

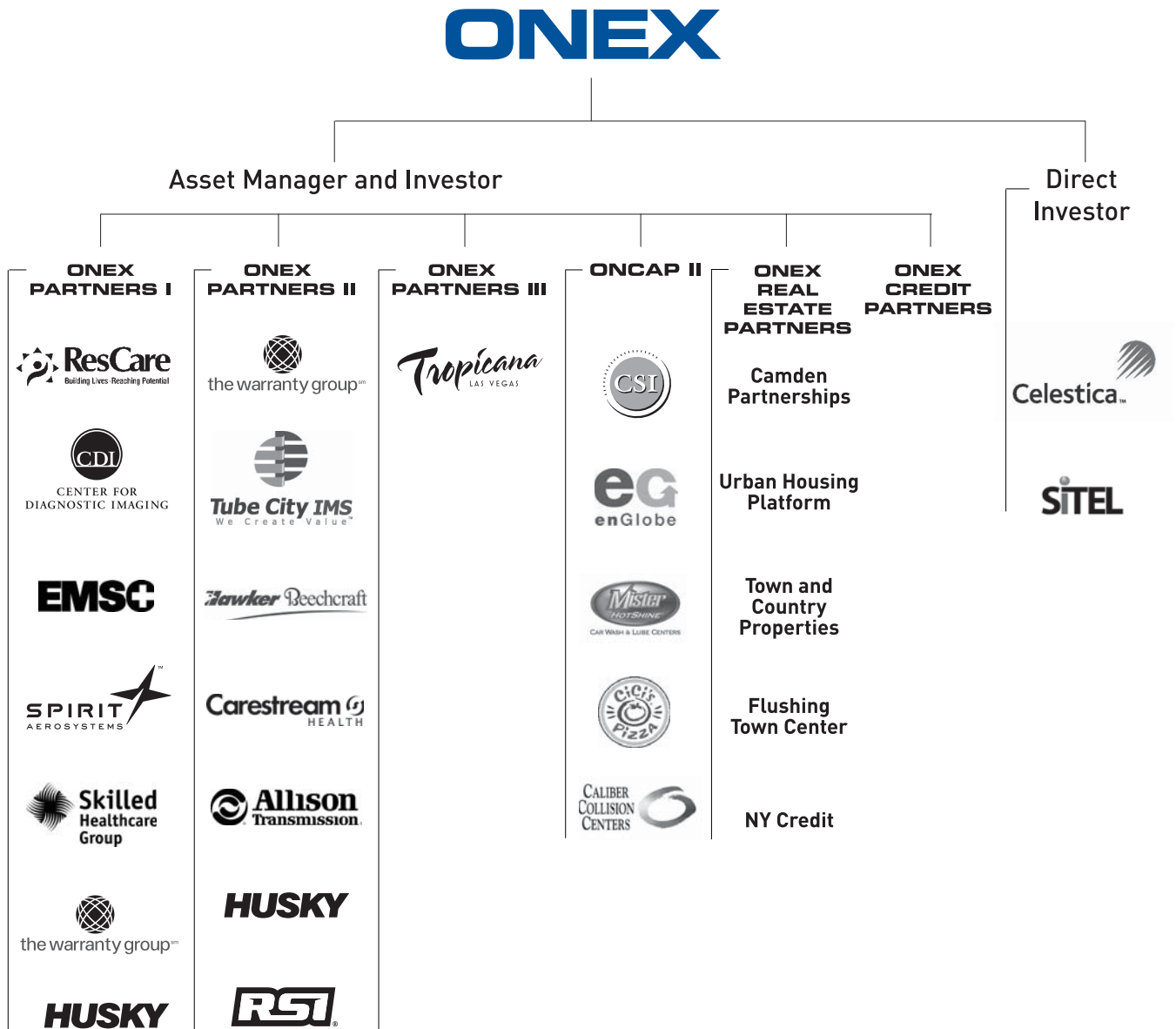


Management's Discussion and Analysis and Financial Statements

Third Quarter Ended September 30, 2009

THE ONEX OPERATING COMPANIES

Onex' businesses generate annual revenues of \$33 billion, have assets of \$38 billion and employ approximately 206,000 people worldwide.



The investment in The Warranty Group is split almost equally between Onex Partners I and II. The investment in Husky is split approximately 20%/80% between Onex Partners I and II, respectively.

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ONEX CORPORATION

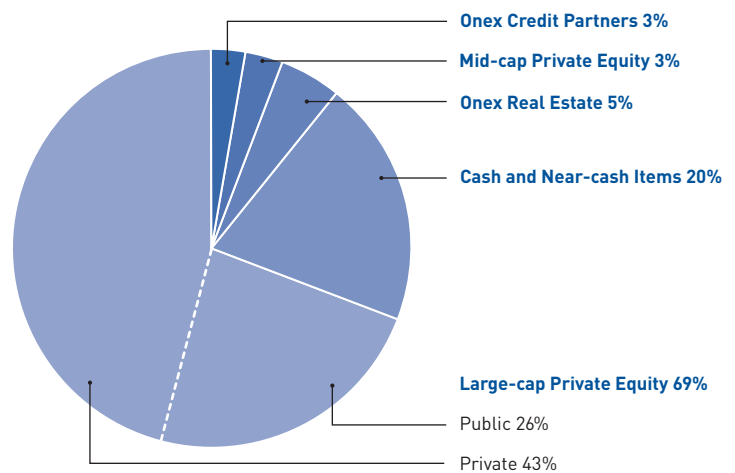
A Leading Private Equity Investor and Asset Manager

Founded in 1984, Onex is one of North America's oldest and most successful private equity investors and asset managers. Onex has completed more than 260 acquisitions valued at approximately \$43 billion. Employing a disciplined, active ownership investment approach in these acquisitions, Onex has generated 3.4 times the capital it has invested and managed, earning a 29 percent compound IRR on realized and publicly traded investments.

Onex' \$3.9 billion of proprietary capital continues to be invested largely through Onex Partners, its large-cap private equity investing operations. Onex invests in ONCAP (mid-cap private equity), Onex Real Estate Partners and Onex Credit Partners. Onex, as always, maintains a strong balance sheet with ample cash on hand and no debt at the parent company.

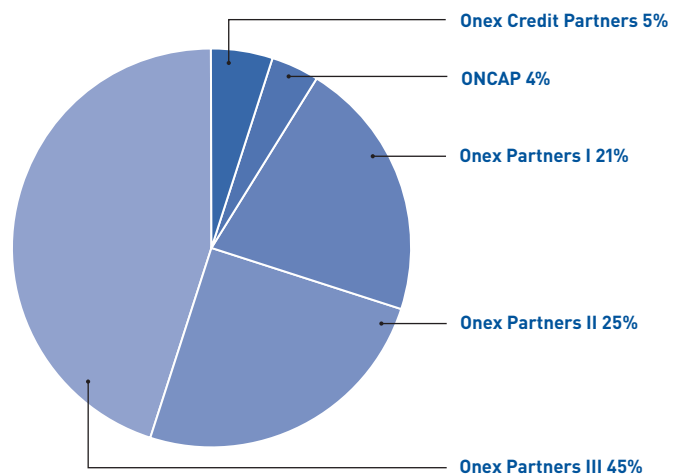
Onex has approximately US\$6.8 billion of third-party fee-earning assets under management in Onex Partners, ONCAP and Onex Credit Partners. These Funds generate a stable and growing stream of annual management fees that more than offsets Onex' overhead. In addition, Onex is entitled to a carried interest on managed capital that, if realized, could significantly enhance Onex' investment returns.

Onex Invested Capital



Private investments are valued at cost and publicly traded investments are valued at market as at September 30, 2009.

Third-Party Assets Under Management



Onex is a public company whose shares are traded on the Toronto Stock Exchange under the symbol OCX.

Throughout this report, all amounts are in Canadian dollars unless otherwise indicated.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The interim Management's Discussion and Analysis ("interim MD&A") of the financial condition and results of operations analyzes significant changes in the unaudited interim consolidated statements of earnings, the unaudited interim consolidated balance sheet and the unaudited interim consolidated statements of cash flows of Onex Corporation ("Onex"). As such, this interim MD&A should be read in conjunction with the unaudited interim consolidated financial statements and notes thereto of this report. The interim MD&A and the Onex unaudited interim consolidated financial statements have been prepared to provide information on Onex on a consolidated basis and should not be considered as providing sufficient information to make an investment decision in regard to any particular Onex operating company.

The following interim MD&A is the responsibility of management and is as of November 11, 2009. The Board of Directors carries out its responsibility for the review of this disclosure through its Audit and Corporate Governance Committee, comprised exclusively of independent directors. The Audit and Corporate Governance Committee has reviewed and approved the disclosure.

The interim MD&A is presented in the following sections:

- 3** Industry Segments
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- 35** Outlook

Onex Corporation's interim financial filings, including the Quarterly 2009 MD&A and Financial Statements, and Annual Reports, Annual Information Form and Management Information Circular, are available on Onex' website at www.onex.com, or on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

Forward-Looking/Safe Harbour Statements

This interim MD&A may contain, without limitation, statements concerning possible or assumed future results preceded by, followed by or that include words such as "believes", "expects", "anticipates", "estimates", "intends", "plans" and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees of future performance. They involve risks and uncertainties that may cause actual performance or results to be materially different from those anticipated in these forward-looking statements. Onex is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or other factors. These cautionary statements expressly qualify all forward-looking statements in this interim MD&A.

Cautionary Statement Regarding Use of Non-GAAP Accounting Measures

This interim MD&A makes reference to operating earnings. Onex uses operating earnings as a measure to evaluate each operating company's performance because it eliminates interest charges, which are a function of the operating company's particular financing structure, as well as any unusual or non-recurring charges. Onex' method of determining operating earnings may differ from other companies' methods and, accordingly, operating earnings may not be comparable to measures used by other companies. Operating earnings is not a performance measure under Canadian GAAP and should not be considered either in isolation of, or as a substitute for, net earnings prepared in accordance with Canadian GAAP.

INDUSTRY SEGMENTS

At September 30, 2009, Onex had seven reportable industry segments. A description of our operating companies by industry segment, and the managed, economic and voting ownership of Onex in those businesses, is presented below.

Industry Segments	Companies	Onex Manages ^(a)	Onex' Economic/Voting Ownership
Electronics Manufacturing Services	Celestica Inc. (TSX/NYSE: CLS), a global provider of electronics manufacturing services (website: www.celestica.com). Onex shares held: 27.3 million^(c)	-	12% ^(b) /79%
Aerostructures	Spirit AeroSystems, Inc. (NYSE: SPR), the world's largest independent designer and manufacturer of aerostructures (website: www.spiritaero.com). Onex shares held: 8.6 million Onex Partners I shares subject to a carried interest: 17.2 million	23%	6% ^(b) /77%
Healthcare	Emergency Medical Services Corporation (NYSE: EMS), the leading provider of emergency medical services in the United States (website: www.emsc.net). Onex shares held: 8.6 million Onex Partners I shares subject to a carried interest: 11.7 million	53%	20%/92%
	Center for Diagnostic Imaging, Inc. , a U.S. provider of diagnostic and therapeutic radiology services (website: www.cd radiology.com). Total Onex, Onex Partners I and Onex management investment at cost: \$88 million (US\$73 million) Onex portion: \$21 million (US\$17 million) Onex Partners I portion subject to a carried interest: \$64 million (US\$53 million)	81%	19%/100%
	Skilled Healthcare Group, Inc. (NYSE: SKH), an organization of skilled nursing and assisted living facilities operators in the United States (website: www.skilledhealthcaregroup.com). Onex shares held: 3.5 million Onex Partners I shares subject to a carried interest: 10.7 million	40%	9%/89%
	Carestream Health, Inc. , a global provider of medical and dental imaging and health-care information technology solutions (website: www.carestreamhealth.com). Total Onex, Onex Partners II and Onex management investment at cost: \$521 million (US\$471 million) Onex portion: \$206 million (US\$186 million) Onex Partners II portion subject to a carried interest: \$292 million (US\$266 million)	98%	38%/100%
	Res-Care, Inc.^(d) (NASDAQ: RSCR), the largest U.S. provider of residential, training, educational and support services for people with disabilities and special needs (website: www.rescare.com). Onex shares held: 2.0 million Onex Partners I shares subject to a carried interest: 6.2 million	25%	6% ^(e)

(a) Onex manages represents the economic ownership collectively held by Onex and the third-party limited partners of the Onex Partners Funds.

(b) Onex' economic ownership percentage excludes shares held in connection with the Management Investment Plan.

(c) In October 2009, Onex sold approximately 10 million of its shares of Celestica, reducing its economic ownership to approximately 8 percent and its voting ownership to approximately 69 percent.

(d) This investment is accounted for on an equity basis in Onex' unaudited interim consolidated financial statements.

(e) Onex exerts significant influence over this equity-accounted investment through its right to appoint members to the Board of Directors of the entity.

Industry Segments	Companies	Onex Manages ^(a)	Onex' Economic/ Voting Ownership
Financial Services	<p>The Warranty Group, Inc., the world's largest provider of extended warranty contracts (website: www.thewarrantygroup.com).</p> <p>Total Onex, Onex Partners I, Onex Partners II and Onex management investment at cost: \$556 million (US\$488 million) Onex portion: \$175 million (US\$154 million) Onex Partners I portion subject to a carried interest: \$204 million (US\$178 million) Onex Partners II portion subject to a carried interest: \$155 million (US\$137 million)</p>	96%	29%/100%
Customer Support Services	<p>Sitel Worldwide Corporation, a global provider of outsourced customer care services (website: www.sitel.com).</p> <p>Onex investment at cost: \$340 million (US\$251 million)</p>	-	66%/88%
Metal Services	<p>Tube City IMS Corporation, an outsourced services provider to steel mills (website: www.tubecityims.com).</p> <p>Total Onex, Onex Partners II and Onex management investment at cost: \$297 million (US\$249 million) Onex portion: \$117 million (US\$98 million) Onex Partners II portion subject to a carried interest: \$168 million (US\$140 million)</p>	91%	36%/100%
Other Businesses			
• Aircraft & Aftermarket	<p>Hawker Beechcraft Corporation^(b), the largest privately owned designer and manufacturer of business jet, turboprop and piston aircraft (website: www.hawkerbeechcraft.com).</p> <p>Total Onex, Onex Partners II and Onex management investment at cost: \$564 million (US\$485 million) Onex portion: \$223 million (US\$191 million) Onex Partners II portion subject to a carried interest: \$319 million (US\$274 million)</p>	49%	19%/(c)
• Commercial Vehicles	<p>Allison Transmission, Inc.^(b), the world leader in the design and manufacture of automatic transmissions for on-highway trucks and buses, off-highway equipment and military vehicles (website: www.allisontransmission.com).</p> <p>Total Onex, Onex Partners II, certain limited partners and Onex management investment at cost: \$805 million (US\$763 million) Onex portion: \$250 million (US\$237 million) Onex Partners II portion subject to a carried interest: \$357 million (US\$339 million)</p>	49%	15%/(c)
• Injection Molding	<p>Husky Injection Molding Systems Ltd., the leading global supplier of injection molding equipment and services to the PET plastics industry (website: www.husky.ca).</p> <p>Total Onex, Onex Partners I, Onex Partners II and Onex management investment at cost: \$626 million (US\$622 million) Onex portion: \$226 million (US\$225 million) Onex Partners I portion subject to a carried interest: \$97 million (US\$96 million) Onex Partners II portion subject to a carried interest: \$278 million (US\$276 million)</p>	99%	36%/100%
• Gaming	<p>Tropicana Las Vegas, Inc., located directly on the Las Vegas Strip, is one of the best-known and most storied casinos in Las Vegas (www.tropicanalv.com).</p> <p>Total Onex, Onex Partners III and Onex management investment at acquisition: \$247 million (US\$213 million) Onex portion: \$56 million (US\$48 million) Onex Partners III portion subject to a carried interest: \$154 million (US\$140 million)</p>	70%	16%/70%

(a) Onex manages represents the economic ownership collectively held by Onex and the third-party limited partners of the Onex Partners Funds.

(b) These investments are accounted for on an equity basis in Onex' unaudited interim consolidated financial statements.

(c) Onex exerts significant influence over these equity-accounted investments through its right to appoint members to the Board of Directors of each of the entities.

Industry Segments	Companies	Onex Manages ^(a)	Onex' Economic/ Voting Ownership
Other Businesses (cont'd)			
• <i>Building Products</i>	<p>RSI Home Products, Inc.^(b), a leading manufacturer of kitchen, bathroom and home organization cabinetry sold through home centre retailers, independent kitchen and bath dealers and other distributors (www.rsiholdingcorp.com).</p> <p>Total Onex, Onex Partners II and Onex management investment at cost: \$338 million (US\$318 million)</p> <p>Onex portion: \$133 million (US\$126 million)</p> <p>Onex Partners II portion subject to a carried interest: \$190 million (US\$179 million)</p>	50%	20%/50% ^(c)
• <i>Mid-cap Opportunities</i>	<p>ONCAP, a private equity fund focused on acquiring and building the value of mid-capitalization companies based in North America (website: www.oncap.com). ONCAP II actively manages investments in CSI Global Education Inc., EnGlobe Corp. (TSX: EG), Mister Car Wash, CiCi's Pizza and Caliber Collision Centers.</p> <p>Total Onex, ONCAP II and Onex management investment at cost: \$264 million</p> <p>Onex portion: \$117 million</p> <p>ONCAP II portion: \$131 million</p>	-	44%/100%
• <i>Real Estate</i>	<p>Onex Real Estate Partners, a platform dedicated to acquiring and improving real estate assets in North America.</p> <p>Onex investment in Onex Real Estate transactions at cost: \$200 million (US\$186 million)^(d)</p>	-	86%/100%
• <i>Credit Securities</i>	<p>Onex Credit Partners, a credit investing platform focused on generating attractive risk-adjusted returns through the purchase of undervalued credit securities.</p> <p>Onex investment in Onex Credit Partners' funds at market: \$90 million (US\$85 million)</p>	-	50% ^(e) /50%

(a) Onex manages represents the economic ownership collectively held by Onex and the third-party limited partners of the Onex Partners Funds.

(b) This investment is accounted for on an equity basis in Onex' unaudited interim consolidated financial statements.

(c) Onex exerts significant influence over these equity-accounted investments through its right to appoint members to the Board of Directors of each of the entities.

(d) Investment at cost in Onex Real Estate excludes Onex' investment in Town and Country properties as Town and Country has been substantially realized and has returned all of Onex' invested capital.

(e) This represents Onex' share of the Onex Credit Partners' General Partner.

FINANCIAL REVIEW

This section discusses the significant changes in Onex' unaudited interim consolidated statements of earnings and unaudited interim consolidated statements of cash flows for the three and nine months ended September 30, 2009 compared to those for the same periods ended September 30, 2008 and compares Onex' financial condition at September 30, 2009 to that at December 31, 2008.

CONSOLIDATED OPERATING RESULTS

This section should be read in conjunction with the unaudited interim consolidated statements of earnings for the three and nine months ended September 30, 2009 and 2008, the corresponding notes thereto and the December 31, 2008 audited annual consolidated financial statements.

Accounting policies and estimates

Onex prepares its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP"). The preparation of these financial statements in conformity with Canadian GAAP requires management of Onex and management of the operating companies to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, and the reported amounts of revenues and expenses for the period of the unaudited interim consolidated financial statements. Significant accounting policies and methods used in the preparation of the financial statements are described in note 1 to the unaudited interim consolidated financial statements and note 1 to the December 31, 2008 audited annual consolidated financial statements. Onex and its operating companies evaluate their estimates and assumptions on a regular basis based on historical experience and other relevant factors. Included in Onex' unaudited interim consolidated financial statements are estimates used in determining the allowance for doubtful accounts, inventory valuation, the valuation of deferred taxes, intangible assets and goodwill, the useful lives of property, plant and equipment and intangible assets, revenue recognition under contract accounting, pension and post-employment benefits, losses and loss adjustment expenses reserves, restructuring costs and other matters. Actual results could differ materially from those estimates and assumptions.

