

Restricted Share Units

RSUs are granted annually at the VP level and above based on the recommendation of the CEO and subject to the approval of the Board. These grants are to be paid in the form of Subordinate Voting Shares ("SVS") at the release date, which is approximately three years from the date of the grant. The number of RSUs granted is determined with consideration to individual performance and with reference to grants at the median level for the comparator group. The percentage of total equity-based compensation represented by RSUs is outlined in Table 9.

The total number of RSUs granted to executives, including the CEO, for the 2006 annual grant was 666,528.

Throughout the year, Celestica also grants RSUs for new hire or retention purposes.

Performance Share Units

The use of PSUs allows Celestica to link rewards for executives more closely with individual and corporate performance. PSUs are granted annually to employees at the VP level and above based on the recommendation of the CEO and subject to the approval of the Board. The number of PSUs granted is determined with consideration to individual performance and with reference to grants at the median level for the comparator group. These grants convert into Subordinate Voting Shares and are released in full at the end of the performance period (approximately three years).

- The number of PSUs granted is based on consideration of individual performance.
- The number of PSUs that vest is determined by Celestica's rank compared to the EMS Competitors on a ROIC performance metric as outlined in Table 10.
- High performance means units vest above the target level and results in an award above market median. Conversely, low performance will result in an award below market median or no award.

The total number of PSUs granted for the 2006 annual grant to executives, including the CEO, was 375,262 units. This represents a vesting level of 100%, which is the target compensation value for this grant. The number of PSUs that vest will range from 0 to 200% depending on the Corporation's relative performance ranking.

Table 10: Performance Vesting

PSU and PCO Vesting Schedule	
Performance	Performance Multiplier
1 st Ranked	200% of target
2 nd Ranked	150% of target
3 rd Ranked	100% of target
4 th Ranked	50% of target
5 th Ranked	0% of target

Stock Options

Stock options are granted annually under Celestica's LTIP, based on the recommendation of the CEO and subject to the approval of the Board. Stock options vest 25% annually over four years.

The total number of stock options granted to executives for the 2006 annual grant was 1,194,656, including a special grant to Mr. Muhlhauser upon his promotion to CEO. Throughout the year, Celestica also grants stock options for new hire or retention purposes.

Performance Contingent Stock Options

PCOs provide the opportunity for significant gains for superior performance and reduced gain for lower performance. PCOs vest annually over three years.

The number of PCOs granted is determined with consideration to individual performance and with reference to grants at the median level for the comparator group. PCOs are granted to the CEO and Executive Vice Presidents, and comprise the percentage of their total equity grant indicated in Table 9.

The number of PCOs that vest each year is dependent on Celestica's performance on a return on capital measure relative to that of the EMS Competitors for the relevant year as outlined in Table 10. A "catch up" provision applies such that PCOs that did not vest in a prior year due to

performance will vest if, after year two or three, Celestica ranks first or second on its ROIC performance metric.

High performance means PCOs vest at above the target level and results in an award above market median compensation. Conversely, low performance will result in an award below market median or no award.

The total number of PCOs granted to executives, including the CEO, for 2006 was 282,828. This represents a median vesting level of 100%, which is the target compensation value for this grant. The number of PCOs that vest will range from 0 to 200% depending on the Corporation's relative performance rating.

In 2006, Celestica was ranked as "4" of "5" when compared against the EMS Competitors. This means only 50% of 33%, or 16.7%, of Subordinate Voting Shares of PCOs that were granted in previous years vested in 2006 (33% of Subordinate Voting Shares vest annually at target achievement levels).

Employee Share Purchase and Option Plans (the "ESPO Plans")

Celestica has issued Subordinate Voting Shares and has granted options to acquire Subordinate Voting Shares for the benefit of certain of its employees and executives pursuant to the ESPO Plans which were in effect prior to Celestica's initial public offering. No further options or Subordinate Voting Shares (other than pursuant to outstanding options) may be issued under these ESPO Plans.

Pursuant to the ESPO Plans, employees and executives of Celestica were offered the opportunity to purchase Subordinate Voting Shares and, in connection with such purchase, receive options to acquire an additional number of Subordinate Voting Shares based on the number of Subordinate Voting Shares acquired by them under the ESPO Plans (on average, approximately 1.435 options for each Subordinate Voting Share acquired under the ESPO Plans). In each case, the exercise price for the options is equal to the price per share paid for the Subordinate Voting Shares acquired under the ESPO Plans.

Upon the completion of Celestica's initial public offering, certain options became exercisable. The

balance of the options issued under the ESPO Plans were fully vested as of December 31, 2002. All Subordinate Voting Shares acquired by employees under the ESPO Plans are held either by the employee or by HSBC Securities (Canada) Inc. in trust for Celestica Employee Nominee Corporation as agent for and on behalf of such employees.

Celestica Employee Share Ownership Plan (the "CESOP")

The CESOP enables eligible employees, including executive officers, to acquire Subordinate Voting Shares, so as to encourage continued employee interest in Celestica's operation, growth and development. Under the CESOP, an eligible participant may elect to contribute an amount representing no more than 10% of his or her salary. The Corporation will contribute 25% of the amount of the employee contributions, up to a maximum of 1% of the employee's salary for the relevant payroll period. Contributions are used to purchase Subordinate Voting Shares of the Corporation on the open market.

Executive Share Ownership

The Corporation has share ownership guidelines for the CEO and Executive Vice Presidents. The guidelines provide that these individuals are to hold a multiple of their salary in Celestica stock as shown in Table 11 below. Executives subject to ownership guidelines are expected to achieve the specified ownership within a period of five years following the latest of: implementation of the guidelines (January 26, 2005); date of hire; or promotion to a level subject to ownership guidelines.

Table 11: Share Ownership Guidelines

	Ownership Guidelines
CEO	3 × Salary
EVPs	2 × Salary

Compliance is reviewed annually on January 31. In assessing compliance, Celestica shares beneficially owned by the executive and all RSUs (vested and unvested) are included.

REPORT ON THE CHIEF EXECUTIVE OFFICER'S COMPENSATION

On November 28, 2006, Mr. Muhlhauser replaced Mr. Delaney as CEO. Mr. Delaney had been the CEO since January 28, 2004.

The independent directors of the Board approved all components of each CEO's compensation based on the recommendation of the Compensation Committee.

Comparator Companies and Market Positioning

Benchmarking for all elements of each CEO's compensation was based on the comparator group of companies described under *Report on Executive Compensation — Comparator Companies and Market Positioning* on page 22 of this Circular. In 2006, Towers Perrin provided all benchmark data for each CEO as described under *Report on Executive Compensation — Independent Advice* on page 19 of this Circular.

All compensation elements for each CEO were benchmarked at the market median (50th percentile).

Target CEO compensation contains a high proportion of cash and equity incentives that are "at risk" based on performance. In 2006, the weighting for CEO performance-based annual, mid-term and long-term incentive awards was approximately 69% of total direct compensation.

Base Salary

The base salary for each CEO was established by taking into account individual performance and experience, level of responsibility and competitive pay practices. Mr. Muhlhauser's annual salary was increased from \$550,000 to \$750,000 at the time of his promotion in 2006 and Mr. Delaney's salary was \$750,000 in 2006.

