

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of October 2006

001-14832
(Commission File Number)

CELESTICA INC.

(Translation of registrant's name into English)

1150 Eglinton Avenue East
Toronto, Ontario
Canada, M3C 1H7
(416) 448-5800
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F

Form 40-F

Indicate by check mark whether the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Indicate by check mark whether the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

Indicate by check mark whether by furnishing the information contained in this Form, is the registrant also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes

No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- _____

Celestica Inc.
Form 6-K
Month of October 2006

The following information filed with this Form 6-K is incorporated by reference in Celestica's registration statements, the prospectuses included therein, and any registration statement subsequently filed by Celestica with the Securities and Exchange Commission:

- Press Release, dated October 26, 2006, the text of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference, including Celestica Inc.'s third quarter 2006 consolidated financial information.

Exhibits

99.1 — Press Release, dated October 26, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CELESTICA INC.

Date: October 27, 2006

By: /s/ ELIZABETH L. DELBIANCO

Elizabeth L. DelBianco
Chief Legal Officer

EXHIBIT INDEX

99.1 — Press Release, dated October 26, 2006

QuickLinks

[Celestica Inc. Form 6-K Month of October 2006](#)

[EXHIBIT INDEX](#)

FOR IMMEDIATE RELEASE

Thursday, October 26, 2006

(All amounts in U.S. dollars.
Per share information based on diluted
shares outstanding unless noted otherwise.)

CELESTICA ANNOUNCES THIRD QUARTER FINANCIAL RESULTS

Third Quarter Summary

- Revenue of \$2,392 million, up 20% year-over-year
- GAAP loss of (\$0.19) per share compared to a loss of (\$0.09) per share last year
- Adjusted net earnings of \$0.18 per share compared to \$0.12 a year ago
- Q4 revenue guidance of \$2.25 — \$2.45 billion, adjusted EPS of \$0.15 — \$0.23

TORONTO, Canada — Celestica Inc. (NYSE and TSX: CLS), a world leader in electronics manufacturing services (EMS), today announced financial results for the third quarter ended September 30, 2006.

Revenue was \$2,392 million, up 20% from \$1,994 million in the third quarter of 2005. Net loss on a GAAP basis for the third quarter was (\$42.1) million or (\$0.19) per share, compared to GAAP net loss of (\$19.6) million or (\$0.09) per share for the same period last year. Included in GAAP net loss for the quarter are charges of \$82 million associated with previously announced restructuring plans. For the same period in 2005, restructuring charges of \$41 million were incurred.

Adjusted net earnings for the quarter were \$40.5 million or \$0.18 per share compared to \$27.1 million or \$0.12 per share for the same period last year. Adjusted net earnings is defined as net earnings before amortization of intangible assets, gains or losses on the repurchase of shares and debt, integration costs related to acquisitions, option expense, option exchange costs and other charges, net of tax and significant deferred tax write-offs (detailed GAAP financial statements and supplementary information related to adjusted net earnings appear at the end of this press release). These results compare with the company's guidance for the third quarter, announced on July 27, 2006, of revenue of \$2.15 to \$2.35 billion and adjusted net earnings per share of \$0.12 to \$0.20.

For the nine months ended September 30, 2006, revenue was \$6,550 million compared to \$6,396 million for the same period in 2005. Net loss on a GAAP basis was (\$89.8) million or (\$0.40) per share compared to net loss of (\$18.6) million or (\$0.08) per share for the same period last year. Adjusted net earnings for the first nine months of 2006 were \$87.0 million or \$0.38 per share compared to adjusted net earnings of \$100.2 million or \$0.44 per share for the same period in 2005.

"Revenues were very strong sequentially and year over year driven primarily by the growth realized in our consumer segment. Other segments were solid as well in this seasonally lower quarter," said Steve Delaney, CEO, Celestica. "I'm pleased with the added diversification and the improvement in operating margins, despite the setbacks we've had in the performance of some of our facilities in the Americas and Eastern Europe. We remain focused on overcoming these challenges and accelerating the improvement in our returns on capital."

Outlook

For the fourth quarter ending December 31, 2006, the company anticipates revenue to be in the range of \$2.25 billion to \$2.45 billion, and adjusted earnings per share to range from \$0.15 to \$0.23.

Supplementary Information

In addition to disclosing detailed results in accordance with Canadian generally accepted accounting principles (GAAP), Celestica also provides supplementary non-GAAP measures as a method to evaluate the company's operating performance.

Management uses adjusted net earnings as a measure of enterprise-wide performance. As a result of acquisitions made by the company, restructuring activities, securities repurchases and the adoption of fair value accounting for stock options, management believes adjusted net earnings is a useful measure that facilitates period-to-period operating comparisons and allows the company to compare its operating results with its competitors in the U.S. and Asia. Adjusted net earnings excludes the effects of acquisition-related charges (most significantly, amortization of intangible assets and integration costs related to acquisitions), other charges (most significantly, restructuring costs and the write-down of goodwill and long-lived assets), gains or losses on the repurchase of shares or debt, option expense and option exchange costs, and the related income tax effect of these adjustments and any significant deferred tax write-offs. Adjusted net earnings does not have any standardized meaning prescribed by GAAP and is not necessarily comparable to similar measures presented by other companies. Adjusted net earnings is not a measure of performance under Canadian or U.S. GAAP and should not be considered in isolation or as a substitute for net earnings (loss) prepared in accordance with Canadian or U.S. GAAP. The company has provided a reconciliation of adjusted net earnings to Canadian GAAP net earnings (loss) below.