New accounting policies in 2009

Goodwill and intangible assets

On January 1, 2009, Onex adopted the *Canadian Institute of Chartered Accountants Handbook* ("CICA Handbook") Section 3064, "Goodwill and Intangible Assets", which replaces existing standards. This revised standard establishes guidance for the recognition, measurement and disclosure of goodwill and intangible assets, including internally generated intangible assets. The adoption of this standard did not have a significant effect on Onex' unaudited interim consolidated financial statements.

Credit risk and fair value of financial assets and financial liabilities

In January 2009, Onex adopted the *Emerging Issues Committee* Abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities" ("EIC-173"). EIC-173 states that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of this standard did not have a significant effect on Onex' unaudited interim consolidated financial statements.

Financial instruments – disclosures

In June 2009, the CICA issued an amendment to *CICA Handbook* Section 3862, "Financial Instruments – Disclosures". This amendment requires enhanced disclosures on liquidity risk of financial instruments and new disclosures on fair value measurements of financial instruments. This amendment is effective for Onex' December 31, 2009 audited annual consolidated financial statements. Onex is currently evaluating the impact of adopting this amendment on its unaudited interim consolidated financial statements.

Variability of results

Onex' unaudited interim consolidated operating results may vary substantially from period to period for a number of reasons, including some of the following: the current economic environment; acquisitions or dispositions of businesses by Onex, the parent company; the volatility of the exchange rate between the Canadian dollar and certain foreign currencies, primarily the U.S. dollar; the change in market value of stock-based compensation for both the parent company and its operating companies; changes in the market value of Onex' publicly traded operating companies; and activities at Onex' operating companies. These activities may include the purchase or sale of businesses; fluctuations in customer demand and in materials and employee-related costs; changes in the mix of products and services produced or delivered; impairments of goodwill, intangible assets or long-lived assets; and charges to restructure operations.

Acquisitions and dispositions

The following paragraphs describe the acquisition and dispositions in 2009 up to September 30.

Sale of shares of Emergency Medical Services

In early August 2009, Emergency Medical Services Corporation ("EMSC") completed a secondary offering of 9.2 million shares at a price of US\$40.00 per share, before underwriter commissions. Onex, Onex Partners I and certain limited partners of Onex Partners I sold the shares in this offering for net cash proceeds of \$381 million and recorded a pre-tax gain of \$275 million. The shares sold represented 29 percent of the selling shareholders' ownership in EMSC. EMSC did not issue any new shares as part of this offering.

Onex received net cash proceeds of approximately \$148 million on its sale of 3.5 million shares in this offering and recorded a pre-tax gain of \$90 million on the sale of its shares. Onex' share of the gain and net proceeds include \$5 million of carried interest received as a result of the proceeds distributed to third-party limited partners of Onex Partners I on this realization. Onex' share of the carried interest received was reduced by \$8 million as a result of the loss on the CEI investment realized by the third-party limited partners.

Onex, Onex Partners I and certain limited partners of Onex Partners I continue to own 22.9 million shares of EMSC, which represents an approximate 53 percent equity interest, and continue to retain an approximate 92 percent voting interest in the company. Onex' portion of the EMSC shares held at September 30, 2009 is 8.6 million shares for a 20 percent ownership interest.

Acquisition of Tropicana Las Vegas

In May 2008, Tropicana Entertainment, LLC and its Las Vegas subsidiaries (collectively, "Tropicana") filed for relief under Chapter 11 of the U.S. Bankruptcy Code. Since Tropicana's filing, Onex and Onex Partners III, through a special purpose entity, acquired a majority of the company's US\$440 million secured term loan, which had its Las Vegas hotel and casino property pledged as security for the loan. The debt was purchased at various discounts and financed through a credit facility established for the purpose of making the purchases. In late May 2009, the credit facility was repaid by the equity capital contributed by Onex, Onex Partners III and Alex Yemenidjian. Onex worked with Tropicana and the other debt holders on a restructuring plan that provided for Onex' control of the Las Vegas property upon emergence from bankruptcy.

On May 5, 2009, the U.S. Bankruptcy Court confirmed the company's plan of reorganization. The plan provided for the secured creditors, including Onex, to receive 100 percent of the equity in the Las Vegas property, and for Alex Yemenidjian, former President of MGM Mirage and Onex' partner, to be appointed Chief Executive Officer of the company. On July 1, 2009, the new company, now operating as Tropicana Las Vegas, Inc. ("Tropicana Las Vegas"), emerged from bankruptcy with no debt. In addition, as part of the plan of reorganization, the secured creditors were given the opportunity to subscribe to a US\$75 million rights offering of preferred shares of Tropicana Las Vegas that would fund renovations of the company's facilities. In August 2009, the company called capital from rights offering subscribers. At September 30, 2009, Onex' and Onex Partners III's investment under this rights offering was US\$58 million, of which Onex' share was US\$13 million. After Tropicana Las Vegas emerged from bankruptcy, a valuation was performed that assigned an enterprise value of US\$230 million to the value of the equity of Tropicana Las Vegas, prior to the rights offering.

Tropicana Las Vegas is the first investment made through Onex Partners III. Including the aforementioned rights offering, Onex, Onex Partners III and Onex management's investment in the new company at September 30, 2009 was \$247 million for a 70 percent ownership interest. This includes Mr. Yemenidjian, who has a 3 percent ownership interest. Onex' portion of this investment is \$56 million, which represents a 16 percent ownership interest. Tropicana Las Vegas was consolidated in Onex' unaudited interim financial statements beginning in the third quarter of 2009.

Located directly on the Las Vegas Strip, Tropicana Las Vegas is one of the best-known and most storied casinos in the United States. The 34-acre property is located at one of the busiest pedestrian intersections in Las Vegas, Tropicana Avenue and Las Vegas Boulevard. Tropicana Las Vegas has more than 1,700 hotel rooms, an approximate 50,000-square-foot casino, five restaurants, an 850-seat showroom and approximately 1,400 employees.

Sale of Cineplex Entertainment

In April 2009, Onex sold its remaining 12,956,885 trust units of Cineplex Galaxy Income Fund through a secondary offering at a gross price of \$14.25 per trust unit. Onex realized approximately \$175 million of net proceeds and recorded a pre-tax gain of \$160 million on this sale. This sale brings to a close an investment platform in the theatre exhibition industry that Onex established in 1998 with Galaxy Entertainment. Over the course of 10 years, Onex invested US\$355 million and realized total proceeds of approximately US\$900 million from its theatre exhibition businesses. Onex' investment in Cineplex Entertainment was accounted for on an equity basis in Onex' unaudited interim consolidated financial statements up to the end of the first quarter of 2009.

Disposition of CEI

At the end of 2008, Cosmetic Essence, Inc. ("CEI") was in violation of certain of its debt covenants. In 2009, CEI discussed a restructuring of its debt with its lenders but was unable to reach an agreement. Therefore, in early May 2009, Onex contributed its ownership in CEI's securities to an entity controlled by CEI's lenders, who agreed to provide additional liquidity to CEI. At that time, Onex and

Onex Partners I ceased to have an equity ownership in the business. Onex' and Onex Partners I's original December 2004 investment in CEI was \$138 million, of which Onex' portion was \$32 million. As a result of previously recorded losses of CEI, Onex' investment in the company had a negative carrying value of \$20 million. Therefore, Onex recorded a non-cash accounting gain of \$20 million in the second quarter of 2009 arising from the disposition of its ownership interest in CEI.

U.S. dollar to Canadian dollar exchange rate movement

Since most of Onex' operating companies report in U.S. dollars, the upward or downward movement of the U.S. dollar to Canadian dollar exchange rate for the three and nine months ended September 30, 2009 compared to the same periods last year will affect Onex' reported consolidated results of operations. During the third quarter of 2009, the average U.S. dollar to Canadian dollar exchange rate was 1.0974 Canadian dollars, 5 percent higher compared to 1.0418 Canadian dollars for the third quarter of 2008. For the first nine months of 2009, the average U.S. dollar to Canadian dollar exchange rate was 1.1700 Canadian dollars, 15 percent higher compared to 1.0186 Canadian dollars for the first nine months of 2008.

2009 market environment

The economic downturn that began in 2008 continued into the first nine months of 2009. Onex' operating companies have not been immune to the slowdown, which has been reflected in decreased revenues for many of our businesses. The global credit markets are improving but it is still difficult to raise financing for significant acquisitions, which also has the effect of dampening opportunities for realizations. However, during the third quarter of 2009, we began to see an improvement in the equity markets creating the opportunity for initial and secondary equity offerings. This enabled Onex to realize on a portion of its investments in EMSC during the quarter and Celestica in October 2009.

The discussions that follow identify those material factors that affected Onex' operating segments and Onex' unaudited interim consolidated results for the three and nine months ended September 30, 2009.

Consolidated revenues and cost of sales

Consolidated revenues were \$6.1 billion for the third quarter of 2009, down 14 percent from \$7.1 billion for the same quarter of 2008. Consolidated cost of sales was \$4.7 billion for the three months ended September 30, 2009, a decrease of 17 percent from \$5.7 billion for the same period last year.

For the nine months ended September 30, 2009, revenues were down 7 percent to \$18.7 billion from \$20.1 billion for the first nine months of 2008. Consolidated cost of sales was \$14.6 billion for the first nine months of 2009, down 10 percent from \$16.3 billion for the same period of 2008.

The reported revenues and cost of sales of Onex' U.S.-based operating companies in Canadian dollars may not reflect the true nature of the operating results of those

operating companies due to the translation of those amounts and the associated fluctuation of the U.S. dollar to the Canadian dollar exchange rate. In table 1 below, revenues and cost of sales by industry segment are presented in Canadian dollars as well as in the functional currency of the companies for the three and nine months ended September 30, 2009 and 2008. The percentage change in revenues and cost of sales in Canadian dollars and in the functional currency of the companies for these periods is also shown. The discussions of revenues and cost of sales by industry segment that follow are in the companies' functional currencies in order to eliminate the impact of foreign currency translation on those revenues and cost of sales.

Revenues and Cost of Sales by Industry Segment for the Three-Month Period Ended September 30

		Revenues					
		Canadian Dollars			Functional Currency		
TABLE 1	(Unaudited) (\$ millions)	2009	2008	Change (%)	2009	2008	Change (%)
Three months ended September 30							
Electronics Manufacturing Services	\$ 1,700	\$ 2,124	(20)%	US\$ 1,556	US\$ 2,031	(23)%	
Aerostructures	1,157	1,067	8 %	US\$ 1,054	US\$ 1,028	3 %	
Healthcare	1,605	1,593	1 %	US\$ 1,463	US\$ 1,526	(4)%	
Financial Services	322	338	(5)%	US\$ 294	US\$ 325	(10)%	
Customer Support Services	417	444	(6)%	US\$ 380	US\$ 427	(11)%	
Metal Services	434	1,008	(57)%	US\$ 395	US\$ 972	(59)%	
Other ^(a)	443	492	(10)%	C\$ 443	C\$ 492	(10)%	
Total	\$ 6,078	\$ 7,066	(14)%				

		Cost of Sales					
		Canadian Dollars			Functional Currency		
TABLE 1	(Unaudited) (\$ millions)	2009	2008	Change (%)	2009	2008	Change (%)
Three months ended September 30							
Electronics Manufacturing Services	\$ 1,560	\$ 1,944	(20)%	US\$ 1,427	US\$ 1,859	(23)%	
Aerostructures	933	869	7 %	US\$ 850	US\$ 837	2 %	
Healthcare	1,166	1,167	-	US\$ 1,062	US\$ 1,119	(5)%	
Financial Services	149	159	(6)%	US\$ 135	US\$ 152	(11)%	
Customer Support Services	263	285	(8)%	US\$ 239	US\$ 274	(13)%	
Metal Services	396	959	(59)%	US\$ 360	US\$ 925	(61)%	
Other ^(a)	271	352	(23)%	C\$ 271	C\$ 352	(23)%	
Total	\$ 4,738	\$ 5,735	(17)%				

Results are reported in accordance with Canadian generally accepted accounting principles. These results may differ from those reported by the individual operating companies.

(a) 2009 other includes Husky, ONCAP II, Tropicana Las Vegas and the parent company. 2008 other includes CEI, Husky, Radian, ONCAP II and the parent company.

Revenues and Cost of Sales by Industry Segment for the Nine-Month Period Ended September 30

		Revenues					
TABLE 1 (Unaudited) (\$ millions)		Canadian Dollars			Functional Currency		
Nine months ended September 30		2009	2008	Change (%)	2009	2008	Change (%)
Electronics Manufacturing Services	\$ 5,151	\$ 5,864	(12)%	US\$ 4,428	US\$ 5,743	(23)%	
Aerostructures	3,502	3,181	10 %	US\$ 3,001	US\$ 3,126	(4)%	
Healthcare	4,966	4,404	13 %	US\$ 4,256	US\$ 4,317	(1)%	
Financial Services	1,029	1,002	3 %	US\$ 880	US\$ 984	(11)%	
Customer Support Services	1,365	1,373	(1)%	US\$ 1,165	US\$ 1,349	(14)%	
Metal Services	1,093	2,637	(59)%	US\$ 940	US\$ 2,588	(64)%	
Other ^(a)	1,572	1,646	(4)%	C\$ 1,572	C\$ 1,646	(4)%	
Total	\$ 18,678	\$ 20,107	(7)%				

		Cost of Sales					
(Unaudited) (\$ millions)		Canadian Dollars			Functional Currency		
Nine months ended September 30		2009	2008	Change (%)	2009	2008	Change (%)
Electronics Manufacturing Services	\$ 4,705	\$ 5,399	(13)%	US\$ 4,043	US\$ 5,288	(24)%	
Aerostructures	2,975	2,563	16 %	US\$ 2,555	US\$ 2,518	1 %	
Healthcare	3,616	3,242	12 %	US\$ 3,098	US\$ 3,179	(3)%	
Financial Services	498	475	5 %	US\$ 424	US\$ 467	(9)%	
Customer Support Services	870	891	(2)%	US\$ 742	US\$ 876	(15)%	
Metal Services	986	2,497	(61)%	US\$ 848	US\$ 2,451	(65)%	
Other ^(a)	995	1,217	(18)%	C\$ 995	C\$ 1,217	(18)%	
Total	\$ 14,645	\$ 16,284	(10)%				

Results are reported in accordance with Canadian generally accepted accounting principles. These results may differ from those reported by the individual operating companies.

(a) 2009 other includes CEI, Husky, ONCAP II, Tropicana Las Vegas and the parent company. 2008 other includes CEI, Husky, Radian, ONCAP II and the parent company.

Electronics Manufacturing Services

Celestica Inc. ("Celestica") reported a 23 percent decline in revenues to US\$1.6 billion in the third quarter of 2009 (2008 – US\$2.0 billion). Celestica reported revenue declines in all of its end-markets, except for storage and consumer markets that were relatively flat compared to the same period of 2008. The slower economic environment has continued to impact end market demand, resulting in lower production volumes. Celestica's production volumes also vary each quarter as a result of the impacts associated with new customer wins or customer disengagements, new program wins or losses and seasonality, among other factors.

Cost of sales was US\$1.4 billion (2008 – US\$1.9 billion) for the three months ended September 30, 2009. Gross profit for the third quarter of 2009 declined 25 percent to US\$129 million (2008 – US\$172 million) due primarily to lower volumes and changes in product mix, partially offset by continued operational improvements.

For the nine months ended September 30, 2009, revenues declined 23 percent to US\$4.4 billion (2008 – US\$5.7 billion), while cost of sales decreased 24 percent to US\$4.0 billion (2008 – US\$5.3 billion). The same factors that contributed to the decline in revenues and cost of sales for the third quarter drove the decreases in revenues and cost of sales for the first nine months of 2009. Gross margin as a percentage of revenues improved for the first nine months of 2009 compared to the same period of 2008 due primarily to continued operational improvements, benefits from cost reductions and restructuring actions, which more than offset the adverse factors noted for the quarter.

Aerostructures

For the third quarter of 2009, revenues at Spirit AeroSystems, Inc. ("Spirit AeroSystems") were up 3 percent to US\$1.1 billion from the same quarter last year. Cost of sales increased 2 percent to US\$850 million (2008 – US\$837 million) in the third quarter of 2009. The increase in revenues and cost of sales in the quarter was due primarily to the continued recovery from disrupted operations caused by the strike at Boeing in the fall of 2008 and increased development program revenues. This was partially offset by fewer B747 ship set deliveries as a result of the transition to the B747-8 model. The strengthening of the U.S. dollar relative to the Euro also resulted in a decrease in the value of net revenues from Spirit Europe.

During the first nine months of 2009, revenues at Spirit AeroSystems were down 4 percent to US\$3.0 billion (2008 – US\$3.1 billion). Much of the decline in revenues for the first nine months of 2009 was due to lower ship set deliveries to Boeing primarily in the first quarter of 2009 as Spirit AeroSystems gradually returned to full rate production following the strike at Boeing in the fall of 2008. During the first nine months of 2009, ship set deliveries to Boeing declined 4 percent and contributed US\$176 million of the total revenue decline in the nine-month period. The volume-driven decline in Boeing revenues compared to the first nine months of 2008 was partially offset by US\$39 million of volume-based pricing adjustments recognized in the nine months ended September 30, 2009. Cost of sales, however, was up 1 percent to US\$2.6 billion for the nine months ended September 30, 2009 (2008 – US\$2.5 billion) due primarily to several unusual charges. The company recorded a pre-tax charge of approximately US\$93 million during the second quarter of 2009 to recognize a forward loss on the company's Gulfstream G-250 business jet wing program. While this program is early in its product lifecycle, Spirit AeroSystems believes that its G-250 wing production and tooling contracts are both in a loss situation due to significant overruns in expected development costs, uncertainty in recurring cost estimates versus negotiated selling prices and continued softening in the business jet market. While the company expects to recognize zero gross margins on this program going forward, Spirit AeroSystems continues to develop plans for production cost savings and is working on contractual issues with the customer. In addition, included in cost of sales in the first nine months of 2009 was a US\$38 million cumulative catch-up adjustment charge driven primarily by the production disruption that followed the settlement of the strike at Boeing in September and October 2008, which continued through the first quarter of 2009, combined with the impact of a simultaneous transition to a new ERP system, which reduced operating efficiencies at Spirit AeroSystems' Wichita facility during the first nine months of 2009.

Healthcare

The healthcare segment revenues and cost of sales consist of the operations of Emergency Medical Services Corporation ("EMSC"), Center for Diagnostic Imaging, Inc. ("CDI"), Skilled Healthcare Group, Inc. ("Skilled Healthcare") and Carestream Health, Inc. ("Carestream Health"). The healthcare segment reported a 4 percent decrease in consolidated revenues to US\$1.5 billion for the three months ended September 30, 2009. Cost of sales decreased 5 percent to US\$1.1 billion in the third quarter of 2009. For

the first nine months of 2009, consolidated revenues in the healthcare segment declined 1 percent to US\$4.3 billion, while cost of sales decreased 3 percent to US\$3.1 billion.

Table 2 provides revenues and cost of sales by operating company in the healthcare segment for the three and nine months ended September 30, 2009 and 2008 in both Canadian dollars and the companies' functional currency. Res-Care, Inc. ("ResCare") is accounted for on an equity basis and, accordingly, that company's revenues and cost of sales are not consolidated.

