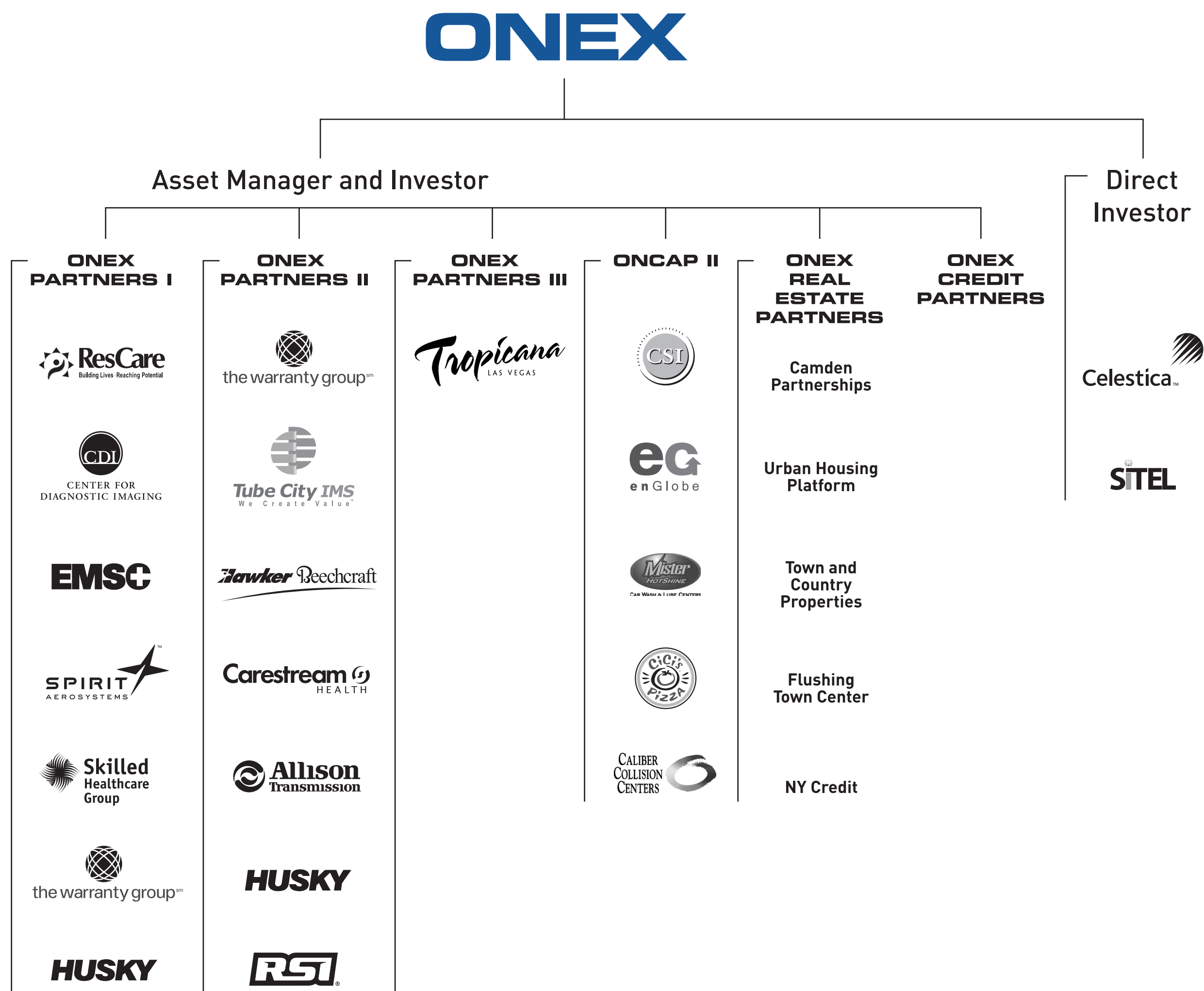
Management's Discussion and Analysis and Financial Statements

Second Quarter Ended June 30, 2009

THE ONEX OPERATING COMPANIES

Onex' businesses generate annual revenues of $33 billion, have assets of $40 billion and employ 211,000 people worldwide.



The investment in The Warranty Group is split almost equally between Onex Partners I and II.
The investment in Husky is split approximately 20%/80% between Onex Partners I and II, respectively.
The investment in Tropicana Las Vegas was completed on July 1, 2009.

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ONEX CORPORATION

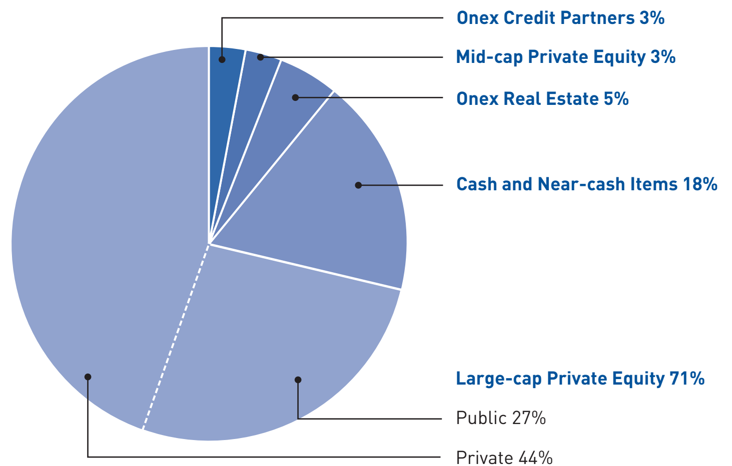
A Leading Private Equity Investor and Asset Manager

Founded in 1984, Onex is one of North America's oldest and most successful private equity investors and asset managers. Onex has completed more than 260 acquisitions valued at approximately $43 billion. Employing a disciplined, active ownership investment approach in these acquisitions, Onex has generated 3.3 times the capital it has invested and managed, earning a 29 percent compound IRR on realized and publicly traded investments.

Onex' $3.7 billion of proprietary capital continues to be invested largely through Onex Partners, its large-cap private equity investing operations. Onex invests in ONCAP (mid-cap private equity), Onex Real Estate Partners and Onex Credit Partners. Onex, as always, maintained a strong balance sheet with ample cash on hand and no debt at the parent company.

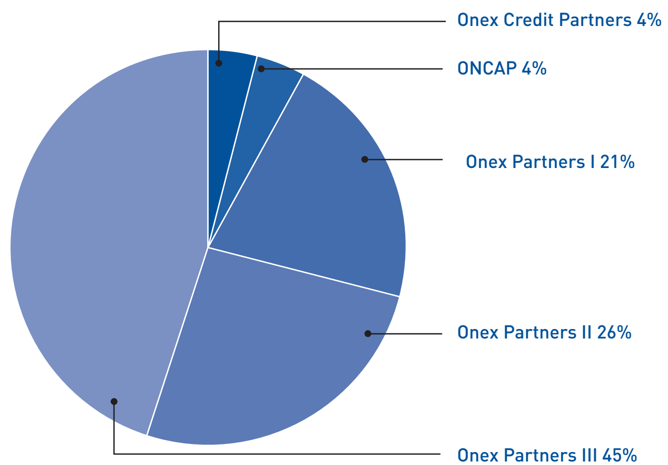
Onex has approximately US$6.7 billion of third-party, fee-earning assets under management in Onex Partners, ONCAP and Onex Credit Partners. These Funds generate a stable and growing stream of annual management fees that more than offsets Onex' overhead. In addition, Onex is entitled to a carried interest on managed capital that, if realized, could significantly enhance Onex' investment returns.

Onex Invested Capital



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

Third-Party Assets Under Management



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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

The following interim MD&A is the responsibility of management and is as of August 12, 2009. The Board of Directors carries out its responsibility for the review of this disclosure through its Audit and Corporate Governance Committee, comprised exclusively of independent directors. The Audit and Corporate Governance Committee has reviewed and approved the disclosure.

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

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

Forward-Looking/Safe Harbour Statements

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

Cautionary Statement Regarding Use of Non-GAAP Accounting Measures

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

INDUSTRY SEGMENTS

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

Industry Segments	Companies	Onex Manages[a]	Onex' Economic/ Voting Ownership
Electronics Manufacturing Services	**Celestica Inc.** (TSX/NYSE: CLS), a global provider of electronics manufacturing services (website: www.celestica.com). **Onex shares held: 27.3 million**	–	12%[b]/79%
Aerostructures	**Spirit AeroSystems, Inc.** (NYSE: SPR), the world's largest independent designer and manufacturer of aerostructures (website: www.spiritaero.com). **Onex shares held: 8.6 million** **Onex Partners I shares subject to a carried interest: 17.2 million**	23%	6%[b]/77%
Healthcare	**Emergency Medical Services Corporation** (NYSE: EMS), the leading provider of emergency medical services in the United States (website: www.emsc.net). **Onex shares held: 12.1 million** **Onex Partners I shares subject to a carried interest: 16.3 million**	75%	28%/97%
	Center for Diagnostic Imaging, Inc., a U.S. provider of diagnostic and therapeutic radiology services (website: www.cdiradiology.com). **Total Onex, Onex Partners I and Onex management investment at cost: $88 million (US$73 million)** **Onex portion: $21 million (US$17 million)** **Onex Partners I portion subject to a carried interest: $64 million (US$53 million)**	81%	19%/100%
	Skilled Healthcare Group, Inc. (NYSE: SKH), an organization of skilled nursing and assisted living facilities operators in the United States (website: www.skilledhealthcaregroup.com). **Onex shares held: 3.5 million** **Onex Partners I shares subject to a carried interest: 10.7 million**	40%	9%/89%
	Carestream Health, Inc., a global provider of medical and dental imaging and healthcare information technology solutions (website: www.carestreamhealth.com). **Total Onex, Onex Partners II and Onex management investment at cost: $521 million (US$471 million)** **Onex portion: $206 million (US$186 million)** **Onex Partners II portion subject to a carried interest: $292 million (US$266 million)**	99%	39%/100%
	Res-Care, Inc.[c] (NASDAQ: RSCR), the largest U.S. provider of residential, training, educational and support services for people with disabilities and special needs (website: www.rescare.com). **Onex shares held: 2.0 million** **Onex Partners I shares subject to a carried interest: 6.2 million**	25%	6%/(d)

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

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

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

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

Industry Segments	Companies	Onex Manages[a]	Onex' Economic/ Voting Ownership
Financial Services	**The Warranty Group, Inc.,** the world's largest provider of extended warranty contracts (website: www.thewarrantygroup.com). **Total Onex, Onex Partners I, Onex Partners II and Onex management investment at cost: $556 million (US$488 million)** **Onex portion: $175 million (US$154 million)** **Onex Partners I portion subject to a carried interest: $204 million (US$178 million)** **Onex Partners II portion subject to a carried interest: $155 million (US$137 million)**	96%	29%/100%
Customer Support Services	**Sitel Worldwide Corporation,** a global provider of outsourced customer care services (website: www.sitel.com). **Onex investment at cost: $340 million (US$251 million)**	–	66%/88%
Metal Services	**Tube City IMS Corporation,** an outsourced services provider to steel mills (website: www.tubecityims.com). **Total Onex, Onex Partners II and Onex management investment at cost: $297 million (US$249 million)** **Onex portion: $117 million (US$98 million)** **Onex Partners II portion subject to a carried interest: $168 million (US$140 million)**	91%	34%/100%
Other Businesses			
• *Aircraft & Aftermarket*	**Hawker Beechcraft Corporation[b],** the largest privately owned designer and manufacturer of business jet, turboprop and piston aircraft (website: www.hawkerbeechcraft.com). **Total Onex, Onex Partners II and Onex management investment at cost: $564 million (US$485 million)** **Onex portion: $223 million (US$191 million)** **Onex Partners II portion subject to a carried interest: $319 million (US$274 million)**	49%	19%/(c)
• *Commercial Vehicles*	**Allison Transmission, Inc.[b],** the world leader in the design and manufacture of automatic transmissions for on-highway trucks and buses, off-highway equipment and military vehicles (website: www.allisontransmission.com). **Total Onex, Onex Partners II, certain limited partners and Onex management investment at cost: $805 million (US$763 million)** **Onex portion: $250 million (US$237 million)** **Onex Partners II portion subject to a carried interest: $357 million (US$339 million)**	49%	15%/(c)
• *Injection Molding*	**Husky Injection Molding Systems Ltd.,** the leading global supplier of injection molding equipment and services to the PET plastics industry (website: www.husky.ca). **Total Onex, Onex Partners I, Onex Partners II and Onex management investment at cost: $626 million (US$622 million)** **Onex portion: $226 million (US$225 million)** **Onex Partners I portion subject to a carried interest: $97 million (US$96 million)** **Onex Partners II portion subject to a carried interest: $278 million (US$276 million)**	99%	36%/100%
• *Gaming*	**Tropicana Las Vegas, Inc.[d],** located directly on the Las Vegas Strip, Tropicana Las Vegas is one of the best-known and most storied casinos in the United States (www.tropicanalv.com). **Total Onex, Onex Partners III and Onex management investment in the equity: $159 million (US$137 million)** **Onex portion: $36 million (US$31 million)** **Onex Partners III portion subject to a carried interest: $111 million (US$95 million)**	59%	13%/(e)

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

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

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

(d) At June 30, 2009, Onex and Onex Partners III held debt in Tropicana Las Vegas, which was converted to equity on July 1, 2009, giving Onex and Onex Partners III voting control of the business.

(e) Onex appoints the majority of the Board of Directors of Tropicana Las Vegas.

Industry Segments	Companies	Onex Manages[a]	Onex' Economic/ Voting Ownership
Other Businesses (cont'd)			
• *Building Products*	**RSI Home Products, Inc.[b],** a leading manufacturer of kitchen, bathroom, and home organization cabinetry sold through home center retailers, independent kitchen and bath dealers and other distributors (www.rsiholdingcorp.com). **Total Onex, Onex Partners II and Onex management investment at cost: $338 million (US$318 million)** **Onex portion: $133 million (US$126 million)** **Onex Partners II portion subject to a carried interest: $190 million (US$179 million)**	50%	20%/50%[c]
• *Mid-cap Opportunities*	**ONCAP,** a private equity fund focused on acquiring and building the value of mid-capitalization companies based in North America (website: www.oncap.com). ONCAP II actively manages investments in CSI Global Education Inc., EnGlobe Corp. (TSX: EG), Mister Car Wash, CiCi's Pizza and Caliber Collision Centers. **Total Onex, ONCAP II and Onex management investment at cost: $264 million** **Onex portion: $117 million** **ONCAP II portion: $131 million**	–	44%/100%
• *Real Estate*	**Onex Real Estate Partners,** a platform dedicated to acquiring and improving real estate assets in North America. **Onex investment in Onex Real Estate transactions at cost: $202 million (US$188 million)[d]**	–	86%/100%
• *Credit Securities*	**Onex Credit Partners,** a credit investing platform focused on generating attractive risk-adjusted returns through the purchase of undervalued credit securities. **Onex investment in Onex Credit Partners' funds at market: $88 million (US$76 million)**	–	50%[e]/50%[c]

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

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

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

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

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

FINANCIAL REVIEW

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

CONSOLIDATED OPERATING RESULTS

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

Accounting policies and estimates

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

New accounting policies in 2009

Goodwill and intangible assets

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

Credit risk and fair value of financial assets and financial liabilities

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

Financial instruments – disclosures

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

Variability of results

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

U.S. dollar to Canadian dollar exchange rate movement

Since most of Onex' operating companies report in U.S. dollars, the upward or downward movement of the U.S. dollar to Canadian dollar exchange rate for the three and six months ended June 30, 2009 compared to the same periods last year will affect Onex' reported consolidated results of operations. During the second quarter of 2009, the average U.S. dollar to Canadian dollar exchange rate was 1.1672 Canadian dollars, approximately 16 percent higher compared to 1.0100 Canadian dollars for the second quarter of 2008. For the first six months of 2009, the average U.S. dollar to Canadian dollar exchange rate was 1.2062 Canadian dollars, 20 percent higher compared to 1.0070 Canadian dollars for the first half of 2008.

