

FIRST QUARTER RESULTS

Wednesday, April 19, 2000

(All amounts in U.S. dollars.

Per share information based on fully diluted shares outstanding unless noted otherwise.

Historical per share information reflects the impact of the December 1999 two-for-one stock split, retroactively applied)

CELESTICA ANNOUNCES FIRST QUARTER FINANCIAL RESULTS

First Quarter Revenue Increases 49 per cent to a Record \$1,612 Million,
Adjusted Net Earnings Increase 80 per cent, Adjusted EPS up 54 per cent to \$0.20

TORONTO, Canada - Celestica Inc. (NYSE, TSE: CLS), a world leader in electronics manufacturing services (EMS), today announced financial results for the first quarter ended March 31, 2000.

Revenue for the three months ended March 31, 2000 was \$1,612 million, up 49 per cent from \$1,082 million in the same period of 1999, and up slightly from the fourth quarter of 1999. Continued strong organic growth of 38 per cent and increases in communications-related business drove the year-over-year increase in revenue.

Adjusted net earnings, which exclude the after-tax impact of amortization of intangible assets and integration costs related to acquisitions, increased 80 per cent to \$39.5 million, compared to \$21.9 million in the first quarter of 1999.

Adjusted net earnings per share rose 54 per cent to \$0.20 per share compared to \$0.13 per share for the same period in 1999.

Net earnings increased 175 per cent to \$26.1 million, or \$0.14 per share, compared to \$9.5 million or \$0.06 in the first quarter of 1999.

“Celestica continues to hit record revenues driven by its strong organic growth rates and increasing revenue from its communications and server customers,” said Eugene Polistuk, president and CEO, Celestica Inc. “The first quarter is historically a seasonally slower quarter for the company, yet we were able to achieve record revenue based on a strong organic growth rate approaching 80 per cent of our total year-over-year growth and our leading position with many telecommunications, data networking and internet infrastructure customers. Celestica is solidly positioned as a premier player in an industry with exceptional fundamentals. We remain not only confident but very excited about our future growth prospects.”

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Other Recent Developments

In February, the company completed the acquisition of IBM's Rochester, Minnesota ECAT (electronic card assembly and test) operation. This acquisition is part of an expanded business relationship between IBM and Celestica. The acquisition was originally announced in January in conjunction with Celestica's acquisition of IBM operations in Vimercate and Santa Palomba, Italy. Celestica expects to complete the acquisition of the Italian operations by the end of second quarter 2000.

In March, the company completed a primary and structured secondary public offering of 23 million subordinate voting shares, including three million shares issued upon the exercise of the underwriters over-allotment option. The primary offering, including the over-allotment option, comprised 16.6 million shares and was priced at US\$45 5/8 or Cdn.\$66.08 per subordinate voting share, resulting in gross proceeds to Celestica of approximately US\$757.4 million.

About Celestica

With over 20,000 employees worldwide, Celestica operates 31 manufacturing and design facilities in the United States, Canada, Mexico, the United Kingdom, Ireland, the Czech Republic, Thailand, Hong Kong, China, Malaysia and Brazil. Celestica provides a broad range of services including design, prototyping, assembly, testing, product assurance, supply chain management, worldwide distribution and after-sales service. Its customers include industry leading original equipment manufacturers (OEMs), primarily in the computer and communications sectors.

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>.

Statements contained in this press release which are not historical facts are forward-looking statements which involve risk and uncertainties which could cause actual results to differ materially from those expressed in the forward-looking statements. Among the key factors that could cause such differences are: the level of overall growth in the electronics manufacturing services (EMS) industry; variability of operating results among periods; dependence on the computer and communications industries; dependence on a limited number of customers; and the ability to manage expansion, consolidation and the integration of acquired businesses. These and other factors are discussed in the Company's various public filings including the 1998 Annual Report.

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CELESTICA INC.
CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS (DEFICIT)
(in thousands of U.S. dollars, except per share amounts)
(unaudited)

	Three months ended	
	March 31,	
	1999	2000
Revenue	\$ 1,081,824	\$ 1,612,323
Gross profit	\$ 75,236	\$ 110,586
Selling, general and administrative expenses	42,191	58,025
Amortization of intangible assets	13,814	15,323
Integration costs related to acquisitions	445	667
Interest expense (income), net	3,229	(1,812)
Earnings before income taxes	15,557	38,383
Provision for income taxes	6,067	12,283
Net earnings for the period	9,490	26,100
Retained earnings (deficit), beginning of period	(52,218)	16,208
Retained earnings (deficit), end of period	\$ (42,728)	\$ 42,308
Earnings per share – basic ⁽¹⁾	\$ 0.06	\$ 0.14
Earnings per share – fully diluted	\$ 0.06	\$ 0.14
Weighted average number of shares		
outstanding (in 000's) – basic	154,667	190,119
– fully diluted	166,748	204,054

⁽¹⁾ All historical share and per share information has been restated to reflect the effects of the two-for-one stock split on a retroactive basis.