Healthcare Revenues and Cost of Sales for the Three-Month Period Ended September 30

		Revenues					
<i>(Unaudited) (\$ millions)</i>		Canadian Dollars			Functional Currency		
Three months ended September 30	2009	2008	Change [%]	2009	2008	Change [%]	
Emergency Medical Services	\$ 730	\$ 709	3 %	US\$ 665	US\$ 679	(2)%	
Center for Diagnostic Imaging	39	38	3 %	US\$ 36	US\$ 36	-	
Skilled Healthcare	206	191	8 %	US\$ 188	US\$ 182	3 %	
Carestream Health	630	655	(4)%	US\$ 574	US\$ 629	(9)%	
Total	\$ 1,605	\$ 1,593	1 %	US\$ 1,463	US\$ 1,526	(4)%	

		Cost of Sales					
<i>(Unaudited) (\$ millions)</i>		Canadian Dollars			Functional Currency		
Three months ended September 30	2009	2008	Change [%]	2009	2008	Change [%]	
Emergency Medical Services	\$ 632	\$ 610	4 %	US\$ 575	US\$ 584	(2)%	
Center for Diagnostic Imaging	12	12	-	US\$ 11	US\$ 11	-	
Skilled Healthcare	171	157	9 %	US\$ 156	US\$ 151	3 %	
Carestream Health	351	388	(10)%	US\$ 320	US\$ 373	(14)%	
Total	\$ 1,166	\$ 1,167	-	US\$ 1,062	US\$ 1,119	(5)%	

Results are reported in accordance with Canadian generally accepted accounting principles. These results may differ from those reported by the individual operating companies.

Healthcare Revenues and Cost of Sales for the Nine-Month Period Ended September 30

		Revenues					
TABLE 2 (Unaudited) (\$ millions)		Canadian Dollars			Functional Currency		
Nine months ended September 30		2009	2008	Change (%)	2009	2008	Change (%)
Emergency Medical Services	\$ 2,237	\$ 1,854		21 %	US\$ 1,915	US\$ 1,816	5 %
Center for Diagnostic Imaging	123	103		19 %	US\$ 105	US\$ 101	4 %
Skilled Healthcare	668	554		21 %	US\$ 571	US\$ 543	5 %
Carestream Health	1,938	1,893		2 %	US\$ 1,665	US\$ 1,857	(10)%
Total	\$ 4,966	\$ 4,404		13 %	US\$ 4,256	US\$ 4,317	(1)%

		Cost of Sales					
(Unaudited) (\$ millions)		Canadian Dollars			Functional Currency		
Nine months ended September 30		2009	2008	Change (%)	2009	2008	Change (%)
Emergency Medical Services	\$ 1,932	\$ 1,613		20 %	US\$ 1,654	US\$ 1,580	5 %
Center for Diagnostic Imaging	39	33		18 %	US\$ 33	US\$ 32	3 %
Skilled Healthcare	563	452		25 %	US\$ 482	US\$ 444	9 %
Carestream Health	1,082	1,144		(5)%	US\$ 929	US\$ 1,123	(17)%
Total	\$ 3,616	\$ 3,242		12 %	US\$ 3,098	US\$ 3,179	(3)%

Results are reported in accordance with Canadian generally accepted accounting principles. These results may differ from those reported by the individual operating companies.

EMSC

EMSC's third-quarter revenues decreased 2 percent to US\$665 million (2008 – US\$679 million). Revenues at EMSC's American Medical Response ("AMR") subsidiary were lower in comparison to the third quarter of 2008, which included US\$101 million from special deployments for FEMA. An increase in AMR's net revenues per weighted transport from increased reimbursement rates that became effective January 1, 2009 and growth in the company's managed transportation business helped offset some of the revenue decline. In addition, there was a US\$72 million increase in revenues at EMSC's EmCare subsidiary. The revenue growth at EmCare was due to revenues from net new hospital contracts as well as higher revenues from existing contracts. The overall lower revenues resulted in a corresponding decline in cost of sales of 2 percent to US\$575 million (2008 – US\$584 million) for the three months ended September 30, 2009.

For the nine months ended September 30, 2009, revenues at EMSC were up 5 percent to US\$1.9 billion (2008 – US\$1.8 billion). Approximately US\$164 million of the revenue growth was generated by EMSC's EmCare

subsidiary as a result of revenues from net new hospital contracts completed in 2008, as well as higher revenues from existing contracts. Partially offsetting EmCare's revenue growth was the effect of lower FEMA deployment revenues at AMR, as previously discussed. Cost of sales was up 5 percent to US\$1.7 billion (2008 – US\$1.6 billion), in line with the growth in revenues for the first nine months of 2009. Cost of sales as a percentage of revenues was 86 percent (2008 – 87 percent) for the nine months ended September 30, 2009.

Skilled Healthcare

Skilled Healthcare's revenues increased 3 percent, or US\$6 million, to US\$188 million (2008 – US\$182 million) in the third quarter of 2009. Skilled Healthcare's long-term care services achieved higher reimbursement rates from Medicare, Medicaid and managed care pay sources (US\$8 million), as well as the benefit of revenues from acquisitions completed in the latter part of 2008. These were partially offset by a slight decline in occupancy. Cost of sales increased 3 percent to US\$156 million (2008 – US\$151 million) for the three months ended September 30,

2009, which was consistent with the growth in revenues. Cost of sales as a percentage of revenues was 83 percent for the third quarters of both 2009 and 2008.

For the first nine months of 2009, revenues at Skilled Healthcare grew 5 percent to US\$571 million (2008 – US\$543 million) due primarily to a US\$22 million increase in revenues from its long-term care services segment, and a US\$5 million increase in ancillary revenues. The revenue increase in the long-term care services segment was from higher rates from Medicare, Medicaid and managed care pay sources, as well as revenues from acquisitions completed in 2008. Partially offsetting these increases was the effect of a decline in occupancy. All of the growth in ancillary revenues in the first nine months of 2009 resulted from an increase in rehabilitation therapy services. Cost of sales increased 9 percent to US\$482 million (2008 – US\$444 million) compared to a 5 percent increase in revenues for the nine months ended September 30, 2009. Included in cost of sales for the first nine months of 2009 was a one-time charge of US\$14 million associated with a restatement from prior periods of the company's reserves for accounts receivable. Receivable reserves were understated in prior periods due to the improper dating of accounts by a former officer of Skilled Healthcare's long-term care segment. The net after-tax effect of this charge was US\$8 million, of which Onex' share was US\$1 million.

Carestream Health

Carestream Health reported a 9 percent, or US\$55 million, decrease in revenues to US\$574 million for the three months ended September 30, 2009 (2008 – US\$629 million). As Carestream Health has operations worldwide, approximately US\$16 million of the revenue decline was due to lower foreign exchange rates on its non-U.S.-dollar-denominated revenues compared to the third quarter of 2008. Most of that decline resulted from a weakening of the euro and the British pound. Excluding the impact of foreign exchange, the company reported a decrease in revenues of US\$36 million from its traditional film business. This decline was anticipated as there is an ongoing move from film to digital technologies. Revenues from Carestream Health's digital business for the three months ended September 30, 2009 were essentially equal to those of the third quarter of last year. Cost of sales was down 14 percent to US\$320 million (2008 – US\$373 million) for the three months ended September 30, 2009 due primarily to the decline in film volumes.

For the nine months ended September 30, 2009, revenues at Carestream Health were down 10 percent to US\$1.7 billion (2008 – US\$1.9 billion) while cost of sales was down 17 percent to US\$929 million (2008 – US\$1.1 billion). The ongoing decline in film revenues was the primary cause of the lower revenues in the first nine months of 2009. However, gross profit for the first nine months of 2009 was up slightly to US\$736 million (2008 – US\$734 million) despite the anticipated 10 percent decline in revenues. The favourable impact of lower materials cost, primarily silver and polyester, and productivity across Carestream Health's businesses, were the primary drivers of this.

Financial Services

The Warranty Group, Inc. ("The Warranty Group") reported a 10 percent decline in revenues to US\$294 million (2008 – US\$325 million) for the third quarter of 2009. The third-quarter revenue decline was due primarily to lower earned premiums and administrative fees attributable to higher credit and underwriting standards in Europe, currency translation of European revenues with a weakening in the value of both the British pound and the euro relative to the U.S. dollar, a decline in U.S. auto sales and an overall decline in consumer spending and confidence. In addition, net investment income was lower during the third quarter of 2009 compared to the same quarter last year due to a decline in short-term interest rates. Cost of sales was down 11 percent to US\$135 million (2008 – US\$152 million) for the three months ended September 30, 2009 due primarily to the same factors that affected revenues, as discussed above.

For the first nine months of 2009, revenues at The Warranty Group decreased 11 percent to US\$880 million (2008 – US\$984 million) while cost of sales was down 9 percent to US\$424 million (2008 – US\$467 million). The decline in revenues and cost of sales in this period was due to the same factors that affected the 2009 third-quarter revenues and cost of sales.

Customer Support Services

Revenues at Sitel Worldwide Corporation ("Sitel Worldwide") were down 11 percent to US\$380 million (2008 – US\$427 million) for the three months ended September 30, 2009, while cost of sales had a corresponding decline of 13 percent to US\$239 million (2008 – US\$274 million). Approximately US\$20 million of the revenue decline in the quarter resulted from lower foreign exchange rates on non-U.S.-dollar-denominated contracts compared to the

same quarter of 2008. In addition, Sitel Worldwide's customers continued to be affected by the economic slowdown, which resulted in lower call volumes, as well as some customer disengagements, particularly in its European operations. Cost of sales had a corresponding decrease in the quarter due to foreign exchange and reduced service professional costs resulting from restructuring efforts and lower volumes.

For the nine months ended September 30, 2009, revenues declined 14 percent to US\$1.2 billion (2008 – US\$1.3 billion). Cost of sales had a corresponding 15 percent decrease to US\$742 million (2008 – US\$876 million). Lower revenues and cost of sales for the first nine months of 2009 were driven by the same factors that contributed to the third-quarter declines.

Metal Services

Tube City IMS Corporation ("Tube City IMS") reported a 59 percent decline in revenues to US\$395 million (2008 – US\$972 million) for the third quarter of 2009. Cost of sales had a similar decline of 61 percent to US\$360 million (2008 – US\$925 million) for the third quarter of 2009. For the nine months ended September 30, 2009, revenues were down 64 percent to US\$940 million (2008 – US\$2.6 billion), while cost of sales was down 65 percent to US\$848 million (2008 – US\$2.5 billion).

The vast majority of the revenue decline in the quarter and in the first nine months of 2009 was attributable to lower sales in the raw materials business, where the cost of sales are passed through to Tube City IMS' customers. The balance was attributable to lower levels of steel production affecting the services business. During the first nine months of 2009, the economic slowdown resulted in ongoing depressed steel production volume in North America, which was at approximately half the volume of the same period of 2008. Tube City IMS' service revenues are largely driven by the volume of raw steel produced. The decline in steel production resulted in a 22 percent and 27 percent decline in Tube City IMS' service revenues, respectively, in the quarter and in the first nine months of 2009. Lower steel production also resulted in a decrease in demand for the raw materials Tube City IMS procures for its customers. Decreases in both the volume of raw materials sold and the selling prices of those materials resulted in a decrease in revenue from raw materials sales of 64 percent and 69 percent, respectively, for the three and nine months ended September 30, 2009.

Cost of sales for the raw materials business decreased 65 percent and 69 percent, respectively, for the three and nine months ended September 30, 2009. The decline in cost of sales of the raw materials business for both periods was generally consistent with the decline in raw materials revenues since the vast majority of raw materials purchased by Tube City IMS are sold to its customers on a pass-through basis.

In the services business, management responded swiftly to the decline in raw steel production by reducing variable site-level costs by approximately 26 percent and 28 percent, respectively, from the levels experienced in the third quarter and first nine months of 2008, which is consistent with the reduction in service revenues. Specific actions taken included meaningful reductions in the company's workforce, as well as significant reductions in maintenance expenditures and selling, general and administrative expenses. As a result of these actions, the company has largely been able to maintain its overall service margins (measured on the basis of revenues after the cost of raw materials shipments).

Other businesses

The other businesses segment primarily includes the revenues of Husky Injection Molding Systems Ltd. ("Husky"), Tropicana Las Vegas and the ONCAP II companies – CSI Global Education Inc. ("CSI"), EnGlobe Corp. ("EnGlobe"), Mister Car Wash, CiCi's Pizza and Caliber Collision Centers ("Caliber").

Revenues in the other businesses segment were down 10 percent to \$443 million (2008 – \$492 million) for the third quarter of 2009. Cost of sales for the other businesses segment was down 23 percent to \$271 million (2008 – \$352 million) for the three months ended September 30, 2009.

Husky reported a 28 percent decline in revenues to US\$197 million (2008 – US\$275 million) due primarily to lower sales in North America (35 percent), Europe (33 percent) and Asia (32 percent), partially offset by a 21 percent increase in sales in Latin America. Husky's cost of sales was down 32 percent to US\$138 million (2008 – US\$202 million) due primarily to the lower sales.

For the nine months ended September 30, 2009, revenues in the other businesses segment were down 4 percent to \$1.6 billion, while cost of sales was down 18 percent to \$995 million (2008 – \$1.2 billion). Much of the decline was from the US\$252 million decline in Husky's revenues for the nine months ended September 30, 2009. This decline was due primarily to the exiting of non-core businesses and lower shipments in all of its territories, except for a modest increase in Latin America, compared to the same period last year. In addition, revenues at Husky for the first nine months of 2009 were reduced due to foreign currency changes on euro-denominated shipments. Cost of sales at Husky declined 34 percent, or US\$258 million, to US\$502 million (2008 – US\$760 million) for the first nine months of 2009. The decline in cost of sales for the nine months ended September 30, 2009 was more than the decrease in revenues due primarily to an approximate US\$93 million one-time charge recorded by Husky in the first nine months of 2008 originating from the step-up in value of inventory on the company's balance sheet at the date of the company's December 2007 acquisition. Accounting principles for acquisitions require that inventory be stepped up in value to the selling price of the inventory less the direct cost to complete and sell the product. In addition, Husky achieved additional cost reductions in the period from the company's transformation plan initiated in 2008.

Partially offsetting the revenue and cost of sales decline at Husky was Onex' purchase of Tropicana Las Vegas on July 1, 2009, which contributed approximately US\$19 million and US\$2 million, respectively, of revenues and cost of sales in the third quarter and first nine months of 2009.

In addition, the ONCAP II companies reported increases in revenues and cost of sales in the other business segment for the three and nine months ended September 30, 2009 that partially offset the declines in revenues and cost of sales at Husky. The ONCAP II companies reported 58 percent revenue growth to \$205 million (2008 – \$130 million) for the third quarter of 2009 and a 60 percent increase to \$632 million (2008 – \$395 million) for the first nine months of 2009. Cost of sales had a corresponding increase of 47 percent to \$119 million for the quarter (2008 – \$81 million) and 48 percent to \$358 million for the nine months ended September 30, 2009 (2008 – \$242 million). Essentially all of the revenue and cost of sales growth in those periods resulted from ONCAP II's purchase of Caliber in October 2008.

Operating earnings

Operating earnings are not a defined measure under Canadian GAAP. The term operating earnings, as used here, is defined as earnings before interest expense, amortization of intangible assets and deferred charges, and income taxes. As operating earnings are a key measure of performance for our businesses, Onex also excludes from operating earnings accounting measures that do not reflect the actual operating performance of the business, such as earnings (loss) from equity-accounted investments, foreign exchange gains (loss), stock-based compensation recovery (expense), non-recurring items such as gains on dispositions of operating investments, acquisition and restructuring charges, other income (expense), debt prepayment income (expense), writedown of goodwill, intangible assets and long-lived assets, as well as non-controlling interests and discontinued operations.

Table 3 provides a reconciliation of the unaudited interim consolidated statements of earnings to operating earnings for the three and nine months ended September 30, 2009 and 2008.

Operating Earnings Reconciliation

TABLE 3	<i>(Unaudited) (\$ millions)</i>	Three months ended September 30		Nine months ended September 30	
		2009	2008	2009	2008
	Earnings before the undernoted items	\$ 657	\$ 647	\$ 1,887	\$ 1,780
	Amortization of property, plant and equipment	(153)	(147)	(483)	(447)
	Interest income	10	1	44	41
	Operating earnings	\$ 514	\$ 501	\$ 1,448	\$ 1,374
	Amortization of intangible assets and deferred charges	(85)	(84)	(281)	(270)
	Interest expense of operating companies	(114)	(126)	(392)	(379)
	Debt prepayment expense	-	-	(6)	-
	Loss from equity-accounted investments	(383)	(45)	(429)	(56)
	Foreign exchange gains (loss)	(43)	(8)	(73)	25
	Stock-based compensation recovery (expense)	(95)	21	(152)	53
	Other income (expense)	22	(6)	90	10
	Gains on dispositions of operating investments	276	-	460	-
	Acquisition, restructuring and other expenses	(74)	(33)	(170)	(146)
	Writedown of goodwill, intangible assets and long-lived assets	(1)	(10)	(115)	(13)
	Earnings before income taxes, non-controlling interests and discontinued operations	\$ 17	\$ 210	\$ 380	\$ 598

Table 4 provides a breakdown of and the change in operating earnings (loss) by industry segment in Canadian dollars and the companies' functional currency for the three and nine months ended September 30, 2009 and 2008.

Operating Earnings (Loss) by Industry Segment

TABLE 4	<i>(Unaudited) (\$ millions)</i>	Canadian Dollars			Functional Currency		
		2009	2008	Change (\$)	2009	2008	Change (\$)
	Three months ended September 30						
	Electronics Manufacturing Services	\$ 65	\$ 89	\$ (24)	US\$ 60	US\$ 85	US\$ (25)
	Aerostructures	150	124	26	US\$ 137	US\$ 120	US\$ 17
	Healthcare	195	202	(7)	US\$ 179	US\$ 194	US\$ (15)
	Financial Services	52	56	(4)	US\$ 48	US\$ 54	US\$ (6)
	Customer Support Services	22	20	2	US\$ 19	US\$ 20	US\$ (1)
	Metal Services	7	19	(12)	US\$ 8	US\$ 18	US\$ (10)
	Other ^(a)	23	(9)	32	C\$ 23	C\$ (9)	C\$ 32
	Total	\$ 514	\$ 501	\$ 13			

Results are reported in accordance with Canadian generally accepted accounting principles. These results may differ from those reported by the individual operating companies.

(a) 2009 other includes Husky, ONCAP II, Tropicana Las Vegas and the parent company. 2008 other includes CEI, Husky, Radian, ONCAP II and the parent company.

Operating Earnings (Loss) by Industry Segment (cont'd)

TABLE 4	(Unaudited) (\$ millions)	Canadian Dollars			Functional Currency		
		2009	2008	Change (\$)	2009	2008	Change (\$)
Nine months ended September 30							
Electronics Manufacturing Services	\$ 185	\$ 206	\$ (21)	US\$ 161	US\$ 201	US\$ (40)	
Aerostructures	282	416	(134)	US\$ 238	US\$ 409	US\$ (171)	
Healthcare	612	491	121	US\$ 526	US\$ 480	US\$ 46	
Financial Services	137	159	(22)	US\$ 119	US\$ 157	US\$ (38)	
Customer Support Services	78	57	21	US\$ 66	US\$ 56	US\$ 10	
Metal Services	16	50	(34)	US\$ 15	US\$ 49	US\$ (34)	
Other ^(a)	138	(5)	143	C\$ 138	C\$ (5)	C\$ 143	
Total	\$ 1,448	\$ 1,374	\$ 74				

Results are reported in accordance with Canadian generally accepted accounting principles. These results may differ from those reported by the individual operating companies.

(a) 2009 other includes CEI, Husky, ONCAP II, Tropicana Las Vegas and the parent company. 2008 other includes CEI, Husky, Radian, ONCAP II and the parent company.

Consolidated operating earnings were \$514 million for the third quarter of 2009, up \$13 million from the third quarter of 2008. The quarter-over-quarter increase in operating earnings was due primarily to the higher average U.S. dollar to Canadian dollar exchange rate in the third quarter of 2009 compared to the same quarter of 2008. In addition, the following factors contributed to operating earnings growth in the quarter:

- a 14 percent increase in Spirit AeroSystems' operating earnings to US\$137 million due primarily to an increase in ship set deliveries for large commercial aircraft as production gradually returned to pre-strike levels as compared to the same period of 2008. In addition, operating earnings included a US\$2 million favourable cumulative catch-up adjustment from updated contract profitability estimates during the third quarter of 2009 compared to a US\$13 million unfavourable cumulative catch-up adjustment for the same quarter of 2008, which was largely the result of the strike at Boeing;
- higher operating earnings at Husky of US\$4 million due primarily to the benefits of cost reductions achieved through the company's transformation plan initiated last year; and
- a \$17 million increase in operating earnings by the ONCAP II companies, primarily from the inclusion of Caliber, which was acquired on October 1, 2008, and improved operating results from EnGlobe.

