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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Rule 14a-101)**

Filed by the Registrant ☒Filed by a Party other than the Registrant ☐

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ **Confidential, for Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))
- ☒ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material Pursuant to §240.14a-12

DIGITALGLOBE, INC.
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☒ No fee required.
- ☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:

- (5) Total fee paid:

☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

- (1) Amount Previously Paid:

- (2) Form, Schedule or Registration Statement No.:

- (3) Filing Party:

- (4) Date Filed:

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DETTWILER AND ASSOCIATES LTD.****MERGER PROPOSED—YOUR VOTE IS VERY IMPORTANT**

To the Shareowners of DigitalGlobe, Inc.:

On February 24, 2017, DigitalGlobe, Inc., a Delaware corporation (which we refer to as “DigitalGlobe”), entered into an Agreement and Plan of Merger (which, as may be amended, we refer to as the “merger agreement”) with MacDonald, Dettwiler and Associates Ltd., a corporation organized under the laws of British Columbia (which we refer to as “MDA”), SSL MDA Holdings, Inc., a Delaware corporation and wholly owned subsidiary of MDA (which we refer to as “Holdings”), and Merlin Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Holdings (which we refer to as “Merger Sub”), pursuant to which, among other things, Merger Sub will be merged with and into DigitalGlobe (which we refer to as the “merger”), with DigitalGlobe surviving the merger as an indirect wholly owned subsidiary of MDA.

If the merger is completed, you will receive 0.3132 of an MDA common share and US \$17.50 in cash, without interest, for each share of DigitalGlobe common stock (which we refer to as “DigitalGlobe common stock”) that you own immediately prior to the effective time (which we refer to as the “merger consideration”). This exchange ratio is fixed and will not be adjusted to reflect changes in the price of DigitalGlobe common stock or MDA common shares prior to the completion of the merger. It is a condition to the completion of the merger that the MDA common shares to be issued in connection with the merger be authorized for listing on (a) the Toronto Stock Exchange (which we refer to as the “TSX”) and (b) the New York Stock Exchange (which we refer to as the “NYSE”) or the Nasdaq Stock Market LLC (which we refer to as the “NASDAQ”). Based on the closing price of MDA common shares of C\$73.40 on February 16, 2017 and the U.S. dollar-to-Canadian dollar exchange rate of 0.7612, the merger consideration represented a premium of (a) approximately 18% over the closing price per share of DigitalGlobe common stock on February 16, 2017, the last full trading day prior to media reports that DigitalGlobe and MDA were in merger discussions and (b) approximately 21% over the 30-day average unaffected share price of DigitalGlobe common stock prior to February 16, 2017.

Each share of Series A convertible preferred stock of DigitalGlobe (which we refer to as “DigitalGlobe preferred stock”) issued and outstanding immediately prior to the effective time of the merger (other than shares of DigitalGlobe preferred stock held directly or indirectly by MDA, DigitalGlobe or any of their respective subsidiaries or shares of DigitalGlobe preferred stock owned by holders who properly exercise their appraisal rights under the Delaware General Corporation Law (which we refer to as “DGCL”)) will be converted into the right to receive the merger consideration that the holder of such shares of DigitalGlobe preferred stock would have been entitled to receive had such holder, immediately prior to the effective time, converted such DigitalGlobe preferred stock into DigitalGlobe common stock in accordance with the applicable certificate of designation.

Based on the estimated number of shares of DigitalGlobe common stock expected to be outstanding at the closing of the merger, MDA expects to issue 21,466,584 MDA common shares in the merger (including 600,556 MDA common shares expected to be reserved for issuance, which will be issuable upon the vesting of certain DigitalGlobe restricted stock units following the effective time of the merger). Based on the estimated number of MDA common shares that are expected to be outstanding at the closing of the merger, DigitalGlobe securityholders will own approximately 37.1% of the combined company after completion of the merger (assuming the issuance of the 600,556 MDA common shares expected to be reserved for issuance in respect of certain DigitalGlobe restricted stock units).

The value of the merger consideration will fluctuate with the market price of MDA common shares. You should obtain current share price quotations for DigitalGlobe common stock and MDA common shares. DigitalGlobe common stock is listed on the NYSE under the ticker symbol “DGI,” and MDA common shares are listed on the TSX under the ticker symbol “MDA.”

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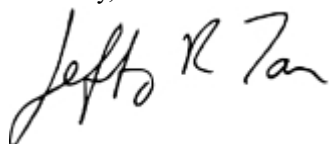
You are cordially invited to attend a special meeting of DigitalGlobe shareowners to be held at 9:00 am, Mountain Time, on July 27, 2017, at DigitalGlobe's corporate headquarters at 1300 West 120th Avenue, Westminster, Colorado 80234 (which we refer to as the "special meeting"). At the special meeting, among other matters, we will ask you to consider and vote on the approval and adoption of the merger agreement, which we refer to as the merger proposal. A notice of the special meeting and proxy statement/prospectus follow.

The DigitalGlobe board of directors believes, after considering the reasons described in this proxy statement/prospectus, among other factors, that the merger agreement is advisable and fair to, and in the best interests of DigitalGlobe and its shareowners and approved and declared advisable the merger agreement and the merger. The DigitalGlobe board of directors unanimously recommends that you vote "FOR" each proposal.

Your vote is very important, regardless of the number of shares you own. The merger cannot be completed without DigitalGlobe shareowners approving and adopting the merger agreement. At the special meeting, you will have the opportunity to vote on the approval and adoption of the merger agreement. More information about DigitalGlobe, MDA, the merger agreement, the merger and the special meeting is contained in this proxy statement/prospectus. **We encourage you to read this document carefully before voting, including the section entitled "[Risk Factors](#)," beginning on page 33 of the proxy statement/prospectus.** Regardless of whether you plan to attend the special meeting, please take the time to vote your shares in accordance with the instructions contained in this document.

The DigitalGlobe board of directors unanimously recommends that DigitalGlobe shareowners vote "FOR" the adoption of the merger agreement.

Sincerely,



Jeffrey R. Tarr
Director, President and Chief Executive Officer
DigitalGlobe, Inc.

Sincerely,



Howard L. Lance
President and Chief Executive Officer
MacDonald, Dettwiler and Associates Ltd.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION, NOR ANY U.S. STATE OR CANADIAN PROVINCIAL OR TERRITORIAL SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE MERGER OR DETERMINED IF THIS PROXY STATEMENT/PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The securities to be issued in connection with the merger are not savings or deposit accounts and are not insured by the Federal Deposit Insurance Corporation, the Canada Deposit Insurance Corporation or any other governmental agency.

The date of this proxy statement/prospectus is June 22, 2017 and it is first being mailed to DigitalGlobe shareowners on or about June 22, 2017.

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DigitalGlobe files annual, quarterly and other reports, proxy statements and other information with the U.S. Securities and Exchange Commission (which we refer to as the “SEC”). This proxy statement/prospectus incorporates by reference important business and financial information about DigitalGlobe from documents that are not included in or delivered with this proxy statement/prospectus. For a listing of the documents incorporated by reference into this proxy statement/prospectus, see the section entitled “*Where You Can Find Additional Information.*” You can obtain copies of the documents incorporated by reference into this proxy statement/prospectus, without charge, from the SEC’s website at www.sec.gov or from DigitalGlobe’s website at <http://investor.digitalglobe.com> under the tab “Financial Information” and then under the heading “SEC Filings.” You may also obtain copies of documents filed by MDA with the Canadian System for Electronic Document Analysis and Retrieval (which we refer to as “SEDAR”), the Canadian equivalent of the SEC’s EDGAR system, at www.sedar.com. You can also request copies of such documents incorporated by reference into this proxy statement/prospectus (excluding all exhibits, unless an exhibit has specifically been incorporated by reference into this proxy statement/prospectus), without charge, by requesting them in writing or by telephone from the appropriate company at the following address and telephone number:

DigitalGlobe, Inc.
1300 West 120th Avenue
Westminster, Colorado 80234
Attention: Investor Relations
Telephone: 1-303-684-4000

MacDonald, Dettwiler and Associates Ltd.
200 Burrard Street, Suite 1570
Vancouver, British Columbia, Canada V6C 3L6
Attention: Investor Relations
Telephone: 1-604-974-5275

In addition, if you have questions about the merger or the special meeting, need additional copies of this proxy statement/prospectus or need to obtain proxy cards or other information related to the proxy solicitation, you may contact Innisfree M&A Incorporated, DigitalGlobe’s proxy solicitor, at the following address and telephone numbers:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, NY 10022
1-888-750-5834 (toll-free from the U.S. and Canada)
1-412-232-3651 (from other locations)

You will not be charged for any of the documents that you request. If you would like to request documents, please do so by July 20, 2017 (which is five business days before the date of the special meeting) in order to receive them before the special meeting.

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This proxy statement/prospectus, which forms part of a registration statement on Form F-4 (File No. 333-217512) filed with the SEC by MDA, constitutes a prospectus of MDA under Section 5 of the U.S. Securities Act of 1933, as amended (which we refer to as the “U.S. Securities Act”), with respect to the MDA common shares to be issued to DigitalGlobe shareowners pursuant to the merger agreement.

This proxy statement/prospectus also constitutes a notice of meeting and a proxy statement of DigitalGlobe under Section 14(a) of the U.S. Securities Exchange Act of 1934, as amended (which we refer to as the “U.S. Exchange Act”), with respect to a special meeting at which DigitalGlobe shareowners will be asked to consider and vote on, among other matters, a proposal to approve and adopt the merger agreement.

You should rely only on the information contained in, or incorporated by reference into, this proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this proxy statement/prospectus. MDA and DigitalGlobe take no responsibility for, and can provide no assurances as to the reliability of, any other information that others may give you and, if given, such information must not be relied on as having been authorized by MDA or DigitalGlobe. This proxy statement/prospectus is dated June 22, 2017. The information contained in this proxy statement/prospectus is accurate only as of that date or, in the case of information in a document incorporated by reference, as of the date of such document, unless the information specifically indicates that another date applies. Neither the mailing of this proxy statement/prospectus to DigitalGlobe shareowners nor the issuance by MDA of common shares pursuant to the merger agreement will create any implication to the contrary.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which it is unlawful to make any such offer or solicitation in such jurisdiction.

The information concerning MDA contained in this proxy statement/prospectus has been provided by MDA, and information concerning DigitalGlobe contained in, or incorporated by reference into, this proxy statement/prospectus has been provided by DigitalGlobe.

DigitalGlobe shareowners are encouraged to consult with their own legal, tax, financial or other professional advisors.

Unless otherwise specified, currency amounts referenced in this proxy statement/prospectus are in U.S. dollars, except in the sections entitled “Unaudited Pro Forma Condensed Combined Financial Statements,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations of MDA,” and “Additional Information about MDA,” in which currency amounts referenced are in Canadian dollars. References to “\$” or “US\$” are to U.S. dollars and references to “C\$” are to Canadian dollars.

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The following table shows, for the periods and dates indicated, certain information regarding the Canadian dollar-to-U.S. dollar exchange rate. The information is based on the Bank of Canada's closing Canadian dollar-to-U.S. dollar exchange rate. Such exchange rate on June 16, 2017 was C\$1.3232 = US\$1.00.

	<u>Period End</u>	<u>Average(1)</u>	<u>Low</u>	<u>High</u>
Year ended December 31, (C\$ per US\$)				
2016	1.3427	1.3248	1.2544	1.4589
2015	1.3840	1.2787	1.1728	1.3990
2014	1.1601	1.1045	1.0614	1.1643
2013	1.0636	1.0299	0.9839	1.0697
2012	0.9949	0.9996	0.9710	1.0418
			<u>Low</u>	<u>High</u>
Month ended, (C\$ per US\$)				
June 2017(2)			1.3209	1.3504
May 2017			1.3446	1.3743
April 2017			1.3275	1.3662
March 2017			1.3339	1.3535
February 2017			1.3033	1.3297
January 2017			1.3078	1.3458
December 2016			1.3135	1.3598

(1) The average of the daily exchange rates during the relevant period.

(2) Through June 16, 2017.

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**NOTICE OF SPECIAL MEETING OF SHAREOWNERS TO BE HELD ON
JULY 27, 2017**

To the Shareowners of DigitalGlobe, Inc.:

A special meeting (which we refer to as the “special meeting”) of shareowners of DigitalGlobe, Inc., a Delaware corporation (which we refer to as “DigitalGlobe”), will be held at 9:00 a.m., Mountain Time, on July 27, 2017, at DigitalGlobe’s corporate headquarters at 1300 West 120th Avenue, Westminster, Colorado 80234 for the following purposes:

1. to consider and vote on a proposal (which we refer to as the “merger proposal”) to approve and adopt the Agreement and Plan of Merger, dated as of February 24, 2017 (which, as may be amended, we refer to as the “merger agreement”), by and among DigitalGlobe, MacDonald, Dettwiler and Associates Ltd., a corporation organized under the laws of British Columbia (which we refer to as “MDA”), SSL MDA Holdings, Inc., a Delaware corporation and wholly owned subsidiary of MDA (which we refer to as “Holdings”), and Merlin Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Holdings (which we refer to as “Merger Sub”), pursuant to which, among other things, Merger Sub will merge with and into DigitalGlobe (which we refer to as the “merger”), with DigitalGlobe surviving the merger as an indirect wholly owned subsidiary of MDA;
2. to consider and vote on a proposal (which we refer to as the “advisory compensation proposal”) to approve, on an advisory (non-binding) basis, certain specified compensation that will or may be paid by DigitalGlobe to its named executive officers that is based on or otherwise relates to the merger; and
3. to consider and vote upon a proposal to adjourn the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the merger proposal (which we refer to as the “adjournment proposal”).

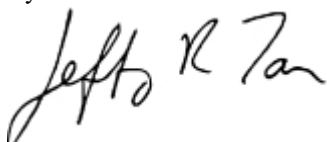
A copy of the merger agreement is attached as Annex A to the proxy statement/prospectus accompanying this notice. The merger proposal, the advisory compensation proposal, the adjournment proposal and the related transactions are described in detail in the accompanying proxy statement/prospectus, which you should read before you vote. **If the merger proposal is not approved by the DigitalGlobe shareowners, the merger will not be completed.**

Your vote is very important. To ensure your representation at the special meeting, complete and return the enclosed proxy card or submit your proxy by telephone or the Internet. Please submit a proxy promptly whether or not you expect to attend the special meeting. Submitting a proxy now will not prevent you from revoking the proxy and voting in person at the special meeting. If your shares are held in the name of a bank, broker or other nominee, follow the instructions on the voting instruction card furnished to you by such bank, broker or other nominee.

The DigitalGlobe board of directors has fixed the close of business on June 16, 2017 as the record date for determination of the DigitalGlobe shareowners entitled to vote at the special meeting or any adjournment or postponement thereof. Only DigitalGlobe shareowners of record as of the record date are entitled to notice of, and to vote at, the special meeting or any adjournment or postponement thereof. A complete list of DigitalGlobe shareowners entitled to vote at the special meeting will be available for a period of 10 days prior to the special meeting at the offices of DigitalGlobe, located at 1300 West 120th Avenue, Westminster, Colorado 80234, for inspection by any shareowner, for any purpose germane to the special meeting, during usual business hours. The shareowner list will also be available at the special meeting for examination by any shareowner present at the special meeting. In accordance with the DigitalGlobe bylaws, the special meeting may be adjourned by the DigitalGlobe shareowners entitled to vote at the special meeting.

The DigitalGlobe board of directors unanimously recommends that DigitalGlobe shareowners vote “FOR” the merger proposal, “FOR” the advisory compensation proposal and “FOR” the adjournment proposal.

By Order of the Board of Directors,



Jeffrey R. Tarr

9/7/2019

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Director, President and Chief Executive Officer
Westminster, Colorado

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PLEASE VOTE ON THE ENCLOSED PROXY CARD NOW, EVEN IF YOU PLAN TO ATTEND THE SPECIAL MEETING. YOU CAN VOTE BY SIGNING, DATING AND RETURNING YOUR PROXY CARD BY MAIL IN THE ENCLOSED RETURN ENVELOPE, WHICH REQUIRES NO ADDITIONAL POSTAGE IF MAILED IN THE UNITED STATES, OR BY TELEPHONE OR THE INTERNET BY FOLLOWING THE INSTRUCTIONS ON THE PROXY CARD. IF YOU DO ATTEND THE SPECIAL MEETING, YOU MAY REVOKE YOUR PROXY AND VOTE IN PERSON IF YOU ARE A SHAREOWNER OF RECORD AS OF THE RECORD DATE OR HAVE A LEGAL PROXY FROM A SHAREOWNER OF RECORD AS OF THE RECORD DATE. IF YOU DO NOT SUBMIT YOUR PROXY, INSTRUCT YOUR BROKER HOW TO VOTE YOUR SHARES OR VOTE IN PERSON AT THE SPECIAL MEETING ON THE MERGER PROPOSAL, IT WILL HAVE THE SAME EFFECT AS A VOTE “AGAINST” THE MERGER PROPOSAL.

If your shares are held in “street name” by a bank, broker or other nominee and you wish to vote in person at the special meeting, you must obtain a legal proxy from your bank, broker or other nominee and present it to the inspector of election with your ballot when you vote at the special meeting. Please also bring to the special meeting your account statement evidencing your beneficial ownership of DigitalGlobe common stock and DigitalGlobe preferred stock as of the record date and valid government-issued photo identification. See the section entitled “*Questions and Answers About the Merger and the Special Meeting—Who may attend the special meeting?*”

The accompanying proxy statement/prospectus provides a detailed description of the merger agreement, the merger, the merger proposal and the related agreements and transactions. We urge you to read the accompanying proxy statement/prospectus, including any documents incorporated by reference into the accompanying proxy statement/prospectus, and its annexes carefully and in their entirety. If you have any questions concerning the merger, the merger proposal, the other proposals or the accompanying proxy statement/prospectus, would like additional copies of the accompanying proxy statement/prospectus or need help voting your shares, please contact DigitalGlobe’s proxy solicitor at the address and telephone numbers listed below:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, NY 10022
1-888-750-5834 (toll-free from the U.S. and Canada)
1-412-232-3651 (from other locations)

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This proxy statement/prospectus generally does not use technical defined terms, but a few frequently used terms may be helpful for you to have in mind at the outset. Unless otherwise specified or if the context so requires, the following terms have the meanings set forth below for purposes of this proxy statement/prospectus:

“Barclays” refers to Barclays Capital Inc.