About Celestica

Celestica is a world leader in the delivery of electronics manufacturing services (EMS). Celestica operates a global manufacturing network with operations in Asia, Europe and the Americas, providing a broad range of integrated services and solutions to leading OEMs (original equipment manufacturers).

For further information on Celestica, visit its website at <http://www.celestica.com>. The company's security filings can also be accessed at <http://www.sedar.com> and <http://www.sec.gov>.

Safe Harbour and Fair Disclosure Statement

This news release contains forward-looking statements related to our future growth, trends in our industry and our financial and operational results and performance that are based on current expectations, forecasts and assumptions involving risks and uncertainties that could cause actual outcomes and results to differ materially. These risks and uncertainties include, but are not limited to: variability of operating results among periods; inability to retain or grow our business due to execution problems resulting from significant headcount reductions, plant closures and product transfer associated with major restructuring activities; the effects of price competition and other business and competitive factors generally affecting the EMS industry; the challenges of effectively managing our operations during uncertain economic conditions; our dependence on a limited number of customers; our dependence on industries affected by rapid technological change; the challenge of responding to lower-than-expected customer demand; our ability to successfully manage our international operations; and delays in the delivery and/or general availability of various components used in the manufacturing process. These and other risks and uncertainties and factors are discussed in the Company's various public filings at www.sedar.com and www.sec.gov, including our Form 20-F and subsequent reports on Form 6-K filed with the Securities and Exchange Commission.

As of its date, this press release contains any material information associated with the company's financial results for the third quarter ended September 30, 2006 and revenue and adjusted net earnings guidance for the fourth quarter ending December 31, 2006. Earnings guidance is reviewed by the company's board of directors. It is Celestica's policy that earnings guidance is effective on the date given, and will only be updated through a public announcement.

Contacts:

Laurie Flanagan
Celestica Global Communications
(416) 448-2200
media@celestica.com

Donna Singh
Celestica Investor Relations
(416) 448-2211
clsir@celestica.com

RECONCILIATION OF GAAP TO ADJUSTED NET EARNINGS
(in millions of U.S. dollars)

Three months ended September 30

	2005			2006		
	GAAP	Adjustments	Adjusted	GAAP	Adjustments	Adjusted
Revenue	\$ 1,994.4	\$ —	\$ 1,994.4	\$ 2,392.4	\$ —	\$ 2,392.4
Cost of sales ⁽¹⁾	1,886.1	(5.1)	1,881.0	2,258.2	(0.8)	2,257.4
Gross profit	108.3	5.1	113.4	134.2	0.8	135.0
SG&A ⁽¹⁾	72.3	(3.9)	68.4	71.0	(0.4)	70.6
Amortization of intangible assets	6.8	(6.8)	—	6.8	(6.8)	—
Integration costs relating to acquisitions	—	—	—	0.2	(0.2)	—
Other charges	27.0	(27.0)	—	81.5	(81.5)	—
Operating earnings (EBIAT)	2.2	42.8	45.0	(25.3)	89.7	64.4
LYONs accretion	1.1	—	1.1	—	—	—
Interest expense, net	12.4	—	12.4	17.3	—	17.3
Net earnings (loss) before tax	(11.3)	42.8	31.5	(42.6)	89.7	47.1
Income tax expense (recovery)	8.3	(3.9)	4.4	(0.5)	7.1	6.6
Net earnings (loss)	\$ (19.6)	\$ 46.7	\$ 27.1	\$ (42.1)	\$ 82.6	\$ 40.5
W.A. # of shares (in millions) — diluted	225.8		227.4	227.2		227.9
Earnings (loss) per share — diluted	\$ (0.09)		\$ 0.12	\$ (0.19)		\$ 0.18

Nine months ended September 30

	2005			2006		
	GAAP	Adjustments	Adjusted	GAAP	Adjustments	Adjusted
Revenue	\$ 6,395.7	\$ —	\$ 6,395.7	\$ 6,549.9	\$ —	\$ 6,549.9
Cost of sales ⁽¹⁾	6,033.5	(7.9)	6,025.6	6,185.2	(2.7)	6,182.5
Gross profit	362.2	7.9	370.1	364.7	2.7	367.4
SG&A ⁽¹⁾	223.3	(6.1)	217.2	221.4	(1.6)	219.8
Amortization of intangible assets	21.0	(21.0)	—	20.5	(20.5)	—
Integration costs relating to acquisitions	0.3	(0.3)	—	0.9	(0.9)	—
Other charges	74.0	(74.0)	—	151.9	(151.9)	—
Operating earnings (EBIAT)	43.6	109.3	152.9	(30.0)	177.6	147.6
LYONs accretion	7.6	—	7.6	—	—	—
Interest expense, net	28.7	—	28.7	46.4	—	46.4
Net earnings (loss) before tax	7.3	109.3	116.6	(76.4)	177.6	101.2
Income tax expense	25.9	(9.5)	16.4	13.4	0.8	14.2
Net earnings (loss)	\$ (18.6)	\$ 118.8	\$ 100.2	\$ (89.8)	\$ 176.8	\$ 87.0
W.A. # of shares (in millions) — diluted	226.2		228.1	227.0		227.9
Earnings (loss) per share — diluted	\$ (0.08)		\$ 0.44	\$ (0.40)		\$ 0.38

(1) Non-cash option expense included in cost of sales and SG&A is added back for adjusted net earnings 3Q 2005 — Cost of option exchange program included in cost of sales and SG&A is added back for adjusted net earnings.

