before maturity.

(iii) Margin varies based on the company's leverage ratio.

(iv) Fully repaid in October 2016.

Emerald Expositions' credit facility consisted of a term loan and a revolving credit facility.

In October 2016, Emerald Expositions amended its existing credit facility to increase its term loan by $200 and the revolving credit facility by $10. The net proceeds from the incremental term loan and cash on hand were used to redeem the company's senior notes with a principal amount of $200 at a redemption price of 104.5% of the principal amount plus accrued and unpaid interest. The amendment and redemption resulted in a total interest rate reduction of 425 basis points on the $200 principal amount of the senior notes.

In connection with the credit facility, the company has entered into an interest rate swap agreement with a notional amount of $100 that swaps the variable rate portion for fixed rates through December 2018.

f) Flushing Town Center

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding 2016	2015
Mortgage loan[i]	$ 152	LIBOR + 3.30%	Floor 0.25%	Jul 2018	**$ –**	$ –
Mezzanine loan[i]	150	LIBOR + 8.00%	Floor 0.25%	Jul 2018	**130**	–
Mezzanine loan[i]	138	LIBOR + 11.00%	Floor 0.25%	Jul 2018	**130**	77
Senior construction loan[ii]	47	2.66%	n/a	Jul 2020	**48**	47
Long-term debt					**308**	124
Long-term debt held by the Company					**(48)**	(47)
Long-term debt, net of debt held by the Company					**$ 260**	$ 77

(i) The company has the option to extend the maturity by two one-year terms.

(ii) The credit facility is held by the Company. The gross principal outstanding includes interest accrued on the facilities.

In July 2015, Onex Real Estate Partners sold substantially all of the retail space and adjoining parking structures of Flushing Town Center, as described in note 3(h). In connection with this transaction, the buyer assumed the company's liabilities related to its credit facilities.

In July 2015, Flushing Town Center entered into new credit facilities with third-party lenders, consisting of a $152 mortgage loan and $288 of mezzanine loans, in connection with the construction of the second phase of condominiums at the project. The credit facilities have customary financial maintenance covenants and include a guarantee which is limited to the required minimum net worth and liquidity reserves being maintained for the benefit of the third-party lenders. Draws from the credit facilities are made over time as project construction costs are incurred.

The second phase of condominiums being constructed at Flushing Town Center is pledged as collateral under the new credit facilities.

g) Jack's

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding 2016	2015
Term loan[i]	$ 230	LIBOR + 4.75%	Floor 1.00%	Jul 2022	$ 195	$ 230
Revolving credit facility	30	LIBOR + 4.75%	n/a	Jul 2020	–	–
Promissory note	195	LIBOR + 2.00% to 3.50%	n/a	Jun 2016	–	54
Long-term debt					195	284
Unamortized discount					(2)	(3)
Long-term debt, net of unamortized discount					193	281
Long-term debt held by the Company					–	(54)
Long-term debt, net of unamortized discount and debt held by the Company					$ 193	$ 227

Substantially all of Jack's assets, excluding specified real property owned by Jack's, are pledged as collateral under the senior secured credit facility.

(i) The term loan can be repaid in whole or in part at any time before maturity.

Onex Partners IV acquired Jack's in July 2015, as described in note 3(f). In July 2015, Jack's entered into a senior secured credit facility consisting of a term loan and a revolving credit facility.

In July 2015, Jack's entered into a $195 promissory note with Onex Partners IV, as described in note 3(f). During 2015 and 2016, Jack's repaid $143 and $40 of the promissory note, respectively, and in June 2016, the balance outstanding under the promissory note was converted into additional equity of Jack's, as described in note 2(a).

In connection with the credit facility, the company has entered into an interest rate swap agreement with a notional amount of $102 at December 31, 2016 that swaps the variable rate portion for fixed rates through June 2020.

h) JELD-WEN

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding 2016	2015
Term loan[i][ii]	$ 1,612	LIBOR + up to 3.75%	Floor 1.00%	Jul 2022	$ 1,612	$ 1,246
Revolving credit facility[iii]	300	LIBOR + up to 2.00%	n/a	Oct 2019	–	–
Other	n/a	n/a	n/a	n/a	36	38
Long-term debt					1,648	1,284
Unamortized discount					(8)	(9)
Long-term debt, net of unamortized discount					$ 1,640	$ 1,275

Substantially all of JELD-WEN's North American assets are pledged as collateral under the credit facility.

(i) As amended in November 2016.

(ii) Margin is determined based on the company's leverage ratio.

(iii) Margin is determined based on the amount available under the revolving credit facility.

In July 2015, JELD-WEN increased its borrowings under its existing credit facility with an incremental $480 term loan. The proceeds were used to fund a distribution of $432 to shareholders with the balance to be used to fund future add-on acquisitions, as described in note 3(m). The incremental term loan bore interest at LIBOR (subject to a floor of 1.00%) plus a margin of up to 4.00%, depending on the company's ratio, and required quarterly principal repayments beginning in December 2015. The incremental term loan had a maturity date in July 2022.

In November 2016, JELD-WEN further amended its existing credit facility to borrow an incremental $375 and to combine the incremental borrowing with its existing term loans into a combined term loan of $1,612. The proceeds from the incremental borrowing, along with a draw on the company's revolving credit facility, were used to fund a distribution of $400 to shareholders, as described in note 2(m). The term loan has no financial maintenance covenants. There are no financial maintenance covenants on the revolving credit facility, subject to the company meeting certain liquidity metrics.

At December 31, 2016, the amount available under the revolving credit facility was reduced by $37 (2015 – $36) of letters of credit outstanding.

In February 2017, JELD-WEN repaid $375 under its combined term loan from a portion of its net proceeds from the sale of shares in its initial public offering, as described in note 2(r).

In connection with the senior secured credit facility, the company has entered into a series of interest rate swap agreements that swap the variable rate portion for fixed rates through September 2019. The agreements have a notional amount of $914 at December 31, 2016.

i) Meridian Aviation

				Gross principal outstanding	
As at December 31	Size of facility	Interest rate	Maturity	2016	2015
Revolving credit facility[i]	$ 100	LIBOR + 1.50%	Nov 2017	$ 22	$ –
Long-term debt				$ 22	$ –

(i) As amended in December 2016.

During 2015, Meridian Aviation sold an aircraft which was financed by the then-existing credit facilities. The balance outstanding under the credit facilities was repaid with the proceeds from the sale.

In January 2016, Meridian Aviation entered into a $100 revolving credit facility. The borrowings under the revolving credit facility are guaranteed and reimbursable by capital calls from the limited partners, including Onex, of Onex Partners III.

j) ResCare

				Gross principal outstanding	
As at December 31	Size of facility	Interest rate	Maturity	2016	2015
Term loan[i]	$ 505	LIBOR + 2.75%	Apr 2019	$ 425	$ 472
Revolving credit facility	250	LIBOR + 2.75%	Apr 2019	–	60
Other	n/a	n/a	n/a	1	2
Long-term debt				426	534
Unamortized discount				(5)	(1)
Long-term debt, net of unamortized discount				$ 421	$ 533

Substantially all of ResCare's assets are pledged as collateral under the senior secured credit facility.

(i) As amended in March 2015 and February 2016.

ResCare's senior secured credit facility initially consisted of a $250 revolving credit facility, a $200 term loan and a $200 delayed draw term loan. The senior secured credit facility bore interest at LIBOR plus a margin of 2.25%. The term loan was set to mature in April 2019.

In March 2015, ResCare increased its term loan by an additional $105 to fund a distribution to shareholders, as described in note 3(m). The $105 incremental term loan was combined with the existing $200 term loan and $200 delayed draw term loan.

k) Save-A-Lot

					Gross principal outstanding
As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	2016
Term loan[i]	$ 740	LIBOR + 6.00%	Floor 1.00%	Dec 2023	$ 740
Revolving credit facility[ii]	250	LIBOR + up to 2.00%	n/a	Dec 2021	–
Long-term debt					740
Unamortized discount					(22)
Long-term debt, net of unamortized discount					$ 718

Substantially all of Save-A-Lot's assets are pledged as collateral under the senior secured credit facility.

(i) The term loan can be repaid in whole or in part without premium or penalty at any time prior to maturity.

(ii) Margin is determined based on the amount available under the revolving credit facility.

Onex Partners IV acquired Save-A-Lot in December 2016, as described in note 2(p). In December 2016, Save-A-Lot entered into a senior secured credit facility consisting of a $740 term loan and a $250 revolving facility.

l) Schumacher

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding 2016	2015
First lien term loan[i]	$ 530	LIBOR + 4.00%	Floor 1.00%	Jul 2022	**$ 524**	$ 399
First lien revolving loan[ii]	75	LIBOR + up to 4.00%	Floor 0.00%	Jul 2020	**–**	–
Second lien term loan[ii]	135	LIBOR + 8.50%	Floor 1.00%	Jul 2023	**135**	135
Other	n/a	n/a	n/a	n/a	**5**	6
Long-term debt					**$ 664**	$ 540

Substantially all of Schumacher's assets are pledged as collateral under the senior secured credit facility.

(i) As amended in June 2016.

(ii) As amended in September 2015.

Onex Partners IV acquired Schumacher in late July 2015, as described in note 3(i). In late July 2015, Schumacher entered into first and second lien senior secured credit facilities. In connection with the August 2015 acquisition of HPP (note 3(i)), Schumacher amended its senior secured facilities to increase its first lien term loan by $120 to $400, its first lien revolving loan by $25 to $75 and its second lien term loan by $30 to $135.

In September 2015, Schumacher completed syndication of its senior secured credit facilities.

In connection with the June 2016 acquisition of ECI, as discussed in note 2(f), Schumacher amended its senior secured facilities to increase its first lien term loan by $130.

m) sgsco

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding 2016	2015
Term loan[i]	$ 385	LIBOR + up to 3.25%	Floor 1.00%	Oct 2019	**$ 380**	$ 385
Revolving credit facility[ii]	60	LIBOR + up to 3.75%	Floor 0.00%	Oct 2019	**–**	–
Senior notes[iii]	210	8.38%	n/a	Oct 2020	**205**	210
Long-term debt					**585**	595
Unamortized discount					**(1)**	–
Long-term debt, net of unamortized discount					**$ 584**	$ 595

Substantially all of sgsco's assets are pledged as collateral under the credit agreement.

(i) As amended in December 2015.

(ii) As amended in November 2016.

(iii) Senior notes may be redeemed by the company at any time at various premiums above face value.

sgsco's credit agreement initially consisted of a $400 senior secured term loan and $75 senior secured revolving credit facility. The credit agreement requires mandatory prepayment of certain excess cash flows and cash proceeds.

In December 2015, in connection with an acquisition, sgsco borrowed an additional $15 under the same terms and conditions as its existing senior secured term loan.

In November 2016, sgsco amended its revolving credit facility to reduce the amount available under the facility by $15 and extend the maturity date to October 2019.

In connection with the credit agreement, sgsco has entered into an interest rate swap agreement that swaps the variable rate portion for a fixed rate through December 2017. The interest rate swap agreement has an initial notional amount of $230, reducing to $74 during the term of the agreement.

n) SIG

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding			
					2016		2015	
Term loan	€ 1,050	EURIBOR + 3.75%	Floor 0.00%	Mar 2022	**$ 1,090**	**€ 1,032**	$ 1,128	€ 1,042
Term loan	$ 1,225	LIBOR + 3.00%	Floor 1.00%	Mar 2022	**1,169**	**1,108**	1,216	1,117
Revolving credit facility	€ 260	EURIBOR or LIBOR + up to 3.00%	n/a	Mar 2021	**–**	**–**	–	–
Senior notes	€ 675	7.75%	n/a	Feb 2023	**712**	**675**	733	675
Long-term debt					**2,971**	**2,815**	3,077	2,834
Unamortized discount					**(9)**	**(8)**	(10)	(10)
Unamortized embedded derivatives[i]					**11**	**9**	(45)	(41)
Long-term debt, net of unamortized discount and embedded derivatives					**$ 2,973**	**€ 2,816**	$ 3,022	€ 2,783

Approximately 70% of SIG's assets are pledged as collateral under the senior secured credit facility and senior notes.

(i) Unamortized embedded derivatives relate to the term loans and senior notes.

Onex Partners IV and certain limited partners acquired SIG in March 2015, as described in note 3(d). In March 2015, SIG entered into a senior secured credit facility consisting of a €1,050 euro-denominated term loan, a $1,225 U.S. dollar-denominated term loan and a multi-currency €300 revolving credit facility. Borrowings under the term loans initially bore interest at EURIBOR or LIBOR (subject to a floor of 1.00%) plus a margin of 4.25%. The term loans can be repaid in whole or in part without premium or penalty at any time before maturity.

In May 2015, SIG amended its senior secured credit facility to reduce the rate at which borrowings under its euro- and U.S. dollar-denominated term loans bear interest to EURIBOR or LIBOR (subject to a floor of 1.00%) plus a margin of 3.25%. The amendment resulted in a total interest rate reduction of 100 basis points on the company's term loans. As a result of the amendment, SIG incurred $26 in fees during the second quarter of 2015, representing the payment of the soft call protection on the term loans and expenses associated with the amendment. The fees will be amortized over the term of the senior secured credit facility.

In September 2016, SIG amended its senior secured credit facility to further reduce the rate at which borrowings under its euro-denominated term loan bear interest to EURIBOR (subject to a floor of 0.00%) plus a margin of 3.75% and reduce the rate at which borrowings under its U.S. dollar-denominated term loan bear interest to LIBOR (subject to a floor of 1.00%) plus a margin of 3.00%. The amendment resulted in a total interest rate reduction of 50 basis points and 25 basis points on the euro- and U.S. dollar-denominated term loans, respectively. In addition, SIG reduced the rate at which borrowings under its multi-currency revolving credit facility bear interest to EURIBOR or LIBOR plus a margin of up to 3.00%, resulting in a 100 basis point reduction, and reduced the commitments available under the facility from €300 to €260. As a result of the amendment, SIG incurred $3 in fees during the third quarter of 2016 that will be amortized over the term of the senior secured credit facility.

In connection with the senior secured credit facility, the company has entered into a series of interest rate swap agreements that swap the variable rate portion for fixed rates through December 2019. The agreements have notional amounts of €545 for the euro-denominated term loan and $650 for the U.S. dollar-denominated term loan.

In February 2015, SIG issued €675 in aggregate principal amount of senior notes in connection with the acquisition. The senior notes may be redeemed by the company at various premiums above face value at any time before February 2020.

o) Survitec

				Gross principal outstanding			
				2016		2015	
As at December 31	Size of facility	Interest rate	Maturity				
Term loan[i]	£ 125	LIBOR + 4.75%	Mar 2022	**$ 154**	**£ 125**	$ 184	£ 125
Term loan[ii]	€ 175	EURIBOR + 4.25%	Mar 2022	**184**	**149**	191	129
Term loan[i][ii]	€ 133	EURIBOR + 4.25%	Mar 2022	**140**	**113**	–	–
Revolving credit facility	£ 50	LIBOR + 4.00%	Mar 2021	**–**	**–**	7	5
Acquisition facility	£ 30	LIBOR + 4.00%	Mar 2021	**18**	**15**	21	14
Term loan[i]	£ 15	LIBOR + 4.75%	Mar 2022	**19**	**15**	22	15
Long-term debt				**$ 515**	**£ 417**	$ 425	£ 288

Substantially all of Survitec's assets are pledged as collateral under the senior secured credit facility.

(i) The term loans can be repaid in whole or in part without premium or penalty at any time before maturity.

(ii) At December 31, 2016, €308 (2015 – €175) was outstanding under the euro-denominated term loans.

Onex Partners IV acquired Survitec in March 2015, as described in note 3(c). In March 2015, Survitec entered into a senior secured credit facility consisting of a £125 pound sterling-denominated term loan, a €175 euro-denominated term loan, a £30 revolving facility and a £30 acquisition facility. In September 2015, Survitec entered into an incremental £15 pound sterling-denominated term loan in connection with the acquisition of SCI, as described in note 3(c).

In November 2016, Survitec entered into an incremental €133 euro-denominated term loan and increased the revolving facility by £20 in connection with the acquisition of Wilhelmsen Safety, as described in note 2(o).

In connection with the senior secured credit facility, the company has entered into a series of interest rate swap agreements that swap the variable rate portion for fixed rates for £106 and €149 of the initial principal amounts of the pound sterling- and euro-denominated term loans, respectively, through June 2019, decreasing to 50% of the initial principal amounts through June 2020.