Acquisitions and dispositions

Sale of Cineplex

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

Disposition of CEI

At the end of 2008, Cosmetic Essence, Inc. ("CEI") was in violation of certain of its debt covenants. In 2009, CEI discussed a restructuring of its debt with its lenders but was unable to reach an agreement. Therefore, in early May 2009, Onex contributed its ownership in CEI's securities to an entity controlled by CEI's lenders, who agreed to provide additional liquidity to CEI. At that time, Onex and Onex Partners I ceased to have an equity ownership in the business. Onex' and Onex Partners I's original December 2004 investment in CEI was $138 million, of which Onex' portion was $32 million. As a result of previously recorded losses of CEI, Onex' investment in the company had a negative carrying value of $20 million. Therefore, Onex recorded a non-cash accounting gain of $20 million in the second quarter of 2009 arising from the disposition of its ownership interest in CEI.

Acquisition of Tropicana Las Vegas

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

On May 5, 2009, the U.S. Bankruptcy Court confirmed the company's plan of reorganization. The plan provided for the secured creditors, including Onex, to receive 100 percent of the equity in the Las Vegas property, and for Alex Yemenidjian, former President of MGM Mirage and Onex' partner, to be appointed Chief Executive Officer of the company. On July 1, 2009, the new company, now operating as Tropicana Las Vegas, Inc. ("Tropicana Las Vegas"), emerged from bankruptcy with no debt and approximately US$10 million in cash. This investment is the first investment made through Onex Partners III. Onex, Onex Partners III and Onex management have approximately US$137 million of equity in the new company for a 59 percent ownership interest. This includes Mr. Yemenidjian, who has a 3 percent ownership interest. Onex' portion of this investment was US$31 million which represents a 13 percent ownership interest. Beginning in the third quarter of 2009, Tropicana Las Vegas will be consolidated in Onex' financial statements.

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

As part of the plan of reorganization, creditors were given the opportunity to subscribe to a US$75 million rights offering for funds to renovate the Tropicana Las Vegas facilities. In August 2009, the company will ask subscribers to provide this capital. Onex' and Onex Partners III's investment under the rights offering will be US$58 million, of which Onex' share will be US$13 million.

2009 market environment

The economic downturn that began in 2008 continued into the first half of 2009. Onex' operating companies have not been immune to the slowdown, which has been reflected in decreased revenues for many of our businesses. The global credit markets, while improving, are still very challenging for significant acquisitions. The credit market dampens opportunities for realizations on existing businesses. The discussions that follow identify those material factors that affected Onex' operating segments and Onex' unaudited interim consolidated results for the three and six months ended June 30, 2009.

Consolidated revenues and cost of sales

Consolidated revenues were $6.1 billion for the second quarter of 2009, down 10 percent from $6.8 billion for the same quarter of 2008. Consolidated cost of sales was $4.9 billion for the three months ended June 30, 2009, a decrease of 11 percent from $5.5 billion for the same period last year.

For the six months ended June 30, 2009, revenues were down 3 percent to $12.6 billion from $13.0 billion for the first half of 2008. Consolidated cost of sales was $9.9 billion for the first six months of 2009, down 6 percent from $10.5 billion for the same period of 2008.

The reported revenues and cost of sales of Onex' U.S.-based operating companies in Canadian dollars may not reflect the true nature of the operating results of those operating companies due to the translation of those amounts and the associated fluctuation of the U.S. dollar to the Canadian dollar exchange rate. In table 1 below, revenues and cost of sales by industry segment are presented in Canadian dollars as well as in the functional currency of the companies for the three and six months ended June 30, 2009 and 2008. The percentage change in revenues and cost of sales in Canadian dollars and in the functional currency of the companies for these periods is also shown. The discussions of revenues and cost of sales by industry segment that follow are in the companies' functional currencies in order to eliminate the impact of foreign currency translation on those revenues and cost of sales.

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

TABLE 1 *(Unaudited) ($ millions)*

Revenues	Canadian Dollars			Functional Currency		
Three months ended June 30	**2009**	2008	**Change (%)**	**2009**	2008	**Change (%)**
Electronics Manufacturing Services	**$ 1,621**	$ 1,897	**(15)%**	**US$ 1,403**	US$ 1,876	**(25)%**
Aerostructures	**1,240**	1,073	**16 %**	**US$ 1,060**	US$ 1,062	**–**
Healthcare	**1,694**	1,458	**16 %**	**US$ 1,454**	US$ 1,443	**1 %**
Financial Services	**342**	334	**2 %**	**US$ 292**	US$ 331	**(12)%**
Customer Support Services	**453**	451	**–**	**US$ 388**	US$ 446	**(13)%**
Metal Services	**276**	1,015	**(73)%**	**US$ 237**	US$ 1,004	**(76)%**
Other[a]	**505**	587	**(14)%**	**C$ 505**	C$ 587	**(14)%**
Total	**$ 6,131**	$ 6,815	**(10)%**			

(Unaudited) ($ millions)

Cost of Sales	Canadian Dollars			Functional Currency		
Three months ended June 30	**2009**	2008	**Change (%)**	**2009**	2008	**Change (%)**
Electronics Manufacturing Services	**$ 1,480**	$ 1,748	**(15)%**	**US$ 1,279**	US$ 1,729	**(26)%**
Aerostructures	**1,156**	858	**35 %**	**US$ 994**	US$ 849	**17 %**
Healthcare	**1,229**	1,073	**15 %**	**US$ 1,055**	US$ 1,062	**(1)%**
Financial Services	**170**	158	**8 %**	**US$ 145**	US$ 157	**(8)%**
Customer Support Services	**292**	294	**(1)%**	**US$ 250**	US$ 292	**(14)%**
Metal Services	**244**	965	**(75)%**	**US$ 210**	US$ 955	**(78)%**
Other[a]	**315**	405	**(22)%**	**C$ 315**	C$ 405	**(22)%**
Total	**$ 4,886**	$ 5,501	**(11)%**			

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

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

Revenues and Cost of Sales by Industry Segment for the Six-Month Period Ended June 30

TABLE 1 *(Unaudited) ($ millions)*

Revenues	Canadian Dollars			Functional Currency		
Six months ended June 30	**2009**	2008	**Change (%)**	**2009**	2008	**Change (%)**
Electronics Manufacturing Services	**$ 3,451**	$ 3,740	**(8)%**	**US$ 2,872**	US$ 3,712	**(23)%**
Aerostructures	**2,345**	2,114	**11 %**	**US$ 1,947**	US$ 2,098	**(7)%**
Healthcare	**3,361**	2,811	**20 %**	**US$ 2,793**	US$ 2,791	**–**
Financial Services	**707**	664	**6 %**	**US$ 586**	US$ 659	**(11)%**
Customer Support Services	**948**	929	**2 %**	**US$ 785**	US$ 922	**(15)%**
Metal Services	**659**	1,629	**(60)%**	**US$ 545**	US$ 1,616	**(66)%**
Other[a]	**1,129**	1,154	**(2)%**	**C$ 1,129**	C$ 1,154	**(2)%**
Total	**$ 12,600**	$ 13,041	**(3)%**			

(Unaudited) ($ millions)

Cost of Sales	Canadian Dollars			Functional Currency		
Six months ended June 30	**2009**	2008	**Change (%)**	**2009**	2008	**Change (%)**
Electronics Manufacturing Services	**$ 3,145**	$ 3,455	**(9)%**	**US$ 2,616**	US$ 3,429	**(24)%**
Aerostructures	**2,042**	1,694	**21 %**	**US$ 1,705**	US$ 1,681	**1 %**
Healthcare	**2,450**	2,075	**18 %**	**US$ 2,036**	US$ 2,060	**(1)%**
Financial Services	**349**	316	**10 %**	**US$ 289**	US$ 315	**(8)%**
Customer Support Services	**607**	606	**–**	**US$ 503**	US$ 602	**(16)%**
Metal Services	**590**	1,538	**(62)%**	**US$ 488**	US$ 1,526	**(68)%**
Other[a]	**724**	865	**(16)%**	**C$ 724**	C$ 865	**(16)%**
Total	**$ 9,907**	$ 10,549	**(6)%**			

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

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

Electronics Manufacturing Services

Celestica Inc. ("Celestica") reported a 25 percent decline in revenues in the second quarter of 2009 to US$1.4 billion (2008 – US$1.9 billion). Celestica reported revenue declines in all of its end markets. Weaker end markets have continued as a result of the slower economic environment Revenues from the company's enterprise communications market also declined from the second quarter of 2008 due to Celestica's decision to disengage from programs generating lower returns. Revenues from the company's consumer market also declined in the quarter due to the timing of new programs.

Cost of sales was US$1.3 billion (2008 – US$1.7 billion) for the three months ended June 30, 2009. Despite revenues decreasing 25 percent in the quarter, gross profit for the second quarter of 2009 declined only 16 percent to US$124 million (2008 – US$147 million). Gross margin as a percentage of revenues improved due primarily to continued operational improvements, benefits from cost reductions and restructuring actions, and the streamlining and simplifying of processes throughout the company.

For the six months ended June 30, 2009, revenues declined 23 percent to US$2.9 billion (2008 – US$3.7 billion), while cost of sales decreased 24 percent to US$2.6 billion (2008 – US$3.4 billion). The same factors that contributed to the decline in revenues and cost of sales for the second quarter drove the decreases in revenues and cost of sales for the first six months of 2009.

Aerostructures

For the second quarter of 2009, revenues at Spirit AeroSystems, Inc. ("Spirit AeroSystems") of US$1.1 billion were essentially unchanged from the same quarter of 2008. Lower revenues due to fewer ship set deliveries to Boeing were offset by higher volumes on Airbus products and increased revenue on development programs. Cost of sales, however, increased 17 percent to US$1.0 billion

(2008 – US$0.8 billion) in the second quarter of 2009. The increase in cost of sales in the quarter was due primarily to several unusual charges. During the second quarter of 2009, the company recorded a pre-tax charge of approximately US$93 million to recognize a forward-loss for the Gulfstream G-250 business jet wing program. While this program is early in its product lifecycle, Spirit AeroSystems believes that its G-250 wing production and tooling contracts are both in a loss situation due to significant overruns in expected development costs, uncertainty in recurring cost estimates versus negotiated selling prices and continued softening in the business jet market. While the company expects to recognize zero gross margins on this program going forward, Spirit AeroSystems continues to develop plans for production cost savings and is working on contractual issues with the customer. In addition, included in the cost of sales in the quarter was a US$33 million cumulative catch-up adjustment charge driven primarily by the production disruption that followed the settlement of the labour strike at Boeing in September and October of 2008, which continued through the first quarter of 2009, combined with the impact of a simultaneous transition to a new ERP system, which reduced operating efficiencies at Spirit AeroSystems' Wichita facility during the first six months of 2009. Despite the disruption, Spirit AeroSystems continued to meet customer deliveries and made good progress in returning to pre-strike operating performance levels.

During the first half of 2009, revenues at Spirit AeroSystems were down 7 percent to US$1.9 billion (2008 – US$2.1 billion). Much of the decline in revenues for the first six months of 2009 was due primarily to lower ship set deliveries in the first quarter of 2009 to Boeing as Spirit AeroSystems gradually returned to full rate production following the strike at Boeing in the fall of 2008. During the first half of 2009, ship set deliveries to Boeing have declined 9 percent and contributed US$208 million of the total revenue decline in the six-month period. The volume-driven decline in Boeing revenues as compared to the first six months of 2008 was partially offset by US$39 million of volume-based pricing adjustments recognized in the six months ended June 30, 2009. Cost of sales were up 1 percent to US$1.7 billion for the six months ended June 30, 2009 due primarily to the same unusual charges that drove the increase in the second quarter of 2009 as discussed above.

Healthcare

The healthcare segment revenues and cost of sales consist of the operations of Emergency Medical Services Corporation ("EMSC"), Center for Diagnostic Imaging, Inc. ("CDI"), Skilled Healthcare Group, Inc. ("Skilled Healthcare") and Carestream Health, Inc. ("Carestream Health"). The healthcare segment reported a 1 percent increase in consolidated revenues to US$1.5 billion (2008 – US$1.4 billion) for the three months ended June 30, 2009. Cost of sales decreased 1 percent to US$1.1 billion in the second quarter of 2009. For the first six months of 2009, consolidated revenues and cost of sales in the healthcare segment were US$2.8 billion and US$2.0 billion, respectively.