GUIDANCE SUMMARY

	3Q 06 Guidance	3Q 06 Actual	4Q 06 Guidance ⁽²⁾
Revenue	\$2.15B - \$2.35B	\$2.39B	\$2.25B - \$2.45B
Adjusted net EPS	\$0.12 - \$0.20	\$0.18	\$0.15 - \$0.23

(2) Guidance for the fourth quarter is provided only on an adjusted net earnings basis. This is due to the difficulty in forecasting the various items impacting GAAP net earnings, such as the amount and timing of our restructuring activities.



CELESTICA INC.

CONSOLIDATED BALANCE SHEETS
(in millions of U.S. dollars)
(unaudited)

	December 31, 2005	September 30, 2006
Assets		
Current assets:		
Cash and short-term investments	\$ 969.0	\$ 778.8
Accounts receivable	982.6	1,058.2
Inventories	1,058.4	1,313.0
Prepaid and other assets	124.0	114.3
Income taxes recoverable	113.5	34.9
Deferred income taxes	10.9	8.9
	3,258.4	3,308.1
Capital assets	544.8	576.7
Goodwill from business combinations	874.5	854.8
Intangible assets	79.0	67.4
Other assets	101.1	90.3
	\$ 4,857.8	\$ 4,897.3
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 1,153.3	\$ 1,414.2
Accrued liabilities	492.1	395.8
Income taxes payable	119.9	102.1
Deferred income taxes	4.5	3.2
Current portion of long-term debt (note 4)	0.5	0.5
	1,770.3	1,915.8
Long-term debt (note 4)	750.9	750.4
Accrued pension and post-employment benefits	76.8	59.0
Deferred income taxes	17.8	8.3
Other long-term liabilities	27.6	17.2
	2,643.4	2,750.7
Shareholders' equity:		
Capital stock	3,562.3	3,569.5
Warrants	8.4	8.4
Contributed surplus	169.9	179.5
Deficit	(1,545.6)	(1,635.4)
Foreign currency translation adjustment	19.4	24.6
	2,214.4	2,146.6
	\$ 4,857.8	\$ 4,897.3

Guarantees and contingencies (note 12)

*See accompanying notes to consolidated financial statements.
These unaudited interim consolidated financial statements should be read in conjunction with the
2005 annual consolidated financial statements.*

CELESTICA INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(in millions of U.S. dollars, except per share amounts)
(unaudited)

	Three months ended September 30		Nine months ended September 30	
	2005	2006	2005	2006
Revenue	\$ 1,994.4	\$ 2,392.4	\$ 6,395.7	\$ 6,549.9
Cost of sales	1,886.1	2,258.2	6,033.5	6,185.2
Gross profit	108.3	134.2	362.2	364.7
Selling, general and administrative expenses	72.3	71.0	223.3	221.4
Amortization of intangible assets	6.8	6.8	21.0	20.5
Integration costs related to acquisitions	—	0.2	0.3	0.9
Other charges (note 6)	27.0	81.5	74.0	151.9
Accretion of convertible debt (note 5)	1.1	—	7.6	—
Interest on long-term debt	14.4	17.2	32.7	49.7
Interest expense (income), net	(2.0)	0.1	(4.0)	(3.3)
Earnings (loss) before income taxes	(11.3)	(42.6)	7.3	(76.4)
Income taxes expense (recovery):				
Current	7.4	0.4	24.4	12.0
Deferred	0.9	(0.9)	1.5	1.4
	8.3	(0.5)	25.9	13.4
Net loss for the period	\$ (19.6)	\$ (42.1)	\$ (18.6)	\$ (89.8)
Deficit, beginning of period	\$ (1,472.6)	\$ (1,593.3)	\$ (1,473.6)	\$ (1,545.6)
Loss on repurchase of convertible debt (note 5)	(25.2)	—	(25.2)	—
Net loss for the period	(19.6)	(42.1)	(18.6)	(89.8)
Deficit, end of period	\$ (1,517.4)	\$ (1,635.4)	\$ (1,517.4)	\$ (1,635.4)
Basic loss per share	\$ (0.09)	\$ (0.19)	\$ (0.08)	\$ (0.40)
Diluted loss per share	\$ (0.09)	\$ (0.19)	\$ (0.08)	\$ (0.40)
Shares used in computing per share amounts:				
Basic (in millions)	225.8	227.2	226.2	227.0
Diluted (in millions)	225.8	227.2	226.2	227.0

See accompanying notes to consolidated financial statements.
These unaudited interim consolidated financial statements should be read in conjunction with the
2005 annual consolidated financial statements.

CELESTICA INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions of U.S. dollars)
(unaudited)

