Experience Q3 online
Visit www.onex.com

04 TRACK RECORD
05 FINANCIAL REPORTS
06 NEWS & MORE

Third Quarter Ended September 30, 2003

Onex Corporation Report on the Third Quarter Ended September 30, 2003

Onex Corporation is a diversified company with 2002 annual revenues of $23 billion, assets of $15 billion and 98,000 employees worldwide.

We operate through autonomous subsidiaries in a variety of industries, including: electronics manufacturing services, customer management services, theatre exhibition, automotive products and communications infrastructure.

Onex' objective is to create long-term value by building industry-leading businesses and to have that value reflected in our share price.

To Our Shareholders

Onex' primary medium of communication with our shareholders and investors continues to be our website, **www.onex.com**. Our website provides the most current and complete information on Onex and its operating companies.

Onex' third-quarter results show the impact of the ongoing weakness in the industries in which a number of our companies operate. J.L. French wrote off $214 million of goodwill. MAGNATRAX recorded a $46 million loss related to the disposal of its Canadian operations. However, it should be noted that MAGNATRAX losses that Onex was required to recognize under accounting rules far exceed Onex' actual investment in that company. Onex' only exposure is its investment in MAGNATRAX and that amount has been long ago written off. Celestica also recorded restructuring charges.

There were also a number of positive developments. In particular, Onex announced an initial public offering of units of the Cineplex Galaxy Income Fund. The Fund will combine the Canadian operations of Loews Cineplex, Cineplex Odeon, with those of Galaxy and operate 81 theatres with 731 screens in six provinces in Canada under the Cineplex Odeon and Galaxy brands. The combined operations will be one of the two largest film exhibition companies in Canada.

In early October, Onex reached another milestone in its efforts to acquire Magellan Health Services when a U.S. bankruptcy court approved that company's reorganization plan. Under this plan, Onex will be the lead equity investor. Magellan represents an excellent platform from which to grow in the healthcare industry. With its leadership in this industry and a significantly strengthened financial position, Magellan is an exciting new opportunity for Onex.

The information that follows includes Onex' unaudited interim consolidated financial statements and notes for the three and nine months ended September 30, 2003, together with management's discussion and analysis.

Significant Events

This section provides a summary of significant activities at Onex and its operating companies during the three months ended September 30, 2003. Readers interested in a descriptive listing of the Onex operating companies and Onex' ownership interest in each can find them in the December 31, 2002 report and on the Onex website at **www.onex.com**.

Revenues and operating earnings in the following discussion have been presented in each operating company's reporting currency since currency translations may otherwise distort the operating company's actual results.

Theatre exhibition

The theatre exhibition segment, which includes the operations of Loews Cineplex, Star Theatres, Cinemex (Mexico), Yelmo Cineplex (Spain), Megabox Cineplex (Korea), UFA (Germany) and Galaxy Entertainment (Canada), reported revenues of US$324 million, a 12 percent increase from revenues of US$289 million in the third quarter last year. Approximately 35 percent of the revenue growth resulted from the additional ownership in Megabox Cineplex purchased in August 2002. In addition, revenues increased due to improved average ticket prices and concession spending per patron, despite lower North American film attendance resulting from a less successful slate of films in the third quarter of 2003 than in the same quarter last year. Higher revenues and lower operating costs in the U.S. and Canadian operations contributed to the theatre exhibition segment reporting a nice increase in third-quarter operating earnings to US$38 million from US$32 million in the same period last year.

In early August, Loews Cineplex, in partnership with Kieft & Kieft Filmtheatre GmbH, acquired 31 theatres with 200 screens from UFA Theatre GmbH & Co. KG upon conclusion of its solvency proceedings. The purchase of these theatres establishes a German platform for Loews Cineplex from which the company can take advantage of future growth opportunities in that market.

Onex announces the Cineplex Galaxy Income Fund

In early October, Onex announced an initial public offering in Canada of units of the Cineplex Galaxy Income Fund. The Fund will acquire through Cineplex Galaxy Limited Partnership the assets of Cineplex Odeon Corporation, the Canadian subsidiary of Loews Cineplex Entertainment, and the shares of Galaxy Entertainment Inc. from Onex and other shareholders. The Partnership will own, operate or have an interest in 81 theatres with 731 screens in six provinces, making it one of the two largest film exhibition companies in Canada. The theatres will operate under the Cineplex Odeon brand, which has enjoyed an urban market presence for over 20 years, as well as the newer Galaxy brand, which is rapidly becoming the leading entertainment destination in mid-sized communities. The combination of Cineplex Odeon and Galaxy will bring together two businesses with complementary target markets and strategies. The Partnership's business strategy

will be to enhance its position as a leading exhibitor in the Canadian market. Loews Cineplex will use the proceeds that it receives to reduce debt and for general corporate purposes. Onex will use its proceeds for general corporate purposes. Loews Cineplex will retain a significant ownership position in the Partnership, and will control and consolidate the operations and results of the Partnership.

Onex completes the sale of Rogers Sugar Income Fund trust units

In mid-July, Onex completed the sale of its remaining 21.7 million trust units of Rogers Sugar Income Fund for net proceeds of approximately $90 million. Onex recorded a $53 million net after-tax gain as a result of the sale of these units. These proceeds bring Onex' total realization from BC Sugar to approximately $250 million on its $74 million investment made in 1997. This sale was the culmination of Onex' six-year partnership with Rogers Sugar and Lantic Sugar that are today the leading refiner and marketer of sugar in Canada. The year-to-date financial results, including the gain on the sale, have been reclassified as earnings from discontinued operations on Onex' unaudited interim consolidated statement of earnings. The comparative 2002 third quarter and year-to-date financial results of Rogers Sugar and Lantic Sugar have also been reclassified as discontinued.

Magellan Health Services

In early October, Magellan Health Services, the leading behavioural managed healthcare organization in the United States, received approval from a U.S. bankruptcy court for its reorganization plan. Under this plan, which was developed with the involvement of Onex, Onex would be the lead equity investor in Magellan with an equity investment of approximately US$103 million. In addition, the plan will reduce Magellan's debt by US$600 million. The reorganization plan has received overwhelming support from Magellan's unsecured creditors and the court ruled that Magellan had met all of the statutory requirements necessary for confirmation of its plan. Magellan has addressed its financial challenges by restructuring its debt and improving its operating efficiency. The company has also stabilized its customer base, positioning itself strongly for the future. Onex is very enthusiastic about partnering with Magellan's management team to set the future course of the business. Magellan is expected to complete the reorganization, which requires customary regulatory approvals, during the fourth quarter of 2003.

Electronics manufacturing services

Revenues at Celestica in the third quarter were US$1.6 billion, a 17 percent decline from the US$2.0 billion reported in the same quarter last year. However, while communications and information technology end-markets continued to demonstrate limited visibility in most areas, Celestica's revenues grew 2 percent sequentially from the second quarter of 2003 due to recent program wins and new customer activity. Celestica reported an operating loss of US$3 million

for the three months ended September 30, 2003, down from operating earnings of US$63 million in the third quarter of 2002, due to lower revenues and pricing pressures based on excess capacity in the EMS industry. Operating earnings did improve sequentially from the second quarter of 2003, particularly in Europe, as Celestica started to achieve benefits from the company's previously announced restructuring initiatives. During the third quarter, Celestica recorded US$49 million in restructuring charges as part of its overall restructuring plans implemented to address its excess capacity. These restructuring plans are focused on downsizing and/or closing facilities, particularly in North America and Europe. Celestica remains in a strong financial position, with US$1.2 billion of cash on hand, and maintained a 17 percent debt-to-capitalization ratio in the third quarter, the lowest ratio among top-tier EMS companies.

In October, Celestica announced that it had entered into an agreement to acquire all of the outstanding shares of Manufacturers' Services Limited ("MSL"), a full-service global electronics manufacturing services and supply chain services company. MSL has over US$700 million in annual sales and brings a broad customer base in diversified end-markets, such as industrial and avionics, and provides complementary services in the areas of build-to-order, logistics and order fulfillment. The transaction requires MSL shareholder approval and is expected to close in late December or in January 2004. The transaction is structured as a share exchange, with every MSL share convertible into a Celestica share at a 0.375 exchange ratio. Onex expects that this will have a minor dilutive effect on Onex' ownership interest in Celestica.

Customer management services

ClientLogic reported revenues of US$107 million in the third quarter of 2003, up slightly from the US$102 million reported in the same quarter last year. Revenues from North American item processing and warehouse management services increased 47 percent in the third quarter of 2003, due primarily to new business with SBC Communications, while North American and European customer contact management revenues were slightly lower than those in the third quarter last year. Partially offsetting this decline were revenues from ClientLogic's new operation in India and from favourable foreign exchange rates in the quarter. Despite the overall revenue growth, ClientLogic reported an operating loss of US$8 million in the third quarter of 2003 compared to an operating loss of US$3 million in the same quarter last year due to lower margins caused by price reductions, excessive costs in warehouse operations and additional costs associated with the ramp-up of facilities in India and Mexico.

During the third quarter, ClientLogic opened a new facility in Monterrey, Mexico, enlarging its network to 31 contact centres in 11 countries. This facility expands the company's current offerings in the United States, Canada and India and will help ClientLogic answer the global market's demands for scalable, cost-effective customer care services of the highest quality. Strong customer demand for offshore customer management services led to full utilization of

ClientLogic's India operations during the third quarter of 2003. The company plans to expand this facility in the fourth quarter with the expectation that it will be running at full capacity by the second quarter of 2004.

In late September, ClientLogic appointed a new President and CEO, David Garner. Mr. Garner brings 14 years of leadership experience in the outsourced customer management services market to ClientLogic. We look forward to working with Mr. Garner as he leads ClientLogic in its quest to become "Best-in-Class" for its clients, customers, associates and shareholders.

Automotive products

During the third quarter of 2003, North American car and light truck production declined 5 percent to 3.75 million units from 3.95 million units in the same quarter of 2002. In the nine months ended September 30, 2003, production declined 4 percent to 12.22 million units. Most of the decline resulted from lower production at the Big Three North American automotive companies – General Motors, Ford and DaimlerChrysler.