Each CEO's salary was set in US dollars. Mr. Delaney was paid in Canadian dollars. An adjustment to reflect exchange rate differentials was conducted on a quarterly basis to ensure that compensation paid reflected the US dollar salary value. In addition, Mr. Delaney, who is a

US resident, was entitled to a tax equalization payment to ensure that he did not bear more tax on an annual basis than he would have borne if he were earning his total compensation in the United States.

Mr. Muhlhauser was paid in US dollars in 2006.

Annual Incentive Plan

Mr. Delaney participated in, and Mr. Muhlhauser participates in, the Celestica Executive Team Incentive Plan on the same basis as other executives as outlined under *Report on Executive Compensation — Annual Incentive Plans* on page 22 of this Circular. As described in that section, the annual incentive payout is based on business results, individual performance and corporate performance relative to the EMS Competitors.

Business Results and Relative Performance

The business results and relative performance elements of the Annual Incentive Plan are described under *Report on Executive Compensation — Annual Incentive Plans* on page 22 of this Circular.

Individual Performance

The Board establishes performance targets for the CEO and evaluates his performance relative to those targets. In 2006, each of Mr. Muhlhauser and Mr. Delaney was measured on his success in the following categories: financial results; customer satisfaction; operational efficiency; employee satisfaction; and growing the business.

Table 12 summarizes the 2006 achievements relative to significant performance objectives for the CEOs.

The Board of Directors determined that Mr. Delaney did not improve the Corporation's operating performance in 2006 and overall business targets were not achieved. No annual incentive payment was awarded to Mr. Delaney who departed the Corporation on November 27, 2006. Although Mr. Muhlhauser assumed the CEO role only on November 28, 2006, in light of business results and the performance of the Corporation relative to that of its competitors, the Board did not approve an annual incentive for Mr. Muhlhauser for 2006.

Table 12: CEO Performance 2006

Performance Category	Goals	Achievement Relative to Goals
Financial Results	<ul style="list-style-type: none"> • Meet specified profit (EBIAT) objectives. • Meet specified ROIC objectives. 	<ul style="list-style-type: none"> • EBIAT declined 14% from \$200M in 2005 to \$171M in 2006. • ROIC in 2006 was 7.7% compared to 9.0% in 2005, a decline of 14%. • Overall targets were not achieved.
Customer Satisfaction	<ul style="list-style-type: none"> • Improve customer satisfaction as measured by independent survey process by specified percentage. 	<ul style="list-style-type: none"> • The improvement target for customer satisfaction was not achieved.
Operational Efficiency	<ul style="list-style-type: none"> • Successfully complete restructuring of operational footprint and launch of two new operations. 	<ul style="list-style-type: none"> • The operational goals were substantially achieved with the exception of one major site.
Employee Satisfaction	<ul style="list-style-type: none"> • Improve employee satisfaction as measured by global employee survey process by specified percentage. 	<ul style="list-style-type: none"> • The target improvement in employee satisfaction was exceeded.
Growing the Business	<ul style="list-style-type: none"> • Achieve specified dollar amount of new business bookings and increase market share. 	<ul style="list-style-type: none"> • New business wins improved significantly as compared to 2005; however, the specified targets were not achieved.

Mid-Term and Long-Term Incentives

Equity grants to Mr. Muhlhauser in respect of 2006 consisted of RSUs, PSUs and PCOs. 80% of the CEO's annual equity grant is dependent on the Corporation's performance relative to that of its competitors.

Table 13: CEO Equity-Based Compensation

% of Equity-Based Compensation Granted in 2006			
	PSUs	RSUs	PCOs
CEO	40%	20%	40%

In respect of the 2006 annual grant, Celestica provided Mr. Muhlhauser the following equity-based compensation:

- 111,111 PSUs. This assumes vesting at the target level of 100%. The actual number that vest will vary from 0 to 200% depending on performance as discussed at page 24.
- 202,020 PCOs. This assumes vesting at the target level of 100%. The actual number that vest will vary depending on performance as discussed at pages 24 and 25.
- 55,556 RSUs.

In addition to the 2006 annual grant, Mr. Muhlhauser received a grant of 500,000 regular options in association with his promotion to CEO.

The estimated compensation value of Mr. Muhlhauser's promotional and annual equity grants is \$3,344,307 based on a share price of \$6.05 (being the closing share price on the NYSE on February 1, 2007, the day prior to the date of the grant) and assuming achievement at a median performance ranking.

Mr. Delaney did not receive an equity grant in respect of 2006.

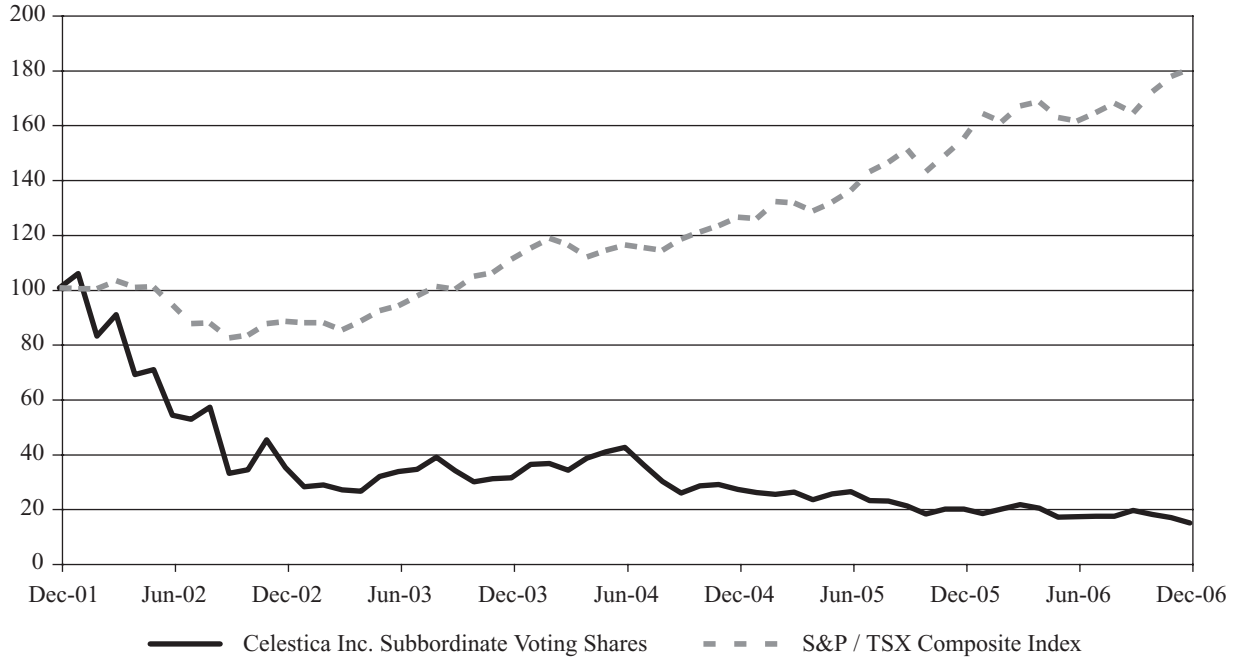
A payment was made to Mr. Delaney of \$5,333,493 in respect of his employment contract following his termination from Celestica.