	Three months ended September 30		Nine months ended September 30	
	2005	2006	2005	2006
Cash provided by (used in):				
Operations:				
Net loss for the period	\$ (19.6)	\$ (42.1)	\$ (18.6)	\$ (89.8)
Items not affecting cash:				
Depreciation and amortization	38.2	33.6	120.7	98.1
Deferred income taxes	0.9	(0.9)	1.5	1.4
Accretion of convertible debt	1.1	—	7.6	—
Non-cash charge for option issuances	2.2	1.2	7.2	4.3
Restructuring charges	0.6	40.8	7.6	40.8
Other charges	—	—	(16.9)	33.2
Gain on settlement of principal component of convertible debt (note 5)	(13.9)	—	(13.9)	—
Other	8.6	4.4	6.4	12.0
Changes in non-cash working capital items:				
Accounts receivable	54.4	(44.6)	167.3	(110.4)
Inventories	(1.2)	(105.9)	(36.9)	(287.1)
Prepaid and other assets	16.8	(10.4)	0.4	(4.2)
Income taxes recoverable	1.2	53.4	4.7	68.4
Accounts payable and accrued liabilities	(111.8)	157.4	(120.7)	240.5
Income taxes payable	6.0	1.2	2.0	(15.7)
Non-cash working capital changes	(34.6)	51.1	16.8	(108.5)
Cash provided by (used in) operations	(16.5)	88.1	118.4	(8.5)
Investing:				
Acquisitions, net of cash acquired/indebtedness assumed	(2.2)	—	(2.2)	(19.1)
Purchase of capital assets	(42.5)	(37.4)	(111.8)	(161.9)
Proceeds, net of cash divested from sale of operations or assets	9.6	(20.2)	31.1	(1.7)
Other	0.4	0.1	0.9	0.7
Cash used in investing activities	(34.7)	(57.5)	(82.0)	(182.0)
Financing:				
Increase in long-term debt (note 4)	—	—	250.0	—
Long-term debt issue costs	—	—	(4.2)	—
Repurchase of convertible debt (note 5)	(352.0)	—	(352.0)	—
Repayment of long-term debt	(0.3)	(0.1)	(3.3)	(0.5)
Issuance of share capital	2.1	0.2	5.5	1.8
Other	(1.6)	—	(5.7)	(1.0)
Cash provided by (used in) financing activities	(351.8)	0.1	(109.7)	0.3
Increase (decrease) in cash	(403.0)	30.7	(73.3)	(190.2)
Cash, beginning of period	1,298.5	748.1	968.8	969.0
Cash, end of period	\$ 895.5	\$ 778.8	\$ 895.5	\$ 778.8

Cash is comprised of cash and short-term investments.
Supplemental cash flow information (note 10)

See accompanying notes to consolidated financial statements.
These unaudited interim consolidated financial statements should be read in conjunction with the 2005 annual consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in millions of U.S. dollars, except per share amounts)
(unaudited)

1. Nature of business:

Our primary operations consist of providing a broad range of electronic product solutions such as design and engineering, manufacturing and systems integration, fulfillment and after-market solutions to customers in the computing and communications industries and, increasingly, in the aerospace and defense, automotive, consumer and industrial end markets. We have operations in Asia, the Americas and Europe.

We prepare our financial statements in accordance with generally accepted accounting principles (GAAP) in Canada with a reconciliation to accounting principles generally accepted in the United States, disclosed in note 20 to the 2005 annual consolidated financial statements.

2. Significant accounting policies:

The disclosures contained in these unaudited interim consolidated financial statements do not include all requirements of Canadian GAAP for annual financial statements. These unaudited interim consolidated financial statements should be read in conjunction with the 2005 annual consolidated financial statements. These unaudited interim consolidated financial statements reflect all adjustments, consisting only of normal recurring accruals, which are, in the opinion of management, necessary to present fairly our financial position as of September 30, 2006 and the results of operations and cash flows for the three and nine months ended September 30, 2005 and 2006. These unaudited interim consolidated financial statements are based upon accounting principles consistent with those used and described in the 2005 annual consolidated financial statements.

3. Acquisitions and divestitures:

As part of the acquisition of Manufacturers' Services Limited (MSL) in 2004, we recorded liabilities for consolidating some of the acquired MSL sites. These liabilities are detailed in the chart below. The remaining liability for employee termination costs at September 30, 2006 relates to employees terminated in 2005 who are receiving their severance amounts over a period of time in accordance with local regulations. We will continue to draw down this accrual throughout 2006 as these payments are made. Our long-term lease and contractual obligations will be paid out over the remaining lease terms through 2010. Cash outlays are funded from cash on hand. We record the restructuring liability in accrued liabilities. Details of the activity through the MSL restructuring liability are as follows:

	<u>Employee termination costs</u>	<u>Lease and other contractual obligations</u>	<u>Facility exit costs and other</u>	<u>Total accrued liability</u>
Accrued on acquisition	\$ 28.0	\$ 6.9	\$ 1.2	\$ 36.1
Cash payments	(14.7)	(0.6)	(0.2)	(15.5)
December 31, 2004	13.3	6.3	1.0	20.6
Adjustments	(0.5)	(0.2)	0.7	—
Cash payments	(2.2)	(3.9)	(1.3)	(7.4)
December 31, 2005	10.6	2.2	0.4	13.2
Cash payments	(2.6)	(0.2)	—	(2.8)
March 31, 2006	8.0	2.0	0.4	10.4
Cash payments	(4.5)	(0.1)	—	(4.6)
June 30, 2006	3.5	1.9	0.4	5.8
Adjustments	0.4	—	(0.4)	—
Cash payments	(3.2)	(0.2)	—	(3.4)
September 30, 2006	\$ 0.7	\$ 1.7	\$ —	\$ 2.4

2005 acquisition activities:

In the third quarter of 2005, we completed the acquisitions of CoreSim Inc. and Ramnish Electronics Private Limited. In the fourth quarter of 2005, we completed the acquisition of Displaytronix Inc. The total aggregate cash purchase price for these acquisitions was \$6.5, including indebtedness assumed.

2006 acquisition activity:

In March 2006, we acquired certain assets located in the Philippines from Powerwave Technologies, Inc. for a cash purchase price of \$19.1. Amortizable intangible assets arising from this acquisition were \$7.6, primarily for customer relationships and contract intangibles.

2006 divestiture:

In June 2006, we sold our plastics business for net cash proceeds of \$18.5. We reported our plastics business as part of our Asia segment. During the second quarter, we reported a loss on sale of \$33.2 which we recorded as other charges (see note 6). This loss included \$20.0 in goodwill allocated to the plastics business.

As part of the sale agreement, we provided routine indemnities to the purchaser which management believes would not have a material adverse effect on our results of operations, financial position or our liquidity.