Dura Automotive reported revenues of US$554 million in the third quarter of 2003 compared to US$562 million in the third quarter of last year due to lower North American production levels and the run-out of the company's conventional window regulator business. Partially offsetting this decline were revenues of US$27 million from the acquisition of the Creation Group, which was completed in late July 2003, as well as the strengthening of the euro versus the U.S. dollar; foreign exchange translation improved reported revenues by US$30 million. Dura Automotive's operating earnings were US$24 million, down from US$40 million reported in the same quarter last year. Lower production volumes and a shift in geographic and product mix were the primary factors in the decline in operating earnings for the current quarter. However, higher revenues from the acquisition of the Creation Group, favourable changes in foreign exchange rates and the positive contribution from Dura Automotive's cost reduction programs partially offset the decline in operating earnings.

During the third quarter, Dura Automotive continued its efforts to acquire all of the outstanding Class B common stock of Methode Electronics, Inc. ("Methode") through a tender offer of US$50.00 per share for a total cost of approximately US$29 million. While shareholders of Methode have not accepted Dura Automotive's prior offers, the acquisition, if completed, would give Dura Automotive a controlling voting interest in the company, which is a major automotive electronics supplier. Methode's expertise in the areas of switches, sensors, electronic throttle controls, electronic control units and drive-by-wire technologies would strengthen many of Dura Automotive's product offerings.

J.L. French reported revenues of US$114 million and operating earnings of US$6 million in the third quarter of 2003 compared to US$133 million and US$11 million, respectively, in the same quarter of 2002. A 16 percent decline in production at Ford, J.L. French's largest customer,

accounted for most of the decline in revenues and operating earnings in the quarter. During the third quarter of 2003, J.L. French completed its annual assessment of the recoverability of its unamortized goodwill. The company's management determined that the recoverability of goodwill on its balance sheet was not likely achievable and as a result, J.L. French recorded a US$157 million non-cash charge under Canadian GAAP for goodwill writedowns. As a result of losses, as well as these and prior writedowns, the accounting carrying value of Onex' investment in J.L. French is a negative $572 million.

Performance Logistics Group's ("PLG") revenues declined to US$40 million in the third quarter of 2003 from US$49 million in the three months ended September 30, 2002 due to lower new vehicle deliveries at PLG's largest customer, Ford. Lower revenues were the primary factor in the decline of PLG's operating earnings, which fell to an operating loss of US$1 million in the third quarter of 2003 from operating earnings of US$2 million in the same quarter last year.

Heavy truck production during the third quarter of 2003 reached an annual run rate of approximately 180,000 units compared to an annual rate of about 150,000 units in the third quarter of last year. The commercial vehicle sector companies – Bostrom Holding and Trim Systems – reported combined revenues and operating earnings of US$72 million and US$7 million, respectively, for the three months ended September 30, 2003. This compared to US$82 million in revenues and US$7 million in operating earnings for the third quarter of 2002. A change in product mix to lower-end trucks, primarily at Trim Systems, contributed to the reduction in revenues during the third quarter of 2003.

Engineered building products

MAGNATRAX' U.S. operations continued under Chapter 11 in the United States during the third quarter. MAGNATRAX is expected to emerge from bankruptcy protection in the United States during the fourth quarter of 2003 with a much-improved reorganized balance sheet. Onex is likely to hold a minimal ownership interest in MAGNATRAX following this restructuring. Onex will cease to consolidate MAGNATRAX' results once the restructuring in the United States is completed since Onex will likely no longer control the company. Until that time, Onex is required to continue to include the results of MAGNATRAX' U.S. operations in its consolidated results. MAGNATRAX' U.S. operations reported third-quarter 2003 revenues of US$127 million and an operating loss of US$8 million compared to revenues of US$146 million and operating earnings of US$0.3 million in the same quarter of 2002. As a result of losses and prior writedowns, the accounting carrying value of Onex' investment in MAGNATRAX is a negative $274 million.

During the third quarter, MAGNATRAX' Canadian subsidiary, Vicwest Corporation ("Vicwest"), emerged from bankruptcy protection in Canada following the completion of the company's restructuring under the Companies' Creditors Arrangement Act. Onex received 5 percent

of the new common equity of Vicwest in exchange for its preferred shares of the company. As a result, the quarter and year-to-date financial results up to September 30, 2003 for Vicwest have been classified as discontinued operations in Onex' unaudited interim consolidated financial statements. The comparative 2002 third-quarter and year-to-date unaudited interim consolidated financial statements have also been adjusted to report the operations of Vicwest as discontinued.

Other businesses

Communications infrastructure Network spending delays by Radian's customers led to lower third-quarter revenues compared to the same quarter last year. Despite lower revenues, Radian reported improved operating earnings in the third quarter of 2003 compared to the same quarter last year due to the implementation of process controls, improved job execution and strategic cost-reduction initiatives. During the quarter, Radian continued to win new business that includes the engineering, furnishing and installation of new towers in both Canada and the United States. Recent success in the government sector has been encouraging, and Radian's order backlog has increased as a result.

Small-capitalization opportunities ONCAP's operating companies include CMC Electronics Inc., Armtec Limited and Western Inventory Service Ltd. ONCAP also continues to hold a minority interest in Enerflex Systems. Collectively, ONCAP's operating companies reported revenues of $130 million during the third quarter of 2003, a slight increase from revenues of $125 million reported in the same quarter last year. The revenue growth was largely due to the acquisition of Western Inventory Service in the first quarter of 2003, partially offset by lower revenues at CMC Electronics and Armtec. Operating earnings also increased to $17 million in the three months ended September 30, 2003 compared to $12 million in the same period last year due to better margins from cost-reduction initiatives at Armtec and CMC Electronics and the inclusion of a full quarter of operating earnings for Western Inventory Service.

In early October, ONCAP sold approximately 77 percent of its investment in Enerflex Systems for proceeds of approximately $28 million, which represents more than double ONCAP's original investment in those shares.

Normal Course Issuer Bid

For the three months ended September 30, 2003, Onex repurchased 342,200 Subordinate Voting Shares at an average cost of $15.09 per share under a Normal Course Issuer Bid that expires on April 9, 2004. In the nine months ended September 30, 2003, Onex repurchased and cancelled a total of 6,903,200 Subordinate Voting Shares at a total cost of $97 million.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking/Safe Harbour and Fair Disclosure Statement

This quarterly report may contain, without limitation, certain statements that include words such as "believes", "expects", "anticipates", and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees of future performance and 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 otherwise.

Management's Discussion and Analysis and Onex Corporation's consolidated financial statements have been prepared to provide information about Onex Corporation 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 discussion of Onex' consolidated financial condition and results of operations should be read in conjunction with the unaudited interim consolidated financial statements for the period ended September 30, 2003 and with the 2002 audited annual consolidated financial statements. All amounts are in Canadian dollars unless otherwise indicated.

Financial Review

This section compares the unaudited interim consolidated financial results for the three and nine months ended September 30, 2003 to those ended September 30, 2002. The discussion analyzes significant changes in the unaudited interim consolidated statements of earnings, unaudited interim consolidated balance sheet and unaudited interim consolidated statements of cash flows.

Accounting policies and estimates

Onex prepares its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP").

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, and the reported amounts of revenues and expenses, at the date of the unaudited interim consolidated financial statements. Significant accounting policies and methods used in preparation of the financial statements are described in note 1 to the unaudited interim consolidated financial statements and in note 1 to the December 31, 2002 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. Significant estimates are used in determining the allowance for doubtful accounts, inventory valuation, income tax valuation allowances, the fair value of reporting units for purposes of goodwill impairment tests, the useful lives and valuation of intangible assets, and restructuring costs and other matters. Actual results could differ materially from those estimates and assumptions.

New accounting policies in 2003

Guarantees

Effective January 1, 2003, Onex and its operating companies adopted the new *Canadian Institute of Chartered Accountants ("CICA") Handbook* Accounting Guideline "Disclosure of Guarantees". This guideline requires additional disclosure of guarantees as follows: (1) the nature of the guarantee, including how it arose and the events and circumstances that would require the guarantor to perform under the guarantee; (2) the maximum amount of future payments the guarantor would be required to make; (3) the nature of any recourse provisions and the nature of assets held, either as collateral or by third parties; and (4) the approximate extent to which the proceeds from collateral would be expected to cover the maximum potential for loss under the guarantee. Information regarding this new accounting guideline and guarantees for Onex and its operating companies as at September 30, 2003 is provided in note 13 to the unaudited interim consolidated financial statements.

Disposal of long-lived assets and discontinued operations

In the first quarter of 2003, Onex adopted *CICA Handbook* Section 3063, "Impairment of Long-lived Assets", which establishes standards for recognizing, measuring and disclosing impairment of long-lived assets held for use. An impairment is recognized when the carrying amount of an asset to be held and used exceeds the projected future cash flows expected from its use and disposal. Any impairment is measured as the amount by which the carrying amount of the asset exceeds its fair value. In addition, the Company also adopted *CICA Handbook* Section 3475, "Disposal of Long-lived Assets and Discontinued Operations". This Section provides specific criteria for, and requires separate classification of, assets held for sale, and requires that these assets be measured at the lower of their carrying amounts or fair values, less costs to sell. This new requirement also broadens the definition of discontinued operations to include all distinguishable components of an entity that will be eliminated from operations.

Accounting for severance and termination benefits and costs associated with exit and disposal activities

Effective January 1, 2003, Onex and its operating companies adopted the new CICA Emerging Issues Committee Abstracts EIC-134, "Accounting for Severance and Termination Benefits". Onex also adopted EIC-135, "Accounting for Costs Associated with Exit and Disposal Activities", which establishes standards for recognizing, measuring and disclosing costs related to an exit or disposal activity. These EIC Abstracts permit the recognition of a liability for an exit or disposal activity only when the costs are incurred and can be measured at fair value. Prior to these EIC Abstracts, a commitment to an exit or disposal plan was sufficient to record the majority of costs.