The Report on Executive Compensation and the Report on the Chief Executive Officer's Compensation are presented by the Compensation Committee:

William Etherington (Chairman)
 Robert Crandall
 Charles Szuluk
 Don Tapscott

PERFORMANCE GRAPH

The Subordinate Voting Shares of the Corporation have been listed and posted for trading under the symbol “CLS” on the NYSE and the TSX since June 30, 1998 (except for the period commencing on November 8, 2004 during which the symbol on the TSX has been CLS.SV). The following chart compares the cumulative total shareholder return of \$100 invested in Subordinate Voting Shares of the Corporation on December 31, 2001 with the cumulative total shareholder return of the S&P/TSX Composite Index⁽¹⁾ for the period December 31, 2001 to December 31, 2006 (which assumes the reinvestment of dividends).



(1) The TSE 300 Index was replaced by the S&P/TSX Composite Index on May 1, 2002. The historical values of the TSE 300 Index and the S&P/TSX Composite Index are identical for the period in question.

EXECUTIVE COMPENSATION

Compensation of Named Executive Officers

The following table sets forth the compensation of Celestica's Chief Executive Officer, Chief Financial Officer, the three other most highly compensated executives of Celestica and its subsidiaries as well as Mr. Delaney (collectively, the "Named Executive Officers") for the three most recently completed financial years of the Corporation.

Table 14: Summary Compensation

Name and Principal Position	Annual Compensation ⁽¹⁾			Long-Term Compensation Awards		All Other Compensation ⁽⁶⁾ (US\$)
	Year	Salary (US\$)	Annual Incentive ⁽²⁾ (US\$)	Securities Under Options Granted ⁽³⁾ (#)	Units Subject to Resale Restriction — Restricted Share/ Performance Share Units ⁽⁴⁾⁽⁵⁾ (US\$)	
Craig H. Muhlhauser ⁽⁷⁾ <i>President and Chief Executive Officer</i>	2006	566,667	0	702,020	1,008,335	12,100
	2005	343,750	237,064	124,244	2,210,000	6,981
	2004	N/A	N/A	N/A	N/A	N/A
Anthony P. Puppi ⁽⁸⁾ <i>EVP, Chief Financial Officer</i>	2006	714,286	0	0	0	7,118
	2005	668,593	351,305	60,990	747,500	6,663
	2004	604,978	0	44,000	4,079,382	5,985
John Peri ⁽⁸⁾ <i>EVP, Global Operations</i>	2006	394,797	52,884	121,212	268,886	412,998
	2005	328,271	140,490	20,455	315,000	263,657
	2004	282,707	259,834	11,300	260,050	21,253
James Rowan ⁽⁸⁾ <i>former EVP, Worldwide Operations</i>	2006	555,312	0	0	0	71,064
	2005	429,159	86,505	133,034	2,988,200	56,053
	2004	N/A	N/A	N/A	N/A	N/A
Rahul Suri ⁽⁸⁾ <i>SVP, Enterprise Markets</i>	2006	430,335	29,750	30,304	235,272	22,044
	2005	402,806	148,817	18,864	290,500	1,832,603
	2004	374,510	413,743	9,000	208,040	15,930
Stephen Delaney ⁽⁹⁾ <i>former Chief Executive Officer</i>	2006	687,500	N/A	N/A	N/A	5,457,275
	2005	750,000	461,813	189,396	1,250,000	141,570
	2004	550,000	0	100,000	4,767,400	110,203

⁽¹⁾ Excludes perquisites and other benefits because such compensation did not exceed the lesser of C\$50,000 and 10% of the total annual salary and annual incentive for any of the Named Executive Officers. Subject to the foregoing, the Named Executive Officers did not receive any other compensation that is not properly characterized as salary or annual incentive.

⁽²⁾ This column, formerly called "Bonus" in the Corporation's previous management information circulars, has been renamed "Annual Incentive" to more appropriately reflect the nature of this aspect of annual compensation.

⁽³⁾ All amounts in this column represent options or PCOs. All options and PCOs for 2006 were granted on February 2, 2007 with an exercise price of \$6.05 or C\$7.10, which were the closing prices for Celestica Subordinate Voting Shares on February 1, 2007 on the NYSE and TSX, respectively. Options vest over 4 years. PCOs vest over 3 years and are subject to performance conditions as described in the *Report*

on Executive Compensation. The number of PCOs is shown at target performance. The number that will actually vest will vary from 0-200% of the target amount shown.

⁽⁴⁾ Amounts shown represent RSUs and PSUs issued under the LTIP or the CSUP, valued as of the grant date. PSUs are subject to performance conditions as described in the *Report on Executive Compensation* and vest on completion of the performance period (typically three years). The RSUs for 2006 were granted on February 2, 2007 and vest on December 1, 2009. The RSUs for 2005 were granted on January 31, 2006 and vest on December 1, 2008. The number of PSUs is shown in the tables below at target performance. The number that will actually vest will vary from 0-200% of the target amount shown. The share price used to value the units granted on February 2, 2007 is \$6.05 which was the closing price of Celestica Subordinate Voting Shares on the NYSE on February 1, 2007. Dividends or dividend equivalents are not paid on the RSUs or PSUs issued under the LTIP or CSUP.

- (5) The table below represents the number of share units granted for 2006, as set forth in the Summary Compensation Table, and the corresponding vesting dates.

Celestica's Mid-Term Incentive Plan Awards (granted on February 2, 2007)*							
Name	Restricted Share Units		Performance Share Units				
	Units Granted (#)	Release Date	Units Granted (#)	Release Date	Units For Release (#)		
					# Released Minimum Performance	# Released Target Performance	# Released Maximum Performance
Craig Muhlhauser	55,556	December 1, 2009	111,111	February 2, 2010	0	111,111	222,222
Anthony P. Puppi	0	N/A	0	N/A	N/A	N/A	N/A
John Peri	0	N/A	44,444	February 2, 2010	0	44,444	88,888
James Rowan	0	N/A	0	N/A	N/A	N/A	N/A
Rahul Suri	22,222	December 1, 2009	16,666	February 2, 2010	0	16,666	33,332

* See *Report on Executive Compensation — Mid-Term and Long-Term Incentives* on page 27 for a description of the material terms of the awards.

The table below represents the aggregate number of units outstanding at target performance levels for each of the Named Executive Officers, and the value of such units as at December 31, 2006 based on a share price of \$7.81 (the closing price of the Subordinate Voting Shares on the NYSE on December 29, 2006).