“cash consideration” refers to the portion of the merger consideration payable in cash, which is US \$17.50 in cash without interest per share of DigitalGlobe common stock.

“closing date” refers to the date on which the merger is completed.

“Code” refers to the U.S. Internal Revenue Code of 1986, as amended.

“DGCL” refers to the General Corporation Law of the State of Delaware.

“DigitalGlobe” refers to DigitalGlobe, Inc., a Delaware corporation.

“DigitalGlobe board recommendation” refers to the recommendation of the DigitalGlobe board of directors for the DigitalGlobe shareowners to vote to adopt the merger agreement.

“DigitalGlobe certificate of designation” refers to the Certificate of Designations, Preferences and Rights of Series A Convertible Preferred Stock of DigitalGlobe.

“DigitalGlobe capital stock” refers to, collectively, the DigitalGlobe common stock and the DigitalGlobe preferred stock.

“DigitalGlobe common stock” refers to DigitalGlobe common stock, par value \$0.001 per share.

“DigitalGlobe preferred stock” refers to DigitalGlobe Series A Convertible Preferred Stock, par value \$0.001 per share.

“DigitalGlobe shareowners” refers to the holders of DigitalGlobe common stock and DigitalGlobe preferred stock.

“effective time” refers to the time on the closing date at which the merger becomes effective as specified in the certificate of merger of DigitalGlobe and Merger Sub to be filed with the Secretary of State of the State of Delaware.

“end date” refers to December 7, 2017.

“exchange agent” refers to a bank or trust company designated by MDA and reasonably satisfactory to DigitalGlobe.

“Holdings” refers to SSL MDA Holdings, Inc. a Delaware corporation and wholly owned subsidiary of MDA.

“HSR Act” refers to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“IFRS” means generally accepted accounting principles in Canada, including the standards prescribed in Part I of the CPA Canada Handbook – Accounting (International Financing Reporting Standards) as the same may be amended, supplemented or replaced from time to time.

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“MDA” refers to MacDonald, Dettwiler and Associates Ltd., a British Columbia corporation.

“MDA board recommendation” refers to the recommendation of the MDA board of directors for the MDA shareholders to vote to approve the MDA common share issuance in connection with the merger.

“MDA common shares” refers to the common shares of MDA, without par value.

“MDA shareholders” refers to the holders of MDA common shares, without par value.

“merger” refers to the proposed merger of Merger Sub with and into DigitalGlobe, pursuant to which DigitalGlobe will survive the merger as an indirect wholly owned subsidiary of MDA.

“merger agreement” refers to the Agreement and Plan of Merger, dated as of February 24, 2017, by and among DigitalGlobe, MDA, Holdings and Merger Sub, as it may be amended.

“merger consideration” refers to the right to receive cash in an amount equal to US \$17.50 and 0.3132 of a validly issued, fully paid and non-assessable MDA common share, without interest and subject to any required withholding for taxes, as a result of the conversion in the merger of each issued and outstanding share of DigitalGlobe common stock immediately prior to the effective time (other than any shares held directly or indirectly by MDA, DigitalGlobe or any of their respective subsidiaries or shares of DigitalGlobe common stock owned by holders who properly exercise their appraisal rights under the DGCL).

“Merger Sub” refers to Merlin Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Holdings.

“NGA contract” refers to the Enhanced View Imagery Acquisition Contract No. HM0210-10-C-0002 dated August 6, 2010, by and between DigitalGlobe and the National Geospatial-Intelligence Agency (“NGA”) which was reissued on September 1, 2013 as Contract No. #HM0210-103-C-N002 and as modified.

“O’Melveny” refers to the law firm of O’Melveny & Myers LLP, counsel to DigitalGlobe.

“person” refers to any natural person, firm, individual, partnership, joint venture, business trust, trust, association, corporation, company, unincorporated entity or governmental entity.

“PJT Partners” refers to PJT Partners LP.

“record date” refers to the close of business in New York, New York on June 16, 2017. Only holders of DigitalGlobe common stock and DigitalGlobe preferred stock as of the record date will be entitled to vote at the special meeting and any adjournment or postponement thereof.

“special meeting” refers to the special meeting of DigitalGlobe shareowners to be held on July 27, 2017, as may be postponed or adjourned from time to time.

“Stikeman” refers to Stikeman Elliott LLP, Canadian counsel to MDA.

“stock consideration” refers to the portion of the merger consideration payable in MDA common shares, which is 0.3132 of a validly issued, fully paid and non-assessable MDA common share per share of DigitalGlobe common stock.

“TSX” refers to the Toronto Stock Exchange.

“U.S. GAAP” refers to the generally accepted accounting principles in the United States.

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“U.S. Exchange Act” refers to the U.S. Securities Exchange Act of 1934 and, as applicable, the rules and regulations promulgated thereunder, in each case, as amended.

“U.S. Securities Act” refers to the U.S. Securities Act of 1933 and, as applicable, the rules and regulations promulgated thereunder, in each case, as amended.

“Vinson & Elkins” refers to Vinson & Elkins L.L.P., U.S. counsel to MDA.

[Table of Contents](#)[Index to Financial Statements](#)**QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING**

The following questions and answers are intended to address briefly some commonly asked questions regarding the merger and matters to be addressed at the special meeting. These questions and answers may not address all questions that may be important to you. To better understand these matters, and for a description of the legal terms governing the merger, you should carefully read this entire proxy statement/prospectus, including the attached annexes, as well as the documents that have been incorporated by reference into this proxy statement/prospectus. For more information, see the section entitled “Where You Can Find Additional Information.”

Q: Why am I receiving this proxy statement/prospectus?

A: On February 24, 2017, DigitalGlobe entered into the merger agreement with MDA, Holdings and Merger Sub providing for, among other things, the merger of Merger Sub with and into DigitalGlobe, pursuant to which DigitalGlobe will survive the merger as an indirect wholly owned subsidiary of MDA (which we refer to in such capacity as the “surviving corporation”). You are receiving this proxy statement/prospectus in connection with the solicitation by the DigitalGlobe board of directors of proxies of DigitalGlobe shareowners to consider and vote on the merger proposal, the advisory compensation proposal and the adjournment proposal.

DigitalGlobe is holding a special meeting to obtain the shareowner approval necessary to approve and adopt the merger agreement, among other matters. A copy of the merger agreement is included as Annex A to this proxy statement/prospectus. Among other things, approval of the merger proposal by DigitalGlobe shareowners holding a majority of the voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, as of the record date for the special meeting is required for the completion of the merger. See the section entitled “*The Merger Agreement—Conditions That Must Be Satisfied or Waived For the Merger to Occur*” for more information.

DigitalGlobe shareowners are also being asked to consider and vote on a proposal to approve, on an advisory (non-binding) basis, certain specified compensation that will or may be paid by DigitalGlobe to its named executive officers that is based on or otherwise relates to the merger (the “advisory compensation proposal”). DigitalGlobe’s named executive officers are identified under the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger*.”

In addition, the merger cannot be completed unless MDA shareholders holding a majority of the votes cast on such matter at a meeting of the MDA shareholders duly called and held for such purpose approve the issuance of MDA common shares in connection with the merger, which we refer to as the “MDA common share issuance.” MDA will be holding a combined annual and special meeting of its shareholders (which we refer to as the “MDA meeting”) to vote on the MDA common share issuance. MDA will separately prepare a management information circular in accordance with applicable Canadian securities and corporate laws, which we refer to as the “management information circular,” and distribute such management information circular to its shareholders in connection with the MDA meeting.

This proxy statement/prospectus constitutes both a proxy statement of DigitalGlobe and a prospectus of MDA. It is a proxy statement because the DigitalGlobe board of directors is soliciting proxies from its shareowners. It is a prospectus because MDA will issue to DigitalGlobe shareowners MDA common shares as partial consideration for the exchange of outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock in the merger.

Your vote is very important. We encourage you to submit a proxy to have your shares of DigitalGlobe common stock and DigitalGlobe preferred stock voted as soon as possible.

[Table of Contents](#)[Index to Financial Statements](#)**Q: What is the proposed transaction?**

- A: If the merger proposal is approved by DigitalGlobe shareowners and the other conditions to the completion of the merger contained in the merger agreement are satisfied or waived, Merger Sub will merge with and into DigitalGlobe. DigitalGlobe will survive the merger as an indirect wholly owned subsidiary of MDA.

Q: What will I receive as a DigitalGlobe shareowner if the merger is completed?

- A: Under the terms of the merger agreement, if the merger is completed, each share of DigitalGlobe common stock outstanding immediately prior to the effective time (other than shares of DigitalGlobe common stock held directly or indirectly by MDA, DigitalGlobe or any of their respective subsidiaries and except for shares of DigitalGlobe common stock owned by holders who properly exercise their appraisal rights under the DGCL) will automatically be cancelled and converted into the right to receive (a) cash in an amount equal to US \$17.50 and (b) 0.3132 of a validly issued, fully paid and non-assessable MDA common share, without interest and subject to any required withholding for taxes, which constitutes the merger consideration.

Each share of DigitalGlobe preferred stock issued and outstanding immediately prior to the effective time (other than shares of DigitalGlobe preferred stock held directly or indirectly by MDA, DigitalGlobe or any of their respective subsidiaries and except for shares of DigitalGlobe preferred stock owned by holders who properly exercise their appraisal rights under the DGCL) will be converted into the right to receive the merger consideration that the holder of such DigitalGlobe preferred stock would have been entitled to receive had such holder, immediately prior to the effective time, converted such DigitalGlobe preferred stock into DigitalGlobe common stock in accordance with the DigitalGlobe certificate of designation.

No certificates for fractional MDA common shares or book-entry credit will be delivered for the exchange of DigitalGlobe stock certificates, and such DigitalGlobe fractional share interests will not entitle the DigitalGlobe shareowner to vote or to have any rights as a holder of any MDA common shares. Each holder of shares of DigitalGlobe common stock or DigitalGlobe preferred stock exchanged pursuant to the merger who would otherwise have been entitled to receive a fraction of an MDA common share (after taking into account all certificates or book-entry credits delivered by such DigitalGlobe shareowner) will receive, in lieu thereof, cash (without interest) in an amount equal to the product of (a) the average of the closing sale prices of MDA common shares on the TSX as reported by *The Wall Street Journal* for the five trading days immediately preceding the date on which the effective time will occur, converted from Canadian dollars to U.S. dollars using the Bank of Canada's daily average Canadian dollar-to-U.S. dollar exchange rate for each such trading day, and (b) the fraction of an MDA common share which such DigitalGlobe shareowner would otherwise be entitled to receive pursuant to the stock conversion process discussed above.

Based on the closing price of MDA common shares of C\$73.40 on the TSX on February 16, 2017, the last full trading day prior to media reports that DigitalGlobe and MDA were in merger discussions, the per share value of DigitalGlobe common stock implied by the merger consideration was \$35.00 (converted to U.S. dollars using a Canadian dollar-to-U.S. dollar exchange rate of 0.7612). The implied value of the merger consideration will fluctuate, however, as the market price of MDA common shares fluctuates, because the stock consideration that is payable per share of DigitalGlobe common stock is a fixed fraction of an MDA common share. As a result, the value of the stock consideration that DigitalGlobe shareowners will receive upon the completion of the merger could be greater than, less than or the same as the value of the stock consideration on the date of this proxy statement/prospectus or at the time of the special meeting. Accordingly, you are encouraged to obtain current stock price quotations for DigitalGlobe common stock and MDA common shares before deciding how to vote with respect to the merger proposal. DigitalGlobe common stock trades on the NYSE under the ticker symbol "DGI" and MDA common shares trade on the TSX under the ticker symbol "MDA." The price of DigitalGlobe common stock on the NYSE is reported in U.S. dollars, while the price of MDA common shares on the TSX is reported in Canadian dollars.

[Table of Contents](#)[Index to Financial Statements](#)**Q: When will I receive the merger consideration to which I am entitled?**

- A: After the merger is completed, when you properly follow the instructions and complete and return the letter of transmittal, you will receive the merger consideration. More information may be found under the section entitled “*The Merger Agreement—Surrender of DigitalGlobe Shares.*”

Q: If I hold outstanding DigitalGlobe equity awards, what will I receive in the merger in exchange for my equity awards?

- A: *Options.* At the effective time, each of your options to purchase DigitalGlobe common stock that has been granted or assumed by DigitalGlobe and is outstanding and unexercised immediately prior to the effective time, whether vested or unvested, will be cancelled in exchange for the right to receive a combination of cash and a number of MDA common shares, each of which will be calculated as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below. Such payments will be made on the date of the closing of the merger.

Performance-Based RSUs and Vested RSUs. At the effective time, each of your outstanding restricted stock units granted by DigitalGlobe that remains subject to one or more unsatisfied performance conditions for a performance period that includes the date on which the effective time occurs, as well as each of your outstanding DigitalGlobe restricted stock units that is then vested, will be cancelled in exchange for the right to receive a combination of cash and a number of MDA common shares, each of which will be calculated as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below. The number of shares of DigitalGlobe common stock subject to such a performance-based RSU will be the applicable “target” level, except that, as to any such performance condition based on a relative total stockholder return measure, the number of shares subject to the award will be determined as though the applicable performance period ended with the trading day immediately preceding the date on which the effective time occurs and performance will be measured as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below.

Unvested Time-Based RSUs. At the effective time, each of your outstanding restricted stock units granted by DigitalGlobe that remains unvested (and is not a performance-based restricted stock unit as described above) will be assumed by MDA and converted into the right to receive a combination of cash and a number of MDA common shares, each of which will be calculated as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below. The cash portion of such consideration will be vested at the effective time and paid on the date of the closing of the merger, but the stock portion of such consideration will be subject to continued vesting requirements on the same vesting schedule as was applicable to your unvested DigitalGlobe restricted stock units.

You can find a more detailed description of the treatment of DigitalGlobe equity awards in the section entitled “*The Merger Agreement—Treatment of DigitalGlobe Stock Options and Other Equity-Based Awards.*”

Q: When and where is the special meeting?

- A: The special meeting of DigitalGlobe shareowners will be held at 9:00 am, Mountain Time, on July 27, 2017, at DigitalGlobe’s corporate headquarters located at 1300 West 120th Avenue, Westminster, Colorado 80234.

Q: Who is entitled to vote at the special meeting?

- A: Only holders of DigitalGlobe common stock and DigitalGlobe preferred stock, in each case, as of the record date, as of the close of business on June 16, 2017, are entitled to notice of, and to vote at, the special

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meeting and any adjournment or postponement thereof. As of the record date, there were 62,219,652 shares of DigitalGlobe common stock and 80,000 shares of DigitalGlobe preferred stock outstanding. Each outstanding share of DigitalGlobe common stock is entitled to one vote on each matter coming before the DigitalGlobe shareowners at the special meeting. Each outstanding share of DigitalGlobe preferred stock is entitled to the whole number of votes equal to the number of shares of DigitalGlobe common stock into which such holder's DigitalGlobe preferred stock would be convertible into on the record date for the special meeting.

Q: Who may attend the special meeting?

A: If you are a DigitalGlobe shareowner of record as of the record date, you may attend the special meeting and vote in person the shares you hold directly in your name. If you choose to do that, you must present valid government-issued photo identification such as a driver's license or passport. If you want to vote in person at the special meeting and you hold DigitalGlobe common stock or DigitalGlobe preferred stock in "street name" through a bank, broker or other nominee, you must present valid government-issued photo identification such as a driver's license or passport and a power of attorney or other proxy authority from your broker, bank or other nominee and present it to the inspector of election with your ballot when you vote at the special meeting. Please also bring to the special meeting your account statement evidencing your beneficial ownership of DigitalGlobe common stock or DigitalGlobe preferred stock as of the record date. Follow the instructions from your bank, broker or other nominee, or contact your bank, broker or other nominee to request a power of attorney or other proxy authority. If you vote in person at the special meeting, you will revoke any prior proxy you may have submitted.

Q: What am I being asked to vote on?

A: You are being asked to vote on the following proposals:

Merger Proposal: to approve and adopt the merger agreement, pursuant to which Merger Sub will merge with and into DigitalGlobe. DigitalGlobe will survive the merger as an indirect wholly owned subsidiary of MDA.

Advisory Compensation Proposal: to approve, on an advisory (non-binding) basis, certain specified compensation that will or may be paid by DigitalGlobe to its named executive officers that is based on or otherwise relates to the merger.

Adjournment Proposal: to approve the adjournment of the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve and adopt the merger agreement.

The approval of the merger proposal is a condition to the obligations of DigitalGlobe and MDA to complete the merger. The approval of the advisory compensation proposal and the adjournment proposal are not conditions to the obligations of DigitalGlobe or MDA to complete the merger and are not binding on DigitalGlobe or MDA following the merger. No other matters are intended to be brought before the special meeting by DigitalGlobe.

Q: What vote is required to approve each proposal?

A: The approval of the merger proposal requires the affirmative vote of the holders of a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, as of the record date.

The approval of the advisory compensation proposal and the adjournment proposal requires the affirmative vote of holders of a majority of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, that are present at the special meeting in person or by proxy and entitled to vote on such proposal.

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Q: What constitutes a quorum?