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

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

TABLE 2 *(Unaudited) ($ millions)*	Revenues					
	Canadian Dollars			Functional Currency		
Three months ended June 30	**2009**	2008	**Change (%)**	**2009**	2008	**Change (%)**
Emergency Medical Services	**$ 744**	$ 577	**29%**	**US$ 637**	US$ 571	**12 %**
Center for Diagnostic Imaging	**42**	35	**20%**	**US$ 35**	US$ 35	**–**
Skilled Healthcare	**226**	182	**24%**	**US$ 194**	US$ 180	**8 %**
Carestream Health	**682**	664	**3%**	**US$ 588**	US$ 657	**(11)%**
Total	**$ 1,694**	$ 1,458	**16%**	**US$ 1,454**	US$ 1,443	**1 %**

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

TABLE 2 *(Unaudited) ($ millions)*	Cost of Sales					
	Canadian Dollars			Functional Currency		
Three months Ended June 30	**2009**	2008	**Change (%)**	**2009**	2008	**Change (%)**
Emergency Medical Services	**$ 638**	$ 507	**26 %**	**US$ 547**	US$ 502	**9 %**
Center for Diagnostic Imaging	**13**	11	**18 %**	**US$ 11**	US$ 11	**–**
Skilled Healthcare	**202**	154	**31 %**	**US$ 173**	US$ 153	**13 %**
Carestream Health	**376**	401	**(6)%**	**US$ 324**	US$ 396	**(18)%**
Total	**$ 1,229**	$ 1,073	**15 %**	**US$ 1,055**	US$ 1,062	**(1)%**

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

Healthcare Revenues and Cost of Sales for the Six-Month Period Ended June 30

(Unaudited) ($ millions)	Revenues					
	Canadian Dollars			Functional Currency		
Six months ended June 30	**2009**	2008	**Change (%)**	**2009**	2008	**Change (%)**
Emergency Medical Services	**$ 1,507**	$ 1,145	**32 %**	**US$ 1,250**	US$ 1,137	**10 %**
Center for Diagnostic Imaging	**84**	65	**29 %**	**US$ 69**	US$ 65	**6 %**
Skilled Healthcare	**462**	363	**27 %**	**US$ 383**	US$ 361	**6 %**
Carestream Health	**1,308**	1,238	**6 %**	**US$ 1,091**	US$ 1,228	**(11)%**
Total	**$ 3,361**	$ 2,811	**20 %**	**US$ 2,793**	US$ 2,791	**–**

(Unaudited) ($ millions)	Cost of Sales					
	Canadian Dollars			Functional Currency		
Six months ended June 30	**2009**	2008	**Change (%)**	**2009**	2008	**Change (%)**
Emergency Medical Services	**$ 1,300**	$ 1,003	**30 %**	**US$ 1,079**	US$ 996	**8 %**
Center for Diagnostic Imaging	**27**	21	**29 %**	**US$ 22**	US$ 21	**5 %**
Skilled Healthcare	**392**	295	**33 %**	**US$ 326**	US$ 293	**11 %**
Carestream Health	**731**	756	**(3)%**	**US$ 609**	US$ 750	**(19)%**
Total	**$ 2,450**	$ 2,075	**18 %**	**US$ 2,036**	US$ 2,060	**(1)%**

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

EMSC

EMSC's second-quarter revenues increased 12 percent to US$637 million (2008 – US$571 million). Approximately 82 percent, or US$54 million, of the revenue growth was generated by EMSC's EmCare subsidiary, primarily as a result of revenues from net new hospital contracts completed in the second half of 2008, as well as higher revenues from existing contracts. Approximately US$12 million of the revenue growth was from EMSC's American Medical Response ("AMR") subsidiary. This increase was primarily from higher revenues per weighted transport as a result of increased reimbursement rates that became effective January 1, 2009. Cost of sales grew 9 percent to US$547 million (2008 – US$502 million) for the three months ended June 30, 2009, consistent with the revenue growth in the quarter.

For the six months ended June 30, 2009, revenues at EMSC were up 10 percent to US$1.3 billion (2008 – US$1.1 billion). The same factors that contributed to the second-quarter revenue growth were the drivers in the first six months of 2009. Cost of sales was up 8 percent to US$1.1 billion (2008 – US$1.0 billion). Cost of sales as a percentage of revenues was 86 percent (2008 – 88 percent) for the six months ended June 30, 2009. The decrease in cost of sales as a percentage of revenues was driven primarily by AMR, with reduced fuel costs.

Skilled Healthcare

Skilled Healthcare's revenues increased 8 percent to US$194 million (2008 – US$180 million) in the second quarter of 2009. Approximately US$9 million of the growth in revenues was from the company's long-term care services due primarily to acquisitions completed in the second half of 2008 (US$4 million), as well as higher reimbursement rates from Medicare, Medicaid and managed care pay sources (US$10 million). These were partially offset by a decline in occupancy rates (US$5 million). Cost of sales increased 13 percent to US$173 million (2008 – US$153 million) for the three months ended June 30, 2009. Included in the cost of sales for the second quarter of 2009 was a one-time charge of US$14 million associated with a restatement from prior periods of the company's reserves for accounts receivables. Receivable reserves were understated in prior periods due to the improper dating of accounts by a former officer of Skilled Healthcare's long-term care segment. The net after-tax effect of this charge was US$8 million, of which Onex' share was US$1 million. Excluding the impact of this charge, cost of sales as a percentage of revenues was 82 percent in the second quarter of 2009 compared to 85 percent for the same period last year.

For the first six months of 2009, revenues grew 6 percent to US$383 million (2008 – US$361 million), while cost of sales increased 11 percent to US$326 million (2008 – US$293 million). The revenue and cost of sales growth were driven by the same factors that contributed to the increases in the second quarter.

Carestream Health

Carestream Health reported an 11 percent, or US$69 million, decrease in revenues to US$588 million (2008 – US$657 million) for the three months ended June 30, 2009. Since Carestream Health has operations worldwide, approximately US$40 million of the revenue decline was due to lower foreign exchange rates on its non-U.S. revenues compared to the second quarter of 2008. Most of that decline resulted from the weakening of the Euro and the British Pound. Excluding the impact of foreign exchange, the company reported a decrease in revenues of US$34 million from its traditional film business. This decline was as anticipated for the traditional film business. Partially offsetting this decline was a US$5 million increase in revenues from its digital business. Cost of sales was down 18 percent to US$324 million (2008 – US$396 million) for the three months ended June 30, 2009.

For the six months ended June 30, 2009, revenues at Carestream Health were down 11 percent to US$1.1 billion (2008 – US$1.2 billion) while cost of sales was down 19 percent to US$609 million (2008 – US$750 million). The same factors that contributed to the second-quarter revenue decline were the drivers of the lower revenues in the first six months of 2009. Gross profit for the first six months of 2009 was up 1 percent to US$482 million (2008 – US$478 million) despite the 11 percent decline in revenues. The favourable impact of lower materials cost, primarily silver and polyester, were more than offset by the unfavourable impact of foreign exchange, however the benefits of various restructuring programs and cost improvements that the company initiated in 2008 and favourable productivity in the period resulted in improved gross profit.

Financial Services

The Warranty Group, Inc. ("The Warranty Group") reported a 12 percent decline in revenues to US$292 million (2008 – US$331 million) for the second quarter of 2009. The second-quarter revenue decline was due primarily to lower earned premiums and administrative fees attributable to higher credit and underwriting standards in Europe, currency translation of european revenues with a weakening in the value of both the British Pound and the Euro relative to the U.S. dollar, a decline in U.S. auto sales and an overall decline in consumer spending and confidence, which impacted The Warranty Group's global operations. In addition, net investment income was lower during the second quarter of 2009 compared to the same quarter last year due to a decline in short-term interest rates. Cost of sales was down 8 percent to US$145 million (2008 – US$157 million) for three months ended June 30, 2009 due primarily to the same factors that affected revenues as discussed above. In addition, cost of sales declined less than revenues due to higher loss ratios on warranty contracts in the second quarter of 2009 compared to the same period last year.

For the first half of 2009, revenues at The Warranty Group decreased 11 percent to US$586 million (2008 – US$659 million) while cost of sales was down 8 percent to US$289 million (2008 – US$315 million). As discussed in the 2009 second-quarter revenues and cost of sales, the declines resulted from lower earned premium and administrative fees, as well as lower investment income.

Customer Support Services

Revenues at Sitel Worldwide Corporation ("Sitel Worldwide") were down 13 percent to US$388 million (2008 – US$446 million) for the three months ended June 30, 2009, while cost of sales had a corresponding decline of 14 percent to US$250 million (2008 – US$292 million). Approximately US$43 million of the revenue decline in the quarter resulted from lower foreign exchange rates on non-U.S.-denominated contracts compared to the same quarter of 2008. In addition, Sitel Worldwide's customers continued to be affected by the economic slowdown, which resulted in lower call volumes, as well as some customer disengagements, particularly in its European operations. Cost of sales had a corresponding decrease in the quarter due to foreign exchange. In addition, the company continues to adjust its cost structure to match the volume of business in the period.

For the six months ended June 30, 2009, revenues declined 15 percent to US$785 million (2008 – US$922 million). Cost of sales had a corresponding 16 percent decrease to US$503 million (2008 – US$602 million). Lower revenues and cost of sales for the first six months of 2009 were driven by the same factors that contributed to the second-quarter declines.

Metal Services

Tube City IMS Corporation ("Tube City IMS") reported a 76 percent decline in revenues to US$237 million (2008 – US$1.0 billion) for the second quarter of 2009. Cost of sales had a similar decline of 78 percent to US$210 million (2008 – US$955 million) in the second quarter of 2009.

For the six months ended June 30, 2009, revenues were down 66 percent to US$545 million (2008 – US$1.6 billion), while cost of sales was down 68 percent to US$488 million (2008 – US$1.5 billion).

The vast majority of the decline in the quarter and in the first six months was attributable to lower sales in the raw materials business, where the cost of sales are passed through to Tube City IMS' customers. The balance was attributable to lower levels of steel production affecting the services business. During the first half of 2009, the economic slowdown resulted in ongoing depressed steel production volume in North America, which was at approximately half the volume of the same period of 2008. Tube City IMS' service revenues are largely driven by the volume of raw steel produced. The decline in steel production resulted in a 34 percent and 29 percent decline in Tube City IMS' service revenues, respectively, in the quarter and in the first six months of 2009. Lower steel production also resulted in a decrease in demand for the raw materials Tube City IMS procures for its customers. Decreases in both the volume of raw materials sold and the selling prices of those materials resulted in a decrease in revenue from raw materials sales of 81 percent and 71 percent for the three and six months ended June 30, 2009, respectively.

Cost of sales for the raw materials business decreased 82 percent and 71 percent, respectively, for the three and six months ended June 30, 2009. The decline in the cost of sales of the raw materials business for both periods was generally consistent with the decline in raw materials revenues since the vast majority of raw materials purchased by Tube City IMS are sold to its customers on a pass-through basis.

In the services business, management responded swiftly to the decline in raw steel production by reducing variable site-level costs by approximately 34 percent and 29 percent from the levels experienced in the second quarter and first six months of 2008, respectively, which is consistent with the reduction in service revenues. Specific actions taken included meaningful reductions in the company's workforce, as well as significant reductions in maintenance expenditures and selling, general and administrative expenses. As a result of these actions, the company has been able to largely maintain its overall service margins (measured on the basis of revenues after the raw material shipments).

Other businesses

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

Revenues in the other businesses segment were down 14 percent to $505 million (2008 – $587 million) for the second quarter of 2009. Cost of sales for the other businesses segment was down 22 percent to $315 million (2008 – $405 million) for the three months ended June 30, 2009. Husky reported a 32 percent decline in revenues to US$237 million (2008 – US$351 million) due primarily to lower sales in all of its territories with the most significant declines in Europe (56 percent) and Asia (31 percent). Husky's cost of sales was down 34 percent to US$161 million (2008 – US$245 million) due primarily to the lower sales and unfavourable foreign currency changes on euro-denominated shipments, partially offset by benefits of the company's cost-saving initiatives that were implemented in 2008 (US$8 million).

For the six months ended June 30, 2009, revenues were down 2 percent to $1.1 billion (2008 – $1.2 billion), while cost of sales was down 16 percent to $724 million (2008 – $865 million). Husky's revenues declined US$173 million for the six months ended June 30, 2009. This decline was due primarily to lower shipments in all of its territories when compared to the same period last year. In addition, revenues at Husky in the first six months of 2009 were reduced due to foreign currency changes on Euro-denominated shipments. Cost of sales at Husky declined 35 percent (US$194 million) to US$364 million (2008 – US$558 million) for the first six months of 2009. The decline in cost of sales for the six months ended June 30, 2009 was greater than the revenue decline due primarily to the benefit of the company's cost-saving initiatives that were implemented in the second half of 2008. In addition, approximately US$88 million of the decline in cost of sales in the first six months of 2009 compared to the same period of 2008 resulted from the one-time charge recorded by Husky in the first half of 2008 originating from the step-up in value of inventory on the company's balance sheet at the date of the company's December 2007 acquisition. Accounting principles for acquisitions require that inventory be stepped up in value to the selling price of the inventory less the direct cost to complete and sell the product.

The ONCAP II companies reported increases in revenues and cost of sales in the other business segment for the three and six months ended June 30, 2009 that partially offset the declines in revenues and cost of sales at Husky. The ONCAP II companies reported a 45 percent revenue growth to $220 million (2008 – $152 million) for the second quarter of 2009 and a 61 percent increase to $427 million (2008 – $265 million) for the first six months of 2009. Cost of sales had a corresponding increase of 30 percent to $126 million (2008 – $97 million) and 48 percent to $239 million (2008 – $161 million), respectively, for the three and six months ended June 30, 2009. Essentially all of the revenue and cost of sales growth in those periods resulted from ONCAP II's purchase of Caliber in October 2008.

Operating earnings

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

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

Operating Earnings Reconciliation

TABLE 3 (Unaudited) ($ millions)	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Earnings before the undernoted items	**$ 552**	$ 643	**$ 1,230**	$ 1,133
Amortization of property, plant and equipment	**(160)**	(151)	**(330)**	(300)
Interest income	**19**	20	**34**	40
Operating earnings	**$ 411**	$ 512	**$ 934**	$ 873
Amortization of intangible assets and deferred charges	**(94)**	(86)	**(196)**	(186)
Interest expense of operating companies	**(133)**	(122)	**(278)**	(253)
Debt prepayment income (expense)	**2**	–	**(6)**	–
Earnings (loss) from equity-accounted investments	**(56)**	17	**(46)**	(11)
Foreign exchange gains (loss)	**(35)**	(13)	**(30)**	33
Stock-based compensation recovery (expense)	**(63)**	(18)	**(57)**	32
Other income	**85**	20	**68**	16
Gains on dispositions of operating investments, net	**184**	–	**184**	–
Acquisition, restructuring and other expenses	**(52)**	(65)	**(96)**	(113)
Writedown of goodwill, intangible assets and long-lived assets	**(114)**	(3)	**(114)**	(3)
Earnings before income taxes, non-controlling interests and discontinued operations	**$ 135**	$ 242	**$ 363**	$ 388

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

Operating Earnings (Loss) by Industry Segment

TABLE 4 (Unaudited) ($ millions)	Canadian Dollars			Functional Currency		
Three months ended June 30	**2009**	2008	**Change ($)**	**2009**	2008	**Change ($)**
Electronics Manufacturing Services	**$ 54**	$ 62	**$ (8)**	**US$ 48**	US$ 61	**US$ (13)**
Aerostructures	**2**	150	**(148)**	**US$ (4)**	US$ 148	**US$ (152)**
Healthcare	**224**	168	**56**	**US$ 192**	US$ 166	**US$ 26**
Financial Services	**43**	55	**(12)**	**US$ 37**	US$ 55	**US$ (18)**
Customer Support Services	**25**	19	**6**	**US$ 22**	US$ 18	**US$ 4**
Metal Services	**5**	18	**(13)**	**US$ 4**	US$ 18	**US$ (14)**
Other[a]	**58**	40	**18**	**C$ 58**	C$ 40	**C$ 18**
Total	**$ 411**	$ 512	**$ (101)**			

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) 2009 other includes Husky, ONCAP II and the parent company. 2008 other includes CEI, Husky, Radian, ONCAP II and the parent company.