The amount available under the revolving facility was reduced by £20 ($24) (2015 – £20 ($29)) of letters of guarantee outstanding at December 31, 2016.

p) USI

					Gross principal outstanding	
As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	2016	2015
Term loans[i]	$ 1,380	LIBOR + 3.25%	Floor 1.00%	Dec 2019	**$ 1,282**	$ 1,346
Revolving credit facility	150	LIBOR + 3.75%	n/a	Dec 2017	**–**	–
Senior notes[ii]	630	7.75%	n/a	Jan 2021	**630**	630
Notes payable	n/a	4.00%	n/a	n/a	**11**	9
Long-term debt					**1,923**	1,985
Unamortized discount					**(5)**	(6)
Long-term debt, net of unamortized discount					**$ 1,918**	$ 1,979

The amounts outstanding under the senior secured credit facility are subject to mandatory prepayment under specified circumstances, including with excess cash flows and certain cash proceeds. Substantially all of USI's assets are pledged as collateral under the senior secured credit facility.

(i) As amended in August 2015.

(ii) The senior notes may be redeemed by the company at various redemption prices above face value plus accrued interest.

In August 2015, USI amended its senior secured credit facility to add an incremental $230 senior secured term loan. The proceeds were used primarily to fund a distribution of $230 to shareholders. The Company's portion of the distribution to shareholders was $181. Onex' portion of the distribution was $51, of which $38 related to Onex' investment through Onex Partners III and $13 related to Onex' co-investment. The balance of the proceeds was primarily distributed to employees of USI. The terms and conditions of the amendment, including interest rates and maturity date, were consistent with the existing senior secured term loan.

In connection with the credit agreement, USI has entered into an interest rate swap agreement that swapped the variable rate portion for a fixed rate on a notional amount of $525 through December 2017.

In December 2016, USI applied $50 of the net cash proceeds received from the sale of Univers, as described in note 2(e), toward the prepayment of its term loans.

At December 31, 2016, USI had $1 of letters of credit (2015 – $1) outstanding that were issued under its senior secured revolving credit facility.

q) WireCo

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding 2016
First lien term loan	$ 460	LIBOR + 5.50%	Floor 1.00%	Sep 2023	**$ 459**
Second lien term loan	135	LIBOR + 9.00%	Floor 1.00%	Sep 2024	**135**
Revolving credit facility	100	LIBOR + up to 2.25%	Floor 0.00%	Sep 2021	**22**
Long-term debt					**616**
Unamortized discount					**(7)**
Long-term debt, net of unamortized discount					**$ 609**

Substantially all of WireCo's assets are pledged as collateral under the senior secured credit facility.

Onex Partners IV acquired WireCo in September 2016, as described in note 2(k). In September 2016, WireCo entered into a senior secured credit facility consisting of a $460 first lien term loan, a $135 second lien term loan and a $100 revolving credit facility. The amount available under the revolving credit facility was reduced by $13 of letters of credit outstanding at December 31, 2016.

r) York

As at December 31	Size of facility	Interest rate	Floor or cap on interest rate	Maturity	Gross principal outstanding 2016	2015
First lien and delayed draw term loans(i)	$ 615	LIBOR + 3.75%	Floor 1.00%	Oct 2021	**$ 601**	$ 607
Revolving credit facility(ii)	100	LIBOR + up to 3.75%	n/a	Oct 2019	**56**	47
Senior unsecured notes(iii)	315	8.50%	n/a	Oct 2022	**315**	315
Long-term debt					**972**	969
Unamortized discount					**(3)**	(4)
Unamortized embedded derivatives					**(11)**	(13)
Long-term debt, net of unamortized discount and embedded derivatives					**$ 958**	$ 952

Substantially all of York's assets are pledged as collateral under the senior secured credit facility.

(i) The term loans can be repaid in whole or in part without premium or penalty at any time before maturity.

(ii) Margin varies depending on the company's leverage ratio.

(iii) The senior unsecured notes may be redeemed by the company at any time at various premiums above face value.

In connection with the credit facility, York entered into an interest rate swap agreement that swaps the variable rate portion for a fixed rate on a notional amount of $300 from January 2017 through December 2019.

s) ONCAP operating companies

ONCAP's consolidated operating companies consist of Bradshaw, Chatters (acquired in July 2015), Cicis (up to August 2016), Davis-Standard, EnGlobe, Hopkins, Pinnacle Pellet, Inc., PURE Canadian Gaming and Tecta (acquired in August 2016). Each has debt that is included in the Company's consolidated financial statements. There are separate arrangements for each operating company with no cross-guarantees between the operating companies, ONCAP or Onex Corporation.

Under the terms of the various credit agreements, combined borrowings at December 31, 2016 were as follows:

			Gross principal outstanding	
As at December 31	Effective interest rates[i]	Maturity	**2016**	2015
Term borrowings	3.52% to 6.13%	2019 to 2021	**$ 890**	$ 665
Revolving credit facilities	4.39% to 6.25%	2017 to 2021	**22**	118
Subordinated notes	10.00% to 18.00%	2019 to 2024	**316**	329
Other	n/a	n/a	**1**	9
Long-term debt			**1,229**	1,121
Long-term debt held by the Company			**(271)**	(294)
Long-term debt, net of unamortized discount and debt held by the Company			**$ 958**	$ 827

Senior debt is generally secured by substantially all of the assets of the respective operating company.

(i) Represents the effective interest rates as at December 31, 2016. The term borrowings and revolving credit facilities bear interest at various rates based on a base floating rate plus a margin. The subordinated notes bear interest at various fixed rates.

Certain ONCAP operating companies have entered into interest rate swap agreements to fix a portion of their interest expense. The total notional amount of these swap agreements at December 31, 2016 was $23 with portions expiring through 2018.

In December 2011, ONCAP III entered into a C$75 credit facility that consists of a C$50 line of credit and a C$25 deemed credit risk facility. In September 2016, ONCAP III discharged the C$50 line of credit facility and increased the deemed credit risk facility to C$36. The deemed credit risk facility is available to ONCAP III and its operating companies for foreign exchange transactions, including foreign exchange options, forwards and swaps. Borrowings under the credit facility are limited to the lesser of the amount available under the deemed credit facility, 80% of the aggregate amount of uncalled capital in the fund and the maximum amount of obligations permitted under the partnership agreement. Borrowings under the credit facility are due and payable upon demand; however, ONCAP III has 15 business days to complete a capital call to the limited partners of ONCAP III to fund the demand. Onex Corporation, the ultimate parent company, is only obligated to fund borrowings under the credit facility based on its proportionate share as a limited partner in ONCAP III.

At December 31, 2016, the amount available under the deemed risk facility was C$21 (2015 – C$3). At December 31, 2015, the letters of credit issued under the line of credit were $10 (€10).

In January 2017, ONCAP IV entered into a $100 credit facility. The credit facility is available to finance ONCAP IV capital calls, bridge investments in ONCAP IV operating companies and finance other uses permitted by ONCAP IV's limited partnership agreement. The credit facility includes a deemed credit risk maximum of $35 available to ONCAP IV and its operating companies for foreign exchange transactions, including foreign exchange options, forwards and swaps. Amounts under the credit facility are available in Canadian and U.S. dollars. Borrowings drawn on the credit facility bear interest at a base rate plus a margin of 1.00% or bankers' acceptance rate (subject to a floor of 0.00%) plus a margin of 3.75%. The base rate and bankers' acceptance rate vary based on the currency of the borrowings. Borrowings under the credit facility are due and payable upon demand; however, ONCAP IV has 15 business days to complete a capital call to the limited partners of ONCAP IV. Onex Corporation, the parent company, is only obligated to fund borrowings under the credit facility based on its proportionate share as a limited partner in ONCAP IV.

15. LEASES

a) The Company as lessee

Future minimum lease payments are as follows:

	Finance Leases	Operating Leases
For the year:		
2017	$ 36	$ 367
2018	17	296
2019	13	234
2020	8	180
2021	4	140
Thereafter	18	560
Total future minimum lease payments	$ 96	$ 1,777
Less: imputed interest	(19)	
Balance of obligations under finance leases, without recourse to Onex Corporation	77	
Less: current portion	(32)	
Non-current obligations under finance leases, without recourse to Onex Corporation	$ 45	

Substantially all of the lease commitments relate to the operating companies. Obligations under finance leases, without recourse to Onex Corporation, are included in other current and non-current liabilities. Operating lease expense for the year ended December 31, 2016 was $351 (2015 – $295) and primarily related to premises.

b) The Company as lessor

Certain of the operating companies lease out their investment properties, machinery and/or equipment under operating leases. Future minimum lease payments receivable from lessees under non-cancellable operating leases are as follows:

For the year:	
2017	$ 83
2018	69
2019	35
2020	27
2021	17
Thereafter	14
Total minimum lease payments receivable	$ 245

Contingent rents recognized as an expense for lessees and as income for lessors were not significant to the Company's results for the years ended December 31, 2016 and 2015.

16. LIMITED PARTNERS' INTERESTS

The investments in the Onex Partners, ONCAP and Onex Credit Funds by those other than Onex are presented within the Limited Partners' Interests. Details of the Limited Partners' Interests are as follows:

	Onex Partners and ONCAP Funds	Onex Credit Funds[a]	Total
Balance – December 31, 2014	$ 5,176	$ –	$ 5,176
Addition from the Onex Credit transaction[a]	–	368	368
Limited Partners' Interests charge (recovery)[b]	882	(26)	856
Contributions by Limited Partners[c]	1,819	6	1,825
Distributions paid to Limited Partners[d]	(888)	(19)	(907)
Balance – December 31, 2015[e]	6,989	329	7,318
Limited Partners' Interests charge[b]	**587**	**60**	**647**
Contributions by Limited Partners[c]	**1,574**	**19**	**1,593**
Distributions paid to Limited Partners[d]	**(1,046)**	**(38)**	**(1,084)**
Balance – December 31, 2016	**8,104**	**370**	**8,474**
Current portion of Limited Partners' Interests[e]	**(89)**	**–**	**(89)**
Non-current portion of Limited Partners' Interests	**$ 8,015**	**$ 370**	**$ 8,385**

a) In January 2015, Onex acquired control of the Onex Credit asset management platform, as described in note 3(a). In connection with this transaction, the Company recorded an addition of $368 to Limited Partners' Interests, representing investments by those other than Onex in the Onex Credit Funds that the Company began consolidating in January 2015.

b) The gross Limited Partners' Interests charge for the Onex Partners and ONCAP Funds is primarily due to net fair value increases of the underlying investments in the Onex Partners and ONCAP Funds. For the year ended December 31, 2016, the gross Limited Partners' Interests charge for the Onex Partners and ONCAP Funds of $678 (2015 – $1,074) was reduced for the change in carried interest of $91 (2015 – $192). Onex' share of the change in carried interest was $33 for the year ended December 31, 2016 (2015 – $64).

c) The following tables show contributions by limited partners of the Onex Partners and ONCAP Funds.

Company	Fund	Transaction	Year ended December 31, 2016
Clarivate Analytics[i]	Onex Partners IV	Original investment	$ 758
Save-A-Lot	Onex Partners IV	Original investment	474
WireCo	Onex Partners IV	Original investment	194
Tecta[ii]	ONCAP III and IV	Original investment	107
Survitec	Onex Partners IV	Add-on investment	27
Management fees, partnership expenses and other	Various	Various	14
Contributions by Limited Partners			$ 1,574

(i) Includes amounts from certain limited partners and others.

(ii) Includes contributions of $26 returned to the limited partners of ONCAP III in January 2017 from the syndication of a portion of the Tecta investment to ONCAP IV, as described in note 2(j).

Company	Fund	Transaction	Year ended December 31, 2015
SIG[i]	Onex Partners IV	Original investment	$ 810
Jack's	Onex Partners IV	Original investment	295
Survitec[ii]	Onex Partners IV	Original and add-on investments	270
Schumacher	Onex Partners IV	Original and add-on investments	230
ITG	ONCAP III	Original investment	49
Chatters	ONCAP III	Original investment	30
Mavis Discount Tire[i][ii]	ONCAP III	Add-on investment	25
Management fees, partnership expenses and other	Various	Various	110
Contributions by Limited Partners			$ 1,819

(i) Includes amounts from certain limited partners and others.

(ii) Includes amounts to fund a foreign currency hedge for the investments.

d) The following tables show distributions made to limited partners of the Onex Partners and ONCAP Funds.

Company	Fund	Transaction	Year ended December 31, 2016
KraussMaffei	Onex Partners III	Sale of business	$ 519
JELD-WEN[i][ii]	Onex Partners III	Distributions	264
AIT	Onex Partners IV	Distributions	104
Jack's	Onex Partners IV	Repayment of promissory note	55
BBAM	Onex Partners III	Distributions	37
Cicis	ONCAP II	Sale of business	28
Meridian Aviation	Onex Partners III	Distribution	24
Other	Various	Various	15
Distributions to Limited Partners			$ 1,046

(i) Includes amounts distributed to certain limited partners and others.

(ii) Includes amounts received for a purchase price adjustment.

Company	Fund	Transaction	Year ended December 31, 2015
JELD-WEN[i]	Onex Partners III	Distribution	$ 270
Tropicana Las Vegas	Onex Partners III	Sale of business	180
USI[i]	Onex Partners III	Distribution	130
ResCare	Onex Partners I and III	Distribution	77
Jack's	Onex Partners IV	Repayment of promissory note	75
Meridian Aviation	Onex Partners III	Distributions	64
BBAM	Onex Partners III	Distributions	37
Tomkins[i]	Onex Partners III	Sale of residual assets	21
AIT[ii]	Onex Partners IV	Distributions	13
PURE Canadian Gaming	ONCAP II and III	Distribution	10
Other	Various	Various	11
Distributions to Limited Partners			$ 888

(i) Includes amounts distributed to certain limited partners and others.

(ii) Includes amounts received for a purchase price adjustment.

e) At December 31, 2016, the current portion of the Limited Partners' Interests was $89, and consisted primarily of the limited partners' share of (i) the distribution received from Hopkins; (ii) the return of capital to the limited partners of ONCAP III related to the syndication of a portion of the investment in Tecta to ONCAP IV; and (iii) the remaining KraussMaffei proceeds to be distributed during 2017.

At December 31, 2015, the current portion of the Limited Partners' Interests was $598, and consisted primarily of the limited partners' share of a distribution from AIT, promissory note repayments by Jack's and expected proceeds from the sale of KraussMaffei.

17. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities comprised the following:

As at December 31	2016	2015
Stock-based compensation[a]	$ 719	$ 427
Defined benefit pensions and non-pension post-retirement benefits (note 32)	445	387
Unrealized carried interest due to Onex and ONCAP management[b]	358	311
Deferred revenue and other deferred items	176	126
JELD-WEN employee stock ownership plan[c]	107	125
Other[d]	364	328
Total other non-current liabilities	$ 2,169	$ 1,704

a) At December 31, 2016, the stock-based compensation liability consisted of $514 (2015 – $417) for the stock-based compensation plans at the parent company and $214 (2015 – $17) for stock option and other share-based compensation plans in place at the operating companies. At December 31, 2016, $9 (2015 – $7) related to the parent company stock-based compensation liability was recorded in other current liabilities. Included in long-term investments (note 10) is $83 (2015 – $77) related to forward agreements to economically hedge the Company's exposure to changes in the trading price of Onex shares associated with the Management and Director DSU Plans.

b) Unrealized carried interest due to management of Onex and ONCAP through the Onex Partners and ONCAP Funds is recognized as a non-current liability and reduces the Limited Partners Interests' liability, as described in note 16. The unrealized carried interest is calculated based on current fair values of the Funds' investments and the overall unrealized gains in each respective Fund in accordance with the limited partnership agreements. The liability will be increased or decreased based on changes in the fair values and realizations of the underlying investments in the Onex Partners and ONCAP Funds. The liability will ultimately be settled upon the realization of the limited partners' share of the underlying Onex Partners and ONCAP Fund investments.

During 2016 and 2015, the unrealized carried interest liability increased primarily due to an increase in the fair value of certain of the investments in the Onex Partners and ONCAP Funds, partially offset by realized carried interest.

c) JELD-WEN's employee stock ownership plan ("ESOP") was established prior to Onex' acquisition of JELD-WEN to allow its employees to share in the success of the company through the ESOP's ownership of JELD-WEN stock. The company may make discretionary contributions of cash or JELD-WEN shares to the ESOP on behalf of employees. JELD-WEN consolidates the trust established to maintain the ESOP and therefore reports the liability for the value of JELD-WEN stock and miscellaneous other net assets held by the ESOP for the benefit of employees. The company will periodically repurchase JELD-WEN shares owned by the ESOP to fund distributions to ESOP participants. During 2016, JELD-WEN did not repurchase stock from the ESOP. During 2015, JELD-WEN repurchased stock from the ESOP for a cash cost of $12.