A: A quorum is the number of shares that must be present, in person or by proxy, in order for business to be transacted at a shareowner meeting of DigitalGlobe. The required quorum for the special meeting is a majority of DigitalGlobe's common stock and DigitalGlobe preferred stock issued and outstanding and entitled to vote as of the record date, with DigitalGlobe preferred stock represented on an as-converted to DigitalGlobe common stock basis. All shares represented at the special meeting in person or by proxy (including proxies submitted by telephone or the Internet) will be counted toward the quorum. Abstentions will be deemed present and entitled to vote at the special meeting for the purpose of determining the presence of a quorum. DigitalGlobe common stock and DigitalGlobe preferred stock held by a shareowner that does not attend the special meeting or fails to submit a valid proxy to vote their shares at the special meeting and DigitalGlobe common stock and DigitalGlobe preferred stock held in "street name" with respect to which the beneficial owner otherwise fails to give voting instructions with respect to their shares will not be considered present and entitled to vote at the special meeting for the purpose of determining the presence of a quorum.

Q: How does the DigitalGlobe board of directors recommend that I vote?

A: The DigitalGlobe board of directors determined that the merger agreement is advisable and fair to, and in the best interests of, DigitalGlobe and its shareowners, has unanimously approved and declared advisable the merger agreement and the transactions contemplated thereby, including the merger, and recommended adoption of the merger agreement by the DigitalGlobe shareowners.

Accordingly, the DigitalGlobe board of directors unanimously recommends that you vote:

"**FOR**" the merger proposal;

"**FOR**" the advisory compensation proposal; and

"**FOR**" the adjournment proposal.

For a discussion of each proposal, see the sections entitled "*The Merger Proposal—DigitalGlobe's Reasons for the Merger; Recommendation of the DigitalGlobe Board of Directors*," "*The Advisory Compensation Proposal*," and "*The Adjournment Proposal*."

Q: Why did the DigitalGlobe board of directors approve the merger agreement and the transactions contemplated thereby?

A: To review the DigitalGlobe board of directors' reasons for (a) determining that the merger agreement and the transactions contemplated thereby are advisable and are fair to, and in the best interests of, DigitalGlobe and its shareowners, (b) approving the merger agreement and the transactions contemplated thereby and (c) recommending adoption of the merger agreement by the DigitalGlobe shareowners, see the section entitled "*The Merger Proposal—DigitalGlobe's Reasons for the Merger; Recommendation of the DigitalGlobe Board of Directors*."

Q: How do I vote my shares?

A: If you are a DigitalGlobe shareowner of record as of the record date, you may vote your shares, or authorize a proxy to vote your shares, by:

- (1) **Internet**, by going to the website site shown on your proxy card and following the instructions outlined on the secured website to submit a proxy using certain information provided on your proxy card, thereby authorizing a proxy to vote your shares.
- (2) **Telephone**, by using the toll-free number shown on your proxy card, or by following the instructions on your proxy card to submit a proxy, thereby authorizing a proxy to vote your shares.

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(3) **By Mail**, if you received your proxy materials by mail, you may submit your written proxy by completing the proxy card enclosed with those materials and signing, dating and returning your proxy card by mail in the enclosed return envelope, which requires no additional postage if mailed in the United States, thereby authorizing a proxy to vote your shares.

(4) **In Person**, by attending the special meeting and voting.

If your shares of DigitalGlobe common stock or DigitalGlobe preferred stock are held in “street name” by a bank, broker or other nominee, you should have received a voting instruction form from your bank, broker or other nominee and you should follow the instructions given by that institution to direct how your shares are to be voted at the special meeting. If you are a “street name” owner and have a legal proxy from the shareowner of record as of the record date, you may vote in person at the special meeting.

Q: What is a proxy?

A: A proxy is your legal designation of another person, referred to as a “proxy,” to vote your shares of DigitalGlobe common stock and DigitalGlobe preferred stock. The written document describing the matters to be considered and voted on at the special meeting is called a “proxy statement.” The document used to designate a proxy to vote your shares of DigitalGlobe common stock and DigitalGlobe preferred stock is called a “proxy card.”

Q: How do proxies work?

A: The DigitalGlobe board of directors is asking for your proxy. Giving DigitalGlobe your proxy means that you authorize the proxy holders named on the proxy card to vote your shares at the special meeting in the manner you direct. You may vote for all, some or none of the proposals. However, a failure to vote on the merger proposal or an abstention on the merger proposal will have the same effect as a vote against the merger proposal. You may also vote for or against the other items or abstain from voting on them. If you sign, date and return the enclosed proxy card but do not specify how to vote, DigitalGlobe will vote your shares “**FOR**” the merger proposal, “**FOR**” the advisory compensation proposal and “**FOR**” the adjournment proposal.

Q: If I am not going to attend the special meeting, should I return my proxy card or otherwise vote my shares?

A: Yes. Completing, signing, dating and returning the proxy card by mail or submitting a proxy by calling the toll-free number shown on the proxy card or submitting a proxy by visiting the website shown on the proxy card ensures that your shares will be represented and voted at the special meeting, even if you otherwise do not attend.

Q: If my DigitalGlobe common stock or DigitalGlobe preferred stock is represented by physical stock certificates, should I send my stock certificates now?

A: No. After the merger is completed, you will receive a transmittal form with instructions for the surrender of your DigitalGlobe common stock and DigitalGlobe preferred stock certificates. Please do not send your stock certificates with your proxy card.

Q: If my shares are held in “street name” by my bank, broker or other nominee, will the bank, broker or other nominee vote my shares for me?

A: No. If you hold your shares of DigitalGlobe common stock or DigitalGlobe preferred stock in “street name,” which means your shares are held of record by a bank, broker or other nominee, you must provide instructions to your bank, broker or nominee to direct how your shares are voted at the special meeting.

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Please follow the instructions provided by your bank, broker or other nominee regarding the voting of your shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock. Unless your bank, broker or other nominee has discretionary authority to vote your shares, your bank, broker or other nominee may not vote your shares without voting instructions from you. In accordance with the rules of the NYSE, brokers who hold DigitalGlobe common stock or DigitalGlobe preferred stock in street name for their customers have authority to vote on “routine” proposals when they have not received instructions from beneficial owners, but are precluded from exercising their voting discretion with respect to non-routine matters. All of the proposals at the special meeting (i.e., the merger proposal, the advisory compensation proposal and the adjournment proposal) are expected to be considered non-routine proposals. As a result, absent voting instructions from the beneficial owner of such shares, brokers will not be empowered to vote such shares at the special meeting and we do not expect broker non-votes on any of the proposals at the special meeting. A broker non-vote occurs on an item when (i) a broker has discretionary authority to vote on at least one routine proposal at a meeting, but under stock exchange rules is not permitted to vote on other non-routine proposals without instructions from the beneficial owner of the shares and (ii) that broker exercises its discretionary authority on the routine proposal after the beneficial owner fails to provide such instructions, resulting in broker non-votes on each of the non-routine proposals.

If you fail to instruct your bank, broker or other nominee how to vote your shares, that failure will have the same effect as a vote “**AGAINST**” the merger proposal, but will have no effect on the advisory compensation proposal or the adjournment proposal, assuming a quorum is present.

Q: Can I change my vote?

A: Yes. If you are a DigitalGlobe shareowner of record as of the record date and have properly completed and submitted your proxy card or proxy by telephone or the Internet, you can change your vote in any of the following ways:

- Sending a written notice prior to your shares being voted at the special meeting (bearing a date later than the date of the proxy) stating that you revoke your proxy to DigitalGlobe at 1300 West 120th Avenue, Westminster, Colorado 80234, Attn: Corporate Secretary;
- Submitting a valid, later-dated proxy by mail, telephone or the Internet prior to your shares being voted at the special meeting; or
- Attending the special meeting and voting your shares by ballot in person. Please note that simply attending the special meeting will not revoke a proxy.

If you choose to submit a later-dated proxy by telephone or the Internet to change your vote, you must do so by 11:59 pm on July 26, 2017.

If your shares are held in “street name” by your bank, broker or other nominee and you have directed such bank, broker or other nominee to vote your shares, you should instruct such bank, broker or other nominee to change your vote and follow the directions you receive from your bank, broker or other nominee in order to change or revoke your vote.

Q: What if I do not vote?

A: If you fail to submit a valid proxy, fail to vote your shares in person at the special meeting, abstain from voting or fail to instruct your broker, bank or other nominee how to vote, that failure will have the same effect as a vote “**AGAINST**” the merger proposal.

If your shares are present at the special meeting but are not voted, or if you abstain from voting, on the advisory compensation proposal or the adjournment proposal, it will have the same effect as a vote “**AGAINST**” the advisory compensation proposal and “**AGAINST**” the adjournment proposal, as applicable. If you fail to submit a valid proxy or fail to instruct your bank, broker or other nominee how to vote your shares, your shares will not be counted in determining the outcome of the advisory compensation proposal or the adjournment proposal, assuming a quorum is present.

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If you submit a valid proxy card but do not indicate how you want to vote on a particular proposal, your proxy will be counted as a vote “FOR” that proposal in accordance with the recommendation of the DigitalGlobe board of directors.

Q: What should I do now?

A: After carefully reading and considering the information contained in this proxy statement/prospectus, you should submit a proxy by mail, by telephone or by the Internet to vote your shares as soon as possible so that your shares will be represented and voted at the special meeting. You should follow the instructions set forth on the enclosed proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of a bank, broker or other nominee.

Q: Is my vote important?

A: Yes. Your vote is very important. The merger cannot be completed without the approval of the merger proposal by DigitalGlobe shareowners. The approval of the merger proposal requires the affirmative vote of the holders of a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, as of the record date. The DigitalGlobe board of directors unanimously recommends that you vote “FOR” the merger proposal.

Q: What happens if I transfer or sell my shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock before the special meeting or before completion of the merger?

A: The record date is earlier than the date of the special meeting and the date that the merger is expected to be completed. If you transfer or sell your shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock after the record date but before the special meeting, unless you provide the transferee of your shares with a proxy, you will retain your right to vote at the special meeting. However, if you are a DigitalGlobe shareowner, you will have transferred the right to receive the merger consideration in the merger. In order to receive the merger consideration, you must hold your shares of DigitalGlobe common stock and DigitalGlobe preferred stock through the effective time.

Q: Where can I find the voting results of the special meeting?

A: DigitalGlobe intends to announce the preliminary voting results at the special meeting. In addition, within four business days following certification of the final voting results, DigitalGlobe intends to file the final voting results with the SEC on a Current Report on Form 8-K.

Q: What will happen if the merger proposal is not approved?

A: As a condition to the completion of the merger, among others, DigitalGlobe shareowners holding a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, must approve the merger proposal. If the merger proposal is not approved by such requisite DigitalGlobe shareowners, the merger will not be completed and, if the merger agreement is terminated by DigitalGlobe or Holdings pursuant to the failure to obtain DigitalGlobe shareowner approval termination right in the merger agreement, DigitalGlobe will be required to reimburse MDA for its reasonable out-of-pocket expenses incurred in connection with the merger agreement, subject to a maximum amount of \$10 million. The completion of the merger is not conditioned or dependent upon the approval of the advisory compensation proposal or the adjournment proposal.

Q: Why am I being asked to approve, on an advisory (non-binding) basis, the advisory compensation proposal?

A: The SEC has adopted rules that require DigitalGlobe to seek an advisory (non-binding) vote on certain specified compensation that will or may be paid by DigitalGlobe to its named executive officers that is

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based on or otherwise relates to the merger. DigitalGlobe urges the DigitalGlobe shareowners to read the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger*” for more information.

Q: What happens if the advisory compensation proposal is not approved?

A: This vote is advisory and non-binding, and the merger is not conditioned or dependent upon the approval of the advisory compensation proposal. Therefore, the vote is non-binding on DigitalGlobe, the DigitalGlobe board of directors, the compensation committee of the DigitalGlobe board of directors, MDA, the MDA board of directors and the compensation committee of the MDA board of directors.

Q: How will DigitalGlobe’s directors and executive officers vote on the merger proposal?

A: It is expected that the DigitalGlobe directors and executive officers who are DigitalGlobe shareowners will vote “**FOR**” the merger proposal, “**FOR**” the advisory compensation proposal and “**FOR**” the adjournment proposal, although none of them has entered into any agreement requiring them to do so.

As of the record date for the special meeting, the directors and executive officers of DigitalGlobe owned, in the aggregate, approximately 774,326 shares of DigitalGlobe common stock, representing approximately 1.2% of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock then outstanding and entitled to vote at the special meeting. As of the record date for the special meeting, no DigitalGlobe director or executive officers owns any shares of DigitalGlobe preferred stock. As of the record date, the directors and executive officers of MDA owned, in the aggregate, approximately 1,000 shares of DigitalGlobe common stock, representing less than 0.01% of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock then outstanding and entitled to vote at the special meeting. As of the record date for the special meeting, no MDA director or executive officer owns any shares of DigitalGlobe preferred stock.

Q: Do any of DigitalGlobe’s directors or executive officers have interests in the merger that may differ from or be in addition to my interests as a shareowner?

A: Yes. In considering the recommendation of the DigitalGlobe board of directors with respect to the merger proposal, you should be aware that DigitalGlobe’s directors and executive officers have interests in the merger that are different from, or in addition to, the interests of DigitalGlobe shareowners generally. These interests may include, among others, potential severance benefits, the treatment of outstanding equity awards pursuant to the merger agreement, rights to ongoing indemnification and insurance coverage, and certain rights to appointment to directorships in MDA and Holdings. The DigitalGlobe board of directors was aware of those interests and considered them, among other matters, in determining that the merger agreement and the transactions contemplated thereby are advisable and are fair to, and in the best interests of, the DigitalGlobe shareowners, approving the merger agreement and the transactions contemplated thereby, including the merger, and recommending adoption of the merger agreement by the DigitalGlobe shareowners. For a discussion of DigitalGlobe’s directors’ or executive officers’ interests in the merger that may differ from or be in addition to your interests as a shareowner, see the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger*.”

Q: Is the obligation of each of DigitalGlobe and MDA to complete the merger subject to any conditions?

A: Yes. Completion of the merger is subject to the satisfaction or waiver of a number of conditions as set forth in the merger agreement, including, among others, (a) the approval and adoption of the merger agreement by DigitalGlobe shareowners holding a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, and entitled to vote at the special meeting; (b) the approval of the issuance of MDA common shares in connection with the merger by a majority of the votes cast on such matter at the

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MDA meeting; (c) expiration or termination of the applicable waiting period under the HSR Act; (d) receipt of an approval from the Committee on Foreign Investment in the United States (which we refer to as “CFIUS”); (e) receipt of other regulatory approvals; (f) the absence of any law or action taken by any governmental entity of competent jurisdiction (whether temporary, preliminary or permanent) which restrains, precludes, enjoins or otherwise prohibits the consummation of the merger or makes the merger illegal; (g) the U.S. Securities and Exchange Commission (the “SEC”) declaring effective the registration statement on Form F-4 under the U.S. Securities Act of which this proxy statement/prospectus is a part; (h) the conditional approval or authorization, as applicable, for listing on the TSX and either the NYSE or NASDAQ of the MDA common shares issuable in connection with the merger; (i) receipt by each of MDA and DigitalGlobe of a tax opinion from an outside tax advisor or legal counsel regarding certain aspects of the transaction; (j) the accuracy of the representations and warranties contained in the merger agreement (subject to specified materiality qualifiers); (k) compliance with the covenants and agreements in the merger agreement in all material respects; and (l) no material adverse effect on either DigitalGlobe or MDA having occurred.

For a more detailed discussion of the conditions to the completion of the merger, see the section entitled “*The Merger Agreement—Conditions that Must Be Satisfied or Waived for the Merger to Occur.*”

Q: Is DigitalGlobe prohibited from soliciting other offers?

A: The merger agreement generally restricts DigitalGlobe’s and MDA’s ability to: (a) initiate, solicit, knowingly facilitate or knowingly encourage any inquiries, proposals or offers with respect to, or the making of, any proposal or offer that constitutes or could reasonably be expected to lead to, an acquisition proposal (as defined in the section entitled “*The Merger Agreement—No Solicitation*”); (b) enter into, participate or engage in, or continue, any discussions or negotiations with respect to any acquisition proposal, or any inquiry or indication of interest that could reasonably be expected to lead to an acquisition proposal; (c) furnish or provide any non-public information regarding it or its subsidiaries to any person, or provide access to any person to the properties, assets or employees of it or its subsidiaries in connection with or in response to any acquisition proposal or any inquiry or indication of interest that could reasonably be expected to lead to an acquisition proposal; (d) approve or recommend to the DigitalGlobe shareowners or MDA shareholders, as applicable, any acquisition proposal; or (e) approve or recommend to the DigitalGlobe shareowners or MDA shareholders, as applicable, or execute or enter into, any letter of intent or agreement in principal, or any other contract contemplating or otherwise relating to an acquisition proposal (other than an acceptable confidentiality agreement as provided for in the merger agreement). However, under certain circumstances, DigitalGlobe and MDA are permitted to take certain actions regarding bona fide written acquisition proposals that did not result from a violation of such restrictions. For further information, see the section entitled “*The Merger Agreement—No Solicitation.*”

Q: Will the MDA common shares to be issued to me at the completion of the merger be traded on an exchange?

A: Yes. It is a condition to the completion of the merger that the MDA common shares to be issued to DigitalGlobe shareowners in connection with the merger be conditionally approved for listing on the TSX, subject only to the provision of such required documentation as is customary in the circumstances, and also be authorized for listing on the NYSE or NASDAQ, subject to official notice of issuance. Therefore, if the merger is completed, MDA expects that as of the effective time, all MDA common shares received by DigitalGlobe shareowners in connection with the merger will be listed on the TSX and either the NYSE or NASDAQ and may be traded by shareholders on either exchange.

