

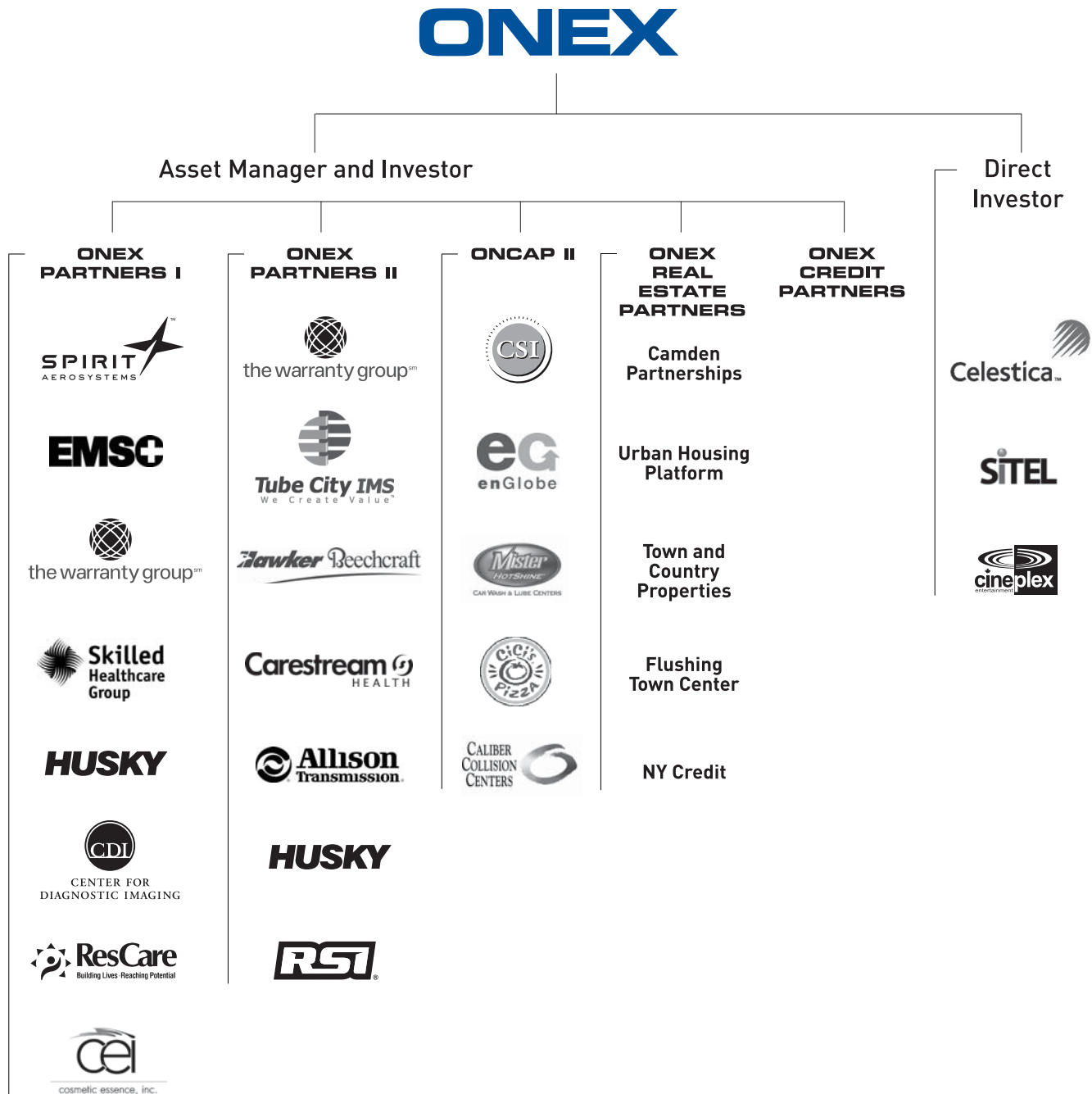


Management's Discussion and Analysis and Financial Statements

Third Quarter Ended September 30, 2008

THE ONEX OPERATING COMPANIES

Onex' businesses generate annual revenues of \$36 billion, have assets of \$42 billion and employ approximately 244,000 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 investments in RSI and Caliber were completed in October 2008.

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ONEX CORPORATION

A Leading Private Equity Investor and Alternative Asset Manager

Founded in 1984, Onex is one of North America's oldest and most successful private equity investors and alternative asset managers. Onex has completed more than 250 acquisitions valued at approximately \$43 billion. Employing a disciplined, active ownership investment approach in these acquisitions, the Company has generated 3.5 times the capital invested by Onex and third parties, earning a 29 percent compound IRR on realized and publicly traded investments.

Onex manages approximately \$7 billion of third-party capital through its Onex Partners and ONCAP families of funds, as well as Onex Credit Partners. Through these Funds, Onex generates annual management fee income from third parties and is entitled to a carried interest on that third-party capital. Onex also has a real estate investment platform, Onex Real Estate Partners.

The Onex Funds

Large-cap Private Equity

- Onex Partners LP, initiated November 2003 – US\$1.655 billion
- Onex Partners II LP, initiated November 2006 – US\$3.45 billion
- Onex Partners III LP, initiated April 2008 – US\$3.5 billion committed at September 30, 2008 (fundraising not yet completed)

Mid-cap Private Equity

- ONCAP L.P., initiated December 1999 – \$400 million
- ONCAP II L.P., initiated May 2006 – \$574 million

Credit Securities

- Onex Credit Partners, established in November 2007 – US\$323 million

Real Estate

- Onex Real Estate Partners, initiated January 2005 – US\$400 million

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

The following interim MD&A is the responsibility of management and is as of November 12, 2008. 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 third quarter 2008 MD&A and Financial Statements, and Annual Reports, Annual Information Form and Management Information Circular, are available on the Company's 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 the MD&A.

INDUSTRY SEGMENTS

At September 30, 2008, Onex had seven reportable industry segments. A description of our operating companies by industry segment, and the economic ownership of Onex and its limited partners in those businesses, is presented below.

Industry Segments	Companies	Economic Ownership (Onex Manages/Owns)
Electronics Manufacturing Services	<p>Celestica Inc. (TSX/NYSE: CLS), a global provider of electronics manufacturing services (website: www.celestica.com).</p> <p>Onex shares held: 27.3 million</p>	13%/12% ⁽¹⁾
Aerostructures	<p>Spirit AeroSystems, Inc. (NYSE: SPR), the world's largest independent designer and manufacturer of aerostructures (website: www.spiritaero.com).</p> <p>Onex shares held: 8.6 million</p> <p>Onex Partners I shares subject to a carried interest: 17.2 million</p>	23%/6% ⁽¹⁾
Healthcare	<p>Emergency Medical Services Corporation (NYSE: EMS), the leading provider of emergency medical services in the United States (website: www.emsc.net).</p> <p>Onex shares held: 12.1 million</p> <p>Onex Partners I shares subject to a carried interest: 16.3 million</p> <p>Center for Diagnostic Imaging, Inc., a U.S. provider of diagnostic and therapeutic radiology services (website: www.cd radiology.com).</p> <p>Total Onex, Onex Partners I and Onex management investment at cost: \$88 million (US\$73 million)</p> <p>Onex portion: \$21 million (US\$17 million)</p> <p>Onex Partners I portion subject to a carried interest: \$64 million (US\$53 million)</p> <p>Skilled Healthcare Group, Inc. (NYSE: SKH), an organization of skilled nursing and assisted living facilities operators in the United States (website: www.skilledhealthcaregroup.com).</p> <p>Onex shares held: 3.5 million</p> <p>Onex Partners I shares subject to a carried interest: 10.7 million</p> <p>Carestream Health, Inc., a global provider of medical and dental imaging and healthcare information technology solutions (website: www.carestreamhealth.com).</p> <p>Total Onex, Onex Partners II and Onex management investment at cost: \$521 million (US\$471 million)</p> <p>Onex portion: \$206 million (US\$186 million)</p> <p>Onex Partners II portion subject to a carried interest: \$292 million (US\$266 million)</p> <p>Res-Care, Inc.⁽²⁾ (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).</p> <p>Onex shares held: 2.0 million</p> <p>Onex Partners I shares subject to a carried interest: 6.2 million</p>	77%/29% 82%/19% 40%/9% 98%/39% 25%/6%

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

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

Industry Segments	Companies	Economic Ownership (Onex Manages/Owns)
Financial Services	<p>The Warranty Group, Inc., the world's largest provider of extended warranty contracts (website: www.thewarrantygroup.com).</p> <p>Total Onex, Onex Partners I, Onex Partners II and Onex management investment at cost: \$556 million (US\$488 million) Onex portion: \$175 million (US\$154 million) Onex Partners I portion subject to a carried interest: \$204 million (US\$178 million) Onex Partners II portion subject to a carried interest: \$155 million (US\$137 million)</p>	97%/30%
Customer Support Services	<p>Sitel Worldwide Corporation, a global provider of outsourced customer care services (website: www.sitel.com).</p> <p>Onex investment at cost: \$312 million (US\$228 million)</p>	66%/66%
Metal Services	<p>Tube City IMS Corporation, an outsourced services provider to steel mills (website: www.tubecityims.com).</p> <p>Total Onex, Onex Partners II and Onex management investment at cost: \$234 million (US\$199 million) Onex portion: \$92 million (US\$79 million) Onex Partners II portion subject to a carried interest: \$132 million (US\$112 million)</p>	87%/35%
Other Businesses		
• Theatre Exhibition	<p>Cineplex Entertainment Limited Partnership⁽²⁾ (TSX: CGX.UN), Canada's largest film exhibition company (website: www.cineplex.com).</p> <p>Onex shares held: 12.8 million</p>	26%/22% ⁽¹⁾
• Aircraft & Aftermarket	<p>Hawker Beechcraft Corporation⁽²⁾, the largest privately owned designer and manufacturer of business jet, turboprop and piston aircraft (website: www.hawkerbeechcraft.com).</p> <p>Total Onex, Onex Partners II and Onex management investment at cost: \$564 million (US\$485 million) Onex portion: \$223 million (US\$191 million) Onex Partners II portion subject to a carried interest: \$319 million (US\$274 million)</p>	49%/20%
• Commercial Vehicles	<p>Allison Transmission, Inc.⁽²⁾, the world leader in the design and manufacture of automatic transmissions for on-highway trucks and buses, off-highway equipment and military vehicles (website: www.allisontransmission.com).</p> <p>Total Onex, Onex Partners II, certain limited partners and Onex management investment at cost: \$805 million (US\$763 million) Onex portion: \$250 million (US\$237 million) Onex Partners II portion subject to a carried interest: \$357 million (US\$339 million)</p>	49%/15%
• Injection Molding	<p>Husky Injection Molding Systems Ltd., the leading global supplier of injection molding equipment and services to the PET plastics industry (website: www.husky.ca).</p> <p>Total Onex, Onex Partners I, Onex Partners II and Onex management investment at cost: \$626 million (US\$622 million) Onex portion: \$226 million (US\$225 million) Onex Partners I portion subject to a carried interest: \$97 million (US\$96 million) Onex Partners II portion subject to a carried interest: \$278 million (US\$276 million)</p>	99%/36%

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

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

Industry Segments	Companies	Economic Ownership (Onex Manages/Owns)
Other Businesses (cont'd)		
• <i>Personal Care Products</i>	<p>Cosmetic Essence, Inc., an outsourced supply chain management services provider to the personal care products industry (website: www.cosmeticessence.com).</p> <p>Total Onex, Onex Partners I and Onex management investment at cost: \$138 million (US\$115 million) Onex portion: \$32 million (US\$27 million) Onex Partners I portion subject to a carried interest: \$100 million (US\$83 million)</p>	91%/21%
• <i>Mid-cap Opportunities</i>	<p>ONCAP, a private equity fund focused on acquiring and building the value of mid-capitalization companies based in North America (website: www.oncap.com), which actively manages investments in CSI Global Education Inc., EnGlobe Corp. (TSX: EG), Mister Car Wash and CiCi's Pizza.</p> <p>Total Onex, ONCAP and Onex management investment at cost: \$174 million Onex portion: \$77 million ONCAP portion: \$86 million</p>	44%/44%
• <i>Real Estate</i>	<p>Onex Real Estate Partners, a platform dedicated to acquiring and improving real estate assets in North America.</p> <p>Onex investment in Onex Real Estate Partners transactions at cost: \$188 million (US\$177 million)⁽¹⁾</p>	86%/86%
• <i>Credit Securities</i>	<p>Onex Credit Partners, a credit investing platform focused on generating attractive risk-adjusted returns through the purchase of undervalued credit securities.</p> <p>Onex investment in Onex Credit Partners' funds at market: \$73 million (US\$69 million)</p>	50%⁽²⁾/50%⁽²⁾

(1) 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.

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

FINANCIAL REVIEW

This section discusses the significant changes in Onex' unaudited interim consolidated statements of earnings and unaudited interim consolidated statements of cash flows for the three and nine months ended September 30, 2008 compared to those for the same periods ended September 30, 2007 and compares Onex' financial condition at September 30, 2008 to that at December 31, 2007.

CONSOLIDATED OPERATING RESULTS

This section should be read in conjunction with the unaudited interim consolidated statements of earnings for the three and nine months ended September 30, 2008 and 2007, the corresponding notes thereto and the December 31, 2007 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 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, 2007 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 2008

Inventories

On January 1, 2008, Onex adopted the *Canadian Institute of Chartered Accountants Handbook* ("CICA Handbook") Section 3031, "Inventories", which provides further guidance on the measurement and disclosure requirements for inventory. The new standard outlines the types of costs that can be capitalized and requires the reversal of previous inventory writedowns if economic conditions have changed to support higher inventory values. Under this standard, Onex is required to disclose quarterly the amount of inventory recognized in cost of sales, as well as any inventory writedowns or reversals. During the first nine months of 2008, \$12.2 billion of inventory was expensed in cost of sales (\$4.3 billion in the third quarter of 2008) and there were no significant inventory writedowns or reversals recorded. The adoption of this standard did not materially affect the consolidated financial statements.

Financial instruments presentation and disclosures

On January 1, 2008, Onex adopted *CICA Handbook* Section 3862, "Financial Instruments – Disclosures" and Section 3863, "Financial Instruments – Presentation". These new standards require the disclosure of information on the significance of financial instruments on the Company's consolidated financial position and performance, the nature and extent of risks arising from financial instruments, and management's objectives, policies and procedures for managing such risks. Note 1 to the unaudited interim consolidated financial statements provides these additional disclosures on financial instruments.

Capital disclosures

On January 1, 2008, Onex adopted *CICA Handbook* Section 1535, "Capital Disclosures", which provides guidance for disclosing information about an entity's capital and how it manages its capital. This standard requires the disclosure of an entity's objectives, policies and procedures relating to ongoing capital management. This new disclosure is provided on page 27 of this report in the discussion of management of capital.

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; and changes in market value of Onex' publicly traded operating companies. Operating companies' 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; changes in the financing of the business; and charges to restructure operations.

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 current period compared to the same period last year will affect Onex' reported consolidated results of operations. During the third quarter of 2008, the average U.S. dollar to Canadian dollar exchange rate was essentially the same as the third quarter of 2007. For the nine months ended September 30, 2008, the average U.S. dollar to Canadian dollar exchange rate was 1.0186 Canadian dollars, 8 percent lower compared to 1.1048 Canadian dollars for the first nine months of 2007.

There were no significant acquisitions or dispositions of businesses in the first nine months of 2008 by Onex, the parent company. On October 1, 2008, Onex, Onex Partners II and Onex management completed an investment in RSI Home Products, Inc. and on October 31, 2008, ONCAP completed an investment in Caliber Collision Centers. These investments are reviewed on page 31 of this report.

During September and October of 2008, we saw the credit crisis that began in mid-2007 with the collapse of the U.S. subprime market and U.S. mortgage market intensify and spread globally. The financial markets, in particular the equity market, experienced a dramatic decline in share prices as investors began to react on fears of more expensive credit, a negative economic outlook and the impact of these factors on businesses. Financing for major acquisitions has become very difficult to obtain. Historically, significant economic uncertainty, such as the current global credit crisis and volatile capital markets, has had a negative impact on demand for the products and services that our operating companies provide. As a result, Onex and our operating companies may experience a negative impact on future financial results.

Consolidated revenues and cost of sales

Consolidated revenues grew 17 percent to \$7.1 billion in the third quarter of 2008 from \$6.0 billion for the same quarter of 2007. Consolidated cost of sales was \$5.7 billion for the three months ended September 30, 2008, an increase of 18 percent from \$4.9 billion for the same quarter last year.

