

Allan MacDonald  
*Senior Vice President*  
*Burgundy Asset Management*

## CONSOLIDATED STATEMENTS OF EARNINGS

*(in thousands of dollars)*

<i>Year ended December 31</i>	1990
<b>REVENUES</b>	<b>\$2,109,520</b>
<b>EARNINGS BEFORE THE UNDERNOTED ITEMS</b>	<b>\$138,170</b>
Depreciation and amortization of property, plant and equipment	(43,715)
Amortization of goodwill and intangible assets	(20,109)
Interest expense <i>(Note 9)</i>	(87,698)
Interest income	12,879
	(473)
Provision for income taxes <i>(Note 10)</i>	(7,837)
<i>Earnings(loss) before minority interest</i>	(8,310)
Minority interest in loss (earnings) of operating companies	2,029
<i>Earnings (loss) from continuing operations</i>	(6,281)
Earnings (loss) from discontinued operations – Norex Leasing <i>(Note 3)</i>	(13,029)
<b>NET EARNINGS (LOSS) FOR THE YEAR</b>	<b>\$ (19,310)</b>

*Earnings per Subordinate Voting Share are reported in Note 11.*

CONSOLIDATED BALANCE SHEETS  
(in thousands of dollars)

As at December 31	1990
<b>ASSETS</b>	
<i>Current Assets</i>	
Cash and short-term investments	\$ 117,469
Accounts receivable	258,391
Inventories	100,054
Current portion of finance leases and loans receivable (Note 3)	-
	475,914
Finance leases and loans receivable (Note 3)	-
Property, plant and equipment (Note 4)	403,396
Goodwill and other assets (Note 5)	759,679
	\$1,638,989
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	
<i>Current Liabilities</i>	
Bank indebtedness	\$ 15,535
Accounts payable and accrued liabilities	346,043
Current portion of long-term debt and obligations under capital leases:	
Norex Leasing	-
Other operating companies	40,026
	401,604
Long-term debt (of operating companies without recourse to Onex) (Note 6)	682,157
Obligations under capital leases (Note 7)	34,672
Other liabilities	66,787
	1,185,220
Deferred income taxes	19,838
Minority interest	83,761
Shareholders' equity	350,170
	\$1,638,989