Partially offsetting the above-mentioned increases in operating earnings in the third quarter of 2009 were:

- a US\$25 million decline in operating earnings at Celestica from the same period in 2008 due primarily to lower production volumes associated with the slower economic environment and changes in the mix of products manufactured, partially offset by benefits from cost reductions and restructuring actions;
- a US\$10 million decrease in operating earnings at Tube City IMS generally driven by a decline in raw steel production by its customers, as previously discussed;
- an 11 percent, or US\$6 million, decline in operating earnings at The Warranty Group resulting from the 10 percent decline in overall revenues and slightly higher expense levels in the quarter; and
- a US\$8 million operating loss reported by Tropicana Las Vegas, acquired on July 1, 2009, reported in the other segment.

For the nine months ended September 30, 2009, operating earnings were \$1.4 billion, up \$74 million, or 5 percent, from the first nine months of 2008. Much of the increase in operating earnings in the first nine months resulted from a higher average U.S. dollar to Canadian dollar exchange rate compared to the same period of 2008. In addition, the following factors affected the year-to-date growth in operating earnings:

- a US\$20 million increase in operating earnings at Carestream Health resulting primarily from the company's restructuring actions initiated in 2008, which focused on optimizing the company's cost structure as a stand-alone entity;

- EMSC's operating earnings growth of US\$34 million due primarily to the growth at EmCare, as discussed under Revenues and Cost of Sales;
- higher operating earnings of US\$10 million at Sitel Worldwide resulting from the benefits of cost-saving initiatives implemented in 2008, as well as improved margins in multi-currency contracts; and
- a US\$41 million increase in operating earnings at Husky, as the first nine months of 2008 included a one-time reduction in margins by US\$93 million originating from the increase in the valuation of inventory on the company's balance sheet at the time of acquisition, which subsequently reduced operating earnings in 2008 when the inventory was sold.

Partially offsetting the above-mentioned operating earnings growth factors for the first nine months of 2009 were:

- a US\$40 million decline in operating earnings at Celestica due primarily to lower volume of business and changes in product mix, partially offset by continued operational improvements;
- Skilled Healthcare's US\$14 million decline in operating earnings due primarily to the one-time charge to cost of sales for the allowance for doubtful accounts for the first nine months of 2009, as previously discussed under Revenues and Cost of Sales;
- lower operating earnings of US\$38 million in the financial services segment at The Warranty Group; much of the decline was due to higher acquisition costs on the company's European credit business and lower revenues;
- a decline in operating earnings of US\$171 million at Spirit AeroSystems for the first nine months of 2009, reported in the aerostructures segment, due primarily to several unusual charges to cost of sales, as previously discussed under Revenues and Cost of Sales; and
- a US\$34 million decrease in operating earnings at Tube City IMS, generally driven by a decline in raw steel production by its customers, as previously discussed.

Interest expense of operating companies

Onex has a policy to structure the acquisition of each of its operating companies with sufficient equity in the company to enable it to self-finance a significant portion of its acquisition cost with a prudent amount of debt. The level of debt assumed is commensurate with the operating company's available cash flow, including consideration of funds required to pursue growth opportunities. It is the responsibility of the acquired operating company to service its own debt obligations.

Consolidated interest expense was \$114 million for the third quarter of 2009, down \$12 million from \$126 million in the third quarter of 2008. Excluding the impact of foreign exchange, Celestica recorded a US\$6 million decline in interest expense due primarily to the repurchase of US\$150 million in the principal value of its 2011 senior subordinated notes in the first quarter of 2009. In addition, Carestream Health recorded a US\$11 million decline in interest expense in the third quarter of 2009 due primarily to Carestream Health's principal repayments from operating cash in the quarter compared to the same quarter last year.

For the nine months ended September 30, 2009, consolidated interest expense totalled \$392 million, an increase of \$13 million from the same period last year. Approximately US\$8 million of the increase in interest expense in the period resulted from ONCAP II's purchase of Caliber in October 2008. In addition, Sitel Worldwide recorded higher interest expense of US\$5 million due primarily to higher debt and interest rates in the first nine months of 2009 compared to the same period last year.

Debt prepayment expense

There was no consolidated debt prepayment expense recorded for the three months ended September 30, 2009. For the nine months ended September 30, 2009, consolidated debt prepayment expense totalled \$6 million. During the first nine months of 2009, Celestica repurchased US\$150 million in the principal amount of its 2011 senior subordinated notes that had a carrying value of US\$159 million and recorded a US\$9 million gain. The company also terminated interest rate swap agreements in the amount of US\$500 million related to the 2011 senior subordinated notes, which resulted in a US\$16 million expense, since the company discontinued fair value hedge accounting on the notes. The resulting net charge of US\$7 million was recorded as debt prepayment expense for the first nine months of 2009.

Loss from equity-accounted investments

Loss from equity-accounted investments for the three and nine months ended September 30, 2009 was \$383 million and \$429 million, respectively. This represents Onex' and/or Onex Partners' portion of the earnings (loss) of Allison Transmission, Inc. ("Allison Transmission"); Hawker Beechcraft Corporation ("Hawker Beechcraft"); ResCare; RSI

Home Products, Inc. ("RSI"); Onex Credit Partners; Cypress Insurance Group ("Cypress"); and Onex Real Estate's investments. Table 5 details the earnings (loss) from equity-accounted investments by company, as well as Onex' share of these earnings (loss), for the third quarter and first nine months of 2009 and 2008.

Earnings (Loss) from Equity-accounted Investments

TABLE 5 | (Unaudited) (\$ millions) Three months ended September 30

	2009		2008	
	Net Earnings (Loss) ^(a)	Onex' Share of Net Earnings (Loss)	Net Earnings (Loss) ^(a)	Onex' Share of Net Earnings (Loss)
Allison Transmission	\$ (25)	\$ (7)	\$ (27)	\$ (8)
Hawker Beechcraft	(363)	(146)	(11)	(4)
Other ^(b)	5	(2)	(7)	(5)
Total	\$ (383)	\$ (155)	\$ (45)	\$ (17)

(a) The net earnings (loss) represent Onex' and/or Onex Partners' share of the net earnings (loss) in those businesses.

(b) 2009 other includes Cypress, Onex Credit Partners, Onex Real Estate, ResCare and RSI. 2008 other includes Cineplex Entertainment, Cypress, Onex Credit Partners, Onex Real Estate and ResCare.

(Unaudited) (\$ millions) Nine months ended September 30

	2009		2008	
	Net Earnings (Loss) ^(a)	Onex' Share of Net Earnings (Loss)	Net Earnings (Loss) ^(a)	Onex' Share of Net Earnings (Loss)
Allison Transmission	\$ (203)	\$ (64)	\$ (42)	\$ (13)
Hawker Beechcraft	(241)	(97)	(14)	(5)
Other ^(b)	15	-	-	(3)
Total	\$ (429)	\$ (161)	\$ (56)	\$ (21)

(a) The net earnings (loss) represent Onex' and/or Onex Partners' share of the net earnings (loss) in those businesses.

(b) 2009 other includes Cineplex Entertainment (up to March 31, 2009), Cypress, Onex Credit Partners, Onex Real Estate, ResCare and RSI. 2008 other includes Cineplex Entertainment, Cypress, Onex Credit Partners, Onex Real Estate and ResCare.

Allison Transmission

A significant portion of the loss reported by Allison Transmission for the first nine months of 2009 was due to the company recording in the second quarter a US\$190 million writedown of certain intangible assets that were determined to be impaired. In addition, the company wrote down certain long-term receivables and established reserves for other matters that the company had with General Motors Corporation ("GM") as a result of the GM bankruptcy. The net charge for Allison Transmission from these GM items was US\$37 million. These matters relate to agreements with GM to share future estimated costs between the

two companies and, in particular, for certain employee post-retirement healthcare obligations that stem from the 2007 acquisition of Allison Transmission from GM.

Hawker Beechcraft

The \$363 million loss (of which Onex' share was \$146 million) for Hawker Beechcraft in the third quarter of 2009 was due primarily to the company recording significant impairment charges related to goodwill and intangible and other assets, primarily in Hawker Beechcraft's business and general aviation segment. During the third quarter of 2009, Hawker Beechcraft completed a review of the carrying value

of its business and general aviation segment compared to its fair value in light of the current decline in demand for new business aircraft. The company recorded a total of US\$726 million in impairment and other charges in the quarter. A component of these charges was a US\$521 million impairment charge for its business and general aviation segment, which included an impairment charge of US\$340 million for the full amount of the goodwill associated with this segment. The other component was additional charges of US\$205 million that were necessary to reduce the carrying value of other assets in this segment, as well as increase reserves for losses on certain aircraft programs and potential supplier claims. These charges were the result of the company's updated expectations as to the timing of a general aviation market recovery, the resulting reduced production volumes and pricing pressure on new aircraft sales.

Included in Hawker Beechcraft's loss for the nine months ended September 30, 2009 was the US\$726 million in impairment and other charges recorded in the quarter, as previously discussed. In addition, during the second quarter of 2009, the company recorded a one-time charge of US\$31 million associated with the restatement of the company's fourth-quarter 2008 and first-quarter 2009 results due to an error that Hawker Beechcraft management identified in its calculation of a deferred tax valuation reserve, which caused the company to understate its provisions for income taxes in those prior periods. Onex' share of this charge was US\$6 million, which was recorded in the nine months ended September 30, 2009. Partially offsetting the above charges for the first nine months of 2009 was a US\$352 million gain by Hawker Beechcraft on its purchase of US\$497 million of its debt securities at a significant discount in the first half of 2009.

Foreign exchange gains (loss)

Foreign exchange gains (loss) reflect the impact of changes in foreign currency exchange rates. A net foreign exchange loss of \$43 million was recorded for the quarter ended September 30, 2009 compared to an \$8 million foreign exchange loss for the third quarter last year. The loss in the quarter was due primarily to the effect of the decline in the value of the U.S. dollar relative to the Canadian dollar on U.S.-dollar-denominated cash investments held; the closing value was 1.0707 Canadian dollars at September 30, 2009, down from 1.1630 Canadian dollars at June 30, 2009. Onex, the parent company, holds a significant portion of its cash in U.S. dollars and reported a foreign exchange loss of approximately \$42 million for the third quarter of 2009.

For the first nine months of 2009, a consolidated foreign exchange loss of \$73 million was recorded compared to a consolidated foreign exchange gain of \$25 million for the nine months ended September 30, 2008. The foreign exchange loss for the first nine months of 2009 was mainly due to the decline in the value of the U.S. dollar relative to the Canadian dollar. At September 30, 2009, the closing value of 1.0707 Canadian dollars was down from 1.2180 Canadian dollars at December 31, 2008. Onex, the parent company, reported \$64 million of the foreign exchange loss in the first nine months of 2009. In addition, Sitel Worldwide recorded a foreign exchange loss of \$12 million for the nine months ended September 30, 2009 primarily as a result of the decline in value of the euro relative to the U.S. dollar.

Stock-based compensation recovery (expense)

For the third quarter of 2009, Onex recorded a consolidated stock-based compensation expense of \$95 million compared to a recovery of \$21 million for the same quarter of 2008. Onex, the parent company, recorded a stock-based compensation expense of \$80 million for the third quarter of 2009 due to the change in its stock-based compensation liability. Approximately \$73 million of the expense was due to the increase in the market value of Onex shares in the third quarter of 2009. Onex is required to revalue the liability for stock options and deferred share units based on changes in the market value of Onex shares. The increase in Onex' share price to \$26.24 per share at September 30, 2009 from \$20.00 per share at June 30, 2009 resulted in an upward revaluation of the liability for stock options. This compares to a \$32 million stock-based compensation recovery at Onex, the parent company, for the three months ended September 30, 2008 due primarily to a 9 percent decrease in Onex' share price.

For the nine months ended September 30, 2009, Onex recorded a consolidated stock-based compensation expense of \$152 million compared to a stock-based compensation recovery of \$53 million for the same period of 2008. Onex, the parent company, accounted for \$105 million of the expense for the first nine months of 2009 compared to \$89 million of the recovery for the nine months ended September 30, 2008. During the first nine months of 2009, the market value of Onex shares increased 44 percent to \$26.24 per share at September 30, 2009 from \$18.19 per share at December 31, 2008. This compares to a 21 percent decline in the market value of Onex shares for the first nine months of 2008 when the market value of Onex shares decreased to \$27.47 per share at September 30, 2008 from \$34.99 per share at December 31, 2007.

Other income

Consolidated other income totalled \$22 million in the third quarter of 2009 compared to a \$6 million expense for the same quarter last year. For the nine months ended September 30, 2009, consolidated other income totalled \$90 million compared to \$10 million for the same period last year. Onex, the parent company, accounted for \$98 million of other income in the first nine months of 2009 due primarily to a \$92 million favourable mark-to-market and foreign exchange adjustment on the Tropicana Las Vegas investment held by Onex and Onex Partners III. Onex' share of this income was \$21 million. This adjustment was necessary to bring the carrying value of the Tropicana Las Vegas investment to the fair value of the equity received in Tropicana Las Vegas on July 1, 2009.

In March 2009, Onex sold an entity the sole assets of which were certain tax losses to a public company controlled by Mr. Gerald W. Schwartz, who is also Onex' controlling shareholder. Onex received approximately \$3 million in cash for tax losses of approximately \$23 million. The entire \$3 million was recorded as a gain in other income of Onex, the parent company, for the first nine months of 2009. Onex has significant Canadian non-capital and capital losses available and valuation allowances have

been established against the benefit of all of these losses in the unaudited interim consolidated financial statements. As such, Onex does not expect to generate sufficient taxable income to fully utilize these losses in the foreseeable future. In connection with this transaction, Onex obtained a tax ruling from Canada Revenue Agency, and Deloitte & Touche LLP, an independent accounting firm retained by Onex' Audit and Corporate Governance Committee, provided an opinion that the value received by Onex for the tax losses was fair. The transaction was unanimously approved by Onex' Audit and Corporate Governance Committee, all the members of which are independent directors.

Partially offsetting other income in the first nine months of 2009 was approximately \$16 million of other expense recorded by Carestream Health due to the settlement with Kodak of acquisition-related working capital adjustments.

Gains on dispositions of operating investments

Gains on dispositions of operating investments totalled \$276 million and \$460 million, respectively, for the three and nine months ended September 30, 2009. There were no gains in the same periods of 2008. Table 6 details the nature of these gains.

Gains on Dispositions of Operating Investments

TABLE 6	(Unaudited) (\$ millions)	Three months ended September 30				Nine months ended September 30			
		Total Gains 2009	Onex' Share of Gains 2009	Total Gains 2008	Onex' Share of Gains 2008	Total Gains 2009	Onex' Share of Gains 2009	Total Gains 2008	Onex' Share of Gains 2008
Gains on:									
	Sale of Cineplex Entertainment	\$ -	\$ -	\$ -	\$ -	\$ 160	\$ 160	\$ -	\$ -
	Disposition of CEI	-	-	-	-	20	20	-	-
	Partial sale of EMSC shares	275	90	-	-	275	90	-	-
	Other, net	1	1	-	-	5	5	-	-
	Total	\$ 276	\$ 91	\$ -	\$ -	\$ 460	\$ 275	\$ -	\$ -

Cineplex Entertainment

In April 2009, Onex sold its remaining 12,956,885 trust units of Cineplex Galaxy Income Fund. Onex realized approximately \$175 million of net proceeds on this sale and recorded a \$160 million pre-tax gain on this transaction in the second quarter of 2009.

CEI

At the end of 2008, CEI was in violation of certain of its debt covenants. In 2009, CEI discussed a restructuring of its debt with its lenders but was not able to reach an agreement. As a result, in early May 2009, Onex contributed its ownership in securities of CEI to an entity controlled by CEI's lenders that agreed to provide additional liquidity to CEI. As a result of this transfer, Onex and Onex Partners I ceased to have an equity ownership in the business. Onex'

investment in the company had a negative carrying value of \$20 million due to previously recorded losses of CEI. Therefore, Onex recorded a non-cash accounting gain of \$20 million in the second quarter of 2009 on the disposition of CEI.

EMSC

In August 2009, EMSC completed a secondary public offering. Onex and Onex Partners I sold 9.2 million shares in the offering for net proceeds of \$381 million. Onex' portion of the shares sold was 3.5 million shares for net proceeds of \$148 million. A \$275 million pre-tax gain on the sale of EMSC shares was recorded in the third quarter of 2009, of which Onex' portion was \$90 million. This included Onex' carried interest of \$5 million on the realized gain on EMSC by third-party limited partners. Onex' share of the carried interest received was reduced by \$8 million as a result of the loss on the CEI investment realized by the third-party limited partners.

Acquisition, Restructuring and Other Expenses

	Three months ended September 30			Nine months ended September 30		
	2009	2008	Change (\$)	2009	2008	Change (\$)
Celestica	\$ 46	\$ 17	\$ 29	\$ 78	\$ 24	\$ 54
Carestream Health	11	8	3	35	61	(26)
Husky	9	4	5	34	12	22
Sitel Worldwide	6	(3)	9	15	31	(16)
Other	2	7	(5)	8	18	(10)
Total	\$ 74	\$ 33	\$ 41	\$ 170	\$ 146	\$ 24

Celestica reported an increase of \$29 million and \$54 million, respectively, in restructuring expenses for the third quarter and first nine months of 2009 due primarily to the company's restructuring initiatives to improve capacity utilization principally in Celestica's North America and Europe regions.

Restructuring expenses at Husky increased \$5 million and \$22 million, respectively, for the three and nine months ended September 30, 2009 compared to the same periods last year due primarily to one-time costs associated with the company's transformation plan to lower Husky's cost structure.

Restructuring costs at Carestream Health declined in the first nine months of 2009 due primarily to one-time, non-recurring charges included in the first nine months of 2008 associated with the company's transition to a stand-alone entity.

Acquisition, restructuring and other expenses

Acquisition, restructuring and other expenses are considered to be costs incurred by the operating companies to realign organizational structures or restructure manufacturing capacity to obtain operating synergies critical to building the long-term value of those businesses. Acquisition, restructuring and other expenses totalled \$74 million for the three months ended September 30, 2009, up \$41 million from \$33 million for the same quarter of 2008. For the first nine months of 2009, acquisition, restructuring and other expenses were \$170 million, up from \$146 million for the nine months ended September 30, 2008. Table 7 provides a breakdown of and the change in acquisition, restructuring and other expenses by operating company for the three and nine months ended September 30, 2009 and 2008.

Sitel Worldwide recorded a decline of \$16 million for the nine months ended September 30, 2009 resulting primarily from 2008 expenses incurred in this period associated with initiatives taken to streamline the company's operations related to the January 2007 acquisition of SITEL Corporation, as well as addressing the softness in certain markets in which Sitel Worldwide operates.

Writedown of goodwill, intangible assets and long-lived assets

Writedown of goodwill, intangible assets and long-lived assets totalled \$1 million and \$115 million, respectively, for the three and nine months ended September 30, 2009. This compares to \$10 million and \$13 million, respectively, for the same periods of 2008.

Sitel Worldwide reported a \$52 million writedown of goodwill associated with its European operations in the first nine months of 2009 due primarily to revenue erosion driven by the economic downturn, especially among telecom customers. Sitel Worldwide completed a review of its goodwill for the European reporting unit and determined that the fair value was less than its carrying value. Therefore, Sitel Worldwide wrote down the goodwill associated with that reporting unit to its fair value in the second quarter of 2009. For the comparable period of 2008, Sitel Worldwide recorded a \$3 million writedown in long-lived assets.