Performance/Restricted Share Units Outstanding as at December 31, 2006				
Name	Type of Unit	Aggregate Number of Units (#)	Value of each Unit type at December 31, 2006 (US\$)	Total value as at December 31, 2006 (US\$)
Craig Muhlhauser	RSU	128,000	999,680	1,491,710
	PSU	63,000	492,030	
Anthony P. Puppi	RSU	237,600	1,855,656	2,487,095
	PSU	80,850	631,439	
John Peri	RSU	23,500	183,535	382,690
	PSU	25,500	199,155	
James Rowan	RSU	100,000	781,000	1,132,450
	PSU	45,000	351,450	
Rahul Suri	RSU	20,450	159,715	336,221
	PSU	22,600	176,506	
Stephen Delaney	RSU	0	0	0
	PSU	0	0	
Total	RSU	509,550	3,979,586	5,830,166
	PSU	236,950	1,850,580	

- (6) Amounts shown in the column represent: (a) amounts contributed to the US Plan for Mr. Muhlhauser and under Celestica's Defined Contribution pension plans for Messrs. Peri, Rowan, Suri and Delaney (see *Pension Plans* on page 32 of this Circular); (b) Celestica contributions to CESOP for Messrs. Muhlhauser, Puppi, Peri and Delaney (see *Celestica Employee Share Ownership Plan* on page 25 of this Circular); (c) in Mr. Suri's case a retention bonus in 2005; (d) other compensation for Mr. Peri includes foreign assignment related payments that include housing expenses of \$80,028 for 2005 and \$174,623 for 2006; and (e) in Mr. Delaney's case, severance, housing, travel costs, and a tax equalization payment.
- (7) Mr. Muhlhauser joined Celestica on May 16, 2005, and was appointed as CEO on November 28, 2006. He received a new hire grant of 100,000 RSUs in 2005. His 2005 salary was prorated. He is paid in US dollars. Upon promotion, Mr. Muhlhauser's salary was increased to \$750,000 and his 2006 salary was prorated.
- (8) Messrs. Puppi, Peri, Rowan and Suri were paid in Canadian dollars. Amounts shown are in US dollars converted at a rate of C\$1.1340 per US\$1.00 for 2006, C\$1.2115 per US\$1.00 for 2005 and C\$1.3017 per US\$1.00 for 2004.

- ⁽⁹⁾ On November 28, 2006, Mr. Muhlhauser replaced Mr. Delaney as CEO. Mr. Delaney had been the CEO since January 28, 2004. Mr. Delaney's salary was set in US dollars; however, he was paid in Canadian dollars. An adjustment to reflect exchange rate differentials was conducted on a quarterly basis to ensure his pay reflected the US salary value.

Options Granted for Year Ended December 31, 2006

The following table sets out options, including PCOs, to purchase Subordinate Voting Shares granted by the Corporation to the Named Executive Officers in relation to the year ended December 31, 2006.

Table 15: Options Granted during 2006

Name	Securities, Under Options Granted (#) ⁽¹⁾	% of Total Options Granted to Employees in 2006 ⁽²⁾	Exercise or Base Price (\$/Security)	Market Value of Securities Underlying Options on the Date of Grant (\$/Security)	Expiration Date
Craig Muhlhauser	702,020	33%	\$6.05	\$6.05	Feb. 2, 2017
Anthony P. Puppi	0	0%	N/A	N/A	N/A
John Peri	121,212	6%	C\$7.10	C\$7.10	Feb. 2, 2017
James Rowan	0	0%	N/A	N/A	N/A
Rahul Suri	30,304	1%	C\$7.10	C\$7.10	Feb. 2, 2017
Stephen Delaney	N/A	0%	N/A	N/A	N/A

⁽¹⁾ All amounts shown in this column represent options and PCOs. All options were granted for 2006 on February 2, 2007 with an exercise price of \$6.05 or C\$7.10 (being the closing share price of Subordinate Voting Shares on the NYSE and TSX, respectively, on February 1, 2007, the day prior to the date of grant). Options vest over 4 years. All PCOs were granted for 2006 on February 2, 2007 with an exercise price of \$6.05 or C\$7.10 (being the closing share prices of Subordinate Voting Shares on the NYSE and TSX, respectively, on

February 1, 2007). PCOs vest over 3 years. The number of PCOs shown assumes vesting based on target (100%) performance. The actual number of PCOs that will vest will vary from 0 to 200% of the target number shown. See *Report on Executive Compensation — Performance Contingent Stock Options* on pages 24 and 25.

⁽²⁾ All amounts shown in this column are calculated using the target number.

Options Exercised During Most Recently Completed Financial Year and Value of Options at December 31, 2006

The following table sets out certain information with respect to options to purchase Subordinate Voting Shares that were exercised by Named Executive Officers during the year ended December 31, 2006 and Subordinate Voting Shares under option to the Named Executive Officers as at December 31, 2006.

Table 16: Options Exercised During 2006 and Value of Options as at December 31, 2006

Name	Subordinate Voting Shares Acquired on Exercise (#)	Aggregate Value Realized (US\$)	Unexercised Options at December 31, 2006		Value of Unexercised in-the-Money Options at December 31, 2006 ⁽¹⁾	
			Exercisable (#)	Unexercisable (#)	Exercisable (US\$)	Unexercisable (US\$)
Craig Muhlhauser	0	0	12,500	185,988	0	0
Anthony P. Puppi	39,816	191,117	340,880	321,980	0	0
John Peri	84,312	395,069	50,067	65,688	0	0
James Rowan	0	0	20,000	166,069	0	0
Rahul Suri	0	0	46,167	86,697	0	0
Stephen Delaney	0	0	290,000	703,792	0	0

⁽¹⁾ Based on the closing price of the Subordinate Voting Shares on the NYSE on December 29, 2006 of \$7.81.

Pension Plans

Mr. Muhlhauser participates in the “US Plan”. The US Plan is a defined contribution pension plan and qualifies as a deferred salary arrangement under section 401 of the Internal Revenue Code (United States). Under the US Plan, participating employees may defer 100% of their pre-tax earnings subject to any statutory limitations. Celestica may make contributions for the benefit of eligible employees. The US Plan allows employees to choose how their account balances are invested on their behalf within a range of investment options provided by third party fund managers.

During the year ended December 31, 2006, Celestica contributed \$6,600 in the aggregate to the US Plan for the benefit of Mr. Muhlhauser, which amount is included in the Summary Compensation table under “All Other Compensation”. Except as described above, no other amounts were contributed by Celestica during the year ended December 31, 2006 for the purpose of providing pension, retirement or similar benefits for Mr. Muhlhauser.

Messrs. Puppi, Peri and Suri participate in Celestica’s non-contributory pension plan (the “Canadian Pension Plan”). The Canadian Pension Plan has a defined benefit and a defined contribution portion and provides for a maximum of 30 years’ service and retirement eligibility at the earlier of 30 years’ service or age 55. They also participate in an unregistered supplementary pension plan (the “Supplementary Plan”) that provides benefits equal to the difference between the benefits determined in accordance with the formula set out in the Canadian Pension Plan and Canada Revenue Agency maximum pension benefits.

Messrs. Peri and Suri participate only in the defined contribution portion of the Canadian Pension Plan. The defined contribution portion of the Canadian Pension Plan allows employees to choose how Celestica contributions are invested on their behalf within a range of investment options provided by third party fund managers. Celestica’s contributions to this plan on behalf of an employee range from 3% to 6.75% of salary and paid annual incentive based on the number of years of service. Retirement benefits depend upon the performance of the investment options chosen. Celestica currently contributes 6.75% and 3.75% of annual salary and paid annual incentive on behalf of Messrs. Peri and

Suri, respectively. In 2006, this amount equalled \$32,612 and \$22,044 for Messrs. Peri and Suri, respectively, and is included in the Summary Compensation table under “All Other Compensation”.

Mr Delaney also participated in the defined contribution portion of the Canadian Pension Plan and the Supplementary Plan prior to his departure on November 27, 2006, and at that time Celestica was contributing 3.75% of salary and paid bonus annually on his behalf. In 2006, this equalled \$39,631 and is included in the Summary Compensation table under “All Other Compensation”.