MDA will apply to list the MDA common shares to be issued to the DigitalGlobe shareowners on (a) either the NYSE or NASDAQ and (b) the TSX, but such listing is subject to MDA fulfilling all of the listing requirements of each of the NYSE or NASDAQ, as applicable, and the TSX. The TSX has conditionally approved the listing of the MDA common shares to be issued pursuant to the merger, subject to the approval by MDA shareholders of such issuance of MDA common shares, as discussed in the section entitled “*The Merger Proposal—The MDA Meeting and Shareholder Approval,*” and filing certain documents following

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the closing of the merger. Additionally, there can be no assurance that such MDA common shares will be accepted for listing on the NYSE or NASDAQ, as applicable, or the TSX. For more information regarding the listing of the MDA common shares to be issued to DigitalGlobe shareowners in connection with the merger, see the section entitled “*The Merger Proposal—Listing of MDA Common Shares*.”

MDA common shares received by DigitalGlobe shareowners in connection with the merger will be freely transferable except for shares issued to any shareowner deemed to be an “affiliate” of MDA for purposes of U.S. federal securities law. For more information, see the section entitled “*The Merger Proposal—Restrictions on Resales of MDA Common Shares Received in the Merger*.”

Q: After the merger, how much of MDA will the DigitalGlobe shareowners own?

A: Based on the number of shares of DigitalGlobe capital stock outstanding as of June 16, 2017, and the number of MDA common shares outstanding as of June 16, 2017, it is expected that, immediately after completion of the merger, the former DigitalGlobe shareowners will receive MDA common shares in the merger representing approximately 37.1% of the then outstanding MDA common shares (assuming the issuance of the 600,556 MDA common shares expected to be reserved for issuance in respect of certain DigitalGlobe restricted stock units).

Q: Do you expect the merger to be taxable to me?

A: The exchange of shares of DigitalGlobe common stock for the merger consideration, and the conversion of DigitalGlobe preferred stock into the right to receive the merger consideration that the holder thereof would have been entitled to receive had such holder, immediately prior to the effective time, converted such DigitalGlobe preferred stock into DigitalGlobe common stock, will be a taxable transaction for U.S. federal income tax purposes and may also be taxable under state, local and/or other tax laws. You should read the sections entitled “*The Merger Proposal – Certain U.S. Federal Income Tax Consequences of the Merger*” and “*The Merger Proposal – Certain Canadian Federal Income Tax Considerations of Holding MDA Common Shares*” and consult your tax advisors regarding the U.S. federal income tax consequences of the merger to you in your particular circumstances, as well as tax consequences arising under the laws of any state, local and/or other tax laws.

Q: Are there risks associated with the merger?

A: Yes. There are important risks involved both in connection with the merger and in connection with an investment in MDA. Before making any decision on whether and how to vote, you are urged to read carefully and in its entirety the section entitled “*Risk Factors*.”

Q: Do I have appraisal or dissenters’ rights for my DigitalGlobe common stock and DigitalGlobe preferred stock in connection with the merger?

A: If the merger is completed, DigitalGlobe shareowners who do not vote in favor of the approval and adoption of the merger agreement and who properly demand appraisal of their shares will be entitled to appraisal rights in connection with the merger under Section 262 of the DGCL. This means that holders of shares of DigitalGlobe common stock and DigitalGlobe preferred stock are entitled to have their shares appraised by the Delaware Court of Chancery and to receive payment in cash of the “fair value” of the shares of common stock and preferred stock, exclusive of any elements of value arising from the accomplishment or expectation of the merger, together with interest on the amount determined to be fair value, if any, as determined by the court (or in certain circumstances described in this proxy statement/prospectus, on the difference between the amount determined to be the fair value and the amount paid by DigitalGlobe in the merger to each shareowner entitled to appraisal prior to the entry of judgment in the appraisal proceedings). Shareowners who wish to seek appraisal of their shares are in any case encouraged to seek the advice of legal counsel with respect to the exercise of appraisal rights due to the complexity of the appraisal process. The DGCL requirements for exercising appraisal rights are described in additional detail in this proxy statement/prospectus, and Section 262 of the DGCL regarding appraisal rights is reproduced in Annex D to this proxy statement. See the section entitled “*The Merger Proposal—Appraisal or Dissenters’ Rights*” for more information.

[Table of Contents](#)[Index to Financial Statements](#)**Q: When will the merger be completed?**

A: DigitalGlobe and MDA are working to complete the merger as quickly as possible. In addition to regulatory approvals, and assuming that the merger proposal is approved by DigitalGlobe shareowners holding a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, as of the record date, other important conditions to the completion of the merger exist. Assuming the satisfaction of all necessary conditions, DigitalGlobe and MDA expect to complete the merger in the second half of 2017. The merger agreement contains an end date and time of 5:00 p.m. Eastern Time on December 7, 2017 for the completion of the merger. For a discussion of the conditions to the completion of the merger, see the sections entitled “*The Merger Proposal—Regulatory Approvals Required for the Merger*” and “*The Merger Agreement—Conditions that Must Be Satisfied or Waived for the Merger to Occur*.”

Q: What happens if the merger is not completed?

A: If the merger is not completed for any reason, you will not receive any consideration for your DigitalGlobe common stock and/or DigitalGlobe preferred stock, and DigitalGlobe will remain an independent public company with DigitalGlobe common stock continuing to be traded on the NYSE.

Q: Who will solicit and pay the cost of soliciting proxies?

A: DigitalGlobe will bear all costs and expenses in connection with the solicitation of proxies from its shareowners. In addition to the solicitation of proxies by mail, DigitalGlobe will request that banks, brokers and other record holders send proxies and proxy material to the beneficial owners of DigitalGlobe common stock and DigitalGlobe preferred stock and secure their voting instructions, if necessary. DigitalGlobe will reimburse the banks, brokers and other record holders for their reasonable expenses in taking those actions. DigitalGlobe has also made arrangements with Innisfree M&A Incorporated to assist in soliciting proxies and in communicating with DigitalGlobe shareowners and estimates that it will pay Innisfree M&A Incorporated a fee of approximately \$25,000 plus reasonable out-of-pocket costs and expenses for these services. Proxies may also be solicited by DigitalGlobe’s directors, officers and other employees through the mail or by telephone, the Internet, fax or other means, but no additional compensation will be paid to these persons.

Q: What if I receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this proxy statement/prospectus, the proxy card or the voting instruction form. This can occur if you hold your shares in more than one brokerage account, if you hold shares directly as a holder of record and also in “street name,” or otherwise through another holder of record, and in certain other circumstances. If you receive more than one set of voting materials, please vote or return each set separately in order to ensure that all of your shares are voted.

Q: What is “householding”?

A: The SEC has adopted a rule concerning the delivery of annual reports and proxy statements. It permits DigitalGlobe to send a single notice of meeting and, to the extent requested, a single set of this proxy statement/prospectus to any household at which two or more shareowners reside if DigitalGlobe believes they are members of the same family, until such time as DigitalGlobe receives contrary instructions. This rule is called “householding,” and its purpose is to help reduce printing and mailing costs of proxy materials. A number of brokerage firms have instituted householding. If you and members of your household have multiple accounts holding DigitalGlobe common stock and/or DigitalGlobe preferred stock,

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you may have received a householding notification from your broker. Please contact your broker directly if you have questions, require additional copies of this proxy statement/prospectus or wish to revoke your decision to household. These options are available to you at any time.

Q: Is the exchange ratio for the stock consideration subject to adjustment based on changes in the prices of DigitalGlobe common stock or MDA common shares? Can it be adjusted for any other reason?

A: As part of the merger consideration, you will receive a fixed number of MDA common shares, not a number of shares that will be determined based on a fixed market value. The market value of MDA common shares and the market value of DigitalGlobe common stock at the effective time may vary significantly from their respective values on the date that the merger agreement was executed or at other dates, such as the date of this proxy statement/prospectus or the date of the special meeting. Stock price changes may result from a variety of factors, including changes in MDA's or DigitalGlobe's respective businesses, operations or prospects, regulatory considerations, and general business, market, industry or economic conditions. The exchange ratio will not be adjusted to reflect any changes in the market value of MDA common shares or market value of DigitalGlobe common stock. Therefore, the aggregate market value of the MDA common shares that you are entitled to receive at the time that the merger is completed could vary significantly from the value of such shares on the date of this proxy statement/prospectus or the date of the special meeting.

However, the stock consideration will be equitably adjusted to provide you and MDA with the same economic effect as contemplated by the merger agreement in the event of any reclassification, stock split (including a reverse stock split), stock dividend or distribution, recapitalization, merger or other similar transaction involving DigitalGlobe common stock or MDA common shares prior to the completion of the merger.

Q: Who can answer my questions?

A: If you are a DigitalGlobe shareowner and you have any questions about the merger or you would like to request additional documents, including copies of this proxy statement/prospectus, please contact DigitalGlobe's proxy solicitor:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, NY 10022
1-888-750-5834 (toll-free from the U.S. and Canada)
1-412-232-3651 (from other locations)

Q: Where can I find more information about DigitalGlobe, MDA and the transactions contemplated by the merger agreement?

A: You can find out more information about DigitalGlobe, MDA and the transactions contemplated by the merger agreement by reading this proxy statement/prospectus and, with respect to DigitalGlobe and MDA, from various sources described in the section entitled "*Where You Can Find Additional Information*."

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SUMMARY

This summary highlights information contained elsewhere in this proxy statement/prospectus and may not contain all of the information that might be important to you. DigitalGlobe and MDA urge you to read carefully the remainder of this proxy statement/prospectus, including the attached annexes, the documents incorporated by reference into this proxy statement/prospectus and the other documents to which DigitalGlobe and MDA have referred you. You may obtain the information incorporated by reference in this proxy statement/prospectus without charge by following the instructions in the section entitled “Where You Can Find Additional Information.” Each item in this summary includes a page reference to direct you to a more complete description of the topics presented in this summary.

Information about the Companies (page 149)

MacDonald, Dettwiler and Associates Ltd.

MDA was incorporated under the *Canada Business Corporations Act* and was continued under the *Business Corporations Act* (British Columbia) (the “BCA”) and the regulations thereunder, meaning that MDA is now governed by the BCA rather than the *Canada Business Corporations Act*. MDA is a global communications and information company providing operational solutions to commercial and government organizations worldwide. MDA’s business is focused on markets and customers with strong repeat business potential, primarily in the communications sector and the surveillance and intelligence sector. In addition, MDA conducts a significant amount of advanced technology development. MDA’s comprehensive capabilities in business and program management, systems engineering, systems integration, testing, and support services address complex customer requirements through the full solutions life cycle. MDA’s established global customer base is served by more than 4,800 employees operating from 15 locations in the United States, Canada, and internationally. MDA has committed in the merger agreement to use its reasonable best efforts to continue to, in consultation with the Government of Canada and its key stakeholders, execute its United States access strategy, which will include further restructuring of all or part of MDA’s corporate and operating structure so that the ultimate parent of DigitalGlobe and Holdings is incorporated in the United States by the end of 2019, subject to customary approvals.

MDA is a public company trading on the TSX under the ticker symbol “MDA.” MDA’s principal executive offices are located at One Embarcadero Center, Suite 500, San Francisco, California 94111, and its telephone number is 1-415-315-1550. As a condition to the closing of the merger, the MDA common shares to be issued in the merger will have been authorized for listing on either the NYSE or the NASDAQ.

Additional information about MDA can be found under its profile on SEDAR at www.sedar.com, its profile on EDGAR at www.sec.gov or its website at www.mdacorporation.com. The information contained in, or that can be accessed through, MDA’s website is not intended to be incorporated into this proxy statement/prospectus.

For further information about MDA, see the sections entitled “Where You Can Find Additional Information” and “Additional Information about MDA.”

SSL MDA Holdings, Inc.

Holdings is the holding company for MDA’s operating subsidiaries, which operate MDA businesses throughout the world. Holdings is incorporated in Delaware and has its headquarters in San Francisco, California. Holdings is a direct wholly owned subsidiary of MDA.

Holdings’ principal executive offices are located at One Market Plaza, Suite 4025, Spear Tower, San Francisco, California 94105 and its telephone number is 1-650-852-6313.

[Table of Contents](#)[Index to Financial Statements](#)***Merlin Merger Sub, Inc.***

Merger Sub is a Delaware corporation and a direct wholly owned subsidiary of Holdings and an indirect wholly owned subsidiary of MDA. Merger Sub was formed solely for the purpose of facilitating the merger. Merger Sub has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the merger agreement. By operation of the merger, Merger Sub will be merged with and into DigitalGlobe. As a result, DigitalGlobe will survive the merger as an indirect wholly owned subsidiary of MDA. Upon completion of the merger, Merger Sub will cease to exist as a separate entity.

Merger Sub's principal executive offices are located at One Market Plaza, Suite 4025, Spear Tower, San Francisco, California 94105 and its telephone number is 1-650-852-6313.

DigitalGlobe, Inc.

DigitalGlobe is a leading global provider of high-resolution Earth imagery, data, services and analytics. Sourced from its own advanced satellite constellation and third-party providers, its imagery solutions and other services provide customers with accurate and mission-critical information about the changing planet, and support a wide variety of uses, including mission-planning, mapping and analysis, environmental monitoring, oil and gas exploration, and infrastructure management. Additionally, hundreds of developers are building new applications and machine learning algorithms on DigitalGlobe's Geospatial Big Data platform and in its recently expanded services business. Each day users depend on DigitalGlobe to better understand the changing planet in order to save lives, resources and time. DigitalGlobe's principal executive offices are located at 1300 West 120th Avenue, Westminster, Colorado 80234, and its telephone number is 1-303-684-4000.

DigitalGlobe was originally incorporated as EarthWatch on September 30, 1993 under the laws of the State of Colorado and reincorporated in the State of Delaware on August 21, 1995. On August 22, 2002, EarthWatch changed its name to DigitalGlobe, Inc. DigitalGlobe common stock has been listed on the NYSE and traded under the symbol "DGI" since its initial public offering in May 2009. On January 31, 2013, DigitalGlobe completed its acquisition of 100% of the outstanding stock of GeoEye, Inc., a leading provider of geospatial intelligence solutions.

Additional information about DigitalGlobe can be found under its profile on EDGAR at www.sec.gov or its website at www.digitalglobe.com. The information contained in, or that can be accessed through, DigitalGlobe's website is not intended to be incorporated into this proxy statement/prospectus.

For further information about DigitalGlobe, see the section entitled "*Where You Can Find Additional Information.*"

Risk Factors (page 33)

The merger and an investment in MDA common shares involve risks, some of which are related to the merger and others of which are related to MDA's business. In considering the merger, you should carefully consider the information about these risks set forth under the section entitled "*Risk Factors,*" together with the other information included or incorporated by reference in this proxy statement/prospectus.

The Merger and the Merger Agreement (page 151)

The merger agreement provides that, upon the terms and subject to the conditions set forth in the merger agreement, at the effective time, Merger Sub, an indirect wholly owned subsidiary of MDA and a direct wholly

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owned subsidiary of Holdings, will merge with and into DigitalGlobe. As a result, DigitalGlobe will continue as the surviving corporation in the merger, become an indirect wholly owned subsidiary of MDA and cease to be a publicly traded company. From and after the effective time, DigitalGlobe's certificate of incorporation and DigitalGlobe's bylaws will be the certificate of incorporation and bylaws set forth in Exhibit A and Exhibit B, respectively, of the merger agreement. The terms and conditions of the merger are contained in the merger agreement, which is described in this proxy statement/prospectus and attached to this proxy statement/prospectus as Annex A. You are encouraged to read the merger agreement carefully, as it is the legal document that governs the merger. All descriptions in this summary and elsewhere in this proxy statement/prospectus of the terms and conditions of the merger are qualified by reference to the merger agreement, which is incorporated herein by this reference.

Merger Consideration (page 152)

Under the terms of the merger agreement, if the merger is completed, each share of DigitalGlobe common stock outstanding immediately prior to the effective time (other than shares of DigitalGlobe common stock held directly or indirectly by MDA, DigitalGlobe or any of their respective subsidiaries and except for shares of DigitalGlobe common stock owned by holders who properly exercise their appraisal rights under the DGCL) will automatically be cancelled and converted into the right to receive (a) cash in an amount equal to US \$17.50 and (b) 0.3132 of a validly issued, fully paid and non-assessable MDA common share, without interest and subject to any required withholding for taxes.

Each share of DigitalGlobe preferred stock issued and outstanding immediately prior to the effective time (other than shares of DigitalGlobe preferred stock held directly or indirectly by MDA, DigitalGlobe or any of their respective subsidiaries and except for shares of DigitalGlobe preferred stock owned by holders who properly exercise their appraisal rights under the DGCL) will be converted into the right to receive the merger consideration that the holder of such DigitalGlobe preferred stock would have been entitled to receive had such holder, immediately prior to the effective time, converted such DigitalGlobe preferred stock into DigitalGlobe common stock in accordance with the DigitalGlobe certificate of designation.

For a full description of the treatment of DigitalGlobe options, DigitalGlobe restricted stock units and other equity-based awards, see the sections entitled "*The Merger Agreement—Treatment of DigitalGlobe Stock Options and Other Equity-Based Awards*" and "*The Merger Agreement—Merger Consideration.*"

DigitalGlobe Board of Directors' Recommendation (page 80)

The DigitalGlobe board of directors has (a) determined and declared that the merger agreement is advisable and fair to, and in the best interests of, DigitalGlobe and its shareowners, (b) determined that the merger agreement and the transactions contemplated thereby, including the merger, taken together, are at a price and on terms that are in the best interests of DigitalGlobe and its shareowners, (c) unanimously approved and declared advisable the merger agreement and the transactions contemplated thereby, including the merger, and (d) resolved, subject to the terms of the merger agreement, to recommend adoption of the merger agreement by the DigitalGlobe shareowners.