For the nine months ended September 30, 2008, revenues were up 15 percent to \$20.1 billion from \$17.4 billion for the first nine months of 2007. Consolidated cost of sales was \$16.3 billion for the nine months ended September 30, 2008, up 14 percent from \$14.3 billion for the same period of 2007.

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. Therefore, in table 1 below, revenues and cost of sales by industry segment are presented in Canadian dollars as well as in the functional currency of the companies for the three and nine months ended September 30, 2008 and 2007. 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.

In comparing the third-quarter change in revenues and cost of sales to the same period last year, foreign currency translation was not a significant factor. This was due to the average value of the U.S. dollar relative to the Canadian dollar being essentially the same for the three months ended September 30, 2008 and 2007. For the nine-month period ended September 30, the foreign currency translation had an impact on the reported revenues and cost of sales due to the higher average value of the U.S. dollar in the first nine months of 2007 compared to the same period in 2008.

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

		Revenues					
<i>(Unaudited) (\$ millions)</i>		Canadian Dollars			Functional Currency		
Three months ended September 30	2008	2007	Change (%)	2008	2007	Change (%)	
Electronics Manufacturing Services	\$ 2,124	\$ 2,168	(2)%	US\$ 2,031	US\$ 2,081	(2)%	
Aerostructures	1,067	1,011	6 %	US\$ 1,028	US\$ 967	6 %	
Healthcare	1,593	1,377	16 %	US\$ 1,526	US\$ 1,320	16 %	
Financial Services	338	358	(6)%	US\$ 325	US\$ 343	(5)%	
Customer Support Services	444	466	(5)%	US\$ 427	US\$ 446	(4)%	
Metal Services	1,008	458	120 %	US\$ 972	US\$ 438	122 %	
Other ^(a)	492	200	146 %	C\$ 492	C\$ 200	146 %	
Total	\$ 7,066	\$ 6,038	17 %				

		Cost of Sales					
<i>(Unaudited) (\$ millions)</i>		Canadian Dollars			Functional Currency		
Three months ended September 30	2008	2007	Change (%)	2008	2007	Change (%)	
Electronics Manufacturing Services	\$ 1,944	\$ 2,020	(4)%	US\$ 1,859	US\$ 1,939	(4)%	
Aerostructures	869	822	6 %	US\$ 837	US\$ 786	6 %	
Healthcare	1,167	986	18 %	US\$ 1,119	US\$ 944	18 %	
Financial Services	159	172	(8)%	US\$ 152	US\$ 163	(7)%	
Customer Support Services	285	294	(3)%	US\$ 274	US\$ 283	(3)%	
Metal Services	959	419	129 %	US\$ 925	US\$ 401	131 %	
Other ^(a)	352	159	121 %	C\$ 352	C\$ 159	121 %	
Total	\$ 5,735	\$ 4,872	18 %				

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

(a) 2008 other includes CEI, Husky, Radian, ONCAP, Onex Real Estate and the parent company. 2007 other includes CEI, Radian, ONCAP, Onex Real Estate and the parent company.

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

		Revenues					
<i>(Unaudited) (\$ millions)</i>		Canadian Dollars			Functional Currency		
Nine months ended September 30	2008	2007	Change (%)	2008	2007	Change (%)	
Electronics Manufacturing Services	\$ 5,864	\$ 6,442	(9)%	US\$ 5,743	US\$ 5,860	(2)%	
Aerostructures	3,181	3,184	-	US\$ 3,126	US\$ 2,880	9 %	
Healthcare	4,404	3,406	29 %	US\$ 4,317	US\$ 3,129	38 %	
Financial Services	1,002	1,078	(7)%	US\$ 984	US\$ 978	1 %	
Customer Support Services	1,373	1,404	(2)%	US\$ 1,349	US\$ 1,275	6 %	
Metal Services	2,637	1,241	112 %	US\$ 2,588	US\$ 1,132	129 %	
Other ^(a)	1,646	684	141 %	C\$ 1,646	C\$ 684	141 %	
Total	\$ 20,107	\$ 17,439	15 %				

		Cost of Sales					
<i>(Unaudited) (\$ millions)</i>		Canadian Dollars			Functional Currency		
Nine months ended September 30	2008	2007	Change (%)	2008	2007	Change (%)	
Electronics Manufacturing Services	\$ 5,399	\$ 6,056	(11)%	US\$ 5,288	US\$ 5,507	(4)%	
Aerostructures	2,563	2,579	(1)%	US\$ 2,518	US\$ 2,332	8 %	
Healthcare	3,242	2,638	23 %	US\$ 3,179	US\$ 2,418	31 %	
Financial Services	475	514	(8)%	US\$ 467	US\$ 465	-	
Customer Support Services	891	902	(1)%	US\$ 876	US\$ 820	7 %	
Metal Services	2,497	1,133	120 %	US\$ 2,451	US\$ 1,033	137 %	
Other ^(a)	1,217	504	141 %	C\$ 1,217	C\$ 504	141 %	
Total	\$ 16,284	\$ 14,326	14 %				

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

(a) 2008 other includes CEI, Husky, Radian, ONCAP, Onex Real Estate and the parent company. 2007 other includes Cineplex Entertainment, CEI, Radian, ONCAP, Onex Real Estate and the parent company.

Electronics Manufacturing Services

Celestica Inc. ("Celestica") reported a 2 percent decline in revenues to US\$2.0 billion in the third quarter of 2008 from the same quarter last year. The revenue decline in the third quarter was due primarily to lower volumes associated with weaker demand in Celestica's servers end market, as well as the impact of customer disengagements in 2007 primarily in the enterprise communications end market. These factors more than offset the increase in revenue primarily from customers in the company's consumer and industrial end markets.

Cost of sales was US\$1.9 billion for the three months ended September 30, 2008, down 4 percent from the third quarter of 2007. This compares to a 2 percent decline in revenues. Gross profit for the third quarter of 2008 was US\$172 million, up by US\$30 million from the third quarter of last year due primarily to operational improvements in Mexico and Europe. Celestica also continued to benefit from cost reductions, restructuring actions, the impact of renegotiating or exiting unprofitable accounts and the streamlining and simplifying of processes throughout the company.

For the nine months ended September 30, 2008, revenues were down 2 percent to US\$5.7 billion, while cost of sales declined 4 percent to US\$5.3 billion. The changes in revenues and cost of sales for the first nine months of 2008 and the improvement in gross profit were due to the same factors noted above for the third quarter.

Aerostructures

Spirit AeroSystems, Inc. ("Spirit AeroSystems") reported third-quarter revenues of US\$1.0 billion, up 6 percent from US\$967 million in the same quarter of 2007. The increase in revenues was due primarily to an increase in deliveries, change in product mix, a volume-based pricing adjustment and higher aftermarket sales. Despite the increase in revenues in the quarter, revenues and deliveries were adversely affected by a strike at Boeing which began in early September 2008. At the onset of the strike, Spirit AeroSystems and Boeing jointly implemented a ship-in-place plan for all Spirit AeroSystems-produced major components. While Boeing continued to pay for ship-in-place units completed during the strike, and Spirit AeroSystems recorded revenues on those units consistent with contractual terms, the reduced

production rates during the strike resulted in US\$53 million of lower revenues during the period compared to anticipated pre-strike results. Deliveries to Boeing during the quarter remained unchanged compared to the same period in 2007 as higher ship set volume during the quarter prior to the strike was offset by the reduction in production volume, which occurred after the strike began. Cost of sales increased by 6 percent to US\$837 million for the three months ended September 30, 2008 compared to the same quarter last year. That percentage growth was in line with the percentage growth for revenues. Included in the cost of sales for the third quarter of 2008 was a US\$18 million unfavourable adjustment caused by the Boeing strike, which more than offset improvements in operating efficiency. Cost of sales as a percentage of revenues in the company's functional currency was 81 percent for both the three months ended September 30, 2008 and 2007.

During the first nine months of 2008, revenues at Spirit AeroSystems were US\$3.1 billion, up 9 percent from US\$2.9 billion for the same period of 2007. Cost of sales for the first nine months of 2008 was US\$2.5 billion, up 8 percent from US\$2.3 billion for the nine months ended September 30, 2007. The changes in revenues and cost of sales for the first nine months of 2008 were due to the same factors noted above for the third quarter.

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").

In the companies' U.S. dollar functional currency, the healthcare segment reported a 16 percent increase in consolidated revenues to US\$1.5 billion for the three months ended September 30, 2008 over the same period of 2007. Cost of sales had a corresponding 18 percent increase to US\$1.1 billion for the third quarter of 2008. For the first nine months of 2008, the healthcare segment reported revenues of US\$4.3 billion, up 38 percent from US\$3.1 billion for the nine months ended September 30, 2007, while cost of sales increased 31 percent to US\$3.2 billion for the same period last year.

Table 2 provides revenues and cost of sales by operating company in the healthcare segment for the three and nine months ended September 30, 2008 and 2007 in both Canadian dollars and the companies' functional currencies. Res-Care, Inc. ("ResCare") is accounted for on an equity basis and, accordingly, that company's revenues and cost of sales are not consolidated.

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

		Revenues					
TABLE 2 (Unaudited) (\$ millions)		Canadian Dollars			Functional Currency		
Three months ended September 30	2008	2007	Change (%)	2008	2007	Change (%)	
Emergency Medical Services	\$ 709	\$ 553	28%	US\$ 679	US\$ 530	28%	
Center for Diagnostic Imaging	38	30	23%	US\$ 36	US\$ 30	24%	
Skilled Healthcare	191	169	13%	US\$ 182	US\$ 161	13%	
Carestream Health	655	625	5%	US\$ 629	US\$ 599	5%	
Total	\$ 1,593	\$ 1,377	16%	US\$ 1,526	US\$ 1,320	16%	

		Cost of Sales					
(Unaudited) (\$ millions)		Canadian Dollars			Functional Currency		
Three months ended September 30	2008	2007	Change (%)	2008	2007	Change (%)	
Emergency Medical Services	\$ 610	\$ 479	27%	US\$ 584	US\$ 459	27%	
Center for Diagnostic Imaging	12	10	29%	US\$ 11	US\$ 9	29%	
Skilled Healthcare	157	130	21%	US\$ 151	US\$ 124	22%	
Carestream Health	388	367	6%	US\$ 373	US\$ 352	6%	
Total	\$ 1,167	\$ 986	18%	US\$ 1,119	US\$ 944	18%	

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

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

		Revenues					
TABLE 2 (Unaudited) (\$ millions)		Canadian Dollars			Functional Currency		
Nine months ended September 30	2008	2007	Change (%)	2008	2007	Change (%)	
Emergency Medical Services	\$ 1,854	\$ 1,734	7%	US\$ 1,816	US\$ 1,570	16%	
Center for Diagnostic Imaging	103	93	11%	US\$ 101	US\$ 85	19%	
Skilled Healthcare	554	504	10%	US\$ 543	US\$ 457	19%	
Carestream Health ^(a)	1,893	1,075	76%	US\$ 1,857	US\$ 1,017	83%	
Total	\$ 4,404	\$ 3,406	29%	US\$ 4,317	US\$ 3,129	38%	

		Cost of Sales					
(Unaudited) (\$ millions)		Canadian Dollars			Functional Currency		
Nine months ended September 30	2008	2007	Change (%)	2008	2007	Change (%)	
Emergency Medical Services	\$ 1,613	\$ 1,499	8%	US\$ 1,580	US\$ 1,357	16%	
Center for Diagnostic Imaging	33	30	10%	US\$ 32	US\$ 27	19%	
Skilled Healthcare	452	386	17%	US\$ 444	US\$ 350	27%	
Carestream Health ^(a)	1,144	723	58%	US\$ 1,123	US\$ 684	64%	
Total	\$ 3,242	\$ 2,638	23%	US\$ 3,179	US\$ 2,418	31%	

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

(a) The reported results for Carestream Health are from its April 2007 acquisition date.

EMSC

EMSC's third-quarter revenues increased US\$149 million, or 28 percent, to US\$679 million from the same quarter last year. Approximately US\$91 million of the revenue growth was earned from contracts with FEMA through EMSC's subsidiary American Medical Response ("AMR"). During the quarter, AMR dispatched an unprecedented number of ground and air ambulances and patient transport vehicles to assist people affected by hurricanes Gustav and Ike in three Gulf Coast states. The balance of the growth in revenues in the quarter was associated with higher rates and volumes on existing contracts, as well as additional volume from net new contracts and acquisitions. Cost of sales for the three months ended September 30, 2008 was US\$584 million, up 27 percent from the same quarter of 2007.

For the nine months ended September 30, 2008, revenues at EMSC were up 16 percent to US\$1.8 billion from US\$1.6 billion for the same period last year. The same factors that contributed to the third-quarter revenue growth were the drivers of the revenue growth in the first nine months of 2008. Cost of sales was up 16 percent to US\$1.6 billion for the nine months ended September 30, 2008 from US\$1.4 billion for the same period last year due to higher revenues. Cost of sales as a percentage of revenues in the company's functional currency was 87 percent for the nine months ended September 30, 2008 compared to 86 percent for the comparable period last year. The increase in cost of sales as a percentage of revenues was due primarily to increased expenses from the FEMA deployment and higher fuel costs.

Carestream Health

Carestream Health reported revenues of US\$629 million for the third quarter of 2008, up US\$30 million from US\$599 million for the same quarter last year. Approximately US\$27 million of the revenue growth in the quarter was from the company's dental and digital capture solutions segments. While revenues grew 5 percent, cost of sales for the three months ended September 30, 2008 was up 6 percent, or US\$21 million, to US\$373 million over the third quarter of last year. Cost of sales as a percentage of revenues was up slightly for the three months ended September 30, 2008 due to the higher cost of silver, Carestream Health's largest commodity, in the third quarter of 2008.

For the first nine months of 2008, revenues were up 83 percent to US\$1.9 billion while cost of sales of US\$1.1 billion was up 64 percent over the same period last year. The factors that contributed to Carestream Health's third-quarter revenue and cost of sales growth drove part of the increase in the first nine months of 2008. Much of the increase in revenues was from the inclusion of a full nine months of results in 2008 compared to 2007, which included Carestream Health from its April 30, 2007 acquisition. The year-over-year increase in cost of sales was lower than the revenue increase due primarily to the inclusion of a \$102 million charge in the first nine months of 2007 stemming from the write-up in valuation of inventory on the company's balance sheet at the date of its acquisition. When this inventory was subsequently sold in 2007 there was a significantly lower margin for accounting purposes.

Skilled Healthcare

Skilled Healthcare reported third-quarter revenues of US\$182 million, up 13 percent from US\$161 million in the same quarter of 2007. Long-term care services accounted for US\$19 million of the revenue growth due primarily to higher occupancy from the acquisitions completed in New Mexico in early September 2007 and Kansas in early April 2008 (US\$16 million), increased reimbursement rates from Medicare, Medicaid and managed care pay sources (US\$2 million), as well as a higher patient acuity mix. Cost of sales was up 22 percent to US\$151 million in the three months ended September 30, 2008 over the same period last year. Much of the increase was in long-term care services due primarily to higher occupancy and increased labour costs. Labour costs increased due largely to a 5 percent increase in hourly

rates and additional staffing primarily in the nursing area to respond to the increased mix of high-acuity patients.

For the first nine months of 2008, Skilled Healthcare reported a 19 percent increase in revenues to US\$543 million from US\$457 million in the same period of 2007. Cost of sales was US\$444 million, up 27 percent from US\$350 million for the nine months ended September 30, 2007. The factors that drove the increase in revenues and cost of sales for the first nine months of 2008 were the same as those for the third quarter discussed above.

Financial Services

The Warranty Group, Inc. ("The Warranty Group") reported revenues of US\$325 million for the third quarter of 2008, down 5 percent from US\$343 million for the third quarter of 2007. The decline in revenues was due primarily to a 6 percent decrease in premiums earned on warranty contracts, partially offset by an 11 percent increase in earned fees. The decrease in premiums was attributable to the global economic slowdown that began to affect consumer purchasing in the third quarter. Cost of sales had a corresponding decline of 7 percent to US\$152 million in the quarter from US\$163 million for the third quarter of last year.

For the nine months ended September 30, 2008, revenues at The Warranty Group were up 1 percent to US\$984 million from US\$978 million for the comparable period last year. For the first nine months of 2008, The Warranty Group reported a 1 percent increase in premiums earned on warranty contracts. Earned fees for the first nine months of 2008 were comparable to the same period of 2007. The increase in cost of sales to US\$467 million for the nine months ended September 30, 2008 was in line with the higher revenues during that period.