ADJUSTED NET EARNINGS
(in thousands of U.S. dollars, except per share amounts)
(unaudited)

	Three months ended	
	March 31,	
	1999	2000
Adjusted net earnings ⁽²⁾	\$ 21,883	\$ 39,549
Adjusted net earnings per share – basic ⁽¹⁾	\$ 0.14	\$ 0.21
Adjusted net earnings per share – fully diluted ⁽¹⁾	\$ 0.13	\$ 0.20

⁽¹⁾ All historical share and per share information has been restated to reflect the effects of the two-for-one stock split on a retroactive basis.

⁽²⁾ Adjusted net earnings exclude the after-tax effect of amortization of intangible assets and integration costs related to acquisitions.

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CELESTICA INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands of U.S. dollars)
(unaudited)

	Three months ended	
	March 31,	
	1999	2000
Cash provided by (used in)		
Operations		
Net earnings for the period	\$ 9,490	\$ 26,100
Items not affecting cash:		
Depreciation and amortization	28,163	38,892
Other	(2,398)	(1,910)
Cash from earnings	35,255	63,082
Non-cash working capital changes	(67,514)	(37,406)
	(32,259)	25,676
Investing		
Acquisitions, net of cash acquired	-	(135,111)
Purchase of capital assets	(41,832)	(68,592)
Other	(2,288)	559
	(44,120)	(203,144)
Financing		
Increase in long-term debt, net	149	-
Issuance of share capital	265,398	764,043
Share issue costs	(12,736)	(26,788)
Deferred financing costs	(413)	(41)
Other	995	(879)
	253,393	736,335
Increase in cash	177,014	558,867
Cash, beginning of period	31,721	371,522
Cash, end of period	\$ 208,735	\$ 930,389
Supplemental information		
Paid during the period		
Interest	\$ 927	\$ 426
Taxes	\$ 12,584	\$ 23,757

Cash is comprised of cash and short-term investments.

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CELESTICA INC.
CONSOLIDATED BALANCE SHEETS
(in thousands of U.S. dollars)
(unaudited)

	As at March 31,	
	1999	2000
Assets		
Current assets		
Cash and short-term investments	\$ 208,735	\$ 930,389
Accounts receivable	491,585	797,666
Inventories	537,177	910,948
Other assets	63,113	78,873
	<u>1,300,610</u>	<u>2,717,876</u>
Capital assets	242,707	417,598
Intangible assets	360,483	417,078
Other assets	77,503	83,462
	<u>\$ 1,981,303</u>	<u>\$ 3,636,014</u>
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 696,717	\$ 1,042,377
Deferred income taxes	3,227	6,192
Current portion of long-term debt	2,267	2,569
	<u>702,211</u>	<u>1,051,138</u>
Long-term debt	133,686	130,992
Other liabilities	18,502	23,519
	<u>854,399</u>	<u>1,205,649</u>
Shareholders' equity		
Capital stock	1,170,419	2,392,843
Retained earnings (deficit)	(42,728)	42,308
Foreign currency translation adjustment	(787)	(4,786)
	<u>1,126,904</u>	<u>2,430,365</u>
	<u>\$ 1,981,303</u>	<u>\$ 3,636,014</u>

CELESTICA INC.
NOTES TO CONSOLIDATED STATEMENTS
(in thousands of U.S. dollars)
(unaudited)

Segmented Information:

The Company's operations fall into one dominant industry segment, the electronics manufacturing services industry. The Company manages its operations, and accordingly determines its operating segments, on a geographic basis. The performance of geographic operating segments is monitored based on EBIAT (earnings before interest, income taxes, amortization of intangible assets and integration costs related to acquisitions). The Company monitors enterprise-wide performance based on adjusted net earnings, which is calculated as net earnings before amortization of intangible assets and integration costs related to acquisitions, net of related income taxes. Inter-segment transactions are reflected at market value.

The following is a breakdown of: revenue, EBIAT, adjusted net earnings and total assets by operating segment. Certain comparative information has been restated to reflect changes in the management of operating segments.

	Three months ended	
	March 31,	
	1999	2000
Revenue		
North America ⁽¹⁾	\$ 742,073	\$ 1,136,527
Europe	236,118	347,873
Asia	141,311	198,761
Elimination of inter-segment revenue	(37,678)	(70,838)
	<u>\$ 1,081,824</u>	<u>\$ 1,612,323</u>
EBIAT		
North America	\$ 23,573	\$ 32,695
Europe	6,078	12,500
Asia	3,394	7,366
EBIAT	<u>33,045</u>	<u>52,561</u>
Interest, net	(3,229)	1,812
Amortization of intangible assets	(13,814)	(15,323)
Integration costs related to acquisitions	(445)	(667)
Earnings before income taxes	<u>\$ 15,557</u>	<u>\$ 38,383</u>
Adjusted net earnings	<u>\$ 21,883</u>	<u>\$ 39,549</u>
	As at March 31,	
	1999	2000
Total assets		
North America	\$ 1,089,254	\$ 2,629,003
Europe	609,165	615,112
Asia	282,884	391,899
	<u>\$ 1,981,303</u>	<u>\$ 3,636,014</u>

⁽¹⁾ Revenue from Canadian operations was \$486,800 and \$610,700 for the three months ended March 31, 1999 and 2000, respectively.