During the second quarter of 2009, Tube City IMS performed an analysis of the carrying value of its goodwill compared to its fair value by reporting unit. The company determined that the goodwill in one of its reporting units was impaired due to changes in the long-term outlook for certain customers and contracts. As a result, the company recorded a \$62 million goodwill impairment charge for the first nine months of 2009.

Income taxes

Onex reported a consolidated income tax provision of \$112 million for the third quarter of 2009 compared to an \$80 million consolidated income tax provision for the same quarter last year. For the first nine months of 2009, Onex reported a consolidated income tax provision of \$103 million

compared to a \$227 million consolidated income tax provision for the first nine months of 2008. During the first nine months of 2009, Onex, the parent company, reduced its future income tax liability by approximately \$100 million and recorded a corresponding amount as a recovery in income tax. This reduction was the result of lower income tax rates being applied to future income tax liabilities to bring the liability in line with current income tax rates.

Non-controlling interests in net earnings of operating companies

In the unaudited interim consolidated statements of earnings, the non-controlling interests amount represents the interests of shareholders, other than Onex, in the net earnings or losses of Onex' operating companies. For the third quarter of 2009, this amount was an \$85 million share of Onex' operating companies' net earnings compared to \$96 million for the same quarter of 2008. For the nine months ended September 30, 2009, the non-controlling interests amount in Onex' operating companies net earnings was \$205 million compared to \$315 million for the nine months ended September 30, 2008. Table 8 details the net earnings (loss) by industry segment attributable to non-controlling shareholders in Onex' operating companies for the three and nine months ended September 30, 2009 and 2008.

Non-controlling Interests in Net Earnings (Loss) of Operating Companies by Industry Segment

	Three months ended September 30			Nine months ended September 30		
	2009	2008	Change (\$)	2009	2008	Change (\$)
Net earning (loss) of non-controlling interests in:						
Electronics Manufacturing Services	\$ (2)	\$ 30	\$ (32)	\$ 23	\$ 91	\$ (68)
Aerostructures	84	68	16	149	228	(79)
Healthcare	38	32	6	109	29	80
Financial Services	21	15	6	59	54	5
Customer Support Services	-	-	-	-	1	(1)
Metal Services	(3)	1	(4)	(55)	3	(58)
Other ^(a)	(53)	(50)	(3)	(80)	(91)	11
Total	\$ 85	\$ 96	\$ (11)	\$ 205	\$ 315	\$ (110)

(a) 2009 other includes CEI (up to May 2009), Husky, Hawker Beechcraft, Allison Transmission, RSI, ONCAP II, Tropicana Las Vegas, Onex Real Estate, Onex Credit Partners and the parent company. 2008 other includes Cineplex Entertainment, CEI, Husky, Hawker Beechcraft, Allison Transmission, ONCAP II, Onex Real Estate, Onex Credit Partners and the parent company.

The \$110 million change in non-controlling interests for the nine months ended September 30, 2009 was due primarily to lower earnings:

- at Spirit AeroSystems, included in the aerostructures segment, which reported \$79 million of the change in non-controlling interests amount resulting from the unusual charges of US\$126 million taken in the second quarter of 2009, as discussed in the company's cost of sales;
- at Tube City IMS reported in the metal services segment, which accounted for \$58 million of the change in the controlling interests amount due primarily to the \$62 million writedown of goodwill recorded in the second quarter of 2009, as previously discussed; and
- in the other segment due primarily to the \$245 million increase in the collective share of losses at Allison Transmission and Hawker Beechcraft of the limited partners of Onex Partners II in that period. The losses in the other segment were partially offset by the share of the gain recorded on the sale of EMSC shares of the limited partners of Onex Partners I of \$185 million in the third quarter of 2009, and higher earnings at Husky (\$15 million) and EnGlobe (\$18 million).

Partially offsetting the above was higher net earnings in the healthcare segment reported primarily by EMSC and Carestream Health, which accounted for \$78 million of the change in non-controlling interests amount for the first nine months of 2009.

Earnings (loss) from continuing operations

Onex' consolidated loss from continuing operations was \$180 million (\$1.48 per share) for the third quarter of 2009 compared to earnings of \$34 million (\$0.26 per share) reported for the same period of 2008. For the nine months ended September 30, 2009, consolidated earnings from continuing operations were \$72 million (\$0.59 per share) compared to \$56 million (\$0.44 per share) for the first nine months of 2008. Table 9 details the earnings (loss) from continuing operations by industry segment before discontinued operations for the three and nine months ended September 30, 2009 and 2008.

Earnings (Loss) from Continuing Operations by Industry Segment

TABLE 9 (Unaudited) (\$ millions)	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Earnings (loss) from continuing operations:				
Electronics Manufacturing Services	\$ -	\$ 5	\$ 4	\$ 14
Aerostructures	6	5	11	16
Healthcare	9	9	31	(10)
Financial Services	8	6	24	23
Customer Support Services	(18)	(6)	(90)	(51)
Metal Services	(1)	-	(28)	1
Other ^(a)	(184)	15	120	63
Total	\$ (180)	\$ 34	\$ 72	\$ 56

(a) 2009 other includes Cineplex Entertainment (up to March 31, 2009), CEI (up to May 2009), Husky, Hawker Beechcraft, Allison Transmission, RSI, Radian, ONCAP II, Tropicana Las Vegas, Onex Real Estate and the parent company. 2008 other includes Cineplex Entertainment, CEI, Husky, Hawker Beechcraft, Allison Transmission, Radian, ONCAP II, Onex Real Estate and the parent company.

Consolidated net earnings (loss)

Consolidated net loss was \$180 million (\$1.48 per share) for the three months ended September 30, 2009 compared to consolidated net earnings of \$38 million (\$0.30 per share) for the same quarter of 2008. For the first nine months of 2009, Onex' consolidated net earnings were \$72 million

(\$0.59 per share) compared to \$65 million (\$0.52 per share) of consolidated net earnings for the nine months ended September 30, 2008. Included in consolidated net earnings for the nine months ended September 30, 2008 were \$9 million (\$0.08 per share) of earnings from discontinued operations.

SUMMARY QUARTERLY INFORMATION

Table 10 summarizes Onex' key consolidated financial information for the last eight quarters.

TABLE 10	<i>(Unaudited)</i> <i>(\$ millions except per share amounts)</i>							
	2009			2008				2007
	Sept.	June	March	Dec.	Sept.	June	March	Dec.
Revenues	\$ 6,078	\$ 6,131	\$ 6,469	\$ 6,774	\$ 7,066	\$ 6,815	\$ 6,226	\$ 5,994
Earnings (loss) from continuing operations	\$ (180)	\$ 83	\$ 169	\$ (348)	\$ 34	\$ (18)	\$ 40	\$ (10)
Net earnings (loss)	\$ (180)	\$ 83	\$ 169	\$ (348)	\$ 38	\$ (18)	\$ 45	\$ (10)
Earnings (loss) per Subordinate Voting Share								
Basic and Diluted:								
Continuing operations	\$ (1.48)	\$ 0.68	\$ 1.38	\$ (2.85)	\$ 0.26	\$ (0.14)	\$ 0.32	\$ (0.08)
Net earnings (loss)	\$ (1.48)	\$ 0.68	\$ 1.38	\$ (2.85)	\$ 0.30	\$ (0.14)	\$ 0.36	\$ (0.08)

Onex' quarterly consolidated financial results do not follow any specific trends due to the acquisitions or dispositions of businesses by Onex, the parent company; the volatility of the exchange rate between the U.S. dollar and the Canadian dollar; and the varying business activities and cycles at Onex' operating companies.

CONSOLIDATED FINANCIAL POSITION

This section should be read in conjunction with the unaudited interim consolidated balance sheet as at September 30, 2009 and the corresponding notes thereto and the audited consolidated balance sheet as at December 31, 2008.

Consolidated assets

Consolidated assets totalled \$26.2 billion at September 30, 2009 compared to \$29.7 billion at December 31, 2008. A significant portion of the decrease in Onex' consolidated assets at September 30, 2009 was due to the currency translation of U.S.-based assets with the weakening of the U.S. dollar relative to the Canadian dollar. The underlying currency for most of Onex' consolidated assets is the U.S. dollar as almost all of the activities of Onex' operating companies are reported in U.S. dollars. The closing U.S. dollar to Canadian dollar exchange rate decreased 12 percent to 1.0707 Canadian dollars at September 30, 2009 from 1.2180 Canadian dollars at December 31, 2008. In addition, approximately \$128 million of the decline in consolidated assets from December 31, 2008 was due to the disposition of CEI in the second quarter of 2009.

Consolidated long-term debt, without recourse to Onex

It has been Onex' policy to preserve a financially strong parent company that has funds available for new acquisitions and to support the growth of its operating companies. This policy means that all debt financing is within our operating companies and each company is required to support its own debt without recourse to Onex or other Onex operating companies.

The financing arrangements of 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. In addition, the operating companies that have outstanding debt must meet certain financial covenants. Changes in business conditions relevant to an operating company, including those resulting from changes in financial markets and economic conditions generally, may result in non-compliance with certain covenants by that operating company.

Total long-term debt (consisting of the current and long-term portions of long-term debt, net of deferred charges) was \$6.5 billion at September 30, 2009 compared to \$7.7 billion at December 31, 2008. Since Onex reports in Canadian dollars, but the majority of its operating companies report in U.S. dollars, much of the decrease in total long-term debt was caused by currency translation due to the weakening of the U.S. dollar relative to the Canadian dollar.

Celestica's total debt declined to US\$581 million at September 30, 2009 from US\$732 million at December 31, 2008 due primarily to the company's repurchase of US\$150 million in the principal amount of its 2011 senior subordinated notes during the first quarter of 2009. As a result of Celestica's intent to redeem its outstanding 2011 senior subordinated notes in the fourth quarter of 2009, US\$357 million of the US\$581 million has been reclassified as current portion of long-term debt. In April 2009, Celestica renewed its revolving credit facility on generally similar terms and conditions and reduced the size to US\$200 million from US\$300 million. No amounts were drawn under this facility at December 31, 2008 or September 30, 2009. This credit facility matures in April 2011.

Under the terms of the renewed facility, borrowings bear a higher interest rate than the previous terms and Celestica is required to comply with certain financial covenants related to indebtedness, interest coverage and liquidity.

In April 2009, Skilled Healthcare amended its existing credit agreement to extend the maturity of the revolving loan commitment from June 15, 2010 to June 15, 2012, while maintaining existing interest rates. The revolving line of credit has a capacity of US\$135 million up to June 15, 2010, reducing to US\$124 million until maturity. At September 30, 2009, US\$83 million was drawn under the facility.

In June 2009, Spirit AeroSystems entered into an amendment of its existing credit agreement. The amendment extends the maturity of the company's revolving credit facility from June 2010 to June 2012. It also increases the revolving credit facility to US\$729 million from US\$650 million through to June 2010, when it then steps down to US\$409 million through to June 2012. At September 30, 2009, no amounts were drawn under the facility. On September 30, 2009, Spirit AeroSystems completed an offering of US\$300 million aggregate principal amount of 7.5 percent senior notes due 2017. The offering price to purchasers of the notes was 97.804 percent of par to yield 7.875 percent to maturity. A portion of the net proceeds of the offering of the notes was used to repay US\$200 million in borrowings under Spirit AeroSystems' existing senior secured revolving credit facility, without any reduction of the lenders' commitment thereunder, and the remaining net proceeds will be used for general corporate purposes and to pay fees and expenses incurred in connection with the offering of the notes. The notes bear interest at a rate of 7.5 percent per year, payable semi-annually, commencing April 1, 2010.

In July 2009, CDI entered into a new credit agreement. The new agreement consists of a US\$55 million term loan and a US\$15 million revolving credit facility. The term loan and revolving credit facility bear interest at LIBOR, plus a margin, and mature in July 2013. The term loan requires quarterly principal repayments beginning in March 2010. The proceeds of the term loan were used to repay and terminate the previous credit agreement. At September 30, 2009, US\$55 million was outstanding under the term loan and no amounts were drawn on the revolving facility.

Table 11 details the aggregate debt maturities for Onex' consolidated operating companies and equity-accounted operating companies for each of the years up to 2014 and in total thereafter. The table is presented in U.S. dollars as the debt of most of Onex' operating companies is denominated in

U.S. dollars. Below that, the amounts have been converted to Canadian dollars at the September 30, 2009 exchange rate. As the following table illustrates, most of the maturities occur in 2013 and 2014.

Debt Maturity Amounts by Year

	2009	2010	2011	2012	2013	2014	Thereafter	Total
Consolidated operating companies	\$ 432	\$ 148	\$ 299	\$ 1,234	\$ 2,396	\$ 1,040	\$ 828	\$ 6,377
Equity-accounted operating companies	44	141	112	45	557	4,036	1,581	6,516
Total	\$ 476	\$ 289	\$ 411	\$ 1,279	\$ 2,953	\$ 5,076	\$ 2,409	\$ 12,893

	2009	2010	2011	2012	2013	2014	Thereafter	Total
Consolidated operating companies	\$ 463	\$ 158	\$ 320	\$ 1,321	\$ 2,565	\$ 1,114	\$ 887	\$ 6,828
Equity-accounted operating companies	47	151	120	48	596	4,321	1,694	6,977
Total	\$ 510	\$ 309	\$ 440	\$ 1,369	\$ 3,161	\$ 5,435	\$ 2,581	\$ 13,805

Non-controlling interests

The non-controlling interests liability in Onex' unaudited interim consolidated balance sheet as at September 30, 2009 primarily represents the ownership interests of shareholders, other than Onex, in Onex' consolidated operating companies and equity-accounted investments. At September 30, 2009, the non-controlling interests balance decreased to \$6.5 billion from \$6.6 billion at December 31, 2008. Table 12 details the change in the non-controlling interests balance from December 31, 2008 to September 30, 2009.

Change in Non-controlling Interests

Non-controlling interests as at December 31, 2008	\$ 6,624
Non-controlling interests in 2009	
Gains on sales of operating investments	185
Operating companies' net earnings	20
Investments by shareholders other than Onex in:	
Tropicana Las Vegas	
By Onex Partners III	191
By other investors	106
New shareholders' purchase of Onex' and Onex Partners I's shares of EMSC sold in the public offering	105
Other Onex operating companies	106
Distributions to limited partners on the sale of EMSC shares	(241)
Distributions to limited partners of Onex Partners II for the Carestream Health dividend	(44)
Other comprehensive loss	(567)
Non-controlling interests as at September 30, 2009	\$ 6,485

The decrease in the non-controlling interests balance was driven primarily by:

- \$241 million of distributions to limited partners on the sale of a portion of their interests in EMSC's secondary offering;
- \$44 million of the distribution to the limited partners of Onex Partners II for the dividend paid by Carestream Health on September 30, 2009; and
- \$567 million of other comprehensive loss driven primarily by a 12 percent decline in the value of the U.S. dollar relative to the Canadian dollar. The value of the U.S. dollar was 1.0707 Canadian dollars at September 30, 2009 compared to 1.2180 Canadian dollars at December 31, 2008.

Partially offsetting these decreases were:

- the \$205 million of non-controlling interests' share of operating companies' net earnings for the nine months ended September 30, 2009; approximately \$185 million of those earnings were from the gains on the shares sold by other limited partners in the offering of EMSC;
- \$191 million in investments by limited partners of Onex Partners III, other than Onex, primarily for the investment in Tropicana Las Vegas completed on July 1, 2009;
- new shareholders' purchase of shares sold by Onex and Onex Partners I in EMSC's secondary offering, which added \$105 million to non-controlling interests; and
- \$212 million of investments by shareholders, other than Onex Partners, in Onex' operating companies, of which \$106 million was in Tropicana Las Vegas.

Shareholders' equity

Shareholders' equity totalled \$1.5 billion at September 30, 2009 compared to \$1.6 billion at December 31, 2008. The change in shareholders' equity in the first nine months of 2009 was due to the \$72 million in net earnings reported in the period offset by a \$101 million other comprehensive loss in the period. This loss resulted from negative currency translation adjustments of \$212 million as a result of the strengthening of the Canadian dollar relative to the U.S. dollar, partially offset by Onex' share of the increase in the fair value of derivatives designated as hedges of \$92 million. Table 13 provides a reconciliation of the change in shareholders' equity from December 31, 2008 to September 30, 2009.

Change in Shareholders' Equity

TABLE 13 | (Unaudited) (\$ millions)

Shareholders' equity as at December 31, 2008	\$ 1,553
Regular dividends declared	(10)
Shares repurchased and cancelled	(6)
Net earnings	72
Other comprehensive loss for 2009	(101)
Shareholders' equity as at September 30, 2009	\$ 1,508

Onex' unaudited interim consolidated statements of shareholders' equity and comprehensive loss also show the changes to the components of shareholders' equity for the nine months ended September 30, 2009 and 2008.

Shares outstanding

At October 31, 2009, Onex had 121,535,445 Subordinate Voting Shares issued and outstanding. Table 14 shows the change in the number of Subordinate Voting Shares outstanding from December 31, 2008 to October 31, 2009.

Change in Subordinate Voting Shares Outstanding

TABLE 14 | (Unaudited)

Subordinate Voting Shares outstanding at December 31, 2008	122,098,985
Shares repurchased and cancelled under Onex' Normal Course Issuer Bid	(566,600)
Issue of shares – Dividend Reinvestment Plan	3,060
Subordinate Voting Shares outstanding at October 31, 2009	121,535,445

Onex also has 100,000 Multiple Voting Shares outstanding, which have a nominal paid-in value, and 176,078 Series 1 Senior Preferred Shares, which have no paid-in amount reflected in Onex' audited annual consolidated financial statements. Note 9 to the unaudited interim consolidated financial statements provides additional information on Onex' share capital. There was no change in the Multiple Voting Shares and Series 1 Senior Preferred Shares outstanding during the first nine months of 2009.

Dividend Reinvestment Plan

Under Onex' Dividend Reinvestment Plan, Onex issued 3,060 Subordinate Voting Shares at an average cost of \$20.61 per Subordinate Voting Share, creating a cash savings of less than \$1 million during the period ended October 31, 2009.

Normal Course Issuer Bids

On April 14, 2009, Onex renewed its Normal Course Issuer Bid ("NCIB") following the expiry of its previous NCIB on April 13, 2009. At March 31, 2009, Onex had issued and outstanding Subordinate Voting Shares of 122,099,689 and a public float of 92,574,885 Subordinate Voting Shares. Under the new NCIB, Onex will be permitted to purchase up to 10 percent of its public float of its Subordinate Voting Shares, or 9,257,488 Subordinate Voting Shares. Onex may purchase up to 62,634 Subordinate Voting Shares during any trading day, being 25 percent of its average daily trading volume for the six-month period ended March 31, 2009. Onex may also purchase Subordinate Voting Shares from time to time under the Toronto Stock Exchange's block purchase exemption, if available, under the new NCIB. The new NCIB commenced on April 14, 2009 and will conclude on the earlier of the date on which purchases under the NCIB have been completed and April 13, 2010. A copy of the Notice of Intention to make the Normal Course Issuer Bid filed with the Toronto Stock Exchange is available at no charge to shareholders by contacting Onex.

Under the previous NCIB that expired on April 13, 2009, Onex repurchased 1,788,281 Subordinate Voting Shares at a total cost of \$48 million, or an average purchase price of \$26.70 per share. Onex believes that it is advantageous for it and its shareholders to continue to engage in repurchases of Subordinate Voting Shares from time to time, particularly when they are trading at prices that reflect a significant discount from their value as perceived by Onex.

For the 10-month period ended October 31, 2009, Onex, the parent company, repurchased 566,600 Subordinate Voting Shares under its Normal Course Issuer Bids at an average cost per share of \$22.49 for a total cost of \$13 million.