Proposed Accounting Guideline

In June 2003, the CICA issued Accounting Guideline 15, "Consolidation of Variable Interest Entities" (the "Guideline"). In September 2003, the CICA amended this Guideline to make it effective for annual and interim periods beginning on or after November 1, 2004. The Guideline addresses the application of consolidation principles to entities that are subject to control on a basis other than ownership of voting interests. Management has not yet determined the impact of adopting this Guideline.

CONSOLIDATED RESULTS

This section should be read in conjunction with the unaudited interim consolidated statements of earnings and the December 31, 2002 audited consolidated financial statements.

Onex' annual and quarterly operating results vary from period to period for many reasons, including some of the following factors: acquisitions or dispositions of businesses by

Onex, the parent company; the volatility of the U.S. dollar to Canadian dollar exchange rate; the change in market value of stock-based compensation at Onex; and activities at Onex' operating companies, such as the purchase or sale of businesses, and fluctuations in customer demand, materials and employee-related costs changes, as well as the mix of products and services provided.

Consolidated revenues

Consolidated revenues declined to $4.3 billion in the third quarter of 2003 from $5.2 billion in the same quarter last year. For the nine months ended September 30, 2003, revenues were $13.1 billion compared to $16.4 billion in the first nine months of 2002. The decline in revenue in the third quarter and nine months ended September 30, 2003 was due primarily to lower revenues at Celestica and the automotive products companies resulting from difficult market conditions in their respective industries. In addition, Onex' consolidated revenues for the nine months ended September 30, 2003 were adversely impacted by foreign currency exchange rates. The strengthening value of the Canadian dollar relative to the U.S. dollar resulted in lower reported results for U.S.-based operating companies. Partially offsetting the decline in revenue in the first nine months of 2003 was inclusion of a full nine months of revenues in 2003 from Loews Cineplex, Star Theatres and Cinemex, which were acquired in March 2002, April 2002 and June 2002, respectively.

A detailed breakdown of revenues by industry segment and the change in revenues from the third quarter and first nine months of last year is provided in the table below. Note 15 to the unaudited interim consolidated financial statements also provides revenues by industry segment.

Revenues by Industry Segment

	Three months ended September 30			Nine months ended September 30		
(Unaudited) *(in millions of dollars)*	**2003**	2002	**Revenue increase/ (decrease)**	**2003**	2002	**Revenue increase/ (decrease)**
Electronics Manufacturing Services	**$ 2,250**	$ 3,067	**$ (817)**	**$ 6,865**	$ 9,987	**$ (3,122)**
Customer Management Services	**148**	158	**(10)**	**452**	457	**(5)**
Theatre Exhibition	**446**	451	**(5)**	**1,306**	858	**448**
Automotive Products	**1,075**	1,296	**(221)**	**3,561**	4,068	**(507)**
Engineered Building Products	**188**	227	**(39)**	**506**	614	**(108)**
Other [a]	**159**	43	**116**	**451**	465	**(14)**
Total	**$ 4,266**	$ 5,242	**$ (976)**	**$ 13,141**	$ 16,449	**$ (3,308)**

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

(a) Includes Radian, InsLogic, ONCAP and parent company.

Operating earnings

We define operating earnings as EBIAT, or earnings before interest expense, amortization of intangibles and deferred charges, acquisition and restructuring expenses and income taxes. The table below provides a reconciliation of the reported amounts to arrive at operating earnings.

Operating Earnings Reconciliation

Amounts as shown in unaudited interim consolidated statements of earnings (in millions of dollars)	Three months ended September 30		Nine months ended September 30	
	2003	2002	**2003**	2002
Earnings before the undernoted items	**$ 210**	$ 412	**$ 745**	$ 1,299
Amortization of property, plant and equipment	**(161)**	(194)	**(502)**	(563)
Interest and other income	**8**	22	**45**	65
Stock-based compensation	**7**	41	**8**	114
Foreign exchange gains (loss)	**12**	33	**(92)**	10
Operating earnings	**$ 76**	$ 314	**$ 204**	$ 925

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

The consolidated operating earnings were $76 million in the third quarter of 2003 compared to consolidated operating earnings of $314 million for the third quarter of last year. The effect of lower revenues at Celestica and the automotive products companies contributed $148 million of the total decline in operating earnings in the third quarter of 2003. In addition, changes in foreign currency exchange rates and the revaluation of the stock-based compensation liability provided $19 million in operating earnings in the third quarter compared to $74 million in the same period last year. These two factors combined caused a $55 million reduction in operating earnings year-over-year.

For the nine months ended September 30, 2003, Onex' operating earnings decreased to $204 million from the $925 million reported for the first nine months of 2002. This decline was partially due to lower operating earnings at Celestica and the automotive products companies. In addition, changes in foreign currency exchange rates and the revaluation of the stock-based compensation liability reduced operating earnings by $84 million for the nine months ended September 30, 2003. This compares to providing $124 million to operating earnings in the first nine months of 2002. As a result, these two factors contributed to a $208 million decline in operating earnings on a comparative year-to-date basis. Partially offsetting this decline was the

inclusion of operating earnings in 2003 from Loews Cineplex, Star Theatres and Cinemex, which were acquired in March 2002, April 2002 and June 2002, respectively.

A detailed breakdown of operating earnings by industry segment and the change in operating earnings for the three-month and nine-month periods ended September 30, 2003 is provided in the table that follows.

Operating Earnings (Loss) by Industry Segment

(Unaudited) *(in millions of dollars)*	Three months ended September 30			Nine months ended September 30		
	2003	2002	**Operating earnings increase/ (decrease)**	**2003**	2002	**Operating earnings increase/ (decrease)**
Electronics Manufacturing Services	**$ (5)**	$ 99	**$ (104)**	**$ 4**	$ 358	**$ (354)**
Customer Management Services	**(11)**	(5)	**(6)**	**(19)**	(9)	**(10)**
Theatre Exhibition	**54**	49	**5**	**126**	91	**35**
Automotive Products	**51**	95	**(44)**	**229**	349	**(120)**
Engineered Building Products	**(16)**	(1)	**(15)**	**(40)**	2	**(42)**
Other[a]	**3**	77	**(74)**	**(96)**	134	**(230)**
Total	**$ 76**	$ 314	**$ (238)**	**$ 204**	$ 925	**$ (721)**

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

(a) Includes Radian, InsLogic, ONCAP and parent company.

Stock-based compensation

It is Onex' policy to record the change in the value of its stock-based compensation at the parent company through the statements of earnings. The effect of the change in the value of Onex' options and investment rights is recorded in the unaudited interim statements of earnings. As a result, earnings may increase or decrease depending upon the changes in the market value of the shares underlying the stock-based compensation.

During the third quarter of 2003, the revaluation of Onex' stock-based compensation liability to market value resulted in a $7 million improvement in earnings due to the decrease in value of Onex stock options and investment rights from their value at June 30, 2003. For the three months ended September 30, 2002, Onex recorded a $41 million improvement in operating earnings due to the revaluation of the stock-based compensation liability to market value during the period.

For the nine months ended September 30, 2003, the stock-based compensation liability revaluation resulted in the recognition of a $8 million improvement in earnings due to the overall decline in the value of the stock-based compensation liability from December 31, 2002. This compares to the $114 million benefit to operating earnings that was recorded in the first nine months of last year. Stock-based compensation expense or credit is included in determining operating earnings.

Amortization of intangible assets and deferred charges

Consolidated amortization of intangible assets and deferred charges was $27 million in the third quarter of 2003 compared to $56 million in the third quarter last year. For the nine months ended September 30, 2003, amortization of intangible assets and deferred charges declined to $81 million from $138 million for the same period in 2002. Celestica accounted for essentially all of the decline in both the quarter and for the first nine months of 2003 due to a charge that the company recorded in the fourth quarter of 2002 to write down a portion of its intangible assets.

Foreign exchange gains (loss)

Foreign exchange gains (loss) reflect the impact of changes in foreign currency exchange rates, primarily on the cash of Onex, the parent company, and the cash of Onex' operating companies. While changes in foreign currency exchange rates may apply to multiple currencies, the primary foreign currency translations are the conversion of the U.S. dollar to the Canadian dollar and the euro to the U.S. dollar. Note 15 to the unaudited interim consolidated financial statements provides a breakdown of foreign exchange gains (loss) by industry segment.

In the third quarter of 2003, consolidated foreign exchange gains were $12 million compared to $33 million in the same quarter last year. For the nine months ended September 30, 2003, a foreign exchange loss of $92 million was recorded compared to a $10 million foreign exchange gain recorded in the first nine months of 2002. Included in the first nine months of 2003 was a foreign exchange loss of $106 million recorded by Onex, the parent company. As Onex holds a significant portion of its cash in U.S. dollars, the decline in the value of the U.S. dollar relative to the Canadian dollar from 1.5776 to 1.3499, or approximately 23 cents Canadian, produced this loss.

Interest and other income

Interest and other income decreased to $8 million in the third quarter of 2003 from $22 million in the same quarter last year, as Onex and certain of its operating companies, primarily Celestica, had lower cash balances and lower return rates on those balances. The same factors affected interest and other income for the nine months ended September 30, 2003, which decreased to $45 million from $65 million during the first nine months of 2002. Celestica used $672 million of cash to repurchase shares and Liquid Yield Option Notes over the first nine months of 2003.

Interest expense of operating companies

Consolidated interest expense was $84 million during the third quarter of 2003 compared to $113 million for the three months ended September 30, 2002. For the nine months ended September 30, 2003, consolidated interest expense was $286 million, down from the $316 million reported in the first nine months of 2002. The change was due primarily to lower interest costs at

Celestica, which redeemed its Senior Subordinated Notes in August 2002, and to developments at MAGNATRAX, which has not been incurring interest costs while under Chapter 11 protection.

Accounting gains (loss) on shares of operating companies, net

For the nine months ended September 30, 2003, Onex recorded $13 million in gains on shares of operating companies, which compared to $8 million of such gains in the first nine months of 2002. Included in the 2003 gains on shares of operating companies was a $16 million gain recorded by Vencap from the company's sale of its remaining operating company in the first quarter of 2003. Note 6 to the unaudited interim consolidated financial statements provides additional details on the gains (loss) on shares of Onex' operating companies.