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

TABLE 4 (Unaudited) ($ millions)	Canadian Dollars			Functional Currency		
Six months ended June 30	**2009**	2008	**Change ($)**	**2009**	2008	**Change ($)**
Electronics Manufacturing Services	**$ 120**	$ 117	**$ 3**	**US$ 101**	US$ 116	**US$ (15)**
Aerostructures	**132**	292	**(160)**	**US$ 101**	US$ 289	**US$ (188)**
Healthcare	**417**	289	**128**	**US$ 347**	US$ 286	**US$ 61**
Financial Services	**85**	103	**(18)**	**US$ 71**	US$ 103	**US$ (32)**
Customer Support Services	**56**	37	**19**	**US$ 47**	US$ 36	**US$ 11**
Metal Services	**9**	31	**(22)**	**US$ 7**	US$ 31	**US$ (24)**
Other[a]	**115**	4	**111**	**C$ 115**	C$ 4	**C$ 111**
Total	**$ 934**	$ 873	**$ 61**			

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) 2009 other includes CEI, Husky, ONCAP II and the parent company. 2008 other includes CEI, Husky, Radian, ONCAP II and the parent company.

Consolidated operating earnings were $411 million for the second quarter of 2009, down $101 million from the second quarter of 2008. The quarter-over-quarter decline in operating earnings was due primarily to the following factors:

- Celestica recorded a US$13 million decline in operating earnings due primarily to lower production volumes in the quarter associated with the slower economic environment;
- Spirit AeroSystems reported a US$4 million operating loss in the quarter, down US$152 million from the same period of 2008; this decline resulted primarily from several unusual charges in cost of sales as previously discussed under Revenues and Cost of Sales;
- Skilled Healthcare's US$14 million decline in operating earnings due primarily to the one-time charge in cost of sales as previously discussed under Revenues and Cost of Sales;
- lower revenues at Tube City IMS in the quarter contributed primarily to the US$14 million decrease in operating earnings; and
- Husky reported a US$21 million decline in operating earnings in the quarter resulting primarily from the lower revenues as previously discussed under Revenues and Cost of Sales.

Partially offsetting the above-mentioned declines in operating earnings in the second quarter of 2009 were:

- a US$18 million increase in operating earnings at Carestream Health resulting primarily from the company's restructuring actions initiated in 2008;
- EMSC's operating earnings growth of US$20 million due primarily to higher revenues in the quarter; and
- the strengthening of the U.S. dollar to Canadian dollar average exchange rate in the second quarter of 2009 compared to the same quarter of 2008.

For the six months ended June 30, 2009, operating earnings were $934 million, up $61 million, or 7 percent, from the first half of 2008. Much of the increase in the first six months' operating earnings resulted from the strengthening of the U.S. dollar to Canadian dollar exchange rate compared to the same period of 2008. In addition, some of the following factors affected the year-to-date growth in operating earnings:

- a US$35 million increase in operating earnings at Carestream Health resulting primarily from the same factors that affected the quarter, as discussed above;
- EMSC's operating earnings growth of US$34 million due primarily to higher revenues in the first half of 2009;
- higher operating earnings of US$11 million at Sitel Worldwide, resulting from the benefits of the cost-saving initiatives implemented in 2008, as well as improved margins in multi-currency contracts, primarily from the strengthening of the U.S. dollar; and
- a US$37 million increase in operating earnings at Husky as the first half of 2008 included a one-time charge of US$88 million originating from the valuation of inventory on the company's balance sheet at the time of acquisition, as previously discussed.

Partially offsetting the above mentioned operating earnings growth factors in the first six months of 2009 were:

- a US$15 million decline in operating earnings at Celestica due primarily to lower volumes of business;
- lower operating earnings in the financial services segment at The Warranty Group of US$32 million; much of the decline was due to higher loss ratios on automotive extended warranty contracts, higher acquisition costs on the company's European credit business and lower revenues;
- a decline in operating earnings of US$188 million at Spirit AeroSystems reported in the aerostructures segment, primarily due to the same factors that affected the second-quarter operating earnings, as previously discussed; and
- a decrease in operating earnings of US$24 million at Tube City IMS, resulting primarily from the revenue decline, as previously discussed.

Interest expense of operating companies

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

Consolidated interest expense was $133 million for the second quarter of 2009, up $11 million from $122 million in the second quarter of 2008. Essentially all of this increase was the effect of foreign currency translation on U.S.-dollar-denominated interest costs.

Excluding the impact of foreign exchange, Celestica recorded a US$2 million decline in interest expense due primarily to the repurchase of US$150 million in the principal value of its 2011 senior subordinated notes. Carestream Health recorded a US$2 million decline in interest expense in the second quarter of 2009 due primarily to lower debt in the quarter compared to the same quarter last year. Partially offsetting these declines was higher interest expense of US$3 million at Sitel Worldwide due primarily to higher debt and interest rates in the quarter compared to the same quarter last year.

For the six months ended June 30, 2009, consolidated interest expense totalled $278 million, an increase of $25 million from the same period last year due primarily to the same factors that contributed to the interest expense increase in the quarter.

Debt prepayment income (expense)

Consolidated debt prepayment income of $2 million was recorded for the three months ended June 30, 2009. For the six months ended June 30, 2009, consolidated debt prepayment expense totalled $6 million. During the first six months of 2009, Celestica repurchased US$150 million in the principal amount of its 2011 senior subordinated notes that had a carrying value of US$159 million and recorded a US$9 million gain. The company also terminated interest rate swap agreements in the amount of US$500 million related to the 2011 senior subordinated notes, which resulted in a US$16 million expense since the company discontinued fair value hedge accounting on the notes. The resulting net charge of US$7 million was recorded as debt prepayment expense in the first six months of 2009.

Earnings (loss) from equity-accounted investments

Loss from equity-accounted investments for the three and six months ended June 30, 2009 was $56 million and $46 million, respectively. This represents Onex' and/or Onex Partners' portion of the earnings (loss) of Allison Transmission, Inc. ("Allison Transmission"); Hawker Beechcraft Corporation ("Hawker Beechcraft"); ResCare; RSI Home Products, Inc. ("RSI"); Onex Credit Partners; Cypress Insurance Group ("Cypress"); and, Onex Real Estate's investments. Table 5 details the earnings (loss) from equity-accounted investments by company, as well as Onex' share of these earnings (loss) for the second quarter and first six months of 2009 and 2008.

Earnings (Loss) from Equity-accounted Investments

TABLE 5 *(Unaudited) ($ millions)* Three months ended June 30	2009		2008	
	Net Earnings (Loss)[a]	**Onex' Share of Net Earnings (Loss)**	Net Earnings[a]	Onex' Share of Net Earnings (Loss)
Allison Transmission	**$ (138)**	**$ (44)**	$ 6	$ 2
Hawker Beechcraft	**79**	**35**	10	4
Other[b]	**3**	**(1)**	1	(1)
Total	**$ (56)**	**$ (10)**	$ 17	$ 5

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

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

(Unaudited) ($ millions) Six months ended June 30	2009		2008	
	Net Earnings (Loss)[a]	**Onex' Share of Net Earnings (Loss)**	Net Earnings Loss[a]	Onex' Share of Net Earnings (Loss)
Allison Transmission	**$ (178)**	**$ (57)**	$ (15)	$ (5)
Hawker Beechcraft	**122**	**49**	(3)	(1)
Other[b]	**10**	**2**	7	2
Total	**$ (46)**	**$ (6)**	$ (11)	$ (4)

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

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

Allison Transmission

A significant portion of the loss reported by Allison Transmission for the quarter and for the first six months of 2009 was due to the company recording a US$190 million write-down of certain intangible assets that were determined to be impaired. In addition, the company wrote down certain long-term receivables and other matters that the company had with General Motors Corporation ("GM") as a result of the GM bankruptcy. The net charge for Allison Transmission from these GM items was US$37 million. These matters relate to agreements with GM to share future estimated costs between the two companies and, in particular, for certain employee post-retirement healthcare obligations that stem from the 2007 acquisition of Allison Transmission from GM.

Hawker Beechcraft

Included in Hawker Beechcraft's earnings in the quarter was a US$175 million gain on the purchase of US$274 million of the company's debt securities at a significant discount. Partially offsetting this gain was a one-time charge of US$31 million associated with the restatement of the company's fourth quarter of 2008 and first quarter of 2009 results due to an error that Hawker Beechcraft management identified in their calculation of a deferred tax valuation reserve, which caused the company to understate its provisions for income taxes in those prior periods. Onex' share of this charge was US$6 million, which was recorded in the second quarter of 2009. In addition, the company reported lower revenues in the second quarter resulting from lower business and general aviation aircraft deliveries due to the current economic environment.

During the first six months the company repurchased US$497 million of the company's debt securities at a significant discount, which resulted in a US$352 million gain recorded in the first six months of 2009. Partially offsetting this gain were the same factors that affected the second quarter of 2009.

Foreign exchange gains (loss)

Foreign exchange gains (loss) reflect the impact of changes in foreign currency exchange rates.

A net foreign exchange loss of $35 million was recorded for the quarter ended June 30, 2009 compared to a $13 million foreign exchange loss for the second quarter last year. The loss in the quarter was due primarily to the decline in the value of the U.S. dollar relative to the Canadian dollar; the closing value was 1.1630 Canadian dollars at June 30, 2009, down from 1.2613 Canadian dollars at March 31, 2009. Onex, the parent company, holds a significant portion of its cash in U.S. dollars and reported a foreign exchange loss of approximately $40 million in the second quarter of 2009.

For the first six months of 2009, a consolidated foreign exchange loss of $30 million was recorded compared to a consolidated foreign exchange gain of $33 million for the six months ended June 30, 2008. The foreign exchange loss in the first half of 2009 was mainly due to the decline in the value of the U.S. dollar relative to the Canadian dollar. At June 30, 2009, the closing value of 1.1630 Canadian dollars was down from 1.2180 Canadian dollars at December 31, 2008. Onex, the parent company, reported $22 million of the foreign exchange loss in the first six months of 2009. In addition, Sitel Worldwide and Carestream Health recorded a foreign exchange loss of $6 million and $4 million, respectively, for the six months ended June 30, 2009 primarily as a result of the decline in value of the Euro relative to the U.S. dollar.

Stock-based compensation

For the second quarter of 2009, Onex recorded a consolidated stock-based compensation expense of $63 million compared to $18 million for the same quarter of 2008. Onex, the parent company, recorded a stock-based compensation expense of $45 million in the second quarter of 2009 due to the change in its stock-based compensation liability. Approximately $40 million of the expense was from the increase in the market value of Onex shares in the second quarter of 2009. Onex is required to revalue the liability for stock options and deferred share units based on changes in the market value of Onex shares. The increase in Onex' share price to $20.00 per share at June 30, 2009 from $15.48 per share at March 31, 2009 resulted in an upward revaluation of the liability for stock options. This compares to a $4 million stock-based compensation expense at Onex, the parent company, for the three months ended June 30, 2008 due primarily to the slight increase in Onex' share price, as well as additional vesting in the second quarter of last year.

For the six months ended June 30, 2009, Onex recorded a consolidated stock-based compensation expense of $57 million compared to a stock-based compensation recovery of $32 million for the same period of 2008. Onex, the parent company, accounted for $25 million of the expense in the first six months of 2009 compared to $57 million of the recovery for the six months ended June 30, 2008. During the first six months of 2009, the market value of Onex shares increased 10 percent to $20.00 per share at June 30, 2009 from $18.19 per share at December 31, 2008. This compares to a 14 percent decline in the market value of Onex shares for the first six months of 2008 when the market value of Onex shares decreased to $30.03 per share at June 30, 2008 from $34.99 per share at December 31, 2007.

Other income

Consolidated other income totalled $85 million in the second quarter of 2009 compared to $20 million for the same quarter last year. Onex, the parent company, accounted for $75 million of other income in the second quarter of 2009 due primarily to a $71 million favourable mark-to-market and foreign exchange adjustment on the Tropicana Las Vegas debt held by Onex and Onex Partners III. Onex' share of this income was $16 million. This adjustment was necessary to bring the carrying value of

the Tropicana debt at June 30, 2009 to the fair value of the equity received in Tropicana Las Vegas on July 1, 2009.

For the six months ended June 30, 2009, consolidated other income totalled $68 million compared to $16 million for the same period last year. Included in the consolidated other income for the first six months of 2009 was the mark-to-market adjustment on the Tropicana Las Vegas debt as discussed in the second quarter of 2009.

In March 2009, Onex sold an entity the sole assets of which were certain tax losses to a public company controlled by Mr. Gerald W. Schwartz, who is also Onex' controlling shareholder. Onex received approximately $3 million in cash for tax losses of approximately $23 million. The entire $3 million was recorded as a gain in other income of Onex, the parent company in the first six months of 2009. Onex has significant Canadian non-capital and capital losses available and valuation allowances have been established against the benefit of all of these losses in the unaudited interim consolidated financial statements. As such, Onex does not expect to generate sufficient taxable income to fully utilize these losses in the foreseeable future. In connection with this transaction, Onex obtained a tax ruling from Canada Revenue Agency, and Deloitte & Touche LLP, an independent accounting firm retained by Onex' Audit and Corporate Governance Committee, provided an opinion that the value received by Onex for the tax losses was fair. The transaction was unanimously approved by Onex' Audit and Corporate Governance Committee, all the members of which are independent directors.

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

Gains on dispositions of operating investments, net

Gains on dispositions of operating investments totalled $184 million for the three and six months ended June 30, 2009. There were no gains in the same periods of 2008. Included in the 2009 gains were:

- Onex' sale of its remaining 12,956,885 trust units of Cineplex Galaxy Income Fund in April 2009. Onex realized approximately $175 million of net proceeds and recorded a $160 million pre-tax gain on this transaction; and
- Onex' disposition of its ownership interest in CEI in early May 2009. CEI had been in violation of its debt covenants and was not able to achieve a mutually agreeable restructuring with its lenders. As a result, in early May 2009, Onex contributed its ownership in securities of CEI to an entity controlled by CEI's lenders, that agreed to provide additional liquidity to CEI. As a result of this transfer, Onex and Onex Partners I ceased to have an equity ownership in the business. Onex' investment in the company had a negative carrying value of $20 million due to previously recorded losses of CEI. Therefore, Onex recorded a non-cash accounting gain of $20 million in the second quarter of 2009.

Acquisition, restructuring and other expenses

Acquisition, restructuring and other expenses are considered to be costs incurred by the operating companies to realign organizational structures or restructure manufacturing capacity to obtain operating synergies critical to building the long-term value of those businesses. Acquisition, restructuring and other expenses totalled $52 million for the three months ended June 30, 2009, down $13 million from $65 million for the same quarter of 2008. For the first half of 2009, acquisition, restructuring and other expenses were $96 million, down from $113 million for the six months ended June 30, 2008. Table 6 provides a breakdown of and the change in acquisition, restructuring and other expenses by operating company for the three and six months ended June 30, 2009 and 2008.