4. Long-term debt:

	December 31, 2005	September 30, 2006
Unsecured, revolving credit facility due 2007 (a)	\$ —	\$ —
Senior Subordinated Notes due 2011 (b)	500.0	500.0
Senior Subordinated Notes due 2013 (c)	250.0	250.0
Capital lease obligations	1.4	0.9
	751.4	750.9
Less current portion	0.5	0.5
	\$ 750.9	\$ 750.4

- (a) We have a 364-day credit facility for \$600.0 which matures in June 2007. The facility includes a \$25.0 swing-line facility that provides for short-term borrowings up to a maximum of seven days. The credit facility permits us and certain designated subsidiaries to borrow funds for general corporate purposes (including acquisitions). Borrowings under the facility bear interest at LIBOR plus a margin except that borrowings under the swing-line facility bear interest at a base rate plus a margin. There are no borrowings outstanding under this facility. Commitment fees for the first nine months of 2006 were \$2.0.

The facility has restrictive covenants relating to debt incurrence and sale of assets and also contains financial covenants that require us to maintain certain financial ratios. A change of control is an event of default. Based on the required minimum financial ratios at September 30, 2006, we are limited to approximately \$135 of available debt incurrence. The available debt incurrence under the facility has been reduced by covenants relating to the two subordinated note issuances and outstanding letters of credit and guarantees. We were in compliance with all covenants at September 30, 2006.

- (b) In June 2004, we issued Senior Subordinated Notes due 2011 with an aggregate principal amount of \$500.0, and a fixed interest rate of 7.875%. We incurred \$12.0 in underwriting commissions and expenses which we deferred and are amortizing over the term of the debt. The 2011 Notes are unsecured and are subordinated in right of payment to all our senior debt. We may redeem the 2011 Notes on July 1, 2008 or later at various premiums above face value.

In connection with the 2011 Notes offering, we entered into agreements which swap the fixed interest rate with a variable interest rate based on LIBOR plus a margin. The average interest rate on the 2011 Notes was 8.5% for the third quarter of 2006 and 8.1% for the first nine months of 2006 (6.5% — third quarter of 2005; 6.1% — first nine months of 2005).

- (c) In June 2005, we issued Senior Subordinated Notes due 2013 with an aggregate principal amount of \$250.0, and a fixed interest rate of 7.625%. We incurred \$4.2 in underwriting commissions and expenses which we deferred and are amortizing over the term of the debt. The 2013 Notes are unsecured and are subordinated in right of payment to all our senior debt. We may redeem the 2013 Notes on July 1, 2009 or later at various premiums above face value.

5. Convertible debt:

During the third quarter of 2005, we repurchased the remaining outstanding LYONs and recorded gains on the principal component through other charges and losses on the option component through deficit. After the third quarter of 2005, we have not recorded any accretion charges related to the LYONs.

6. Other charges:

	Three months ended September 30		Nine months ended September 30	
	2005	2006	2005	2006
2001 to 2004 restructuring (a)	\$ 11.3	\$ 0.9	\$ 19.0	\$ 2.0
2005 and 2006 restructuring (b)	29.6	81.5	85.8	117.6
Total restructuring	40.9	82.4	104.8	119.6
Loss on sale of operations (note 3)	—	—	—	33.2
Gain on repurchase of convertible debt (note 5)	(13.9)	—	(13.9)	—
Gain on sale of surplus land and building	—	—	(3.1)	—
Other (c)	—	(0.9)	(13.8)	(0.9)
	\$ 27.0	\$ 81.5	\$ 74.0	\$ 151.9

(a) 2001 to 2004 restructuring:

In 2001, we announced a restructuring plan in response to the weak end-markets in the computing and telecommunications industries. In response to the prolonged difficult end-market conditions, we announced a second restructuring plan in July 2002. The weak demand for our manufacturing services resulted in an accelerated move to lower-cost geographies and additional restructuring in the Americas and Europe. In January 2003, we announced further reductions to our manufacturing capacity in Europe. In January and April 2004, we announced plans to further restructure our operations to better align capacity with customers' requirements.

These restructuring actions were focused on consolidating facilities, reducing the workforce, and transferring programs to lower-cost geographies. The majority of the employees terminated were manufacturing and plant employees. For leased facilities that were no longer used, the lease costs included in the restructuring costs represent future lease payments less estimated sublease recoveries. Adjustments were made to lease and other contractual obligations to reflect incremental cancellation fees paid for terminating certain facility leases and to reflect higher accruals for other leases due to delays in the timing of sublease recoveries and changes in estimated sublease rates, relating principally to facilities in the Americas.

We have completed the major components of these restructuring plans, except for certain long-term lease and other contractual obligations, which will be paid out over the remaining lease terms through 2015. Cash outlays are funded from cash on hand. The restructuring liability is recorded in accrued liabilities.