# ONEX - The First Public LBO Company in the World

## *NET ASSETS AT FAIR VALUE*

Onex Public Market Cap \$127,760

***As at December 31 (in thousands of dollars)*** **1990**

Cash and Short-Term Investments \$93,352

### *Equity investment in operating companies at cost*

Sky Chefs \$57,303

Purolator Courier \$64,817

Dayton Superior \$9,957

Automotive Industries \$23,073

Dura Mechanical \$3,303

Beatrice Foods \$29,242

Total Investments in Operating Companies at Cost \$187,695 \$1.4 billion

Preferred shares of Ball Packaging Holdings \$25,559

Total Investments at Cost \$213,254

Unrealized Gain \$83,646

Equity Investment at Fair Value \$296,900

Other Assets \$36,812

***NET ASSETS AT FAIR VALUE*** **\$418,537**

# Onex: By the Numbers

1991 January Stock Price	\$5.50
--------------------------	--------

---

1992 February Special Dividend	\$3.50
--------------------------------	--------

---

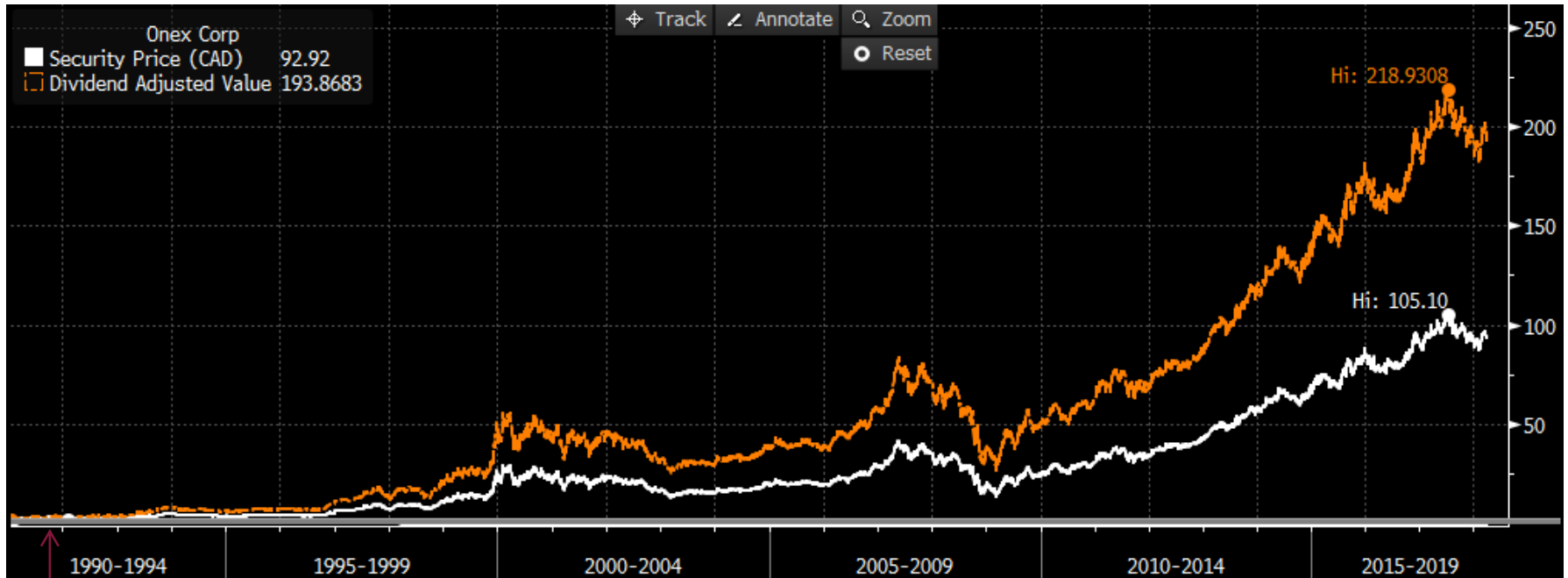
Net Invest Capital per Share	\$2.00
------------------------------	--------