Mr. Rowan, who departed the Corporation on January 31, 2007, participated in an individual pension arrangement. Pension contributions were made on behalf of Mr. Rowan to an individual account held by Zurich Assurance Ltd. in the United Kingdom. During 2006, Celestica contributed \$71,064 on behalf of Mr. Rowan. This amount is included in the Summary Compensation table under “All Other Compensation”.

Mr. Puppi participates only in the defined benefit portion of the Canadian Pension Plan. The benefit provided under this plan is equal to the benefit entitlement accrued under the relevant IBM plan prior to October 22, 1996, the date Celestica was divested from IBM, plus the benefits earned under the Canadian Pension Plan since that date. The terms of the Canadian Pension Plan, which were accepted by certain employees when they transferred to Celestica, mirrored those of the IBM pension plan in place at the time of divestiture. The Canadian Pension Plan is of a modified career average design with benefits based on a three-year average of salary and paid annual incentive to December 31 of a designated base year (the “Base Year”). In 2006, the Base Year was updated to December 31, 2005 and may be updated from time to time until December 31, 2009. Benefits for the period from October 22, 1996 to December 31, 2005 are calculated by multiplying years of service by the sum of (a) 0.9% of the three-year average of salary and paid annual incentive up to the yearly maximum pensionable earnings (“YMPE”) level and (b) 1.45% of the three-year average of salary and paid annual incentive above the YMPE. Until the next Base Year

update, benefits for each year after December 31, 2005 equals the sum of (a) 0.9% of that year's salary and paid annual incentive up to the YMPE level, and (b) 1.45% of the salary and paid annual incentive for

that year above the YMPE. The defined benefit portion of the Canadian Pension Plan also provides for supplementary early retirement benefits from the date of early retirement to age 65.

The following table sets forth the estimated aggregate annual benefits payable under the defined benefit portion of the Canadian Pension Plan and the Supplementary Plan based on average earnings and years of service.

Table 17: Canadian Pension Plan

Canadian Pension Plan Table ⁽¹⁾⁽²⁾	Years of Service				
	15	20	25	30+ ⁽³⁾	35
Earnings Average					
\$100,000	19,000	26,000	32,000	38,000	38,000
\$200,000	38,000	51,000	63,000	77,000	77,000
\$300,000	57,000	77,000	95,000	115,000	115,000
\$400,000	77,000	101,000	127,000	153,000	153,000
\$500,000	95,000	127,000	159,000	190,000	190,000
\$600,000	115,000	153,000	190,000	229,000	229,000
\$700,000	134,000	178,000	223,000	267,000	267,000
\$800,000	153,000	204,000	255,000	305,000	305,000
\$900,000	172,000	229,000	287,000	344,000	344,000
\$1,000,000	190,000	255,000	318,000	382,000	382,000

⁽¹⁾ This table assumes total of retirement age and years of service is greater than or equal to 80.

⁽²⁾ All amounts are shown converted into US dollars from Canadian dollars at an average 2006 exchange rate of US\$1.00 = C\$1.1340.

⁽³⁾ The maximum years of credited service for purposes of the Canadian Pension Plan is 30.

As of December 31, 2006 Mr. Puppi has accrued 26.7 years of credited service, which entitles him to a total annual pension under the Canadian Pension Plan and the Supplemental Plan of C\$370,500 payable on June 1, 2010. Retirement benefits are payable in the form of a single life annuity guaranteed for 10 years for members who are unmarried at retirement, and a 60% joint and survivor annuity for members who are married at retirement. Benefits are not subject to any deduction for social security or other offset amounts.

During the year ended December 31, 2006, Celestica accrued an aggregate of \$381,499 to provide pension

benefits to Messrs. Puppi, Peri, Suri and Delaney pursuant to the Canadian Pension Plan. No other amounts were contributed or accrued during the year ended December 31, 2006 for the purpose of providing pension, retirement or similar benefits for Messrs. Puppi, Peri and Suri.

An additional pension contribution in the amount of \$69,938 was contributed in respect of Mr. Delaney's severance arrangement.

Supplementary Disclosure on Pension Arrangements

Pension benefits under the defined benefit portion of the Canadian Pension Plan and the Supplementary Plan are considered to be an integral part of the overall total compensation for certain executives, including Mr. Puppi, the only Named Executive Officer who participates in the defined benefit portion. In considering the value of the pension benefits provided to the executives under the defined benefit portion of the Canadian Pension Plan and the Supplementary Plan, the Compensation Committee considers the annual pension service costs, the accrued liability associated with the pension and the

annual pension that would be available to Mr. Puppi upon retirement. The following table illustrates changes in the accrued liability from December 31, 2005 to December 31, 2006, including the annual pension service cost for the 2006 fiscal year for Mr. Puppi, calculated using the same actuarial assumptions used for determining year-end pension plan liabilities in Celestica's financial statements for the financial year ending December 31, 2006, in accordance with generally accepted accounting principles.

Table 18: Supplemental Disclosure on Pension Arrangements

Name	Accrued Pension Liability at December 31, 2005 ⁽¹⁾ (C\$)	2006 Service Cost ⁽¹⁾ (C\$)	Other Compensation-related Change in Liability in 2006 ⁽²⁾ (C\$)	Other Change in Liability in 2006 ⁽³⁾ (C\$)	Accrued Pension Liability at December 31, 2006 ⁽¹⁾ (C\$)
Anthony Puppi	2,930,000	74,000	112,000	1,361,000	4,477,000

⁽¹⁾ Pension service cost is the value of the projected pension earned for the year of service credited for the 2006 fiscal year. Accrued pension liability is the value of the projected pension earned for service up to December 31, 2005 or December 31, 2006, as indicated. For comparability and consistency, these values have been determined using the same actuarial assumptions as are used for determining the year-end pension plan liabilities disclosed in Celestica's financial statements, in accordance with generally accepted accounting principles. These are estimated amounts based on these assumptions and may change over time. The method used to determine these amounts will not necessarily be identical to the method used by other companies and as a result the figures may not be directly comparable across companies. Allowance has been made for future increases in the current compensation limits applied in determining final average pensionable earnings

for projected future upgrades to the accrued pension. This method of valuation makes no allowance for different tax treatment of registered pension plans versus supplemental pension benefits.

⁽²⁾ The other compensation-related change in the obligation includes the impact of promotions and plan amendments or service awards above those already assumed to be granted in the calculation of the accrued pension liability.

⁽³⁾ Other changes in obligation include amounts attributable to interest accruing on the beginning-of-year obligation, experience gains and losses other than those associated with compensation levels and changes in actuarial assumptions. The most significant change for the 2006 fiscal year relates to a change in the retirement assumption in addition to changes in the applicable discount rate from 5.0% to 5.1% and the assumption relating to future earnings upgrades.

Termination of Employment and Change in Control Arrangements with Named Executive Officers

Mr. Muhlhauser

The terms of employment with the Corporation for Mr. Muhlhauser are governed by the Corporation's Policy Guidelines on Employment Terms & Conditions for Executives (the "Executive Guidelines"). Upon termination without cause or resignation for reasons specified in the Executive Guidelines within two years following a change in

control of the Corporation, Mr. Muhlhauser is entitled to a severance payment equal to three times his annual base salary and target annual incentive, subject to adjustment for factors including length of service, together with a portion of his target annual incentive for the year prorated to the date of termination. The 2006 annual base salary and 2006

target annual incentive for Mr. Muhlhauser are as follows:

Table 19: Base Salary and Target Annual Incentive

	2006 Base Salary	2006 Target Annual Incentive
Mr. Muhlhauser	\$ 750,000 ⁽¹⁾	\$750,000

⁽¹⁾ Mr. Muhlhauser's base salary increased from \$550,000 to \$750,000 upon his promotion to CEO on November 28, 2006.