Details of the activity through the accrued restructuring liability and the non-cash charge are as follows:

	Employee termination costs	Lease and other contractual obligations	Facility exit costs and other	Total accrued liability	Non-cash charge	Total charge
January 1, 2001	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Provision re: 2001	90.7	35.3	12.4	138.4	98.6	237.0
Cash payments	(51.2)	(1.6)	(2.9)	(55.7)	—	—
December 31, 2001	39.5	33.7	9.5	82.7	98.6	237.0
Provision re: 2002	128.8	51.7	8.5	189.0	194.5	383.5
Cash payments	(77.1)	(14.7)	(7.5)	(99.3)	—	—
Adjustments	(4.1)	11.4	(2.7)	4.6	(2.7)	1.9
December 31, 2002	87.1	82.1	7.8	177.0	290.4	622.4
Provision re: 2003	61.4	0.3	1.1	62.8	8.5	71.3
Cash payments	(112.0)	(44.4)	(8.9)	(165.3)	—	—
Adjustments	7.4	24.1	2.9	34.4	(10.8)	23.6
December 31, 2003	43.9	62.1	2.9	108.9	288.1	717.3
Provision re: 2004	98.6	8.7	5.9	113.2	33.9	147.1
Cash payments	(110.6)	(32.0)	(4.1)	(146.7)	—	—
Adjustments	2.7	2.2	0.3	5.2	1.4	6.6
December 31, 2004	34.6	41.0	5.0	80.6	323.4	871.0
Cash payments	(31.9)	(11.5)	(4.6)	(48.0)	—	—
Adjustments	8.7	6.2	0.6	15.5	5.3	20.8
December 31, 2005	\$ 11.4	\$ 35.7	\$ 1.0	\$ 48.1	\$ 328.7	\$ 891.8

Details of the 2006 activity by quarter are as follows:

	Employee termination costs	Lease and other contractual obligations	Facility exit costs and other	Total accrued liability	Non-cash charge	2006 charge
December 31, 2005	\$ 11.4	\$ 35.7	\$ 1.0	\$ 48.1	\$ 328.7	\$ —
Cash payments	(2.5)	(2.2)	—	(4.7)	—	—
Adjustments	0.2	0.3	—	0.5	—	0.5
March 31, 2006	9.1	33.8	1.0	43.9	328.7	0.5
Cash payments	(0.4)	(2.6)	—	(3.0)	—	—
Adjustments	(0.1)	0.7	—	0.6	—	0.6
June 30, 2006	8.6	31.9	1.0	41.5	328.7	1.1
Cash payments	(0.4)	(2.4)	—	(2.8)	—	—
Adjustments	0.2	0.7	—	0.9	—	0.9
Settlement (see 6(b)(i))	(7.7)	—	—	(7.7)	—	—
September 30, 2006	\$ 0.7	\$ 30.2	\$ 1.0	\$ 31.9	\$ 328.7	\$ 2.0

(b) 2005 and 2006 restructuring:

In January 2005, we announced plans to further improve capacity utilization and accelerate margin improvements. These restructuring actions are ongoing and include facility closures and a reduction in workforce, primarily targeting our higher-cost geographies where end-market demand has not recovered to the levels management requires to achieve sustainable profitability.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in millions of U.S. dollars, except per share amounts)
(unaudited)

- (i) In September 2006, we sold one of our production facilities in Europe to a third party as part of our restructuring program. We reported a total of \$61.2 in other charges with respect to this facility, comprised of incremental employee termination and transaction closing costs totaling \$20.9 and a non-cash loss of \$40.3. The book value of net assets sold was \$42.1. We received cash proceeds of \$1.8 on closing, resulting in the non-cash loss on sale of \$40.3. Included in the net assets sold was cash of \$22.0. The purchaser agreed to retain all employees, thereby significantly reducing our contractual severance obligations. As part of the agreement, the purchaser assumes our liabilities which we previously recorded as accruals for employee termination costs under the 2005 and 2006 restructuring plan of \$15.5 and under our 2001 to 2004 restructuring plans of \$7.7 (see note 6(a)).

We provided indemnities to the purchaser which management believes will not have a material adverse effect on our operations, financial position or our liquidity.

We have also recorded \$4.0 in other long-term assets representing cash received from the purchaser which we are holding in escrow for three years.

As of September 30, 2006, we have recorded termination costs related to approximately 4,500 employees, primarily operations and plant employees. Approximately 3,800 of these employees have been terminated as of September 30, 2006 with the balance of the terminations to occur by the end of the first quarter of 2007. Approximately 55% of employee terminations are in the Americas and 45% in Europe.

Details of the activity through the accrued restructuring liability and the non-cash charge are as follows:

	Employee termination costs	Lease and other contractual obligations	Facility exit costs and other	Total accrued liability	Non-cash charge	Total charge
January 1, 2005	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Provision	114.0	14.5	5.1	133.6	5.7	139.3
Cash payments	(74.7)	(1.2)	(4.4)	(80.3)	—	—
December 31, 2005	39.3	13.3	0.7	53.3	5.7	139.3
Provision	13.2	1.6	1.7	16.5	—	16.5
Cash payments	(33.3)	(2.0)	(2.0)	(37.3)	—	—
March 31, 2006	19.2	12.9	0.4	32.5	5.7	155.8
Provision	16.5	1.7	1.4	19.6	—	19.6
Cash payments	(16.6)	(2.5)	(1.3)	(20.4)	—	—
June 30, 2006	19.1	12.1	0.5	31.7	5.7	175.4
Provision	38.0	0.4	2.3	40.7	40.8	81.5
Cash payments	(18.7)	(1.4)	(2.0)	(22.1)	—	—
Settlement (see 6 (b)(i))	(15.5)	—	—	(15.5)	—	—
September 30, 2006	\$ 22.9	\$ 11.1	\$ 0.8	\$ 34.8	\$ 46.5	\$ 256.9

We expect to complete the major components of these restructuring actions by the end of 2006. Cash outlays are and will be funded from cash on hand. The restructuring liability is recorded in accrued liabilities.

Restructuring summary:

As of September 30, 2006, we have recorded restructuring charges totaling \$160.1 in 2005 and \$119.6 in the first nine months of 2006. We expect to incur further charges of approximately \$15 to complete these actions.