The DigitalGlobe board of directors unanimously recommends that DigitalGlobe shareowners vote "**FOR**" the merger proposal, "**FOR**" the advisory compensation proposal and "**FOR**" the adjournment proposal. For the factors considered by the DigitalGlobe board of directors in reaching this decision, see the section entitled "*The Merger Proposal—DigitalGlobe's Reasons for the Merger; Recommendation of the DigitalGlobe Board of Directors.*"

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Comparative Per Share Market Price Information (page 29)

The following table presents the closing price per share of MDA common shares on the TSX and of DigitalGlobe common stock on the NYSE on (a) February 16, 2017, the last full trading day prior to media reports that DigitalGlobe and MDA were in merger discussions, (b) February 23, 2017, the last trading day prior to the date of public announcement of the execution of the merger agreement and (c) June 16, 2017, the last practicable trading day prior to the mailing of this proxy statement/prospectus. This table also shows the implied value of the merger consideration payable for each share of DigitalGlobe common stock on the relevant date. The implied value of the merger consideration represents the sum of US \$17.50, the cash portion of the merger consideration, plus the stock portion of the merger consideration, based upon the product of the exchange ratio of 0.3132 and the closing price of MDA common shares on the TSX as of the applicable date (converted to U.S. dollars based on the Bank of Canada's closing Canadian dollar-to-U.S. dollar exchange rate on the applicable date except as otherwise noted).

<u>Date</u>	<u>MDA Common Shares TSX (C\$)</u>	<u>DGI Common Stock NYSE (US\$)</u>	<u>Implied per share value of merger consideration (US\$)</u>
February 16, 2017	\$ 73.40	\$ 29.60	\$ 35.00 ⁽¹⁾
February 23, 2017	\$ 69.00	\$ 34.05	\$ 33.98
June 16, 2017	\$ 62.78	\$ 31.55	\$ 32.36

(1) Converted to U.S. dollars based on the Bank of Canada's closing Canadian dollar-to-U.S. dollar exchange rate on February 21, 2017.

Opinions of DigitalGlobe's Financial Advisors (page 84)
Opinion of PJT Partners

On February 23, 2017, PJT Partners rendered its oral opinion (which was subsequently confirmed in writing) to the DigitalGlobe board of directors that, as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the merger consideration to be received in the merger by the holders of DigitalGlobe common stock (other than DigitalGlobe, its subsidiaries, MDA and its affiliates) was fair from a financial point of view to the holders of DigitalGlobe common stock.

The full text of PJT Partners' written opinion, dated as of February 23, 2017, is attached as Annex B to this proxy statement/prospectus. PJT Partners' written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by PJT Partners in rendering its opinion. You are encouraged to read the opinion carefully in its entirety.

For a description of the opinion that the DigitalGlobe board of directors received from PJT Partners, see "*The Merger Proposal—Opinions of DigitalGlobe's Financial Advisors—Opinion of PJT Partners.*"

Opinion of Barclays

On February 23, 2017, Barclays rendered its oral opinion (which was subsequently confirmed in writing) to the DigitalGlobe board of directors that, as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, from a financial point of view, the merger consideration to be offered to the holders of DigitalGlobe common stock (other than DigitalGlobe, its subsidiaries, MDA and its affiliates) was fair to such holders.

The full text of Barclays' written opinion, dated as of February 23, 2017, is attached as Annex C to this proxy statement/prospectus. Barclays' written opinion sets forth, among other things, the assumptions made,

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procedures followed, factors considered and limitations upon the review undertaken by Barclays in rendering its opinion. You are encouraged to read the opinion carefully in its entirety.

For a description of the opinion that the DigitalGlobe board of directors received from Barclays, see “*The Merger Proposal—Opinions of DigitalGlobe’s Financial Advisors—Opinion of Barclays.*”

The DigitalGlobe Special Meeting (page 54)***Date, Time and Place of the Special Meeting***

The special meeting will be held at 9:00 am, Mountain Time, on July 27, 2017, at DigitalGlobe’s corporate headquarters located at 1300 West 120th Avenue, Westminster, Colorado 80234, or at any adjournment or postponement thereof.

Record Date and Outstanding Shares of DigitalGlobe Common Stock and DigitalGlobe Preferred Stock

Only DigitalGlobe shareowners of record as of the close of business on June 16, 2017, which date is the record date for the special meeting, will be entitled to receive notice of, and to vote at, the special meeting or at any adjournment or postponement thereof.

As of the close of business on the record date, there were 62,219,652 shares of DigitalGlobe common stock and 80,000 shares of DigitalGlobe preferred stock issued and outstanding and entitled to notice of, and to vote at, the special meeting. Each share of DigitalGlobe common stock outstanding is entitled to one vote on each proposal presented for consideration at the special meeting. Each share of DigitalGlobe preferred stock outstanding is entitled to that whole number of votes equal to the number of shares of DigitalGlobe common stock into which such DigitalGlobe preferred stock would be convertible into as of the record date, voting together as a single class with the holders of common stock on an as-converted to common stock basis.

A complete list of DigitalGlobe shareowners entitled to vote at the special meeting will be available for inspection at DigitalGlobe’s principal place of business during regular business hours for a period of no less than 10 days before the special meeting and, during the special meeting, at the DigitalGlobe corporate headquarters, 1300 West 120th Avenue, Westminster, Colorado 80234.

Quorum

A majority of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock outstanding and entitled to vote on the record date, must be present in person or represented by proxy to constitute a quorum at the special meeting, with DigitalGlobe preferred stock represented on an as-converted to DigitalGlobe common stock basis.

Abstentions will be deemed present and entitled to vote at the special meeting for the purpose of determining the presence of a quorum. DigitalGlobe common stock and DigitalGlobe preferred stock held by a DigitalGlobe shareowner that does not attend the special meeting or fails to submit a valid proxy to vote their shares at the meeting and DigitalGlobe common stock and DigitalGlobe preferred stock held in “street name” with respect to which the beneficial owner otherwise fails to give voting instructions with respect to their shares will not be considered present and entitled to vote at the special meeting for the purpose of determining the presence of a quorum.

If a quorum is not present or if, subject to approval of the adjournment proposal by DigitalGlobe shareowners, there are not sufficient votes for the approval of the merger proposal, DigitalGlobe expects that the

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special meeting will be adjourned to solicit additional proxies. At any subsequent reconvening of the special meeting, all proxies will be voted in the same manner as the manner in which such proxies would have been voted at the original convening of the special meeting, except for any proxies that have been validly revoked or withdrawn prior to the reconvened meeting.

Required Vote to Approve the Merger Proposal

Approval of the merger proposal requires the affirmative vote of the holders of a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, as of the record date. Therefore, if you do not submit a valid proxy or attend the special meeting to vote your shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock or if you abstain from voting or fail to instruct your broker, bank or other nominee how to vote your shares on the merger proposal, it will have the same effect as a vote “**AGAINST**” the merger proposal.

Required Vote to Approve the Advisory Compensation Proposal

Approval, on an advisory (non-binding) basis, of the advisory compensation proposal requires the affirmative vote of holders of a majority of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, that are present at the special meeting in person or by proxy and entitled to vote on the advisory compensation proposal. Therefore, if your shares of DigitalGlobe common stock or DigitalGlobe preferred stock are present at the special meeting but are not voted on the proposal, or if you abstain from voting on the advisory compensation proposal, each will have the same effect as a vote “**AGAINST**” the advisory compensation proposal. If you fail to submit a proxy or fail to attend the special meeting, or if you do not submit any instruction to your broker, bank or nominee, your shares of DigitalGlobe common stock or DigitalGlobe preferred stock will not be voted and will not be counted in determining the outcome of the advisory compensation proposal, assuming that a quorum is otherwise present. The vote on the advisory compensation proposal will not be binding on MDA, DigitalGlobe, the DigitalGlobe board of directors or any of its committees.

Required Vote to Approve the Adjournment Proposal

Approval of the adjournment proposal requires the affirmative vote of holders of a majority of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock, voting together as a single class (on an as-converted to DigitalGlobe common stock basis), that are present at the special meeting in person or by proxy and entitled to vote on the adjournment proposal. Therefore, if your shares of DigitalGlobe common stock or DigitalGlobe preferred stock are present at the special meeting but are not voted on the proposal, or if you abstain from voting on the adjournment proposal, each will have the same effect as a vote “**AGAINST**” the adjournment proposal. If you fail to submit a proxy or fail to attend the special meeting, or if you do not submit any instruction to your broker, bank or nominee, your shares of DigitalGlobe common stock or DigitalGlobe preferred stock will not be voted and will not be counted in determining the outcome of the adjournment proposal, assuming that a quorum is otherwise present.

Voting by Directors and Executive Officers

As of the record date, the DigitalGlobe directors and executive officers had the right to vote approximately 774,326 shares of DigitalGlobe common stock, representing approximately 1.2% of the shares of DigitalGlobe capital stock then outstanding and entitled to vote at the special meeting (with DigitalGlobe preferred stock calculated on an as-converted to DigitalGlobe common stock basis). As of the record date, no DigitalGlobe director or executive officer owns any shares of DigitalGlobe preferred stock. It is expected that the DigitalGlobe

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directors and executive officers who are DigitalGlobe shareowners will vote “**FOR**” the merger proposal, “**FOR**” the advisory compensation proposal and “**FOR**” the adjournment proposal, although none of them has entered into any agreement requiring them to do so. As of the record date, the directors and executive officers of MDA owned, in the aggregate, approximately 1,000 shares of DigitalGlobe common stock, representing less than 0.01% of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock then outstanding and entitled to vote at the special meeting. As of the record date, no MDA director or executive officer owns any shares of DigitalGlobe preferred stock.

Financing for the Merger (page 125)

The total amount of funds necessary to consummate the merger is expected to be approximately US\$3.2 billion and will be funded by MDA, including the funds needed to (a) pay DigitalGlobe shareowners the aggregate cash consideration due to them under the merger agreement, which is expected to be approximately US\$1.1 billion; (b) make payments pursuant to the merger agreement in respect of outstanding DigitalGlobe options and restricted stock units granted under the DigitalGlobe equity plans, which is expected to be approximately US\$59.0 million; (c) if required, repay the outstanding indebtedness of DigitalGlobe under its Credit and Guaranty Agreement dated as of December 22, 2016, with Barclays Bank PLC as agent (the “Existing DigitalGlobe Credit Agreement”), which, if required, is expected to be approximately US\$1.3 billion, plus accrued interest, (d) repay the outstanding indebtedness of MDA under the 2012 Credit Agreement dated as of November 2, 2012 with Royal Bank of Canada as agent (other than the revolving loans thereunder, if the financing of the new revolving facility of MDA is effected through an increase in the revolving credit commitments under the 2012 Credit Agreement, as described in the section entitled “*The Merger Proposal—Financing for the Merger—Debt Commitment Letter*” below), which is expected to be approximately C\$504.5 million (US\$430.0 million); (e) repay the outstanding MDA notes issued under the Note Purchase Agreement dated as of November 2, 2012 among MDA, as issuer, and the purchasers party thereto (the “MDA Note Purchase Agreement”), which is expected to be approximately C\$301.2 million (US\$226.1 million) and (f) pay fees and expenses payable by MDA, Holdings and Merger Sub under the merger agreement and in connection with the debt financing, which is expected to be approximately C\$84.6 million (US\$63.5 million). The obligation of MDA, Holdings and Merger Sub to complete the merger is not conditioned upon MDA obtaining financing.

The MDA Meeting and Shareholder Approval (page 124)

The TSX rules require security holder approval if the number of securities issued or issuable in payment of the purchase price for an acquisition exceeds 25% of the number of securities of the listed issuer which are outstanding, on a pre-acquisition, non-diluted basis. Based on the number of shares of DigitalGlobe common stock, shares of DigitalGlobe preferred stock, DigitalGlobe options and DigitalGlobe RSUs outstanding as of June 12, 2017, pursuant to the merger agreement, MDA would issue approximately 20,866,028 MDA common shares to DigitalGlobe securityholders at the effective time and would reserve for issuance approximately 600,556 MDA common shares, which would be issuable upon the vesting of the Converted RSUs following the effective time. The MDA common shares to be issued, or reserved for issuance, to current DigitalGlobe securityholders pursuant to the merger agreement will represent approximately 58.9% of the issued and outstanding MDA common shares on a non-diluted basis as of June 12, 2017. The actual number of MDA common shares to be issued, and reserved for issuance, pursuant to the merger agreement, however, will be determined immediately prior to the effective time based on the number of shares of DigitalGlobe common stock, shares of DigitalGlobe preferred stock and the number of DigitalGlobe options and DigitalGlobe RSUs outstanding at such time. Accordingly, MDA shareholders will be required to approve the issuance of common shares in connection with the merger. The date for the MDA meeting regarding such approval has not yet been set. For a more detailed description, see the section entitled “*The Merger Proposal—The MDA Meeting and Shareholder Approval*.”

[Table of Contents](#)[Index to Financial Statements](#)**Listing of MDA Common Shares (page 114)**

It is a condition to DigitalGlobe's obligation to effect the merger that the MDA common shares to be issued pursuant to the merger agreement and in respect of certain DigitalGlobe equity awards are authorized for listing on the NYSE or NASDAQ, in each case subject to official notice of issuance. It is a condition to DigitalGlobe's and MDA's obligation to effect the merger that the MDA common shares to be issued pursuant to the merger agreement are conditionally approved for listing on the TSX, subject only to the provision of such required documentation as is customary in the circumstances. Under the merger agreement, MDA is required to use its reasonable best efforts to obtain the listing and admission for trading of the MDA common shares issued as merger consideration on (a) either the NYSE or NASDAQ and (b) the TSX. The TSX has conditionally approved the listing of the MDA common shares to be issued pursuant to the merger, subject to the approval by MDA shareholders of such issuance of MDA common shares, as discussed in the section entitled "*The Merger Proposal—The MDA Meeting and Shareholder Approval*," and filing certain documents following the closing of the merger.

Delisting and Deregistration of DigitalGlobe Common Stock (page 115)

As promptly as practicable after the effective time, and in any event no more than 10 days after the effective time, DigitalGlobe common stock currently listed on the NYSE will cease to be listed on the NYSE and will be deregistered under the U.S. Exchange Act.

Certain U.S. Federal Income Tax Consequences of the Merger (page 137)

The exchange of shares of DigitalGlobe common stock for the merger consideration, and the conversion of DigitalGlobe preferred stock into the right to receive the merger consideration that the holder thereof would have been entitled to receive had such holder, immediately prior to the effective time, converted such DigitalGlobe preferred stock into DigitalGlobe common stock, will be a taxable transaction for U.S. federal income tax purposes. You should read the section entitled "*The Merger Proposal – Certain U.S. Federal Income Tax Consequences of the Merger*" and consult your tax advisors regarding the U.S. federal income tax consequences of the merger to you in your particular circumstances, as well as tax consequences arising under the laws of any state, local and/or other tax laws.

Certain Canadian Federal Income Tax Considerations of Holding MDA Common Shares (page 144)

Subject to certain exceptions, any gain realized by a holder from the disposition of MDA common shares who, for the purposes of the Canadian Tax Act and at all relevant times (a) is a beneficial owner of the MDA common shares; (b) is not resident, and is not deemed to be resident, in Canada; (c) holds the MDA common shares as capital property; and (d) does not use or hold, and is not deemed to use or hold, the MDA common shares in connection with carrying on a business in Canada (each of whom we refer to as a "Non-Canadian Holder") should not be subject to tax in Canada. Dividends paid or deemed to be paid to a Non-Canadian Holder on MDA common shares will generally be subject to 25% Canadian non-resident withholding tax, subject to any reduction in such rate pursuant to the terms of an applicable income tax treaty. You should read the section entitled "*The Merger Proposal—Certain Canadian Federal Income Tax Considerations of Holding MDA Common Shares*" of this proxy statement/prospectus and consult your tax advisors regarding the Canadian federal income tax consequences of acquiring, holding and disposing of MDA common shares, as well as tax consequences arising under the laws of any country, province or other jurisdiction that may be applicable to a Non-Canadian Holder.

Accounting Treatment of the Merger (page 124)

In accordance with IFRS, MDA will account for the merger as a business combination applying the acquisition method of accounting with MDA as the acquirer. For a more detailed discussion of the accounting treatment of the merger, see the section entitled "*The Merger Proposal—Accounting Treatment of the Merger*."

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Treatment of DigitalGlobe Stock Options and Other Equity-Based Awards (page 115)
Options

At the effective time, each option to purchase DigitalGlobe common stock that has been granted or assumed by DigitalGlobe and is outstanding and unexercised immediately prior to the effective time, whether vested or unvested, will be cancelled in exchange for the right to receive a combination of cash and a number of MDA common shares, each of which will be calculated as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below.

Restricted Stock Units

At the effective time, each outstanding restricted stock unit granted by DigitalGlobe that remains subject to one or more unsatisfied performance conditions for a performance period that includes the date on which the effective time occurs, as well as each outstanding DigitalGlobe restricted stock unit that is then vested, will be cancelled in exchange for the right to receive a combination of cash and a number of MDA common shares, each of which will be calculated as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below.

At the effective time, each outstanding restricted stock unit granted by DigitalGlobe that remains unvested (and is not a performance-based restricted stock unit as described above) will be assumed by MDA and converted into the right to receive a combination of cash and a number of MDA common shares, each of which will be calculated as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below.

For a more detailed description of the treatment of DigitalGlobe equity awards, see the section entitled “*The Merger Agreement—Treatment of DigitalGlobe Stock Options and Other Equity-Based Awards.*”

Regulatory Approvals Required for the Merger (page 172)

To complete the merger and the other transactions contemplated by the merger agreement, DigitalGlobe and MDA are required to use their reasonable best efforts to obtain all necessary authorizations, consents and approvals and to make all necessary notifications, registrations and filings, including any registrations, notifications and filings required to be made in connection with obtaining such approvals. Under the merger agreement, DigitalGlobe and MDA are required, among other actions, to (a) file a notification and report form and obtain the expiration or termination of the waiting period under the HSR Act, (b) file a joint voluntary notice with and obtain approval from CFIUS with respect to the merger and (c) make any required filings in connection with any other required regulatory approvals, including approval from the Defense Security Service (which we refer to as “DSS”), the Directorate of Defense Trade Controls of the U.S. Department of State (which we refer to as “DDTC”), the National Oceanic and Atmospheric Administration of the U.S. Department of Commerce (which we refer to as “NOAA”) and the U.S. Federal Communications Commission (which we refer to as the “FCC”).