Under the Executive Guidelines, the pension and group benefits of Mr. Muhlhauser discontinue on the date of termination. In addition, upon a change in control or upon termination without cause or resignation for reasons specified in the Executive Guidelines within two years following a change in control (a) all options granted to Mr. Muhlhauser vest immediately, (b) the RSUs granted to him vest immediately, and (c) the PSUs granted to him vest immediately at target level of performance.

Outside of the two-year period following a change in control of the Corporation, upon termination without cause, Mr. Muhlhauser is entitled to payments and benefits that are substantially similar to those provided following a termination within two years of a change in control, except that (a) there is no accelerated vesting of options, RSUs and PSUs, and (b) the Corporation's obligations regarding severance payment is for a two-year period following termination.

Mr. Muhlhauser and the Corporation are currently negotiating an employment agreement, which will replace the Executive Guidelines currently governing his employment relationship.

Mr. Puppi

Mr. Puppi's employment agreement provides that he is entitled to certain severance benefits if, during a change in control period at the Corporation (defined in his agreement as the period commencing on the date the Corporation enters into a binding agreement for a change in control, announces an intention to effect a change in control or the board adopts a resolution that a change in control has occurred and ending three years after the completion of the change in control or, if a change in control is not completed, one year following the commencement of the period), he is terminated without cause or resigns for reasons specified in his

agreement. The amount of the severance payment for him is equal to three times his annual base salary and target annual incentive, together with a portion of his target annual incentive for the year prorated to the date of termination. The 2006 annual base salary and 2006 target annual incentive for Mr. Puppi are as follows:

Table 20: Base Salary and Target Annual Incentive

	2006 Base Salary	2006 Target Annual Incentive
Mr. Puppi	\$714,286	\$571,429

In addition, his agreement provides (a) for a cash settlement to cover benefits that would otherwise be payable during the severance period, (b) for an additional credit for years of service up to June 1, 2010 under the Corporation's Canada Pension Plan, and (c) that all unexercised ESPO options granted to him shall be exercisable until the earlier of a three year and thirty day period following his termination and the ESPO options' original expiry date.

Upon a change in control or upon termination without cause during a change in control period or resignation for reasons specified in his agreement during a change in control period, (a) the options granted to Mr. Puppi vest immediately, (b) the PCOs and PSUs granted to him vest immediately at target level of performance, unless the terms of a PCO or PSU grant provide otherwise or on such other more favourable terms as the Board in its discretion may provide, and (c) the RSUs granted to him vest immediately.

Outside a change in control period, upon termination without cause or resignation for reasons specified in his agreement, Mr. Puppi is entitled to payments and benefits that are substantially similar to those provided following termination during a change in control period, except that (a) there is no accelerated vesting of options, RSUs and PSUs, (b) there is no additional service credit under the Corporation's Canada Pension Plan and (c) the Corporation's obligations regarding severance payments, the continuation of benefits plans and of contributions to or continuation of his pension and retirement plans is for a two-year period following termination.

Mr. Suri

Mr. Suri's employment agreement provides that he is entitled to certain severance benefits if, during a

change in control period at the Corporation (which is defined similarly as in Mr. Puppi's employment agreement and is described above), he is terminated without cause or resigns for reasons specified in his agreement. The amount of the severance payment for him is equal to three times his annual base salary and target annual incentive, together with a portion of his target annual incentive for the year prorated to the date of termination. The 2006 annual base salary and 2006 target annual incentive for Mr. Suri are as follows:

Table 21: Base Salary and Target Annual Incentive

	2006 Base Salary	2006 Target Annual Incentive
Mr. Suri	\$430,335	\$215,168

In addition, his agreement provides for (a) a cash settlement to cover benefits that would otherwise be payable during the severance period, and (b) the continuation of contributions to his pension and retirement plans until the third anniversary following his termination.

Upon a change in control or upon termination without cause during a change in control period or resignation for reasons specified in his agreement during a change in control period, (a) the options granted to Mr. Suri vest immediately, (b) the PCOs and PSUs granted to him vest immediately at target level of performance, unless the terms of a PCO or PSU grant provide otherwise or on such other more favourable terms as the Board in its discretion may provide, and (c) the RSUs granted to him vest immediately.

Outside a change in control period, upon termination without cause or resignation for reasons specified in his agreement, Mr. Suri is entitled to payments and benefits that are substantially similar to those provided following termination during a change in control period, except that (a) there is no accelerated vesting of options, RSUs and PSUs, and (b) the Corporation's obligations regarding severance payments, the continuation of benefits plans and of contributions to or continuation of his pension and retirement plans is for a two-year period following termination.

Mr. Peri

The terms of employment with the Corporation for Mr. Peri are governed by the Corporation's

Executive Guidelines. Upon termination without cause or resignation for reasons specified in the Executive Guidelines within two years following a change in control of the Corporation, Mr. Peri is entitled to a severance payment equal to two times his annual base salary and target annual incentive, subject to adjustment for factors including length of service, together with a portion of his target annual incentive for the year prorated to the date of termination. The 2006 annual base salary and 2006 target annual incentive for Mr. Peri are as follows:

Table 22: Base Salaries and Target Annual Incentives

	2006 Base Salary	2006 Target Annual Incentive
Mr. Peri	\$394,797	\$197,399
Mr. Rowan	\$555,312	\$444,250

Under the Executive Guidelines the pension and group benefits of Mr. Peri discontinue on the date of termination. In addition, upon a change in control or upon termination without cause or resignation for reasons specified in the Executive Guidelines within two years following a change in control (a) all options granted to Mr. Peri vest immediately, (b) the RSUs granted to him vest immediately, and (c) the PSUs granted to him vest immediately at target level of performance.

Outside of the two-year period following a change in control, upon termination without cause, Mr. Peri is entitled to payments and benefits that are substantially similar to those provided following a termination within two years of a change in control, except that there is no accelerated vesting of options, RSUs and PSUs.

Mr. Rowan

Mr. Rowan's employment with the Corporation terminated on January 31, 2007. He was entitled to receive payments and benefits in accordance with the Corporation's Executive Guidelines.

Mr. Delaney

In accordance with Mr. Delaney's employment agreement, he was entitled to aggregate severance in the amount of \$5,187,500, which is equivalent to 36 months of his base salary and target annual incentive, as well as the prorated portion of his 2006 target annual incentive. He also received the lump

sum of the net present value of the contributions to his pension and life insurance, medical and dental benefit plans that would have been otherwise payable to him during the three years following his departure, which amounts are \$69,938 for his pension and \$76,055 for his life insurance, medical and dental

benefits. The total of cash payments for all severance related amounts paid to Mr. Delaney was \$5,333,493.

Mr. Delaney was paid his severance entitlement in December, 2006.