Acquisition, Restructuring and Other Expenses

TABLE 6 (Unaudited) ($ millions)	Three months ended June 30			Six months ended June 30		
	2009	2008	**Change ($)**	**2009**	2008	**Change ($)**
Celestica	**$ 24**	$ 4	**$ 20**	**$ 32**	$ 7	**$ 25**
Carestream Health	**10**	23	**(13)**	**24**	53	**(29)**
Husky	**7**	3	**4**	**25**	8	**17**
Sitel Worldwide	**7**	29	**(22)**	**9**	34	**(25)**
Other	**4**	6	**(2)**	**6**	11	**(5)**
Total	**$ 52**	$ 65	**$ (13)**	**$ 96**	$ 113	**$ (17)**

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

Sitel Worldwide recorded a decline of $22 million and $25 million, respectively, for the three and six months ended June 30, 2009 resulting primarily from 2008 expenses incurred in those periods associated with initiatives taken to streamline the company's operations related to the January 2007 acquisition of SITEL Corporation, as well as addressing the softness in certain markets in which Sitel Worldwide operates.

Celestica reported an increase of $20 million and $25 million, respectively, in restructuring expenses for the second quarter and first six months of 2009 due primarily to the company's restructuring initiatives to improve capacity utilization principally in Celestica's North America and Europe regions.

Writedown of goodwill, intangible assets and long-lived assets

Writedown of goodwill, intangible assets and long-lived assets totalled $114 million for the three and six months ended June 30, 2009. This compares to $3 million for the same periods of 2008.

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

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

Income taxes

Onex reported a consolidated income tax provision of $32 million for the second quarter of 2009 compared to a $98 million consolidated income tax provision in the same quarter last year. For the first six months of 2009, Onex reported a consolidated income tax recovery of $9 million compared to a $147 million consolidated income tax provision for the first half of 2008. During the first half of 2009, Onex, the parent company, reduced its future income tax liability by approximately $100 million and recorded a corresponding amount as a recovery in income tax. This reduction was the result of lower income tax rates being applied to future income tax liabilities to bring the liability in line with current income tax rates.

Non-controlling interests in net earnings of operating companies

In the unaudited interim consolidated statements of earnings, the non-controlling interests amount represents the interests of shareholders other than Onex in the net earnings or losses of Onex' operating companies. For the second quarter of 2009, this amount was a $20 million share of Onex' operating companies' net earnings compared to a $162 million share of net earnings for the second quarter of 2008. For the six months ended June 30, 2009, the non-controlling interests amount in Onex' operating companies net earnings was $120 million compared to $219 million for the six months ended June 30, 2008. Table 7 details the net earnings (loss) by industry segment attributable to non-controlling shareholders in our operating companies for the three and six months ended June 30, 2009 and 2008.

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

TABLE 7 *(Unaudited) ($ millions)*	Three months ended June 30			Six months ended June 30		
	2009	2008	**Change ($)**	**2009**	2008	**Change ($)**
Net earnings (loss) of non-controlling interests in:						
Electronics Manufacturing Services	**$ 4**	$ 35	**$ (31)**	**$ 25**	$ 61	**$ (36)**
Aerostructures	**(6)**	82	**(88)**	**65**	160	**(95)**
Healthcare	**53**	4	**49**	**71**	(3)	**74**
Financial Services	**23**	22	**1**	**38**	39	**(1)**
Customer Support Services	**–**	–	**–**	**–**	1	**(1)**
Metal Services	**(46)**	2	**(48)**	**(52)**	2	**(54)**
Other[(a)]	**(8)**	17	**(25)**	**(27)**	(41)	**14**
Total	**$ 20**	$ 162	**$ (142)**	**$ 120**	$ 219	**(99)**

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

Spirit AeroSystems, included in the aerostructures segment, reported $88 million of the change in non-controlling interests amount in the quarter due primarily to the unusual charges of US$126 million taken in the second quarter of 2009, as discussed in the company's second-quarter cost of sales.

The metal services segment reported a $48 million change in the controlling interests amount in the second quarter of 2009 due primarily to the $62 million write-down of goodwill as previously discussed.

The $25 million change in the non-controlling interests amount in the other segment for the second quarter of 2009 was due primarily to the $98 million increase in the share of losses at Allison Transmission of the limited partners of Onex Partners II in the second quarter of 2009. The above was partially offset by the $38 million increase in the share of earnings at Hawker Beechcraft of the limited partners of Onex Partners II in the second quarter of 2009.

The same factors that contributed to the change in the non-controlling interests amount in the second quarter affected the change in the non-controlling interests amount for the first six months of 2009.

Earnings (loss) from continuing operations

Onex' consolidated earnings from continuing operations were $83 million ($0.68 per share) for the second quarter of 2009 compared to a loss from continuing operations of $18 million ($0.14 per share) reported for the same period in 2008. For the six months ended June 30, 2009, consolidated earnings from continuing operations were $252 million ($2.06 per share) compared to $22 million ($0.18 per share) for the first six months of 2008. Table 8 details the earnings (loss) from continuing operations by industry segment before discontinued operations for the three and six months ended June 30, 2009 and 2008.

Earnings (Loss) from Continuing Operations by Industry Segment

TABLE 8 *(Unaudited) ($ millions)*	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Earnings (loss) from continuing operations:				
Electronics Manufacturing Services	**$ 1**	$ 5	**$ 4**	$ 9
Aerostructures	**–**	5	**5**	11
Healthcare	**24**	(6)	**22**	(19)
Financial Services	**10**	10	**16**	17
Customer Support Services	**(66)**	(39)	**(72)**	(45)
Metal Services	**(24)**	1	**(27)**	1
Other[a]	**138**	6	**304**	48
Total	**$ 83**	$ (18)	**$ 252**	$ 22

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

Consolidated net earnings (loss)

Consolidated net earnings were $83 million ($0.68 per share) for the three months ended June 30, 2009 compared to a consolidated net loss of $18 million ($0.14 per share) for the same quarter of 2008. For the first six months of 2009, Onex' consolidated net earnings were $252 million ($2.06 per share) compared to $27 million ($0.22 per share) of consolidated net earnings for the six months ended June 30, 2008. Included in consolidated net earnings for the six months ended June 30, 2008 were $5 million ($0.04 per share) of earnings from discontinued operations.

SUMMARY QUARTERLY INFORMATION

Table 9 summarizes Onex' key consolidated financial information for the last eight quarters.

TABLE 9 *(Unaudited) ($ millions except per share amounts)*	**2009**		2008				2007	
	June	**March**	Dec.	Sept.	June	March	Dec.	Sept.
Revenues	**$ 6,131**	**$ 6,469**	$ 6,774	$ 7,066	$ 6,815	$ 6,226	$ 5,994	$ 6,038
Earnings (loss) from continuing operations	**$ 83**	**$ 169**	$ (348)	$ 34	$ (18)	$ 40	$ (10)	$ (76)
Net earnings (loss)	**$ 83**	**$ 169**	$ (348)	$ 38	$ (18)	$ 45	$ (10)	$ (77)
Earnings (loss) per Subordinate Voting Share								
Basic and Diluted:								
Continuing operations	**$ 0.68**	**$ 1.38**	$ (2.85)	$ 0.26	$ (0.14)	$ 0.32	$ (0.08)	$ (0.59)
Net earnings (loss)	**$ 0.68**	**$ 1.38**	$ (2.85)	$ 0.30	$ (0.14)	$ 0.36	$ (0.08)	$ (0.60)

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

CONSOLIDATED FINANCIAL POSITION

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

Consolidated assets

Consolidated assets totalled $27.9 billion at June 30, 2009 compared to $29.7 billion at December 31, 2008. A significant portion of the decrease in Onex' consolidated assets at June 30, 2009 was due to the currency translation of U.S.-based assets with the weakening of the U.S. dollar relative to the Canadian dollar. The underlying currency for most of Onex' consolidated assets is the U.S. dollar as almost all of the activities of Onex' operating companies are reported in U.S. dollars. The closing U.S. dollar to Canadian dollar exchange rate decreased 5 percent to 1.1630 Canadian dollars at June 30, 2009 from 1.2180 Canadian dollars at December 31, 2008. In addition, approximately $128 million of the decline in assets from December 31, 2008 was due to the disposition of CEI in the second quarter of 2009. There were no significant acquisitions in the first half of 2009.

Consolidated long-term debt, without recourse to Onex

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

The financing arrangements of each operating company typically contain certain restrictive covenants, which may include limitations or prohibitions on additional indebtedness, payment of cash dividends, redemption of capital, capital spending, making of investments and acquisitions and sales of assets. In addition, the operating companies that have outstanding debt must meet certain financial covenants. Changes in business conditions relevant to an operating company, including those resulting from changes in financial markets and economic conditions generally, may result in non-compliance with certain covenants by that operating company.

Total long-term debt (consisting of the current and long-term portions of long-term debt, net of deferred charges) was $6.9 billion at June 30, 2009 compared to $7.7 billion at December 31, 2008. Since Onex reports in Canadian dollars, but the majority of its operating companies report in U.S. dollars, much of the decrease in total long-term debt was caused by currency translation due to the weakening of the U.S. dollar relative to the Canadian dollar.

Celestica's long-term debt declined to US$583 million at June 30, 2009 from US$732 million at December 31, 2008 due primarily to the company's repurchase of US$150 million in the principal amount of its 2011 senior subordinated notes during the first quarter of 2009. In April 2009, Celestica renewed its revolving credit facility on generally similar terms and conditions and reduced the size from US$300 million to US$200 million. No amounts were drawn under this facility at December 31, 2008 or June 30, 2009. This credit facility matures in April 2011. Under the terms of the renewed facility, borrowings bear a higher interest rate than the previous terms and Celestica is required to comply with certain financial covenants related to indebtedness, interest coverage and liquidity.

In April 2009, Skilled Healthcare amended its existing credit agreement to extend the maturity of the revolving loan commitment from June 15, 2010 to June 15, 2012, while maintaining existing interest rates. The revolving line of credit has a capacity of US$135 million up to June 15, 2010, reducing to US$124 million until maturity. At June 30, 2009, US$95 million was drawn under the facility.

In June 2009, Spirit AeroSystems entered into an amendment of its existing credit agreement. The amendment extends the maturity of the company's revolving credit facility from June 2010 to June 2012. It also increases the revolving credit facility from US$650 million to US$729 million through to June 2010, when it then steps down to US$409 million through to June 2012. At June 30, 2009, US$150 million was drawn under the facility.

Table 10 details the aggregate debt maturities for Onex' consolidated operating companies and equity-accounted operating companies for each of the years up to 2014 and in total thereafter. The table is presented in U.S. dollars as the debt of most of Onex' operating companies is denominated in U.S. dollars. Below that, we have converted the amounts to Canadian dollars at the June 30, 2009 exchange rate. As can be seen from the following table, most of the maturities are in years 2013 and 2014.

Debt Maturity Amounts by Year

TABLE 10 (Unaudited) ($ millions)	U.S. Dollars							
	2009	2010	2011	2012	2013	2014	Thereafter	Total
Consolidated operating companies	$ 107	$ 245	$ 654	$ 1,321	$ 2,376	$ 1,034	$ 529	$ 6,266
Equity-accounted operating companies	93	139	132	45	558	4,036	1,581	6,584
Total	$ 200	$ 384	$ 786	$ 1,366	$ 2,934	$ 5,070	$ 2,110	$ 12,850

(Unaudited) ($ millions)	Above Table Converted to Canadian Dollars							
	2009	2010	2011	2012	2013	2014	Thereafter	Total
Consolidated operating companies	$ 125	$ 285	$ 761	$ 1,536	$ 2,763	$ 1,202	$ 615	$ 7,287
Equity-accounted operating companies	108	162	154	52	649	4,694	1,839	7,658
Total	$ 233	$ 447	$ 915	$ 1,588	$ 3,412	$ 5,896	$ 2,454	$ 14,945

Non-controlling interests

The non-controlling interests liability in Onex' unaudited interim consolidated balance sheet as at June 30, 2009 primarily represents the ownership interests of shareholders, other than Onex, in Onex' consolidated operating companies and equity-accounted investments. At June 30, 2009, the non-controlling interests balance increased to $6.9 billion from $6.6 billion at December 31, 2008. Table 11 details the change in the non-controlling interests balance from December 31, 2008 to June 30, 2009.

Change in Non-controlling Interests

TABLE 11 (Unaudited) ($ millions)	
Non-controlling interests as at December 31, 2008	**$ 6,624**
Non-controlling interests in 2009	
operating companies' net earnings	**120**
Investments by shareholders other than Onex in:	
Onex Partners III	**143**
Onex' operating companies	**79**
Other comprehensive loss	**(91)**
Non-controlling interests as at June 30, 2009	**$ 6,875**

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

- the $120 million of non-controlling interests' share of operating companies' net earnings for the six months ended June 30, 2009;
- $143 million in investments by limited partners of Onex Partners III, other than Onex, of which $116 million was for the investment in Tropicana Las Vegas; and
- $79 million of investments by shareholders, other than Onex, in Onex' operating companies.

Partially offsetting these increases was a 5 percent decline in the value of the U.S. dollar relative to the Canadian dollar, which was included in other comprehensive loss in table 11. The value of the U.S. dollar was 1.1630 Canadian dollars at June 30, 2009 compared to 1.2180 Canadian dollars at December 31, 2008.

Shareholders' equity

Shareholders' equity totalled $1.8 billion at June 30, 2009 compared to $1.6 billion at December 31, 2008. The $252 million in net earnings reported in the first six months of 2009 accounted for most of the change in shareholders' equity in the quarter. Table 12 provides a reconciliation of the change in shareholders' equity from December 31, 2008 to June 30, 2009.

Change in Shareholders' Equity

TABLE 12 (Unaudited) ($ millions)	
Shareholders' equity as at December 31, 2008	**$ 1,553**
Regular dividends declared	**(7)**
Shares repurchased and cancelled	**(1)**
Net earnings	**252**
Other comprehensive loss for 2009	**(6)**
Shareholders' equity as at June 30, 2009	**$ 1,791**

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

Shares outstanding

At July 31, 2009, Onex had 121,872,842 Subordinate Voting Shares issued and outstanding. Table 13 shows the change in the number of Subordinate Voting Shares outstanding from December 31, 2008 to July 31, 2009.

Change in Subordinate Voting Shares Outstanding

TABLE 13 *(Unaudited)*	
Subordinate Voting Shares outstanding at December 31, 2008	**122,098,985**
Shares repurchased and cancelled under Onex' Normal Course Issuer Bid	**(228,500)**
Issue of shares – Dividend Reinvestment Plan	**2,357**
Subordinate Voting Shares outstanding at July 31, 2009	**121,872,842**

Onex also has 100,000 Multiple Voting Shares outstanding, which have a nominal paid-in value, and 176,078 Series 1 Senior Preferred Shares, which have no paid-in amount reflected in Onex' audited annual consolidated financial statements. Note 8 to the unaudited interim consolidated financial statements provides additional information on Onex' share capital. There was no change in the Multiple Voting Shares and Series 1 Senior Preferred Shares outstanding during the first six months of 2009.

For the seven-month period ended July 31, 2009, Onex, the parent company, repurchased 228,500 Subordinate Voting Shares under its Normal Course Issuer Bids at an average cost per share of $19.03 for a total cost of $4 million.