Customer Support Services

Sitel Worldwide Corporation ("Sitel Worldwide") reported revenues and cost of sales of US\$427 million and US\$274 million for the three months ended September 30, 2008. This compares to revenues and cost of sales of US\$446 million and US\$283 million, respectively, for the third quarter of 2007. The 4 percent decline in revenues and the 3 percent decrease in cost of sales were due primarily to lower volume of business in the quarter resulting from the slowing economy, primarily in the form of lower call volumes from existing customers.

For the first nine months of 2008, Sitel Worldwide reported revenues of US\$1.3 billion, up 6 percent from the first nine months of 2007. Cost of sales was up 7 percent to US\$876 million for the nine months ended September 30, 2008 from US\$820 million for the first nine months of 2007. The increase in revenues and cost of sales was a result of the inclusion of a full nine months of results in 2008 from the company's acquisition of and merger with SITEL Corporation compared to 2007, where the results were included from the January 30, 2007 acquisition date, offset by lower call volumes as Sitel Worldwide's customers curtail new product launches and promotional offers in response to the economic downturn.

Metal Services

Tube City IMS Corporation ("Tube City IMS") reported revenues of US\$972 million in the third quarter of 2008, up 122 percent from US\$438 million in the same quarter of 2007. Cost of sales increased 131 percent to US\$925 million in the third quarter of 2008 from the same period last year.

For the nine months ended September 30, 2008, revenues increased 129 percent to US\$2.6 billion while cost of sales increased 137 percent to US\$2.5 billion from the comparable period last year.

The revenue growth in the third quarter and in the first nine months of 2008 was largely due to a significant increase in scrap metal prices. Tube City IMS procures scrap metal on behalf of its customers. Therefore, the increase in the purchase cost of scrap metal increased cost of sales in the third quarter and first nine months of 2008. The cost of scrap metal is passed on to Tube City IMS' customers and thus drove a similar increase in revenues. In addition, since Onex purchased Tube City IMS in late January 2007, the inclusion of a full nine months of results in 2008 further augmented revenues and cost of sales in the first nine months of 2008.

Other businesses

The other businesses segment primarily includes the revenues of Husky Injection Molding Systems Ltd. ("Husky"), Cosmetic Essence, Inc. ("CEI"), the ONCAP companies – CSI Global Education Inc. ("CSI"), EnGlobe Corp. ("EnGlobe"), Mister Car Wash and CiCi's Pizza – and Radian Communication Services Corporation ("Radian"). Revenues in the

other businesses segment were up 146 percent, or \$292 million, to \$492 million for the third quarter of 2008 from \$200 million for the same quarter of 2007. Cost of sales was up 121 percent, or \$193 million, to \$352 million for the three months ended September 30, 2008 from \$159 million for the same period last year.

For the first nine months of 2008, revenues were up 141 percent, or \$962 million, to \$1.6 billion from \$684 million while cost of sales was up 141 percent, or \$713 million, to \$1.2 billion from \$504 million for the comparable nine months of 2007.

Onex' purchase of Husky in mid-December 2007 contributed approximately \$287 million and \$1.0 billion, respectively, of the revenue growth in the other businesses segment in the third quarter and first nine months of 2008. In addition, Husky contributed \$210 million and \$800 million, respectively, of the third-quarter and year-to-date growth in the other businesses segment's cost of sales. Included in Husky's cost of sales in the third quarter and first nine months of 2008 were charges of US\$5 million and US\$93 million, respectively, originating from the step-up in value of inventory on the company's balance sheet at the date of 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. Therefore, when inventory is subsequently sold in the normal course of business, cost of sales is increased for the effect of the inventory step-up with the result that the accounting for these sales will not report the typical profit margins of the company.

A factor partially offsetting the growth in revenues and cost of sales for the first nine months of 2008 was the inclusion of \$179 million of revenues and \$148 million of cost of sales in the first quarter of 2007 from Cineplex Entertainment, which Onex consolidated up to the end of the first quarter of 2007. At that time, Onex ceased to have control of a majority of the board of Cineplex Entertainment, with the result that Onex now accounts for its ownership in Cineplex Entertainment on an equity basis. Accordingly, the 2008 revenues and cost of sales do not include any amounts for Cineplex Entertainment.

Operating earnings

Operating earnings is not a defined measure under Canadian GAAP. The term operating earnings as used here is defined as earnings before interest expense, amortization of intangible assets and deferred charges, and income taxes. As operating earnings are a key measure of performance for our businesses, Onex also excludes from operating earnings accounting measures that do not reflect the actual operating performance of the business, such as earnings (loss) from equity-accounted investments, foreign exchange

gains (loss), stock-based compensation recovery (expense), non-recurring items such as acquisition and restructuring charges, other income (expense), gains on sales of operating investments, writedown of goodwill and long-lived assets, as well as non-controlling interests and discontinued operations. Table 3 provides a reconciliation of the unaudited interim consolidated statements of earnings to operating earnings for the three and nine months ended September 30, 2008 and 2007.

Operating Earnings Reconciliation

TABLE 3 <i>(Unaudited) (\$ millions)</i>	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Earnings before the undernoted items	\$ 647	\$ 535	\$ 1,780	\$ 1,395
Amortization of property, plant and equipment	(147)	(141)	(447)	(396)
Interest income	1	30	41	95
Operating earnings	\$ 501	\$ 424	\$ 1,374	\$ 1,094
Amortization of intangible assets and deferred charges	(84)	(73)	(270)	(163)
Interest expense of operating companies	(126)	(143)	(379)	(400)
Earnings (loss) from equity-accounted investments	(45)	5	(56)	(18)
Foreign exchange gains (loss)	(8)	(39)	25	(121)
Stock-based compensation recovery (expense)	21	(13)	53	(153)
Other income (expense)	(6)	(8)	10	(3)
Gains on sales of operating investments, net	-	1	-	1,144
Acquisition, restructuring and other expenses	(33)	(23)	(146)	(64)
Writedown of goodwill and long-lived assets	(10)	-	(13)	(2)
Earnings before income taxes, non-controlling interests and discontinued operations	\$ 210	\$ 131	\$ 598	\$ 1,314

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. As operating earnings is not a performance measure under Canadian GAAP, it should not be considered either in isolation of, or as a substitute for, net earnings prepared in accordance with Canadian GAAP. Table 4 provides a breakdown of and the change in operating earnings by industry segment for the three and nine months ended September 30, 2008 and 2007.

Operating Earnings by Industry Segment

TABLE 4	(Unaudited) (\$ millions)	Canadian Dollars			Functional Currency		
		2008	2007	Change (\$)	2008	2007	Change (\$)
Three months ended September 30							
Electronics Manufacturing Services	\$ 89	\$ 59	\$ 30	US\$ 85	US\$ 56	US\$ 29	
Aerostructures	124	131	(7)	US\$ 120	US\$ 127	US\$ (7)	
Healthcare	202	153	49	US\$ 194	US\$ 148	US\$ 46	
Financial Services	56	64	(8)	US\$ 54	US\$ 60	US\$ (6)	
Customer Support Services	20	25	(5)	US\$ 20	US\$ 23	US\$ (3)	
Metal Services	19	11	8	US\$ 18	US\$ 11	US\$ 7	
Other ^(a)	(9)	(19)	10	C\$ (9)	C\$ (19)	C\$ 10	
Total	\$ 501	\$ 424	\$ 77				

	(Unaudited) (\$ millions)	Canadian Dollars			Functional Currency		
		2008	2007	Change (\$)	2008	2007	Change (\$)
Nine months ended September 30							
Electronics Manufacturing Services	\$ 206	\$ 99	\$ 107	US\$ 201	US\$ 93	US\$ 108	
Aerostructures	416	428	(12)	US\$ 409	US\$ 388	US\$ 21	
Healthcare	491	281	210	US\$ 480	US\$ 258	US\$ 222	
Financial Services	159	187	(28)	US\$ 157	US\$ 169	US\$ (12)	
Customer Support Services	57	67	(10)	US\$ 56	US\$ 60	US\$ (4)	
Metal Services	50	30	20	US\$ 49	US\$ 28	US\$ 21	
Other ^(a)	(5)	2	(7)	C\$ (5)	C\$ 2	C\$ (7)	
Total	\$ 1,374	\$ 1,094	\$ 280				

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

(a) 2008 other includes CEI, Husky, Radian, ONCAP, Onex Real Estate and the parent company. 2007 other includes Cineplex Entertainment (nine-month period only), CEI, Radian, ONCAP, Onex Real Estate and the parent company.

Consolidated operating earnings were \$501 million for the third quarter of 2008, up 18 percent, or \$77 million, from \$424 million for the same quarter of 2007. The quarter-over-quarter growth in operating earnings was due primarily to the following factors:

- Celestica's operating earnings growth of \$30 million, which resulted primarily from improvements in Celestica's Mexican and European operations;
- a \$49 million increase in operating earnings in the healthcare segment; an approximate \$22 million increase was reported by Carestream Health due to continued operating efficiencies, reduced research and development expenses and lower depreciation expense; EMSC accounted for \$24 million of the balance due primarily to higher revenues in the quarter as previously discussed; and
- Onex' acquisition of Husky in mid-December 2007 reported in the other segment contributed \$14 million to operating earnings. Husky's reported operating earnings included a US\$5 million charge originating from the valuation of inventory on the company's balance sheet at the time of acquisition. Accounting principles for acquisitions require that inventory be stepped up in value to its selling price less the direct cost to complete and sell the product.

Partially offsetting the growth discussed above was a decline in operating earnings at The Warranty Group (\$8 million) and Sitel Worldwide (\$5 million) primarily resulting from lower revenues in the quarter.

For the nine months ended September 30, 2008, operating earnings were \$1.4 billion, up \$280 million from \$1.1 billion for the same period of 2007. Operating earnings for the first nine months of 2008 grew due primarily to:

- a \$107 million increase in operating earnings at Celestica due to the same factors discussed for the third-quarter growth;
- a \$210 million increase in operating earnings in the healthcare segment due primarily to the inclusion of a full nine months of operating earnings of Carestream Health, acquired in late April 2007;
- metal services' operating earnings increasing by \$20 million due primarily to Tube City IMS reporting increased volume and margins in its raw materials procurement activities, as well as the inclusion of a full nine months of operating earnings; and

- Onex' acquisition of Husky in mid-December 2007, which contributed \$39 million in operating earnings reported in the other segment. Husky's operating earnings were lowered by a US\$93 million charge associated with the acquisition accounting valuation of inventory on the company's opening balance sheet at the date of acquisition as discussed above for the third quarter.

Partially offsetting the above operating earnings growth for the first nine months of 2008 were:

- a \$52 million decline in interest income at Onex, the parent company, included in the other segment. This reduction was due primarily to lower cash balances and lower rates of interest on cash investments, lower returns generated on near-cash investments and Onex' share of investment losses at Onex Credit Partners (\$7 million). Those losses resulted from the deteriorating credit markets in the third quarter of 2008; and
- a \$28 million decline in operating earnings at The Warranty Group due primarily to foreign exchange and the negative impact of increased deferred acquisition costs.

Amortization of intangible assets and deferred charges

Amortization of intangible assets and deferred charges totalled \$84 million for the three months ended September 30, 2008 compared to \$73 million for the third quarter of 2007. Husky, acquired in December 2007, accounted for \$10 million of the increase in amortization in the quarter.

For the first nine months of 2008, amortization of intangible assets and deferred charges was \$270 million, an increase of \$107 million from \$163 million for the same period of 2007. Carestream Health accounted for \$63 million of the increase in the first nine months of 2008 due to the inclusion of a full nine months of amortization compared to five months in 2007 following Onex' purchase of that company on April 30, 2007. At the time of the acquisition of Carestream Health, purchase accounting required the allocation of value to customer contracts and other finite-life intangible assets. For accounting purposes, these assets were assigned \$1.5 billion in value at the date of acquisition and are being amortized over periods that range from five to 13 years.

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 \$126 million for the third quarter of 2008, down \$17 million from \$143 million for the third quarter of 2007. Carestream Health accounted for \$9 million of the decline in interest expense in the quarter due primarily to lower debt in the quarter compared to the same quarter last year. During 2008, Carestream Health has repaid net debt of approximately US\$70 million.

For the nine months ended September 30, 2008, consolidated interest expense was \$379 million compared to \$400 million for the same period last year. The decline in the first nine months of 2008 resulted primarily from the US\$18 million decline in interest expense at Skilled Health-care due to lower interest rates on its debt and the redemption of approximately US\$70 million of its 11 percent debt in conjunction with the company's initial public offering in May 2007. In addition, Celestica accounted for \$13 million of the decline in interest expense due to lower interest rates. These were largely offset by the inclusion of a full nine months of interest expense from the acquisitions of Carestream Health in late April 2007 (\$33 million) and Husky in December 2007 (\$23 million).

Earnings (Loss) from Equity-accounted Investments

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

	2008		2007	
	Net Earnings (Loss) ^(a)	Onex' Share of Net Earnings (Loss)	Net Earnings (Loss) ^(a)	Onex' Share of Net Earnings (Loss)
Allison Transmission ^(b)	\$ (27)	\$ (8)	\$ (23)	\$ (7)
Hawker Beechcraft	(11)	(4)	12	5
ResCare	-	-	3	1
Other ^(c)	(7)	(5)	13	13
Total	\$ (45)	\$ (17)	\$ 5	\$ 12

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

(b) Onex completed its investment in Allison Transmission in August 2007.

(c) Other includes Cineplex Entertainment, Cypress, Onex Real Estate and Onex Credit Partners.

Interest income

Consolidated interest income was \$1 million for the third quarter of 2008, down from \$30 million for the same quarter last year. Onex, the parent company, accounted for approximately \$25 million of the decline in interest income for the three months ended September 30, 2008. This was due to lower interest rates on cash investments and lower cash balances held; lower returns generated on near-cash investments; and Onex' share of investment losses at Onex Credit Partners (\$7 million). Acquisitions completed by Onex in 2007 lowered cash balances. For the nine months ended September 30, 2008, interest income was \$41 million, down from \$95 million for the first nine months of 2007. The decline in interest income for the first nine months of 2008 was due to essentially the same factors noted above for the third quarter.

Earnings (loss) from equity-accounted investments

Earnings (loss) from equity-accounted investments for the three and nine months ended September 30, 2008 represent Onex' and/or Onex Partners' portion of the earnings (loss) of Allison Transmission, Inc. ("Allison Transmission"); Cineplex Entertainment; Hawker Beechcraft Corporation ("Hawker Beechcraft"); ResCare; Cypress Insurance Group ("Cypress"); Onex Real Estate's investments in the Camden properties, Flushing Town Center, Urban Housing Platform and NY Credit; and Onex Credit Partners. Table 5 details the earnings (loss) from equity-accounted investments by company, as well as Onex' share of these earnings (loss) for the third quarter and first nine months of 2008 and 2007.

Earnings (Loss) from Equity-accounted Investments (cont'd)

	2008		2007	
	Net Earnings (Loss) ^(a)	Onex' Share of Net Earnings (Loss)	Net Earnings (Loss) ^(a)	Onex' Share of Net Earnings (Loss)
Allison Transmission ^(b)	\$ (42)	\$ (13)	\$ (23)	\$ (7)
Hawker Beechcraft ^(b)	(14)	(5)	(30)	(11)
ResCare	7	2	9	2
Other ^(c)	(7)	(5)	26	26
Total	\$ (56)	\$ (21)	\$ (18)	\$ 10

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

(b) Onex completed its investments in Hawker Beechcraft in late March 2007 and Allison Transmission in August 2007.

(c) Other includes Cineplex Entertainment, Cypress, Onex Real Estate and Onex Credit Partners.

Onex reported a loss on equity-accounted investments of \$45 million for the third quarter of 2008 compared to earnings on equity-accounted investments of \$5 million for the same quarter last year. Allison Transmission reported a loss of \$27 million in the quarter. This compares to a \$23 million loss reported by Allison Transmission for the period of Onex' ownership in the third quarter of last year following the purchase of the company in early August 2007. Onex includes 49 percent of these losses. Included in the third-quarter 2007 loss was a US\$50 million charge resulting from the valuation of inventory on Allison Transmission's opening balance sheet. The investment in Hawker Beechcraft contributed \$11 million of the loss on equity-accounted investments for the third quarter of 2008 due primarily to fewer deliveries of aircraft in the quarter as a result of a four-week strike at the company in August and a US\$25 million charge associated with increased costs to conform specific early-production Hawker 4000 units to final type design and to establish more standard production processes. This compares to \$12 million of earnings reported by Hawker Beechcraft for the third quarter of last year.