Securities Authorized for Issuance Under Equity Compensation Plans

Table 23: Equity Compensation Plans as at December 31, 2006

Plan Category		Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (#)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Securities Remaining Available for Future Issuance Under Equity Compensation Plans ⁽¹⁾ (#)
Equity Compensation Plans Approved by Securityholders	Employee Share Purchase and Option Plan (ESPO)	819,189	\$5.30	0
	International Manufacturing Services Inc. (IMS) (plan acquired as part of acquisition)	266,754	\$8.42	0
	Manufacturers' Services Limited (MSL) (plan acquired as part of acquisition)	355,766	\$17.77	0
	LTIP (Options)	10,055,303	\$17.26/C\$33.09	17,869,878
	LTIP (RSUs)	521,784	N/A	931,807
	Total:⁽²⁾	12,018,796	\$15.64/C\$32.53	18,801,685
Equity Compensation Plans Not Approved by Securityholders		3,529,160	N/A	N/A
Total:		15,547,956	N/A	18,801,685

⁽¹⁾ Excluding securities that may be issued upon exercise of outstanding options, warrants and rights.

⁽²⁾ The total number of securities to be issued under all equity compensation plans approved by shareholders represent 5.3% of the total number of outstanding shares (ESPO — 0.4%; IMS — 0.1%; MSL — 0.2%; LTIP (Options) 4.4%; and LTIP (RSUs) — 0.2%).

The LTIP is the only securities-based compensation plan providing for the issuance of securities from treasury under which grants have been and continue to be made by Celestica since the company was listed on the TSX. Under the LTIP, the Board of Directors may in its discretion grant from time to time stock options, performance shares, performance share units and stock appreciation rights (“SARs”) to employees and consultants, the eligible participants, of Celestica and affiliated entities.

Under the LTIP, up to 29,000,000 Subordinate Voting Shares may be issued from treasury. The number of Subordinate Voting Shares which may be issued from treasury under the LTIP to directors is limited to 2,000,000; however, no more option grants under the LTIP will be made to directors. Under the LTIP, as of February 19, 2007, 1,908,395 Subordinate Voting Shares have been issued from treasury and 12,192,626 Subordinate Voting Shares are issuable under outstanding options. Also as of February 19, 2007, 27,091,605 Subordinate Voting Shares are reserved for issuance from treasury under the LTIP.

In addition, Celestica may satisfy obligations under the LTIP by acquiring Subordinate Voting Shares in the market.

The LTIP limits the number of Subordinate Voting Shares which may be (a) reserved for issuance to insiders (as defined under TSX rules for this purpose), and (b) issued within a one-year period to insiders pursuant to options or rights granted pursuant to the LTIP, together with Subordinate Voting Shares reserved for issuance under any other employee-related plan of Celestica or options for services granted by Celestica, each case to 10% of the aggregate issued and outstanding Subordinate Voting Shares and MVS of Celestica. The LTIP also limits the number of Subordinate Voting Shares which may be reserved for issuance to any one participant pursuant to options or SARs granted pursuant to the LTIP, together with Subordinate Voting Shares reserved for issuance under any other employee-related plan of Celestica or options for services granted by Celestica, to 5% of the aggregate issued and outstanding Subordinate Voting Shares and MVS of Celestica.

Options issued under the LTIP may be exercised during a period determined under the LTIP, which may not exceed ten years. The LTIP also provides that, unless otherwise determined by the Board of Directors, options will terminate within specified time periods following the termination of employment of an eligible participant with Celestica or affiliated entities. The exercise price for options issued under the LTIP is the closing price for Celestica Subordinate Voting Shares on the day prior to the grant. The TSX closing price is used for Canadian employees and the NYSE closing price is used for all other employees. The exercise of options may be subject to vesting conditions, including specific time schedules for vesting and performance-based conditions such as share price and financial results. The grant to, or exercise of options by, an eligible participant may also be subject to certain share ownership requirements. The LTIP also provides that Celestica may, at its discretion, make loans or provide guarantees for loans to assist participants to purchase Subordinate Voting Shares upon the exercise of options or to assist the participants to pay any income tax exigible upon exercise of options provided that in no event shall any such loan be outstanding for more than 10 years from the date of the option grant. To date, Celestica has not provided any such loans or guarantees.

Under the LTIP, eligible participants may be granted SARs, a right to receive a cash amount equal to the

difference between the market price of the Subordinate Voting Shares at the time of the grant and the market price of such shares at the time of exercise of the SAR. The market price used for this purpose is the weighted average price for Celestica Subordinate Voting Shares on the TSX during the period five trading days preceding the exercise date. Such amounts may also be payable by the issuance of Subordinate Voting Shares. The exercise of SARs may also be subject to conditions similar to those which may be imposed on the exercise of stock options.

Under the LTIP, eligible participants may be allocated performance units in the form of PSUs or RSUs, which represent the right to receive an equivalent number of Subordinate Voting Shares at a specified release date. The issuance of such shares may be subject to vesting requirements similar to those described above with respect to the exercisability of options and SARs, including such time or performance-based conditions as may be determined by the Board of Directors in its discretion. The number of Subordinate Voting Shares which may be issued from the treasury of Celestica under the performance unit program is limited to 2,000,000 and the number of Subordinate Voting Shares which may be issued pursuant to the performance unit program to any one person shall not exceed 1% of the aggregate issued and outstanding Subordinate Voting Shares and MVS of Celestica.

In 2005, Celestica amended the LTIP to provide that the number of grants awarded under the plan in any given year cannot exceed 1.2% of the total number of shares outstanding.

The interests of any participant under the LTIP or in any option, SAR or performance unit are not transferable, subject to limited exceptions.

The issuance of RSUs and PSUs may be subject to vesting requirements, including any time-based conditions established by the Board of Directors at its discretion. The vesting of PSUs also requires the achievement of specified performance-based conditions as determined by the Compensation Committee and approved by the Board of Directors.

The Board of Directors has amended the LTIP. The amendments are subject to receiving shareholder approval. Please see "Amendments to Long Term Incentive Plan" on page 17.

SUPPLEMENTARY DISCLOSURE: TOTAL COMPENSATION STATEMENTS

The following statements provide a consolidated total compensation overview for Named Executive Officers in order to provide additional information for our shareholders. Much of the information outlined below appears on prior pages in the disclosure form required by applicable securities legislation. The Corporation believes the information contained in the format below provides helpful compensation disclosure by translating all equity grants to an expected compensation value.

Craig Muhlhauser <i>President and Chief Executive Officer</i>		2006 ⁽³⁾	2005 ⁽⁴⁾	2004
Cash	Base Salary	\$ 566,667	\$ 343,750	N/A
	Annual Incentive	0	237,064	N/A
	Subtotal	\$ 566,667	\$ 580,814	N/A
Equity^{(1),(2)}	PCO	\$ 672,222	\$ 490,010	N/A
	Options	1,663,750	429,000	N/A
	PSU	672,222	630,000	N/A
	RSU	336,113	1,580,000	N/A
	Subtotal	\$3,344,307	\$3,129,010	N/A
Total Direct Compensation		\$3,910,974	\$3,709,824	N/A
Other	Pension ⁽⁵⁾	\$ 6,600	\$ 3,808	N/A
	Other ⁽⁶⁾	5,500	3,173	N/A
	Subtotal	\$ 12,100	\$ 6,981	N/A
Total Compensation		\$3,923,074	\$3,716,805	N/A

Anthony Puppi <i>EVP, Chief Financial Officer</i>		2006	2005 ⁽⁴⁾	2004 ⁽⁵⁾
Cash⁽¹⁾	Base Salary	\$ 714,286	\$ 668,593	\$ 604,978
	Annual Incentive	0	351,305	0
	Subtotal	\$ 714,286	\$1,019,898	\$ 604,978
Equity^{(2),(3)}	PCO	\$ 0	\$ 402,534	\$ 431,534
	PSU	0	517,500	432,426
	RSU	0	230,000	3,646,956
	Subtotal	\$ 0	\$1,150,034	\$4,510,916
	Total Direct Compensation		\$ 714,286	\$2,169,932
Other	Pension ⁽⁶⁾	\$ 65,079	\$ 123,100	\$ 96,900
	Other ⁽⁷⁾	7,118	6,663	5,985
	Subtotal	\$ 72,197	\$ 129,763	\$ 102,885
Total Compensation		\$ 786,483	\$2,299,695	\$5,218,779

(1) Performance Equity (PCO and PSU) amounts are based on the “target” compensation value which represents market median compensation. The amount that will actually vest is dependent on corporate performance and could vary between 0% and 200% of the amounts shown as described on pages 24 and 25 of this Circular.