Stock Split 2x	2:1
----------------	-----

---

Adjusted Stock Price	\$0.50
----------------------	--------

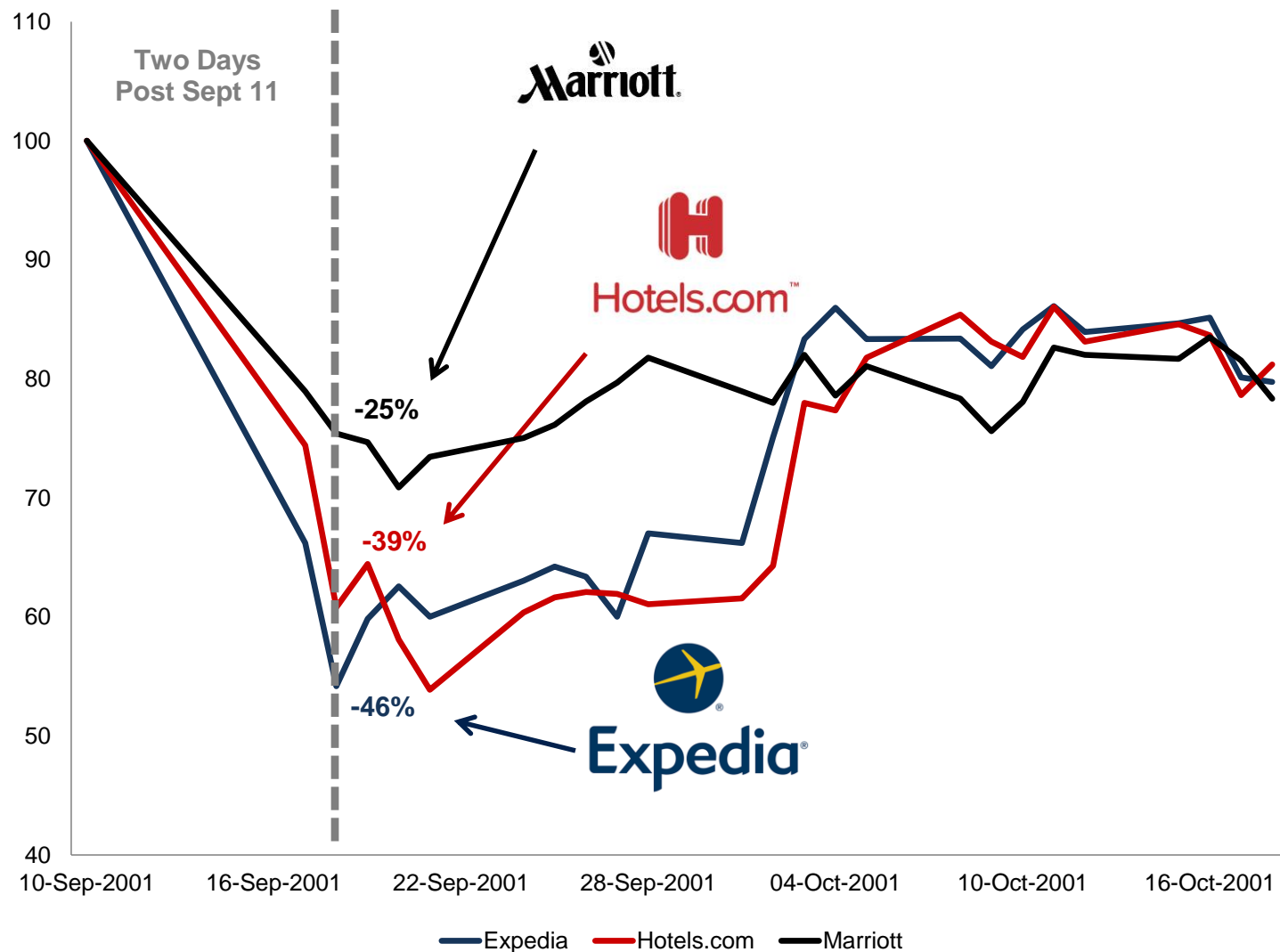
# Onex: Total Return Chart



Split adjusted: \$1.50 per share

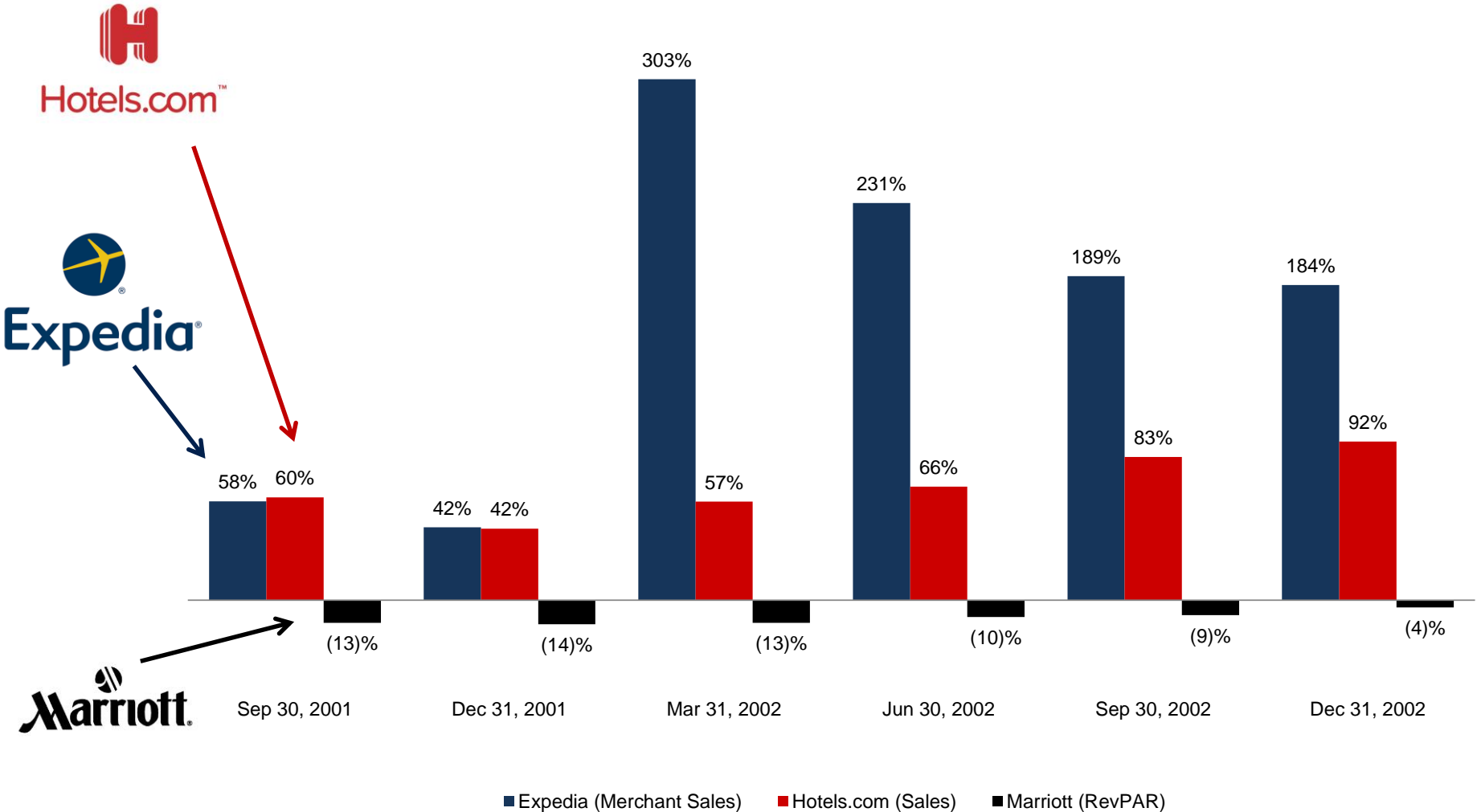