For the nine months ended September 30, 2008, Onex reported a loss on equity-accounted investments of \$56 million compared to an \$18 million loss for the first nine months of 2007. The investment in Allison Transmission contributed a \$42 million loss on equity-accounted investments

in the first nine months of 2008 compared to a \$23 million loss for the same period last year. A significant portion of Allison Transmission's loss in the first nine months of 2008 was due to the inclusion of a full nine months of results for Allison Transmission following that company's purchase in August 2007, as well as higher amortization of intangibles as discussed for the third quarter. The investment in Hawker Beechcraft contributed \$14 million of the loss on equity-accounted investments for the first nine months of 2008. This compares to a \$30 million loss reported by Hawker Beechcraft for the same period of 2007, which was due primarily to the purchase accounting valuation of inventory to fair value on its balance sheet at the date of acquisition in March 2007. As a result, for accounting purposes there were significantly reduced margins when the inventory was subsequently sold in 2007.

The investments in Cineplex Entertainment, Cypress, Onex Real Estate and Onex Credit Partners collectively contributed a \$7 million loss on equity-accounted investments in the first nine months of 2008 compared to \$26 million of earnings on equity-accounted investments in the same period last year. Included in the 2007 nine-month period ended September 30, 2007 was \$16 million of earnings reported by Cypress due primarily to stronger profitability in 2007 resulting from lower claims from a mild hurricane season.

Foreign exchange gains (loss)

Foreign exchange gains (loss) reflect the impact of changes in foreign currency exchange rates. Table 6 provides a breakdown of foreign currency gains (loss) by industry segment for the three and nine months ended September 30, 2008 and 2007.

Foreign Exchange Gains (Loss) by Industry Segment

TABLE 6 (Unaudited) (\$ millions)	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Electronics Manufacturing Services	\$ (12)	\$ (2)	\$ (4)	\$ (1)
Aerostructures	(1)	-	(2)	-
Healthcare	(12)	19	(4)	16
Financial Services	-	-	-	-
Customer Support Services	(5)	-	(1)	(1)
Metal Services	-	-	-	-
Other ^(a)	22	(56)	36	(135)
Total	\$ (8)	\$ (39)	\$ 25	\$ (121)

(a) 2008 other includes CEI, Husky, Radian, ONCAP and the parent company. 2007 other includes Radian, ONCAP and the parent company.

A net foreign exchange loss of \$8 million was recorded for the quarter ended September 30, 2008 compared to a \$39 million foreign exchange loss for the third quarter of last year. Celestica accounted for \$12 million of the foreign currency loss in the quarter, of which approximately half resulted from the precipitous decline in the value of the Brazilian real compared to the U.S. dollar in September 2008. Celestica's revenues from manufacturing in Brazil increased in August and September 2008. Carestream Health recorded \$12 million of the foreign exchange loss in the quarter due primarily to the decline in value of the euro relative to the U.S. dollar.

Partially offsetting these foreign exchange losses was a \$25 million foreign exchange gain recorded by Onex, the parent company, on U.S. cash balances held as a result of the 4 percent increase in value of the U.S. dollar relative to the Canadian dollar to 1.0642 Canadian dollars at September 30, 2008 from 1.0197 Canadian dollars at June 30, 2008. This compares to a foreign exchange loss of \$56 million recorded by Onex in the third quarter of last year as a result of the strengthening of the Canadian dollar during that period.

For the first nine months of 2008, a consolidated foreign exchange gain of \$25 million was recorded compared to a \$121 million foreign exchange loss for the nine months ended September 30, 2007. The foreign exchange gain in the first nine months of 2008 was mainly due to the increase in value of the U.S. dollar relative to the

Canadian dollar. At September 30, 2008, the closing value of 1.0642 Canadian dollars was up 7 percent from 0.9913 Canadian dollars at December 31, 2007.

Since Onex, the parent company, holds a significant portion of its cash in U.S. dollars, this exchange rate movement resulted in Onex recording a foreign exchange gain of \$40 million for the first nine months of 2008. This compares to a \$133 million foreign exchange loss recorded by Onex, the parent company, for the nine months ended September 30, 2007 due primarily to the 15 percent decline of the U.S. dollar relative to the Canadian dollar for the first nine months of 2007.

Stock-based compensation recovery (expense)

Onex recorded a stock-based compensation recovery of \$21 million for the third quarter of 2008. This compares to a \$13 million expense for the same quarter of 2007. Approximately \$32 million of the recovery in the quarter was due to the change in stock-based compensation liability of Onex, the parent company. Approximately \$27 million was due to the change in the market value of Onex shares in the quarter. Onex is required to revalue the liability for stock options based on changes in the market value of Onex shares. The decline in Onex' share price to \$27.47 per share at September 30, 2008 from \$30.03 per share at June 30, 2008 resulted in a downward revaluation of the liability for stock options.

For the nine months ended September 30, 2008, Onex recorded a consolidated stock-based compensation recovery of \$53 million. The revaluation of the liability for stock options at Onex, the parent company, resulting from the 21 percent decline in Onex' share price from December 31, 2007 accounted for \$77 million of that recovery in the first nine months of 2008. This compares to a \$153 million stock-based compensation expense for the nine months ended September 30, 2007, which included \$106 million of stock-based compensation expense at Onex, the parent company, due to a 29 percent increase in Onex' share price for the first nine months of 2007.

Other income (expense)

During the third quarter of 2008, Onex reported consolidated other expense of \$6 million resulting primarily from The Warranty Group, which recorded a \$10 million impairment on its holdings in certain long-term bonds included in its investment portfolio. This compares to an expense of \$8 million in the same quarter last year.

For the nine months ended September 30, 2008, consolidated other income totalled \$10 million compared to an expense of \$3 million for the same period of 2007. The other income in the first nine months of 2008 was due primarily to realizations by Onex, the parent company, on investments of \$18 million. This was partially offset by the impairment charge recorded by The Warranty Group in the quarter as previously discussed.

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. Table 7 provides a breakdown of and the change in acquisition, restructuring and other expenses by company for the three and nine months ended September 30, 2008 and 2007.

Acquisition, Restructuring and Other Expenses

	Three months ended September 30			Nine months ended September 30		
	2008	2007	Change (\$)	2008	2007	Change (\$)
Celestica	\$ 17	\$ 3	\$ 14	\$ 24	\$ 15	\$ 9
Carestream Health	8	14	(6)	61	18	43
Sitel Worldwide	(3)	1	(4)	31	4	27
Husky	4	-	4	12	-	12
Other	7	5	2	18	27	(9)
Total	\$ 33	\$ 23	\$ 10	\$ 146	\$ 64	\$ 82

Acquisition, restructuring and other expenses totalled \$33 million for the three months ended September 30, 2008, up from \$23 million for the same period of 2007. Celestica recorded \$14 million of the change in acquisition, restructuring and other expenses for the three months ended September 30, 2008. These actions include reducing the company's workforce and consolidating facilities. Celestica expects that the restructuring actions will drive further operational improvements throughout its manufacturing network. In addition, the acquisition of Husky in December 2007 contributed \$4 million of the increase in total acquisition, restructuring and other expenses in the third quarter of 2008.

For the first nine months of 2008, acquisition, restructuring and other expenses were \$146 million, up from \$64 million for the nine months ended September 30, 2007. Carestream Health recorded \$61 million, or \$43 million of the increase. Included in Carestream Health's expenses were approximately \$29 million of non-recurring charges associated with the company's transition to a stand-alone entity and \$32 million of expenses associated with two restructuring programs initiated in 2008 that are focused on information technology, the realignments of its sales and service teams and reduction of other corporate functions.

Sitel Worldwide contributed \$31 million in restructuring expenses, or \$27 million of the increase, for the nine months ended September 30, 2008. These expenses were associated with actions taken to streamline the company's operations in light of the continued softness in certain markets in which it operates.

Husky, acquired by Onex in mid-December 2007, accounted for \$12 million of the acquisition, restructuring and other expenses for the first nine months of 2008 with programs to streamline Husky's operations and optimize its procurement activities.

Writedown of goodwill and long-lived assets

Writedown of goodwill and long-lived assets totalled \$10 million and \$13 million, respectively, for the three and nine months ended September 30, 2008. ONCAP's operating company, EnGlobe, accounted for \$10 million of the writedown of goodwill and long-lived assets in the third quarter and first nine months of 2008. EnGlobe's management performed a comprehensive review of the current performance and the strategic orientation of its

business units. This review concluded that there was an impairment in goodwill and intangible assets in the company's organic waste management division, which resulted in the writedown.

Non-controlling interests in earnings of operating companies

In the unaudited interim consolidated statements of earnings, the non-controlling interests amount represents the interests of shareholders other than Onex in the net earnings or losses of Onex' operating companies. For the third quarter of 2008, this amount was \$96 million of Onex' operating companies' earnings compared to \$114 million of earnings for the third quarter of 2007. For the first nine months of 2008, the non-controlling interests amount in Onex' operating companies' earnings was \$315 million compared to \$999 million for the nine months ended September 30, 2007. Table 8 shows the earnings (loss) by industry segment attributable to non-controlling shareholders in our operating companies for the three and nine months ended September 30, 2008 and 2007.

Non-controlling Interests in Earnings (Loss) of Operating Companies

TABLE 8 (Unaudited) (\$ millions)	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Earnings (loss) of non-controlling interests				
Electronics Manufacturing Services	\$ 30	\$ 6	\$ 91	\$ (7)
Aerostructures	68	82	228	226
Healthcare	32	20	29	26
Financial Services	15	24	54	71
Customer Support Services	-	1	1	4
Metal Services	1	-	3	(3)
Other ^(a)	(50)	(19)	(91)	682
Total	\$ 96	\$ 114	\$ 315	\$ 999

(a) 2008 other includes CEI, Husky, Hawker Beechcraft, Allison Transmission, Radian, ONCAP, Onex Real Estate, Onex Credit Partners and the parent company. 2007 other includes Cineplex Entertainment, CEI, Hawker Beechcraft, Allison Transmission, Radian, ONCAP, Onex Real Estate and the parent company.

Improved earnings at Celestica in the third quarter and first nine months of 2008 accounted for \$24 million and \$98 million, respectively, of the change in non-controlling interests for the three and nine months ended September 30, 2008.

Approximately \$14 million of the \$31 million change in the non-controlling interests amount in the other segment for the third quarter of 2008 was due to

higher losses quarter-over-quarter at Hawker Beechcraft. This resulted primarily from fewer deliveries of aircraft in the third quarter of 2008 as a result of a four-week strike at the company in August and a US\$25 million charge associated with increased costs to conform specific early-production Hawker 4000 units to the final type design and to establish more standard production processes.

For the nine months ended September 30, 2008, included in the \$91 million loss of the non-controlling interests amount in the other segment was an approximate \$29 million loss from Allison Transmission. In addition, the losses at EnGlobe and Hawker Beechcraft contributed to the loss in the other segment.

This compares to \$682 million of earnings from non-controlling interests in the other segment for the first nine months of 2007. The significant item in the non-controlling interests amount in the other segment for the first nine months was the 2007 second-quarter gains of other limited partners of Onex Partners I arising from the sale of shares in the Spirit AeroSystems secondary offering and in the initial public offering of Skilled Healthcare, both in May 2007. These totalled \$762 million and are included in the other segment.

Earnings (Loss) from Continuing Operations

	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Earnings (loss) from continuing operations				
Electronics Manufacturing Services	\$ 5	\$ 1	\$ 14	\$ (2)
Aerostructures	5	6	16	25
Healthcare	9	4	(10)	(23)
Financial Services	6	10	23	31
Customer Support Services	(6)	(5)	(51)	(18)
Metal Services	-	-	1	(2)
Other ^(a)	15	(92)	63	108
Total	\$ 34	\$ (76)	\$ 56	\$ 119

(a) 2008 other includes Cineplex Entertainment, CEI, Husky, Hawker Beechcraft, Allison Transmission, Radian, ONCAP, Onex Real Estate, Onex Credit Partners and the parent company. 2007 other includes Cineplex Entertainment, CEI, Hawker Beechcraft, Allison Transmission, Radian, ONCAP, Onex Real Estate and the parent company.

The other segment reported third-quarter earnings from continuing operations of \$15 million compared to a loss of \$92 million for the same quarter last year. The significant factors that contributed to the change in this segment were:

- \$32 million of stock-based compensation recovery recorded by Onex, the parent company, in the third quarter of 2008 compared to an expense of \$2 million in the same quarter last year, which accounted for \$34 million of the change; and
- \$25 million of foreign exchange gains reported by Onex, the parent company, compared to a foreign exchange loss of \$56 million in the third quarter of last year, which contributed \$81 million of the change.

Earnings (loss) from continuing operations

Onex' consolidated earnings from continuing operations was \$34 million (\$0.26 per share) for the third quarter of 2008 compared to a consolidated loss from continuing operations of \$76 million (\$0.59 per share) reported for the same quarter of 2007. For the nine months ended September 30, 2008, consolidated earnings from continuing operations were \$56 million (\$0.44 per share) compared to \$119 million (\$0.93 per share) for the first nine months of 2007. Table 9 details the earnings (loss) from continuing operations by industry segment for the three and nine months ended September 30, 2008 and 2007.

Consolidated net earnings (loss)

Consolidated net earnings were \$38 million (\$0.30 per share) for the third quarter of 2008 compared to a consolidated net loss of \$77 million (\$0.60 per share) for the third quarter of 2007. For the nine months ended September 30, 2008, Onex' consolidated net earnings were \$65 million (\$0.52 per share) compared to consolidated net earnings of \$238 million

(\$1.86 per share) for the first nine months of 2007. Included in consolidated net earnings for the first nine months of 2007 were \$119 million (\$0.93 per share) of earnings from discontinued operations, which primarily represented the gains on sales of WIS International, CMC Electronics Inc. and certain Town and Country properties.

SUMMARY QUARTERLY INFORMATION

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

TABLE 10	<i>(Unaudited)</i> <i>(\$ millions except per share amounts)</i>							
	2008			2007				2006
	Sept.	June	March	Dec.	Sept.	June	March	Dec.
Revenues	\$ 7,066	\$ 6,815	\$ 6,226	\$ 5,994	\$ 6,038	\$ 5,870	\$ 5,531	\$ 4,992
Earnings (loss) from continuing operations	\$ 34	\$ (18)	\$ 40	\$ (10)	\$ (76)	\$ 162	\$ 33	\$ 211
Net earnings (loss)	\$ 38	\$ (18)	\$ 45	\$ (10)	\$ (77)	\$ 166	\$ 149	\$ 244
Earnings (loss) per Subordinate Voting Share								
Basic and Diluted:								
Continuing operations	\$ 0.26	\$ (0.14)	\$ 0.32	\$ (0.08)	\$ (0.59)	\$ 1.26	\$ 0.26	\$ 1.64
Net earnings (loss)	\$ 0.30	\$ (0.14)	\$ 0.36	\$ (0.08)	\$ (0.60)	\$ 1.29	\$ 1.16	\$ 1.89

Onex' quarterly consolidated financial results do not follow any specific trends due to 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 cycles at Onex' operating companies.

CONSOLIDATED FINANCIAL POSITION

This section should be read in conjunction with the unaudited interim consolidated balance sheet as at September 30, 2008 and the corresponding notes thereto and the audited annual consolidated balance sheet as at December 31, 2007.

Consolidated assets

Consolidated assets totalled \$28.2 billion at September 30, 2008 compared to \$26.2 billion at December 31, 2007. Essentially all of the \$2 billion increase in assets was due to the strengthening of the U.S. dollar compared to the Canadian dollar in that period. Most of the consolidated assets are denominated in U.S. dollars. The closing U.S.

dollar to Canadian dollar exchange rate at September 30, 2008 was 1.0642 Canadian dollars, up from 0.9913 Canadian dollars at December 31, 2007.

Consolidated long-term debt, without recourse to Onex

Onex, the parent company, has no debt. 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 for each operating company typically contain certain restrictive covenants, which may include limitations or prohibitions on additional indebtedness, payment of cash dividends, redemption of capital, capital spending, making of investments and acquisitions and sales of assets. In addition, certain financial covenants must be met by the operating companies that have outstanding debt. 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. No adjustments to the carrying amount or classification of assets or liabilities of any operating company have been made in the consolidated financial statements with respect to any possible non-compliance.

Total long-term debt (consisting of the current portion of long-term debt and long-term debt) was \$6.7 billion at September 30, 2008 compared to \$6.4 billion at December 31, 2007. The strengthening of the U.S. dollar relative to the Canadian dollar accounted for most of the increase in total long-term debt.

In March 2008, Spirit AeroSystems entered into an amendment of its existing credit agreement. The amendment provided for: (i) an increase in the company's US\$400 million revolving credit facility to US\$650 million; (ii) an increase in the amount of indebtedness that Spirit AeroSystems can incur to finance the purchase of capital assets from US\$75 million to US\$200 million; (iii) a provision allowing for up to US\$300 million in additional indebtedness outstanding; and (iv) a provision allowing Spirit AeroSystems to make investments in joint ventures not to exceed a total of US\$50 million.