Acquisition, restructuring and other expenses

Acquisition, restructuring and other expenses are considered to be non-recurring costs incurred to realign organizational structures, restructure manufacturing capacity and obtain operating synergies critical to building the long-term value of Onex' operating companies. For the third quarter of 2003, acquisition, restructuring and other expenses totalled $66 million compared to $205 million in the same quarter last year. Essentially all of the restructuring expenses during the third quarter of 2003 were associated with three separate restructuring plans implemented at Celestica in response to difficult industry conditions. These charges were largely intended to align Celestica's capacity and infrastructure with anticipated customer demand, as well as rationalize its manufacturing capacity worldwide. Included in acquisition, restructuring and other expenses for the third quarter of 2002 were expenses of $204 million recorded by Celestica in relation to its restructuring plans.

For the nine months ended September 30, 2003, acquisition, restructuring and other expenses were $109 million compared to $234 million in the first nine months of 2002. Celestica accounted for $96 million of these expenses, which primarily related to the company's restructuring plans as discussed above. Note 7 and note 15 to the unaudited interim consolidated financial statements provide information on acquisition, restructuring and other expenses by industry segment.

Income taxes

During the first nine months of 2003, Onex recorded a $10 million net reduction in the deferred income tax liability on its unaudited interim balance sheet with an associated credit to the tax provision on the unaudited interim statement of earnings. This adjustment is required to record the decrease in the deferred tax liability that resulted primarily from the legislated reduction in income tax rates, which apply to past gains recorded by the parent company.

Writedown of goodwill

The consolidated results include $222 million in writedowns of goodwill in the third quarter of 2003, resulting primarily from writedowns of unamortized goodwill recorded by J.L. French. During the quarter, J.L. French completed its annual assessment of its unamortized goodwill on its balance sheet compared to its fair value. The company concluded that the recoverability of goodwill was not certain and therefore, J.L. French recorded a non-cash charge of $214 million relating to the writedown of goodwill. There were no writedowns of goodwill in the third quarter of 2002.

Non-controlling interests in losses (earnings) of operating companies

In the unaudited interim consolidated statements of earnings, the non-controlling interests amount of $49 million in the third quarter of 2003 represents the interests of shareholders other than Onex in the net losses of the operating companies. This amount compared to $86 million for the third quarter of 2002. For the first nine months of 2003, the non-controlling interests amount in the losses of Onex' operating companies was $46 million compared to $87 million in non-controlling interests' share of net earnings for the nine months ended September 30, 2002. The change in the non-controlling interests amount was due primarily to the lower net earnings (losses) at Celestica and Dura Automotive in the third quarter and for the nine months ended September 30, 2003 compared to those in the same periods last year.

Earnings (loss) from discontinued operations

In mid-July, Onex completed the sale of its remaining interest in Rogers Sugar Income Fund ("RSIF") for proceeds of $90 million. As a result, the operations of Lantic Sugar and Rogers Sugar up to the date of sale are presented in the unaudited interim consolidated statements of earnings on one line – earnings from discontinued operations. Included in discontinued operations for the third quarter of 2003 is Onex' net gain on the sale of the RSIF trust units of $53 million. On a year-to-date basis, Rogers Sugar and Lantic Sugar contributed $66 million to earnings from discontinued operations, which included the operations of these businesses up to the date of sale, a $12 million accounting dilution gain from the Rogers Sugar Income Fund's issuance of 11.4 million trust units in the first quarter of 2003, and the net gain on the sale of the RSIF trust units as discussed above. The unaudited interim consolidated statements of earnings and statements of cash flows for the three months and nine months ended September 30, 2003 and 2002 have been reclassified to report the operations of Lantic Sugar and Rogers Sugar as discontinued.

During the third quarter, Vicwest Corporation, MAGNATRAX' Canadian subsidiary, emerged from bankruptcy protection in Canada. Under that company's reorganization plan, Onex received a 5 percent ownership interest in the reorganized Vicwest. As a result of this event and that neither Onex nor MAGNATRAX controls Vicwest, that company's operations have been classified as earnings from discontinued operations in Onex' unaudited interim consolidated

financial statements. Included in the earnings from discontinued operations for the nine months ended September 30, 2003 was a net loss of $52 million from Vicwest's operations.

In addition, Dura Automotive divested certain operations in the first nine months of 2003, the financial results of which have also been reclassified and reported in earnings from discontinued operations. Note 2 to the unaudited interim consolidated financial statements provides a detailed description of the earnings (loss) from discontinued operations.

Consolidated net earnings (loss)

The consolidated net loss for the third quarter of 2003, including losses on shares and earnings from discontinued operations, was $287 million ($1.88 per share); this compared to net earnings of $34 million ($0.21 per share) for the third quarter of 2002. Earnings from discontinued operations in the third quarter of 2003 were $7 million ($0.04 per share) compared to $10 million ($0.06 per share) in the third quarter of 2002.

For the nine months ended September 30, 2003, Onex' consolidated net loss was $484 million ($3.13 per share) compared to net earnings of $105 million ($0.65 per share) in the first nine months of 2002. Included in the year-to-date net loss for 2003 are net earnings of $13 million (2002 – net earnings of $8 million) from discontinued operations related to the divestiture of Rogers Sugar and Lantic Sugar and to divestitures completed by Dura Automotive. Partially offsetting these gains was Onex' share of the net loss of MAGNATRAX' discontinued operations, which totalled $52 million (2002 – net earnings of $4 million).

For the third quarter and for the nine months ended September 30, 2003, Onex was required for accounting purposes to recognize 100 percent of the losses of ClientLogic, InsLogic, J.L. French, Trim Systems and MAGNATRAX even though Onex does not own 100 percent of these businesses. Prior losses at these companies have eliminated the value contributed by other shareholders in these companies. Thus, for accounting purposes, the other shareholders' portion of these companies' current losses is required to be included in determining Onex' net earnings (loss). For consolidation accounting purposes, the cumulative interests of other shareholders in those companies cannot be recorded as a negative value on the consolidated balance sheet. These losses of other shareholders included in Onex' unaudited interim consolidated results totalled $117 million in the third quarter of 2003 (third quarter of 2002 – $18 million) and $143 million in the first nine months of 2003 (first nine months of 2002 – $31 million). When these companies begin to record earnings, Onex will include 100 percent of any profits in these companies until Onex has recovered the value of the losses of non-controlling shareholders that were previously booked.

Note 15 to the unaudited interim consolidated financial statements provides a detailed breakdown of earnings (loss) before income taxes and non-controlling interests by industry segment for the quarters and nine months ended September 30, 2003 and 2002.

CONSOLIDATED FINANCIAL POSITION

This section should be read in conjunction with the unaudited interim consolidated balance sheet as at September 30, 2003 and the audited annual consolidated balance sheet as at December 31, 2002.

Consolidated assets

Consolidated assets were $15.4 billion at September 30, 2003, down from $19.9 billion at December 31, 2002. A breakdown of assets by industry segment is provided in note 15 to the unaudited interim consolidated financial statements. The total value of Onex' consolidated assets will fluctuate with the U.S. dollar to Canadian dollar exchange rate as most of the operations of Onex' companies are based in the United States. In the first nine months of 2003, the major portion of the decline in consolidated assets was due to the strengthening of the Canadian dollar relative to the U.S. dollar. The exchange rate change amounted to 23 cents, or a 14 percent increase in the value of the Canadian dollar relative to the U.S. dollar. Repurchases of shares by Onex and Celestica, as well as the repurchase by Celestica of some of its outstanding Liquid Yield Option Notes used a total of $769 million of cash, which reduced total assets. The acquisition of Western Inventory Service, completed during the first quarter of 2003, added $85 million to consolidated assets. The acquisitions are described in note 4 to the unaudited interim consolidated financial statements.

Liabilities subject to compromise

Following MAGNATRAX' filing for protection under Chapter 11 in May 2003, that company's liabilities of $477 million, which consists of $73 million in accounts payable and accrued liabilities, $103 million of other long-term liabilities and $301 million of long-term debt, have been reclassified as liabilities subject to compromise until an agreement is reached with MAGNATRAX' creditors. Note 3 to the unaudited interim consolidated financial statements provides additional details on MAGNATRAX.

Long-term debt

Onex, the parent company, has no debt, with the exception of debentures that are exchangeable into shares of Celestica. It has been Onex' policy to preserve a financially strong parent company. We strictly adhere to this policy, which means that all debt financing is within our operating companies and each company is required to support its own debt. There are no guarantees of debt by Onex or cross-guarantees between operating companies. As a result, there can be no calls on Onex or an operating company for the debt of another operating company.

Total long-term debt (comprising the current portion of long-term debt and long-term debt) was $3.9 billion at September 30, 2003 compared to $4.9 billion at December 31, 2002. The change in long-term debt resulted primarily from the decrease in the value of the U.S. dollar relative to the Canadian dollar in the first nine months of 2003 and the currency translation of U.S.-dollar denominated debt. In addition, in the quarter MAGNATRAX' long-term debt of $301 million was reclassified to liabilities subject to compromise due to the Chapter 11 bankruptcy protection filing discussed above.

Non-controlling interests

The non-controlling interests amount on Onex' unaudited interim consolidated balance sheet as at September 30, 2003 represents the ownership interests of shareholders other than Onex in Onex' operating companies. As at September 30, 2003, the non-controlling interests balance totalled $5.2 billion compared to $6.7 billion as at December 31, 2002. The changes in the non-controlling interests balance from December 31, 2002 were due to Celestica's repurchase of 22 million shares under its normal course issuer bid as well as its repurchase of a portion of its outstanding Liquid Yield Option Notes. These repurchases decreased non-controlling interests amounts by a total of $672 million. The balance of the change was primarily due to the change in foreign currency exchange rates in the first nine months of 2003.