Management of capital

Onex considers the capital it manages to be the amounts it has in cash, short-term and near-cash investments, and the investments made by it in the operating companies, Onex Real Estate Partners and Onex Credit Partners. Onex also manages the third-party capital invested in the Onex Partners and ONCAP 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 it has funds available to pursue new acquisitions and growth opportunities, as well as support the building of its existing businesses. Onex does not generally have the ability to draw cash from its operating companies. Accordingly, maintaining adequate liquidity at the parent company is important;
- achieve an appropriate return on capital invested commensurate with the level of risk taken on;
- build the long-term value of its operating companies;
- control the risk associated with capital invested in any particular business or activity. All debt financing is within the operating companies and each company is required to support its own debt. Onex does not guarantee the debt of the operating companies and there are no cross-guarantees of debt between the operating companies; and
- have appropriate levels of committed third-party capital available to invest along with Onex' capital. This enables Onex to respond quickly to opportunities and pursue acquisitions of businesses it could not achieve using only its own capital. The management of third-party capital also provides management fees to Onex and the ability to enhance Onex' returns by earning a carried interest on the profits of third-party participants.

At September 30, 2009, Onex, the parent company, had approximately \$770 million of cash on hand and approximately \$20 million of near-cash items at market value. The Company is currently liquidating its near-cash items, which are invested in segregated hedge funds. Onex expects to have liquidated most of these near-cash items by the end of 2010. Onex, the parent company, has a conservative cash management policy that limits its cash investments to short-term high-rated money market instruments. This policy is driven toward maintaining liquidity and preserving principal in all of the money market investments at Onex, the parent company.

At September 30, 2009, Onex had access to US\$3.5 billion of uncalled committed third-party capital for acquisitions through the Onex Partners and ONCAP Funds. This includes approximately US\$3 billion of committed third-party capital to date for Onex Partners III.

The strategy for risk management of capital did not change in the first nine months of 2009.

LIQUIDITY AND CAPITAL RESOURCES

This section should be read in conjunction with the unaudited interim consolidated statements of cash flows for the three and nine months ended September 30, 2009 and 2008 and the corresponding notes thereto. Table 15 summarizes the major consolidated cash flow components for the three and nine months ended September 30, 2009 and 2008.

Major Cash Flow Components

TABLE 15 (Unaudited) (\$ millions)	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Cash from operating activities	\$ 474	\$ 507	\$ 778	\$ 955
Cash from (used in) financing activities	\$ (128)	\$ 118	\$ (172)	\$ (11)
Cash from (used in) investing activities	\$ 286	\$ (672)	\$ 94	\$ (1,052)
Consolidated cash and short-term investments – continuing operations	\$ 3,237	\$ 2,552	\$ 3,237	\$ 2,552

Cash from operating activities

Table 16 provides a breakdown of cash from operating activities by cash generated from operations and non-cash working capital items, warranty reserves and unearned premiums and other liabilities for the three and nine months ended September 30, 2009 and 2008.

Components of Cash from (used in) Operating Activities

TABLE 16 (Unaudited) (\$ millions)	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Cash generated from operations	\$ 443	\$ 415	\$ 1,231	\$ 1,085
Changes in non-cash working capital items				
Accounts receivable	(58)	52	270	(181)
Inventories	(190)	(96)	(256)	(397)
Other current assets	22	25	(43)	77
Accounts payable, accrued liabilities and other current liabilities	288	103	(267)	307
Increase (decrease) in cash due to changes in non-cash working capital items	\$ 62	\$ 84	\$ (296)	\$ (194)
Increase (decrease) in warranty reserves and unearned premiums and other liabilities	(31)	8	(157)	64
Cash from operating activities	\$ 474	\$ 507	\$ 778	\$ 955

Cash generated from operations excludes changes in non-cash working capital items, warranty reserves and unearned premiums and other liabilities. The increase in cash generated from operations for the three and nine months ended September 30, 2009 compared to the same periods last year was due primarily to higher operating earnings at many of Onex' operating companies, as discussed on page 16 of this report.

Non-cash working capital items increased cash by \$82 million in the third quarter of 2009 compared to \$84 million in the same quarter last year. For the nine months ended September 30, 2009, non-cash working capital items decreased cash by \$227 million. This compares to a decrease of \$194 million for the first nine months of 2008. The change in cash for the first nine months of 2009 was due to:

- a \$270 million decrease in accounts receivable, primarily at Celestica. The decrease in receivables at Celestica was due primarily to lower revenues;
- a \$256 million increase in inventory, primarily at Spirit AeroSystems, which continued to build up inventory associated with its B787, Gulfstream and other general aviation programs. Partially offsetting this increase was lower inventory at Celestica; and
- a \$267 million decrease in accounts payable, accrued liabilities and other current liabilities, primarily at Celestica, which reduced its accounts payable due to lower business levels.

Cash from (used in) financing activities

Cash used in financing activities totalled \$128 million for the third quarter of 2009 compared to cash from financing activities of \$118 million for the same quarter last year. Cash used in financing activities in the third quarter of 2009 was primarily due to:

- \$285 million of cash distributed by Onex Partners to limited partners, other than Onex, from the sale of EMSC shares in that company's secondary offering and a dividend paid by Carestream Health in the third quarter of 2009; and

- a US\$200 million debt repayment by Spirit AeroSystems of its revolving credit facility from proceeds on the company's offering of US\$300 aggregate principal amount of 7.5 percent senior notes due 2017, as previously discussed under Consolidated Long-Term Debt.

Partially offsetting these were:

- \$52 million of cash received from the limited partners of Onex Partners III for the investment in Tropicana Las Vegas; and
- Spirit AeroSystems' offering of US\$300 million aggregate principal amount of 7.5 percent senior notes due 2017, completed on September 30, 2009.

For the nine months ended September 30, 2009, cash used in financing activities was \$172 million compared to \$11 million for the first nine months of 2008. Included in cash used in financing activities for the first nine months of 2009 were:

- the Onex Partners distribution to limited partners, other than Onex, of proceeds on the sale of EMSC shares of \$241 million and a dividend paid by Carestream Health (\$44 million), as discussed in the third quarter;
- the \$143 million repayment of the credit facility that was established for the purchase of Tropicana Las Vegas debt from cash received from the limited partners of Onex Partners III, other than Onex;
- US\$150 million of cash used by Celestica to repurchase a portion of its 2011 senior subordinated notes; and
- the debt repayment by Spirit AeroSystems on its revolving credit facility from proceeds on the company's offering of US\$300 aggregate principal amount of 7.5 percent senior notes due 2017.

Partially offsetting these were:

- \$171 million of cash received primarily from the limited partners of Onex Partners III, other than Onex, for the acquisition of Tropicana Las Vegas completed on July 1, 2009; and
- Spirit AeroSystems' offering of US\$300 million aggregate principal amount of 7.5 percent senior notes.

Cash from (used in) investing activities

Cash from investing activities totalled \$286 million for the three months ended September 30, 2009 compared to cash used in investing activities of \$672 million for the same quarter of 2008. The cash from investing activities in the third quarter of 2009 was due primarily to \$381 million of cash proceeds received by Onex and Onex Partners I on the sale of a portion of their shares in the EMSC secondary offering.

For the first nine months of 2009, cash from investing activities totalled \$94 million compared to \$1.1 billion of cash used in the first nine months of 2008. The cash from investing activities in the first nine months of 2009 was from:

- cash proceeds of \$175 million received by Onex, the parent company, on the sale of its remaining trust units of Cineplex Galaxy Income Fund; and
- cash proceeds received by Onex and Onex Partners I on the sale of a portion of their shares in the EMSC secondary offering, as discussed in the third quarter.

Partially offsetting these proceeds was approximately \$420 million of cash used for the purchase of property, plant and equipment by Onex' operating companies in the first nine months of 2009.

Consolidated cash resources

At September 30, 2009, consolidated cash with continuing operations was \$3.2 billion, slightly higher than the level at December 31, 2008. The major components at September 30, 2009 were:

- \$770 million of cash on hand at Onex, the parent company; and
- \$1.4 billion of cash at Celestica.

Onex believes that maintaining a strong financial position at the parent company with appropriate liquidity enables the Company to pursue new opportunities to create long-term value and support Onex' existing operating companies. In addition to the approximately \$770 million of cash at the

parent company at September 30, 2009, there was approximately \$20 million of near-cash items that are investments in segregated hedge funds. Subsequent to quarter-end, cash at the parent company increased by \$104 million with the cash received from the sale of a portion of Onex' ownership in Celestica shares. Table 17 provides a reconciliation of the change in cash at Onex, the parent company, from June 30, 2009 to September 30, 2009.

Change in Cash at Onex, the Parent Company

TABLE 17 | (Unaudited) (\$ millions)

Cash on hand at June 30, 2009	\$ 650
Proceeds on EMSC sale of shares	148
Carestream distribution	29
Investment in Tropicana Las Vegas	(16)
Decrease in value of U.S. dollar cash held	(34)
Other, net, including dividends	(7)
Cash on hand at September 30, 2009	\$ 770

At September 30, 2009, the other limited partners in the Onex Partners and ONCAP Funds had remaining commitments to provide funding for future Onex-sponsored acquisitions as follows:

Private Equity Funds Uncalled Third-Party Committed Capital

TABLE 18 (Unaudited) (\$ millions)	Available Uncalled Committed Capital (excluding Onex) ^(a)
Onex Partners I	US\$ 92
Onex Partners II	US\$ 300
Onex Partners III	US\$ 3,046
ONCAP II	C\$ 128

(a) Includes amounts from Onex management and directors.

The committed amounts by the third-party limited partners are not included in Onex' consolidated cash and will be funded as acquisitions are made.

Recent or pending transactions

Sale of Celestica shares in secondary bought deal offering

In September 2009, Onex announced that it agreed to sell 11 million subordinate voting shares of Celestica, which included shares held under the Management Investment Plan, to a syndicate of underwriters at a gross price of \$10.30 per share. This offering was completed in mid-October 2009. Onex received net proceeds of \$104 million and expects to record a pre-tax gain of approximately \$6 million in the fourth quarter of 2009. After giving effect to this offering, Onex continues to own an approximate 8 percent equity interest in Celestica and holds an approximate 69 percent voting interest. Onex will continue to consolidate the company.

Celestica to redeem Senior Subordinated Notes

In late September 2009, Celestica announced that it would exercise its option to redeem all of its outstanding 7.875 percent Senior Subordinated Notes due 2011. The outstanding principal amount of the Senior Subordinated Notes was US\$339 million. The redemption is expected to be completed in November 2009 in accordance with the terms of the Senior Subordinated Notes at a price of 101.969 percent of the principal amount, plus accrued and unpaid interest to the redemption date. Celestica will fund this redemption out of the company's existing cash resources.

TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

During the first nine months of 2009, Onex continued to work on its transition plan to International Financial Reporting Standards ("IFRS"). Onex is currently finalizing its IFRS policies and these will be disclosed in the 2009 Annual Onex MD&A. However, Onex has not yet determined the full impact of IFRS on Onex' consolidated financial statements.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures

During the first nine months of 2009, under the supervision of and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, Onex evaluated the design and effectiveness of the Company's disclosure controls and procedures as at September 30, 2009 and concluded that those disclosure controls and procedures were effective in ensuring that information required to be disclosed by the Company in its corporate filings has been recorded, processed, summarized and reported within the required time period for the three and nine months ended September 30, 2009.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to inherent limitations in all such systems, no evaluations of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Accordingly, our disclosure controls and procedures are effective in providing reasonable, not absolute, assurance that the objectives of our disclosure control system have been met.

Internal controls over financial reporting

During the first nine months of 2009, under the supervision of and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, Onex evaluated the design of internal controls over financial reporting as at September 30, 2009. Onex concluded that there were no significant changes in internal controls during the first nine months of 2009 that have materially affected, or are reasonably likely to materially affect, the reliability of financial reporting and the preparation of Onex' consolidated financial statements in accordance with Canadian generally accepted accounting principles.

OUTLOOK

Over the past 12 months, the impact of the financial crisis on the global economy and the financial markets has been unprecedented. While much of what has been experienced is negative, often adverse circumstances have silver linings. In the wake of this recession, one of the benefits to many businesses has been the ability to substantially reduce costs and improve efficiencies. With our support, many of our operating companies, particularly the industrial ones, have done just that. While some are seeing improvement in business activity, they remain acutely focused on maintaining their leaner cost structures.

We expect that Hawker Beechcraft's markets will be slower to improve than most others. Although it is partially insulated because of its significant aftermarket, military and government businesses, the reduced demand for business jets will impact 2010 results. Under the leadership of its new CEO Bill Boisture, the company has aggressively lowered costs and is managing capital expenditures carefully. Earlier this year, Hawker Beechcraft reduced its annual interest burden by US\$45 million with the purchase of almost US\$500 million of debt at 28 cents on the dollar. In November, Hawker Beechcraft negotiated an amendment to its revolving credit facility, providing the company with greater financial flexibility during this difficult operating environment.

In recent months, equity markets have rallied, resulting in increased activity for initial and secondary offerings that were not possible earlier this year. Onex participated in the markets with the recent secondary sales of a portion of the ownership in Emergency Medical Services and Celestica. Both offerings provided attractive returns on Onex' invested capital and liquidity for future investments. If the equity markets continue to strengthen, this may provide an opportunity for equity offerings to be completed by certain of Onex' operating companies. During the course of the third quarter, the credit markets began to show a recovery,

with some financing available for mid-sized acquisitions and selectively for larger transactions, albeit at higher costs and on more stringent credit terms. The bond market has shown a significant level of activity, with increases in value and availability of funds, but primarily for existing borrowers.

We remain optimistic that there will be attractive acquisition opportunities for us. Onex' experience in distressed-for-control investing, corporate carve-outs from large multinationals and restructurings generally positions us well as we expect these opportunities will arise in the current environment. These types of transactions tend to be complex in nature and require lengthy due diligence and negotiations. We have had success with these acquisitions in the past and hope to find similar situations in the future where we can acquire businesses at reasonable purchase prices and create value through earnings growth.

Following a successful fundraising effort for Onex Partners III, we have considerable capital available to participate in future investment opportunities. Onex has total third-party uncalled capital of approximately US\$3.5 billion available for acquisitions through the Onex Partners and ONCAP Funds. In addition, Onex had approximately \$900 million of cash and near-cash items at the end of October, which includes the proceeds from the sale of shares in Celestica.

By focusing on improving the productivity and profitability of our businesses, we have built a portfolio of excellent businesses we expect will create long-term value for Onex, our limited partners and our shareholders. It is our belief that our record of capital preservation and superior returns over 25 years are direct results of the alignment of interests between Onex, its investors and its management team. With over \$1 billion invested in Onex shares and in its businesses, the Onex management team is heavily committed to the overall success of the Company.

CONSOLIDATED BALANCE SHEETS

<i>(in millions of dollars)</i>	<i>(Unaudited)</i> As at September 30 2009	As at December 31 2008
Assets		
Current assets		
Cash and short-term investments	\$ 3,237	\$ 2,921
Marketable securities	616	842
Accounts receivable	3,265	4,014
Inventories	3,223	3,471
Other current assets	1,356	1,695
	11,697	12,943
Property, plant and equipment	3,802	4,066
Investments	3,332	3,897
Other long-term assets	2,681	3,125
Intangible assets	2,224	2,755
Goodwill	2,485	2,946
	\$ 26,221	\$ 29,732
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 3,843	\$ 4,617
Other current liabilities	949	1,196
Current portion of long-term debt, without recourse to Onex (note 3)	590	532
Current portion of obligations under capital leases, without recourse to Onex	23	25
Current portion of warranty reserves and unearned premiums	1,445	1,698
	6,850	8,068
Long-term debt of operating companies, without recourse to Onex (note 3)	5,893	7,143
Long-term portion of obligations under capital leases of operating companies, without recourse to Onex	36	46
Long-term portion of warranty reserves and unearned premiums	2,145	2,561
Other long-term liabilities	2,081	2,287
Future income taxes	1,223	1,450
	18,228	21,555
Non-controlling interests	6,485	6,624
Shareholders' equity	1,508	1,553
	\$ 26,221	\$ 29,732

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2008 audited annual consolidated financial statements.

CONSOLIDATED STATEMENTS OF EARNINGS

<i>(Unaudited)</i> <i>(in millions of dollars, except per share data)</i>	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Revenues	\$ 6,078	\$ 7,066	\$ 18,678	\$ 20,107
Cost of sales	(4,738)	(5,735)	(14,645)	(16,284)
Selling, general and administrative expenses	(683)	(684)	(2,146)	(2,043)
Earnings Before the Undernoted Items	657	647	1,887	1,780
Amortization of property, plant and equipment	(153)	(147)	(483)	(447)
Amortization of intangible assets and deferred charges	(85)	(84)	(281)	(270)
Interest expense of operating companies	(114)	(126)	(392)	(379)
Debt prepayment expense	-	-	(6)	-
Interest income	10	1	44	41
Loss from equity-accounted investments (note 4)	(383)	(45)	(429)	(56)
Foreign exchange gains (loss)	(43)	(8)	(73)	25
Stock-based compensation recovery (expense)	(95)	21	(152)	53
Other income (expense)	22	(6)	90	10
Gains on dispositions of operating investments (note 5)	276	-	460	-
Acquisition, restructuring and other expenses (note 6)	(74)	(33)	(170)	(146)
Writedown of goodwill, intangible assets and long-lived assets (note 7)	(1)	(10)	(115)	(13)
Earnings before income taxes, non-controlling interests and discontinued operations	17	210	380	598
Provision for income taxes	(112)	(80)	(103)	(227)
Non-controlling interests	(85)	(96)	(205)	(315)
Earnings (loss) from continuing operations	(180)	34	72	56
Earnings from discontinued operations	-	4	-	9
Net Earnings (Loss) for the Period	\$ (180)	\$ 38	\$ 72	\$ 65
Net Earnings (Loss) per Subordinate Voting Share (note 10)				
Basic and Diluted:				
Continuing operations	\$ (1.48)	\$ 0.26	\$ 0.59	\$ 0.44
Discontinued operations	\$ -	\$ 0.04	\$ -	\$ 0.08
Net earnings (loss)	\$ (1.48)	\$ 0.30	\$ 0.59	\$ 0.52

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2008 audited annual consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE EARNINGS

<i>(Unaudited)</i> <i>(in millions of dollars, except per share data)</i> Nine months ended September 30	Share Capital (note 9)	Retained Earnings	Accumulated Other Comprehensive Earnings (Loss)	Total Shareholders' Equity
Balance – December 31, 2007	\$ 529	\$ 1,583	\$ (409)	\$ 1,703
Dividends declared ^(a)	-	(10)	-	(10)
Purchase and cancellation of shares	(14)	(83)	-	(97)
Comprehensive Earnings (Loss)				
Net earnings for the period	-	65	-	65
Other comprehensive earnings (loss) for the period:				
Currency translation adjustments	-	-	104	104
Change in fair value of derivatives designated as hedges	-	-	(24)	(24)
Other	-	-	(20)	(20)
Balance – September 30, 2008	\$ 515	\$ 1,555	\$ (349)^(b)	\$ 1,721
Balance – December 31, 2008	\$ 515	\$ 1,199	\$ (161)	\$ 1,553
Dividends declared ^(a)	-	(10)	-	(10)
Purchase and cancellation of shares	(1)	(5)	-	(6)
Comprehensive Earnings (Loss)				
Net earnings for the period	-	72	-	72
Other comprehensive earnings (loss) for the period:				
Currency translation adjustments	-	-	(212)	(212)
Change in fair value of derivatives designated as hedges	-	-	92	92
Other	-	-	19	19
Balance – September 30, 2009	\$ 514	\$ 1,256	\$ (262)^(c)	\$ 1,508

(a) Dividends declared per Subordinate Voting Share were \$0.0825 for the nine months ended September 30, 2009 and 2008.

(b) Accumulated Other Comprehensive Earnings (Loss) as at September 30, 2008 consists of currency translation adjustments of negative \$293, unrealized losses on the effective portion of cash flow hedges of \$44 and unrealized losses on available-for-sale financial assets and other of \$12. Income taxes did not have a significant effect on these items.

(c) Accumulated Other Comprehensive Earnings (Loss) as at September 30, 2009 consists of currency translation adjustments of negative \$227, unrealized losses on the effective portion of cash flow hedges of \$50 and unrealized gains on available-for-sale financial assets and other of \$15. Income taxes did not have a significant effect on these items.