Non-controlling interests

The non-controlling interests liability in Onex' unaudited interim consolidated balance sheet as at September 30, 2008 primarily represents the ownership interests of shareholders, other than Onex, in Onex' consolidated operating companies and equity-accounted investments. At September 30, 2008, the non-controlling interests balance increased to \$7.0 billion compared to \$6.1 billion at December 31, 2007. Table 11 details the change in the non-controlling interests balance from December 31, 2007 to September 30, 2008.

Change in Non-controlling Interests

TABLE 11 | (Unaudited) (\$ millions)

Non-controlling interests as at December 31, 2007	\$ 6,149
Non-controlling interests in net earnings of 2008:	
Operating companies' earnings	315
Investments by shareholders other than Onex in:	
Onex Partners II	239
Onex' operating companies	70
Distributions to limited partners of Onex Partners I and II	(96)
Accumulated other comprehensive earnings	337
Other	6
Non-controlling interests as at September 30, 2008	\$ 7,020

The non-controlling interests in the net earnings of operating companies in the first nine months of 2008 accounted for \$315 million of the increase. The 7 percent increase in the value of the U.S. dollar relative to the Canadian dollar contributed \$428 million to the increase in the non-controlling interests balance at September 30, 2008 included in accumulated other comprehensive earnings. The value of the U.S. dollar was 1.0642 Canadian dollars at September 30, 2008 compared to 0.9913 Canadian dollars at December 31, 2007.

Partially offsetting these increases was \$96 million of cash distributed in early 2008 primarily to the limited partners, other than Onex, of Onex Partners I and II from dividends paid by Hawker Beechcraft and The Warranty Group in late 2007, as well as Carestream Health in late September 2008.

Shareholders' equity

There was a modest overall change in shareholders' equity to September 30, 2008 from December 31, 2007. Table 12 provides a reconciliation of the change in shareholders' equity from December 31, 2007 to September 30, 2008.

Change in Shareholders' Equity

TABLE 12 | (Unaudited) (\$ millions)

Shareholders' equity as at December 31, 2007	\$ 1,703
Regular dividends declared	(10)
Shares repurchased and cancelled	(97)
Net earnings for the period	65
Other comprehensive earnings for the period	60
Shareholders' equity as at September 30, 2008	\$ 1,721

During the first nine months of 2008, shareholders' equity increased due to \$65 million of net earnings reported in that period. In addition, shareholders' equity included \$60 million in other comprehensive earnings for that period. In other comprehensive earnings there were \$104 million in positive currency translation adjustments due to the strengthening of the U.S. dollar. This was partially offset by a \$44 million negative change in the fair value of derivative-designated hedges and other investments. Approximately \$12 million of this change related to the mark-to-market of investments at The Warranty Group due to the decline in the equity markets in the third quarter of 2008. In addition, Sitel Worldwide accounted for \$10 million of the change due to the mark-to-market of its derivatives that are designated as hedges.

Reducing shareholders' equity at September 30, 2008 was \$97 million of repurchases of shares under Onex' Normal Course Issuer Bid.

Shares outstanding

At October 31, 2008, Onex had 122,098,985 Subordinate Voting Shares issued and outstanding. Table 13 shows the change in the number of Subordinate Voting Shares outstanding from December 31, 2007.

Change in Subordinate Voting Shares Outstanding

TABLE 13 | (Unaudited)

Subordinate Voting Shares outstanding at December 31, 2007	125,574,087
Shares repurchased and cancelled under Onex' Normal Course Issuer Bid	(3,481,381)
Issue of shares – Dividend Reinvestment Plan	6,279
Subordinate Voting Shares outstanding at October 31, 2008	122,098,985

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' unaudited interim consolidated financial statements. Note 5 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 10 months of 2008.

For the 10-month period ended October 31, 2008, Onex, the parent company, repurchased 3,481,381 Subordinate Voting Shares under its Normal Course Issuer Bids at an average cost per share of \$28.89 for a total cost of \$101 million.

Under Onex' Dividend Reinvestment Plan, the Company issued 6,279 Subordinate Voting Shares at an average cost of \$29.48 per Subordinate Voting Share during the 10-month period ended October 31, 2008, creating a cash savings of less than \$1 million.

Management of capital

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

Onex' objectives in managing capital are to:

- preserve a financially strong parent company with appropriate liquidity and no, or a limited amount of, debt so that it has funds available to pursue new acquisitions and growth opportunities, as well as support the building of its existing businesses. Onex does not generally have the ability to draw cash from its operating companies. Accordingly, maintaining adequate liquidity at the parent company is important;
- achieve an appropriate return on capital 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 normally 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.

Major Cash Flow Components

TABLE 14 (Unaudited) (\$ millions)	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Cash from operating activities	\$ 507	\$ 473	\$ 955	\$ 587
Cash from (used in) financing activities	\$ 118	\$ 556	\$ [11]	\$ 1,136
Cash used in investing activities	\$ [672]	\$ (1,389)	\$ (1,052)	\$ (2,141)
Consolidated cash and short-term investments – continuing operations	\$ 2,552	\$ 2,439	\$ 2,552	\$ 2,439

At September 30, 2008, Onex, the parent company, had approximately \$450 million of cash on hand and approximately \$80 million of near-cash items. The Company is currently liquidating its near-cash items, which are invested in a number of hedge funds. The terms for redemption of the investments are such that Onex expects to have the majority liquidated by January 2009. 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 has been effective in maintaining liquidity and preserving principal in all of the money market investments at Onex, the parent company.

At September 30, 2008, Onex had access to \$3.4 billion of uncalled committed third-party capital for acquisitions through the Onex Partners Funds and ONCAP, which included approximately \$2.7 billion of committed third-party capital from several closings of Onex Partners III LP completed in the first nine months of 2008. Onex anticipates that further third-party capital will be committed to Onex Partners III LP.

The strategy for risk management of capital has not changed in the first nine months of 2008.

LIQUIDITY AND CAPITAL RESOURCES

This section should be read in conjunction with the unaudited interim consolidated statements of cash flows for the three and nine months ended September 30, 2008 and 2007 and the corresponding notes thereto. Table 14 summarizes the major consolidated cash flow components for the three and nine months ended September 30, 2008 and 2007.

Cash from operating activities

Cash from operating activities totalled \$507 million for the third quarter of 2008 compared to cash from operating activities of \$473 million for the same quarter of 2007. For the nine months ended September 30, 2008, cash from operating activities was \$955 million compared to \$587 million

of cash from operating activities for the first nine months of 2007. Table 15 provides a breakdown of cash from operating activities by cash generated from operations and non-cash working capital items, warranty reserves and premiums and other liabilities for the three and nine months ended September 30, 2008 and 2007.

Components of Cash from Operating Activities

TABLE 15 <i>(Unaudited) (\$ millions)</i>	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Cash generated from operations	\$ 415	\$ 358	\$ 1,085	\$ 815
Increase (decrease) in cash from non-cash working capital items, warranty reserves and premiums and other liabilities	92	115	(130)	(228)
Cash from operating activities	\$ 507	\$ 473	\$ 955	\$ 587

Cash generated from operations excludes changes in non-cash working capital items, warranty reserves and premiums and other liabilities. For the three months ended September 30, 2008, cash generated from operations was \$415 million compared to \$358 million for the third quarter of 2007. For the nine months ended September 30, 2008, cash generated from operations totalled \$1.1 billion, up from \$815 million for the same period of 2007. Much of the increase in cash generated from operations for the three and nine months ended September 30, 2008 was due to improved operating results at many of our operating companies as discussed in "Consolidated Operating Results" on page 6 of this interim MD&A.

Non-cash working capital items, warranty reserves and premiums and other liabilities increased cash by \$92 million for the three months ended September 30, 2008 compared to a \$115 million increase in cash for the same period last year. For the first nine months of 2008, non-cash working capital items, warranty reserves and premiums and other liabilities decreased cash by \$130 million compared to a cash decrease of \$228 million for the same period last year. This decrease in the first nine months of 2008 was due primarily to:

- lower accounts payable at Husky; and
- the build-up of inventory at Spirit AeroSystems associated with the 787, Gulfstream and other general aviation programs, partially offset by customer advances associated with the 787 program.

Cash from (used in) financing activities

Cash from financing activities totalled \$118 million for the third quarter of 2008. Included in cash from financing activities was \$239 million of cash received from limited partners of Onex Partners II primarily for the investment in RSI Home Products, Inc. ("RSI"). Onex completed the investment in RSI on October 1, 2008. Partially offsetting this was \$44 million of cash spent by Onex, the parent company, on the repurchase of 1,619,898 Subordinate Voting Shares in the third quarter. This compares to cash from financing activities of \$556 million for the same quarter last year, which included \$540 million of cash received from the limited partners of Onex Partners II for the purchase of Allison Transmission in August 2007.

For the nine months ended September 30, 2008, cash used in financing activities was \$11 million compared to cash from financing activities of \$1.1 billion for the same period in 2007. Included in cash used in financing activities in the first nine months of 2008 were:

- \$97 million of cash spent by Onex, the parent company, on the repurchase of 3,318,698 Subordinate Voting Shares; and
- \$104 million of cash distributed in 2008 primarily by Onex Partners to limited partners, other than Onex, from dividends paid by Hawker Beechcraft and The Warranty Group in 2007 and by Carestream Health in September 2008.

Partially offsetting cash used in financing activities in the first nine months of 2008 was cash received from the limited partners of Onex Partners II for the investment in RSI that was completed on October 1, 2008.

Included in the \$1.1 billion of cash from financing activities in the first nine months of 2007 were:

- \$1.6 billion of cash received from the limited partners of Onex Partners II primarily for the acquisitions of Tube City IMS, completed in January 2007, Hawker Beechcraft, purchased in late March 2007, Carestream Health, acquired in April 2007 and Allison Transmission, purchased in August 2007;
- \$128 million of cash received from new shareholders of Skilled Healthcare who purchased new shares issued in that company's May 2007 initial public offering; and
- additional long-term debt at Sitel Worldwide of approximately \$388 million associated primarily with the acquisition of SITEL Corporation.

Partially offsetting cash from financing activities in the first nine months of 2007 was \$883 million of cash distributed primarily by Onex Partners I to limited partners, other than Onex, on the sale of some of the shares of Spirit AeroSystems as part of that company's secondary offering and Skilled Healthcare's initial public offering. In addition, Onex, the parent company, spent \$78 million on the repurchase of shares under its Normal Course Issuer Bid.

Cash used in investing activities

Cash used in investing activities totalled \$672 million for the three months ended September 30, 2008 compared to \$1.4 billion for the same quarter of 2007. Included in other investing activities in the 2008 third quarter was \$338 million of restricted cash held for the RSI investment completed on October 1, 2008. In addition, cash used in investing activities in the quarter included \$210 million of cash spent on property, plant and equipment primarily by Spirit AeroSystems, Carestream Health, Celestica and Tube City IMS. The cash used in investing activities in the 2007 third quarter included \$790 million in other investing activities of cash used for Onex' and Onex Partners II's investment in Allison Transmission in August 2007.

For the nine months ended September 30, 2008, cash used in investing activities totalled \$1.1 billion. Included in these investing activities were:

- \$524 million of cash spent on property, plant and equipment primarily by Spirit AeroSystems, Carestream Health, Celestica and Tube City IMS;
- \$338 million of restricted cash held for the RSI investment completed on October 1, 2008; and
- \$104 million of cash spent on acquisitions completed by CDI, EMSC, Sitel Worldwide, Skilled Healthcare, Tube City IMS and ONCAP.

This compares to cash used in investing activities of \$2.1 billion in the first nine months of 2007. Acquisitions completed in the first nine months of 2007 accounted for \$1.4 billion of cash used in investing activities. These acquisitions primarily included Tube City IMS, Carestream Health, Sitel Worldwide's acquisition of and merger with SITEL Corporation and ONCAP's purchases of Mister Car Wash and CiCi's Pizza.

In addition, included in other investing activities for the first nine months of 2007 was \$552 million of cash used for Onex' and Onex Partners II's investment in Hawker Beechcraft and \$790 million for the investment in Allison Transmission. Partially offsetting the cash spent on acquisitions and investments was \$1.3 billion of cash proceeds primarily received by Onex and Onex Partners I on the sale of a portion of their shares in the Spirit AeroSystems and Skilled Healthcare offerings in May 2007.

Consolidated cash resources

At September 30, 2008, consolidated cash with continuing operations was \$2.6 billion, slightly above the level at December 31, 2007. The major components of this at September 30, 2008 were Onex, the parent company, which represented approximately \$450 million of cash on hand, and Celestica, which had approximately \$1.3 billion of cash.

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 \$450 million of cash at the parent company at September 30, 2008, there was:

- \$133 million of cash classified as restricted, as this was set aside for Onex' portion of the investment in RSI that was made on October 1, 2008. The total restricted cash set aside for the RSI investment was \$338 million, which includes \$205 million provided by limited partners; and
- \$80 million of near-cash items that are invested in segregated hedge funds. Onex has provided notice to liquidate these funds and expects to have converted the majority of them to cash by January 2009. These fund investments are classified as investments on Onex' consolidated balance sheet at September 30, 2008 and are presented at fair value.

At September 30, 2008, the other limited partners in Onex Partners I, II and III had remaining commitments to provide funding for future Onex-sponsored acquisitions as follows:

As at September 30, 2008

TABLE 16 | (Unaudited) (\$ millions)

Onex Partners I	US\$ 97
Onex Partners II	US\$ 343
Onex Partners III	US\$ 2,541

During the first nine months of 2008, Onex continued fundraising for its third large-cap private equity fund, Onex Partners III LP. At September 30, 2008, Onex had completed several closings of third-party capital for this Fund that totalled approximately US\$2.5 billion. In addition, Onex has initially committed US\$1.0 billion, which can be either increased or decreased by up to US\$500 million with six months' notice. Onex Partners III will provide capital to

new Onex-sponsored acquisitions. It is expected that Onex Partners III will complete its fundraising in the second quarter of 2009.

In addition, the limited partners in ONCAP had remaining commitments of approximately \$206 million to fund future ONCAP-related acquisitions.

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

Pension plans

Six of Onex' operating companies have defined benefit pension plans. At December 31, 2007, those pension plans had combined assets of \$1.4 billion against combined obligations of \$1.2 billion. Three of those pension plans had obligations in excess of assets with the excess obligation totalling \$111 million at December 31, 2007. With the recent decline in the global equity markets, the pension plan assets of Onex' operating companies have likely experienced a decrease in value. If losses in the equity markets persist, it is possible that certain Onex operating companies may experience an increase in non-cash pension charge and may have to provide additional funding for their pension plans. Onex' operating companies will finalize their 2009 pension charge based on December 31, 2008 actual asset values, discount rates and other actuarial assumptions.

Onex, the parent company, does not have any pension plan and has no obligation for the pension plans of its operating companies.

Onex Normal Course Issuer Bid

On April 14, 2008, Onex renewed its Normal Course Issuer Bid ("NCIB") following the expiry of its previous NCIB on April 11, 2008. At March 31, 2008, Onex had issued and outstanding Subordinate Voting Shares of 123,877,352. The public float of these Subordinate Voting Shares amounted to 94,235,414. Under the NCIB, Onex will be permitted to purchase up to 10 percent of its public float in its Subordinate Voting Shares, or 9,423,541 Subordinate Voting Shares. Onex may purchase up to 76,083 Subordinate Voting Shares during any trading day, being 25 percent of its average daily trading volume for the most recently completed six-month period prior to the Bid. Under the NCIB, Onex may also purchase Subordinate Voting Shares from time to time under the Toronto Stock Exchange's block purchase exemption. The current NCIB commenced on

April 14, 2008 and will conclude on the earlier of the date on which purchases under the NCIB have been completed and April 13, 2009. 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 11, 2008, Onex repurchased 5,055,800 Subordinate Voting Shares at a total cost of \$166 million, or an average purchase price of \$32.92 per share. Onex believes that it is advantageous to the Company 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.

Under the current bid, Onex has repurchased 1,782,581 Subordinate Voting Shares at a total cost of \$48 million, or an average purchase price of \$26.73 per share for the eight months ended October 31, 2008.

Recent events

RSI Home Products acquisition

In mid-September 2008, Onex announced that it had agreed to acquire a 50 percent interest in RSI Home Products, Inc. ("RSI"), a leading U.S. manufacturer of cabinetry for the residential marketplace. This purchase was completed on October 1, 2008. Onex, Onex Partners II and Onex management invested approximately \$338 million. Onex' portion of that investment was \$133 million. The investment is in the form of a convertible preferred security, representing a 50 percent economic and voting interest in RSI, subject to a minimum preferred return of 10 percent to Onex upon realization. Beginning in the fourth quarter of 2008, RSI will be accounted for on an equity basis.