# Online Travel

# Pre-September 11<sup>th</sup> Share Price Performance

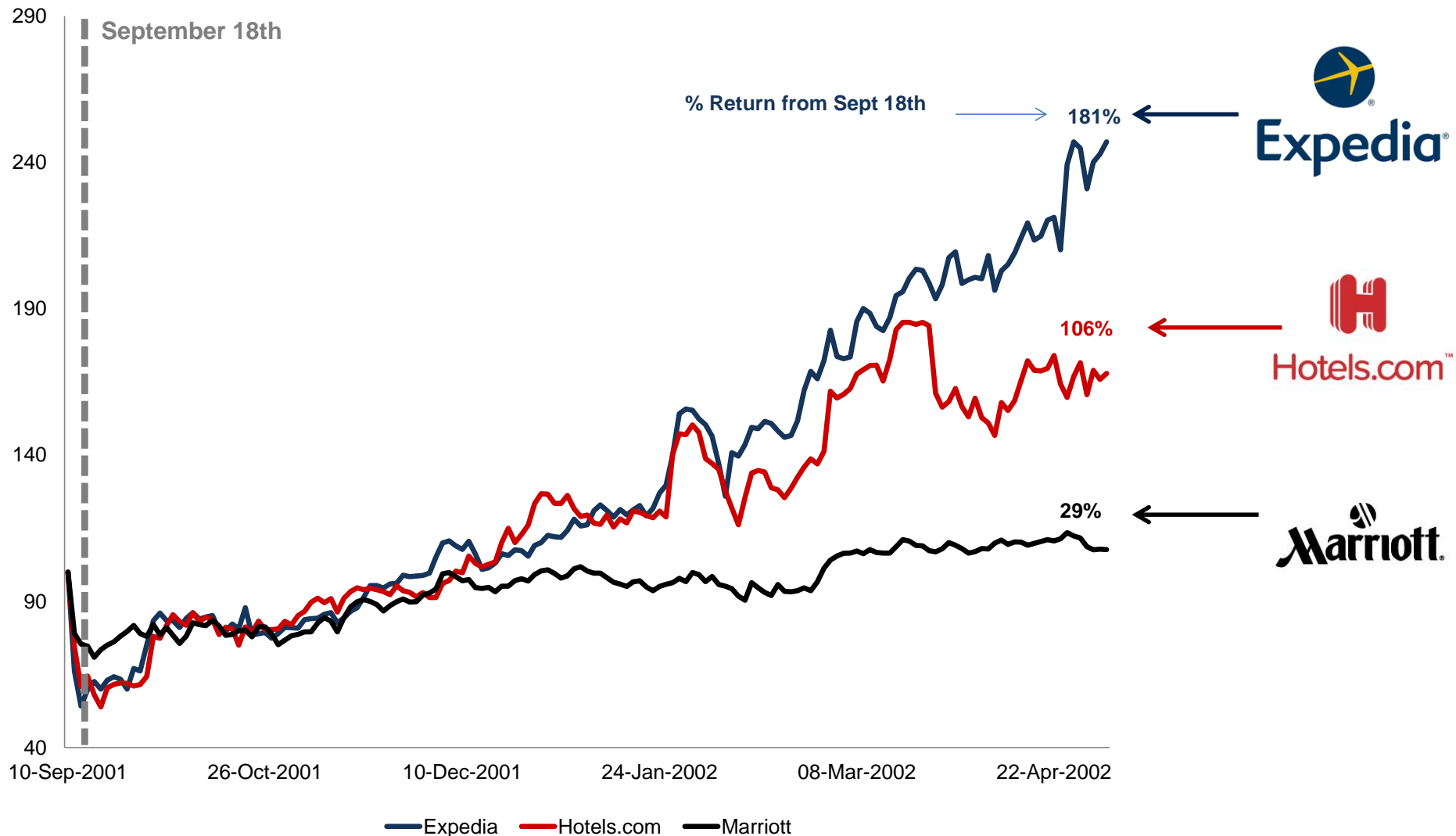




# Post-September 11<sup>th</sup> Revenue Performance



# Post-September 11<sup>th</sup> Share Price Performance

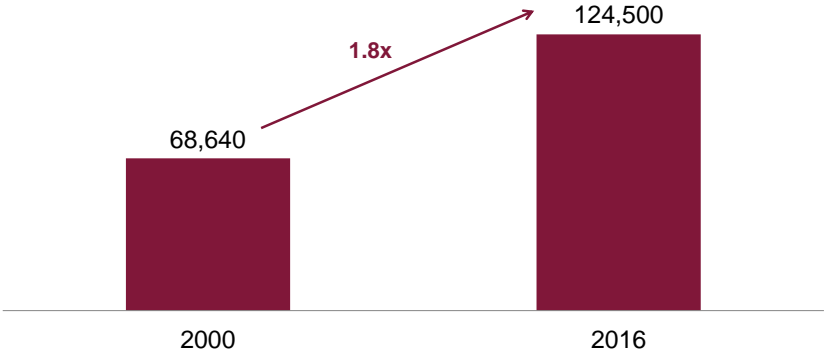


# SNC-Lavalin Group

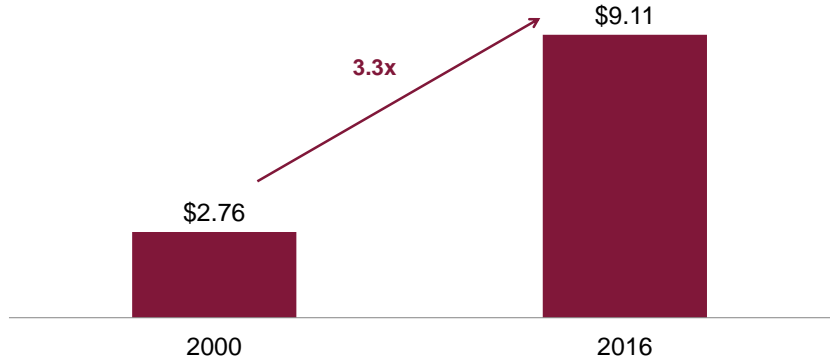
- SNC-Lavalin Group
- Global Engineering Service Company
- In 1999 acquires a 26% interest in the 407 Toll Highway for \$200 million
- Market punishes stock
- Estimate 407 value created for SNC shareholders = \$5 billion