(2) Option related compensation is calculated using a Black Scholes factor of 0.55 for the 2006 grant and 0.66 for prior grants. The compensation value is calculated using the Black Scholes factor \times exercise price \times target shares granted. Share unit compensation is calculated using the share price \times target shares granted.

(3) 2006 equity compensation is calculated using a share price of \$6.05, which was the NYSE closing price for Celestica Subordinate Voting Shares on February 1, 2007, the day prior to the date of grant.

(4) 2005 equity compensation is calculated using a share price of \$10.00, which was the NYSE closing price for Celestica Subordinate Voting Shares on January 30, 2006, the day prior to the date of grant.

(5) Represents amounts contributed under Celestica’s US Plan.

(6) Represents amounts contributed under the Celestica Employee Share Ownership Plan.

(1) Mr. Puppi is paid in Canadian dollars. Amounts shown are in US\$ converted at a rate of C\$1.1340 per US\$1.00 for 2006, C\$1.2115 per US\$1.00 for 2005 and C\$1.3017 per US\$1.00 for 2004.

(2) Performance Equity (PCO and PSU) amounts are based on the “target” compensation value which represents market median compensation. The amount that will actually vest is dependent on corporate performance and could vary between 0% and 200% of the amounts shown as described on pages 24 and 25 of this Circular.

(3) Option related compensation is calculated using a Black Scholes factor of 0.66 \times exercise price \times target shares granted. Share unit compensation is calculated using the share price \times target shares granted.

(4) 2005 equity compensation is calculated using a share price of \$10.00, which was the NYSE closing price for Celestica Subordinate Voting Shares on January 30, 2006, the day prior to the date of grant.

(5) 2004 equity compensation is calculated using a share price of \$14.86 except for 200,000 RSUs granted on January 31, 2004 which are calculated using a share price of \$17.15. The share prices used are the NYSE closing prices for Celestica Subordinate Voting Shares on the respective business days prior to the date of grants.

(6) Represents annual pension service cost which is the value of the projected pension earned for the year of service credited for the specific fiscal year as described in footnote 1 to Table 18 on page 34 of this Circular.

(7) Represents amounts contributed under the Celestica Employee Ownership Plan.

John Peri <i>EVP, Global Operations</i>		2006 ⁽⁴⁾	2005 ⁽⁵⁾	2004 ⁽⁶⁾
Cash ⁽¹⁾	Base Salary	\$ 394,797	\$ 328,271	\$ 282,707
	Annual Incentive	52,884	140,490	259,834
	Subtotal	\$ 447,681	\$ 468,761	\$ 542,541
Equity ^{(2),(3)}	PCO	\$ 268,889	\$ 0	\$ 0
	Options	134,444	135,003	\$ 110,826
	PSU	268,886	180,000	111,450
	RSU	0	135,000	148,600
	Subtotal	\$ 672,219	\$ 450,003	\$ 370,876
Total Direct Compensation		\$1,119,900	\$ 918,764	\$ 913,417
Other	Pension ⁽⁷⁾	\$ 32,612	\$ 36,438	\$ 18,332
	Other ⁽⁸⁾	380,386	227,219	2,921
	Subtotal	\$ 412,998	\$ 263,657	\$ 21,253
Total Compensation		\$1,532,898	\$1,182,421	\$ 934,670

(1) Mr. Peri is paid in Canadian dollars.

(2) Performance Equity (PCO and PSU) amounts are based on the “target” compensation value which represents market median compensation. The amount that will actually vest is dependent on corporate performance and could vary between 0% and 200% of the amounts shown as described on pages 24 and 25 of this Circular.

(3) Option related compensation is calculated using a Black Scholes factor of 0.55 for the 2006 grant and 0.66 for prior grants. The compensation value is calculated using the Black Scholes factor × exercise price × target shares granted. Share unit compensation is calculated using the share price × target shares granted.

(4) 2006 equity compensation is calculated using a share price of \$6.05, which was the NYSE closing price for Celestica Subordinate Voting Shares on February 1, 2007, the day prior to the date of grant.

(5) 2005 equity compensation is calculated using a share price of \$10.00, which was the NYSE closing price for Celestica Subordinate Voting Shares on January 30, 2006, the day prior to the date of grant.

(6) 2004 equity compensation is calculated using a share price of \$14.86, which was the NYSE closing price for Celestica Subordinate Voting Shares on December 8, 2004, the day prior to the date of grant.

(7) Represents amount contributed under Celestica’s Defined Contribution pension plan.

(8) Represents amounts contributed under the Celestica Employee Share Ownership Plan and assignment related payments that include housing expenses of \$80,028 for 2005 and \$174,623 for 2006.

James Rowan <i>former EVP, Worldwide Operations</i>		2006	2005 ⁽⁴⁾	2004
Cash ⁽¹⁾	Base Salary	\$ 555,312	\$ 429,159	N/A
	Annual Incentive	0	86,505	N/A
	Subtotal	\$ 555,312	\$ 515,664	N/A
Equity ^{(2),(3)}	PCO	\$ 0	\$ 350,024	N/A
	Options	0	685,872	N/A
	PSU	0	450,000	
	RSU	0	2,538,200	
	Subtotal	\$ 0	\$4,024,096	N/A
Total Direct Compensation		\$ 555,312	\$4,539,760	N/A
Other	Pension ⁽⁵⁾	\$ 71,064	\$ 56,053	N/A
	Subtotal	\$ 71,064	\$ 56,053	N/A
Total Compensation		\$ 626,376	\$4,595,813	N/A

(1) Mr. Rowan was paid in Canadian dollars.

(2) Performance Equity (PCO and PSU) amounts are based on the “target” compensation value which represents market median compensation. No PCO or PSU grant will vest under these plans due to Mr. Rowan’s departure from the Corporation.

(3) Option related compensation is calculated using a Black Scholes factor of 0.66 × exercise price × target shares granted. Share unit compensation is calculated using the share price × target shares granted.

(4) 2005 equity compensation is calculated using a share price of \$10.00 except for 180,000 RSUs and 80,000 options granted on January 10, 2005 which are calculated using a share price of \$12.99. The share prices used are the NYSE closing prices for Celestica Subordinate Voting Shares on the respective business days prior to the date of grants.

(5) Represents amounts contributed by Celestica to Mr. Rowan’s individual pension arrangement.