Following JELD-WEN's January 2017 initial public offering, as described in note 2(r), the ESOP value will be substantially based on JELD-WEN's public share price and the ESOP may sell shares of JELD-WEN's common stock to fund cash distributions under the ESOP.

d) Other includes amounts for liabilities arising from indemnifications, unearned insurance contract fees, embedded derivatives on long-term debt, mark-to-market valuations of hedge contracts, shareholder loan notes and the non-current portion of obligations under finance leases, without recourse to Onex Corporation (note 15).

18. INCOME TAXES

The reconciliation of statutory income tax rates to the Company's effective tax rate is as follows:

Year ended December 31	2016	2015
Income tax recovery at statutory rate	**$ (126)**	$ (204)
Changes related to:		
Income tax rate differential of operating companies	**274**	211
Non-taxable gains	**(153)**	(47)
Unbenefited tax losses	**190**	75
Recognition and utilization of tax loss carryforwards not previously benefited	**(158)**	(10)
Foreign exchange	**8**	6
Limited Partners' Interests	**15**	32
Other, including permanent differences	**(4)**	53
Provision for income taxes	**$ 46**	$ 116
Classified as:		
Current	**$ 340**	$ 228
Deferred	**(294)**	(112)
Provision for income taxes	**$ 46**	$ 116

The Company's deferred income tax assets and liabilities, as presented in the consolidated balance sheets and in other non-current assets (note 11), are presented after taking into consideration the offsetting of balances within the same tax jurisdiction for each respective operating company. Deferred income tax assets and liabilities, without taking into consideration the offsetting of balances within the same tax jurisdiction, comprised the following:

Deferred Income Tax Assets	Scientific Research and Development	Provisions	Deferred Revenue	Tax Losses	Property, Plant and Equipment, and Intangibles	Other	Total
Balance – December 31, 2014	$ 1	$ 141	$ 10	$ 349	$ 45	$ 190	$ 736
Credited (charged) to net earnings	(1)	(4)	3	4	11	101	114
Credited (charged) to net earnings (discontinued operations)	–	3	–	(15)	–	9	(3)
Credited (charged) directly to equity	–	(3)	–	–	–	3	–
Exchange differences	–	(4)	(1)	(14)	(3)	(14)	(36)
Acquisition of subsidiaries	–	5	8	16	20	106	155
Disposition of operating companies	–	(3)	–	(20)	(12)	(8)	(43)
Transfer to discontinued operations	–	(31)	–	(18)	–	(49)	(98)
Other adjustments	1	(1)	(3)	(22)	(4)	12	(17)
Balance – December 31, 2015	$ 1	$ 103	$ 17	$ 280	$ 57	$ 350	$ 808
Credited (charged) to net earnings	**–**	**42**	**–**	**26**	**132**	**308**	**508**
Credited (charged) directly to equity	**–**	**–**	**–**	**(14)**	**–**	**8**	**(6)**
Recognition of previously unrecognized benefits	**–**	**–**	**–**	**–**	**–**	**166**	**166**
Exchange differences	**–**	**(1)**	**(1)**	**2**	**3**	**5**	**8**
Acquisition of subsidiaries	**–**	**8**	**1**	**23**	**42**	**37**	**111**
Other adjustments	**–**	**–**	**–**	**–**	**2**	**(2)**	**–**
Balance – December 31, 2016	**$ 1**	**$ 152**	**$ 17**	**$ 317**	**$ 236**	**$ 872**	**$ 1,595**

Deferred Income Tax Liabilities	Gains on Sales of Operating Companies	Pension and Non-Pension Post-Retirement Benefits	Property, Plant and Equipment, and Intangibles	Foreign Exchange	Other	Total
Balance – December 31, 2014	$ 40	$ 24	$ 1,502	$ 60	$ 136	$ 1,762
Charged (credited) to net earnings	4	1	(36)	(21)	54	2
Charged (credited) to net earnings (discontinued operations)	–	–	(13)	–	6	(7)
Exchange differences	–	(1)	(29)	(7)	(6)	(43)
Acquisition of subsidiaries	–	21	592	–	34	647
Disposition of operating companies	–	(1)	(12)	–	(6)	(19)
Transfer to discontinued operations	–	–	(110)	–	(66)	(176)
Other adjustments	–	–	(72)	–	7	(65)
Balance – December 31, 2015	$ 44	$ 44	$ 1,822	$ 32	$ 159	$ 2,101
Charged (credited) to net earnings	**(2)**	**(2)**	**252**	**(4)**	**136**	**380**
Credited directly to equity	**–**	**(10)**	**(10)**	**–**	**(2)**	**(22)**
Exchange differences	**–**	**–**	**13**	**–**	**5**	**18**
Acquisition of subsidiaries	**–**	**–**	**282**	**–**	**24**	**306**
Disposition of operating companies	**–**	**–**	**(40)**	**–**	**–**	**(40)**
Other adjustments	**–**	**(1)**	**(21)**	**–**	**(7)**	**(29)**
Balance – December 31, 2016	**$ 42**	**$ 31**	**$ 2,298**	**$ 28**	**$ 315**	**$ 2,714**

At December 31, 2016, Onex and its investment holding companies had $1,177 of non-capital loss carryforwards and $92 of capital loss carryforwards.

Deferred income tax assets are recognized for tax loss carryforwards to the extent that the realization of the related tax benefit through future taxable income is probable. At December 31, 2016, deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset has been recognized were $6,253 (2015 – $5,697), of which $1,783 (2015 – $1,613) had no expiry, $609 (2015 – $458) was available to reduce future income taxes between 2017 and 2023 (2015 – 2016 and 2022), inclusive, and $3,861 (2015 – $3,626) was available with expiration dates of 2024 through 2036 (2015 – 2023 through 2035).

At December 31, 2016, the aggregate amount of taxable temporary differences not recognized in association with investments in subsidiaries, joint ventures and associates was $4,246 (2015 – $3,974).

19. SHARE CAPITAL

a) The authorized share capital of the Company consists of:

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.

ii) An unlimited number of SVS, 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 to elect 40% of the Company's 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.

The Multiple Voting Shares and SVS 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 SVS or related events), the Multiple Voting Shares will thereupon be entitled to elect only 20% of the Company's Directors and otherwise will cease to have any general voting rights. The SVS would then carry 100% of the general voting rights and be entitled to elect 80% of the Company's Directors.

iii) An unlimited number of Senior and Junior Preferred Shares issuable in series. The Company's Directors are empowered to fix the rights to be attached to each series.

b) At December 31, 2016, the issued and outstanding share capital consisted of 100,000 Multiple Voting Shares (December 31, 2015 – 100,000) and 102,787,628 SVS (December 31, 2015 – 105,893,578). The Multiple Voting Shares have a nominal paid-in value in these consolidated financial statements.

There were no issued and outstanding Senior and Junior Preferred shares at December 31, 2016 or December 31, 2015.

In January 2015, in connection with acquiring control of the Onex Credit asset management platform, Onex issued 111,393 of its SVS as part of the consideration in the transaction.

The Company increased its quarterly dividend by 10% to C$0.06875 per SVS beginning with the dividend declared by the Board of Directors in May 2016. Previously, the Company increased its quarterly dividend by 25% to C$0.0625 per SVS beginning with the dividend declared by the Board of Directors in May 2015.

c) During 2016, under the Dividend Reinvestment Plan, the Company issued 8,447 SVS (2015 – 8,996) at an average cost of C$81.02 per share (2015 – C$72.36). In 2016 and 2015, no SVS were issued upon the exercise of stock options.

Onex renewed its Normal Course Issuer Bid in April 2016 for one year, permitting the Company to purchase on the Toronto Stock Exchange up to 10% of the public float of its SVS. The 10% limit represents approximately 8.5 million shares.

During 2016, the Company repurchased and cancelled 3,114,397 of its SVS at a cost of $184 (C$249). The excess of the purchase cost of these shares over the average paid-in amount was $175 (C$237), which was charged to retained earnings. The shares repurchased were comprised of: (i) 2,114,397 SVS repurchased under the Normal Course Issuer Bids for a total cost of $125 (C$165) or an average cost per share of $59.04 (C$78.25); and (ii) 1,000,000 SVS repurchased in a private transaction for a total cost of $59 (C$84) or an average cost per share of $58.85 (C$84.12). As at December 31, 2016, the Company had the capacity under the current Normal Course Issuer Bid to repurchase approximately 7.3 million shares.

During 2015, the Company repurchased and cancelled 3,084,877 of its SVS at a cost of $175 (C$218). The excess of the purchase cost of these shares over the average paid-in amount was $165 (C$205), which was charged to retained earnings. The shares repurchased were comprised of: (i) 2,809,877 SVS repurchased under the Normal Course Issuer Bids for a total cost of $160 (C$199) or an average cost per share of $56.99 (C$70.82); and (ii) 275,000 SVS repurchased in private transactions for a total cost of $15 (C$19) or an average cost per share of $55.12 (C$69.50).

d) The Company has a Director DSU Plan and a Management DSU Plan, as described in note 1.

Details of DSUs outstanding under the plans are as follows:

	Director DSU Plan		Management DSU Plan	
	Number of DSUs	Weighted Average Price	Number of DSUs	Weighted Average Price
Outstanding at December 31, 2014	584,507		566,494	
Granted	29,653	C$ 69.01	–	–
Additional units issued in lieu of compensation and cash dividends	12,321	C$ 75.80	118,021	C$ 68.73
Outstanding at December 31, 2015	626,481		684,515	
Granted	**27,712**	**C$ 79.30**	**–**	**–**
Exercised	**–**	**–**	**(95,641)**	**C$ 80.77**
Additional units issued in lieu of compensation and cash dividends	**11,678**	**C$ 83.18**	**46,452**	**C$ 85.18**
Outstanding at December 31, 2016	**665,871**		**635,326**	
Hedged with a counterparty financial institution at December 31, 2016	**(580,648)**		**(635,326)**	
Outstanding at December 31, 2016 – Unhedged	**85,223**		**–**	

e) The Company has a Plan under which options and/or share appreciation rights for a term not exceeding 10 years may be granted to Directors, officers and employees for the acquisition of SVS of the Company at a price not less than the market value of the shares on the business day preceding the day of the grant. Under the Plan, no options or share appreciation rights may be exercised unless the average market price of the SVS for the five previous business days exceeds the exercise price of the options or the share appreciation rights by at least 25% (the "hurdle price"). At December 31, 2016, 15,612,000 SVS (2015 – 15,612,000) were reserved for issuance under the Plan, against which options representing 12,883,183 shares (2015 – 12,568,033) were outstanding, of which 5,994,148 options were vested. The Plan provides that the number of options issued to certain individuals in aggregate may not exceed 10% of the shares outstanding at the time the options are issued.

Options granted vest at a rate of 20% per year from the date of grant with the exception of 6,775,000 options, which vest at a rate of 15% per year during the first four years and 40% in the fifth year. When an option is exercised, the employee has the right to request that the Company repurchase the option for an amount equal to the difference between the fair value of the stock under the option and its exercise price. Upon receipt of such request, the Company has the right to settle its obligation to the employee by the payment of cash, the issuance of shares or a combination of cash and shares.

In addition to the options outstanding under the Plan, in January 2015, the Company issued 60,000 options to Onex Credit's chief executive officer in connection with acquiring control of the Onex Credit asset management platform, as described in note 3(a). The options vest at a rate of 20% per year from the grant date. The options are subject to the same terms and conditions as the Company's existing Plan; however, the options are also subject to an additional performance threshold specific to the Onex Credit asset management platform.

The details of the options outstanding were as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding at December 31, 2014	12,411,542	C$ 48.88
Granted	965,000	C$ 80.85
Surrendered	(643,359)	C$ 28.22
Expired	(105,150)	C$ 49.50
Outstanding at December 31, 2015	12,628,033	C$ 52.37
Granted	**898,500**	**C$ 93.40**
Surrendered	**(509,700)**	**C$ 31.97**
Expired	**(73,650)**	**C$ 59.44**
Outstanding at December 31, 2016	**12,943,183**	**C$55.98**

During 2016 and 2015, the total cash consideration paid on options surrendered was $21 (C$28) and $24 (C$32), respectively. This amount represents the difference between the market value of the SVS at the time of surrender and the exercise price, both as determined under the Plan. The weighted average share price at the date of exercise was C$87.44 per share (2015 – C$77.31).

Options outstanding at December 31, 2016 consisted of the following:

Month and Year of Grant	Number of Options Outstanding	Exercise Price	Number of Options Exercisable	Hurdle Price	Remaining Life (years)
December 2007	204,583	C$ 35.20	196,248	C$ 44.00	0.9
December 2008	390,450	C$ 15.95	382,450	C$ 19.94	1.9
December 2009	528,450	C$ 23.35	512,450	C$ 29.19	2.9
December 2010	430,950	C$ 29.29	430,950	C$ 36.62	3.9
December 2011	465,200	C$ 33.11	465,200	C$ 41.39	4.9
September 2012	50,000	C$ 38.50	40,000	C$ 48.13	5.7
December 2012	834,400	C$ 40.35	666,900	C$ 50.44	5.9
December 2013	3,313,500	C$ 56.92	1,574,800	C$ 71.15	6.9
January 2014	3,950,000	C$ 57.45	1,185,000	C$ 71.82	7.1
September 2014	75,000	C$ 62.93	30,000	C$ 78.67	7.7
December 2014	849,400	C$ 63.53	331,600	C$ 79.42	7.9
January 2015	60,000	C$ 68.57	–	C$ 85.72	8.1
March 2015	10,000	C$ 74.87	–	C$ 93.59	8.2
September 2015	10,000	C$ 79.79	–	C$ 99.74	8.7
November 2015	872,750	C$ 81.76	–	C$ 102.20	8.9
May 2016	30,000	C$ 77.83	–	C$ 97.29	9.3
December 2016	868,500	C$ 93.94	–	C$ 117.43	9.9
Total	12,943,183		5,815,598		

20. NON-CONTROLLING INTERESTS

The Company's material non-controlling interests at December 31, 2016 and 2015 were associated with Celestica and Clarivate Analytics (acquired in October 2016). There were no dividends paid by Celestica during 2016 or 2015 or Clarivate Analytics during 2016. Summarized balance sheet information based on those amounts included in these consolidated financial statements for Celestica and Clarivate Analytics is as follows:

	Celestica	
As at December 31	**2016**	2015
Non-controlling interest	**87%**	87%
Current assets	**$ 2,346**	$ 2,124
Non-current assets	**476**	488
	2,822	2,612
Current liabilities	**$ 1,246**	$ 1,133
Non-current liabilities	**338**	388
	1,584	1,521
Net assets	**$ 1,238**	$ 1,091
Accumulated non-controlling interests	**$ 1,071**	$ 945

As at December 31, 2016	Clarivate Analytics
Non-controlling interest	**28%**
Current assets	**$ 531**
Non-current assets	**3,676**
	4,207
Current liabilities	**$ 636**
Non-current liabilities	**2,076**
	2,712
Net assets	**$ 1,495**
Accumulated non-controlling interests	**$ 419**

Financial information on the statements of earnings for Celestica (electronics manufacturing services segment) is presented in note 34. Summarized income statement information for Clarivate Analytics since acquisition in October 2016 is as follows:

Year ended December 31, 2016	Clarivate Analytics
Revenue	**$ 202**
Net loss	**$ 137**

Summarized cash flows for Celestica and Clarivate Analytics (since acquisition in October 2016) are as follows:

	Celestica	
Year ended December 31	**2016**	2015
Cash flows from operating activities	**$ 173**	$ 196
Cash flows used in financing activities	**(97)**	(141)
Cash flows used in investing activities	**(64)**	(75)

Year ended December 31, 2016	Clarivate Analytics
Cash flows from operating activities	**$ 76**
Cash flows used in financing activities	**(22)**
Cash flows used in investing activities	**(18)**

21. EXPENSES BY NATURE

The nature of expenses in cost of sales and operating expenses, which excludes amortization of property, plant and equipment, intangible assets and deferred charges, consisted of the following:

Year ended December 31	**2016**	2015
Cost of inventory, raw materials and consumables used	**$ 9,517**	$ 8,550
Employee benefit expense[i]	**5,988**	5,453
Professional fees	**1,432**	795
Repairs, maintenance and utilities	**608**	570
Transportation	**545**	541
Operating lease payments	**351**	295
Provisions	**245**	196
Other expenses	**1,278**	1,149
Total cost of sales and operating expenses	**$ 19,964**	$ 17,549

(i) Employee benefit expense excludes employee costs capitalized into inventory and internally generated capital assets. Stock-based compensation is disclosed separately in the consolidated statements of earnings.