Under Onex' Dividend Reinvestment Plan, Onex issued 2,357 Subordinate Voting Shares at an average cost of $18.85 per Subordinate Voting Share, creating a cash savings of less than $1 million during the period ended July 31, 2009.

Management of capital

Onex considers the capital it manages to be the amounts it has in cash, short-term and near-cash investments, and the investments made by it in the operating companies, Onex Real Estate Partners and Onex Credit Partners. Onex also manages the third-party capital invested in the Onex Partners and ONCAP Funds.

Onex' objectives in managing capital are to:

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

At June 30, 2009, Onex, the parent company, had approximately $650 million of cash on hand and approximately $22 million of near-cash items at market value. The Company is currently liquidating its near-cash items, which are invested in segregated hedge funds. Onex expects to have liquidated most of these near-cash items by 2010. Onex, the parent company, has a conservative cash management policy that limits its cash investments to short-term high-rated money market instruments. This policy is driven towards maintaining liquidity and preserving principal in all of the money market investments at Onex, the parent company.

At June 30, 2009, Onex had access to US$3.5 billion of uncalled committed third-party capital for acquisitions through the Onex Partners and ONCAP Funds. This includes approximately US$3.0 billion of committed third-party capital to date for Onex Partners III.

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

LIQUIDITY AND CAPITAL RESOURCES

This section should be read in conjunction with the unaudited interim consolidated statements of cash flows for the three and six months ended June 30, 2009 and 2008 and the corresponding notes thereto. Table 14 summarizes the major consolidated cash flow components for the three and six months ended June 30, 2009 and 2008.

Major Cash Flow Components

TABLE 14 *(Unaudited) ($ millions)*	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Cash from operating activities	**$ 307**	$ 307	**$ 304**	$ 448
Cash from (used in) financing activities	**$ 53**	$ (148)	**$ (44)**	$ (129)
Cash from (used in) investing activities	**$ 25**	$ (143)	**$ (192)**	$ (380)
Consolidated cash and short-term investments – continuing operations	**$ 2,867**	$ 2,465	**$ 2,867**	$ 2,465

Cash from operating activities

Table 15 provides a breakdown of cash from operating activities by cash generated from operations and non-cash working capital items, warranty reserves and unearned premiums and other liabilities for the three and six months ended June 30, 2009 and 2008.

Components of Cash from (used in) Operating Activities

TABLE 15 *(Unaudited) ($ millions)*	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Cash generated from operations	**$ 355**	$ 395	**$ 788**	$ 670
Changes in non-cash working capital items				
Accounts receivable	**42**	(158)	**328**	(233)
Inventories	**42**	(159)	**(66)**	(301)
Other current assets	**(118)**	37	**(16)**	52
Accounts payable, accrued liabilities and other current liabilities	**3**	189	**(555)**	204
Decrease in cash due to changes in non-cash working capital items	**$ (31)**	$ (91)	**$ (309)**	$ (278)
Increase (decrease) in warranty reserves and unearned premiums and other liabilities	**(17)**	3	**(175)**	56
Cash from operating activities	**$ 307**	$ 307	**$ 304**	$ 448

Cash generated from operations excludes changes in non-cash working capital items, warranty reserves and premiums and other liabilities. The decline in cash generated from operations for the second quarter of 2009 compared to the same period last year was due primarily to the lower operating earnings at many of Onex' operating companies as discussed on page 14 of this report.

Non-cash working capital items decreased cash by $31 million and $309 million, respectively, for the three and six months ended June 30, 2009. This compares to a decrease of $91 million and $278 million, respectively, for the same periods of 2008. The change for the first six months of 2009 was due to:

- a US$265 million decrease in accounts receivable at Celestica. This decrease was due to strong cash collections, the sale of US$30 million in receivables under Celestica's accounts receivable sales program, as well as lower revenues. Partially offsetting this decrease was higher accounts receivable at Spirit AeroSystems (US$61 million);
- a $66 million overall increase in inventory. Spirit AeroSystems continued to build up inventory associated with its B787, Gulfstream and other general aviation programs (US$186 million). Partially offsetting this increase was lower inventory at Celestica (US$153 million); and

- the change in accounts payable, accrued liabilities and other current liabilities primarily from the US$407 million decrease in accounts payable at Celestica due to lower business levels, partially offset by a US$115 million increase in accounts payable at Spirit AeroSystems.

Warranty reserves and unearned premiums and other liabilities decreased $17 million and $175 million, respectively, for the three and six months ended June 30, 2009. Much of the decline in those periods was due primarily to lower warranty unearned premiums at The Warranty Group. Unearned premiums represent the portion of the revenue received that has not yet been earned as revenue on extended warranty products sold.

Cash from (used in) financing activities

Cash from financing activities totalled $53 million for the second quarter of 2009 compared to cash used in financing activities of $148 million for the same quarter last year. Included in cash from financing activities in the second quarter of 2009 was:

- $116 million of cash received primarily from the limited partners of Onex Partners III, other than Onex, for the acquisition of Tropicana Las Vegas completed on July 1, 2009; and
- $30 million of shares issued by certain Onex operating companies.

Partially offsetting these was a long-term debt repayment by Carestream Health in the quarter, and the repayment of the credit facility that was established for the purchase of Tropicana debt from cash received from the limited partners of Onex Partners III.

For the six months ended June 30, 2009, cash used in financing activities was $44 million compared to cash used of $129 million for the first half of 2008. Included in the financing activities for the first six months of 2009 were those factors discussed in the 2009 second quarter, as well as US$150 million of cash used by Celestica to repurchase a portion of its 2011 senior subordinated notes.

Cash from (used in) investing activities

Cash from investing activities totalled $25 million for the three months ended June 30, 2009 compared to cash used in investing activities of $143 million for the same quarter of 2008. For the first six months of 2009, cash used in investing activities totalled $192 million compared to $380 million for the six months ended June 30, 2008.

Included in the three and six months ended June 30, 2009 was $175 million of proceeds received by Onex, the parent company, on the sale of its remaining trust units of Cineplex Galaxy Income Fund. Partially offsetting this was approximately $97 million and $295 million of the cash used for the purchase of property, plant and equipment expenditures by Onex' operating companies in the second quarter and first six months of 2009, respectively.

Consolidated cash resources

At June 30, 2009, consolidated cash with continuing operations was $2.9 billion, slightly lower than the level at December 31, 2008. The major components at June 30, 2009 were:

- $650 million of cash on hand at Onex, the parent company; and
- $1.3 billion of cash at Celestica.

Onex believes that maintaining a strong financial position at the parent company with appropriate liquidity enables the Company to pursue new opportunities to create long-term value and support Onex' existing operating companies. In addition to the $650 million of cash at the parent company at June 30, 2009, there was $22 million of near-cash items that are investments in segregated hedge funds. Cash at the parent company excludes any cash received from the EMSC secondary offering completed in August 2009. Table 16 provides a reconciliation of the change in cash at Onex, the parent company, from March 31, 2009 to June 30, 2009.

Change in Cash at Onex, the parent company

TABLE 16 *(Unaudited) ($ millions)*	
Cash on hand at March 31, 2009	**$ 495**
Proceeds on Cineplex Entertainment sale	**175**
Management fees received	**45**
Investment in Tropicana	**(34)**
Investments in Onex Real Estate	**(11)**
Currency translation loss on USD cash held	**(40)**
Other, net, including dividends	**20**
Cash on hand at June 30, 2009	**$ 650**

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

Private Equity Funds Uncalled Third-Party Committed Capital

TABLE 17	*(Unaudited)* *($ millions)*	Available Uncalled Committed Capital (excluding Onex)[a]
Onex Partners I		**US$ 92**
Onex Partners II		**US$ 300**
Onex Partners III		**US$ 3,016**
ONCAP II		**$ 130**

(a) Includes amounts from Onex management and directors.

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

Recent transactions

EMSC completes secondary offering

In early August 2009, under a secondary public offering of EMSC, Onex, Onex Partners I and certain limited partners of Onex Partners I sold 9.2 million shares of EMSC, of which Onex' portion was approximately 3.5 million shares. The offering was completed at a price of US$40.00 per share, gross of underwriter commissions. Onex' cash cost of these shares was US$6.67. Onex' portion of the net cash proceeds was approximately US$137 million, which includes US$5 million of carried interest. As a result of the proceeds to third-party limited partners of Onex Partners I on this disposition, the loss from the CEI investment will not give rise to any clawback of prior carried interest distributions.

After giving effect to the offering, Onex, Onex Partners I and certain limited partners of Onex Partners I will continue to own approximately 54 percent of the equity interests, of which Onex' share will be approximately 20 percent. Onex continues to hold approximately 92 percent of the voting interest of EMSC subsequent to the offering.

Onex Normal Course Issuer Bid

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

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

TRANSITION TO INTERNATIONAL REPORTING STANDARDS

During the first six months of 2009, Onex continued to work on its transition plan to International Financial Reporting Standards ("IFRS"). However, Onex has not yet determined the full impact of IFRS on Onex' consolidated financial statements.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures

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

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

Internal controls over financial reporting

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

OUTLOOK

Although equity markets have rallied on expectations of an economic recovery, we anticipate a slow and stuttering return to growth. Credit markets show signs of improvement, although credit for significant acquisitions is still very difficult to obtain. In the early stages of a recovery, business conditions tend to lag the capital markets and therefore we continue to position our companies for tough operating environments.

We have been working closely with operating company management teams to seek to ensure that they are as well-positioned as they can be to endure the downturn. Almost without exception, we've been impressed by the success of our businesses in reducing their costs. When a recovery occurs, they should be poised to take full advantage of it with leaner cost structures and greater operating leverage.

While the present conditions are hampering the pace of realizations, we continue to believe that they will create the greatest potential for value investors like Onex with experience in distressed-for-control investing, corporate carve-outs, and restructurings generally. We also recognize that transactions will require significant amounts of equity until the debt markets recover – circumstances we are comfortable with given our long-standing conservative approach to financial leverage.

Onex' first investment in Onex Partners III, the Tropicana Las Vegas, was a distressed-for-control opportunity in the gaming sector. On July 1, 2009, Tropicana Las Vegas emerged from bankruptcy protection and Alex Yemenidjian, former President of MGM Mirage and Onex' partner, was appointed Chairman and Chief Executive Officer. Together, we plan to restore the Tropicana Las Vegas with an initial capital refurbishment program of approximately US$75 million. We're very excited about this investment. We acquired the business during a cyclical low in the industry well below precedent levels and have capitalized the property with no debt, providing Tropicana Las Vegas with significant operational flexibility to complete the turnaround.

Despite a difficult fundraising environment, we have raised US$3.1 billion of third-party capital for Onex Partners III towards our original target of US$3.5 billion of third-party commitments. In addition to the US$3.1 billion, Onex, as the largest investor in this Fund, has committed US$500 million. We may receive additional commitments prior to the final closing of the fund, scheduled for September 30, 2009.

At the end of July 2009, total uncalled capital available for future investment opportunities through its Onex Partners and ONCAP Funds totalled US$4.4 billion, of which Onex' portion was US$835 million. As a result, Onex is well positioned to actively participate in future acquisition opportunities.

By concentrating on enhancing the productivity and profitability of our companies, we've built a portfolio of industry-leading businesses that should not only weather the downturn, but build long-term value for Onex, our limited partners and our shareholders. We believe that this success with our operating companies and our record of capital preservation and superior returns over 25 years are direct results of the alignment of interests between Onex, its investors and its management team. Our fundamental investing and ownership tenets have served us well through many cycles and, once again, we look forward to realizing the benefits of the recovery.

CONSOLIDATED BALANCE SHEETS

(in millions of dollars)	*(Unaudited)* As at June 30 **2009**	As at December 31 2008
Assets		
Current assets		
Cash and short-term investments	**$ 2,867**	$ 2,921
Marketable securities	**784**	842
Accounts receivable	**3,491**	4,014
Inventories	**3,351**	3,471
Other current assets	**1,567**	1,695
	12,060	12,943
Property, plant and equipment	**3,839**	4,066
Investments	**3,976**	3,897
Other long-term assets	**2,883**	3,125
Intangible assets	**2,496**	2,755
Goodwill	**2,683**	2,946
	$ 27,937	$ 29,732
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	**$ 3,813**	$ 4,617
Other current liabilities	**1,135**	1,196
Current portion of long-term debt, without recourse to Onex (note 2)	**234**	532
Current portion of obligations under capital leases, without recourse to Onex	**22**	25
Current portion of warranty reserves and unearned premiums	**1,600**	1,698
	6,804	8,068
Long-term debt of operating companies, without recourse to Onex (note 2)	**6,699**	7,143
Long-term portion of obligations under capital leases of operating companies, without recourse to Onex	**45**	46
Long-term portion of warranty reserves and unearned premiums	**2,375**	2,561
Other long-term liabilities	**2,066**	2,287
Future income taxes	**1,282**	1,450
	19,271	21,555
Non-controlling interests	**6,875**	6,624
Shareholders' equity	**1,791**	1,553
	$ 27,937	$ 29,732

See accompanying notes to unaudited interim consolidated financial statements.

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

CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited) *(in millions of dollars, except per share data)*	Three months ended June 30 2009	Three months ended June 30 2008	Six months ended June 30 2009	Six months ended June 30 2008
Revenues	**$ 6,131**	$ 6,815	**$ 12,600**	$ 13,041
Cost of sales	**(4,886)**	(5,501)	**(9,907)**	(10,549)
Selling, general and administrative expenses	**(693)**	(671)	**(1,463)**	(1,359)
Earnings Before the Undernoted Items	**552**	643	**1,230**	1,133
Amortization of property, plant and equipment	**(160)**	(151)	**(330)**	(300)
Amortization of intangible assets and deferred charges	**(94)**	(86)	**(196)**	(186)
Interest expense of operating companies	**(133)**	(122)	**(278)**	(253)
Debt prepayment income (expense)	**2**	–	**(6)**	–
Interest income	**19**	20	**34**	40
Earnings (loss) from equity-accounted investments (note 3)	**(56)**	17	**(46)**	(11)
Foreign exchange gains (loss)	**(35)**	(13)	**(30)**	33
Stock-based compensation recovery (expense)	**(63)**	(18)	**(57)**	32
Other income	**85**	20	**68**	16
Gains on dispositions of operating investments, net (note 4)	**184**	–	**184**	–
Acquisition, restructuring and other expenses (note 5)	**(52)**	(65)	**(96)**	(113)
Writedown of goodwill, intangible assets and long-lived assets (note 6)	**(114)**	(3)	**(114)**	(3)
Earnings before income taxes, non-controlling interests and discontinued operations	**135**	242	**363**	388
Recovery of (provision for) income taxes	**(32)**	(98)	**9**	(147)
Non-controlling interests	**(20)**	(162)	**(120)**	(219)
Earnings (loss) from continuing operations	**83**	(18)	**252**	22
Earnings from discontinued operations	**–**	–	**–**	5
Net Earnings (Loss) for the Period	**$ 83**	$ (18)	**$ 252**	$ 27
Net Earnings (Loss) per Subordinate Voting Share (note 9)				
Basic and Diluted:				
Continuing operations	**$ 0.68**	$ (0.14)	**$ 2.06**	$ 0.18
Discontinued operations	**$ –**	$ –	**$ –**	$ 0.04
Net earnings (loss)	**$ 0.68**	$ (0.14)	**$ 2.06**	$ 0.22

See accompanying notes to unaudited interim consolidated financial statements.