On March 17, 2017, each of DigitalGlobe and MDA timely filed a Pre-merger Notification and Report Form pursuant to the HSR Act with the DOJ and FTC, and on April 10, 2017, the FTC granted early termination of the HSR waiting period. On March 20, 2017, DigitalGlobe and MDA filed the required applications for FCC consent to the transfer of control to MDA of DigitalGlobe’s license subsidiary, and the FCC granted the applications on April 26, 2017 and May 16, 2017. On April 12, 2017, DigitalGlobe and MDA submitted the formal CFIUS notice, and on May 30, 2017, CFIUS notified the parties that it is initiating a 45-day investigation. On

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April 10, 2017, DigitalGlobe and MDA filed the required application for NOAA consent, and on April 12, 2017, NOAA received the applications and initiated NOAA's formal review process. NOAA will make a determination on the applications within 120 days of receipt subject to potential tolling.

DigitalGlobe and MDA are not currently aware of any material governmental filings, authorizations, approvals or consents that are required prior to the parties' completion of the merger other than those described in this proxy statement/prospectus. There can be no assurance, however, if and when any of the approvals required to be obtained for the merger and the other transactions contemplated by the merger agreement will be obtained or as to the conditions or limitations that such approvals may contain or impose. Under the merger agreement, neither MDA nor any of its subsidiaries (including Holdings and Merger Sub) will be required to, as a condition to obtaining any required approval or resolving any objection of any governmental entity, offer or accept, or agree, commit to agree or consent to, any "Extraordinary Condition." An "Extraordinary Condition" is defined as any undertaking, term, condition, liability, obligation, commitment, sanction or other measure that (a) would or would reasonably be expected to result in a material change to the timing of MDA's plan to reincorporate in the United States as set forth in the merger agreement, (b) would have a material negative financial impact on MDA and its subsidiaries (on a consolidated basis) or DigitalGlobe and its subsidiaries (on a consolidated basis) or (c) would require MDA or any of its subsidiaries (including DigitalGlobe and its subsidiaries) to enter into a proxy agreement or voting trust agreement with respect to the services provided by DigitalGlobe under the NGA contract.

For a more detailed description of the regulatory approvals required for the merger, see the section entitled "*The Merger Agreement—Regulatory Approvals*" and the section entitled "*The Merger Agreement—Conditions That Must Be Satisfied or Waived for the Merger to Occur*."

Appraisal or Dissenters' Rights (page 130)

If the merger is completed, DigitalGlobe's shareowners will be entitled to appraisal rights under Section 262 of the DGCL. This means that you are entitled to have the fair value of your shares of DigitalGlobe common stock and DigitalGlobe preferred stock determined by the Delaware Court of Chancery and to receive payment based on that valuation in lieu of the merger consideration if you follow exactly the procedures set forth in Section 262 of the DGCL. The ultimate amount you receive in an appraisal proceeding may be less than, equal to or more than the amount you would have received under the merger agreement.

To exercise your appraisal rights, you must submit a written demand for appraisal to DigitalGlobe before the vote is taken on the merger proposal, you must not vote (either in person or by proxy) in favor of the merger proposal and you must hold your shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock for which you have demanded appraisal through the effective time. If you fail to follow exactly the procedures set forth in Section 262 of the DGCL, you may lose your appraisal rights. If you hold your shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock through a bank, brokerage firm or other nominee and you wish to exercise your appraisal rights, you should consult with your bank, brokerage firm or other nominee to determine the appropriate procedures for the making of a demand for appraisal by your bank, brokerage firm or other nominee.

In view of the complexity of Section 262 of the DGCL, shareowners who wish to pursue appraisal rights should consult their legal and financial advisors.

Litigation Relating to the Merger (page 135)

DigitalGlobe and its board of directors are named as defendants in five lawsuits (four of which are putative class actions) filed by purported stockholders of DigitalGlobe that challenge the merger. The lawsuits include

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George Assad v. DigitalGlobe, Inc., et al., Case No. 1:17-cv-01097-NYW, *Jeweltex Manufacturing Inc. Retirement Plan v. DigitalGlobe, Inc., et al.*, Case No. 1:17-cv-01140-STV, *Royce Bussey v. DigitalGlobe, Inc., et al.*, Case No. 1:17-cv-01159-MEH, *Dane Gussin v. DigitalGlobe, Inc., et al.*, Case No. 1:17-cv-01190-CMA, and *Stuart Zand v. DigitalGlobe, Inc., et al.*, Case No. 1:17-cv-00592-RGA, all filed in the U.S. District Court for the District Court of Colorado except for *Zand* (filed in the U.S. District Court for the District of Delaware). The complaints allege, among other things, that in connection with MDA's proposed acquisition of DigitalGlobe, DigitalGlobe and its board of directors purportedly agreed to a supposedly inadequate price for the DigitalGlobe capital stock, provided allegedly misleading and incomplete disclosures in the F-4 registration statement and potentially engaged in self-dealing. MDA, Holdings, and Merger Sub are also named as defendants in two of the lawsuits. Plaintiffs seek as relief, among other things, declaratory and injunctive relief, including enjoining or rescinding the transaction and rescissory damages to the extent already implemented, an order directing the dissemination of a registration statement that is not false or misleading, and an award of attorneys' and experts' fees.

Except as described in the section entitled "*The Merger Proposal—Litigation Relating to the Merger*," the defendants have not yet responded to any of the complaints. While it is too early to predict the outcome of litigation or a reasonable range of potential losses, DigitalGlobe and MDA believe these lawsuits are without merit. Additional lawsuits arising out of or relating to the merger agreement or the merger may be filed in the future. For additional information, see the section entitled "*The Merger Proposal—Litigation Relating to the Merger*."

Conditions to the Merger (page 174)

Each party's obligation to complete the merger is subject to the satisfaction or waiver of the following mutual conditions:

- approval and adoption of the merger agreement by the DigitalGlobe shareowners holding a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class (the condition described in this bullet is referred to as the "DigitalGlobe shareowner approval condition");
- the approval of the issuance of MDA common shares in connection with the merger by a majority of the votes cast on such matter at the MDA meeting;
- absence of any law or action taken by any governmental entity of competent jurisdiction (whether temporary, preliminary or permanent) which restrains, precludes, enjoins or otherwise prohibits the consummation of the merger or makes the merger illegal (the condition described in this bullet is referred to as the "no injunction condition");
- any waiting period (and any extension thereof) applicable to the consummation of the merger under any competition law will have expired or been terminated (the condition described in this bullet is referred to as the "expiration or termination of any waiting period condition");
- the receipt of CFIUS approval;
- the receipt of DSS approval, and any approval, consent, authorization, filing, registration, license, franchise, permit, exemption, variance or non-objection of NOAA, DDTC or any other governmental entity necessary to consummate the transactions contemplated by the merger agreement, which we refer to as the "regulatory approvals" (the condition described in this bullet and the preceding bullet is referred to as the "CFIUS and regulatory approvals condition");
- the registration statement of which this proxy statement/prospectus forms a part having been declared effective by the SEC and no stop order suspending the effectiveness of the registration statement having been issued by the SEC and no proceedings for that purpose shall be pending or threatened by the SEC; and

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- the MDA common shares issuable to the DigitalGlobe shareowners in connection with the merger and in respect of DigitalGlobe equity awards will have been conditionally approved for listing on the TSX, subject only to the provision of such required documentation as is customary in the circumstances.

The obligation of DigitalGlobe to consummate the merger is subject to the satisfaction or waiver of additional conditions, including:

- the accuracy of the representations and warranties of MDA, Holdings and/or Merger Sub contained in the merger agreement as of the date of the merger agreement and as of the closing date (except to the extent expressly made as of an earlier date, in which case as of such date), subject to the materiality standards (if any) provided in the merger agreement, and the receipt by DigitalGlobe of a certificate signed on behalf of MDA by each of two senior executive officers of MDA to the foregoing effect;
- the performance by each of MDA and Merger Sub in all material respects of their obligations under the merger agreement required to be performed by it at or prior to the effective time, and the receipt by DigitalGlobe of a certificate signed on behalf of each of MDA and Merger Sub by the CEO of each of MDA and Merger Sub to such effect;
- the absence of any fact, circumstance, effect, change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on MDA, and the receipt by DigitalGlobe of a certificate signed on behalf of MDA by an executive officer of MDA to such effect;
- the MDA common shares issuable to the DigitalGlobe shareowners in connection with the merger and in respect of the DigitalGlobe equity awards will have been authorized for listing on the NYSE or NASDAQ, in either case, subject to official notice of issuance; and
- DigitalGlobe will have received an opinion, or MDA will have received an opinion that DigitalGlobe can rely on, of a nationally recognized tax advisor or legal counsel to the effect that Section 7874 of the Code should not apply in such a manner so as to cause MDA to be treated as a domestic corporation for U.S. federal income tax purposes pursuant to Section 7874(b) of the Code after giving effect to the transactions contemplated by the merger agreement (the condition described in this bullet is referred to as the “DigitalGlobe tax opinion condition”).

The obligations of MDA and Merger Sub to consummate the merger are subject to the satisfaction or waiver of further conditions, including:

- the accuracy of the representations and warranties of DigitalGlobe contained in the merger agreement as of the date of the merger agreement and as of the closing date (except to the extent expressly made as of an earlier date, in which case as of such date), subject to the materiality standards (if any) provided in the merger agreement, and the receipt by MDA of a certificate signed on behalf of DigitalGlobe by each of two senior executive officers of DigitalGlobe to the foregoing effect;
- the performance by DigitalGlobe in all material respects of its obligations under the merger agreement required to be performed by it at or prior to the effective time, and the receipt by MDA of a certificate signed on behalf of DigitalGlobe by its CEO or CFO to such effect;
- the absence of any fact, circumstance, effect, change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on DigitalGlobe;
- receipt of a certificate, meeting the requirements of Treasury Regulations Section 1.1445-2(c)(3) to the effect that DigitalGlobe is not, and has not been during the applicable time period set forth in Section 897(c)(1)(A)(ii) of the Code, a United States real property holding corporation and, accordingly, the shares of DigitalGlobe common stock are not U.S. real property interests; and

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- MDA will have received an opinion, or DigitalGlobe will have received an opinion that MDA can rely on, of a nationally recognized tax advisor or legal counsel to the effect that Section 7874 of the Code should not apply in such a manner so as to cause MDA to be treated as a domestic corporation for U.S. federal income tax purposes pursuant to Section 7874(b) of the Code after giving effect to the transactions contemplated by the merger agreement from and after the closing date (the condition described in this bullet is referred to as the “MDA tax opinion condition”).

No Solicitation (page 165)

The merger agreement generally restricts DigitalGlobe’s and MDA’s ability to: (a) initiate, solicit, knowingly facilitate or knowingly encourage any inquiries, proposals or offers with respect to, or the making of, any proposal or offer that constitutes or could reasonably be expected to lead to, an acquisition proposal (as defined in the section entitled “*The Merger Agreement—No Solicitation*”); (b) enter into, participate or engage in, or continue, any discussions or negotiations with respect to any acquisition proposal, or any inquiry or indication of interest that could reasonably be expected to lead to an acquisition proposal; or (c) furnish or provide any non-public information regarding it or its subsidiaries to any person, or provide access to any person to the properties, assets or employees of it or its subsidiaries in connection with or in response to any acquisition proposal or any inquiry or indication of interest that could reasonably be expected to lead to an acquisition proposal; (d) approve or recommend to the DigitalGlobe shareowners or MDA shareholders, as applicable, any acquisition proposal; or (e) approve or recommend to the DigitalGlobe shareowners or MDA shareholders, as applicable, or execute or enter into, any letter of intent or agreement in principal, or any other contract contemplating or otherwise relating to an acquisition proposal (other than an acceptable confidentiality agreement as provided for in the merger agreement).

However, under certain circumstances specified in the merger agreement, if DigitalGlobe or MDA, as applicable, receives a bona fide written acquisition proposal that did not result from a material violation of such party’s solicitation restrictions described above, then such party may (a) enter into, participate or engage in discussion or negotiations with the person making such acquisition proposal; and (b) furnish or provide non-public information, and provide access to its properties, assets and employees to the person making such acquisition proposal, if prior to taking such action, such party’s board of directors has determined in good faith, after consultation with its outside legal counsel and independent financial advisors, that such acquisition proposal is, or could reasonably be expected to lead to a superior proposal (as such term is defined in the section entitled “*The Merger Agreement—No Solicitation*”), and after consultation with its outside counsel, such party’s board of directors has determined in good faith that the failure to take such action would be inconsistent with its fiduciary duties under applicable law.

For further information, including what constitutes an “acquisition proposal” and a “superior proposal,” see the section entitled “*The Merger Agreement—No Solicitation*.”

Termination of the Merger Agreement (page 177)

Subject to conditions and circumstances in the merger agreement, the merger agreement may be terminated as follows:

- by mutual written consent of MDA and DigitalGlobe.
- by either DigitalGlobe or Holdings upon written notice to the other party:
 - if the merger has not been completed on or before 5:00 p.m. Eastern time on December 7, 2017 (which we refer to as the “end date”) (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “end date termination right”);

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- if any governmental entity has issued a final and non-appealable statute, rule, order, decree or regulation or taken any other action that restrains, enjoins or otherwise prohibits the merger or makes the merger illegal (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “injunction termination right”);
- if DigitalGlobe shareowner approval of the merger agreement is not obtained at the special meeting of DigitalGlobe shareowners (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “failure to obtain DigitalGlobe shareowner approval termination right”);
- if MDA shareholder approval of the MDA share issuance in connection with the merger is not obtained at the MDA meeting (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “failure to obtain MDA shareholder approval termination right”); or
- if CFIUS notifies MDA and DigitalGlobe in writing that CFIUS intends to send a report to the President of the United States recommending that the President act to suspend or prohibit the merger (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “CFIUS notification termination right”).
- by DigitalGlobe:
 - if MDA has breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in the merger agreement, which breach or failure to perform (a) would cause certain of the conditions to DigitalGlobe’s obligation to consummate the merger to not be satisfied, and (b) cannot be cured or is not cured by MDA within 30 days after receipt of written notice given by DigitalGlobe to MDA of such breach or failure to perform (DigitalGlobe’s right to terminate the merger agreement pursuant to this sub-bullet is referred to as “DigitalGlobe’s material breach termination right”);
 - if, prior to obtaining the MDA shareholder approval, (a) the MDA board of directors has (i) entered into any agreement in connection with an acquisition proposal with respect to MDA or (ii) approved or recommended any acquisition proposal with respect to MDA other than the merger, or (b) the MDA board of directors makes a change in recommendation or resolves to make a change in recommendation (DigitalGlobe’s right to terminate the merger agreement pursuant to this bullet is referred to as the “DigitalGlobe’s change in recommendation termination right”); or
 - prior to obtaining the DigitalGlobe shareowner approval, in order to enter into a definitive agreement in connection with a superior proposal with respect to DigitalGlobe and DigitalGlobe has complied with its obligations under the merger agreement to take such action, and DigitalGlobe pays in full a termination fee in the amount of \$85 million to MDA (DigitalGlobe’s right to terminate the merger agreement pursuant to this bullet is referred to as the “DigitalGlobe’s superior proposal termination right”).
- by Holdings:
 - if DigitalGlobe has breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in the merger agreement, which breach or failure to perform (a) would cause certain of the conditions to MDA’s or Merger Sub’s obligation to consummate the merger to not be satisfied, and (b) cannot be cured by DigitalGlobe or is not cured by DigitalGlobe within 30 days after receipt of written notice given by MDA to DigitalGlobe of such breach or failure to perform (Holdings’ right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “Holdings’ material breach termination right”);

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- if, prior to receipt of the DigitalGlobe shareowner approval, (a) the DigitalGlobe board of directors has (i) entered into any agreement in connection with an acquisition proposal with respect to DigitalGlobe or (ii) approved or recommended any acquisition proposal with respect to DigitalGlobe other than the merger, or (b) the DigitalGlobe board of directors makes a change in recommendation or has resolved to make a change in recommendation (Holdings' right to terminate the merger agreement pursuant to this bullet is referred to as the "Holdings' change in recommendation termination right"); or
- if (a) (i) the NGA contract has been terminated or cancelled or the option to renew the NGA contract for the next contract year after the date of the merger agreement has not been exercised by NGA, (ii) NGA has provided clear, unambiguous authorized notice to DigitalGlobe that the NGA contract will, on or before the business date after the next scheduled renewal date after the date of the merger agreement, be terminated or cancelled or the option to renew the NGA contract for the next contract year will not be exercised by NGA or (iii) NGA materially changes the scope under a specified portion of the NGA contract which materially decreases the revenue to be received by DigitalGlobe under the NGA contract for the remainder of the current option year of the NGA contract, and (b) MDA has paid DigitalGlobe a reverse termination fee in an amount of \$150 million (Holdings' right to terminate the merger agreement pursuant to this bullet is referred to as "Holdings' NGA termination right").