22. INTEREST EXPENSE OF OPERATING COMPANIES

Year ended December 31	**2016**	2015
Interest on long-term debt of operating companies	**$ 976**	$ 819
Interest on obligations under finance leases of operating companies	**4**	3
Other interest expense of operating companies[i]	**109**	56
Total Interest Expense of Operating Companies	**$ 1,089**	$ 878

(i) Other includes debt prepayment expense of $16 (2015 – $5).

23. STOCK-BASED COMPENSATION EXPENSE

Year ended December 31	**2016**	2015
Parent company[a]	**$ 118**	$ 134
USI	**92**	14
JELD-WEN	**37**	54
Celestica	**33**	38
Other	**43**	20
Total stock-based compensation expense	**$ 323**	$ 260

a) Parent company stock-based compensation primarily relates to Onex' stock option plan, as described in note 19, and the MIP, as described in note 31(d). The expense is determined based on the fair value of the liability at the end of each reporting period.

The fair value of Onex' stock option plan is determined using an option valuation model. The significant inputs into the model were the share price at December 31, 2016 of C$91.38 (2015 – C$84.82), the exercise price of the options, the remaining life of each option issuance, the volatility of each option issuance ranging from 18.26% to 18.66%, an average dividend yield of 0.41% and an average risk-free rate of 1.60%. The volatility is measured as the historical volatility based on the remaining life of each respective option issuance.

The fair values of the MIP options are determined using an internally developed valuation model. The significant inputs into the model are the fair value of the underlying investments, the time to expected exit from each investment, a risk-free rate of 1.11% and an industry comparable historical volatility for each investment.

24. OTHER GAINS

Year ended December 31	2016	2015
Gain on sale of Univers by USI[a]	$ 44	$ –
Gain on sale of Cicis[b]	28	–
Gain on sale of Tropicana Las Vegas[c]	–	102
Gain on sale of Flushing Town Center[d]	–	60
Gain on the Onex Credit transaction[e]	–	38
Gain on sale of B.C. Sugar residual property[f]	–	36
Other[g]	8	3
Total other gains	$ 80	$ 239

a) In May 2016, USI completed the sale of Univers, as described in note 2(e).

b) In August 2016, ONCAP II sold its entire investment in Cicis, as described in note 2(i).

c) In August 2015, Onex Partners III sold its entire investment in Tropicana Las Vegas, as described in note 3(k).

d) In July and December 2015, Onex Real Estate Partners sold substantially all of the retail space and adjoining parking structures of Flushing Town Center, as described in note 3(h).

e) In January 2015, Onex acquired control of the Onex Credit asset management platform, as described in note 3(a). In connection with this transaction, Onex recorded a non-cash gain of $38 during the first quarter of 2015.

f) In January 2015, Onex sold a residual property from its former investment in B.C. Sugar for proceeds of $54, recognizing a pre-tax gain of $36. Onex' share of the proceeds on the sale of the residual property was $33, net of amounts paid on account of the MIP, and Onex' share of the pre-tax gain was $23. Management of Onex earned $3 on account of the MIP related to this transaction.

g) Other includes gains from the sale of certain non-core businesses by the operating companies. Net proceeds from these transactions during 2016 were $10.

25. OTHER EXPENSE (INCOME)

Year ended December 31	2016	2015
Transition, integration and other[a]	$ 126	$ 110
Restructuring[b]	100	64
Transaction costs[c]	90	81
Carried interest charge due to Onex and ONCAP management[d]	59	130
Foreign exchange loss[e]	57	52
Derivatives losses (gains)[f]	31	(120)
Change in value of other Onex Partners investments[g]	(11)	71
Change in fair value of contingent consideration[h]	(39)	(76)
Losses (gains) on investments and long-term debt in CLOs and Onex Credit Funds[i]	(221)	195
Other[j]	(105)	(72)
Total other expense	$ 87	$ 435

a) Transition, integration and other expenses typically provide for the costs of establishing and transitioning from a prior parent company the activities of an operating company upon acquisition and to integrate new acquisitions at the operating companies. The costs may be incurred over several years as the establishment and transition of activities progress.

Transition, integration and other expenses for 2016 were primarily due to Carestream Health, Clarivate Analytics, Save-A-Lot and USI. Transition, integration and other expenses for 2015 were primarily due to Survitec and USI.

b) Restructuring expenses typically provide for the costs of facility consolidations and workforce reductions incurred at the operating companies.

Restructuring charges recorded at the operating companies were:

Year ended December 31	2016	2015
Celestica[i]	$ 32	$ 24
Carestream Health[ii]	20	3
SIG[iii]	20	2
JELD-WEN[iv]	11	17
ResCare[v]	11	1
USI[vi]	5	16
Other	1	1
Total restructuring charges	$ 100	$ 64

i) Celestica's restructuring charges for 2016 primarily related to costs to exit its solar panel manufacturing operations. The charges recorded by Celestica in 2015 primarily related to costs to consolidate certain sites and to reduce the workforce.

ii) The charges recorded by Carestream Health in 2016 primarily related to the reorganization of certain businesses and operations, including sales and services functions at the company. Carestream Health's restructuring charges for 2015 primarily related to the establishment of a central functions location for its European operations.

iii) SIG's restructuring charges for 2016 primarily related to costs to improve production processes and the establishment of a central support location.

iv) JELD-WEN's restructuring charges for 2016 and 2015 primarily related to the closure of facilities and personnel restructuring.

v) ResCare's restructuring charges for 2016 primarily relate to exiting the skilled line of business in the HomeCare segment and severance costs.

vi) USI's restructuring charges for 2016 and 2015 primarily related to severance and lease abandonment costs.

c) Transaction costs are incurred by Onex and its operating companies to complete business acquisitions, and typically include advisory, legal and other professional and consulting costs. Transaction costs for 2016 were primarily due to the acquisitions of Clarivate Analytics, Save-A-Lot, Tecta and WireCo, in addition to acquisitions completed by the operating companies. Transaction costs for 2015 were primarily due to the acquisitions of Chatters, Jack's, Schumacher, SIG and Survitec, in addition to acquisitions completed by the operating companies.

d) Carried interest charge reflects the change in the amount of carried interest due to Onex and ONCAP management through the Onex Partners and ONCAP Funds. Unrealized carried interest is calculated based on the current fair values of the Funds' investments and the overall unrealized gains in each respective Fund in accordance with the limited partnership agreements. The unrealized carried interest liability is recorded in other non-current liabilities and reduces the Limited Partners' Interests, as described in note 16. The liability will ultimately be settled upon the realization of the limited partners' share of the underlying investments in each respective Onex Partners and ONCAP Fund.

During 2016, a charge of $59 (2015 – $130) was recorded in the consolidated statements of earnings for an increase in management's share of the carried interest primarily due to an increase in the fair value of certain of the investments in the Onex Partners and ONCAP Funds.

e) For the year ended December 31, 2016, foreign exchange loss was primarily due to Survitec and WireCo. For the year ended December 31, 2015, foreign exchange loss was primarily due to losses recognized by SIG, Carestream Health and Survitec.

f) Derivatives losses and gains for the years ended December 31, 2016 and 2015 primarily relate to embedded derivatives associated with debt agreements and foreign exchange hedges.

g) Includes realized and unrealized (gains) losses on other Onex Partners investments in which Onex has no or limited remaining strategic or operating influence. During 2016 and 2015, the other Onex Partners investments consisted of FLY Leasing Limited and Genesis Healthcare (since February 2015).

Year ended December 31	2016	2015
Genesis Healthcare[i]	$ (11)	$ 72
FLY Leasing Limited	–	(1)
Total	$ (11)	$ 71

i) In February 2015, Skilled Healthcare Group combined with Genesis HealthCare, LLC, a leading U.S. operator of long-term care facilities, as described in note 8(c). As a result of the transaction, Onex no longer controls Skilled Healthcare Group, and the Company's investment in the combined company, Genesis Healthcare, is recorded in other long-term investments at fair value through earnings, with changes in fair value recorded in other expense (income).

h) During 2016, a net recovery of $39 (2015 – $76) was recognized in relation to the change in estimated fair value of contingent consideration related to acquisitions completed by the Company. The fair value of contingent consideration liabilities is typically based on the estimated future financial performance of the acquired business. Financial targets used in the estimation process include certain defined financial targets and realized internal rates of return. Partially offsetting the recovery for the year ended December 31, 2016 was the final determination of the additional consideration payable based on SIG's financial performance in 2015. The final determination resulted in an additional consideration of $162 (€150) being paid by SIG based on its 2015 financial performance. The majority of the additional consideration had been accrued by SIG at December 31, 2015.

The total estimated fair value of contingent consideration liabilities at December 31, 2016 was $127 (December 31, 2015 – $318).

i) During 2016, gains on investments in CLOs and Onex Credit Funds were primarily unrealized and driven by a recovery in the leveraged loan market.

During 2015, losses on investments in CLOs and Onex Credit Funds were primarily unrealized and driven by volatility in the leveraged loan market. Partially offsetting these losses were gains on the long-term debt in the CLOs.

j) Other includes income from equity-accounted investments and realized and unrealized gains (losses) on Onex Corporation investments in managed accounts.

26. IMPAIRMENT OF GOODWILL, INTANGIBLE ASSETS AND LONG-LIVED ASSETS, NET

Year ended December 31	2016	2015
York[a]	$ 226	$ –
Emerald Expositions[b]	4	6
ResCare[c]	–	51
Celestica[d]	–	12
Other, net[e]	4	13
Total	$ 234	$ 82

a) During the second quarter of 2016, York recorded a non-cash goodwill impairment charge of $226, measured in accordance with IAS 36, *Impairment of Assets*, primarily due to a decrease in projected future earnings from its claims management business. The impairment was calculated on a fair value less costs to sell basis using the discounted cash flow method at a discount rate of 9.8%. The recoverable amount was a Level 3 measurement in the fair value hierarchy as a result of significant unobservable inputs used in determining the recoverable amount. The impairment charge has been recorded in the insurance services segment.

b) During 2016 and 2015, Emerald Expositions recorded non-cash impairment charges primarily related to certain trade names and customer relationships.

c) Due to a decline in the recoverable amount of ResCare's Home-Care segment, measured in accordance with IAS 36, *Impairment of Assets*, ResCare recorded a non-cash goodwill and intangible asset impairment of $51 during 2015. The impairment was calculated primarily on a fair value less costs to sell basis. The recoverable amount calculated was approximately $140 and was a Level 3 measurement in the fair value hierarchy as a result of significant other unobservable inputs used in determining the recoverable amount. The impairment charge has been recorded in the health and human services segment.

d) During 2015, Celestica recorded a non-cash impairment charge of $12 to impair certain of its property, plant and equipment.

e) Other in 2016 included net impairments related to Carestream Health and JELD-WEN. Other in 2015 included net impairments related to JELD-WEN, sgsco and SIG.

Substantially all of the Company's goodwill and intangible assets with indefinite useful lives use the value-in-use method to measure the recoverable amount. The carrying value of goodwill and intangible assets with indefinite useful lives is allocated on a segmented basis in note 34.

In measuring the recoverable amounts for goodwill and intangible assets at December 31, 2016, significant estimates include the growth rate and discount rate, which ranged from 0.5% to 10.2% and 9.3% to 16.4% (2015 – 0% to 14.3% and 8.3% to 16.5%), respectively.

27. NET EARNINGS (LOSS) PER SUBORDINATE VOTING SHARE

The weighted average number of SVS for the purpose of the earnings (loss) per share calculations was as follows:

Year ended December 31	2016	2015
Weighted average number of shares outstanding *(in millions)*:		
Basic	104	107
Diluted	104	107

28. FINANCIAL INSTRUMENTS

Financial assets held by the Company, presented by financial statement line item, were as follows:

	Fair Value through Net Earnings					
	Recognized	**Designated**	**Available-for-Sale**	**Loans and Receivables**	**Derivatives Used for Hedging**	**Total**
December 31, 2016						
Assets as per balance sheet						
Cash and cash equivalents	**$ –**	**$ 2,371**	**$ –**	**$ –**	**$ –**	**$ 2,371**
Short-term investments	**147**	**–**	**7**	**–**	**–**	**154**
Accounts receivable	**–**	**–**	**–**	**3,868**	**–**	**3,868**
Other current assets	**9**	**314**	**–**	**292**	**13**	**628**
Long-term investments	**1,979**	**6,221**	**71**	**–**	**83**	**8,354**
Other non-current assets	**94**	**197**	**–**	**94**	**9**	**394**
Total	**$ 2,229**	**$ 9,103**	**$ 78**	**$ 4,254**(i)	**$ 105**	**$ 15,769**

(i) The carrying value of loans and receivables approximates their fair value.

	Fair Value through Net Earnings					
	Recognized	Designated	Available-for-Sale	Loans and Receivables	Derivatives Used for Hedging	Total
December 31, 2015						
Assets as per balance sheet						
Cash and cash equivalents	$ –	$ 2,313	$ –	$ –	$ –	$ 2,313
Short-term investments	204	–	2	–	–	206
Accounts receivable	–	–	–	2,933	–	2,933
Other current assets	18	196	–	239	39	492
Long-term investments	2,471	4,996	22	–	77	7,566
Other non-current assets	86	162	–	78	–	326
Financial assets held by discontinued operations	19	113	–	205	1	338
Total	$ 2,798	$ 7,780	$ 24	$ 3,455(i)	$ 117	$ 14,174

(i) The carrying value of loans and receivables approximates their fair value.

Financial liabilities held by the Company, presented by financial statement line item, were as follows:

	Fair Value through Net Earnings		Financial Liabilities at Amortized Cost	Derivatives Used for Hedging	Total
	Recognized	Designated			
December 31, 2016					
Liabilities as per balance sheet					
Accounts payable and accrued liabilities	$ –	$ –	$ 4,089	$ –	$ 4,089
Provisions	117	–	18	–	135
Other current liabilities	43	21	270	59	393
Long-term debt[i]	–	5,855	17,389	–	23,244
Obligations under finance leases	–	–	77	–	77
Other non-current liabilities	550	30	113	17	710
Limited Partners' Interests	–	8,474	–	–	8,474
Total	$ 710	$ 14,380	$ 21,956	$ 76	$ 37,122

(i) Long-term debt is presented gross of financing charges.

	Fair Value through Net Earnings		Financial Liabilities at Amortized Cost	Derivatives Used for Hedging	Total
	Recognized	Designated			
December 31, 2015					
Liabilities as per balance sheet					
Accounts payable and accrued liabilities	$ –	$ –	$ 3,218	$ 31	$ 3,249
Provisions	316	–	40	–	356
Other current liabilities	69	–	259	32	360
Long-term debt[i]	–	4,870	13,503	–	18,373
Obligations under finance leases	–	–	57	–	57
Other non-current liabilities	547	4	50	33	634
Limited Partners' Interests	–	7,318	–	–	7,318
Financial liabilities held by discontinued operations	–	–	425	4	429
Total	$ 932	$ 12,192	$ 17,552	$ 100	$ 30,776

(i) Long-term debt is presented gross of financing charges.

Long-term debt recorded at fair value through net earnings at December 31, 2016 of $5,855 (2015 – $4,870) has contractual amounts due on maturity of $5,953 (2015 – $5,093).

The gains (losses) recognized by the Company related to financial assets and liabilities were as follows:

Year ended December 31	2016		2015	
	Earnings (Loss)	Comprehensive Earnings (Loss)[i]	Earnings (Loss)	Comprehensive Earnings (Loss)[i]
Fair value through net earnings (loss)	$ (174)[a]	$ n/a	$ (774)[a]	$ n/a
Available-for-sale				
Fair value adjustments	n/a	–	n/a	1
Interest income	1	n/a	–	n/a
Impairments	–	n/a	–	n/a
Loans and receivables				
Provisions and other	(32)	n/a	(15)	n/a
Financial liabilities at amortized cost				
Interest expense of operating companies	(1,089)	n/a	(878)	n/a
Other	1	n/a	3	n/a
Derivatives used for hedging	16	(9)	(30)	(56)
Total losses recognized	$ (1,277)	$ (9)	$ (1,694)	$ (55)

(i) Amounts recognized in comprehensive earnings (loss) are presented gross of the income tax effect.

a) Primarily consists of a Limited Partners' Interests charge of $647 (2015 – $856), a carried interest charge of $59 (2015 – $130) and an increase in value of investments in joint ventures and associates at fair value of $180 (2015 – $175).