Shareholders' equity

Shareholders' equity was $0.3 billion as at September 30, 2003 compared to $1.0 billion at December 31, 2002. The decrease in shareholders' equity was due to repurchases of Subordinate Voting Shares by Onex for $97 million, the $484 million net loss incurred for the first nine months of 2003 and foreign currency exchange rate fluctuations. The unaudited interim consolidated statements of shareholders' equity on page 24 show the changes to the components of shareholders' equity for the nine months ended September 30, 2003 and 2002.

Onex had a Normal Course Issuer Bid (the "Bid") in place which expired on April 9, 2003 that enabled it to repurchase up to 10 percent of the public float of its Subordinate Voting Shares. Under this Bid, Onex repurchased 6,561,000 Subordinate Voting Shares this year up to April 9, 2003 at a total cost of $91 million. On April 10, 2003, Onex renewed its Normal Course Issuer Bid, which permits the Company to repurchase for cancellation in the next twelve months up to approximately 11.9 million shares. In the third quarter of 2003, Onex repurchased 342,200 Subordinate Voting Shares at a total cost of $6 million under this Bid, bringing total purchases in 2003 under both Bids to 6,903,200 Subordinate Voting Shares at a total cost of $97 million, or $13.998 per share. Onex is of the view that it is advantageous for the Company and its shareholders to continue to purchase its Subordinate Voting Shares for cancellation when the shares are trading at prices that reflect a significant discount to their intrinsic value.

Onex' Dividend Reinvestment Plan (the "Plan") enables Canadian shareholders to reinvest cash dividends to acquire new Subordinate Voting Shares of Onex at a 5 percent discount to a market-related price at the time of reinvestment. During the first nine months of 2003, Onex issued 243,485 Subordinate Voting Shares under the Plan at an average cost of $14.264 per share, providing cash savings of approximately $3 million. During the nine months ended September 30, 2002, 154,321 Subordinate Voting Shares were issued under the Plan at an average cost of $20.226 per share, providing cash savings of approximately $3 million.

In February 2003, Onex issued 710,000 options at an exercise price of $14.90, which was the market value of Onex shares at the time of issuance of the options. These options vest over five years and are not exercisable unless the market price is at least 25 percent above the option exercise price.

The currency translation adjustment ("CTA") component of shareholders' equity at September 30, 2003 represents the cumulative unrealized decrease in the value of Onex' ownership in U.S.-based operating companies due to changes in the U.S. dollar to Canadian dollar exchange rate since the date of their respective acquisitions. There was a decrease recorded to the CTA component of shareholders' equity of $162 million in the first nine months of 2003.

CONSOLIDATED CASH FLOW

This section should be read in conjunction with the unaudited interim consolidated statements of cash flows as at September 30, 2003.

Operating activities

Cash used in operations, excluding changes in working capital, totalled $50 million in the third quarter of 2003 compared to cash provided by operations of $227 million reported for the three months ended September 30, 2002. For the first nine months of 2003, cash flow from operations was $203 million compared to $898 million reported in the same period last year. The decline in cash generated from operations was due to lower operating results, primarily at Celestica.

Financing activities

Cash used in financing activities was $143 million in the third quarter of 2003 compared to cash used in financing activities of $301 million in the comparative quarter last year. For the nine months ended September 30, 2003, cash used in financing activities was $710 million compared to $37 million in the first nine months of 2002. Included in the 2003 year-to-date cash used in financing activities was $97 million for Onex' repurchase of shares under its Normal Course Issuer Bid. Celestica's repurchase of some of its subordinate voting shares and the repurchase of a portion of its Liquid Yield Option Notes accounted for an additional $672 million of cash used in financing activities during the first nine months of 2003.

Investing activities

Cash used in investing activities totalled $163 million for the three months ended September 30, 2003 compared to $300 million for the third quarter of 2002. On a year-to-date basis, cash used in investing activities declined to $378 million from $893 million in the same period last year. Cash used for acquisitions in the first nine months of 2003 was $148 million compared to $522 million in the same period last year. In addition, cash used for the purchase of property, plant and equipment was $367 million in the first nine months of 2003, down from $386 million in the same period in 2002.

Cash from discontinued operations

Cash from discontinued operations represents the proceeds from the sale of businesses less the cash recorded on the books of those businesses. During the third quarter, cash from discontinued operations was $58 million compared to $24 million in the same quarter last year. Most of the cash from discontinued operations in 2003 was from the sale of the RSIF units. Note 2 to the unaudited interim consolidated financial statements provides additional information on cash from discontinued operations.

Consolidated cash resources

At September 30, 2003, consolidated cash was $2.9 billion compared to $4.6 billion as at December 31, 2002. Onex, the parent company, had approximately $1.0 billion of cash, and Celestica had about $1.6 billion of cash on hand. For the nine months ended September 30, 2003, changes in foreign currency exchange rates reduced the value of consolidated cash by $541 million.

Consolidated Balance Sheets

(in millions of dollars)	*(Unaudited)* As at September 30 **2003**	As at December 31 2002
Assets		
Current assets		
Cash and short-term investments	**$ 2,933**	$ 4,580
Accounts receivable	**1,860**	2,231
Inventories	**1,622**	1,697
Other current assets	**586**	528
Current assets held by discontinued operations (note 2)	**–**	276
	7,001	9,312
Property, plant and equipment	**3,564**	4,199
Investments and other assets	**1,041**	1,216
Goodwill	**3,232**	3,919
Intangible assets	**605**	721
Long-lived assets held by discontinued operations (note 2)	**–**	523
	$ 15,443	$ 19,890
Liabilities and Shareholders' Equity		
Current liabilities		
Bank indebtedness, without recourse to Onex	**$ 41**	$ 40
Accounts payable and accrued liabilities	**3,329**	4,090
Current portion of long-term debt and obligations under capital leases of operating companies, without recourse to Onex (note 5)	**227**	587
Current liabilities held by discontinued operations (note 2)	**–**	302
	3,597	5,019
Liabilities subject to compromise (note 3)	**477**	–
Long-term debt of operating companies, without recourse to Onex (note 5)	**3,680**	4,296
Obligations under capital leases of operating companies, without recourse to Onex	**61**	73
Exchangeable debentures	**196**	203
Future income taxes	**892**	907
Other liabilities	**1,045**	1,110
Long-term liabilities held by discontinued operations (note 2)	**–**	545
	9,948	12,153
Non-controlling interests	**5,203**	6,693
Shareholders' equity	**292**	1,044
	$ 15,443	$ 19,890

See accompanying notes to unaudited interim consolidated financial statements.
These unaudited interim consolidated financial statements should be read in conjunction with the 2002 audited annual consolidated financial statements.
The December 31, 2002 balance sheet is taken from the audited annual consolidated financial statements.

Consolidated Statements of Earnings

(Unaudited) *(in millions of dollars, except per share data)*	Three months ended September 30 **2003**	 2002	Nine months ended September 30 **2003**	 2002
Revenues	**$ 4,266**	$ 5,242	**$ 13,141**	$ 16,449
Earnings Before the Undernoted Items	**$ 210**	$ 412	**$ 745**	$ 1,299
Amortization of property, plant and equipment	**(161)**	(194)	**(502)**	(563)
Amortization of intangible assets and deferred charges	**(27)**	(56)	**(81)**	(138)
Interest expense of operating companies	**(84)**	(113)	**(286)**	(316)
Interest and other income	**8**	22	**45**	65
Foreign exchange gains (loss)	**12**	33	**(92)**	10
Stock-based compensation (notes 2 and 11)	**7**	41	**8**	114
Gains (loss) on shares of operating companies, net (note 6)	**(1)**	–	**13**	8
Acquisition, restructuring and other expenses (note 7)	**(66)**	(205)	**(109)**	(234)
Debt prepayment costs	**–**	(15)	**(9)**	(24)
Writedown of goodwill (note 8)	**(222)**	–	**(222)**	–
Writedown of long-lived assets	**(3)**	–	**(9)**	–
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	**(327)**	(75)	**(499)**	221
Recovery of (provision for) income taxes	**(16)**	13	**(44)**	(37)
Non-controlling interests of operating companies	**49**	86	**46**	(87)
Earnings (loss) from continuing operations	**(294)**	24	**(497)**	97
Earnings from discontinued operations (note 2)	**7**	10	**13**	8
Net Earnings (Loss) for the Period	**$ (287)**	$ 34	**$ (484)**	$ 105
Net Earnings (Loss) per Subordinate Voting Share (note 9)				
Basic				
Continuing operations	**$ (1.92)**	$ 0.15	**$ (3.22)**	$ 0.60
Discontinued operations	**$ 0.04**	$ 0.06	**$ 0.09**	$ 0.05
Net earnings (loss)	**$ (1.88)**	$ 0.21	**$ (3.13)**	$ 0.65
Diluted				
Continuing operations	**$ (1.92)**	$ 0.15	**$ (3.22)**	$ 0.60
Discontinued operations	**$ 0.04**	$ 0.06	**$ 0.09**	$ 0.05
Net earnings (loss)	**$ (1.88)**	$ 0.21	**$ (3.13)**	$ 0.65

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2002 audited annual consolidated financial statements.

Consolidated Statements of Shareholders' Equity

(Unaudited) Nine months ended September 30 *(in millions of dollars, except per share data)*	Share Capital (note 10)	Retained Earnings	Cumulative Translation Adjustment	Total Shareholders' Equity
Balance – December 31, 2001	$ 659	$ 613	$ 120	$ 1,392
Dividends declared	–	(13)	–	(13)
Issue of shares – dividend reinvestment plan and exercise of options	4	–	–	4
Currency translation adjustment	–	–	16	16
Net earnings for the period	–	105	–	105
Balance – September 30, 2002	$ 663	$ 705	$ 136	$ 1,504
Balance – December 31, 2002	**$ 658**	**$ 279**	**$ 107**	**$ 1,044**
Dividends declared	**–**	**(13)**	**–**	**(13)**
Issue of shares – dividend reinvestment plan and exercise of options	**4**	**–**	**–**	**4**
Purchase and cancellation of shares	**(27)**	**(70)**	**–**	**(97)**
Currency translation adjustment	**–**	**–**	**(162)**	**(162)**
Net loss for the period	**–**	**(484)**	**–**	**(484)**
Balance – September 30, 2003	**$ 635**	**$ (288)**	**$ (55)**	**$ 292**

Dividends declared per Subordinate Voting Share were $0.0825 (2002 – $0.0825) for the nine months ended September 30, 2003.
See accompanying notes to unaudited interim consolidated financial statements.
These unaudited interim consolidated financial statements should be read in conjunction with the 2002 audited annual consolidated financial statements.