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2008 audited annual consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>(Unaudited)</i> <i>(in millions of dollars)</i>	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Operating Activities				
Net earnings (loss) for the period	\$ (180)	\$ 38	\$ 72	\$ 65
Earnings from discontinued operations	-	(4)	-	(9)
Items not affecting cash:				
Amortization of property, plant and equipment	153	147	483	447
Amortization of intangible assets and deferred charges	85	84	281	270
Amortization of deferred warranty costs	19	26	60	4
Debt prepayment expense	-	-	6	-
Loss from equity-accounted investments	383	45	429	56
Foreign exchange loss (gains)	42	(25)	64	(40)
Stock-based compensation expense (recovery)	95	(21)	152	(53)
Gains on dispositions of operating investments	(276)	-	(460)	-
Writedown of goodwill, intangible assets and long-lived assets	1	10	115	13
Non-cash component of restructuring	6	1	7	2
Non-controlling interests	85	96	205	315
Future income taxes	(2)	1	(143)	(21)
Other	32	17	(40)	36
	443	415	1,231	1,085
Changes in non-cash working capital items:				
Accounts receivable	(58)	52	270	(181)
Inventories	(190)	(96)	(256)	(397)
Other current assets	22	25	(43)	77
Accounts payable, accrued liabilities and other current liabilities	288	103	(267)	307
Increase (decrease) in cash due to changes in working capital items	62	84	(296)	(194)
Increase (decrease) in warranty reserves and unearned premiums and other liabilities	(31)	8	(157)	64
	474	507	778	955
Financing Activities				
Issuance of long-term debt	492	272	1,198	775
Repayment of long-term debt	(392)	(282)	(1,363)	(879)
Cash dividends paid	(3)	(3)	(10)	(10)
Repurchase of share capital	(5)	(44)	(6)	(97)
Issuance of share capital provided by L.P. investors and operating companies	79	226	301	309
Distributions by operating companies and to L.P. investors	(285)	(47)	(289)	(104)
Decrease due to other financing activities	(14)	(4)	(3)	(5)
	(128)	118	(172)	(11)
Investing Activities				
Acquisition of operating companies, net of cash in acquired companies of \$105 (2008 - \$2) (note 2)	3	(30)	1	(104)
Purchase of property, plant and equipment	(125)	(210)	(420)	(524)
Net purchase of short-term investments	-	(34)	-	(34)
Proceeds from sales of operating investments	385	-	560	-
Increase (decrease) due to other investing activities	23	(404)	(47)	(401)
Cash from discontinued operations	-	6	-	11
	286	(672)	94	(1,052)
Increase (Decrease) in Cash for the Period	632	(47)	700	(108)
Increase (decrease) in cash due to changes in foreign exchange rates	(262)	100	(384)	164
Cash, beginning of the period - continuing operations	2,867	2,465	2,921	2,462
Cash, End of the Period	3,237	2,518	3,237	2,518
Short-term investments	-	34	-	34
Cash and Short-term Investments Held by Continuing Operations	\$ 3,237	\$ 2,552	\$ 3,237	\$ 2,552

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2008 audited annual consolidated financial statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(unaudited) (in millions of dollars, except per share data)

Onex Corporation and its subsidiaries (collectively, the “Company”) is a diversified company whose businesses operate autonomously. Throughout these financial statements and notes, the term “Onex” refers to the parent company. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“Canadian GAAP” or “GAAP”). All amounts are in millions of Canadian dollars unless otherwise noted.

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

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”) and Onex Partners III LP (“Onex Partners III”), collectively referred to as “Onex Partners” (as described in note 25(d), 25(e) and 25(f) to the audited annual consolidated financial statements). All significant intercompany balances and transactions have been eliminated.

The principal operating companies and Onex’ economic ownership and voting interests in these entities are as follows:

	September 30, 2009		December 31, 2008	
	Onex Ownership	Voting	Onex Ownership	Voting
<i>Investments made through Onex</i>				
Celestica Inc. (“Celestica”)	13%	79%	13%	79%
Cineplex Entertainment ^(a)	-	-	23%	(b)
Sitel Worldwide Corporation (“Sitel Worldwide”)	66%	88%	66%	88%
<i>Investments made through Onex and Onex Partners I</i>				
Center for Diagnostic Imaging, Inc. (“CDI”)	19%	100%	19%	100%
Cosmetic Essence, Inc. (“CEI”) ^(a)	-	-	21%	100%
Emergency Medical Services Corporation (“EMSC”)	20%	92%	29%	97%
Res-Care, Inc. (“ResCare”)	6%	(b)	6%	(b)
Skilled Healthcare Group, Inc. (“Skilled Healthcare”)	9%	89%	9%	89%
Spirit AeroSystems, Inc. (“Spirit AeroSystems”)	7%	77%	7%	76%
<i>Investments made through Onex and Onex Partners II</i>				
Allison Transmission, Inc. (“Allison Transmission”)	15%	(b)	15%	(b)
Carestream Health, Inc. (“Carestream Health”)	38%	100%	39%	100%
Hawker Beechcraft Corporation (“Hawker Beechcraft”)	19%	(b)	20%	(b)
RSI Home Products, Inc. (“RSI”)	20%	50% ^(b)	20%	50% ^(b)
Tube City IMS Corporation (“Tube City IMS”)	36%	100%	35%	100%
<i>Investments made through Onex, Onex Partners I and Onex Partners II</i>				
Husky Injection Molding Systems Ltd. (“Husky”)	36%	100%	36%	100%
The Warranty Group, Inc. (“The Warranty Group”)	29%	100%	29%	100%
<i>Investments made through Onex and Onex Partners III</i>				
Tropicana Las Vegas, Inc. (“Tropicana Las Vegas”)	16%	70%	-	-
<i>Other investments</i>				
ONCAP II L.P.	44%	100%	44%	100%
Onex Real Estate Partners (“Onex Real Estate”)	86%	100%	86%	100%

(a) Disposed of in 2009 (see note 5).

(b) Onex exerts significant influence over these equity-accounted investments through its right to appoint members to the Board of Directors (or Board of Trustees) of each of the entities.

The ownership percentages are before the effect of any potential dilution relating to the Management Investment Plans (the “MIP”) as described in note 25(g) to the audited annual consolidated financial statements.

SIGNIFICANT ACCOUNTING POLICIES

The Company prepares its consolidated statements in accordance with Canadian GAAP. The disclosures contained in these unaudited interim consolidated financial statements do not include all the requirements of generally accepted accounting principles for annual financial statements. The unaudited interim consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements for the year ended December 31, 2008. Certain amounts presented in the comparative periods have been reclassified to conform to the presentation adopted in the current period.

The unaudited interim consolidated financial statements are based on accounting principles consistent with those used and described in the audited annual consolidated financial statements, except as described below.

Newly adopted accounting pronouncements

Goodwill and Intangible Assets

On January 1, 2009, the Company adopted the *Canadian Institute of Chartered Accountants Handbook* (“*CICA Handbook*”) Section 3064, “Goodwill and Intangible Assets”, which replaced existing standards. This revised standard established guidance for the recognition, measurement and disclosure of goodwill and intangible assets, including internally generated intangible assets. The adoption of this standard did not have a significant effect on the consolidated financial statements.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the Company adopted the Emerging Issues Committee Abstract 173 (“EIC-173”), “Credit Risk and the Fair Value of Financial Assets and Financial Liabilities”. EIC-173 states that an entity’s own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of this standard did not have a significant effect on the consolidated financial statements.

Financial Instruments – Disclosures

In June 2009, the CICA issued amendments to *CICA Handbook* Section 3862, “Financial Instruments – Disclosures”, which requires enhanced disclosures on liquidity risk of financial instruments and new disclosures on fair value measurements of financial instruments. This amendment is effective for Onex’ 2009 annual consolidated financial statements. The impact of adopting this amendment is currently being evaluated.

2. ACQUISITIONS

a) In May 2008, Tropicana Entertainment, LLC and its Las Vegas subsidiaries (collectively, “Tropicana Las Vegas”) filed for relief under Chapter 11 of the U.S. Bankruptcy Code. After Tropicana’s filing, Onex and Onex Partners III acquired a majority of the principal of Tropicana’s US\$440 term loan secured against its Las Vegas property. The debt was purchased at various discounts to par value and financed through a credit facility established for the purchases. Amounts then outstanding on the credit facility were repaid in May 2009 using the equity capital contributed by Onex and Onex Partners III.

In May 2009, the U.S. Bankruptcy Court confirmed Tropicana’s plan of reorganization, which became effective July 1, 2009. Onex began consolidating Tropicana Las Vegas as of the effective date. Under the plan, the secured creditors received 100% of the equity in the Las Vegas property, and Alex Yemenidjian, former President of MGM Mirage and Onex’ partner, was appointed the new Chief Executive Officer of the property. In addition, as part of the reorganization, creditors were given the opportunity to subscribe to a US\$75 rights offering of preferred shares, with the funds to be used to renovate the Tropicana Las Vegas facilities. Upon emergence from bankruptcy, a valuation was performed that assigned an enterprise value of US\$230 to Tropicana Las Vegas, exclusive of the rights offering.

As Onex had previously written down the value of the investment in Tropicana Las Vegas based on transaction values at the time, the investment was written up to fair value determined at the time of emergence from bankruptcy, and non-cash income of \$92, including the effect of foreign exchange, has been included in other income. Onex’ share of the income is \$21.

During the nine months ended September 30, 2009, Onex, Onex Partners III and Onex management purchased investments in Tropicana Las Vegas at a cash value of \$101, of which Onex’ share was \$23.

Based on the fair value determined at the time of emergence from bankruptcy, Onex, Onex Partners III and Onex management’s investment in the common shares and the preferred shares rights offering, including the 2009 purchased investments as mentioned above, totalled \$247, of which Onex’ share is \$56. Onex, Onex Partners III and Onex management’s equity ownership on an as-converted basis at September 30, 2009 is 70%, of which Onex’ share is 16%.

2. ACQUISITIONS (cont'd)

b) Other includes acquisitions made by EMSC and Skilled Healthcare.

	Tropicana Las Vegas ^(a)	Other ^(b)	Total
Cash	\$ 105	\$ -	\$ 105
Other current assets	12	-	12
Goodwill	-	2	2
Property, plant and equipment and other long-term assets	267	2	269
	384	4	388
Current liabilities	(31)	-	(31)
Long-term liabilities	-	(1)	(1)
	353	3	356
Non-controlling interests in net assets	(106)	-	(106)
Interest in net assets acquired	\$ 247	\$ 3	\$ 250

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

The following describes the significant changes to Onex' consolidated long-term debt from the information provided in the December 31, 2008 audited annual consolidated financial statements.

a) Celestica

In March 2009, Celestica paid US\$150, excluding accrued interest, to repurchase a portion of its outstanding 2011 Notes, with principal amounts of US\$150 at maturity and a carrying value of US\$159. Celestica recognized a gain of US\$9 on the repurchase of the 2011 Notes. Celestica also terminated interest rate swap agreements in the amount of US\$500 related to the 2011 Notes. In connection with the termination of the swap agreements, Celestica discontinued fair value hedge accounting on the 2011 Notes and recorded an expense of US\$16. The net charge of US\$7 is recorded as a debt prepayment expense in the unaudited consolidated statement of earnings. In addition, in September 2009, Celestica announced its intention to repurchase the remaining 2011 Notes, at a rate of 101.969% on the outstanding principal of US\$339. The redemption is expected to close in the fourth quarter of 2009.

In April 2009, Celestica renewed its revolving credit facility on generally similar terms and conditions and reduced the size to US\$200 from US\$300. This credit facility matures in April 2011. Under the terms of the renewed facility, borrowings bear a higher interest rate than the previous terms and Celestica is required to comply with certain financial covenants related to indebtedness, interest coverage and liquidity. No amounts were drawn on the facility at September 30, 2009.

b) Skilled Healthcare

In April 2009, Skilled Healthcare amended its credit agreement to extend the maturity of the revolving loan commitment from June 15, 2010 to June 15, 2012, while maintaining existing interest rates. The revolving line of credit has a capacity of US\$135 up to June 15, 2010, reducing to US\$124 until maturity. At September 30, 2009, US\$83 was drawn on the facility.

c) Spirit AeroSystems

In June 2009, Spirit AeroSystems amended its existing credit agreement. The amendment extends the maturity of the company's revolving credit facility from June 2010 to June 2012 and increases the size of the facility to US\$729 from US\$650 through June 2010 before stepping down to US\$409 through June 2012. At September 30, 2009, no amounts were drawn on the facility.

On September 30, 2009, Spirit AeroSystems completed an offering of US\$300 in aggregate principal amount of 7.5% Senior Notes due in 2017. The offering price was 97.804% of par to yield 7.875% to maturity. The net proceeds were used to repay US\$200 in borrowings under its existing revolving credit facility without any reduction of the lenders' commitment, with the remainder to be used for general corporate purposes.

d) CDI

In July 2009, CDI entered into a new credit agreement. The new agreement consists of a US\$55 term loan and a US\$15 revolving credit facility. The term loan and revolving credit facility bear interest at LIBOR, plus a margin and mature in July 2013. The term loan requires quarterly principal repayments beginning in March 2010. The proceeds of the term loan were used to repay and terminate the previous credit agreement. At September 30, 2009, US\$55 was outstanding under the term loan and no amounts were drawn on the revolving facility.

4. EARNINGS (LOSS) FROM EQUITY-ACCOUNTED INVESTMENTS

	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Allison Transmission	\$ (25)	\$ (27)	\$ (203)	\$ (42)
Hawker Beechcraft	(363)	(11)	(241)	(14)
Other	5	(7)	15	-
	\$ (383)	\$ (45)	\$ (429)	\$ (56)

During the third quarter of 2009, Hawker Beechcraft completed a review of the value of its business and general aviation segment in light of the current decline in demand for new business aircraft. As a result of this review, Hawker Beechcraft recorded impairment charges of US\$521, which included an impairment of US\$340 for the full amount of goodwill associated with this segment. In addition, Hawker Beechcraft concluded that additional charges of US\$205

were necessary to reduce the carrying value of other assets in this segment as well as to increase reserves for losses on certain aircraft programs and potential supplier claims.

Primarily as a result of these impairments and other non-cash charges, the Company recorded a third-quarter loss from equity accounted investments of \$363 relating to its 49 percent interest in Hawker Beechcraft, of which Onex' share was \$146.

5. GAINS ON DISPOSITIONS OF OPERATING INVESTMENTS

	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Gain on sale of Cineplex Entertainment ^(a)	\$ -	\$ -	\$ 160	\$ -
Gain on disposition of CEI ^(b)	-	-	20	-
Gain on partial sale of EMSC ^(c)	275	-	275	-
Other	1	-	5	-
	\$ 276	\$ -	\$ 460	\$ -

a) Cineplex Entertainment

In March 2009, Onex entered into an agreement to sell all of its remaining units of Cineplex Galaxy Income Fund to a syndicate of underwriters at a gross price of \$14.25 per unit. The transaction closed in April 2009 and Onex received net proceeds of approximately \$175. As a result of the transaction, Onex recorded a pre-tax gain of \$160 in the second quarter of 2009.

b) CEI

At December 31, 2008, CEI was not in compliance with its debt covenants. During the first quarter of 2009, CEI was in discussions with its lenders to achieve a restructuring of its debt. A mutually agreeable restructuring and investment transaction was not achieved. Therefore, in May 2009 Onex contributed its debt securities in CEI's parent to CEI's parent company and transferred its shares to an entity controlled by CEI's lenders, who agreed to provide additional liquidity to CEI. At that time, Onex and Onex Partners I ceased to have an equity ownership in the business. Onex' and Onex Partners I's original December 2004 investment in CEI was \$138, of which Onex' portion was \$32. As a result of previously recorded losses, Onex' investment had a negative carrying value of \$20 at March 31, 2009. Therefore, Onex recorded a non-cash accounting gain of \$20 upon disposition in the second quarter of 2009.

c) EMSC

In August 2009, under a secondary public offering of EMSC, Onex, Onex Partners I and certain limited partners of Onex Partners I sold 9.2 million shares of EMSC, of which Onex' portion was approximately 3.5 million shares. The offering was completed at a price of US\$40.00 per share, before underwriter commissions of US\$1.90 per share. Onex' cash cost for these shares was US\$6.67 per share.

Total net cash proceeds received from the sale was \$381, resulting in a pre-tax gain of \$275. Onex' share of the net proceeds and pre-tax gain was \$148 and \$90, respectively. Onex recorded a tax provision of \$17 on the gain.

Amounts received on account of the carried interest totalled \$12. Consistent with market practice and the terms of Onex Partners, Onex is allocated 40% of the carried interest with 60% allocated to management. Onex' share of the carried interest received was \$5 and is included in the net proceeds and the gain. Management's share of the carried interest was \$7. As a result of the proceeds to the third-party limited partners of Onex Partners I on this disposition, the earlier loss in 2009 on CEI will not give rise to any clawback of prior carried interest distributions.

As a result of this transaction, Onex' economic ownership in EMSC was reduced to 20% and Onex' voting interest was reduced to 92%. Onex continues to control and consolidate EMSC.

6. ACQUISITION, RESTRUCTURING AND OTHER EXPENSES

Acquisition, restructuring and other expenses are typically to provide for the costs of facility consolidations, workforce reductions and transition costs incurred at the operating companies. Acquisition, restructuring and other expenses incurred in the three- and nine-month periods ended September 30 are set out in the table below:

	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Celestica	\$ 46	\$ 17	\$ 78	\$ 24
Carestream Health	11	8	35	61
Husky	9	4	34	12
Sitel Worldwide	6	(3)	15	31
Other	2	7	8	18
	\$ 74	\$ 33	\$ 170	\$ 146

The tables below provide a summary of restructuring activities undertaken by the operating companies, detailing the components of the charges and movement in accrued liabilities. This summary is presented by the year in which the restructuring activities were first initiated.

	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Years Prior to 2008					
Total estimated expected costs	\$ 848	\$ 194	\$ 59	\$ 420	\$ 1,521 ^(a)
Cumulative costs expensed to date	792	192	54	420	1,458 ^(b)
Expense for the period ended September 30, 2009	68	4	2	5	79
Reconciliation of accrued liability					
Closing balance – December 31, 2008	\$ 24	\$ 39	\$ 3		\$ 66
Cash payments	(52)	(10)	(2)		(64)
Charges	68	4	2		74
Other adjustments	(4)	(4)	-		(8)
Closing balance – September 30, 2009	\$ 36	\$ 29	\$ 3		\$ 68

(a) Includes Celestica \$1,495.

(b) Includes Celestica \$1,448.

	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Initiated in 2008					
Total estimated expected costs	\$ 34	\$ 8	\$ 43	\$ 1	\$ 86 ^(a)
Cumulative costs expensed to date	22	8	38	1	69 ^(b)
Expense for the period ended September 30, 2009	22	1	14	1	38
Reconciliation of accrued liability					
Closing balance – December 31, 2008	\$ 34	\$ 8	\$ 15		\$ 57
Cash payments	(22)	(4)	(26)		(52)
Charges	22	1	14		37
Other adjustments	(11)	1	-		(10)
Closing balance – September 30, 2009	\$ 23	\$ 6	\$ 3		\$ 32

(a) Includes Carestream Health \$5 and Husky \$65.

(b) Includes Carestream Health \$5 and Husky \$51.

Initiated in 2009	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Total estimated expected costs	\$ 23	\$ 6	\$ 31	\$ 1	\$ 61 ^(a)
Cumulative costs expensed to date	23	2	27	1	53 ^(b)
Expense for the period ended					
September 30, 2009	23	2	27	1	53
Reconciliation of accrued liability					
Cash payments	\$ (13)	\$ (1)	\$ (25)		\$ (39)
Charges	23	2	27		52
Closing balance – September 30, 2009	\$ 10	\$ 1	\$ 2		\$ 13

(a) Includes Carestream Health \$34 and Sitel Worldwide \$20.