29. FAIR VALUE MEASUREMENTS

Fair values of financial instruments

The estimated fair values of financial instruments as at December 31, 2016 and December 31, 2015 are based on relevant market prices and information available at those dates. The carrying values of cash and cash equivalents, short-term investments, accounts receivable, accounts payable and accrued liabilities approximate the fair values of these financial instruments due to the short maturity of these instruments. The fair value of consolidated long-term debt at December 31, 2016 was $23,176 (December 31, 2015 – $17,930) compared to a carrying value of $23,863 (December 31, 2015 – $18,054). The fair value of consolidated long-term debt measured at amortized cost is substantially a Level 2 measurement in the fair value hierarchy and is calculated by discounting the expected future cash flows using an observable discount rate for instruments of similar maturity and credit risk. For certain operating companies, an adjustment is made by management for that operating company's own credit risk, resulting in a Level 3 measurement in the fair value hierarchy.

Financial instruments measured at fair value are allocated within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. Transfers between the three levels of the fair value hierarchy are recognized on the date of the event or change in circumstances that caused the transfer. There were no significant transfers between the three levels of the fair value hierarchy during 2016. The three levels of the fair value hierarchy are as follows:

- Quoted prices in active markets for identical assets ("Level 1");
- Significant other observable inputs ("Level 2"); and
- Significant other unobservable inputs ("Level 3").

The allocation of financial assets in the fair value hierarchy, excluding cash and cash equivalents, at December 31, 2016, was as follows:

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through net earnings				
Corporate loans held by CLOs and warehouse facilities	$ –	$ 6,217	$ –	$ 6,217
Investments in debt	–	1,255	–	1,255
Investments in equities	23	96	–	119
Investments in joint ventures and associates	–	–	751	751
Restricted cash and other	482	136	1	619
Available-for-sale financial assets				
Investments in debt	–	56	–	56
Investments in equities	22	–	–	22
Total financial assets at fair value	$ 527	$ 7,760	$ 752	$ 9,039

The allocation of financial assets in the fair value hierarchy, excluding cash and cash equivalents, at December 31, 2015, was as follows:

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through net earnings				
Corporate loans held by CLOs and warehouse facilities	$ –	$ 4,992	$ –	$ 4,992
Investments in debt	–	1,846	1	1,847
Investments in equities	14	83	–	97
Investments in joint ventures and associates	–	–	733	733
Restricted cash and other	334	148	–	482
Available-for-sale financial assets				
Investments in equities	8	17	–	25
Total financial assets at fair value	$ 356	$ 7,086	$ 734	$ 8,176

The allocation of financial liabilities in the fair value hierarchy at December 31, 2016 was as follows:

	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through net earnings				
Limited Partners' Interests for Onex Partners and ONCAP Funds	$ –	$ –	$ 8,104	$ 8,104
Limited Partners' Interests for Onex Credit Funds	–	–	370	370
Unrealized carried interest due to Onex and ONCAP management	–	–	366	366
Long-term debt of CLOs	–	–	5,855	5,855
Contingent consideration and other	22	134	239	395
Total financial liabilities at fair value	$ 22	$ 134	$ 14,934	$ 15,090

The allocation of financial liabilities in the fair value hierarchy at December 31, 2015 was as follows:

	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through net earnings				
Limited Partners' Interests for Onex Partners and ONCAP Funds	$ –	$ –	$ 6,989	$ 6,989
Limited Partners' Interests for Onex Credit Funds	–	–	329	329
Unrealized carried interest due to Onex and ONCAP management	–	–	331	331
Long-term debt of CLOs	–	–	4,870	4,870
Contingent consideration and other	12	158	435	605
Total financial liabilities at fair value	$ 12	$ 158	$ 12,954	$ 13,124

Details of financial assets and liabilities measured at fair value with significant unobservable inputs (Level 3), excluding investments in joint ventures and associates designated at fair value through earnings (note 10(b)) and Limited Partners' Interests designated at fair value (note 16), are as follows:

	Financial Assets at Fair Value through Net Earnings	Long-Term Debt of CLOs	Other Financial Liabilities at Fair Value through Net Earnings
Balance – December 31, 2014	$ –	$ 3,431	$ 522
Change in fair value recognized in net earnings	(1)	(110)	56
Transfer to Level 3	4	–	–
Additions	50	1,857	–
Acquisition of subsidiaries	–	–	213
Settlements	(51)	(308)	(35)
Other	(1)	–	10
Balance – December 31, 2015	1	4,870	766
Change in fair value recognized in net earnings	**–**	**133**	**9**
Transfer to Level 3	**–**	**–**	**–**
Additions	**61**	**1,571**	**–**
Acquisition of subsidiaries	**–**	**–**	**38**
Settlements	**(61)**	**(719)**	**(214)**
Other	**–**	**–**	**6**
Balance – December 31, 2016	**$ 1**	**$ 5,855**	**$ 605**
Unrealized change in fair value of assets and liabilities held at the end of the reporting period	**$ –**	**$ 122**	**$ 13**

Financial assets and liabilities measured at fair value with significant unobservable inputs (Level 3) are recognized in the consolidated statements of earnings in the following line items: (i) interest expense of operating companies; (ii) increase in value of investments in joint ventures and associates at fair value, net; (iii) other income (expense); and (iv) Limited Partners' Interests recovery (charge).

The valuation of investments in debt securities measured at fair value with significant other observable inputs (Level 2) is generally determined by obtaining quoted market prices or dealer quotes for identical or similar instruments in inactive markets, or other inputs that are observable or can be corroborated by observable market data.

The valuation of financial assets and liabilities measured at fair value with significant unobservable inputs (Level 3) is determined quarterly utilizing company-specific considerations and available market data of comparable public companies. The valuation of investments in the Onex Partners and ONCAP Funds is reviewed and approved by the General Partner of the respective Fund each quarter. The General Partners of the Onex Partners and ONCAP Funds are indirectly controlled by Onex Corporation.

The fair value measurement of the Limited Partners' Interests for the Onex Credit Funds is primarily driven by the underlying fair value of the investments in the Onex Credit Funds. The investment strategies of the Onex Credit Funds are focused on a variety of event-driven, long/short, long-only, par, stressed and distressed opportunities.

The fair value measurements for investments in joint ventures and associates, Limited Partners' Interests for the Onex Partners and ONCAP Funds and unrealized carried interest are primarily driven by the underlying fair value of the investments in the Onex Partners and ONCAP Funds. A change to reasonably possible alternative estimates and assumptions used in the valuation of non-public investments in the Onex Partners and ONCAP Funds may have a significant impact on the fair values calculated for these financial assets and liabilities. A change in the valuation of the underlying investments may have multiple impacts on Onex' consolidated financial statements and those impacts are dependent on the method of accounting used for that investment, the Fund(s) within which that investment is held and the progress of that investment in meeting the MIP exercise hurdles. For example, an increase in the fair value of an investment in an associate would have the following impacts on Onex' consolidated financial statements:

i) an increase in the unrealized value of investments in joint ventures and associates at fair value in the consolidated statements of earnings, with a corresponding increase in long-term investments in the consolidated balance sheets;

ii) a charge would be recorded for the limited partners' share of the fair value increase of the investment in associate on the Limited Partners' Interests line in the consolidated statements of earnings, with a corresponding increase to the Limited Partners' Interests in the consolidated balance sheets;

iii) a change in the calculation of unrealized carried interest in the respective Fund that holds the investment in associate, resulting in a recovery being recorded in the Limited Partners' Interests line in the consolidated statements of earnings, with a corresponding decrease to the Limited Partners' Interests in the consolidated balance sheets;

iv) a charge would be recorded for the change in unrealized carried interest due to Onex and ONCAP management on the other income (expense) line in the consolidated statements of earnings, with a corresponding increase to other non-current liabilities in the consolidated balance sheets; and

v) a change in the fair value of the vested investment rights held under the MIP, resulting in a charge being recorded on the stock-based compensation line in the consolidated statements of earnings, with a corresponding increase to other non-current liabilities in the consolidated balance sheets.

Valuation methodologies may include observations of the trading multiples of public companies considered comparable to the private companies being valued and discounted cash flows. The following table presents the significant unobservable inputs used to value the Company's private securities that impact the valuation of (i) investments in joint ventures and associates; (ii) unrealized carried interest liability due to Onex and ONCAP management; (iii) stock-based compensation liability for the MIP; and (iv) Limited Partners' Interests.

Valuation Technique	Significant Unobservable Inputs	Inputs at December 31, 2016	Inputs at December 31, 2015
Market comparable companies	EBITDA multiple	7.5x–13.0x	6.5x–10.5x
Discounted cash flow	Weighted average cost of capital	9.8%–18.0%	11.1%–18.0%
	Exit multiple	6.0x–11.0x	6.5x–10.5x

In addition, at December 31, 2016 and December 31, 2015, the Company has an investment that was valued using market comparable transactions. At December 31, 2015, the Company also had an investment whose value was based on estimated sale proceeds.

Generally, EBITDA represents earnings before interest, taxes, depreciation and amortization as well as other adjustments. Other adjustments can include non-cash costs of stock-based compensation and retention plans, transition and restructuring expenses including severance payments, the impact of derivative instruments that no longer qualify for hedge accounting, the impacts of purchase accounting and other similar amounts. EBITDA is a measurement that is not defined under IFRS.

The long-term debt issued by the CLOs is recognized at fair value using third-party pricing models without adjustment by the Company. The valuation methodology is based on a projection of the future cash flows expected to be realized from the underlying collateral of the CLOs. During 2016, the Company recorded a loss of $122 (2015 – gain of $110) attributable to changes in the credit risk of the long-term debt held by the CLOs.

30. FINANCIAL INSTRUMENT RISKS AND CAPITAL DISCLOSURES

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to perform its obligation and cause the Company to incur a loss.

Substantially all of the cash and cash equivalents consist of investments in debt securities. In addition, the long-term investments of CLOs included in the long-term investments line in the consolidated balance sheets consist primarily of investments in debt securities. The investments in debt securities are subject to credit risk. A description of the investments held by the CLOs is included in note 10(a).

At December 31, 2016, Onex, the parent company, had $679 of cash on hand and $907 of near-cash items at market value. Cash and cash equivalents are held with financial institutions having a current Standard & Poor's rating of A-1+ or above. Near-cash items include short- and long-term investments managed by third-party investment managers, as described below, $376 invested in a segregated unlevered fund managed by Onex Credit and $48 in management fees receivable from limited partners of its private equity platforms. The short- and long-term investments have current Standard & Poor's ratings ranging from BBB to AAA. The portfolio concentration limits range from a maximum of 10% for BBB investments to 100% for AAA investments.

Accounts receivable are also subject to credit risk. At December 31, 2016, the aging of consolidated accounts receivable was as follows:

	Accounts Receivable
Current	$ 2,856
1–30 days past due	543
31–60 days past due	143
>60 days past due	326
Total	$ 3,868

Liquidity risk

Liquidity risk is the risk that Onex and its operating companies will have insufficient funds on hand to meet their respective obligations as they come due. The operating companies operate autonomously and generally have restrictions on cash distributions to shareholders under their financing agreements. Onex needs to be in a position to support its operating companies when and if it is appropriate and reasonable for Onex, as an equity owner with paramount duties to act in the best interests of Onex shareholders, to do so. Maintaining sufficient liquidity at Onex is important because Onex, as a holding company, generally does not have guaranteed sources of meaningful cash flow.

In completing acquisitions, it is generally Onex' policy to finance a significant portion of the purchase price with debt provided by third-party lenders. This debt, sourced exclusively on the strength of the acquired company's financial condition and prospects, is debt of the acquired company at closing and is without recourse to Onex Corporation, the ultimate parent company, or to its other operating companies or partnerships. The foremost consideration, however, in developing a financing structure for an acquisition is identifying the appropriate amount of equity to invest. In Onex' view, this should be the amount of equity that maximizes the risk/reward equation for both shareholders and the acquired company.

Accounts payable for the operating companies are primarily due within 90 days. The repayment schedules for long-term debt and finance leases of the operating companies have been disclosed in notes 14 and 15. Onex Corporation, the ultimate parent company, has no debt and does not guarantee the debt of the operating companies.

Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market prices. The Company is primarily exposed to fluctuations in the foreign currency exchange rate between the Canadian and U.S. dollars and fluctuations in LIBOR, EURIBOR and the U.S. prime interest rate.

Foreign currency exchange rates

Onex' operating companies operate autonomously as self-sustaining companies. The functional currency of the majority of Onex' operating companies is the U.S. dollar. However, certain operating companies conduct business outside the United States and as a result are exposed to currency risk on the portion of business that is not based on the U.S. dollar. To manage foreign currency risk, certain operating companies use forward contracts to hedge all or a portion of forecasted revenues and/or costs outside their functional currencies. Additionally, where possible, Onex and its operating companies aim to reduce the exposure to foreign currency fluctuations through natural hedges by transacting in local currencies.

Interest rates

The Company is exposed to changes in future cash flows as a result of changes in the interest rate environment. The parent company is exposed to interest rate changes primarily through its cash and cash equivalents, which are held in short-term term deposits and commercial paper. Assuming no significant changes in cash balances held by the parent company from those at December 31, 2016, a 0.25% increase (0.25% decrease) in the interest rate (including the Canadian and U.S. prime rates) would result in a minimal impact on annual interest income. As all of the Canadian dollar cash and cash equivalents at the parent company are designated as fair value through net earnings, there would be no effect on other comprehensive earnings.

Onex, the parent company, has exposure to interest rate risk primarily through its short- and long-term investments managed by third-party investment managers. As interest rates change, the fair values of fixed income investments are inversely impacted. Investments with shorter durations are less impacted by changes in interest rates compared to investments with longer durations. At December 31, 2016, Onex' short- and long-term investments included $348 of fixed income securities measured at fair value, which are subject to interest rate risk. These securities had a weighted average duration of 1.3 years. Other factors, including general economic conditions and political conditions, may also affect the value of fixed income securities. These risks are monitored on an ongoing basis and the short- and long-term investments may be repositioned in response to changes in market conditions.

The operating companies' results are also affected by changes in interest rates. A change in the interest rate (including the LIBOR, EURIBOR and U.S. prime interest rate) would result in a change in interest expense being recorded due to the variable-rate portion of the long-term debt of the operating companies. At December 31, 2016, excluding CLOs, approximately 42% (2015 – 45%) of the operating companies' long-term debt had a fixed interest rate or an interest rate that was effectively fixed by interest rate swap contracts. The long-term debt of the operating companies is without recourse to Onex Corporation, the ultimate parent company.

Commodity risk

Certain of Onex' operating companies have exposure to commodities. In particular, silver is a significant commodity used in Carestream Health's manufacturing of x-ray film. The company's management continually monitors movements and trends in the silver market and enters into collar and forward agreements when considered appropriate to mitigate some of the risk of future price fluctuations, generally for periods of up to a year.

Resin and aluminum are significant commodities used by SIG. The company generally purchases commodities at spot market prices and actively uses derivative instruments to hedge the exposure in relation to the cost of resin (and its components) and aluminum. Due to this approach, the company has been able to fix the prices one year forward for approximately 90% of its expected resin and aluminum purchases, which substantially minimizes the exposure to the price fluctuations of the commodities over that period.

Rod, polymers and synthetic fibres are significant commodities used by WireCo in its manufacturing operations, in addition to certain energy sources, principally electricity, natural gas and propane. The company monitors the cost of raw materials and passes along price increases and decreases accordingly. The company does not enter into commodity contracts to manage the exposure on forecasted purchases of raw materials.

Regulatory risk

Certain of Onex' operating companies and investment advisor affiliates may be subject to extensive government regulations and oversight with respect to their business activities. Failure to comply with applicable regulations, obtain applicable regulatory approvals or maintain those approvals may subject the applicable operating company to civil penalties, suspension or withdrawal of any regulatory approval obtained, injunctions, operating restrictions and criminal prosecutions and penalties, which could, individually or in the aggregate, have a material adverse effect on Onex' consolidated financial position.

Capital disclosures

Onex considers the capital it manages to be the amounts it has in cash and cash equivalents, near-cash investments, short- and long-term investments managed by third-party investment managers and the investments made in the operating businesses, Onex Credit and other investments. Onex also manages the capital of other investors in the Onex Partners, ONCAP and Onex Credit Funds. Onex' objectives in managing capital are to:

- preserve a financially strong parent company with appropriate liquidity and no, or a limited amount of, debt so that funds are available to pursue new acquisitions and growth opportunities as well as support expansion of its existing businesses. Onex generally does not have the ability to draw cash from its operating businesses. Accordingly, maintaining adequate liquidity at the parent company is important;
- achieve an appropriate return on capital invested commensurate with the level of assumed risk;
- build the long-term value of its operating businesses;
- control the risk associated with capital invested in any particular business or activity. All debt financing is within the operating companies and each operating company is required to support its own debt. Onex Corporation does not guarantee the debt of the operating businesses and there are no cross-guarantees of debt between the operating businesses; and
- have appropriate levels of committed limited partners' capital available to invest along with Onex' capital. This allows Onex to respond quickly to opportunities and pursue acquisitions of businesses of a size it could not achieve using only its own capital. The management of limited partners' capital also provides management fees to Onex and the ability to enhance Onex' returns by earning a carried interest on the profits of limited partners.