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

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE EARNINGS

(Unaudited) *(in millions of dollars, except per share data)* Six months ended June 30	Share Capital (note 8)	Retained Earnings	Accumulated Other Comprehensive Earnings (Loss)	Total Shareholders' Equity
Balance – December 31, 2007	$ 529	$ 1,583	$ (409)	$ 1,703
Dividends declared[a]	–	(7)	–	(7)
Purchase and cancellation of shares	(7)	(46)	–	(53)
Comprehensive Earnings (Loss)				
Net earnings for the period	–	27	–	27
Other comprehensive earnings (loss) for the period:				
Currency translation adjustments	–	–	36	36
Change in fair value of derivatives designated as hedges	–	–	(12)	(12)
Other	–	–	(15)	(15)
Balance – June 30, 2008	**$ 522**	**$ 1,557**	**$ (400)[b]**	**$ 1,679**
Balance – December 31, 2008	**$ 515**	**$ 1,199**	**$ (161)**	**$ 1,553**
Dividends declared[a]	**–**	**(7)**	**–**	**(7)**
Purchase and cancellation of shares	**–**	**(1)**	**–**	**(1)**
Comprehensive Earnings (Loss)				
Net earnings for the period	**–**	**252**	**–**	**252**
Other comprehensive earnings (loss) for the period:				
Currency translation adjustments	**–**	**–**	**(90)**	**(90)**
Change in fair value of derivatives designated as hedges	**–**	**–**	**73**	**73**
Other	**–**	**–**	**11**	**11**
Balance – June 30, 2009	**$ 515**	**$ 1,443**	**$ (167)[c]**	**$ 1,791**

(a) Dividends declared per Subordinate Voting Share were $0.055 for the six months ended June 30, 2009 and 2008.

(b) Accumulated Other Comprehensive Earnings (Loss) as at June 30, 2008 consists of currency translation adjustments of negative $361, unrealized losses on the effective portion of cash flow hedges of $33 and unrealized losses on available-for-sale financial assets and other of $6. Income taxes did not have a significant effect on these items.

(c) Accumulated Other Comprehensive Earnings (Loss) as at June 30, 2009 consists of currency translation adjustments of negative $105, unrealized losses on the effective portion of cash flow hedges of $69 and unrealized gains on available-for-sale financial assets and other of $7. Income taxes did not have a significant effect on these items.

See accompanying notes to unaudited interim consolidated financial statements.

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited) *(in millions of dollars)*	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Operating Activities				
Net earnings (loss) for the period	**$ 83**	$ (18)	**$ 252**	$ 27
Earnings from discontinued operations	**–**	–	**–**	(5)
Items not affecting cash:				
Amortization of property, plant and equipment	**160**	151	**330**	300
Amortization of intangible assets and deferred charges	**94**	86	**196**	186
Amortization of deferred warranty costs	**22**	(7)	**41**	(22)
Debt prepayment expense (income)	**(2)**	–	**6**	–
Loss (earnings) from equity-accounted investments	**56**	(17)	**46**	11
Foreign exchange loss (gains)	**40**	7	**22**	(15)
Stock-based compensation expense (recovery)	**63**	18	**57**	(32)
Gains on dispositions of operating investments, net	**(184)**	–	**(184)**	–
Writedown of goodwill and long-lived assets	**114**	3	**114**	3
Non-controlling interests	**20**	162	**120**	219
Future income taxes	**(36)**	19	**(141)**	(22)
Other	**(75)**	(9)	**(71)**	20
	355	395	**788**	670
Changes in non-cash working capital items:				
Accounts receivable	**42**	(158)	**328**	(233)
Inventories	**42**	(159)	**(66)**	(301)
Other current assets	**(118)**	37	**(16)**	52
Accounts payable, accrued liabilities and other current liabilities	**3**	189	**(555)**	204
Decrease in cash due to changes in working capital items	**(31)**	(91)	**(309)**	(278)
Increase (decrease) in warranty reserves and unearned premiums and other liabilities	**(17)**	3	**(175)**	56
	307	307	**304**	448
Financing Activities				
Issuance of long-term debt	**397**	272	**706**	503
Repayment of long-term debt	**(531)**	(447)	**(971)**	(597)
Cash dividends paid	**(4)**	(3)	**(7)**	(7)
Repurchase of share capital	**(1)**	–	**(1)**	(53)
Issuance of share capital provided by L.P. investors and operating companies	**186**	35	**222**	83
Distributions by operating companies	**(2)**	(2)	**(4)**	(57)
Increase (decrease) due to other financing activities	**8**	(3)	**11**	(1)
	53	(148)	**(44)**	(129)
Investing Activities				
Acquisition of operating companies, net of cash in acquired companies of nil (2008 – $2)	**(2)**	(54)	**(2)**	(74)
Purchase of property, plant and equipment	**(97)**	(168)	**(295)**	(314)
Proceeds from sales of operating investments	**175**	–	**175**	–
Increase (decrease) due to other investing activities	**(51)**	79	**(70)**	3
Cash from discontinued operations	**–**	–	**–**	5
	25	(143)	**(192)**	(380)
Increase (Decrease) in Cash for the Period	**385**	16	**68**	(61)
Increase (decrease) in cash due to changes in foreign exchange rates	**(217)**	(14)	**(122)**	64
Cash, beginning of the period – continuing operations	**2,699**	2,463	**2,921**	2,462
Cash, End of the Period	**2,867**	2,465	**2,867**	2,465
Short-term investments	**–**	–	**–**	–
Cash and Short-term Investments Held by Continuing Operations	**$ 2,867**	$ 2,465	**$ 2,867**	$ 2,465

See accompanying notes to unaudited interim consolidated financial statements.

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

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The consolidated financial statements represent the accounts of Onex and its subsidiaries, including its controlled operating companies. Onex also controls and consolidates the operations of Onex Partners LP ("Onex Partners I"), Onex Partners II LP ("Onex Partners II") and Onex Partners III LP ("Onex Partners III"), referred to collectively as "Onex Partners" (as described in note 25(d), 25(e) and 25(f) to the audited annual consolidated financial statements). All significant intercompany balances and transactions have been eliminated.

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

	June 30, 2009		December 31, 2008	
	Onex Ownership	**Voting**	Onex Ownership	Voting
Investments made through Onex				
Celestica Inc. ("Celestica")	**13%**	**79%**	13%	79%
Cineplex Entertainment[a]	**–**	**–**	23%	(b)
Sitel Worldwide Corporation ("Sitel Worldwide")	**66%**	**88%**	66%	88%
Investments made through Onex and Onex Partners I				
Center for Diagnostic Imaging, Inc. ("CDI")	**19%**	**100%**	19%	100%
Cosmetic Essence, Inc. ("CEI")[a]	**–**	**–**	21%	100%
Emergency Medical Services Corporation ("EMSC")	**28%**	**97%**	29%	97%
Res-Care, Inc. ("ResCare")	**6%**	**(b)**	6%	(b)
Skilled Healthcare Group, Inc. ("Skilled Healthcare")	**9%**	**89%**	9%	89%
Spirit AeroSystems, Inc. ("Spirit AeroSystems")	**7%**	**77%**	7%	76%
Investments made through Onex and Onex Partners II				
Allison Transmission, Inc. ("Allison Transmission")	**15%**	**(b)**	15%	(b)
Carestream Health, Inc. ("Carestream Health")	**39%**	**100%**	39%	100%
Hawker Beechcraft Corporation ("Hawker Beechcraft")	**19%**	**(b)**	20%	(b)
RSI Home Products, Inc. ("RSI")	**20%**	**50%[b]**	20%	50%[b]
Tube City IMS Corporation ("Tube City IMS")	**34%**	**100%**	35%	100%
Investments made through Onex, Onex Partners I and Onex Partners II				
Husky Injection Molding Systems Ltd. ("Husky")	**36%**	**100%**	36%	100%
The Warranty Group, Inc. ("The Warranty Group")	**29%**	**100%**	29%	100%
Other investments				
ONCAP II L.P.	**44%**	**100%**	44%	100%
Onex Real Estate Partners ("Onex Real Estate")	**86%**	**100%**	86%	100%

(a) Disposed of in 2009 (see note 4).

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

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

SIGNIFICANT ACCOUNTING POLICIES

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

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

Newly adopted accounting pronouncements

Goodwill and Intangible Assets

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

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

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

Financial Instruments – Disclosures

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

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

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

a) Celestica

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

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

b) Skilled Healthcare

In April 2009, Skilled Healthcare amended its credit agreement to extend the maturity of the revolving loan commitment from June 15, 2010 to June 15, 2012, while maintaining existing interest rates. The revolving line of credit has a capacity of US$135 up to June 15, 2010, reducing to US$124 until maturity. At June 30, 2009, US$95 was drawn on the facility.

c) Spirit AeroSystems

In June 2009, Spirit AeroSystems amended its existing credit agreement. The amendment extends the maturity of the company's revolving credit facility from June 2010 to June 2012 and increases the revolving credit facility size from US$650 to US$729 through June 2010 before stepping down to US$409 through June 2012. At June 30, 2009, US$150 was drawn on the facility.

3. EARNINGS (LOSS) FROM EQUITY-ACCOUNTED INVESTMENTS

	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Allison Transmission	**$ (138)**	$ 6	**$ (178)**	$ (15)
Hawker Beechcraft	**79**	10	**122**	(3)
Other	**3**	1	**10**	7
	$ (56)	$ 17	**$ (46)**	$ (11)

4. GAINS ON DISPOSITIONS OF OPERATING INVESTMENTS

	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Gain on sale of Cineplex Entertainment[a]	**$ 160**	$ –	**$ 160**	$ –
Gain on disposition of CEI[b]	**20**	–	**20**	–
Other	**4**	–	**4**	–
	$ 184	$ –	**$ 184**	$ –

a) Cineplex Entertainment

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

b) CEI

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

5. ACQUISITION, RESTRUCTURING AND OTHER EXPENSES

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

	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Celestica	**$ 24**	$ 4	**$ 32**	$ 7
Carestream Health	**10**	23	**24**	53
Husky	**7**	3	**25**	8
Sitel Worldwide	**7**	29	**9**	34
Other	**4**	6	**6**	11
	$ 52	$ 65	**$ 96**	$ 113

5. ACQUISITION, RESTRUCTURING AND OTHER EXPENSES (cont'd)

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

Years Prior to 2008	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Total estimated expected costs	$ 921	$ 210	$ 64	$ 453	$ 1,648[a]
Cumulative costs expensed to date	821	203	57	453	1,534[b]
Expense for the period ended June 30, 2009	31	(1)	1	1	32
Reconciliation of accrued liability					
Closing balance – December 31, 2008	$ 24	$ 39	$ 3		$ 66
Cash payments	(35)	(6)	(1)		(42)
Charges	31	(1)	1		31
Other adjustments	(1)	(2)	–		(3)
Closing balance – June 30, 2009	$ 19	$ 30	$ 3		$ 52

(a) Includes Celestica $1,637.
(b) Includes Celestica $1,524.

Initiated in 2008	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Total estimated expected costs	$ 34	$ 8	$ 45	$ 2	$ 89[a]
Cumulative costs expensed to date	19	6	37	2	64[b]
Expense for the period ended June 30, 2009	20	1	9	–	30
Reconciliation of accrued liability					
Closing balance – December 31, 2008	$ 34	$ 8	$ 15		$ 57
Cash payments	(18)	(3)	(20)		(41)
Charges	20	1	9		30
Other adjustments	(9)	(1)	3		(7)
Closing balance – June 30, 2009	$ 27	$ 5	$ 7		$ 39

(a) Includes Carestream Health $7 and Husky $65.
(b) Includes Carestream Health $4 and Husky $47.

Initiated in 2009	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Total estimated expected costs	$ 22	$ 7	$ 37	$ –	$ 66[a]
Cumulative costs expensed to date	14	1	19	–	34[b]
Expense for the period ended June 30, 2009	14	1	19	–	34
Reconciliation of accrued liability					
Cash payments	$ (6)	$ –	$ (18)		$ (24)
Charges	14	1	19		34
Closing balance – June 30, 2009	$ 8	$ 1	$ 1		$ 10

(a) Includes Carestream Health $40 and Sitel Worldwide $19.
(b) Includes Carestream Health $20 and Sitel Worldwide $9.

5. ACQUISITION, RESTRUCTURING AND OTHER EXPENSES (cont'd)

Total	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Total estimated expected costs	$ 977	$ 225	$ 146	$ 455	$ 1,803
Cumulative costs expensed to date	854	210	113	455	$ 1,632
Expense for the period ended June 30, 2009	65	1	29	1	96
Reconciliation of accrued liability					
Closing balance – December 31, 2008	$ 58	$ 47	$ 18		$ 123
Cash payments	(59)	(9)	(39)		(107)
Charges	65	1	29		95
Other adjustments	(10)	(3)	3		(10)
Closing balance – June 30, 2009	$ 54	$ 36	$ 11		$ 101

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

	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Tube City IMS[a]	**$ 62**	$ –	**$ 62**	$ –
Sitel Worldwide[b]	**52**	3	**52**	3
Other	**–**	–	**–**	–
	$ 114	$ 3	**114**	$ 3

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

b) In the second quarter of 2009, due to the revenue erosion in its European operations driven by the economic downturn, especially within its telecom customers, Sitel Worldwide performed a goodwill impairment test that resulted in a non-cash goodwill impairment charge of $52.

7. PENSION

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

	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Defined benefit expense (income)	**$ 1**	$ (4)	**$ 8**	$ (9)

8. SHARE CAPITAL

a) At June 30, 2009, the issued and outstanding share capital consisted of 100,000 Multiple Voting Shares (December 31, 2008 – 100,000), 122,061,879 Subordinate Voting Shares (December 31, 2008 – 122,098,985) and 176,078 Series 1 Senior Preferred Shares (December 31, 2008 – 176,078). The Series 1 Senior Preferred Shares have no paid-in amount reflected in these consolidated financial statements and the Multiple Voting Shares have nominal paid-in value.

b) During the first six months of 2009, under the Dividend Reinvestment Plan, the Company issued 1,494 Subordinate Voting Shares (2008 – 3,723) at a total value of less than $1 (2008 – less than $1). In the first six months of both 2009

and 2008, no Subordinate Voting Shares were issued upon the exercise of stock options.