ONCAP acquisition

On October 31, 2008, ONCAP II completed the acquisition of Caliber Collision Centers ("Caliber"), a leading provider of auto collision repair services with 66 collision centres in Texas and Southern California, in a transaction valued at US\$170 million. Onex, ONCAP II and Onex management invested approximately US\$57 million of equity in this business. Onex' portion of that investment was US\$25 million. Onex and ONCAP II have a controlling ownership interest. The operations of Caliber will be consolidated from its acquisition date in Onex' other segment with other current ONCAP investments.

Registration statement filing by EMSC

On October 24, 2008, EMSC filed a registration statement with the U.S. Securities and Exchange Commission with the intent to sell from time to time up to 10 million Class A common shares. The shares may be sold by the company or selling stockholders, including Onex and Onex Partners I. If shares are sold by EMSC, the company will use the net proceeds for general corporate purposes, which may include working capital, capital expenditures, strategic investments and possible acquisitions. EMSC would not receive any proceeds from the sale of shares by the selling stockholders, including Onex and Onex Partners I.

Contractual obligations

Spirit AeroSystems

On March 18, 2008, Spirit AeroSystems entered into an amendment of its existing credit agreement. The amendment provided for: (i) an increase in the company's US\$400 million revolving credit facility to US\$650 million; (ii) an increase in the amount of indebtedness that Spirit AeroSystems can incur to finance the purchase of capital assets from US\$75 million to US\$200 million; (iii) a provision allowing up to US\$300 million in additional indebtedness outstanding; and (iv) a provision allowing Spirit AeroSystems to make investments in joint ventures not to exceed a total of US\$50 million.

In late March 2008, Spirit AeroSystems amended its existing 787 Supply Agreement with Boeing. The revised terms provide for additional 2008 cash advance payments to Spirit AeroSystems approximating the ship set value anticipated in the original 787 program delivery schedule, and therefore amends the payment terms associated with the 787 aircraft certification. The additional advances will be applied against the purchase price of ship sets delivered until fully repaid. The amendment also eliminates the existing delayed payment schedule for ship sets delivered prior to aircraft certification and ties all payments for ship sets not covered by the additional advances to the date of delivery by Spirit AeroSystems to Boeing. During the first nine months of 2008, Spirit AeroSystems received US\$286 million in cash advances as a result of the amended payment terms, of which US\$55 million was received in the third quarter of 2008.

RECENT ACCOUNTING PRONOUNCEMENTS

International Financial Reporting Standards

In February 2008, the Canadian Accounting Standards Board confirmed that the use of International Financial Reporting Standards ("IFRS") would be required for Canadian publicly accountable enterprises for years beginning on or after January 1, 2011. Onex is currently evaluating the impact of adopting IFRS.

Goodwill and intangible assets

In February 2008, the CICA issued Handbook Section 3064, "Goodwill and Intangible Assets", which replaces the existing standards. This revised standard establishes guidance for the recognition, measurement and disclosure of goodwill and intangible assets, including internally generated intangible assets. This standard is effective for 2009. Onex is currently evaluating the impact of adopting this standard on its consolidated financial statements.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures

Multilateral Instrument 52-109, "Certification of Disclosure in Issuers' Annual and Interim Filings", issued by the Canadian Securities Administrators requires Chief Executive Officers ("CEOs") and Chief Financial Officers ("CFOs") to certify that they are responsible for establishing and maintaining disclosure controls and procedures for the issuer, that disclosure controls and procedures have been designed to provide reasonable assurance that material information relating to the issuer is made known to them, that they have evaluated the effectiveness of the issuer's disclosure controls and procedures, and that their conclusions about the effectiveness of those disclosure controls and procedures at the end of the period covered by the relevant annual filings have been disclosed by the issuer.

Under the supervision of and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, we have evaluated the design of the Company's disclosure controls and procedures as at September 30, 2008 and have concluded that those disclosure controls and procedures were effective in ensuring that information required to be disclosed by the Company in its corporate filings is recorded, processed, summarized and reported within the required time period for the quarter then ended.

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 designed to provide reasonable, not absolute, assurance that the objectives of our disclosure control system are met.

Internal controls over financial reporting

Multilateral Instrument 52-109 also requires CEOs and CFOs to certify that they are responsible for establishing and maintaining internal controls over financial reporting for the issuer, that those internal controls have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian generally accepted accounting principles, and that the issuer has disclosed any changes in its internal controls during its most recent interim period that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

There were no changes in internal controls during the third quarter or first nine months of 2008 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

OUTLOOK

The credit crisis that began in mid-2007 intensified globally in the third and fourth quarters of 2008. We saw the financial markets start to become unstable. On fears of a complete meltdown of the financial markets and the repercussions in the global economy, many countries took action in early October to restore some stability to the financial markets and unclog credit markets by using central banks as an alternative source of short-term cash. In some countries such as the United States central banks have directly purchased credit securities, such as commercial paper, and invested directly in domestic financial institutions. While we believe these government initiatives are good first steps in getting the credit markets back on track, we expect this will take time.

The credit markets are very different today than those in 2006 and 2007, with fewer participants in the lending market, higher cost of credit and more stringent credit terms. Financing for a significant acquisition is currently very difficult to obtain.

Our investment in RSI Home Products in early October shows that attractive transactions can be completed in the current environment. Our industry partnership in the building products sector led to the investment in RSI, which is a leading manufacturer of cabinetry for the residential marketplace. Onex' and Onex Partners II's investment of \$338 million was made for a 50 percent ownership interest in the business. Onex' share of that investment was \$133 million. The equity investment provides a preferred annual return of 10 percent while participating pro rata with the existing equity in upside scenarios. There was no additional debt taken on by the business as part of this transaction. This investment structure provides Onex and Onex Partners II with the type of returns we are looking for on the upside while providing a margin of protection on the downside.

We are closely watching the economic activity in the United States given that the majority of Onex' operating companies are based there. Onex has many operating companies that are leaders in their markets, such as The Warranty Group, Spirit AeroSystems, EMSC, Hawker Beechcraft, Husky and Allison Transmission. While they are not impervious to the economic cycles, we believe that market leaders better survive economic downturns and can generally consolidate their strength in difficult markets. Many of these businesses were acquired in the 2006 and 2007 markets and were purchased at an average purchase price multiple of 7x EBITDA, considerably less than the

industry average of more than 9x EBITDA in the same period. In addition, these businesses were purchased with leverage in a market that provided ample opportunity for more leverage. We chose to use a prudent level of leverage in our acquisitions so that the businesses could take advantage of future growth opportunities, as well as be better positioned financially in a difficult economic cycle.

Our businesses will likely be affected in one way or another by the slowing economic activity in the coming months. We believe that their debt levels and terms should permit those businesses to weather the difficult economic environment. We are monitoring those situations where a company believes it may be close to its debt covenants as it looks forward. Currently, we believe such situations are manageable and could be cured, if required.

Onex' sources of liquidity are from the management fees received from the limited partners in our Funds, carried interest earned on the profits of our limited partners and realizations on investments made by Onex. In addition, we can call upon the funds committed by our limited partners to fund their portion of Onex-sponsored acquisitions. In October 2008, following the investment in RSI, Onex determined that Onex Partners II was essentially fully invested and that new large-cap investments would now be made through Onex Partners III LP ("Onex Partners III"). Onex will begin receiving management fees from the Onex Partners III investors with the result that annualized management fees now approximate \$85 million from all third parties in Onex' Funds. Management fees from Onex Partners I and II would be reduced as investments are realized.

The liquidity contraction in the credit markets will continue to affect certain avenues for Onex to realize on its assets. In an outright sale, financing by a purchaser for such a transaction may not be readily available. Accordingly, it is difficult to predict cash inflows to Onex from carried interest or otherwise on the realization on investments.

Onex is continuing to evaluate opportunities for new investments and add-on investments for its operating companies. Onex has its own cash resources and the committed funds from third parties to be drawn upon for these opportunities.

The success of our businesses is rooted in the alignment of Onex and its management team. When we invest, it is our collective money – shareholders, limited partners and Onex management alike.

CONSOLIDATED BALANCE SHEETS

<i>(in millions of dollars)</i>	<i>(Unaudited)</i> As at September 30 2008	As at December 31 2007
Assets		
Current assets		
Cash and short-term investments	\$ 2,552	\$ 2,462
Marketable securities	849	813
Accounts receivable	3,895	3,463
Inventories	3,135	2,539
Other current assets	1,824	1,461
	12,255	10,738
Property, plant and equipment	3,635	3,489
Investments	3,397	3,203
Other long-term assets	2,639	2,634
Intangible assets	2,552	2,692
Goodwill	3,724	3,443
	\$ 28,202	\$ 26,199
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 4,570	\$ 4,033
Other current liabilities	1,083	864
Current portion of long-term debt and capital leases, without recourse to Onex	333	321
Current portion of warranty reserves and unearned premiums	1,573	1,544
	7,559	6,762
Long-term debt and capital leases of operating companies, without recourse to Onex (note 4)	6,414	6,185
Long-term portion of warranty reserves and unearned premiums	2,347	2,364
Other long-term liabilities	1,834	1,663
Future income taxes	1,307	1,373
	19,461	18,347
Non-controlling interests	7,020	6,149
Shareholders' equity	1,721	1,703
	\$ 28,202	\$ 26,199

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2007 audited annual consolidated financial statements.

CONSOLIDATED STATEMENTS OF EARNINGS

<i>(Unaudited)</i> <i>(in millions of dollars, except per share data)</i>	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Revenues	\$ 7,066	\$ 6,038	\$ 20,107	\$ 17,439
Cost of sales	(5,735)	(4,872)	(16,284)	(14,326)
Selling, general and administrative expenses	(684)	(631)	(2,043)	(1,718)
Earnings Before the Undernoted Items	647	535	1,780	1,395
Amortization of property, plant and equipment	(147)	(141)	(447)	(396)
Amortization of intangible assets and deferred charges	(84)	(73)	(270)	(163)
Interest expense of operating companies	(126)	(143)	(379)	(400)
Interest income	1	30	41	95
Earnings (loss) from equity-accounted investments (note 6)	(45)	5	(56)	(18)
Foreign exchange gains (loss)	(8)	(39)	25	(121)
Stock-based compensation recovery (expense)	21	(13)	53	(153)
Other income (expense)	(6)	(8)	10	(3)
Gains on sales of operating investments, net	-	1	-	1,144
Acquisition, restructuring and other expenses (note 7)	(33)	(23)	(146)	(64)
Writedown of goodwill and long-lived assets	(10)	-	(13)	(2)
Earnings before income taxes, non-controlling interests and discontinued operations	210	131	598	1,314
Provision for income taxes	(80)	(93)	(227)	(196)
Non-controlling interests	(96)	(114)	(315)	(999)
Earnings (loss) from continuing operations	34	(76)	56	119
Earnings (loss) from discontinued operations (note 3)	4	(1)	9	119
Net Earnings (Loss) for the Period	\$ 38	\$ (77)	\$ 65	\$ 238
Net Earnings (Loss) per Subordinate Voting Share (note 9)				
Basic and Diluted:				
Continuing operations	\$ 0.26	\$ (0.59)	\$ 0.44	\$ 0.93
Discontinued operations	\$ 0.04	\$ (0.01)	\$ 0.08	\$ 0.93
Net earnings (loss)	\$ 0.30	\$ (0.60)	\$ 0.52	\$ 1.86

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2007 audited annual consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE EARNINGS

<i>(Unaudited)</i> <i>(in millions of dollars, except per share data)</i> Nine months ended September 30	Share Capital (note 5)	Retained Earnings	Accumulated Other Comprehensive Earnings (Loss)	Total Shareholders' Equity
Balance – December 31, 2006	\$ 541	\$ 1,469	\$ (195) ^(d)	\$ 1,815
Adoption of financial instrument accounting policies ^(a)	-	1	-	1
Dividends declared ^(b)	-	(11)	-	(11)
Purchase and cancellation of shares	(8)	(70)	-	(78)
Comprehensive Earnings (Loss)				
Net earnings for the period	-	238	-	238
Other comprehensive loss for the period:				
Currency translation adjustments	-	-	(142)	(142)
Balance – September 30, 2007	\$ 533	\$ 1,627	\$ (337)^(d)	\$ 1,823
Balance – December 31, 2007	\$ 529	\$ 1,583	\$ (409)	\$ 1,703
Dividends declared ^(b)	-	(10)	-	(10)
Purchase and cancellation of shares	(14)	(83)	-	(97)
Comprehensive Earnings (Loss)				
Net earnings for the period	-	65	-	65
Other comprehensive earnings (loss) for the period:				
Currency translation adjustments	-	-	104	104
Change in fair value of derivatives designated as hedges	-	-	(24)	(24)
Other	-	-	(20)	(20)
Balance – September 30, 2008	\$ 515	\$ 1,555	\$ (349)^(d)	\$ 1,721

(a) The effect of the adoption of financial instrument accounting policies is described in note 1 to the audited annual consolidated financial statements.

(b) Dividends declared per Subordinate Voting Share were \$0.0825 for the nine months ended September 30, 2008 and 2007.

(c) Accumulated Other Comprehensive Earnings (Loss) at December 31, 2006 consists of currency translation adjustments.

(d) Accumulated Other Comprehensive Earnings (Loss) at September 30, 2007 consists of currency translation adjustments of negative \$339, unrealized gains on the effective portion of cash flow hedges of \$1 and unrealized gains on available-for-sale financial assets and other of \$1. Accumulated Other Comprehensive Earnings (Loss) as at September 30, 2008 consists of currency translation adjustments of negative \$293, unrealized losses on the effective portion of cash flow hedges of \$44 and unrealized losses on available-for-sale financial assets and other of \$12.

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2007 audited annual consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>(Unaudited)</i> <i>(in millions of dollars)</i>	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Operating Activities				
Net earnings (loss) for the period	\$ 38	\$ (77)	\$ 65	\$ 238
Loss (earnings) from discontinued operations	(4)	1	(9)	(119)
Items not affecting cash:				
Amortization of property, plant and equipment	147	141	447	396
Amortization of intangible assets and deferred charges	84	73	270	163
Amortization of deferred warranty costs	26	(9)	4	(117)
Writedown of goodwill and long-lived assets	10	-	13	2
Non-cash component of restructuring	1	4	2	(1)
Non-controlling interests	96	114	315	999
Future income taxes	1	49	(21)	72
Stock-based compensation expense (recovery)	(21)	13	(53)	153
Loss (earnings) from equity-accounted investments	45	(5)	56	18
Foreign exchange loss (gains)	(25)	56	(40)	133
Gains on sales of operating investments, net	-	(1)	-	(1,144)
Other	17	(1)	36	22
	415	358	1,085	815
Changes in non-cash working capital items:				
Accounts receivable	52	(14)	(181)	(390)
Inventories	(96)	(88)	(397)	162
Other current assets	25	37	77	218
Accounts payable, accrued liabilities and other current liabilities	103	257	307	4
Increase (decrease) in cash due to changes in working capital items	84	192	(194)	(6)
Increase (decrease) in warranty reserves and premiums and other liabilities	8	(77)	64	(222)
	507	473	955	587
Financing Activities				
Issuance of long-term debt	272	403	775	1,750
Repayment of long-term debt	(282)	(402)	(879)	(1,316)
Cash dividends paid	(3)	(4)	(10)	(11)
Repurchase of share capital	(44)	(78)	(97)	(78)
Issuance of share capital provided by L.P. investors and operating companies	226	655	309	1,691
Distributions by operating companies	(47)	-	(104)	(883)
Decrease due to other financing activities	(4)	(18)	(5)	(17)
	118	556	(11)	1,136
Investing Activities				
Acquisition of operating investments, net of cash in acquired companies of \$2 (2007 - \$151) (note 2)	(30)	(144)	(104)	(1,367)
Purchase of property, plant and equipment	(210)	(147)	(524)	(482)
Net purchase of short-term investments	(34)	(231)	(34)	(231)
Proceeds from sales of operating investments	-	1	-	1,310
Decrease due to other investing activities	(404)	(883)	(401)	(1,587)
Cash from discontinued operations	6	15	11	216
	(672)	(1,389)	(1,052)	(2,141)
Decrease in Cash for the Period	(47)	(360)	(108)	(418)
Increase (decrease) in cash due to changes in foreign exchange rates	100	(138)	164	(329)
Cash, beginning of the period - continuing operations	2,465	2,706	2,462	2,944
Cash, beginning of the period - discontinued operations	-	-	-	11
Cash, End of the Period	2,518	2,208	2,518	2,208
Short-term investments	34	231	34	231
Cash and Short-term Investments Held by Continuing Operations	\$ 2,552	\$ 2,439	\$ 2,552	\$ 2,439

See accompanying notes to unaudited interim consolidated financial statements.