Beginning in the second quarter of 2015, Onex, the parent company, transferred a portion of its cash and cash equivalents to accounts managed by third-party investment managers in order to increase the return on this capital while maintaining appropriate liquidity. At December 31, 2016, the fair value of investments, including cash yet to be deployed, managed by third-party investment managers was $483. The investments are managed in a mix of short- and long-term portfolios. Short-term investments consist of liquid investments including money market instruments and commercial paper with original maturities of three months to one year. Long-term investments consist of securities that include money market instruments, federal and municipal debt instruments, corporate obligations and structured products with maturities of one year to five years. The investments are managed to maintain an overall weighted average duration of two years or less.

At December 31, 2016, Onex had access to $1,674 of uncalled committed limited partners' capital for acquisitions through Onex Partners IV and $679 of uncalled committed limited partners' capital for acquisitions through ONCAP IV. The uncalled committed limited partners' capital for Onex Partners IV has subsequently decreased by $301 for the capital called for the pending acquisition of Parkdean Resorts.

The strategy for risk management of capital has not changed significantly since December 31, 2015.

31. COMMITMENTS, CONTINGENCIES AND RELATED PARTY TRANSACTIONS

a) Letters of credit, letters of guarantee and other commitments

Contingent liabilities in the form of letters of credit, letters of guarantee and surety and performance bonds are primarily provided by certain operating companies to various third parties and include certain bank guarantees. At December 31, 2016, the amounts potentially payable in respect of these guarantees totalled $315.

In February 2016, Onex, the parent company, committed to investing $75 in Incline Aviation Fund, an aircraft investment fund to be managed by BBAM and focused on investments in contractually leased commercial jet aircraft. At December 31, 2016, Onex had a remaining commitment of $60 to Incline Aviation Fund. In February 2017, Mr. Gerald W. Schwartz, who is Onex' controlling shareholder, assumed $25 of Onex' commitment, reducing the amount committed by Onex to investing in Incline Aviation Fund to $50.

In addition, commitments at December 31, 2016 include $1,665 (£1,350) related to the pending acquisition of Parkdean Resorts, as discussed in note 2(q).

The Company, which includes the operating companies, has also provided certain indemnifications, including those related to businesses that have been sold. The maximum amounts from many of these indemnifications cannot be reasonably estimated at this time. However, in certain circumstances, the Company and its operating companies have recourse against other parties to mitigate the risk of loss from these indemnifications.

The Company, which includes the operating companies, has commitments with respect to real estate operating leases, which are disclosed in note 15.

The aggregate commitments for capital assets at December 31, 2016 amounted to $124, with the majority expected to be incurred between 2017 and 2018.

b) Legal contingencies

Onex and its operating companies are or may become parties to legal, product liability and warranty claims arising in the ordinary course of business. Certain operating companies, as conditions of acquisition agreements, have agreed to accept certain pre-acquisition liability claims against the acquired companies. The operating companies have recorded provisions based on their consideration and analysis of their exposure in respect of such claims. Such provisions are reflected, as appropriate, in Onex' consolidated financial statements, as described in note 13. Onex Corporation, the ultimate parent company, has not currently recorded any further provision and does not believe that the resolution of known claims would reasonably be expected to have a material adverse impact on Onex' consolidated financial position. However, the final outcome with respect to outstanding, pending or future actions cannot be predicted with certainty, and therefore there can be no assurance that their resolution will not have an adverse effect on Onex' consolidated financial position.

c) Environmental contingencies

The operating companies are subject to laws and regulations concerning the environment and to the risk of environmental liability inherent in activities relating to their past and present operations. As conditions of acquisition agreements, certain operating companies have agreed to accept certain pre-acquisition liability claims on the acquired companies after obtaining indemnification from previous owners.

The Company and its operating companies also have insurance to cover costs incurred for certain environmental matters. Although the effect on operating results and liquidity, if any, cannot be reasonably estimated, management of Onex and the operating companies believe, based on current information, that these environmental matters would not reasonably be expected to have a material adverse effect on the Company's consolidated financial condition.

d) Management Investment Plan

Under the terms of the MIP, management members of the Company invest in all of the operating entities acquired or invested in by the Company.

The aggregate investment by management members under the MIP is limited to 9% of Onex' interest in each acquisition. The form of the investment is a cash purchase for ⅙th (1.5%) of the MIP's share of the aggregate investment, and investment rights for the remaining ⅚ths (7.5%) of the MIP's share at the same price. Amounts invested under the minimum investment requirement in Onex Partners' transactions are allocated to meet the 1.5% Onex investment requirement under the MIP. The investment rights to acquire the remaining ⅚ths vest equally over six years with the investment rights vesting in full if the Company disposes of all of an investment before the seventh year. Under the MIP, the investment rights related to a particular acquisition are exercisable only if the Company realizes in cash the full return of its investment and earns a minimum 15% internal rate of return for the investment after giving effect to the investment rights.

Realizations under the MIP distributed in 2016 were $7 (2015 – $4).

In addition, management of ONCAP has an incentive program related to Onex' co-investment in ONCAP operating companies.

e) Commitments to Onex Partners I

In February 2004, Onex completed the closing of Onex Partners I with commitments totalling $1,655. Onex Partners I provided committed capital for Onex-sponsored acquisitions not related to Onex' operating companies at December 31, 2003 or to ONCAP. As at December 31, 2016, $1,475 (2015 – $1,475) has been invested of the $1,655 of total capital committed. Onex has invested $346 (2015 – $346) of its $400 commitment. Onex controls the General Partner and Manager of Onex Partners I. The total amount invested at cost in Onex Partners I's remaining investments by Onex management and Directors at December 31, 2016 was $11 (2015 – $11). There were no additional amounts invested by Onex management and Directors in Onex Partners I investments during 2016 or 2015.

Prior to November 2006, Onex received annual management fees based on 2% of the capital committed to Onex Partners I by investors other than Onex and Onex management. The annual management fee was reduced to 1% of the net funded commitments at the end of the initial fee period in November 2006, when Onex established a successor Onex Partners fund, Onex Partners II. In January 2015, with the approval of a majority in interest of the limited partners, the term of Onex Partners I was extended to February 4, 2016. In connection with this extension, the management fee was further reduced to 1% of net funded commitments relating to Onex Partners I's investment in ResCare.

Further, in January 2016, with the approval of a majority in interest of the limited partners, the term of Onex Partners I was extended to February 4, 2017, and in January 2017 the term was extended to February 4, 2019. As a result of the extension in January 2016, management fees were no longer earned for Onex Partners I as of February 4, 2016. Carried interest is received on the overall gains achieved by Onex Partners I investors, other than Onex and Onex management, to the extent of 20% of the gains, provided that those investors have achieved a minimum 8% return on their investment in Onex Partners I over the life of Onex Partners I. The investment by Onex Partners I investors for this purpose takes into consideration management fees and other amounts paid by Onex Partners I investors.

Onex, as sponsor of Onex Partners I, is allocated 40% of the carried interest with 60% allocated to Onex management. Carried interest received from Onex Partners I has fully vested for Onex management. For the year ended December 31, 2016, no amounts (2015 – less than $1) were received by Onex as carried interest while Onex management received no amounts (2015 – less than $1) with respect to the carried interest.

f) Commitments to Onex Partners II

In August 2006, Onex completed the closing of Onex Partners II with commitments totalling $3,450. Onex Partners II provided committed capital for Onex-sponsored acquisitions not related to Onex' operating companies at December 31, 2003 or to ONCAP or Onex Partners I. As at December 31, 2016, $2,944 (2015 – $2,944) has been invested of the $3,450 of total capital committed. Onex has invested $1,164 (2015 – $1,164) of its $1,407 commitment. Onex controls the General Partner and Manager of Onex Partners II. The total amount invested at cost in Onex Partners II's remaining investment by Onex management and Directors at December 31, 2016 was $18 (2015 – $18). There were no additional amounts invested by Onex management and Directors in Onex Partners II investments during 2016 and 2015.

Prior to November 2008, Onex received annual management fees based on 2% of the capital committed to Onex Partners II by investors other than Onex and Onex management. The annual management fee was reduced to 1% of the net funded commitments at the end of the initial fee period in November 2008, when Onex established a successor Onex Partners fund, Onex Partners III. In July 2016, the term of Onex Partners II was extended to August 1, 2017. Carried interest is received on the overall gains achieved by Onex Partners II investors, other than Onex and Onex management, to the extent of 20% of the gains, provided that those investors have achieved a minimum 8% return on their investment in Onex Partners II over the life of Onex Partners II. The investment by Onex Partners II investors for this purpose takes into consideration management fees and other amounts paid by Onex Partners II investors.

Consistent with Onex Partners I, Onex, as sponsor of Onex Partners II, is allocated 40% of the carried interest with 60% allocated to Onex management. Carried interest received from Onex Partners II has fully vested for Onex management. For the year ended December 31, 2016, less than $1 (2015 – nil) was received by Onex as carried interest while Onex management received less than $1 (2015 – nil) with respect to carried interest.

g) Commitments to Onex Partners III

In December 2009, Onex completed the closing of Onex Partners III with commitments totalling $4,300. Onex Partners III provided committed capital for Onex-sponsored acquisitions not related to Onex' operating companies at December 31, 2003 or to ONCAP or previous Onex Partners Funds. The term of Onex Partners III, unless further extended, ends in April 2019. As at December 31, 2016, $4,215 (2015 – $4,207) has been invested, including capitalized costs, of which Onex' share was $929 (2015 – $927). Onex' commitment to Onex Partners III has been $1,200 since May 15, 2012. Onex controls the General Partner and Manager of Onex Partners III. The total amount invested at cost in Onex Partners III's remaining investments by Onex management and Directors at December 31, 2016 was $126 (2015 – $141), of which less than $1 (2015 – nil) was invested in the year ended December 31, 2016.

Prior to December 2013, Onex received annual management fees based on 1.75% of the capital committed to Onex Partners III by investors other than Onex and Onex management. The annual management fee was reduced to 1% of the net funded commitments 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. Carried interest is received on the overall gains achieved by Onex Partners III investors, other than Onex and Onex management, to the extent of 20% of the gains, provided that those investors have achieved a minimum 8% return on their investment in Onex Partners III over the life of Onex Partners III. The investment by Onex Partners III investors for this purpose takes into consideration management fees and other amounts paid by Onex Partners III investors.

The returns to Onex Partners III investors, other than Onex and Onex management, are based on all investments made through Onex Partners III, with the result that the initial carried interest achieved by Onex on gains could be recovered from Onex if subsequent Onex Partners III investments do not exceed the overall target return level of 8%. Consistent with previous Onex Partners Funds, Onex, as sponsor of Onex Partners III, will be allocated 40% of the carried interest with 60% allocated to Onex management. Carried interest received from Onex Partners III has fully vested for Onex management. For the year ended December 31, 2016, $14 (2015 – $1) was received by Onex as carried interest while Onex management received $22 (2015 – $1) with respect to the carried interest.

h) Commitments to Onex Partners IV

In May 2014, Onex completed the closing of Onex Partners IV with commitments totalling $5,150. Onex Partners IV is to provide committed capital for future Onex-sponsored acquisitions not related to Onex' operating companies at December 31, 2003 or to ONCAP or previous Onex Partners Funds. The term of Onex Partners IV, unless further extended, ends in May 2024. Onex had a $1,200 commitment for the period from the date of the first closing to June 2, 2015, and a $1,700 commitment since June 3, 2015. As at December 31, 2016, $3,362 (2015 – $1,736) has been invested, including capitalized costs, of which Onex' share was $884 (2015 – $428). Onex controls the General Partner and Manager of Onex Partners IV. Onex management has committed, as a group, to invest a minimum of 2% of Onex Partners IV, which may be adjusted annually up to a maximum of 8%. At December 31, 2016, Onex management and Directors had committed 4%. The total amount invested in Onex Partners IV's investments by Onex management and Directors at December 31, 2016 was $259 (2015 – $129, including $4 of bridge financing), of which $130 (2015 – $113) was invested in the year ended December 31, 2016, after taking into account bridge financing repayments of $3.

Onex began to earn management fees from Onex Partners IV in August 2014. During the initial fee period of Onex Partners IV, Onex receives annual management fees based on 1.7% of capital committed to Onex Partners IV by investors other than Onex and Onex management. The annual management fee is reduced to 1% of the net funded commitments at the earlier of the end of the commitment period or if Onex establishes a successor Onex Partners fund. Carried interest is received on the overall gains achieved by Onex Partners IV investors, other than Onex and Onex management, to the extent of 20% of the gains, provided that those investors have achieved a minimum 8% return on their investment in Onex Partners IV over the life of Onex Partners IV. The investment by Onex Partners IV investors for this purpose takes into consideration management fees and other amounts paid by Onex Partners IV investors.

The returns to Onex Partners IV investors, other than Onex and Onex management, are based on all investments made through Onex Partners IV, with the result that the initial carried interest achieved by Onex on gains could be recovered from Onex if subsequent Onex Partners IV investments do not exceed the overall target return level of 8%. Consistent with previous Onex Partners Funds, Onex, as sponsor of Onex Partners IV, will be allocated 40% of the carried interest with 60% allocated to Onex management. Carried interest received from Onex Partners IV for Onex management will vest equally over six years from August 2014. As at December 31, 2016 and 2015, no amounts had been received as carried interest related to Onex Partners IV.

i) Commitments to ONCAP II

In May 2006, Onex completed the closing of ONCAP II with commitments totalling C$574. ONCAP II provided committed capital for acquisitions of small and medium-sized businesses requiring between C$20 and C$75 of initial equity capital. As at December 31, 2016, C$483 (2015 – C$483) has been invested of the C$574 of total capital committed. Onex has invested C$221 (2015 – C$221) of its C$252 commitment. Onex controls the General Partner and Manager of ONCAP II. The total amount invested at cost in ONCAP II's remaining investments by management of Onex and ONCAP and Directors at December 31, 2016 was C$22 (2015 – C$25). There were no additional amounts invested by management of Onex and ONCAP and Directors in ONCAP II investments during 2016 and 2015.

Prior to July 2011, Onex received annual management fees based on 2% of the capital committed to ONCAP II by investors other than Onex and management of Onex and ONCAP. The annual management fee was reduced to 2% of the net investment amount at the end of the initial fee period in July 2011, when Onex established a successor ONCAP fund, ONCAP III. In May 2015, in accordance with the Partnership Agreement with consent of the Advisory Committee, the term of the Partnership was extended for one year to November 22, 2016. In October 2016, the term of the Partnership was further extended for a second year to November 22, 2017. Carried interest is received on the overall gains achieved by ONCAP II investors, other than management of ONCAP, to the extent of 20% of the gains, provided that those investors have achieved a minimum 8% return on their investment in ONCAP II over the life of ONCAP II. The investment by ONCAP II investors for this purpose takes into consideration management fees and other amounts paid by ONCAP II investors.

The returns to ONCAP II investors, other than management of ONCAP, are based on all investments made through ONCAP II, with the result that the initial carried interests achieved by ONCAP on gains could be recovered if subsequent ONCAP II investments do not exceed the overall target return level of 8%. The ONCAP management team is entitled to that portion of the carried interest realized in the ONCAP Funds that equates to a 12% carried interest on both limited partners' and Onex' capital. Carried interest received from ONCAP II has fully vested for ONCAP management. For the year ended December 31, 2016, ONCAP management received $1 (C$2) (2015 – $2 (C$2)) with respect to the carried interest.

j) Commitments to ONCAP III

In September 2011, Onex completed the closing of ONCAP III with commitments totalling C$800, excluding commitments from management of Onex and ONCAP. ONCAP III provides committed capital for acquisitions of small and medium-sized businesses requiring less than $125 of initial equity capital. The term of ONCAP III, unless further extended, ends in July 2021. As at December 31, 2016, C$632 (2015 – C$552) has been invested of the total capital committed. Onex has invested C$186 (2015 – C$163) of its C$252 commitment. Onex controls the General Partner and Manager of ONCAP III. The total amount invested at cost in ONCAP III's investments by management of Onex and ONCAP and Directors at December 31, 2016 was C$60 (2015 – C$52), of which C$8 (2015 – C$17) was invested in the year ended December 31, 2016.