Consolidated Statements of Cash Flows

(Unaudited) *(in millions of dollars)*	Three months ended September 30		Nine months ended September 30	
	2003	2002	**2003**	2002
Operating Activities				
Net earnings (loss) for the period from continuing operations	**$ (294)**	$ 24	**$ (497)**	$ 97
Items not affecting cash:				
Amortization of property, plant and equipment	**161**	194	**502**	563
Amortization of intangible assets and deferred charges	**27**	56	**81**	138
Writedown of goodwill	**222**	–	**222**	–
Writedown of long-lived assets	**3**	–	**9**	–
Non-cash component of acquisition, restructuring and other expenses	**–**	109	**–**	109
Non-controlling interests in results of operating companies	**(49)**	(86)	**(46)**	87
Future income taxes	**(3)**	(9)	**(31)**	(15)
Stock-based compensation (notes 2 and 11)	**(7)**	(41)	**(8)**	(114)
Loss (gains) on shares of operating companies, net (note 6)	**1**	–	**(13)**	(8)
Other	**(111)**	(20)	**(16)**	41
	(50)	227	**203**	898
Increase (decrease) in other liabilities	**31**	(24)	**46**	17
Changes in non-cash working capital items:				
Accounts receivable	**(78)**	358	**99**	168
Inventories	**(67)**	306	**(140)**	752
Other current assets	**19**	38	**(82)**	(26)
Accounts payable and accrued liabilities	**(18)**	(82)	**(230)**	(120)
Decrease (increase) in non-cash net working capital related to operations	**(144)**	620	**(353)**	774
	(163)	823	**(104)**	1,689
Financing Activities				
Issuance of long-term debt	**157**	125	**490**	1,220
Repayment of long-term debt	**(189)**	(411)	**(499)**	(1,491)
Repurchase of share capital	**(6)**	–	**(97)**	–
Issuance of share capital by operating companies	**1**	10	**33**	310
Repurchase of share capital by operating companies	**(186)**	–	**(672)**	–
Increase (decrease) in other financing activities	**80**	(25)	**35**	(76)
	(143)	(301)	**(710)**	(37)
Investing Activities				
Acquisition of operating companies, net of cash in acquired companies [(1)] (note 4)	**(81)**	(54)	**(148)**	(522)
Purchase of property, plant and equipment	**(147)**	(134)	**(367)**	(386)
Proceeds from sales of shares of operating companies	**–**	–	**26**	12
Net decrease (increase) in investments and other investing activities	**65**	(112)	**111**	3
	(163)	(300)	**(378)**	(893)
Cash from discontinued operations (note 2)	**58**	24	**24**	36
Increase (Decrease) in Cash and Short-term Investments for the Period	**(411)**	246	**(1,168)**	795
Increase (decrease) in cash and short-term investments due to changes in foreign exchange rates	**20**	174	**(541)**	(4)
Cash and short-term investments – beginning of the period	**3,324**	4,151	**4,642**	3,780
Cash and Short-term Investments – End of the Period	**$ 2,933**	$ 4,571	**$ 2,933**	$ 4,571

(1) Cash in the acquired companies for the quarter was nil (2002 – nil) and $6 (2002 – $156) for the nine months ended September 30.

See note 2 for cash flow on discontinued operations.

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2002 audited annual consolidated financial statements.

Notes to Interim Consolidated Financial Statements

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

Onex Corporation ("Onex" or the "Company") is a diversified company, the subsidiaries of which operate as autonomous businesses.

1. BASIS OF PREPARATION

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles ("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, 2002. Certain amounts presented in the comparative prior periods have been reclassified to conform to the presentation adopted in the current year for discontinued operations.

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 disclosed herein.

In the first quarter of 2003, the Company adopted Section 3063 of the *Canadian Institute of Chartered Accountants ("CICA") Handbook*, "Impairment of Long-lived Assets" and Section 3475, "Disposal of Long-lived Assets and Discontinued Operations".

Section 3063 establishes standards for recognizing, measuring and disclosing impairment of long-lived assets held for use. An impairment is recognized when the carrying amount of an asset to be held and used exceeds the projected future net cash flows expected from its use and disposal, and is measured as the amount by which the carrying amount of the asset exceeds its fair value. Section 3475 provides specific criteria for, and requires separate classification of, assets held for sale, and that these assets be measured at the lower of their carrying amounts or fair values, less costs to sell. Section 3475 also broadens the definition of discontinued operations to include all distinguishable components of an entity that are planned to be eliminated from operations.

Effective January 1, 2003, the Company adopted the new CICA Emerging Issues Committee Abstracts EIC-134, "Accounting for Severance and Termination Benefits", and EIC-135, "Accounting for Costs Associated with Exit and Disposal Activities", which establish standards for recognizing, measuring and disclosing costs relating to an exit or disposal activity.

The EIC Abstracts allow recognition of a liability for an exit or disposal activity only when the costs are incurred and can be measured at fair value. Previously, a commitment to an exit or disposal plan was sufficient to record the majority of costs.

2. DISCONTINUED OPERATIONS

a) In June 2003 the Company entered into an agreement to sell its remaining interest in Rogers Sugar Income Fund ("RSIF"), and the transaction was completed on July 14, 2003. The net proceeds from the sale amounted to $90. The gain on the disposition of the units amounted to $55 before a tax provision of $2. Onex' share of the net earnings of Lantic Sugar Limited and Rogers Sugar Ltd. up to the date of the sale amounted to $13 (2002 – $1). The 2003 results include an accounting dilution gain of $12 as a result of an 11.4 million trust unit offering by RSIF in February 2003. These combined items resulted in net earnings from discontinued operations in 2003 of $66 (2002 – $1). The revenue from these operations amounted to $200 up to July 14, 2003 and $278 for the nine months ended September 30, 2002.

Under the terms of the Management Investment Plans (collectively, the "MIP") as described in note 25(f) to the audited annual consolidated financial statements, management members participated in the realizations the Company achieved on RSIF. Allocations on account of the RSIF sale related to the MIP amounted to $5, and are included in discontinued operations.

b) In September 2003 the Canadian operations of MAGNATRAX emerged from bankruptcy protection. Both MAGNATRAX and Onex relinquished essentially all of their ownership interests and ceased to control the Canadian operations at that time. Onex' share of MAGNATRAX' loss from those discontinued operations up to the date of emergence in 2003 amounted to $52. The net earnings for the nine months ended September 30, 2002 were $4. The revenue from those operations amounted to $171 and $186 for the nine months ended September 30, 2003 and 2002, respectively.

c) During the first nine months of 2003 certain operations in the automotive products segment were sold. The revenue from these operations amounted to $22 and $135 for the nine months ended September 30, 2003 and 2002, respectively.

The results of these operations have been reclassified in the unaudited interim consolidated statements of earnings and unaudited consolidated statements of cash flows for the three and nine month periods ended September 30, 2003 and 2002 as discontinued operations. The amounts for discontinued operations included in the December 31, 2002 consolidated balance sheets are as follows:

	RSIF[a]	MAGNATRAX[b]	Automotive[c]	Total
Cash and short-term investments	$ 52	$ 10	$ –	$ 62
Accounts receivable	37	46	1	84
Inventories	42	20	1	63
Other current assets	7	9	51	67
Current assets held by discontinued operations	138	85	53	276
Property, plant and equipment	196	25	–	221
Goodwill	243	11	–	254
Other assets	51	(3)	–	48
Long-lived assets held by discontinued operations	490	33	–	523
Accounts payable and accrued liabilities	(63)	(53)	(54)	(170)
Current portion of long-term debt, without recourse to Onex	(13)	(119)	–	(132)
Current liabilities held by discontinued operations	(76)	(172)	(54)	(302)
Long-term debt, without recourse to Onex	(231)	1	–	(230)
Other liabilities and non-controlling interests	(310)	(5)	–	(315)
Long-term liabilities held by discontinued operations	(541)	(4)	–	(545)
Net assets (liabilities) of discontinued operations	$ 11	$ (58)	$ (1)	$ (48)

3. MAGNATRAX

The decline in the engineered metal building industry over the past three years combined with higher steel prices due to the imposition of U.S. import tariffs on steel resulted in MAGNATRAX being unable to meet the financial requirements under its lending agreements. Onex and management of MAGNATRAX have been working with the senior debt holders and other creditor groups to arrange a restructuring of MAGNATRAX' debts. During the second quarter of 2003, MAGNATRAX filed for protection under the bankruptcy codes in both the United States and Canada. In the third quarter, the Canadian operations emerged from bankruptcy protection resulting in MAGNATRAX having no ownership interest and Onex having a minimal ownership interest in and ceasing to control the Canadian operations (note 2). It is contemplated that the U.S. operations will complete their restructuring in the fourth quarter and, once that is completed, it is expected that Onex will have a minimal ownership interest in and will cease to control MAGNATRAX.

Until an agreement is reached with MAGNATRAX' lenders, the company has classified $73 of accounts payable and accrued liabilities, $103 of other long-term liabilities and $301 of long-term debt as liabilities subject to compromise. The remaining $26 of long-term debt is classified as current in Onex' unaudited interim consolidated financial statements. Onex does not guarantee any of the debt or liabilities of MAGNATRAX.

No adjustments, other than those described above, have been made to the carrying amount of the assets or liabilities of MAGNATRAX in the unaudited interim consolidated balance sheets. The net book value of the investment in MAGNATRAX recorded in the unaudited interim consolidated financial statements at September 30, 2003 is a negative $274. Thus, when Onex' equity ownership in MAGNATRAX is disposed of or eliminated in its entirety, a gain would be recorded in the unaudited interim consolidated financial statements.