These unaudited interim consolidated financial statements should be read in conjunction with the 2007 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 23(d) and 23(e) to the audited annual consolidated financial statements). All significant intercompany balances and transactions have been eliminated.

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

	September 30, 2008	December 31, 2007
<i>Investments made through Onex</i>		
Celestica Inc. (“Celestica”)	13%	13%
Cineplex Entertainment	23%	23%
Radian Communication Services Corporation (“Radian”)	89%	89%
Sitel Worldwide Corporation (“Sitel Worldwide”)	66%	66%
<i>Investments made through Onex and Onex Partners I</i>		
Center for Diagnostic Imaging, Inc. (“CDI”)	19%	19%
Cosmetic Essence, Inc. (“CEI”)	21%	21%
Emergency Medical Services Corporation (“EMSC”)	29%	29%
Res-Care, Inc. (“ResCare”)	6%	6%
Skilled Healthcare Group, Inc. (“Skilled Healthcare”)	9%	9%
Spirit AeroSystems, Inc. (“Spirit AeroSystems”)	7%	7%
<i>Investments made through Onex and Onex Partners II</i>		
Allison Transmission, Inc. (“Allison Transmission”)	15%	15%
Carestream Health, Inc. (“Carestream Health”)	39%	39%
Hawker Beechcraft Corporation (“Hawker Beechcraft”)	20%	20%
Tube City IMS Corporation (“Tube City IMS”)	35%	35%
<i>Investments made through Onex, Onex Partners I and Onex Partners II</i>		
Husky Injection Molding Systems Ltd. (“Husky”)	36%	36%
The Warranty Group, Inc. (“The Warranty Group”)	30%	30%
<i>Other investments</i>		
ONCAP II L.P.	44%	44%
Onex Real Estate Partners (“Onex Real Estate”)	86%	86%

The ownership percentages are before the effect of any potential dilution relating to the Management Investment Plans (the “MIP”) as described in note 23(f) 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, 2007. 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

Inventories

On January 1, 2008, the Company adopted the *Canadian Institute of Chartered Accountants Handbook* (“CICA Handbook”) Section 3031, “Inventories”, which requires inventory to be measured at the lower of cost and net realizable value. The standard provides guidance on the types of costs that can be capitalized and requires the reversal of previous inventory writedowns if economic circumstances have changed to support higher inventory values. The Company is required to disclose quarterly the amount of inventory recognized in cost of sales, as well as any inventory writedowns or reversals. During the nine months ended September 30, 2008, the Company expensed approximately \$12,200 of inventory (three months ended September 30, 2008 – approximately \$4,300) in cost of sales and did not record any significant inventory writedowns or reversals.

The adoption of this standard did not have a significant effect on the consolidated financial statements.

Financial Instruments Presentation and Disclosures, and Capital Disclosures

On January 1, 2008, the Company adopted *CICA Handbook* Section 3862, “Financial Instruments – Disclosures”; Section 3863, “Financial Instruments – Presentation”; and Section 1535, “Capital Disclosures”. These sections require additional disclosures surrounding the Company’s financial instruments and capital. The following disclosures are required under the new pronouncements:

Credit risk

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

Substantially all of the cash, short-term investments and marketable securities consist of investments in debt securities.

In addition, the long-term investments of The Warranty Group and the insurance collateral of EMSC, both included in the investments line in the consolidated balance sheet, consist primarily of investments in debt securities. The investments in debt securities are subject to credit risk. A description of the investments held by EMSC and The Warranty Group at December 31, 2007 is included in note 7 to the audited annual consolidated financial statements.

At September 30, 2008, Onex, the parent company, held \$450 of cash and short-term investments in short-term high-rated money market instruments. In addition, Celestica had \$1,339 of cash and short-term investments, comprised of cash (approximately 25%) and short-term investments (approximately 75%). Celestica’s current portfolio consists of certificates of deposit and certain money market funds that hold exclusively U.S. government securities. The majority of Celestica’s and Onex’, the parent company’s, cash and short-term investments are held with financial institutions, each of which has a current Standard & Poor’s rating of A-1 or above.

Accounts receivable are also subject to credit risk. At September 30, 2008, the aging of consolidated accounts receivable was as follows:

As at September 30, 2008	Accounts receivable
Current	\$ 3,380
0–30 days past due	220
31–60 days past due	87
>60 days past due	208
	\$ 3,895

The significant provision balances relate to accounts receivable at EMSC. Companies in the emergency healthcare industry maintain provisions for contractual discounts and for uncompensated care, or doubtful accounts. EMSC is contractually required, in most circumstances, to provide care regardless of the patient’s ability to pay.

EMSC records gross revenue based on fee-for-service rate schedules that are generally negotiated with various contracting entities, including municipalities and facilities. Fees are billed for all revenue sources and to all payors under the gross fee schedules for that specific contract; however, reimbursement in the case of certain state and federal payors, including Medicare and Medicaid, will not change as a result of the gross fee schedules. EMSC records the difference between gross fee schedule revenue and Medicare and Medicaid reimbursement as a contractual provision.

Uncompensated care or doubtful account provisions are related principally to services provided to self-pay, uninsured patients and are estimated at the date of service based on historical write-off experience and other economic data.

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The following table outlines EMSC's accounts receivable allowances, which have been deducted in arriving at EMSC's net receivables balance of \$588 at September 30, 2008:

	Allowance for uncompensated care	Allowance for contractual discounts
Balance at December 31, 2007	\$ 428	\$ 825
Additions	1,012	2,360
Reductions	(950)	(2,185)
Balance at September 30, 2008	\$ 490	\$ 1,000

Additions to the allowances consist primarily of provisions against earnings and reductions to these accounts are primarily due to write-offs.

Liquidity risk

Liquidity risk is the risk that Onex and its subsidiaries will have insufficient funds on hand to meet their respective obligations as they come due. Accounts payable are primarily due within 90 days. The repayment schedules for long-term debt and capital leases of the operating companies have been disclosed in note 10 and note 11 to the audited annual consolidated financial statements. Onex, the parent company, has no debt and has not guaranteed the debt of the operating companies. Significant changes to long-term debt from the information provided at December 31, 2007 are included in note 4 to these unaudited interim consolidated financial statements.

Market risk

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

Foreign currency exchange rates

Onex' operating companies operate autonomously as self-sustaining companies. In addition, the functional currency of substantially all of Onex' operating companies is the U.S. dollar. As investments in self-sustaining subsidiaries are excluded from the financial instrument disclosure, the Company's exposure on financial instruments to the Canadian/U.S. dollar foreign currency exchange rate is primarily at the parent company, through the holding of U.S.-dollar-denominated cash and short-term investments. A 5% strengthening (5% weakening) of the Canadian dollar against the U.S. dollar at September 30, 2008 would result in a \$15 decrease (\$15 increase) in net earnings. As all of the U.S.-dollar-denominated cash and short-term investments at the

parent company are designated as held-for-trading, there would be no effect on other comprehensive earnings.

In addition, two operating companies have significant exposure to the U.S. dollar/Canadian dollar foreign currency exchange rate. A 5% strengthening (5% weakening) of the Canadian dollar against the U.S. dollar at September 30, 2008 would result in a US\$10 increase (US\$9 decrease) in other comprehensive earnings of Celestica. A 5% strengthening (5% weakening) of the Canadian dollar against the U.S. dollar at September 30, 2008 would result in a US\$26 increase (US\$26 decrease) in other comprehensive earnings of Husky.

Interest rates

The Company is exposed to changes in future cash flows as a result of changes in the interest rate environment. The parent company is exposed to interest rate changes primarily through its cash and short-term investments, which are held in short-term term deposits and commercial paper. Assuming no significant changes in cash balances held by the parent company from those at September 30, 2008, a 1% increase (1% decrease) in the interest rate (including the Canadian and U.S. prime rates) would result in a \$5 increase (\$5 decrease) in annual interest income. As all of the U.S. dollar cash and short-term investments at the parent company are designated as held-for-trading, there would be no effect on other comprehensive earnings.

The operating companies' results are also affected by changes in interest rates. A change in the interest rate (including LIBOR and the U.S. prime interest rates) would result in a change in interest expense being recorded due to the variable-rate portion of the long-term debt of the operating companies. At December 31, 2007, approximately 63% of the operating companies' long-term debt had a fixed interest rate or the interest rate was effectively fixed by interest rate swap contracts. The long-term debt of the operating companies is without recourse to Onex.

In addition, The Warranty Group holds substantially all of its investments in interest bearing securities, as described in note 7(f) to the audited annual consolidated financial statements. A 0.25% (25 basis point) increase in the interest rate would decrease the fair value of the investments held by \$11 and result in a corresponding decrease to other comprehensive earnings of The Warranty Group. However, as the investments are reinvested, a 0.25% increase in the interest rate would increase the annual interest income recorded by The Warranty Group by \$5.

Commodity risk

Certain of Onex' operating companies have exposure to commodities. In particular, aluminum, titanium and composites are the principal raw materials for Spirit AeroSystems' manufacturing operations. To limit its exposure to rising raw materials prices, Spirit AeroSystems has entered into long-term supply contracts directly with its key suppliers of raw materials and collective raw materials sourcing contracts arranged through certain of its customers.

In addition, diesel fuel is a key commodity used in Tube City IMS' operations. To help mitigate the risk of changes in fuel prices, substantially all of its contracts contain pricing escalators based on published commodity or inflation price indices.

Capital disclosures

Onex considers the capital it manages to be the amounts it has in cash, short-term investments and near-cash investments, and the investments made by it in the operating companies, Onex Real Estate 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 can have funds available to pursue new acquisitions and growth opportunities as well as support the growth 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 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 operating company is required to support its own debt. Onex does not normally guarantee the debt of the operating companies and there are no cross-guarantees of debt between the operating companies; and
- have appropriate levels of committed third-party capital available to invest along with Onex' capital. This enables Onex to respond quickly to opportunities and pursue acquisitions of businesses it could not achieve using only its own capital. The management of third-party capital also provides management fees to Onex and the ability to enhance Onex' returns by earning a carried interest on the profits of third-party participants.

At September 30, 2008, Onex, the parent company, had approximately \$450 of cash on hand and approximately \$80 of near-cash items. The Company is currently liquidating its near-cash items. Onex, the parent company, has a conservative cash management policy that limits its cash investments to short-term high-rated money market products. At the end of the third quarter, Onex had access to approximately \$3,400 of uncalled committed third-party capital for acquisitions through the Onex Partners funds and ONCAP, which included approximately \$2,700 of committed third-party capital from several closings of Onex Partners III completed in the first nine months of 2008.

The strategy for risk management of capital has not changed since December 31, 2007.

Recently issued accounting pronouncements

International Financial Reporting Standards

In February 2008, the Canadian Accounting Standards Board confirmed that the use of International Financial Reporting Standards ("IFRS") will be required for Canadian publicly accountable enterprises for years beginning on or after January 1, 2011. The Company is currently evaluating the impact of adopting IFRS.

Goodwill and Intangible Assets

In February 2008, the CICA issued Handbook Section 3064, "Goodwill and Intangible Assets", which replaces the existing standards. This revised standard establishes guidance for the recognition, measurement and disclosure of goodwill and intangible assets, including internally generated intangible assets. This standard is effective for 2009. The Company is currently evaluating the impact of adopting this standard on its consolidated financial statements.

2. CORPORATE INVESTMENTS

During the first nine months of 2008 the following acquisitions, which were accounted for as purchases, were completed through subsidiaries of Onex. Any third-party borrowings in respect of the acquisitions are without recourse to Onex. The acquisitions were made by CDI, EMSC, Sitel Worldwide, Skilled Healthcare, Tube City IMS and ONCAP.

The purchase price of the acquisitions was allocated to the net assets acquired based on their relative fair values at the dates of acquisition. In certain circumstances where estimates have been made, the companies are obtaining third-party valuations of certain assets, which could result in further refinement of the fair-value allocation of certain purchase prices. The results of operations for all acquired businesses are included in the unaudited interim consolidated statements of earnings of the Company from their respective dates of acquisition.

Summary information on the 2008 acquisitions, which were accounted for as purchases, is as follows:

Cash	\$	2
Other current assets		24
Intangible assets with limited life		18
Goodwill		58
Property, plant and equipment and other long-term assets		36
		138
Current liabilities		(21)
Long-term liabilities		(11)
Net assets acquired	\$	106

3. DISCONTINUED OPERATIONS

The following table shows the revenue and net after-tax results from discontinued operations for the three- and nine-month periods ended September 30, 2008 and 2007.

	2008	2007
Three months ended September 30	Revenue	
WIS International ^(a)	\$ -	\$ -
CMC Electronics ^(a)	-	-
Town and Country	-	-
	\$ -	\$ -

	2008	2007
Nine months ended September 30	Revenue	
WIS International ^(a)	\$ -	\$ -
CMC Electronics ^(a)	-	33
Town and Country	-	1
	\$ -	\$ 34

2008			2007		
Gain (Loss), Net of Tax	Onex' Share of Earnings (Loss)	Total	Gain (Loss), Net of Tax	Onex' Share of Earnings (Loss)	Total
\$ 1	\$ -	\$ 1	\$ -	\$ -	\$ -
3	-	3	-	-	-
-	-	-	(1)	-	(1)
\$ 4	\$ -	\$ 4	\$ (1)	\$ -	\$ (1)

2008			2007		
Gain (Loss), Net of Tax	Onex' Share of Earnings (Loss)	Total	Gain (Loss), Net of Tax	Onex' Share of Earnings (Loss)	Total
\$ 2	\$ -	\$ 2	\$ 41	\$ -	\$ 41
7	-	7	76	-	76
-	-	-	4	(2)	2
\$ 9	\$ -	\$ 9	\$ 121	\$ (2)	\$ 119

a) The 2008 gains consist of amounts received relating to the 2007 sales of the ONCAP I operating companies WIS International and CMC Electronics. The amounts are recorded net of a tax provision of \$2.

The results of operations for the businesses described above have been classified as discontinued operations in the unaudited interim consolidated statements of earnings and unaudited interim consolidated statements of cash flows for the three- and nine-month periods ended September 30, 2008 and 2007.

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

Onex does not guarantee the debt of its operating companies, nor are there any cross-guarantees between operating companies.

The financing arrangements for each operating company typically contain certain restrictive covenants, which may include limitations or prohibitions on additional indebtedness, payment of cash dividends, redemption of capital, capital spending, making of investments and acquisitions and the sales of assets. In addition, certain financial covenants must be met by the operating companies that have outstanding debt.

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

The following describes the significant changes to Onex' consolidated long-term debt from the information provided in the December 31, 2007 audited annual consolidated financial statements.

a) Capitalized financing charges

At September 30, 2008, \$138 of capitalized financing charges have been recorded net against long-term debt (December 31, 2007 – \$143).

b) Spirit AeroSystems

In March 2008, Spirit AeroSystems entered into an amended and restated credit agreement. As a result of the amendment, the revolving credit facility and the US\$700 term loan B were amended to, among other things, increase the amount of the revolving credit facility from US\$400 to US\$650 and add a provision allowing Spirit AeroSystems to have additional indebtedness outstanding of up to US\$300.

5. SHARE CAPITAL

a) At September 30, 2008, the issued and outstanding share capital consisted of 100,000 Multiple Voting Shares (December 31, 2007 – 100,000), 122,260,595 Subordinate Voting Shares (December 31, 2007 – 125,574,087) and 176,078 Series 1 Senior Preferred Shares (December 31, 2007 – 176,078). The Series 1 Senior Preferred Shares have no paid-in amount reflected in these unaudited interim consolidated financial statements and the Multiple Voting Shares have nominal paid-in value.

b) During the first nine months of 2008, under the Dividend Reinvestment Plan, the Company issued 5,206 Subordinate Voting Shares (2007 – 2,619) at a total value of less than \$1 (2007 – less than \$1). In the first nine months of 2008 and 2007, no Subordinate Voting Shares were issued upon the exercise of stock options.

Onex renewed its Normal Course Issuer Bid in April 2008 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 9.4 million shares.