Prior to August 2016, Onex received annual management fees based on 2% of the capital committed to ONCAP III by investors other than Onex and management of Onex and ONCAP. The annual management fee was reduced to 1.5% of the net funded commitments at the end of the commitment period marked by the August 2016 investment in Tecta. Carried interest is received on the overall gains achieved by ONCAP III investors, other than management of ONCAP, to the extent of 20% of the gains, provided that those investors have achieved a minimum 8% return on their investment in ONCAP III over the life of ONCAP III. The investment by ONCAP III investors for this purpose takes into consideration management fees and other amounts paid by ONCAP III investors.

The returns to ONCAP III investors, other than management of ONCAP, are based on all investments made through ONCAP III, with the result that the initial carried interest achieved by ONCAP on gains could be recovered if subsequent ONCAP III investments do not exceed the overall target return level of 8%. The ONCAP management team is entitled to that portion of the carried interest that equates to a 12% carried interest on both limited partners and Onex capital. Carried interest received from ONCAP III has fully vested for ONCAP management. As at December 31, 2016 and 2015, no amount had been received as carried interest related to ONCAP III.

k) Commitments to ONCAP IV

In November 2016, Onex completed the closing of ONCAP IV with commitments totalling $1,107. ONCAP IV provides committed capital for acquisitions of small and medium-sized businesses requiring less than $200 of initial equity capital. The term of ONCAP IV, unless further extended, ends in December 2028. As at December 31, 2016, $62 has been invested of the total capital committed. Onex has invested $25 of its $480 commitment. Onex controls the General Partner and Manager of ONCAP IV. ONCAP management has committed, as a group, to invest a minimum of 2% of ONCAP IV. The commitment from management of Onex and ONCAP and Directors may be increased up to a maximum of 10% of ONCAP IV. At December 31, 2016, management of Onex and ONCAP and Directors have committed 10% to ONCAP IV. The total amount invested at cost in ONCAP IV's investments by management of Onex and ONCAP and Directors at December 31, 2016 was $6.

Beginning in November 2016, Onex is entitled to receive annual management fees based on 2% of the capital committed to ONCAP IV by investors other than Onex and management of Onex and ONCAP. The annual management fee is reduced to 1.5% of the net funded commitments at the earlier of the end of the commitment period or if Onex establishes a successor ONCAP fund. Carried interest is received on the overall gains achieved by ONCAP IV investors, other than management of ONCAP, to the extent of 20% of the gains, provided that those investors have achieved a minimum 8% return on their investment in ONCAP IV over the life of ONCAP IV. Once the ONCAP IV investors achieve a return of two times their aggregate capital contributions, carried interest participation increases to 25% of the overall gains. The investment by ONCAP IV investors for this purpose takes into consideration management fees and other amounts paid by ONCAP IV investors.

The returns to ONCAP IV investors, other than management of ONCAP, are based on all investments made through ONCAP IV, with the result that the initial carried interest achieved by ONCAP on gains could be recovered if subsequent ONCAP IV investments do not exceed the lesser of the overall target return level of 8% and two times their aggregate capital contributions. The ONCAP management team is entitled to that portion of the carried interest that equates to a 12% or 15% carried interest on both limited partners and Onex capital. Carried interest received from ONCAP IV will vest equally over five years ending in November 2021 for ONCAP management. As at December 31, 2016, no amount had been received as carried interest related to ONCAP IV.

l) Management investment in Onex Credit

The Onex management team may invest in strategies managed by Onex Credit. At December 31, 2016, investments at market held by the Onex management team in Onex Credit strategies were approximately $275 (2015 – approximately $275).

m) Management and Directors' investment in Incline Aviation Fund

In December 2016, the Onex management team committed to investing $10 in Incline Aviation Fund. At December 31, 2016, the total amount invested in Incline Aviation Fund at cost, including the amounts invested under the minimum investment requirement of the MIP, was less than $1.

In February 2017, the Onex management team increased its commitment to invest in Incline Aviation Fund to $30, which includes the $25 commitment by Mr. Gerald W. Schwartz, as described in note 31(a).

n) Management and Directors' investment in Onex Real Estate Partners

Members of management and the Board of Directors of the Company invested nil in 2016 (2015 – $5) in Onex Real Estate Partners' investments. Onex Real Estate Partners' investments by management and Directors are subject to voting control by Onex.

o) Management reinvestment of MIP and carried interest

Members of Onex management are required to reinvest 25% of the proceeds received related to their share of the MIP investment rights and carried interest to acquire Onex SVS and/or management DSUs in the market until they individually own at least one million Onex SVS and/or management DSUs. During 2016, Onex management reinvested C$5 (2015 – C$1) to acquire Onex SVS and/or management DSUs.

p) Loans to operating company directors or officers

Certain operating companies have made loans to certain directors or officers of the individual operating companies, typically for the purpose of acquiring shares in those operating companies. The total value of the loans outstanding as at December 31, 2016 was $3 (2015 – $6).

q) Onex Credit management fees

Onex Credit earns management fees on other investors' capital invested in Onex Credit Funds and CLOs. Management fees earned on the capital invested by Onex, the parent company, are eliminated in the consolidated financial statements.

In addition, Onex Credit is entitled to incentive fees on other investors' capital invested in Onex Credit Funds and CLOs. Incentive fees range between 5% and 20%. Certain incentive fees (including incentive fees on CLOs) are subject to a hurdle or minimum preferred return to investors.

During the year ended December 31, 2016, gross management and incentive fees earned by the credit strategies segment, including management and incentive fees from Onex Credit Funds and CLOs consolidated by Onex, were $40 and $4 (2015 – $34 and $1), respectively. The management and incentive fees from Onex Credit Funds and CLOs consolidated by Onex, the parent company, were $35 and $4 (2015 – $29 and $1), respectively. Credit strategies segment revenues for 2016, net of management and incentive fees from Onex Credit Funds and CLOs consolidated by Onex, were $4 (2015 – $5).

r) Tax loss transactions with a related party

During 2016 and 2015, Onex entered into the sale of entities, the sole assets of which were certain tax losses, to companies controlled by Mr. Gerald W. Schwartz, who is Onex' controlling shareholder. Onex has significant non-capital and capital losses available; however, Onex does not expect to generate sufficient taxable income to fully utilize these losses in the foreseeable future. As such, no benefit has been recognized in the consolidated financial statements for these losses. In connection with these transactions, Deloitte LLP, an independent accounting firm retained by Onex' Audit and Corporate Governance Committee, provided opinions that the values received by Onex for the tax losses were fair from a financial point of view. Onex' Audit and Corporate Governance Committee, all the members of which are independent Directors, unanimously approved the transactions. The following transactions were completed during 2016 and 2015:

- In 2016, Onex received $14 in cash for tax losses of $142. The entire $14 was recorded as a gain and included in other income (expense) in the consolidated statements of earnings.
- In 2015, Onex received $11 in cash for tax losses of $109. The entire $11 was recorded as a gain and included in other income (expense) in the consolidated statements of earnings.

s) Share repurchase transaction with a related party

In January 2016, Onex repurchased in a private transaction 1,000,000 of its SVS that were held indirectly by Mr. Gerald W. Schwartz, Onex' controlling shareholder. The private transaction was approved by the disinterested directors of the Board of Directors of the Company. The shares were repurchased at a cash cost of $58.85 (C$84.12) per share or a total cost of $59 (C$84), which represents a slight discount to the trading price of Onex shares at that date.

t) Remuneration to key management

The Company's key management consists of the senior executives of Onex, ONCAP, Onex Credit and its operating companies. Also included are the Directors of Onex Corporation. Carried interest and MIP payments to former senior executives of Onex and ONCAP are excluded from the aggregate payments below. Aggregate payments to the Company's key management were as follows:

Year ended December 31	**2016**	2015
Short-term employee benefits and costs	**$ 149**	$ 137
Post-employment benefits	**1**	1
Other long-term benefits	**1**	1
Termination benefits	**5**	6
Share-based payments[i]	**94**	113
Total	**$ 250**	$ 258

(i) Share-based payments include $18 (2015 – $16) paid on the exercise of Onex stock options (note 19), $19 (2015 – $1) of carried interest paid to Onex management and $6 (2015 – $3) of amounts paid under the MIP to management and Onex. During 2016, Onex, the parent company, received carried interest of $14 (2015 – $1).

u) Acquisition of control of the Onex Credit asset management platform

In January 2015, Onex acquired control of the Onex Credit asset management platform, which was previously jointly controlled with Onex Credit's chief executive officer, as described in note 3(a).

v) Other related party transactions

In July 2015, Celestica entered into an agreement of purchase and sale to sell certain of its real property to a special-purpose entity to be formed by a consortium of three real estate developers (the "Property Purchaser") for approximately $101 (C$137), exclusive of taxes and subject to adjustment. The proceeds to Celestica consist of a C$15 deposit that was received upon execution of the agreement, C$54 upon closing and C$68 in the form of an interest-free, first-ranking mortgage having a term of two years from the closing date. The transaction is subject to various conditions, including municipal approvals, and is currently expected to close within approximately two years from the execution date of the purchase and sale agreement.

Approximately 30% of the interests in the Property Purchaser are to be held by a private entity in which Mr. Gerald W. Schwartz, who is Onex' controlling shareholder and a director of Celestica (until December 31, 2016), has a material interest. Mr. Schwartz also has a non-voting interest in an entity which is to have an approximate 25% interest in the Property Purchaser. Celestica formed a Special Committee, consisting solely of independent directors, to review and supervise the competitive bidding process. The bid of the Property Purchaser was approved by Celestica's board of directors, at a meeting at which Mr. Schwartz was not present, based on the unanimous recommendation of the Special Committee. Onex, the parent company, is not participating in this transaction.

32. PENSION AND NON-PENSION POST-RETIREMENT BENEFITS

The operating companies have a number of defined benefit and defined contribution plans providing pension, other retirement and post-employment benefits to certain of their employees. The non-pension post-retirement benefits include retirement and termination benefits, health, dental and group life. The plans at the operating companies are independent and surpluses within certain plans cannot be used to offset deficits in other plans. The benefit payments from the plans are typically made from trustee-administered funds; however, there are certain unfunded plans primarily related to non-pension post-retirement benefits that are funded as benefit payment obligations are required. Onex Corporation, the ultimate parent company, does not provide pension, other retirement or post-retirement benefits to its employees and does not have any obligations and has not made any guarantees with respect to the plans of the operating companies.

The plans are exposed to market risks, such as changes in interest rates, inflation and fluctuations in investment values. The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if the plan assets fail to achieve this yield, this will create or further a plan deficit. A decrease in corporate bond yields would have the effect of increasing the benefit obligations; however, this would be partially offset by a fair value increase in the value of debt securities held in the plans' assets. For certain plans, the benefit obligations are linked to inflation, and higher inflation will result in a greater benefit obligation.

The plans are also exposed to non-financial risks such as the membership's mortality and demographic changes, as well as regulatory changes. An increase in the life expectancy will result in an increase in the benefit obligations.

The total costs during 2016 for defined contribution pension plans and multi-employer plans were $115 (2015 – $89).

Accrued benefit obligations and the fair value of plan assets for accounting purposes are measured at December 31 of each year. The most recent actuarial valuations of the largest pension plans for funding purposes were in 2016, and the next required valuations will be in 2017. The Company estimates that in 2017 the minimum funding requirement for the defined benefit pension plans will be $10.

In 2016, total cash payments for employee future benefits, consisting of cash contributed by the operating companies to their funded pension plans, cash payments directly to beneficiaries for their unfunded other benefit plans and cash contributed to their defined contribution plans, were $153 (2015 – $137). Included in the total was $18 (2015 – $8) contributed to multi-employer plans.

For defined benefit pension plans and non-pension post-retirement plans, the estimated present value of accrued benefit obligations and the estimated market value of the net assets available to provide these benefits were as follows:

	Pension Plans in which Assets Exceed Accumulated Benefits		Pension Plans in which Accumulated Benefits Exceed Assets		Non-Pension Post-Retirement Benefits	
As at December 31	**2016**	2015	**2016**	2015	**2016**	2015
Accrued benefit obligations:						
Opening benefit obligations	**$ 876**	$ 430	**$ 696**	$ 781	**$ 63**	$ 74
Current service cost	**8**	8	**12**	12	**3**	2
Interest cost	**16**	18	**24**	26	**3**	3
Contributions by plan participants	**2**	4	**–**	–	**–**	–
Benefits paid	**(56)**	(46)	**(28)**	(25)	**(4)**	(3)
Actuarial (gain) loss from demographic assumptions	**(6)**	6	**(1)**	(15)	**(6)**	–
Actuarial (gain) loss from financial assumptions	**99**	(7)	**36**	(61)	**6**	(2)
Foreign currency exchange rate changes	**(78)**	(20)	**(7)**	(30)	**1**	(11)
Acquisition of operating companies	**–**	581	**8**	135	**1**	–
Transfer to discontinued operations	**–**	(93)	**–**	(111)	**–**	–
Disposition of operating companies	**–**	–	**–**	(12)	**–**	–
Plan amendments	**–**	(10)	**(6)**	(3)	**–**	–
Other	**(13)**	5	**3**	(1)	**7**	–
Closing benefit obligations	**$ 848**	$ 876	**$ 737**	$ 696	**$ 74**	$ 63
Plan assets:						
Opening plan assets	**$ 1,061**	$ 496	**$ 360**	$ 376	**$ –**	$ 1
Interest income	**19**	21	**14**	14	**–**	–
Actual return on plan assets in excess of interest income	**114**	(11)	**9**	(18)	**–**	–
Contributions by employer	**7**	16	**14**	27	**2**	2
Contributions by plan participants	**2**	4	**–**	–	**–**	–
Benefits paid	**(56)**	(46)	**(27)**	(23)	**(2)**	(3)
Foreign currency exchange rate changes	**(93)**	(18)	**–**	(6)	**–**	–
Acquisition of operating companies	**–**	710	**–**	7	**–**	–
Transfer to discontinued operations	**–**	(94)	**–**	(5)	**–**	–
Disposition of operating companies	**–**	–	**–**	(5)	**–**	–
Settlements/curtailments	**–**	(11)	**(2)**	(2)	**–**	–
Other	**(1)**	(6)	**(3)**	(5)	**–**	–
Closing plan assets	**$ 1,053**	$ 1,061	**$ 365**	$ 360	**$ –**	$ –

	Percentage of Plan Assets	
Asset Category	**2016**	2015
Quoted Market Prices:		
Equity investment funds	**17%**	18%
Debt investment funds	**38%**	39%
Other investment funds	**2%**	1%
Equity securities	**10%**	12%
Debt securities	**11%**	11%
Non-Quoted Market Prices:		
Other investment funds	**14%**	13%
Real estate	**–**	1%
Other	**8%**	5%
	100%	100%

Equity securities do not include direct investments in the shares of the Company or its subsidiaries, but may be invested indirectly as a result of the inclusion of the Company's and its subsidiaries' shares in certain market investment funds.

The funded status of the plans of the operating companies was as follows:

	Pension Plans in which Assets Exceed Accumulated Benefits		Pension Plans in which Accumulated Benefits Exceed Assets		Non-Pension Post-Retirement Benefits	
As at December 31	**2016**	2015	**2016**	2015	**2016**	2015
Deferred benefit amount:						
Plan assets, at fair value	**$ 1,053**	$ 1,061	**$ 365**	$ 360	**$ –**	$ –
Accrued benefit obligation	**(848)**	(876)	**(737)**	(696)	**(74)**	(63)
Plan surplus (deficit)	**205**	185	**(372)**	(336)	**(74)**	(63)
Valuation allowance	**(7)**	(8)	**–**	–	**–**	–
Deferred benefit amount – asset (liability)	**$ 198**	$ 177	**$ (372)**	$ (336)	**$ (74)**	$ (63)

The deferred benefit asset of $198 (2015 – $177) is included in the Company's consolidated balance sheets within other non-current assets (note 11). The total deferred benefit liabilities of $446 (2015 – $399) are included in the Company's consolidated balance sheets within other non-current liabilities (note 17) and other current liabilities. Of the total deferred benefit liabilities, $1 (2015 – $12) was recorded as a current liability.

The following assumptions were used to account for the plans:

	Pension Benefits		Non-Pension Post-Retirement Benefits	
Year ended December 31	**2016**	2015	**2016**	2015
Accrued benefit obligation				
Weighted average discount rate[i]	**0.5%–6.3%**	0.5%–4.2%	**0.2%–3.9%**	0.7%–4.1%
Weighted average rate of compensation increase	**1.4%–3.9%**	1.4%–3.9%	**1.7%–4.6%**	2.0%–4.6%

(i) Weighted average discount rate includes inflation, where applicable to a benefit plan.