(b) Includes Carestream Health \$30 and Sitel Worldwide \$15.

Total	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Total estimated expected costs	\$ 905	\$ 208	\$ 133	\$ 422	\$ 1,668
Cumulative costs expensed to date	837	202	119	422	1,580
Expense for the period ended					
September 30, 2009	113	7	43	7	170
Reconciliation of accrued liability					
Closing balance – December 31, 2008	\$ 58	\$ 47	\$ 18		\$ 123
Cash payments	(87)	(15)	(53)		(155)
Charges	113	7	43		163
Other adjustments	(15)	(3)	–		(18)
Closing balance – September 30, 2009	\$ 69	\$ 36	\$ 8		\$ 113

7. WRITEDOWN OF GOODWILL, INTANGIBLE ASSETS AND LONG-LIVED ASSETS

	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Tube City IMS ^(a)	\$ –	\$ 1	\$ 62	\$ 1
Sitel Worldwide ^(b)	–	–	52	3
Other	1	9	1	9
	\$ 1	\$ 10	\$ 115	\$ 13

a) In the second quarter of 2009, Tube City IMS revised its long-term outlook to reflect changes in expectations for certain customers and contracts. As a result, Tube City IMS performed a goodwill impairment test that resulted in a non-cash goodwill impairment charge of \$62.

b) In the second quarter of 2009, due to the loss of certain business contracts in its European region, Sitel Worldwide performed a goodwill impairment test that resulted in a non-cash goodwill impairment charge of \$52.

8. PENSION

The following pension expense (income) has been recorded related to defined benefit pension plans at certain of the operating companies:

	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Defined benefit expense (income)	\$ 7	\$ (12)	\$ 15	\$ (21)

9. SHARE CAPITAL

a) At September 30, 2009, the issued and outstanding share capital consisted of 100,000 Multiple Voting Shares (December 31, 2008 – 100,000), 121,788,042 Subordinate Voting Shares (December 31, 2008 – 122,098,985) and 176,078 Series 1 Senior Preferred Shares (December 31, 2008 – 176,078). The Series 1 Senior Preferred Shares have no paid-in amount reflected in these unaudited interim consolidated financial statements and the Multiple Voting Shares have nominal paid-in value.

b) During the first nine months of 2009, under the Dividend Reinvestment Plan, the Company issued 2,357 Subordinate Voting Shares (2008 – 5,206) at a total value of less than \$1 (2008 – less than \$1). In the first nine months of both 2009 and 2008, no Subordinate Voting Shares were issued upon the exercise of stock options.

In April 2009, Onex renewed its Normal Course Issuer Bid for one year, permitting the Company to purchase on the Toronto Stock Exchange up to 10% of the public float of its Subordinate Voting Shares. The 10% limit represents approximately 9.3 million shares.

In the first nine months of 2009, under the Normal Course Issuer Bids, the Company repurchased and cancelled 313,300 (2008 – 3,318,698) Subordinate Voting Shares at a cash cost of \$6 (2008 – \$97), of which 274,700 (2008 – 1,619,898) were in the third quarter of 2009 at a cost of \$5 (2008 – \$44). The excess of the purchase cost of these shares over the average paid-in amount was \$5 (2008 – \$83), which was charged to retained earnings.

c) During the first nine months of 2009, the total cash consideration paid on 196,400 options surrendered was \$1, all of which was in the third quarter of 2009. This amount represents the difference between the market value of the Subordinate Voting Shares at the time of surrender and the exercise price, both as determined under Onex' Stock Option Plan as described in note 15 to the audited annual consolidated financial statements. In the first nine months of 2008, the total cash consideration paid on 324,550 options surrendered was \$7, of which 400 were surrendered in the third quarter for cash consideration of less than \$1. In addition, 10,667 options (2008 – 9,500) expired during the first nine months of 2009. At September 30, 2009, the Company had 12,724,383 options (December 31, 2008 – 12,931,450) outstanding to acquire Subordinate Voting Shares, of which 10,640,317 were vested, and of that, 10,389,150 options were exercisable. The exercisable options have a weighted average exercise price of \$16.55.

d) During the second quarter of 2009, a total grant of 40,000 (2008 – 45,000) Deferred Share Units ("DSUs") was issued to directors. In addition, certain directors have chosen to receive their directors' fees in DSUs in lieu of cash. At September 30, 2009, there were 362,072 director DSUs outstanding (December 31, 2008 – 297,357).

Certain members of Onex management have chosen to apply all or a portion of their annual compensation to acquire DSUs based on the market value of Onex shares at the time. At September 30, 2009, there were 272,573 Management DSUs outstanding (December 31, 2008 – 202,902). The Company has entered into forward agreements with a counterparty financial institution to hedge the Company's exposure to changes in the market value of Onex' subordinate voting shares associated with the Management DSUs, as described in note 1 to the audited annual consolidated financial statements.

10. EARNINGS PER SHARE

The weighted average number of Subordinate Voting Shares for the purpose of earnings per share calculations is as follows:

	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Weighted average number of shares outstanding <i>(in millions)</i>				
Basic	122	123	122	124
Diluted	122	123	122	124

11. SUPPLEMENTAL CASH FLOW INFORMATION

Paid during the period:

	Three months ended September 30		Nine months ended September 30	
	2009	2008	2009	2008
Interest	\$ 135	\$ 147	\$ 431	\$ 409
Taxes	\$ 44	\$ 68	\$ 221	\$ 229

12. COMMITMENTS, GUARANTEES AND RELATED PARTY TRANSACTIONS

a) 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 September 30, 2009, the amounts potentially payable in respect of these guarantees totalled \$465. Certain operating companies and Onex have guarantees with respect to employee share purchase loans that amounted to \$1 at September 30, 2009.

The Company, which includes the operating companies, has commitments in the total amount of approximately \$18 with respect to corporate investments.

The Company, which includes the operating companies, has 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 aggregate capital commitments of \$342 at September 30, 2009.

b) Onex and its operating companies are or may become parties to legal claims, 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 liability 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. Onex, the parent company, has not currently recorded any liability provisions 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) In March 2009, Onex entered into a sale of an entity whose sole assets were certain tax losses to a public company controlled by Mr. Gerald W. Schwartz, who is also Onex' controlling shareholder. Onex received \$3 in cash for tax losses of \$23. The entire \$3 was recorded as a gain and was included in other income in the consolidated statement of earnings in the first quarter of 2009. Onex has significant Canadian non-capital and capital losses available and valuation allowances have been established against the benefit of all of these losses in the consolidated financial statements. As such, Onex does not expect to generate sufficient taxable income to fully utilize these losses in the foreseeable future. In connection with this transaction, Onex obtained a tax ruling from the Canada Revenue Agency, and Deloitte & Touche LLP, an independent accounting firm retained by Onex' Audit and Corporate Governance Committee, provided an opinion that the value received by Onex for the tax losses was fair. Onex' Audit and Corporate Governance Committee, all the members of which are independent directors, unanimously approved the transaction.

13. SUBSEQUENT EVENTS

Certain operating companies have entered into agreements to acquire or make investments in other businesses. These transactions are subject to a number of conditions, many of which are beyond the control of Onex or the operating companies. The effect of these planned transactions, if completed, may be significant to the consolidated financial position of Onex.

a) In September 2009, Onex entered into an agreement to sell 11.0 million Subordinate Voting Shares of Celestica, which included shares held under the Management Investment Plan, to a syndicate of underwriters at a gross price of \$10.30 per share. The transaction closed October 14, 2009 and Onex received net proceeds of approximately \$104. As a result of the transaction, Onex expects to record a pre-tax gain of approximately \$6 in the fourth quarter of 2009. After giving effect to the offering, Onex holds an 8% economic interest and a 69% voting interest in Celestica and will continue to consolidate Celestica.

14. INFORMATION BY INDUSTRY SEGMENT

<i>(Unaudited)</i> <i>(in millions of dollars)</i> Three months ended September 30, 2009	Electronics Manufacturing Services	Aero- structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other ^(a)	Consolidated Total
Revenues	\$ 1,700	\$ 1,157	\$ 1,605	\$ 322	\$ 417	\$ 434	\$ 443	\$ 6,078
Cost of sales	(1,560)	(933)	(1,166)	(149)	(263)	(396)	(271)	(4,738)
Selling, general and administrative expenses	(54)	(43)	(200)	(118)	(118)	(15)	(135)	(683)
Earnings before the undernoted items	86	181	239	55	36	23	37	657
Amortization of property, plant and equipment	(20)	(32)	(46)	(3)	(14)	(16)	(22)	(153)
Amortization of intangible assets and deferred charges	(5)	(2)	(52)	(5)	(6)	(3)	(12)	(85)
Interest expense of operating companies	(10)	(11)	(53)	(1)	(19)	(12)	(8)	(114)
Interest income (expense)	(1)	1	2	-	-	-	8	10
Earnings (loss) from equity-accounted investments	-	-	3	-	-	-	(386)	(383)
Foreign exchange gains (loss)	-	(2)	2	1	(6)	(1)	(37)	(43)
Stock-based compensation expense	(7)	(4)	(1)	-	-	-	(83)	(95)
Other income (expense)	(1)	2	(1)	(1)	-	-	23	22
Gains on dispositions of operating investments	-	-	-	-	-	-	276	276
Acquisition, restructuring and other expenses	(46)	-	(11)	-	(6)	-	(11)	(74)
Writedown of goodwill, intangible assets and long-lived assets	-	-	-	-	-	-	(1)	(1)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	(4)	133	82	46	(15)	(9)	(216)	17
Recovery of (provision for) income taxes	2	(43)	(35)	(17)	(3)	5	(21)	(112)
Non-controlling interests	2	(84)	(38)	(21)	-	3	53	(85)
Earnings (loss) from continuing operations	-	6	9	8	(18)	(1)	(184)	(180)
Earnings from discontinued operations	-	-	-	-	-	-	-	-
Net earnings (loss)	\$ -	\$ 6	\$ 9	\$ 8	\$ (18)	\$ (1)	\$ (184)	\$ (180)

(a) Includes Allison Transmission, Hawker Beechcraft, Husky, RSI, Tropicana Las Vegas, ONCAP II, Onex Real Estate and the parent company.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

<i>(Unaudited)</i> <i>(in millions of dollars)</i> Three months ended September 30, 2008	Electronics Manufacturing Services	Aero- structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other ^(a)	Consolidated Total
Revenues	\$ 2,124	\$ 1,067	\$ 1,593	\$ 338	\$ 444	\$ 1,008	\$ 492	\$ 7,066
Cost of sales	(1,944)	(869)	(1,167)	(159)	(285)	(959)	(352)	(5,735)
Selling, general and administrative expenses	(72)	(47)	(183)	(120)	(125)	(14)	(123)	(684)
Earnings before the undernoted items	108	151	243	59	34	35	17	647
Amortization of property, plant and equipment	(24)	(31)	(43)	(3)	(14)	(16)	(16)	(147)
Amortization of intangible assets and deferred charges	(4)	(1)	(57)	(4)	(4)	(3)	(11)	(84)
Interest expense of operating companies	(15)	(11)	(61)	(2)	(15)	(10)	(12)	(126)
Interest income (expense)	5	4	2	-	-	-	(10)	1
Earnings (loss) from equity-accounted investments	-	-	1	-	-	-	(46)	(45)
Foreign exchange gains (loss)	(12)	(1)	(12)	-	(5)	-	22	(8)
Stock-based compensation recovery (expense)	(4)	(4)	(1)	(1)	-	-	31	21
Other income (expense)	-	1	1	(10)	(1)	-	3	(6)
Acquisition, restructuring and other expenses	(17)	-	(8)	(2)	3	-	(9)	(33)
Writedown of goodwill, intangible assets and long-lived assets	-	-	-	-	-	(1)	(9)	(10)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	37	108	65	37	(2)	5	(40)	210
Recovery of (provision for) income taxes	(2)	(35)	(24)	(16)	(4)	(4)	5	(80)
Non-controlling interests	(30)	(68)	(32)	(15)	-	(1)	50	(96)
Earnings (loss) from continuing operations	5	5	9	6	(6)	-	15	34
Earnings from discontinued operations	-	-	-	-	-	-	4	4
Net earnings (loss)	\$ 5	\$ 5	\$ 9	\$ 6	\$ (6)	\$ -	\$ 19	\$ 38

(a) Includes Allison Transmission, CEI, Cineplex Entertainment, Hawker Beechcraft, Husky, Radian, ONCAP II, Onex Real Estate and the parent company.

14. INFORMATION BY INDUSTRY SEGMENT (cont'd)

<i>(Unaudited)</i> <i>(in millions of dollars)</i> Nine months ended September 30, 2009	Electronics Manufacturing Services	Aero- structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other ^(a)	Consolidated Total
Revenues	\$ 5,151	\$ 3,502	\$ 4,966	\$ 1,029	\$ 1,365	\$ 1,093	\$ 1,572	\$ 18,678
Cost of sales	(4,705)	(2,975)	(3,616)	(498)	(870)	(986)	(995)	(14,645)
Selling, general and administrative expenses	(195)	(153)	(595)	(384)	(374)	(39)	(406)	(2,146)
Earnings before the undernoted items	251	374	755	147	121	68	171	1,887
Amortization of property, plant and equipment	(66)	(99)	(148)	(10)	(44)	(52)	(64)	(483)
Amortization of intangible assets and deferred charges	(18)	(4)	(174)	(17)	(18)	(11)	(39)	(281)
Interest expense of operating companies	(35)	(34)	(183)	(3)	(63)	(38)	(36)	(392)
Debt prepayment	(8)	-	-	-	-	2	-	(6)
Interest income	-	7	5	-	1	-	31	44
Earnings (loss) from equity-accounted investments	-	-	14	-	-	-	(443)	(429)
Foreign exchange gains (loss)	(2)	3	(2)	1	(12)	-	(61)	(73)
Stock-based compensation expense	(25)	(11)	(5)	-	-	-	(111)	(152)
Other income (expense)	(1)	4	(10)	(2)	1	-	98	90
Gains on dispositions of operating investments	-	-	-	-	-	-	460	460
Acquisition, restructuring and other expenses	(78)	(1)	(35)	-	(15)	-	(41)	(170)
Writedown of goodwill, intangible assets and long-lived assets	-	-	-	-	(52)	(62)	(1)	(115)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	18	239	217	116	(81)	(93)	(36)	380
Recovery of (provision for) income taxes	9	(79)	(77)	(33)	(9)	10	76	(103)
Non-controlling interests	(23)	(149)	(109)	(59)	-	55	80	(205)
Earnings (loss) from continuing operations	4	11	31	24	(90)	(28)	120	72
Earnings from discontinued operations	-	-	-	-	-	-	-	-
Net earnings (loss)	\$ 4	\$ 11	\$ 31	\$ 24	\$ (90)	\$ (28)	\$ 120	\$ 72
Total assets	\$ 3,715	\$ 4,784	\$ 5,811	\$ 5,420	\$ 792	\$ 892	\$ 4,807	\$ 26,221
Long-term debt ^(b)	\$ 622	\$ 911	\$ 2,878	\$ 207	\$ 675	\$ 421	\$ 769	\$ 6,483

(a) Includes Allison Transmission, CEI, Cineplex Entertainment, Hawker Beechcraft, Husky, Tropicana Las Vegas, ONCAP II, Onex Real Estate and the parent company.

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

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

<i>(Unaudited)</i> <i>(in millions of dollars)</i> Nine months ended September 30, 2008	Electronics Manufacturing Services	Aero- structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other ^(a)	Consolidated Total
Revenues	\$ 5,864	\$ 3,181	\$ 4,404	\$ 1,002	\$ 1,373	\$ 2,637	\$ 1,646	\$ 20,107
Cost of sales	(5,399)	(2,563)	(3,242)	(475)	(891)	(2,497)	(1,217)	(16,284)
Selling, general and administrative expenses	(204)	(135)	(540)	(359)	(385)	(43)	(377)	(2,043)
Earnings before the undernoted items	261	483	622	168	97	97	52	1,780
Amortization of property, plant and equipment	(69)	(82)	(137)	(9)	(41)	(47)	(62)	(447)
Amortization of intangible assets and deferred charges	(12)	(4)	(166)	(13)	(13)	(9)	(53)	(270)
Interest expense of operating companies	(43)	(30)	(176)	(7)	(45)	(30)	(48)	(379)
Interest income	14	15	6	-	1	-	5	41
Earnings (loss) from equity-accounted investments	-	-	9	-	-	-	(65)	(56)
Foreign exchange gains (loss)	(4)	(2)	(4)	-	(1)	-	36	25
Stock-based compensation recovery (expense)	(17)	(12)	(3)	(1)	-	-	86	53
Other income (expense)	-	3	1	(12)	-	-	18	10
Acquisition, restructuring and other expenses	(24)	-	(61)	(6)	(31)	-	(24)	(146)
Writedown of goodwill, intangible assets and long-lived assets	-	-	-	-	(3)	(1)	(9)	(13)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	106	371	91	120	(36)	10	(64)	598
Recovery of (provision for) income taxes	(1)	(127)	(72)	(43)	(14)	(6)	36	(227)
Non-controlling interests	(91)	(228)	(29)	(54)	(1)	(3)	91	(315)
Earnings (loss) from continuing operations	14	16	(10)	23	(51)	1	63	56
Earnings from discontinued operations	-	-	-	-	-	-	9	9
Net earnings (loss)	\$ 14	\$ 16	\$ (10)	\$ 23	\$ (51)	\$ 1	\$ 72	\$ 65
Total assets as at December 31, 2008	\$ 4,612	\$ 4,821	\$ 6,660	\$ 6,095	\$ 1,020	\$ 1,026	\$ 5,498	\$ 29,732
Long-term debt as at December 31, 2008 ^(b)	\$ 892	\$ 697	\$ 3,367	\$ 237	\$ 796	\$ 519	\$ 1,167	\$ 7,675

(a) Includes Allison Transmission, CEI, Cineplex Entertainment, Hawker Beechcraft, Husky, Radian, ONCAP II, Onex Real Estate and the parent company.

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

SHAREHOLDER INFORMATION

Third Quarter Dividend

A dividend of \$0.0275 per Subordinate Voting Share was paid on October 30, 2009 to shareholders of record as of October 9, 2009.

Shares

Subordinate Voting Shares of the Company are listed and traded on the Toronto Stock Exchange.

Share Symbol

OCX

Shareholder Dividend Reinvestment Plan

The Dividend Reinvestment Plan provides shareholders of record who are resident in Canada a means to reinvest cash dividends in new Subordinate Voting Shares of Onex Corporation at a market-related price and without payment of brokerage commissions. To participate, registered shareholders should contact Onex' share registrar, CIBC Mellon Trust Company. Non-registered shareholders who wish to participate should contact their investment dealer or broker.

Registrar and Transfer Agent

CIBC Mellon Trust Company
P.O. Box 7010
Adelaide Street Postal Station
Toronto, Ontario M5C 2W9
(416) 643-5500
or call toll-free throughout
Canada and the United States
1-800-387-0825
www.cibcmellon.ca
or inquiries@cibcmellon.ca (e-mail)

All questions about accounts, stock certificates or dividend cheques should be directed to the Registrar and Transfer Agent.

Investor Relations Contact

Requests for copies of this report, quarterly reports and other corporate communications should be directed to:

Investor Relations
Onex Corporation
161 Bay Street
P.O. Box 700
Toronto, Ontario M5J 2S1
(416) 362-7711

info@onex.com

Website

www.onex.com

Duplicate Communication

Registered holders of Onex Corporation shares may receive more than one copy of the shareholder mailings. Every effort is made to avoid duplication, but when shares are registered under different names and/or addresses, multiple mailings result. Shareholders who receive but do not require more than one mailing for the same ownership are requested to write to the Registrar and Transfer Agent and arrangements will be made to combine the accounts for mailing purposes.

ONEX

ONEX PARTNERS

ONCAP

ONEX
REAL ESTATE PARTNERS

ONEX
CREDIT PARTNERS