In the first nine months of 2008, under the Normal Course Issuer Bids, the Company repurchased and cancelled 3,318,698 Subordinate Voting Shares at a cash cost of \$97, of which 1,619,898 were in the third quarter at a cost of \$44. In the first nine months of 2007, the Company repurchased and cancelled 2,349,400 of its Subordinate Voting Shares at a cost of \$78, all of which were in the third quarter of 2007. The excess of the purchase cost of these shares over the average paid-in amount was \$83 (2007 – \$68), which was charged to retained earnings.

c) During the first nine months of 2008, the total cash consideration paid on 324,550 options (2007 – 935,600) surrendered was \$7 (2007 – \$22), of which 400 (2007 – 144,000) were surrendered in the third quarter for cash consideration of less than \$1 (2007 – \$4). This amount represents the difference between the market value of the Subordinate Voting Shares at the time of surrender and the exercise price of the options, both as determined under Onex' Stock Option Plan as described in note 15 to the audited annual consolidated financial statements. In addition, 9,500 options (2007 – 22,000) expired during the first nine months of 2008. At September 30, 2008, the Company had 12,443,450 options (December 31, 2007 – 12,777,500) outstanding to acquire Subordinate Voting Shares, of which 8,892,150 were vested and of those, 8,831,150 were exercisable. The exercisable options have a weighted average exercise price of \$16.72. In the first nine months of 2008, no additional options (2007 – 20,000) to acquire Subordinate Voting Shares were issued under the Company's Stock Option Plan.

d) During the second quarter of 2008, a total grant of 45,000 Deferred Share Units ("DSUs") (2007 – 40,000) was issued to directors. In addition, certain directors have chosen to receive their directors' fees in DSUs in lieu of cash. At September 30, 2008, there were 285,585 Director DSUs outstanding (December 31, 2007 – 225,914).

Certain members of 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 September 30, 2008, there were 202,634 Management DSUs outstanding (December 31, 2007 – nil). The Company has entered into a forward agreement with a counterparty financial institution to hedge the Company's exposure to changes in the market value of Onex' subordinate voting shares associated with Management DSUs, as described in note 1 to the audited annual consolidated financial statements.

6. EARNINGS (LOSS) FROM EQUITY-ACCOUNTED INVESTMENTS

	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Allison Transmission	\$ (27)	\$ (23)	\$ (42)	\$ (23)
Hawker Beechcraft	(11)	12	(14)	(30)
ResCare	-	3	7	9
Other	(7)	13	(7)	26
	\$ (45)	\$ 5	\$ (56)	\$ (18)

7. ACQUISITION, RESTRUCTURING AND OTHER EXPENSES

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

	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Celestica	\$ 17	\$ 3	\$ 24	\$ 15
Sitel Worldwide	(3)	1	31	4
Carestream Health	8	14	61	18
Husky	4	-	12	-
Other	7	5	18	27
	\$ 33	\$ 23	\$ 146	\$ 64

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

	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Years prior to 2007					
Total estimated expected costs	\$ 757	\$ 190	\$ 67	\$ 419	\$ 1,433 ^(a)
Cumulative costs expensed to date	729	186	66	413	1,394 ^(b)
Expense for the period ended September 30, 2008	22	2	2	1	27
Reconciliation of accrued liability					
Closing balance – December 31, 2007	\$ 9	\$ 38	\$ 11		\$ 58
Cash payments	(20)	(9)	(12)		(41)
Charges	22	2	2		26
Other adjustments	1	3	-		4
Closing balance – September 30, 2008	\$ 12	\$ 34	\$ 1		\$ 47

(a) Includes Celestica \$1,393 and Sitel Worldwide \$21.

(b) Includes Celestica \$1,353 and Sitel Worldwide \$21.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Initiated in 2007					
Total estimated expected costs	\$ 24	\$ 7	\$ 49	\$ 8	\$ 88 ^(a)
Cumulative costs expensed to date	23	6	48	8	85 ^(b)
Expense for the period ended					
September 30, 2008	1	3	2	1	7
Reconciliation of accrued liability					
Closing balance – December 31, 2007	\$ 10	\$ 2	\$ 2		\$ 14
Cash payments	(7)	–	(2)		(9)
Charges	1	3	2		6
Other adjustments	–	–	–		–
Closing balance – September 30, 2008	\$ 4	\$ 5	\$ 2		\$ 11

(a) Includes Carestream Health \$60.

(b) Includes Carestream Health \$60.

	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Initiated in 2008					
Total estimated expected costs	\$ 66	\$ 8	\$ 84	\$ –	\$ 158 ^(a)
Cumulative costs expensed to date	52	6	54	–	112 ^(b)
Expense for the period ended					
September 30, 2008	52	6	54	–	112
Reconciliation of accrued liability					
Cash payments	\$ (26)	\$ (2)	\$ (44)		\$ (72)
Charges	52	6	54		112
Other adjustments	–	1	(2)		(1)
Closing balance – September 30, 2008	\$ 26	\$ 5	\$ 8		\$ 39

(a) Includes Carestream Health \$71, Sitel Worldwide \$36 and Husky \$37.

(b) Includes Carestream Health \$61, Sitel Worldwide \$31 and Husky \$12.

	Employee Termination Costs	Lease and Other Contractual Obligations	Facility Exit Costs and Other	Non-cash Charges	Total
Total					
Total estimated expected costs	\$ 847	\$ 205	\$ 200	\$ 427	\$ 1,679
Cumulative costs expensed to date	804	198	168	421	1,591
Expense for the period ended					
September 30, 2008	75	11	58	2	146
Reconciliation of accrued liability					
Closing balance – December 31, 2007	\$ 19	\$ 40	\$ 13		\$ 72
Cash payments	(53)	(11)	(58)		(122)
Charges	75	11	58		144
Other adjustments	1	4	(2)		3
Closing balance – September 30, 2008	\$ 42	\$ 44	\$ 11		\$ 97

8. PENSION

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

	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Defined benefit income	\$ 12	\$ 2	\$ 21	\$ 9

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 September 30		Nine months ended September 30	
	2008	2007	2008	2007
Weighted average number of shares outstanding <i>(in millions)</i>				
Basic	123	128	124	128
Diluted	123	128	124	128

10. SUPPLEMENTAL CASH FLOW INFORMATION

Paid during the period:

	Three months ended September 30		Nine months ended September 30	
	2008	2007	2008	2007
Interest	\$ 147	\$ 149	\$ 409	\$ 341
Taxes	\$ 68	\$ 32	\$ 229	\$ 126

11. COMMITMENTS AND GUARANTEES

a) Contingent liabilities in the form of letters of credit, letters of guarantee and surety and performance bonds are primarily provided by certain operating companies to various third parties and include certain bank guarantees. At September 30, 2008, the amounts potentially payable in respect of these contingent liabilities totalled \$507. Certain operating companies and Onex have guarantees with respect to employee share purchase loans that amounted to \$1 at September 30, 2008.

The Company, which includes the operating companies, has commitments in the total amount of approximately \$503 in respect of corporate investments, including those disclosed in note 13. A significant portion of this amount is funded by third-party limited partners of the Onex Funds.

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

The Company, which includes the operating companies, has aggregate capital asset purchase commitments of \$287 at September 30, 2008.

b) Onex and its operating companies are or may become parties to legal claims arising in the ordinary course of business. 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 provision 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 our consolidated financial position.

12. VARIABLE INTEREST ENTITIES

The Company has formed three real estate partnerships with an unrelated third party to develop residential units on properties in the United States. The partnerships are considered variable interest entities ("VIEs") under Accounting Guideline 15. However, the Company is not the primary beneficiary of these VIEs and, accordingly, the Company accounts for its interest in the partnerships using the equity-accounting method. The partnerships have combined assets of \$302 at September 30, 2008. The Company has a maximum exposure to loss of \$65, which includes the September 30, 2008 carrying value of \$13.

13. SUBSEQUENT EVENTS

Onex and certain operating companies have entered into agreements to acquire or make investments in other businesses. These transactions are subject to a number of conditions, many of which are beyond the control of Onex or the operating companies.

a) In October 2008, the Company acquired a 50% interest in RSI Home Products, Inc. ("RSI"). RSI, headquartered in Anaheim, California, is a leading manufacturer of cabinetry for the residential marketplace in North America. The Company's investment of \$338 was made by Onex, Onex Partners II and management. The cash held for this investment is included in other current assets as restricted cash at September 30, 2008. Onex' net investment in the acquisition was \$133, for an initial 20% equity ownership interest.

b) In October 2008, Oncap II completed the acquisition of Caliber Collision Centers ("Caliber"). Caliber, headquartered in Irvine, California, is a leading provider of auto collision repair services in Texas and Southern California. The Company's investment of \$69 was made by Onex, Oncap II and management for a controlling ownership interest. Onex' net investment in the acquisition was \$31, for an initial 37% equity ownership interest.

14. INFORMATION BY INDUSTRY SEGMENT

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

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

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

<i>(Unaudited)</i> <i>(in millions of dollars)</i> Three months ended September 30, 2007	Electronics Manufacturing Services	Aero- structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other ^(a)	Consolidated Total
Revenues	\$ 2,168	\$ 1,011	\$ 1,377	\$ 358	\$ 466	\$ 458	\$ 200	\$ 6,038
Cost of sales	(2,020)	(822)	(986)	(172)	(294)	(419)	(159)	(4,872)
Selling, general and administrative expenses	(64)	(45)	(191)	(120)	(132)	(13)	(66)	(631)
Earnings (loss) before the undernoted items	84	144	200	66	40	26	(25)	535
Amortization of property, plant and equipment	(30)	(21)	(49)	(2)	(15)	(15)	(9)	(141)
Amortization of intangible assets and deferred charges	(5)	(1)	(52)	(4)	(6)	(2)	(3)	(73)
Interest expense of operating companies	(15)	(10)	(74)	(4)	(15)	(10)	(15)	(143)
Interest income	5	8	2	-	-	-	15	30
Earnings from equity-accounted investments	-	-	4	-	-	-	1	5
Foreign exchange gains (loss)	(2)	-	19	-	-	-	(56)	(39)
Stock-based compensation expense	(3)	(7)	(1)	(1)	-	-	(1)	(13)
Other income (expense)	-	2	-	-	-	-	(10)	(8)
Gains on sales of operating investments, net	-	-	-	-	-	-	1	1
Acquisition, restructuring and other expenses	(3)	(1)	(14)	-	(1)	-	(4)	(23)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	31	114	35	55	3	(1)	(106)	131
Recovery of (provision for) income taxes	(24)	(26)	(11)	(21)	(7)	1	(5)	(93)
Non-controlling interests	(6)	(82)	(20)	(24)	(1)	-	19	(114)
Earnings (loss) from continuing operations	1	6	4	10	(5)	-	(92)	(76)
Loss from discontinued operations	-	-	-	-	-	-	(1)	(1)
Net earnings (loss)	\$ 1	\$ 6	\$ 4	\$ 10	\$ (5)	\$ -	\$ (93)	\$ (77)

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

14. INFORMATION BY INDUSTRY SEGMENT (cont'd)

<i>(Unaudited)</i> <i>(in millions of dollars)</i> Nine months ended September 30, 2008	Electronics Manufacturing Services	Aero- structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other ^(a)	Consolidated Total
Revenues	\$ 5,864	\$ 3,181	\$ 4,404	\$ 1,002	\$ 1,373	\$ 2,637	\$ 1,646	\$ 20,107
Cost of sales	(5,399)	(2,563)	(3,242)	(475)	(891)	(2,497)	(1,217)	(16,284)
Selling, general and administrative expenses	(204)	(135)	(540)	(359)	(385)	(43)	(377)	(2,043)
Earnings before the undernoted items	261	483	622	168	97	97	52	1,780
Amortization of property, plant and equipment	(69)	(82)	(137)	(9)	(41)	(47)	(62)	(447)
Amortization of intangible assets and deferred charges	(12)	(4)	(166)	(13)	(13)	(9)	(53)	(270)
Interest expense of operating companies	(43)	(30)	(176)	(7)	(45)	(30)	(48)	(379)
Interest income	14	15	6	-	1	-	5	41
Earnings (loss) from equity-accounted investments	-	-	9	-	-	-	(65)	(56)
Foreign exchange gains (loss)	(4)	(2)	(4)	-	(1)	-	36	25
Stock-based compensation recovery (expense)	(17)	(12)	(3)	(1)	-	-	86	53
Other income (expense)	-	3	1	(12)	-	-	18	10
Acquisition, restructuring and other expenses	(24)	-	(61)	(6)	(31)	-	(24)	(146)
Writedown of goodwill and long-lived assets	-	-	-	-	(3)	(1)	(9)	(13)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	106	371	91	120	(36)	10	(64)	598
Recovery of (provision for) income taxes	(1)	(127)	(72)	(43)	(14)	(6)	36	(227)
Non-controlling interests	(91)	(228)	(29)	(54)	(1)	(3)	91	(315)
Earnings (loss) from continuing operations	14	16	(10)	23	(51)	1	63	56
Earnings from discontinued operations	-	-	-	-	-	-	9	9
Net earnings (loss)	\$ 14	\$ 16	\$ (10)	\$ 23	\$ (51)	\$ 1	\$ 72	\$ 65
Total assets	\$ 5,005	\$ 4,057	\$ 5,997	\$ 5,699	\$ 943	\$ 1,229	\$ 5,272	\$ 28,202
Long-term debt ^(b)	\$ 809	\$ 611	\$ 2,999	\$ 207	\$ 669	\$ 463	\$ 932	\$ 6,690

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

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

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

<i>(Unaudited)</i> <i>(in millions of dollars)</i> Nine months ended September 30, 2007	Electronics Manufacturing Services	Aero- structures	Healthcare	Financial Services	Customer Support Services	Metal Services	Other ^(a)	Consolidated Total
Revenues	\$ 6,442	\$ 3,184	\$ 3,406	\$ 1,078	\$ 1,404	\$ 1,241	\$ 684	\$ 17,439
Cost of sales	(6,056)	(2,579)	(2,638)	(514)	(902)	(1,133)	(504)	(14,326)
Selling, general and administrative expenses	(210)	(139)	(376)	(370)	(390)	(37)	(196)	(1,718)
Earnings (loss) before the undernoted items	176	466	392	194	112	71	(16)	1,395
Amortization of property, plant and equipment	(86)	(63)	(116)	(7)	(46)	(41)	(37)	(396)
Amortization of intangible assets and deferred charges	(18)	(4)	(101)	(13)	(9)	(7)	(11)	(163)
Interest expense of operating companies	(56)	(31)	(175)	(11)	(50)	(31)	(46)	(400)
Interest income	9	25	5	-	1	-	55	95
Earnings (loss) from equity-accounted investments	-	-	10	-	-	-	(28)	(18)
Foreign exchange gains (loss)	(1)	-	16	-	(1)	-	(135)	(121)
Stock-based compensation expense	(10)	(30)	(2)	(3)	(2)	-	(106)	(153)
Other income (expense)	-	6	(1)	-	2	-	(10)	(3)
Gains on sales of operating investments, net	-	-	-	-	-	-	1,144	1,144
Acquisition, restructuring and other expenses	(15)	(11)	(21)	-	(4)	-	(13)	(64)
Writedown of goodwill and long-lived assets	-	-	(2)	-	-	-	-	(2)
Earnings (loss) before income taxes, non-controlling interests and discontinued operations	(1)	358	5	160	3	(8)	797	1,314
Recovery of (provision for) income taxes	(8)	(107)	(2)	(58)	(17)	3	(7)	(196)
Non-controlling interests	7	(226)	(26)	(71)	(4)	3	(682)	(999)
Earnings (loss) from continuing operations	(2)	25	(23)	31	(18)	(2)	108	119
Earnings from discontinued operations	-	-	-	-	-	-	119	119
Net earnings (loss)	\$ (2)	\$ 25	\$ (23)	\$ 31	\$ (18)	\$ (2)	\$ 227	\$ 238
Total assets at December 31, 2007	\$ 4,419	\$ 3,272	\$ 5,745	\$ 5,536	\$ 1,039	\$ 881	\$ 5,307	\$ 26,199
Long-term debt at December 31, 2007 ^(b)	\$ 752	\$ 567	\$ 2,835	\$ 194	\$ 688	\$ 380	\$ 960	\$ 6,376

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

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

SHAREHOLDER INFORMATION

Third Quarter Dividend

A dividend of \$0.0275 per Subordinate Voting Share was paid on October 31, 2008 to shareholders of record as of October 10, 2008.

Dividend Reinvestment Plan

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

Stock Listing

The Toronto Stock Exchange
Symbol: OCX

Registrar and Transfer Agent

CIBC Mellon Trust Company
P.O. Box 7010

Adelaide Street Postal Station
Toronto, Ontario M5C 2W9
(416) 643-5500
or call toll-free throughout
Canada and the United States
1-800-387-0825

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

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CREDIT PARTNERS