Assumed healthcare cost trend rates	**2016**	2015
Initial healthcare cost rate	**5.9%**	6.2%
Cost trend rate declines to	**4.5%**	4.5%
Year that the rate reaches the rate it is assumed to remain at	**2030**	2030

The assumptions underlying the discount rates, rates of compensation increase and healthcare cost trend rates have a significant effect on the amounts reported for the pension and post-retirement benefit plans. A 1% change in these assumed rates would increase (decrease) the benefit obligations as follows:

	Pension Plans in which Assets Exceed Accumulated Benefits		Pension Plans in which Accumulated Benefits Exceed Assets		Non-Pension Post-Retirement Benefits	
As at December 31, 2016	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**
Discount rate	**$ (70)**	**$ 93**	**$ (95)**	**$ 109**	**$ (8)**	**$ 10**
Rate of compensation increase	**$ 5**	**$ (4)**	**$ 15**	**$ (9)**	**$ 2**	**$ (1)**
Healthcare cost trend rate	**n/a**	**n/a**	**n/a**	**n/a**	**$ 7**	**$ (6)**

	Pension Plans in which Assets Exceed Accumulated Benefits		Pension Plans in which Accumulated Benefits Exceed Assets		Non-Pension Post-Retirement Benefits	
As at December 31, 2015	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	$ (78)	$ 102	$ (115)	$ 139	$ (8)	$ 10
Rate of compensation increase	$ 6	$ (5)	$ 23	$ (21)	$ 1	$ (1)
Healthcare cost trend rate	n/a	n/a	n/a	n/a	$ 8	$ (6)

The sensitivity analysis above is based on changing one assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in certain assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to changes in significant actuarial assumptions, the same method used for calculating the benefit obligation liabilities in the consolidated financial statements has been applied.

33. SUBSEQUENT EVENTS

a) ONCAP IV credit facility

In January 2017, ONCAP IV entered into a $100 credit facility, as described in note 14(s).

b) Initial public offering by JELD-WEN

In January 2017, JELD-WEN completed an initial public offering, as described in note 2(r).

c) Warehouse facility of CLO-13

In February 2017, Onex established a warehouse facility in connection with its thirteenth CLO denominated in U.S. dollars, as described in note 2(s).

34. INFORMATION BY INDUSTRY AND GEOGRAPHIC SEGMENT

Onex' reportable segments operate through autonomous companies and strategic partnerships. Operating companies are aggregated into one reportable segment based on the nature of the products and services, production process, customer base, distribution model and regulatory environment at the operating companies, as well as key financial metrics such as gross margin and projected long-term revenue growth.

The Company had 10 reportable segments in 2016 (2015 – eight). As a result of transactions completed in 2016, Clarivate Analytics and Emerald Expositions are reported in the business and information services segment and Save-A-Lot and Jack's are reported in the food retail and restaurants segment, which are reportable segments. Emerald Expositions and Jack's were previously included within the other segment, and as a result comparative disclosures have been restated to reflect these changes.

The information by segment is presented in the chronological order in which the operating segments become reportable. The Company's reportable segments at December 31, 2016 consisted of:

Electronics Manufacturing Services	• **Celestica,** a global provider of electronics manufacturing services.
Healthcare Imaging	• **Carestream Health,** a global provider of medical and dental imaging and healthcare information technology solutions.
Health and Human Services	• **ResCare,** a leading U.S. provider of residential, training, educational and support services for people with disabilities and special needs.
Building Products	• **JELD-WEN,** 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,** a leading U.S. provider of insurance brokerage services. • **York,** an integrated provider of insurance solutions to property, casualty and workers' compensation specialty markets in the United States.
Packaging Products and Services	• **sgsco,** a global leader in providing fully integrated marketing solutions, digital imaging and design-to-print graphic services to branded consumer products companies, retailers and the printers that service them. • **SIG,** (since March 2015), a world-leading provider of aseptic carton packaging solutions for beverages and liquid food.
Business and Information Services	• **Clarivate Analytics** (since October 2016), owner and operator of a collection of leading subscription-based businesses focused on scientific and academic research, patent analytics and regulatory standards, pharmaceutical and biotech intelligence, trademark protection, domain brand protection and intellectual property management. • **Emerald Expositions,** a leading operator of business-to-business trade shows in the United States.
Food Retail and Restaurants	• **Jack's** (since July 2015), a regional premium quick-service restaurant operator based in the United States. • **Save-A-Lot** (since December 2016), one of the largest hard-discount grocery retailers for value-seeking shoppers in the United States.
Credit Strategies	• **Onex Credit Manager** specializes in managing credit-related investments, including event-driven, long/short, long-only, par, stressed, distressed and market dislocation strategies. • **Onex Credit Collateralized Loan Obligations,** leveraged structured vehicles that hold a widely diversified collateral asset portfolio funded through the issuance of long-term debt in a series of rated tranches of secured notes and equity. • **Onex Credit Funds,** investment funds providing unit holders with exposure to the performance of actively managed, diversified portfolios.

Other	• **Meridian Aviation,** an aircraft investment company managed by BBAM and established by Onex Partners III.
	• **Schumacher** (since July 2015), a leading U.S. provider of emergency and hospital medicine physician practice management services.
	• **Survitec** (since March 2015), a market-leading provider of mission-critical marine, defence and aerospace survival equipment.
	• **WireCo** (since September 2016), a leading global manufacturer of mission-critical steel wire rope, synthetic rope, specialty wire and engineered products.
	• **Tropicana Las Vegas** (up to August 2015), one of the most storied casinos in Las Vegas.
	• **Operating companies of ONCAP II:** EnGlobe, Cicis (up to August 2016), Pinnacle Renewable Energy Group and PURE Canadian Gaming.
	• **Operating companies of ONCAP III:** Hopkins, PURE Canadian Gaming, Davis-Standard, Bradshaw, Mavis Discount Tire, ITG (since June 2015), Chatters (since July 2015) and Tecta (since August 2016).
	• **Operating companies of ONCAP IV:** Tecta (since August 2016).
	• **Joint ventures and associates at fair value:**
	  • *AIT,* a leading provider of automation, factory integration and tooling dedicated to the global aerospace, defence and space launch industries.
	  • *BBAM,* one of the world's leading managers of commercial jet aircraft.
	  • *Incline Aviation Fund* (since February 2016), an aircraft investment fund managed by BBAM and focused on investments in leased commercial jet aircraft.
	  • *ITG* (since June 2015), a global leader in the manufacturing of consumable wear components that are embedded into agricultural soil preparation and seeding equipment implements.
	  • *Mavis Discount Tire,* a leading regional tire retailer operating in the tire and light vehicle service industry.
	• **Onex Real Estate:**
	  • *Flushing Town Center,* a three million-square-foot development located on approximately 14 acres in Flushing, New York.
	• **Onex Corporation,** the parent company.
	• **Discontinued operations:** KraussMaffei (up to April 2016), Sitel Worldwide (up to September 2015) and Skilled Healthcare Group (up to February 2015).

A number of operating companies, by the nature of their businesses, individually serve major customers that account for a large portion of their revenues. During 2016 and 2015, no customers represented more than 10% of the Company's consolidated revenues.

2016 Industry Segments

	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Building Products	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other	Consolidated Total
Revenues	$ 6,016	$ 1,990	$ 1,785	$ 3,670	$ 1,793	$ 2,414	$ 525	$ 689	$ 4	$ 3,637	$ 22,523
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(5,510)	(1,127)	(1,358)	(2,788)	–	(1,541)	(180)	(578)	–	(2,614)	(15,696)
Operating expenses	(211)	(527)	(310)	(527)	(1,363)	(296)	(176)	(60)	(38)	(760)	(4,268)
Interest income	15	2	–	1	1	1	–	–	313	18	351
Amortization of property, plant and equipment	(66)	(64)	(30)	(108)	(19)	(190)	(2)	(15)	–	(71)	(565)
Amortization of intangible assets and deferred charges	(10)	(74)	(16)	(14)	(203)	(149)	(104)	(3)	(5)	(115)	(693)
Interest expense of operating companies	(11)	(148)	(23)	(81)	(194)	(218)	(92)	(20)	(164)	(138)	(1,089)
Increase in value of investments in joint ventures and associates at fair value, net	–	–	–	–	–	–	–	–	–	180	180
Stock-based compensation expense	(33)	(5)	(3)	(37)	(95)	(1)	(3)	(1)	–	(145)	(323)
Other gains	–	–	8	–	44	–	–	–	–	28	80
Other income (expense)	(29)	24	(10)	(6)	(57)	(23)	(70)	(18)	222	(120)	(87)
Impairment of goodwill, intangible assets and long-lived assets, net	–	(2)	–	(2)	(226)	–	(4)	–	–	–	(234)
Limited Partners' Interests charge	–	–	–	–	–	–	–	–	(60)	(587)	(647)
Earnings (loss) before income taxes and discontinued operations	161	69	43	108	(319)	(3)	(106)	(6)	272	(687)	(468)
Recovery of (provision for) income taxes	(25)	(30)	(15)	92	(8)	(41)	(7)	13	–	(25)	(46)
Earnings (loss) from continuing operations	136	39	28	200	(327)	(44)	(113)	7	272	(712)	(514)
Earnings from discontinued operations[a]	–	–	–	–	–	–	–	–	–	478	478
Net earnings (loss) for the year	$ 136	$ 39	$ 28	$ 200	$ (327)	$ (44)	$ (113)	$ 7	$ 272	$ (234)	$ (36)
Total assets	$ 2,822	$ 1,473	$ 995	$ 2,669	$ 4,656	$ 6,144	$ 5,765	$ 2,185	$ 7,624	$ 8,580	$ 42,913
Long-term debt[b]	$ 226	$ 1,920	$ 421	$ 1,615	$ 2,824	$ 3,447	$ 2,667	$ 886	$ 5,912	$ 2,945	$ 22,863
Property, plant and equipment additions	$ 77	$ 58	$ 28	$ 77	$ 25	$ 222	$ 2	$ 26	$ –	$ 97	$ 612
Intangible assets with indefinite life	$ –	$ 8	$ 222	$ 259	$ 191	$ 422	$ 441	$ 436	$ –	$ 322	$ 2,301
Goodwill additions from acquisitions	$ 4	$ 15	$ 1	$ 16	$ 57	$ 5	$ 1,313	$ 23	$ –	$ 487	$ 1,921
Goodwill	$ 23	$ 338	$ 283	$ 146	$ 2,016	$ 2,077	$ 2,203	$ 225	$ 62	$ 1,801	$ 9,174
Net earnings (loss) attributable to:											
Equity holders of Onex Corporation	$ 18	$ 42	$ 27	$ 177	$ (298)	$ (44)	$ (75)	$ 6	$ 272	$ (255)	$ (130)
Non-controlling interests	118	(3)	1	23	(29)	–	(38)	1	–	21	94
Net earnings (loss) for the year	$ 136	$ 39	$ 28	$ 200	$ (327)	$ (44)	$ (113)	$ 7	$ 272	$ (234)	$ (36)

(a) Represents the after-tax results of KraussMaffei and Sitel Worldwide, as described in note 8.

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

2015 Industry Segments

	Electronics Manufacturing Services	Healthcare Imaging	Health and Human Services	Building Products	Insurance Services	Packaging Products and Services	Business and Information Services	Food Retail and Restaurants	Credit Strategies	Other	Consolidated Total
Revenues	$ 5,639	$ 2,141	$ 1,821	$ 3,378	$ 1,752	$ 2,070	$ 307	$ 168	$ 5	$ 2,400	$ 19,681
Cost of sales (excluding amortization of property, plant and equipment, intangible assets and deferred charges)	(5,175)	(1,223)	(1,382)	(2,636)	–	(1,362)	(83)	(134)	–	(1,587)	(13,582)
Operating expenses	(206)	(578)	(320)	(476)	(1,381)	(239)	(82)	(6)	(50)	(629)	(3,967)
Interest income	1	2	–	2	–	2	–	–	249	8	264
Amortization of property, plant and equipment	(59)	(63)	(29)	(102)	(17)	(144)	(1)	(4)	–	(64)	(483)
Amortization of intangible assets and deferred charges	(9)	(100)	(15)	(12)	(194)	(128)	(37)	(1)	(5)	(83)	(584)
Interest expense of operating companies	(7)	(142)	(22)	(65)	(185)	(194)	(51)	(10)	(118)	(84)	(878)
Increase in value of investments in joint ventures and associates at fair value, net	–	–	–	–	–	–	–	–	–	175	175
Stock-based compensation expense	(38)	(5)	(1)	(54)	(17)	(2)	(5)	–	–	(138)	(260)
Other gains	–	–	–	–	–	–	–	–	38	201	239
Other income (expense)	(25)	(16)	(4)	(23)	(82)	107	(8)	(5)	(195)	(184)	(435)
Impairment of goodwill, intangible assets and long-lived assets, net	(12)	–	(51)	(10)	–	(3)	(6)	–	–	–	(82)
Limited Partners' Interests (charge) recovery	–	–	–	–	–	–	–	–	26	(882)	(856)
Earnings (loss) before income taxes and discontinued operations	109	16	(3)	2	(124)	107	34	8	(50)	(867)	(768)
Recovery of (provision for) income taxes	(42)	(46)	2	(3)	45	(38)	(13)	–	–	(21)	(116)
Earnings (loss) from continuing operations	67	(30)	(1)	(1)	(79)	69	21	8	(50)	(888)	(884)
Earnings from discontinued operations[a]	–	–	–	–	–	–	–	–	–	379	379
Net earnings (loss) for the year	$ 67	$ (30)	$ (1)	$ (1)	$ (79)	$ 69	$ 21	$ 8	$ (50)	$ (509)	$ (505)
Total assets[b]	$ 2,612	$ 1,609	$ 1,034	$ 2,374	$ 5,034	$ 6,366	$ 1,526	$ 532	$ 6,284	$ 8,439	$ 35,810
Long-term debt[b][c]	$ 261	$ 1,999	$ 525	$ 1,257	$ 2,866	$ 3,487	$ 731	$ 221	$ 4,899	$ 1,808	$ 18,054
Property, plant and equipment additions[b]	$ 81	$ 56	$ 36	$ 76	$ 24	$ 164	$ 1	$ 6	$ –	$ 352	$ 796
Intangible assets with indefinite life[b]	$ –	$ 8	$ 224	$ 259	$ 196	$ 429	$ 265	$ 175	$ –	$ 287	$ 1,843
Goodwill additions from acquisitions[b]	$ –	$ –	$ 10	$ 43	$ 34	$ 1,809	$ 58	$ 202	$ 62	$ 1,008	$ 3,226
Goodwill[b]	$ 19	$ 327	$ 282	$ 138	$ 2,246	$ 2,102	$ 890	$ 202	$ 62	$ 1,409	$ 7,677
Net earnings (loss) attributable to:											
Equity holders of Onex Corporation	$ 9	$ (25)	$ (1)	$ (1)	$ (71)	$ 69	$ 21	$ 8	$ (50)	$ (532)	$ (573)
Non-controlling interests	58	(5)	–	–	(8)	–	–	–	–	23	68
Net earnings (loss) for the year	$ 67	$ (30)	$ (1)	$ (1)	$ (79)	$ 69	$ 21	$ 8	$ (50)	$ (509)	$ (505)

(a) Represents the after-tax results of KraussMaffei, Sitel Worldwide and Skilled Healthcare Group, as described in note 8.

(b) The other segment includes KraussMaffei, which was a discontinued operation, as described in note 8(a).

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

Geographic Segments

	2016						2015					
	Canada	**U.S.**	**Europe**	**Asia and Oceania**	**Other[a]**	**Total**	Canada	U.S.	Europe	Asia and Oceania	Other[a]	Total
Revenue[b][c]	**$ 973**	**$ 12,904**	**$ 3,781**	**$ 3,460**	**$ 1,405**	**$ 22,523**	$ 934	$ 10,934	$ 3,405	$ 3,192	$ 1,216	$ 19,681
Property, plant and equipment[c]	**$ 316**	**$ 1,845**	**$ 961**	**$ 792**	**$ 361**	**$ 4,275**	$ 303	$ 1,140	$ 814	$ 765	$ 243	$ 3,265
Intangible assets[c]	**$ 287**	**$ 5,029**	**$ 3,603**	**$ 239**	**$ 128**	**$ 9,286**	$ 257	$ 4,533	$ 1,445	$ 221	$ 72	$ 6,528
Goodwill[c]	**$ 210**	**$ 5,572**	**$ 2,685**	**$ 570**	**$ 137**	**$ 9,174**	$ 199	$ 5,473	$ 1,420	$ 517	$ 68	$ 7,677

(a) Other consists primarily of operations in Central and South America, Mexico and Africa.

(b) Revenues are attributed to geographic areas based on the destinations of the products and/or services.

(c) Amounts for 2015 exclude KraussMaffei, which was a discontinued operation, as described in note 8(a).