Termination Fees and Expenses (page 177)

DigitalGlobe has agreed to pay to Holdings a termination fee of \$85 million, which we refer to as the "termination fee", if:

- the merger agreement is terminated by Holdings pursuant to Holdings' change in recommendation termination right;
- the merger agreement is terminated by DigitalGlobe pursuant to DigitalGlobe's superior proposal termination right;
- the merger agreement is terminated:
 - by either DigitalGlobe or Holdings pursuant to the end date termination right (other than a situation where MDA would be obligated to pay the reverse termination fee to DigitalGlobe as described below) or by Holdings pursuant to Holdings' material breach termination right;
 - after an acquisition proposal with respect to DigitalGlobe has been proposed or announced by any person; and
 - within 12 months of such termination DigitalGlobe or any of its subsidiaries enters into a definitive agreement with respect to (or consummates) an acquisition proposal with respect to DigitalGlobe (provided that, for the purposes of this and the immediately preceding sub-bullet, all references to 20% in the term "acquisition proposal" with respect to DigitalGlobe will be changed to 50%); or
- the merger agreement is terminated:
 - by either DigitalGlobe or Holdings pursuant to the failure to obtain DigitalGlobe shareowner approval termination right;
 - after an acquisition proposal with respect to DigitalGlobe has been publicly proposed or publicly announced by any person; and
 - within 12 months of such termination DigitalGlobe or any of its subsidiaries enters into a definitive agreement with respect to (or consummates) an acquisition proposal with respect to

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DigitalGlobe (provided that, for the purposes of this and the immediately preceding sub-bullet, all references to 20% in the term “acquisition proposal” with respect to DigitalGlobe will be changed to 50%) (provided that the termination fee will be reduced by any previous payment by DigitalGlobe of the expenses of MDA).

MDA, on behalf of Holdings, has agreed to pay to DigitalGlobe the termination fee if:

- the merger agreement is terminated by DigitalGlobe pursuant to DigitalGlobe’s change in recommendation termination right;
- the merger agreement is terminated:
 - by either DigitalGlobe or Holdings pursuant to the end date termination right or by DigitalGlobe pursuant to DigitalGlobe’s material breach termination right;
 - after an acquisition proposal with respect to MDA has been proposed or announced by any person; and
 - within 12 months of such termination MDA or any of its subsidiaries enters into a definitive agreement with respect to (or consummates) an acquisition proposal with respect to MDA (provided that, for the purposes of this and the immediately preceding sub-bullet, all references to 20% in the term “acquisition proposal” with respect to MDA will be changed to 50%); or
- the merger agreement is terminated:
 - by either DigitalGlobe or Holdings pursuant to the failure to obtain MDA shareholder approval termination right;
 - after an acquisition proposal with respect to MDA has been publicly proposed or publicly announced by any person; and
 - within 12 months of such termination MDA or any of its subsidiaries enters into a definitive agreement with respect to (or consummates) an acquisition proposal with respect to MDA (provided that, for the purposes of this and the immediately preceding sub-bullet, all references to 20% in the term “acquisition proposal” with respect to MDA will be changed to 50%) (provided that the termination fee will be reduced by any previous payment by MDA of the expenses of DigitalGlobe).

MDA, on behalf of Holdings, has agreed to pay to DigitalGlobe a reverse termination fee of \$150 million, which we refer to as the “reverse termination fee,” if:

- the merger agreement is terminated by Holdings pursuant to Holdings’ NGA termination right;
- the merger agreement is terminated, at a time when the specific conditions to MDA’s and Merger Sub’s obligation to effect the merger have been satisfied or waived (other than the MDA tax opinion condition and any conditions that by their nature are to be satisfied at the closing date (so long as such conditions are then capable of being satisfied)), by DigitalGlobe pursuant to DigitalGlobe’s material breach termination right due to a breach by MDA, Holdings or Merger Sub of certain regulatory covenants set forth in the merger agreement, at a time when (A) the expiration or termination of any waiting period condition or CFIUS and regulatory approvals condition have not been satisfied or (B) the no injunction condition has not been satisfied, due to a matter related to a competition law, CFIUS approval or any regulatory approval at the time of such termination; or
- the merger agreement is terminated, at a time when (a) the specific conditions to MDA’s and Merger Sub’s obligation to effect the merger and (b) the DigitalGlobe shareowner approval condition have been satisfied or waived (other than the MDA tax opinion condition and any conditions that by their

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nature are to be satisfied at the closing date, but subject to the satisfaction or waiver of such conditions), by:

- Holdings or DigitalGlobe pursuant to the CFIUS notification termination right;
- Holdings or DigitalGlobe pursuant to the end date termination right, at a time when (A) the expiration or termination of any waiting period condition or the CFIUS and regulatory approvals condition have not been satisfied, (B) the no injunction condition has not been satisfied due to a matter related to a competition law, CFIUS approval or any regulatory approval or (C) the MDA tax opinion condition has not been satisfied or waived by MDA;
- Holdings or DigitalGlobe pursuant to the injunction termination right as a result of a matter related to a competition law, CFIUS approval or any regulatory approval; or
- Holdings pursuant to the failure to obtain MDA shareholder approval termination right at a time when: (A) the expiration or termination of any waiting period condition or the CFIUS and regulatory approvals condition have not been satisfied or (B) the no injunction condition has not been satisfied due to a matter related to a competition law, CFIUS approval or any regulatory approval.

Notwithstanding the immediately preceding sub-bullet, if the MDA shareholder approval of the MDA common share issuance is not obtained and, prior to the MDA meeting, the MDA board of directors has made a change in recommendation as a result of a superior proposal with respect to MDA (and such proposal has not been withdrawn prior to the MDA meeting), then MDA will be required to pay DigitalGlobe the termination fee instead of the reverse termination fee.

In addition to its own fees and expenses, each of DigitalGlobe and MDA may be required to reimburse the other party for its reasonable out-of-pocket expenses incurred in connection with the merger agreement, subject to a cap of \$10 million, in the event the DigitalGlobe shareowners or MDA shareholders, respectively, do not approve the matters required to be voted upon by DigitalGlobe shareowners or MDA shareholders, respectively, and the merger agreement is terminated.

Your Rights as an MDA Shareholder Will Be Different from Your Rights as a DigitalGlobe Shareowner (page 271)

As a result of the merger, the holders of DigitalGlobe common stock, DigitalGlobe preferred stock, and certain equity awards will become holders of MDA common shares and their rights will be governed by British Columbia law, MDA's notice of articles and MDA's articles instead of the DGCL, DigitalGlobe's amended and restated certificate of incorporation, DigitalGlobe's amended and restated bylaws and the DigitalGlobe certificate of designation. Following the merger, former DigitalGlobe shareowners will have different rights as MDA shareholders than they did as DigitalGlobe shareowners. For a summary of the material differences between the rights of DigitalGlobe shareowners and MDA shareholders, see the section entitled "*Comparison of Rights of MDA Shareholders and DigitalGlobe Shareowners*."

Interests of DigitalGlobe's Directors and Executive Officers in the Merger (page 115)

In considering the recommendation of the DigitalGlobe board of directors with respect to the merger agreement, you should be aware that DigitalGlobe's directors and executive officers have interests in the merger that are different from, or in addition to, the interests of DigitalGlobe's shareowners generally. Interests of directors and executive officers that may differ from or may be in addition to the interests of DigitalGlobe's shareowners generally include:

- At the effective time, each option to purchase DigitalGlobe common stock that has been granted or assumed by DigitalGlobe and is outstanding and unexercised immediately prior to the effective time,

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whether vested or unvested, will be cancelled in exchange for the right to receive a combination of cash and a number of MDA common shares, each of which will be calculated as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below. Assuming that the merger was completed on May 25, 2017, the estimated aggregate amount that would be payable to DigitalGlobe’s executive officers as a group for their DigitalGlobe options is \$4,356,957 in cash and 77,977 MDA common shares and the estimated aggregate amount that would be payable to DigitalGlobe’s non-employee directors for their DigitalGlobe options is \$334,096 in cash and 5,979 MDA common shares.

- At the effective time, each outstanding restricted stock unit granted by DigitalGlobe that remains subject to one or more unsatisfied performance conditions for a performance period that includes the date on which the effective time occurs, as well as each outstanding DigitalGlobe restricted stock unit that is then vested, will be cancelled in exchange for the right to receive a combination of cash and a number of MDA common shares, each of which will be calculated as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below. Assuming that the merger was completed on May 25, 2017, the estimated aggregate amount that would be payable to DigitalGlobe’s executive officers as a group for their DigitalGlobe performance-based restricted stock units is \$13,427,840 in cash and 240,320 MDA common shares (calculated assuming that the portion of such performance-based restricted stock units that remain subject to an unsatisfied performance condition based on a relative total stockholder return measure vest at the following performance level: 87% of the “target” level for the awards granted in 2015, 200% of the “target” level (maximum performance) for the awards granted in 2016, and 141% of the “target” level for the awards granted in 2017, in each case such assumption is based on a performance determination as though the applicable performance period ended on May 24, 2017 and using an average of the closing prices for a share of DigitalGlobe common stock for the period of five trading days ending on May 24, 2017 as the value of DigitalGlobe common stock for purposes of such performance determination), and the estimated aggregate amount that would be payable to DigitalGlobe’s non-employee directors as a group for their DigitalGlobe vested restricted stock units is \$2,195,795 in cash and 39,298 MDA common shares. DigitalGlobe’s non-employee directors do not hold any DigitalGlobe performance-based RSUs. DigitalGlobe’s executive officers do not currently hold any DigitalGlobe vested restricted stock units that have not previously been settled.
- At the effective time, each outstanding restricted stock unit granted by DigitalGlobe that remains unvested (and is not a performance-based restricted stock unit as described above) will be assumed by MDA and converted into the right to receive a combination of cash and a number of MDA common shares, each of which will be calculated as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Equity Awards*” below. MDA will assume such awards. The cash portion of the consideration for such awards will be fully vested at the effective time. The portion of such consideration in the form of MDA common shares will otherwise remain subject to substantially the same vesting and other terms and conditions as were applicable to such restricted stock unit immediately before the effective time. Assuming that the merger was completed on May 25, 2017, the estimated aggregate amount that would be payable to DigitalGlobe’s executive officers as a group for their DigitalGlobe unvested time-based restricted stock units is \$6,663,755 in cash and 119,262 MDA common shares, and the estimated aggregate amount that would be payable to DigitalGlobe’s non-employee directors as a group for their DigitalGlobe unvested time-based restricted stock units is \$111,458 in cash and 1,995 MDA common shares.
- Each of DigitalGlobe’s executive officers is party to either an employment agreement or severance protection agreement that provides for severance benefits in the event of certain qualifying terminations of employment. In addition, the award agreement for each DigitalGlobe unvested time-

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based restricted stock unit provides for accelerated vesting in the event of certain qualifying terminations of service or employment. The estimated aggregate amount that would be payable to DigitalGlobe's executive officers as a group under their respective employment agreement and severance protection agreements, assuming that the merger was completed on May 25, 2017 and their employment was terminated on that date in circumstances entitling them to severance benefits under their arrangements, is approximately \$10,473,000 (not including the value of accelerated equity awards as disclosed above and below). These amounts are determined using the assumptions set forth in the section entitled "*The Merger Proposal—Interests of DigitalGlobe's Directors and Executive Officers in the Merger—Quantification of Payments and Benefits to DigitalGlobe's Named Executive Officers*" below. In addition, if the employment or service, as the case may be, of DigitalGlobe's executive officers and non-employee directors was terminated at that time under circumstances entitling them to severance benefits under their respective employment and severance protection agreements, or pursuant to the terms of the applicable award, then the MDA common shares payable with respect to the DigitalGlobe unvested time-based restricted stock units held by the executive officers and non-employee directors, as described above, would also vest at that time.

- Under the merger agreement, DigitalGlobe's directors and executive officers are entitled to continued indemnification and insurance coverage, and "gross up" payments in the event Section 7874 of the Code applies in connection with the merger and, as a result, any excise tax is payable by any of DigitalGlobe's directors and executive officers pursuant to Section 4985 of the Code (which we refer to as "Section 4985").
- Under the merger agreement, three members of the DigitalGlobe board of directors will be appointed to the MDA board of directors and two members of the DigitalGlobe board of directors will be appointed to the Holdings board of directors.

These interests are discussed in more detail in the section entitled "*The Merger Proposal—Interests of DigitalGlobe's Directors and Executive Officers in the Merger.*" The DigitalGlobe board of directors was aware of the different or additional interests described herein and considered these interests along with other matters in approving and recommending adoption of the merger agreement.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the other documents incorporated by reference into this proxy statement/prospectus contain or may contain “forward-looking statements” or “forward-looking information” under applicable securities laws, including the Private Securities Litigation Reform Act of 1995. Forward-looking terms such as “may,” “will,” “could,” “should,” “would,” “plan,” “potential,” “intend,” “anticipate,” “project,” “target,” “believe,” “estimate” or “expect” and other words, terms and phrases of similar nature are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements are statements which are not historical fact and involve estimates, expectations, projections, goals, forecasts, assumptions, risks and uncertainties. Such forward-looking statements may include, but are not limited to, statements related to:

- the merger and the expected timing and satisfaction of conditions precedent to the closing of the merger, including among others, shareholder approvals of both MDA and DigitalGlobe, regulatory and governmental approvals and other customary closing conditions;
- the expectation that MDA will finance the cash consideration and the merger-related expenses through the incurrence of debt as contemplated in the debt commitment letter entered into by MDA in connection with the execution of the merger agreement;
- the impact of the merger on MDA’s earnings, credit rating, estimated enterprise value and growth rate;
- the expectation that MDA will become an SEC registrant and have its common shares listed on the NYSE or NASDAQ in connection with the merger;
- the expected strategic and integration opportunities and other synergies from the merger and the expected financial and other benefits therefrom;
- the future composition of MDA’s management team and directors and those of its subsidiaries;
- the future growth opportunities, expected earnings, expected capital expenditures, future financing requirements and estimated future dividends;
- the expectation that MDA and its subsidiaries will remain compliant with debt covenants and other contractual obligations; and
- the expected timeline for MDA to fully implement its plan to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019 and the expected benefits therefrom.

Forward-looking statements in this proxy statement/prospectus are based on certain key expectations and assumptions made by MDA and DigitalGlobe. Although the management of each of MDA and DigitalGlobe believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because MDA and DigitalGlobe can give no assurance that they will prove to be correct. Additionally, forward-looking statements are subject to various risks and uncertainties which could cause actual results and experience to differ materially from the anticipated results or expectations expressed in this proxy statement/prospectus. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, without limitation, the risks and uncertainties set forth under the section entitled “*Risk Factors*,” which are incorporated herein by reference. Some of the key risks and uncertainties include statements related to:

- changes in government priorities, mandates, policies, funding levels, contracts, laws and regulations, including the grant and maintenance of security clearances, loss or reduction in scope of any of MDA’s or DigitalGlobe’s contracts, or decisions by customers not to exercise renewal options;
- growth in the businesses of MDA’s and DigitalGlobe’s customers and the ability of MDA’s or DigitalGlobe’s customers to develop new services;

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- inherent risks of performance on firm fixed price construction contracts and termination of contracts by customers for convenience;
- decrease in demand for MDA's or DigitalGlobe's products and services;
- failure to maintain technological advances and offer new products to retain customers and market position;
- reliance on a limited number of vendors to provide certain key products or services;
- breach of MDA's or DigitalGlobe's system security measures or loss of Holdings', a subsidiary of Holdings' or DigitalGlobe's secure facility clearance and accreditation;
- the loss or damage to MDA's or DigitalGlobe's satellites and/or partial or complete satellite failure;
- delays in the construction and launch of any of MDA's or DigitalGlobe's customers' satellites;
- the achievement of performance criteria and continued performance of MDA's or DigitalGlobe's customers' satellites;
- potential for product liability or the occurrence of defects in products or systems and resulting loss of revenue and harm to MDA's or DigitalGlobe's reputation;
- detrimental reliance on third parties for data;
- increased competition that may reduce MDA's or DigitalGlobe's market share or cause MDA or DigitalGlobe to lower its prices;
- changes in political or economic conditions, including fluctuations in the value of foreign currencies, interest rates, energy and commodity prices, trade laws and the effects of governmental initiatives to manage economic conditions;
- general business and economic conditions in Canada, the U.S. and other countries in which MDA or DigitalGlobe conduct business;
- MDA's or DigitalGlobe's ability to recruit, hire or retain key employees or a highly skilled and diverse workforce and the potential for work stoppages;
- failure to obtain or maintain required regulatory approvals and licenses;
- failure to comply with environmental regulations;
- changes in U.S., Canadian or foreign law or regulation that may limit MDA's or DigitalGlobe's ability to distribute products and services;
- changes in U.S., Canadian or foreign tax laws;
- failure of third party subcontractors to complete contracts;
- changes in estimates of total revenues and costs on contracts;
- quality issues and failure of systems to meet performance requirements;
- failure of MDA or DigitalGlobe to manage contracts, indemnities and related risks;
- dependence on electronic systems and data and system security threats;
- potential infringement of the intellectual property rights of others and inadequate protection of MDA's or DigitalGlobe's intellectual property rights;
- insufficient insurance against material claims or losses; and
- exposure to fines and/or legal sanctions under any laws.

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Additionally, there are also key risks and uncertainties that are inherent in the nature of the merger, including:

- fluctuation in value of the merger consideration;
- the impact of the announcement and pendency of the merger on MDA's and DigitalGlobe's businesses, results of operations, and financial conditions;
- the risks related to MDA and DigitalGlobe being restricted in their business activities while the merger agreement is in effect;
- risks regarding the integration of the two companies and that not all anticipated synergies or cost savings will be fully realized;
- success in retaining the services of executives, key personnel and other employees that MDA needs to realize all of the anticipated benefits of the merger; and
- failure to obtain required shareholder, regulatory, stock exchange and other third party approvals in a timely manner or on conditions acceptable to the parties or the failure to satisfy other customary closing conditions or the failure of the merger to be completed for any other reason (or to be completed in a timely manner).

The foregoing lists are not intended to be exhaustive and there may be other key risks that are not listed above that are not presently known to MDA or that MDA currently deems immaterial. Should one or more of these or other risks or uncertainties materialize, or should any of the underlying assumptions prove incorrect, actual results may vary in material respects from those expressed or implied by the forward-looking statements contained in this proxy statement/prospectus. As a result of the foregoing, readers should not place undue reliance on the forward-looking statements contained in this proxy statement/prospectus.