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

In the first six months of 2009, under the Normal Course Issuer Bids, the Company repurchased and cancelled 38,600 Subordinate Voting Shares at a cash cost of $1, all of which was in the second quarter of 2009. In the first six months of 2008, the Company repurchased and cancelled 1,698,800 Subordinate Voting Shares at a cash cost of $53, all of which was in the first quarter of 2008. The excess of the purchase cost of these shares over the average paid-in amount was $1 (2008 – $46), which was charged to retained earnings.

c) No stock options were surrendered for cash consideration in 2009. During the first six months of 2008, the total cash consideration paid on 324,150 options surrendered was $7, of which 143,950 were surrendered in the second quarter for cash consideration of $3. This amount represents the difference between the market value of the Subordinate Voting Shares at the time of surrender and the exercise price, both as determined under Onex' Stock Option Plan as described in note 15 to the audited annual consolidated financial statements. In addition, 10,000 options (2008 – 9,500) expired during the first six months of 2009. At June 30, 2009, the Company had 12,921,450 options (December 31, 2008 – 12,931,450) outstanding to acquire Subordinate Voting Shares, of which 10,836,717 were vested, and of that, 7,765,000 options were exercisable. The exercisable options have a weighted average exercise price of $15.81.

d) During the second quarter of 2009, a total grant of 40,000 (2008 – 45,000) Deferred Share Units ("DSUs") was issued to directors. In addition, certain directors have chosen to receive their directors' fees in DSUs in lieu of cash. At June 30, 2009, there were 357,008 director DSUs outstanding (December 31, 2008 – 297,357).

Certain Onex management have chosen to apply all or a portion of their annual compensation earned to acquire DSUs based on the market value of Onex shares at the time. At June 30, 2009, there were 272,219 Management DSUs outstanding (December 31, 2008 – 202,902). The Company has entered into forward agreements with a counterparty financial institution to hedge the Company's exposure to changes in the market value of Onex' subordinate voting shares associated with the Management DSUs, as described in note 1 to the December 31, 2008 audited annual consolidated financial statements.

9. EARNINGS PER SHARE

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

	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Weighted average number of shares outstanding *(in millions)*				
Basic	**122**	124	**122**	124
Diluted	**122**	124	**122**	124

10. SUPPLEMENTAL CASH FLOW INFORMATION

Paid during the period:

	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
Interest	**$ 107**	$ 97	**$ 296**	$ 261
Taxes	**$ 149**	$ 145	**$ 177**	$ 161

11. COMMITMENTS, GUARANTEES AND RELATED PARTY TRANSACTIONS

a) Contingent liabilities in the form of letters of credit, letters of guarantee and surety and performance bonds are primarily provided by certain operating companies to various third parties and include certain bank guarantees. At June 30, 2009, the amounts potentially payable in respect of these guarantees totalled $501. Certain operating companies and Onex have guarantees with respect to employee share purchase loans that amounted to $1 at June 30, 2009.

The Company, which includes the operating companies, has commitments in the total amount of approximately $80 with respect to corporate investments, which includes Onex' and Onex Partners III's share of the rights offering of Tropicana Las Vegas of US$58.

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

The Company, which includes the operating companies, has aggregate capital commitments of $288 at June 30, 2009.

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

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

12. SUBSEQUENT EVENTS

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

a) In May 2008, Tropicana Entertainment, LLC and its Las Vegas subsidiaries (collectively, "Tropicana") filed for relief under Chapter 11 of the U.S. Bankruptcy Code. Since Tropicana's filing, Onex and Onex Partners III acquired a majority of Tropicana's US$440 term loan secured against its Las Vegas hotel and casino property. The debt was purchased at various discounts to par value and financed through a credit facility established for the purchases. Amounts outstanding on the credit facility were repaid in May 2009 using the equity capital contributed by Onex and Onex Partners III. Since the repayment, an additional US$5 has been drawn on the facility up to June 30, 2009.

On May 5, 2009, the U.S. Bankruptcy Court confirmed Tropicana's plan of reorganization, which became effective July 1, 2009. Under the plan, the secured creditors received 100% of the equity in the Las Vegas hotel and casino property, and Alex Yemenidjian, former President of MGM Mirage and Onex' partner, was appointed as the new Chief Executive Officer of the property. On July 1, 2009, Onex, Onex Partners III and management's equity ownership of Tropicana was 59%, of which Onex' share was 13%. Included in the 59% is a 3% ownership interest of Mr. Yemenidjian.

Upon emergence from bankruptcy, a valuation was performed that assigned an enterprise value of US$230 to Tropicana. As Onex had previously written down the value of the investment in the debt of Tropicana based on transaction values at the time, the investment has now been written up to fair value and non-cash income of $71, including the effect of foreign exchange, has been included in other income. Onex' share of the income is $16.

b) In early August 2009, under a secondary public offering of EMSC, Onex, Onex Partners I and certain limited partners of Onex Partners I sold 9.2 million shares of EMSC, of which Onex' portion was approximately 3.5 million shares. The offering was completed at a price of US$40.00 per share, gross of underwriter commissions. Onex' cash cost of these shares was US$6.67. Onex' portion of the net cash proceeds was approximately US$137, which includes US$5 of carried interest. As a result of the proceeds to third-party limited partners of Onex Partners I on this disposition, the loss from the CEI investment will not give rise to any clawback of prior carried interest distributions.

After giving effect to the offering, Onex, Onex Partners I and certain limited partners of Onex Partners I will continue to own approximately 54% of the equity interests, of which Onex' share will be approximately 20%. Onex continues to hold approximately 92% of the voting interest of EMSC subsequent to the offering.

13. INFORMATION BY INDUSTRY SEGMENT

(Unaudited) *(in millions of dollars)* **Three months ended June 30, 2009**	Electronics Manufacturing Services	Aero-structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other[a]	Consolidated Total
Revenues	$ 1,621	$ 1,240	$ 1,694	$ 342	$ 453	$ 276	$ 505	$ 6,131
Cost of sales	(1,480)	(1,156)	(1,229)	(170)	(292)	(244)	(315)	(4,886)
Selling, general and administrative expenses	(66)	(50)	(194)	(125)	(122)	(9)	(127)	(693)
Earnings before the undernoted items	75	34	271	47	39	23	63	552
Amortization of property, plant and equipment	(22)	(35)	(48)	(4)	(14)	(18)	(19)	(160)
Amortization of intangible assets and deferred charges	(6)	(1)	(58)	(6)	(6)	(4)	(13)	(94)
Interest expense of operating companies	(12)	(12)	(63)	(1)	(21)	(13)	(11)	(133)
Debt prepayment income	–	–	–	–	–	2	–	2
Interest income	1	3	1	–	–	–	14	19
Earnings (loss) from equity-accounted investments	–	–	6	–	–	–	(62)	(56)
Foreign exchange gains (loss)	1	4	4	–	(5)	–	(39)	(35)
Stock-based compensation expense	(10)	(3)	(2)	–	–	–	(48)	(63)
Other income	–	1	6	–	2	–	76	85
Gains on dispositions of operating companies	–	–	–	–	–	–	184	184
Acquisition, restructuring and other expenses	(24)	(1)	(10)	–	(7)	–	(10)	(52)
Writedown of goodwill, intangible assets and long-lived assets	–	–	–	–	(52)	(62)	–	(114)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	3	(10)	107	36	(64)	(72)	135	135
Recovery of (provision for) income taxes	2	4	(30)	(3)	(2)	2	(5)	(32)
Non-controlling interests	(4)	6	(53)	(23)	–	46	8	(20)
Earnings (loss) from continuing operations	1	–	24	10	(66)	(24)	138	83
Earnings from discontinued operations	–	–	–	–	–	–	–	–
Net earnings (loss)	$ 1	$ –	$ 24	$ 10	$ (66)	$ (24)	$ 138	$ 83

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

(Unaudited) *(in millions of dollars)* Three months ended June 30, 2008	Electronics Manufacturing Services	Aero-structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other[a]	Consolidated Total
Revenues	$ 1,897	$ 1,073	$ 1,458	$ 334	$ 451	$ 1,015	$ 587	$ 6,815
Cost of sales	(1,748)	(858)	(1,073)	(158)	(294)	(965)	(405)	(5,501)
Selling, general and administrative expenses	(66)	(44)	(172)	(118)	(124)	(16)	(131)	(671)
Earnings before the undernoted items	83	171	213	58	33	34	51	643
Amortization of property, plant and equipment	(23)	(26)	(48)	(3)	(14)	(16)	(21)	(151)
Amortization of intangible assets and deferred charges	(4)	(2)	(55)	(4)	(5)	(3)	(13)	(86)
Interest expense of operating companies	(12)	(10)	(57)	(2)	(16)	(10)	(15)	(122)
Interest income	2	5	3	–	–	–	10	20
Earnings from equity-accounted investments	–	–	4	–	–	–	13	17
Foreign exchange gains (loss)	2	(1)	(6)	–	(1)	–	(7)	(13)
Stock-based compensation expense	(8)	(4)	(1)	–	–	–	(5)	(18)
Other income (expense)	–	1	–	(1)	1	–	19	20
Acquisition, restructuring and other expenses	(4)	–	(23)	(2)	(29)	–	(7)	(65)
Writedown of goodwill, intangible assets and long-lived assets	–	–	–	–	(3)	–	–	(3)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	36	134	30	46	(34)	5	25	242
Recovery of (provision for) income taxes	4	(47)	(32)	(14)	(5)	(2)	(2)	(98)
Non-controlling interests	(35)	(82)	(4)	(22)	–	(2)	(17)	(162)
Earnings (loss) from continuing operations	5	5	(6)	10	(39)	1	6	(18)
Earnings from discontinued operations	–	–	–	–	–	–	–	–
Net earnings (loss)	$ 5	$ 5	$ (6)	$ 10	$ (39)	$ 1	$ 6	$ (18)

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

13. INFORMATION BY INDUSTRY SEGMENT (cont'd)

(Unaudited) *(in millions of dollars)* **Six months ended June 30, 2009**	Electronics Manufacturing Services	Aero-structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other[a]	Consolidated Total
Revenues	$ 3,451	$ 2,345	$ 3,361	$ 707	$ 948	$ 659	$ 1,129	$ 12,600
Cost of sales	(3,145)	(2,042)	(2,450)	(349)	(607)	(590)	(724)	(9,907)
Selling, general and administrative expenses	(141)	(110)	(395)	(266)	(256)	(24)	(271)	(1,463)
Earnings before the undernoted items	165	193	516	92	85	45	134	1,230
Amortization of property, plant and equipment	(46)	(67)	(102)	(7)	(30)	(36)	(42)	(330)
Amortization of intangible assets and deferred charges	(13)	(2)	(122)	(12)	(12)	(8)	(27)	(196)
Interest expense of operating companies	(25)	(23)	(130)	(2)	(44)	(26)	(28)	(278)
Debt prepayment income (expense)	(8)	–	–	–	–	2	–	(6)
Interest income	1	6	3	–	1	–	23	34
Earnings (loss) from equity-accounted investments	–	–	11	–	–	–	(57)	(46)
Foreign exchange gains (loss)	(2)	5	(4)	–	(6)	1	(24)	(30)
Stock-based compensation expense	(18)	(7)	(4)	–	–	–	(28)	(57)
Other income (expense)	–	2	(9)	(1)	1	–	75	68
Gains on dispositions of operating companies	–	–	–	–	–	–	184	184
Acquisition, restructuring and other expenses	(32)	(1)	(24)	–	(9)	–	(30)	(96)
Writedown of goodwill, intangible assets and long-lived assets	–	–	–	–	(52)	(62)	–	(114)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	22	106	135	70	(66)	(84)	180	363
Recovery of (provision for) income taxes	7	(36)	(42)	(16)	(6)	5	97	9
Non-controlling interests	(25)	(65)	(71)	(38)	–	52	27	(120)
Earnings (loss) from continuing operations	4	5	22	16	(72)	(27)	304	252
Earnings from discontinued operations	–	–	–	–	–	–	–	–
Net earnings (loss)	$ 4	$ 5	$ 22	$ 16	$ (72)	$ (27)	$ 304	$ 252
Total assets	$ 3,772	$ 4,945	$ 6,306	$ 5,855	$ 914	$ 920	$ 5,225	$ 27,937
Long-term debt[b]	$ 676	$ 828	$ 3,146	$ 225	$ 758	$ 454	$ 846	$ 6,933

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

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

(Unaudited) *(in millions of dollars)* Six months ended June 30, 2008	Electronics Manufacturing Services	Aero-structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other[a]	Consolidated Total
Revenues	$ 3,740	$ 2,114	$ 2,811	$ 664	$ 929	$ 1,629	$ 1,154	$ 13,041
Cost of sales	(3,455)	(1,694)	(2,075)	(316)	(606)	(1,538)	(865)	(10,549)
Selling, general and administrative expenses	(132)	(88)	(357)	(239)	(260)	(29)	(254)	(1,359)
Earnings before the undernoted items	153	332	379	109	63	62	35	1,133
Amortization of property, plant and equipment	(45)	(51)	(94)	(6)	(27)	(31)	(46)	(300)
Amortization of intangible assets and deferred charges	(8)	(3)	(109)	(9)	(9)	(6)	(42)	(186)
Interest expense of operating companies	(28)	(19)	(115)	(5)	(30)	(20)	(36)	(253)
Interest income	9	11	4	–	1	–	15	40
Earnings (loss) from equity-accounted investments	–	–	8	–	–	–	(19)	(11)
Foreign exchange gains (loss)	8	(1)	8	–	4	–	14	33
Stock-based compensation recovery (expense)	(13)	(8)	(2)	–	–	–	55	32
Other income (expense)	–	2	–	(2)	1	–	15	16
Acquisition, restructuring and other expenses	(7)	–	(53)	(4)	(34)	–	(15)	(113)
Writedown of goodwill, intangible assets and long-lived assets	–	–	–	–	(3)	–	–	(3)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	69	263	26	83	(34)	5	(24)	388
Recovery of (provision for) income taxes	1	(92)	(48)	(27)	(10)	(2)	31	(147)
Non-controlling interests	(61)	(160)	3	(39)	(1)	(2)	41	(219)
Earnings (loss) from continuing operations	9	11	(19)	17	(45)	1	48	22
Earnings from discontinued operations	–	–	–	–	–	–	5	5
Net earnings (loss)	$ 9	$ 11	$ (19)	$ 17	$ (45)	$ 1	$ 53	$ 27
Total assets at December 31, 2008	$ 4,612	$ 4,821	$ 6,660	$ 6,095	$ 1,020	$ 1,026	$ 5,498	$ 29,732
Long-term debt at December 31, 2008[b]	$ 892	$ 697	$ 3,367	$ 237	$ 796	$ 519	$ 1,167	$ 7,675

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

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

SHAREHOLDER INFORMATION

Second Quarter Dividend
A dividend of $0.0275 per Subordinate Voting Share was paid on July 31, 2009 to shareholders of record as of July 10, 2009.

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

Share Symbol
OCX

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

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

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

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

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

Website
www.onex.com

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

ONEX

ONEX PARTNERS

ONCAP

ONEX REAL ESTATE PARTNERS

ONEX CREDIT PARTNERS