# 407 Highway – Then and Now

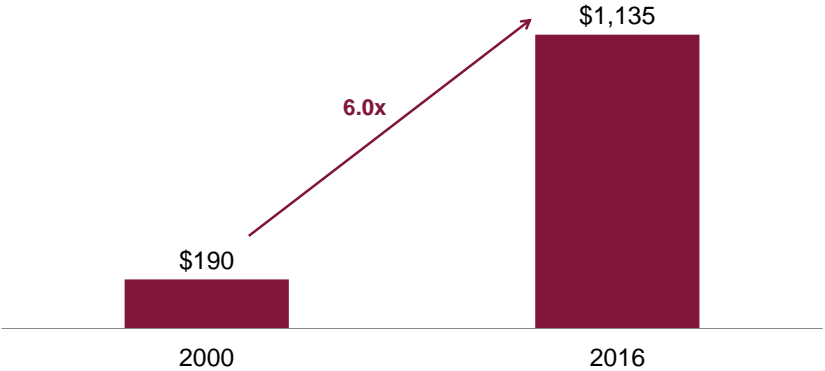
**Trips per Year**



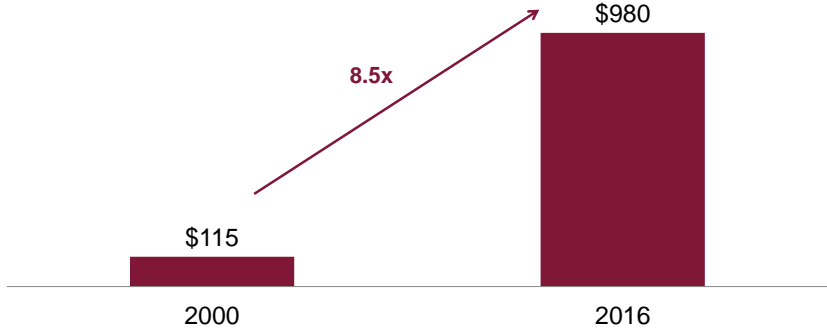
**Price per Trip**



**Revenue (C\$m)**



**EBITDA (C\$m)**



Source: Company Filings

# Madison Square Garden Company (MSG)

## Owns:

- The most iconic sports and live events stadium in the world
- The only two professional sports teams on the island of Manhattan
- MSG Network – a wildly profitable regional sports network (the hidden jewel)

## **US\$ millions in 2009:**

---

Market Capitalization	\$1.3 billion
-----------------------	---------------

---

Enterprise Value	\$1.0 billion
------------------	---------------

# Demutualization

# The Most Profitable Industry Ever?

	<b>2018E</b>		
<u>North America</u>	<u>Revenue</u>	<u>EBIT</u>	<u>EBIT Margin</u>
CBOE Global Markets	1,180	729	61.8%
CME Group	4,138	2,770	66.9%
Intercontinental Exchange	4,892	2,885	59.0%
MarketAxess Holdings	453	233	51.5%
TMX Group	803	341	42.5%
Nasdaq Inc.	2,582	1,204	46.6%
<u>Rest of World</u>			
London Stock Exchange	2,140	959	44.8%
Hong Kong Stock Exchange	16,098	11,441	71.1%
Deutsche Boerse	2,813	1,449	51.5%
Singapore Exchange	850	430	50.6%
ASX Ltd	825	589	71.4%
NZX Ltd	77	23	30.3%

# Demutualized Companies

## Annualized Returns of Demutualized Companies

<u>Global Financial Exchanges</u>	<u>IPO Date</u>	<u>3 year return</u>	<u>10 year return</u>	<u>Since inception</u>
CBOE Global Markets	14-Jun-10	14%	N.A.	19%
CME Group	5-Dec-02	118%	23%	23%
Intercontinental Exchange	15-Nov-05	40%	26%	23%
MarketAxess Holdings	4-Nov-04	13%	19%	24%
TMX Group	1-Oct-03	45%	11%	11%
Nasdaq Inc.	8-Jul-02	12%	5%	12%
London Stock Exchange	20-Jul-01	1%	9%	15%
Hong Kong Stock Exchange	27-Jun-00	10%	31%	21%
Deutsche Boerse	5-Feb-01	9%	12%	11%
Singapore Exchange	22-Nov-00	13%	23%	11%
ASX Ltd	14-Oct-98	39%	21%	14%
NZX Ltd	10-Jul-03	30%	20%	11%
<b><u>Non-Exchange</u></b>				
Visa	18-Mar-08	18%	27%	22%
Mastercard	24-May-06	63%	38%	37%
Premier	25-Sep-13	6%	N.A.	3%
Metro	12-Sep-88	17%	23%	17%
Uni-Select	19-Nov-85	28%	21%	13%
Premuim Brands	31-Dec-96	32%	-2%	11%
Manulife	24-Sep-99	22%	9%	5%
Industrial Alliance	4-Feb-00	31%	14%	11%
Verisk	6-Oct-09	30%	N.A.	20%
Sun Life Financial	23-Mar-00	28%	9%	8%
Rightmove PLC	9-Mar-06	-12%	28%	24%



# Member / Customer Owned Companies

## United States

- Vanguard Group
- The Deposit Trust & Clearing Corporation
- Best Western Hotels
- Ace Hardware
- True Value
- Sunkist

## Canada

- Home Hardware
- Mountain Equipment Coop
- Realtor.ca
- Vancity Credit Union
- Interac

# Premier

The only publically traded healthcare Group Purchasing Organization (GPO)

- Controls \$56 billion of healthcare spending for 3,900 Member Hospitals
- Has a rich database of mission critical information
- 60% owned by its Member Hospitals

## Key Statistics

Market Cap	\$4,436
Net Debt	\$44
Pre-Tax ROIC 2017	96%
Operating Profit Margin 2017	30%
EV / EBITA 2018 est	8.0x
PE Ratio 2018 est.	12.5x