As of September 30, 2006, we have \$4.6 in assets that are available-for-sale, primarily land and buildings in all geographies as a result of the restructuring actions we implemented. We have programs underway to sell these assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in millions of U.S. dollars, except per share amounts)
(unaudited)

(c) *Other:*

In 2004, we recorded charges to reduce the net realizable value of certain assets for one customer which subsequently ceased operations in 2005. We recorded a recovery of \$13.8 during the second quarter of 2005 to reflect amounts realized. In the third quarter of 2006, we recorded an additional recovery of \$0.9.

7. Pension and non-pension post-employment benefit plans:

We have recorded the following pension expense:

	Three months ended September 30		Nine months ended September 30	
	2005	2006	2005	2006
Pension plans	\$ 7.3	\$ 7.6	\$ 23.3	\$ 25.4
Other benefit plans	2.9	2.0	8.9	6.5
Total expense	\$ 10.2	\$ 9.6	\$ 32.2	\$ 31.9

8. Stock-based compensation and other stock-based payments:

We have granted stock options and performance-contingent stock options as part of our long-term incentive plans. We have applied the fair-value method of accounting for stock option awards granted after January 1, 2003 and, accordingly, have recorded compensation expense. For awards granted in 2002, we have disclosed the pro forma earnings and per share information as if we had accounted for employee stock options under the fair-value method. We are not required to apply the pro forma effect of awards granted prior to January 1, 2002.

The estimated fair value of options is amortized to expense over the vesting period, on a straight-line basis, and was determined using the Black-Scholes option pricing model with the following weighted average assumptions:

	Three months ended September 30		Nine months ended September 30	
	2005	2006	2005	2006
Risk-free rate	4.0% - 4.1%	4.7% - 4.9%	3.5% - 4.1%	4.5% - 5.0%
Dividend yield	0.0%	0.0%	0.0%	0.0%
Volatility factor of the expected market price of the Company's shares	52% - 66%	35%	48% - 68%	35% - 65%
Expected option life (in years)	3.5 - 5.5	3.5	3.5 - 5.5	3.5 - 5.5
Weighted average fair value of options granted	\$ 6.15	\$ 2.97	\$ 7.09	\$ 5.58

Compensation expense for the three and nine months ended September 30, 2006 was \$1.2 and \$4.3, respectively (three and nine months ended September 30, 2005 was \$2.2 and \$7.2, respectively) relating to the fair value of options granted after January 1, 2003.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in millions of U.S. dollars, except per share amounts)
(unaudited)

The pro forma disclosure relating to options granted in 2002 is as follows:

	Three months ended September 30		Nine months ended September 30	
	2005	2006	2005	2006
Net loss as reported	\$ (19.6)	\$ (42.1)	\$ (18.6)	\$ (89.8)
Deduct: Stock-based compensation (fair value)	(2.2)	(1.2)	(5.3)	(3.9)
Pro forma net loss	\$ (21.8)	\$ (43.3)	\$ (23.9)	\$ (93.7)
Loss per share:				
Basic — as reported	\$ (0.09)	\$ (0.19)	\$ (0.08)	\$ (0.40)
Basic — pro forma	\$ (0.10)	\$ (0.19)	\$ (0.11)	\$ (0.41)
Diluted — as reported	\$ (0.09)	\$ (0.19)	\$ (0.08)	\$ (0.40)
Diluted — pro forma	\$ (0.10)	\$ (0.19)	\$ (0.11)	\$ (0.41)

Our stock plans are described in note 9 to the 2005 annual consolidated financial statements.

(i) Stock option exchange program in 2005:

As part of a restructuring of our long-term incentive arrangements to provide more effective programs and reduce market overhang, we cancelled 6.8 million options during the third quarter of 2005 for an aggregate cost of \$6.8 as part of an option exchange program. All current employees, other than certain executives, were eligible to participate. Eligible employees forfeited certain out-of-the-money options for \$1.00 in cash for each option surrendered. We recorded compensation expense of \$3.9 to cost of sales and \$2.9 to selling, general and administrative expenses in the third quarter of 2005. Future compensation expense was not impacted as all repurchased options were granted prior to January 1, 2003. We paid \$5.6 in cash in the third quarter of 2005. The balance was accrued and will be paid out at the end of three years, in accordance with the plan.

9. Segmented information:

Our operations fall into one dominant industry segment, the electronics manufacturing services industry. We manage our operations, and accordingly determine our operating segments, on a geographic basis. The performance of geographic operating segments is monitored based on EBIAT (earnings before interest and accretion on convertible debt, amortization of intangible assets, integration costs related to acquisitions, other charges, option expense and income taxes). Inter-segment transactions are reflected at market value.

The following is a breakdown by reporting segment:

	Three months ended September 30		Nine months ended September 30	
	2005	2006	2005	2006
Revenue				
Asia	\$ 992.3	\$ 1,296.9	\$ 3,050.6	\$ 3,437.8
Americas	692.5	839.6	2,332.8	2,319.3
Europe	350.7	300.7	1,143.6	941.7
Elimination of inter-segment revenue	(41.1)	(44.8)	(131.3)	(148.9)
	\$ 1,994.4	\$ 2,392.4	\$ 6,395.7	\$ 6,549.9

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in millions of U.S. dollars, except per share amounts)
(unaudited)