The following amounts for MAGNATRAX are included in the September 30, 2003 and December 31, 2002 consolidated balance sheets:

	September 30, 2003	December 31, 2002
Cash and short-term investments	**$ 1**	$ 23
Accounts receivable	**89**	140
Inventories	**68**	101
Property, plant and equipment	**72**	122
Goodwill	**41**	60
Intangible assets	**29**	36
Other assets	**23**	47
Accounts payable and accrued liabilities	**(42)**	(172)
Liabilities subject to compromise	**(477)**	–
Current debt, without recourse to Onex	**(26)**	(482)
Other liabilities and non-controlling interests	**(10)**	(29)
Cumulative translation adjustment	**(42)**	(9)
Net liabilities	**$ (274)**	$ (163)

The December 31, 2002 net liabilities include net liabilities of discontinued operations of $58 (see note 2). For statements of earnings information regarding MAGNATRAX, see note 15, "Information by Industry Segment" under the segment "Engineered Building Products".

4. CORPORATE INVESTMENTS

During the first nine months of 2003 the following acquisitions, which were accounted for as purchases, were completed through subsidiaries of Onex. Any third-party borrowings in respect of the acquisitions are without recourse to Onex.

a) In July 2003 Dura Automotive completed the acquisition of the Creation Group. The Creation Group is headquartered in Indiana, USA, and is a premier designer and manufacturer of windows, doors and specialty products for the North American recreational vehicle, motor vehicle accessories and manufactured housing markets. The total purchase price of $81 was financed with cash on hand at Dura Automotive.

b) In March 2003 ONCAP completed the acquisition of Western Inventory Service Ltd. ("WIS"). WIS is a leading North American provider of data collection and inventory counting services headquartered in Ontario, Canada. The total purchase price of $73 was financed with $61 of borrowings, of which third-party borrowings are without recourse to Onex or ONCAP, and $12 of equity. ONCAP invested $18 in the debt and $12 in the equity of WIS, of which Onex' share was $4 and $3, respectively. Onex has indirect voting control of WIS.

The purchase price of the acquisitions were allocated to the net assets acquired based on their relative fair values at the date of acquisition. The companies are obtaining third-party valuations of certain assets, which could result in further refinement of the fair-value allocation of the purchase price.

Details of the 2003 acquisitions, which were accounted for as purchases, are as follows:

	Dura Automotive[a]	ONCAP[b]
Cash	$ –	$ 6
Current assets	35	8
Goodwill	40	50
Intangible assets	–	20
Property, plant and equipment and other long-term assets	22	8
	97	92
Current liabilities	(16)	(19)
Acquisition financing	–	(61)
	81	12
Non-controlling interests in net assets	–	(9)
Increase in net assets acquired	$ 81	$ 3

5. 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, 2002 audited annual consolidated financial statements.

In March 2003, Bostrom Holding, Inc. ("Bostrom") and CVS Holdings, Inc. ("CVS") entered into an agreement and plan of merger whereby Bostrom and CVS were merged. The holders of the outstanding shares of CVS received, in exchange, shares of Bostrom on a one-for-one basis.

In connection with this merger, Bostrom entered into an amended and restated credit agreement. The credit agreement is a multi-currency facility that provides for revolving credit facilities of US$35 and total term loan facilities of US$56. As at September 30, 2003, the outstanding borrowings under the revolving credit and term loan facilities were US$18 and US$56, respectively. Borrowings under these credit facilities bear interest at various rates plus a margin based on certain financial ratios of the company. The credit agreement matures in January 2006 and requires quarterly repayments. The credit agreement contains various restrictive financial covenants and is secured by substantially all of the assets of the merged Bostrom entity.

Performance Logistics Group ("PLG") had achieved compliance with its debt covenants as at September 30, 2003. Accounting principles necessitate the evaluation of the company's ability to meet the requirements of its existing debt agreements over the next 12 months for the debt to remain classified as long term. Management of PLG is not certain that the company will be able to achieve compliance with its current debt covenant requirements through to September 30, 2004. Accordingly, $77 of PLG's long-term debt has been classified as current on the unaudited interim consolidated balance sheet as at September 30, 2003. The company is in discussions with its lenders and other parties on alternative solutions that would enable the company to achieve compliance with debt covenant requirements in the future. While management of PLG believes that a satisfactory resolution can be achieved, accounting rules require that the debt be classified as current until such time. The debt of PLG is non-recourse to Onex. No adjustment has been made in the unaudited interim consolidated financial statements to the carrying value of PLG. The net book value of the investment in PLG in the unaudited interim consolidated financial statements at September 30, 2003 is $41.

6. GAINS (LOSS) ON SHARES OF OPERATING COMPANIES, NET

The major transactions and the resulting pre-tax gains are summarized and described as follows:

	Three months ended September 30		Nine months ended September 30	
	2003	2002	**2003**	2002
Gains (loss) on:				
Vencap sale of operating company[a]	**$ –**	$ –	**$ 16**	$ –
Other, net	**(1)**	–	**(3)**	8
	$ (1)	$ –	**$ 13**	$ 8

(a) Vencap received proceeds of $20 on the disposition of its remaining interest in an operating company.

7. ACQUISITION, RESTRUCTURING AND OTHER EXPENSES

	Three months ended September 30		Nine months ended September 30	
	2003	2002	**2003**	2002
Celestica	**$ 67**	$ 204	**$ 96**	$ 226
Loews Cineplex	**–**	1	**5**	1
Other	**(1)**	–	**8**	7
	$ 66	$ 205	**$ 109**	$ 234

Acquisition costs incurred relate to the implementation of business processes, infrastructure and information systems for operations acquired.

Restructuring charges are typically to provide for the costs of facility consolidations and workforce reductions.

8. WRITEDOWN OF GOODWILL

Reviews in the third quarter of 2003 of unamortized goodwill indicated that certain amounts were not likely to be recoverable.

During the third quarter of 2003, J.L. French completed its annual assessment in accordance with the new accounting standards. Management determined that the fair market value of goodwill associated with certain operating units was lower than the book value of those particular reporting units. This resulted in an impairment to recorded goodwill of approximately $214.

Radian completed its annual impairment test of goodwill during the third quarter. The slowdown in the telecommunications sector arising from tightened capital markets and capital-spending restrictions by wireless service providers has impacted revenues and operating results across the sector, resulting in further declines in the fair values of these businesses. As a result, Radian determined that its goodwill was impaired, and consequently recognized a goodwill impairment charge of $8.

9. EARNINGS PER SHARE

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

	Three months ended September 30		Nine months ended September 30	
	2003	2002	**2003**	2002
Weighted average number of shares outstanding				
Basic	**152,780,000**	160,760,000	**154,404,000**	160,704,000
Diluted	**152,780,000**	160,760,000	**154,404,000**	160,704,000

10. SHARE CAPITAL

As at September 30, 2003, Onex' issued and outstanding share capital consisted of 152,624,086 (2002 – 160,780,941) Subordinate Voting Shares, 100,000 Multiple Voting Shares and 176,078 Series 1 Senior Preferred Shares.

During the first nine months of 2003, under the Dividend Reinvestment Plan, the Company issued 243,485 (2002 – 154,321) Subordinate Voting Shares at a total value of $3 (2002 – $3). As well, 55,000 (2002 – 50,000) Subordinate Voting Shares were issued upon the exercise of stock options of the Company at a value of $1 (2002 – $1).

The Company repurchased and cancelled under a Normal Course Issuer Bid during the first nine months of 2003 6,903,200 (2002 – nil) of its Subordinate Voting Shares at a cost of $97 (2002 – nil).

During the first quarter, 710,000 options to acquire Subordinate Voting Shares were issued under the Company's Stock Option Plan with an exercise price of $14.90, which was the market price of the shares at the time of the issuance of the options.

11. STOCK-BASED COMPENSATION

Included in the unaudited interim consolidated statements of earnings for the three months ended September 30, 2003 is a stock-based compensation recovery of $7 compared to $41 in the three months ended September 30, 2002. For the nine months ended September 30, 2003, there was a stock-based compensation recovery of $8 compared to $114 in the first nine months of 2002. The recovery is as a result of the change in the market value of the shares underlying the options and investment rights.

For the operating companies that do not record the effect of stock options through the statements of earnings, the table below shows pro forma net earnings (loss) and earnings (loss) per share adjusted for the effect of stock option plans at those operating companies.

Pro forma after the effect of operating	Three months ended September 30		Nine months ended September 30	
companies' stock option plans	**2003**	2002	**2003**	2002
Pro forma net earnings (loss)	**$ (292)**	$ 33	**$ (498)**	$ 101
Basic earnings (loss) per share	**$ (1.91)**	$ 0.21	**$ (3.23)**	$ 0.63
Diluted earnings (loss) per share	**$ (1.91)**	$ 0.21	**$ (3.23)**	$ 0.63

12. SUPPLEMENTAL CASH FLOW INFORMATION

Paid during the period:

	Three months ended September 30		Nine months ended September 30	
	2003	2002	**2003**	2002
Interest	**$ 47**	$ 68	**$ 206**	$ 264
Taxes	**$ 24**	$ 18	**$ 40**	$ 38

13. COMMITMENTS AND GUARANTEES

Effective January 1, 2003, the Company adopted the new disclosure requirements of Accounting Guideline 14 of the *CICA Handbook* in respect of guarantees. This new disclosure should be read in conjunction with the disclosures provided in the audited annual consolidated financial statements.

Contingent liabilities in the form of letters of credit, letters of guarantee, surety and performance bonds are provided by certain operating companies to various third parties and include certain bank guarantees. At September 30, 2003 the amounts payable in respect of these guarantees amounted to $204. In addition, certain operating companies have also made guarantees with respect to the liabilities of joint ventures, which amounted to $113 at September 30, 2003. These guarantees are without recourse to Onex. The Company has commitments in the total amount of approximately $141 in respect of corporate investments.

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

The Company and its operating companies continue to have commitments in respect of real estate leases, which are disclosed in the audited annual consolidated financial statements. An operating company has a real estate lease, expiring in 2004, which provides that, in certain circumstances, the operating company may be required to guarantee minimum proceeds of US$37 to the lessor on the sale of the underlying real estate. Onex' operating companies have aggregate capital commitments of $181 as at September 30, 2003.