	Three months ended September 30		Nine months ended September 30	
	2005	2006	2005	2006
EBIAT				
Asia	\$ 38.0	\$ 61.7	\$ 119.1	\$ 149.8
Americas	10.9	8.3	42.2	15.5
Europe	(3.9)	(5.6)	(8.4)	(17.7)
	45.0	64.4	152.9	147.6
Net interest and accretion charges	(13.5)	(17.3)	(36.3)	(46.4)
Amortization of intangible assets	(6.8)	(6.8)	(21.0)	(20.5)
Option expense	(2.2)	(1.2)	(7.2)	(4.3)
Option exchange cost (note 8 (i))	(6.8)	—	(6.8)	—
Integration costs related to acquisitions	—	(0.2)	(0.3)	(0.9)
Other charges	(27.0)	(81.5)	(74.0)	(151.9)
Earnings (loss) before income taxes	\$ (11.3)	\$ (42.6)	\$ 7.3	\$ (76.4)

	December 31 2005	September 30 2006
Total assets		
Asia	\$ 2,494.7	\$ 2,670.3
Americas	1,574.2	1,589.0
Europe	788.9	638.0
	\$ 4,857.8	\$ 4,897.3

	December 31 2005	September 30 2006
Goodwill		
Asia	\$ 874.5	\$ 854.8
Americas	—	—
Europe	—	—
	\$ 874.5	\$ 854.8

10. Supplemental cash flow information:

	Three months ended September 30		Nine months ended September 30	
	2005	2006	2005	2006
Paid (recovered) during the period:				
Taxes (a)	\$ 2.8	\$ (52.2)	\$ 17.3	\$ (41.2)
Interest (b)	\$ 18.1	\$ 32.6	\$ 37.0	\$ 66.3

(a) Cash taxes paid is net of income taxes recovered during the quarter.

(b) This includes interest paid on the 2011 and 2013 Senior Subordinated Notes. Interest on the Notes is payable in January and July of each year until maturity. See notes 4 (b) and (c). The interest paid on the 2011 Notes has been reduced by amounts received from the interest rate swap agreements.

11. Hedging transactions:

In connection with the issuance of our 2011 Notes in June 2004, we entered into agreements to swap the fixed rate of interest for a variable interest rate. The notional amount of the agreements is \$500.0. The agreements mature July 2011. See note 4(b).

Payments or receipts under the swap agreements are recorded in interest expense on long-term debt. The fair value of the interest rate swap agreements at September 30, 2006 was an unrealized loss of \$9.1 (December 31, 2005 — unrealized loss of \$3.1).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(in millions of U.S. dollars, except per share amounts)
(unaudited)

12. Guarantees and contingencies:

We have contingent liabilities in the form of letters of credit, letters of guarantee, and surety and performance bonds which we provided to various third parties. These guarantees cover various payments, including customs and excise taxes, utility commitments and certain bank guarantees. At September 30, 2006, these contingent liabilities, including guarantees of employee share purchase loans, amounted to \$87.1 (December 31, 2005 — \$80.0).

In addition to the above guarantees, we have also provided routine indemnifications, whose terms range in duration and often are not explicitly defined. These may include indemnifications against adverse effects due to changes in tax laws and patent infringements by third parties. We have also provided indemnifications in connection with the sale of certain businesses and real property. The maximum potential liability from these indemnifications cannot be reasonably estimated. In some cases, we have recourse against other parties to mitigate our risk of loss from these indemnifications. Historically, we have not made significant payments relating to these types of indemnifications.

In the normal course of our operations, we may be subject to litigation and claims from time to time. Management believes that adequate provisions have been recorded in the accounts where required. Although it is not possible to estimate the extent of potential costs, if any, management believes that the ultimate resolution of such contingencies would not have a material adverse effect on our results of operations, financial position or on our liquidity.

We are subject to tax audits by local taxing authorities. International taxation authorities could challenge the validity of our inter-company financing and transfer pricing policies which generally involve subjective areas of taxation and a significant degree of judgment. If any of these taxation authorities is successful in challenging our financing or transfer pricing policies, our income tax expense may be adversely affected and we could also be subjected to interest and penalty charges. In connection with ongoing tax audits in the United States, taxing authorities have asserted that our United States subsidiaries owe significant amounts of tax, interest and penalties arising from inter-company transactions. We believe we have substantial defenses to the asserted deficiencies and have adequately accrued for any likely potential losses. However, there can be no assurance as to the final resolution of these asserted deficiencies and any resulting proceedings, and if these asserted deficiencies and proceedings are determined adversely to us, the amounts we may be required to pay may be material.

QuickLinks

[CELESTICA ANNOUNCES THIRD QUARTER FINANCIAL RESULTS](#)

[Third Quarter Summary](#)

[RECONCILIATION OF GAAP TO ADJUSTED NET EARNINGS \(in millions of U.S. dollars\)](#)

[GUIDANCE SUMMARY](#)

[CELESTICA INC. CONSOLIDATED BALANCE SHEETS \(in millions of U.S. dollars\)\(unaudited\)](#)

[CELESTICA INC. CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT \(in millions of U.S. dollars, except per share amounts\)\(unaudited\)](#)

[CELESTICA INC. CONSOLIDATED STATEMENTS OF CASH FLOWS \(in millions of U.S. dollars\)\(unaudited\)](#)

[CELESTICA INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS \(in millions of U.S. dollars, except per share amounts\)\(unaudited\)](#)

[CELESTICA INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS \(in millions of U.S. dollars, except per share amounts\)\(unaudited\)](#)

[CELESTICA INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS \(in millions of U.S. dollars, except per share amounts\)\(unaudited\)](#)

[CELESTICA INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS \(in millions of U.S. dollars, except per share amounts\)\(unaudited\)](#)

[CELESTICA INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS \(in millions of U.S. dollars, except per share amounts\)\(unaudited\)](#)

[CELESTICA INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS \(in millions of U.S. dollars, except per share amounts\)\(unaudited\)](#)