A subsidiary of Onex may be required to purchase from Oaktree Capital its approximate 40% interest in Loews Cineplex on or about the third or fifth anniversary of the acquisition of Loews Cineplex. Loews Cineplex was acquired in March 2002. The cost of such purchase on the third or fifth anniversary would be based on a defined calculation referenced to operating earnings of Loews Cineplex with no minimum purchase price commitment.

14. SUBSEQUENT EVENTS

Onex and 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.

In early October, Onex announced that a preliminary prospectus had been filed with the Canadian securities regulatory authorities for an initial public offering of units of the Cineplex Galaxy Income Fund. Proceeds from the offering will be invested in Cineplex Galaxy Limited Partnership, which will acquire the assets of Cineplex Odeon Corporation, the Canadian subsidiary of Loews Cineplex Entertainment Corporation, and the shares of Galaxy Entertainment Inc. from Onex and other shareholders. The partnership will own, operate or have an interest in 81 theatres with 731 screens in six provinces. The transaction is expected to close in the fourth quarter of 2003. Loews Cineplex has received approval from all the members of its bank syndicate to amend its credit facility to provide for this transaction.

15. INFORMATION BY INDUSTRY SEGMENT

(Unaudited) *(in millions of dollars)* ***Three months ended September 30, 2003***	**Electronics Manufacturing Services**	**Customer Management Services**	**Theatre Exhibition**	**Automotive Products**	**Engineered Building Products**	**Other[a]**	**Consolidated Total**
Revenues	**$ 2,250**	**$ 148**	**$ 446**	**$ 1,075**	**$ 188**	**$ 159**	**$ 4,266**
Earnings (loss) before the undernoted items	**$ 45**	**$ 1**	**$ 89**	**$ 95**	**$ (11)**	**$ (9)**	**$ 210**
Amortization of property, plant and equipment	**(58)**	**(11)**	**(37)**	**(43)**	**(5)**	**(7)**	**(161)**
Amortization of intangible assets and deferred charges	**(16)**	**(4)**	**(2)**	**(1)**	**(1)**	**(3)**	**(27)**
Interest expense of operating companies	**(2)**	**(5)**	**(14)**	**(60)**	**(1)**	**(2)**	**(84)**
Interest and other income	**2**	**–**	**2**	**1**	**–**	**3**	**8**
Foreign exchange gains (loss)	**6**	**–**	**–**	**(2)**	**–**	**8**	**12**
Stock-based compensation	**–**	**(1)**	**–**	**–**	**–**	**8**	**7**
Loss on shares of operating companies, net	**–**	**–**	**–**	**–**	**–**	**(1)**	**(1)**
Acquisition, restructuring and other expenses	**(67)**	**–**	**–**	**2**	**–**	**(1)**	**(66)**
Writedown of goodwill	**–**	**–**	**–**	**(214)**	**–**	**(8)**	**(222)**
Writedown of long-lived assets	**–**	**–**	**–**	**(9)**	**–**	**6**	**(3)**
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	**$ (90)**	**$ (20)**	**$ 38**	**$ (231)**	**$ (18)**	**$ (6)**	**(327)**
Provision for income taxes							**(16)**
Non-controlling interests of operating companies							**49**
Loss from continuing operations							**(294)**
Earnings from discontinued operations							**7**
Net loss							**$ (287)**

(a) Includes Radian, InsLogic, ONCAP and parent company.

15. INFORMATION BY INDUSTRY SEGMENT (cont'd)

(Unaudited) *(in millions of dollars)* ***Three months ended September 30, 2002***	Electronics Manufacturing Services	Customer Management Services	Theatre Exhibition	Automotive Products	Engineered Building Products	Other[a]	Consolidated Total
Revenues	$ 3,067	$ 158	$ 451	$ 1,296	$ 227	$ 43	$ 5,242
Earnings (loss) before the undernoted items	$ 179	$ 8	$ 78	$ 146	$ 6	$ (5)	$ 412
Amortization of property, plant and equipment	(84)	(12)	(34)	(51)	(7)	(6)	(194)
Amortization of intangible assets and deferred charges	(45)	(5)	(1)	(2)	(1)	(2)	(56)
Interest expense of operating companies	(5)	(4)	(22)	(64)	(11)	(7)	(113)
Interest and other income	8	–	5	1	–	8	22
Foreign exchange gains (loss)	(4)	–	–	(1)	–	38	33
Stock-based compensation	–	(1)	–	–	–	42	41
Acquisition, restructuring and other expenses	(204)	–	(1)	1	(1)	–	(205)
Debt prepayment costs	(15)	–	–	–	–	–	(15)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	$ (170)	$ (14)	$ 25	$ 30	$ (14)	$ 68	(75)
Recovery of income taxes							13
Non-controlling interests of operating companies							86
Earnings from continuing operations							24
Earnings from discontinued operations							10
Net earnings							$ 34

(a) Includes Radian, InsLogic, ONCAP and parent company.

15. INFORMATION BY INDUSTRY SEGMENT (cont'd)

(Unaudited) *(in millions of dollars)* ***Nine months ended September 30, 2003***	Electronics Manufacturing Services	Customer Management Services	Theatre Exhibition	Automotive Products	Engineered Building Products	Other[(a)]	Consolidated Total
Revenues	$ 6,865	$ 452	$ 1,306	$ 3,561	$ 506	$ 451	$ 13,141
Earnings (loss) before the undernoted items	$ 165	$ 15	$ 227	$ 375	$ (25)	$ (12)	$ 745
Amortization of property, plant and equipment	(185)	(34)	(108)	(141)	(13)	(21)	(502)
Amortization of intangible assets and deferred charges	(52)	(13)	(5)	(1)	(2)	(8)	(81)
Interest expense of operating companies	(6)	(12)	(45)	(194)	(17)	(12)	(286)
Interest and other income	13	–	6	4	(1)	23	45
Foreign exchange gains (loss)	11	1	1	(9)	(1)	(95)	(92)
Stock-based compensation	–	(1)	–	–	–	9	8
Gains on shares of operating companies, net	–	–	–	–	–	13	13
Acquisition, restructuring and other expenses	(96)	–	(5)	(2)	–	(6)	(109)
Debt prepayment costs	–	–	–	(9)	–	–	(9)
Writedown of goodwill	–	–	–	(214)	–	(8)	(222)
Writedown of long-lived assets	–	–	–	(9)	–	–	(9)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	$ (150)	$ (44)	$ 71	$ (200)	$ (59)	$ (117)	(499)
Provision for income taxes							(44)
Non-controlling interests of operating companies							46
Loss from continuing operations							(497)
Earnings from discontinued operations							13
Net loss							$ (484)
Total assets	$ 6,958	$ 254	$ 2,061	$ 3,754	$ 322	$ 2,094	$ 15,443
Long-term debt[(b)]	$ –	$ 203	$ 802	$ 2,655	$ 26	$ 202	$ 3,888

(a) Includes Radian, InsLogic, ONCAP and parent company.
(b) Long-term debt includes current portion and excludes capital leases.

15. INFORMATION BY INDUSTRY SEGMENT (cont'd)

(Unaudited) *(in millions of dollars)* ***Nine months ended September 30, 2002***	Electronics Manufacturing Services	Customer Management Services	Theatre Exhibition	Automotive Products	Engineered Building Products	Other[a]	Consolidated Total
Revenues	$ 9,987	$ 457	$ 858	$ 4,068	$ 614	$ 465	$ 16,449
Earnings (loss) before the undernoted items	$ 602	$ 30	$ 148	$ 498	$ 25	$ (4)	$ 1,299
Amortization of property, plant and equipment	(258)	(36)	(62)	(151)	(23)	(33)	(563)
Amortization of intangible assets and deferred charges	(114)	(13)	(1)	(5)	(2)	(3)	(138)
Interest expense of operating companies	(23)	(13)	(38)	(191)	(34)	(17)	(316)
Interest and other income	20	–	5	3	–	37	65
Foreign exchange gains (loss)	(6)	(1)	–	(1)	–	18	10
Stock-based compensation	–	(2)	–	–	–	116	114
Gains on shares of operating companies, net	–	–	–	–	–	8	8
Acquisition, restructuring and other expenses	(226)	–	(1)	(2)	(2)	(3)	(234)
Debt prepayment costs	(15)	–	–	(9)	–	–	(24)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	$ (20)	$ (35)	$ 51	$ 142	$ (36)	$ 119	221
Provision for income taxes							(37)
Non-controlling interests of operating companies							(87)
Earnings from continuing operations							97
Earnings from discontinued operations							8
Net earnings							$ 105
Total assets	$ 9,161	$ 338	$ 2,539	$ 4,487	$ 529	$ 2,836	$ 19,890
Long-term debt[b]	$ –	$ 237	$ 1,048	$ 3,054	$ 482	$ 403	$ 5,224

(a) Includes Radian, InsLogic, ONCAP and parent company.

(b) Long-term debt includes current portion and excludes capital leases.

Shareholder Information

Third Quarter Dividend

A dividend of $0.0275 per Subordinate Voting Share was paid on October 31, 2003 to shareholders of record as of October 10, 2003.

Dividend Reinvestment Plan

Onex has a Dividend Reinvestment Plan that provides a means for resident Canadian holders of Onex' Subordinate Voting Shares to reinvest cash dividends into new Subordinate Voting Shares issued by Onex at a 5 percent discount to a market-related value and without payment of brokerage commissions. To participate, registered shareholders should contact Onex' share registrar, CIBC Mellon Trust Company, at the address below. Non-registered shareholders should contact their investment dealer or broker and indicate their desire to participate.

Stock Listing

Toronto Stock Exchange
Symbol: OCX

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.

Offices

Toronto
Onex Corporation
161 Bay Street, P.O. Box 700
Toronto, Ontario M5J 2S1

New York
Onex Investment Corp.
712 Fifth Avenue, 40th Floor
New York, New York, USA 10019

Website

www.onex.com

E-mail

info@onex.com

ONEX