The forward-looking statements contained in this proxy statement/prospectus are expressly qualified in their entirety by the foregoing cautionary statements. All such forward-looking statements are based upon data available as of the date of this proxy statement/prospectus or other specified date and speak only as of such date. Each of MDA and DigitalGlobe disclaims any intention or obligation to update or revise any forward-looking statements in this proxy statement/prospectus as a result of new information or future events, except as may be required under applicable securities law.

[Table of Contents](#)[Index to Financial Statements](#)**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF DIGITALGLOBE**

The following selected historical consolidated financial data prepared in accordance with U.S. GAAP is derived from (1) DigitalGlobe's audited consolidated financial statements for the years ended December 31, 2016 and 2015 and DigitalGlobe's consolidated financial statements for the years ended December 31, 2014, 2013 and 2012 and (2) DigitalGlobe's unaudited consolidated financial statements for the three months ended March 31, 2017 and 2016. The information set forth below is only a summary that you should read together with the historical audited consolidated financial statements of DigitalGlobe and the related notes, as well as the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" contained in DigitalGlobe's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and Quarterly Report on Form 10-Q for the three months ended March 31, 2017, that DigitalGlobe previously filed with the SEC and that are incorporated by reference into this proxy statement/prospectus. Historical results are not necessarily indicative of any results to be expected in the future. For more information, see the section entitled "*Where You Can Find Additional Information.*"

Summary Financial Data

	For the Three Months Ended March 31,		For the Year Ended December 31,				
	2017	2016	2016	2015	2014	2013(1)	2012
<i>(U.S. dollars in millions; except per-share amounts)</i>							
Revenue	\$ 209.7	\$ 175.4	\$ 725.4	\$ 702.4	\$ 654.6	612.7	\$ 421.4
Income (loss) from operations	5.5	20.6	102.1	60.8	31.9	(84.8)	76.0
Net (loss) income	(2.2)	8.6	26.5	23.3	18.5	(68.3)	39.0
Net (loss) income available to common shareholders	(3.2)	7.3	21.5	18.5	13.9	(71.9)	39.0
(Loss) earnings per share							
Basic	\$ (0.05)	\$ 0.11	\$ 0.34	\$ 0.26	\$ 0.19	\$ (1.00)	\$ 0.85
Diluted	\$ (0.05)	\$ 0.11	\$ 0.34	\$ 0.26	\$ 0.18	\$ (1.00)	\$ 0.84
Total Assets ⁽³⁾⁽⁴⁾	2,936.6	2,842.2	3,009.9	2,913.2	3,047.1	3,131.6	1,533.3
Long-term debt, including current portion ⁽⁴⁾	1,252.9	1,109.9	1,289.3	1,109.9	1,113.6	1,114.3	483.3
Other long-term obligations ⁽²⁾⁽³⁾	157.4	131.3	158.8	122.6	87.3	76.9	14.4
Stockholders' equity	1,173.8	1,195.3	1,172.9	1,248.1	1,353.5	1,383.3	539.4

- (1) On January 31, 2013, DigitalGlobe completed its acquisition of 100% of the outstanding common stock of GeoEye, Inc., a provider of geospatial intelligence solutions. The results of GeoEye Inc.'s operations were included in DigitalGlobe's consolidated financial statements beginning on the acquisition date.
- (2) Other long-term obligations include deferred income taxes, net and other liabilities.
- (3) Amounts differ from prior year presentation due to DigitalGlobe's adoption of ASU 2015 – 17, *Balance Sheet Classification of Deferred Taxes*. For further detail, refer to Note 2, "*Summary of Significant Accounting Policies and Recent Accounting Pronouncements*," of the Notes to the Consolidated Financial Statements included in Item 8 of DigitalGlobe's Form 10-K for the fiscal year 2016 filed with the SEC on February 27, 2017.
- (4) Amounts differ from prior year presentation due to DigitalGlobe's adoption in 2015 of ASU 2015 – 03, *Simplifying the Presentation of Debt Issuance Costs*, which requires debt issuance costs to be presented as a direct deduction from the associated debt liability.

[Table of Contents](#)[Index to Financial Statements](#)**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF MDA**

The following tables present selected historical consolidated financial data for MDA as of and for the three months ended March 2017 and 2016 and for the years ended December 31, 2016, 2015, 2014, 2013 and 2012. The balance sheet data as of December 31, 2016 and 2015, the statement of earnings data and the statements of cash flows data for the years ended December 31, 2016, 2015 and 2014 have been derived from MDA's audited historical consolidated financial statements, which were audited by KPMG LLP, an independent registered public accounting firm, and which are included elsewhere in this proxy statement/prospectus. The balance sheet data as of December 31, 2014, 2013 and 2012, the statement of earnings data and the statements of cash flows data for the years ended December 31, 2013 and 2012 have been derived from MDA's audited historical consolidated financial statements not included in this proxy statement/prospectus. The balance sheet data as of March 31, 2017 and the statement of cash flows for the three months ended March 31, 2017 and 2016 have been derived from MDA's unaudited consolidated financial statements, which are included elsewhere in this proxy statement/prospectus.

You should read the following summary consolidated financial and other data in conjunction with the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations of MDA" and MDA's consolidated financial statements and related notes included elsewhere in this proxy statement/prospectus. Historical results are not necessarily indicative of future results. MDA's financial statements have been prepared in accordance with IFRS.

Consolidated Statement of Earnings Data:

	Three months ended March 31,		Year Ended December 31,				
	2017	2016	2016	2015	2014	2013	2012
	(in millions of Canadian dollars, except per share amounts)						
Revenue	\$ 494.3	\$ 562.4	\$2,063.8	\$2,117.4	\$2,098.8	\$1,819.0	\$879.9
Expenses:							
Direct costs, selling, general and administration	410.6	468.2	1,708.6	1,754.3	1,737.7	1,505.3	679.3
Depreciation and amortization	25.1	26.0	102.6	99.6	82.3	76.9	23.8
Foreign exchange loss (gain)	(0.2)	(2.5)	4.7	3.6	11.4	14.3	(5.6)
Share-based compensation expense	6.5	3.9	19.3	14.1	49.4	80.2	25.2
Operating Income	52.3	66.8	228.6	245.8	218.0	142.3	157.2
Other (income) expenses net	25.0	4.8	7.8	12.9	99.3	(35.3)	17.2
Finance charges (net)	14.0	12.9	49.4	46.4	34.1	49.1	10.5
Income tax expense	7.5	8.4	31.8	43.7	37.5	23.5	45.6
Net earnings (attributed to common equity shareholders)	5.9	40.7	139.6	142.8	47.1	105.0	83.9
Earnings per common share							
Basic	\$ 0.16	\$ 1.12	\$ 3.84	\$ 3.94	\$ 1.31	\$ 3.00	\$ 2.63
Diluted	0.15	1.10	3.74	3.84	1.31	3.00	2.63
Dividends declared per common share	0.37	0.37	1.48	1.48	1.30	1.30	1.30

[Table of Contents](#)[Index to Financial Statements](#)**Consolidated Balance Sheet Data:**

	As of March 31,	As of December 31,				
	2017	2016	2015	2014	2013	2012
	(in millions of Canadian dollars)					
Total current assets	831.3	\$ 901.8	\$1,065.0	\$ 858.0	\$ 724.2	\$ 635.9
Total assets	3,367.4	3,438.9	3,611.0	2,981.4	2,584.2	2,362.4
Total current liabilities	786.9	1,046.4	1,090.9	1,086.6	1,024.8	912.6
Working capital (deficit)	44.4	(144.6)	(25.9)	(228.6)	(300.6)	(276.7)
Long-term debt, (excluding current portion)	877.2	669.8	983.6	713.1	522.9	799.5
Total shareholders' equity	1,145.2	1,158.7	1,107.7	804.0	796.2	266.8

Consolidated Statements of Cash Flows:

	Three months ended March 31,		Year Ended December 31,				
	2017	2016	2016	2015	2014	2013	2012
	(in millions of Canadian dollars)						
Net cash provided by (used in):							
Operating activities	(25.2)	(0.2)	\$ 172.8	\$ 135.2	\$ 78.2	\$152.4	\$ 147.4
Investing activities	(33.0)	(24.3)	(132.3)	(105.5)	(135.8)	(30.8)	(925.0)
Financing activities	49.5	5.9	(84.2)	(11.7)	21.6	(94.7)	583.2
Capital expenditures (included in investing activities above)	(34.1)	24.2	(133.4)	(80.4)	(92.7)	(63.3)	(25.0)

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The following selected unaudited pro forma combined financial data gives effect to the merger, for purposes of the unaudited pro forma condensed combined balance sheet data as if it had occurred on March 31, 2017, and for purposes of the unaudited pro forma condensed combined statement of earnings data as if the merger had occurred on January 1, 2016. The selected unaudited pro forma combined financial data have been derived from, and should be read in conjunction with, the more detailed unaudited pro forma condensed combined financial statements included elsewhere in this proxy statement/prospectus. In addition, the unaudited pro forma condensed combined financial statements should be read in conjunction with: (i) the historical unaudited condensed consolidated and historical audited consolidated financial statements of MDA for the three months ended March 31, 2017 and as at and for the year ended December 31, 2016, respectively, and the related notes thereto and the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of MDA*” contained elsewhere in this proxy statement/prospectus for three months ended March 31, 2017 and the year ended December 31, 2016, respectively, and (ii) the historical unaudited condensed consolidated and historical audited consolidated financial statements of DigitalGlobe for the three months ended March 31, 2017 and as of and for the year ended December 31, 2016, respectively, and the related notes thereto and the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” included in DigitalGlobe’s quarterly report on Form 10-Q for the three months ended March 31, 2017 and annual report on Form 10-K for the year ended December 31, 2016, respectively, and incorporated by reference into this proxy statement/prospectus.

The selected unaudited pro forma combined financial data have been prepared for illustrative purposes only and are not necessarily indicative of the operating results or financial condition that would have been achieved if the merger had been completed on the dates or for the periods presented, nor do they purport to project the results of operations or financial position of the combined entities for any future period or as of any future date. The selected pro forma combined financial data may not be useful in predicting the future financial condition and results of operations of the combined company. The actual financial position and results of operations may differ significantly from the pro forma amounts presented. Also, as explained in more detail in the accompanying notes to the unaudited pro forma condensed combined financial statements, the preliminary fair values of assets acquired and liabilities assumed reflected in the selected pro forma combined financial data are subject to adjustment and may vary materially from the fair values that will be recorded upon completion of the merger. Similarly, the pro forma adjustments are preliminary, and may differ from the actual adjustments to the consolidated financial statements of MDA upon the closing of the merger.

	Three months ended March 31, 2017	Year ended December 31, 2016
	(C\$ millions)	(C\$ millions)
Pro forma combined statement of earnings data		
IFRS measures:		
Consolidated revenues	785.1	3,079.3
Earnings before interest and taxes	73.0	349.9
Net earnings	3.0	82.2
Diluted earnings per share	0.05	1.42
Non-IFRS measures:		
Adjusted operating EBITDA	245.8	994.4
Adjusted operating earnings	97.0	397.9
Adjusted operating earnings per share	1.67	6.86
Pro forma combined balance sheet data		
		As at March 31, 2017 (C\$ millions)
Total assets		8,650.9
Total long-term debt (including current portion)		4,207.7
Total shareholders’ equity		2,336.5

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Non-IFRS measures

In addition to results reported in accordance with IFRS, MDA uses certain non-IFRS financial measures as supplemental indicators of its financial and operating performance. These non-IFRS financial measures include adjusted operating earnings, adjusted operating earnings per share and adjusted operating EBITDA. MDA believes these supplementary financial measures reflect MDA's ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of trends in its business.

MDA defines operating earnings as net earnings excluding the impact of specified items affecting comparability, including, where applicable, non-operational income and expenses, amortization of acquisition related intangible assets, share-based compensation, and other gains and losses. The use of the term "non-operational income and expenses" is defined by MDA as those items or income and expenses that do not impact operating decisions taken by MDA's management and is based upon the way MDA's management evaluates the performance of MDA's business for use in MDA's internal management reports. For the pro forma financial results, adjusted operating earnings also excludes the impact of specified items from DigitalGlobe's net earnings including stock-based compensation expense, certain restructuring and re-engineering costs (classified as enterprise improvement costs in the tables below), joint venture losses, acquisition costs and loss from extinguishment of debt. Income tax expense on adjusted operating earnings is computed using the substantively enacted income tax rate, adjusted to account for the specified items affecting comparability such as non-deductible expenses and the recognition of deferred tax assets. Adjusted operating earnings per share is calculated using diluted weighted average shares outstanding and does not represent actual earnings per share attributable to shareholders.

MDA defines adjusted operating EBITDA as earnings before interest, taxes, depreciation and amortization, and adjusted for certain corporate expenses and items affecting comparability as specified in the calculation of adjusted operating earnings. Adjusted operating EBITDA is presented on a basis consistent with MDA's internal management reports. MDA discloses adjusted operating EBITDA to capture the profitability of its business before the impact of items not considered in management's evaluation of operating unit performance.

Adjusted operating earnings, adjusted operating earnings per share and adjusted operating EBITDA do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. MDA cautions readers to consider these non-IFRS financial measures in addition to, and not as an alternative for, measures calculated in accordance with IFRS.

The following table reconciles, on a pro forma basis, net earnings to adjusted operating earnings for the three months ended March 31, 2017 and for the fiscal year ended December 31, 2016:

	Three months ended March 31, 2017	Year ended December 31, 2016
	(C\$ millions)	
Net earnings	3.0	82.2
Share-based compensation expense	15.2	44.5
Amortization of acquisition related intangible assets	65.0	248.9
Restructuring costs	14.7	8.8
Enterprise improvement costs	—	12.4
Acquisition related expense	0.1	1.3
Executive compensation settlement	—	3.0
Foreign exchange differences	(0.1)	3.7
Joint venture losses	—	5.1
Loss from extinguishment of debt	0.7	47.6
Income tax expense adjustment	(1.6)	(59.6)
Adjusted operating earnings	<u>97.0</u>	<u>397.9</u>
Diluted adjusted operating earnings per share	<u>1.67</u>	<u>6.86</u>

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The following table reconciles, on a pro forma basis, net earnings to EBITDA and adjusted operating EBITDA for the three months ended March 31, 2017 and for the fiscal year ended December 31, 2016:

	Three months ended March 31, 2017	Year ended December 31, 2016
Net earnings	3.0	82.2
Depreciation and amortization	133.2	536.7
Net finance expense	61.3	195.7
Income tax expense	8.0	19.2
EBITDA	205.5	833.8
Corporate expense	9.7	34.2
Share-based compensation expense	15.2	44.5
Restructuring costs	14.7	8.8
Enterprise improvement costs	—	12.4
Acquisition related expense	0.1	1.3
Executive compensation settlement	—	3.0
Foreign exchange differences	(0.1)	3.7
Joint venture losses	—	5.1
Loss from extinguishment of debt	0.7	47.6
Adjusted operating EBITDA	245.8	994.4

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MDA common shares are currently listed on the TSX under the symbol “MDA” and DigitalGlobe common stock is currently listed on the NYSE under the ticker symbol “DGI.”

The table below sets forth, for the periods indicated, the per share high and low sales prices for MDA common shares as reported on the TSX and for DigitalGlobe common stock as reported on the NYSE.

	MDA Common Shares TSX		DGI Common Stock NYSE	
	High	Low	High	Low
	(in C\$)		(in US\$)	
Annual information for the past five calendar years				
2016	92.92	64.04	33.05	11.80
2015	101.42	70.55	35.91	12.41
2014	95.63	74.66	43.13	23.85
2013	85.30	55.41	42.42	24.62
2012	61.74	39.64	27.00	11.61
Quarterly information for the past two years and subsequent quarters				
2017				
First Quarter	75.58	63.52	35.95	27.60
2016				
Fourth Quarter	80.28	64.04	33.05	23.95
Third Quarter	90.23	79.26	28.33	20.85
Second Quarter	92.92	80.64	23.20	16.58
First Quarter	91.55	80.47	18.21	11.80
2015				
Fourth Quarter	86.77	71.61	22.22	12.41
Third Quarter	91.71	70.55	28.32	17.78
Second Quarter	100.63	89.83	35.70	27.59
First Quarter	101.42	89.86	35.91	26.85
Monthly information for the most recent six months				
June 2017*	64.16	62.03	32.25	31.10
May 2017	67.00	61.44	32.50	30.80
April 2017	71.68	67.11	33.80	32.00
March 2017	71.05	64.92	32.90	31.30
February 2017	75.03	63.52	35.95	27.95
January 2017	75.58	66.05	30.40	27.60
December 2016	70.40	64.04	32.70	28.45

* Through June 16, 2017.

The above table shows only historical data. The data may not provide meaningful information to DigitalGlobe shareowners in determining whether to approve the merger. DigitalGlobe shareowners are urged to obtain current market quotations for DigitalGlobe common stock and to review carefully the other information contained in, or incorporated by reference into, this proxy statement/prospectus, when considering whether to approve the merger. See the section entitled “Where You Can Find Additional Information” for further information.

The following table presents the closing price per share of MDA common shares on the TSX and of DigitalGlobe common stock on the NYSE on (a) February 16, 2017, the last full trading day prior to media reports that DigitalGlobe and MDA were in merger discussions, (b) February 23, 2017, the last trading day prior to the date of public announcement of the execution of the merger agreement and (c) June 16, 2017, the last

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practicable trading day prior to the mailing of this proxy statement/prospectus. This table also shows the implied value of the merger consideration payable for each share of DigitalGlobe common stock on the relevant date. The implied value of the merger consideration represents the sum of US \$17.50, the cash portion of the merger consideration, plus the stock portion of the merger consideration, based upon the product of the exchange ratio of 0.3132 and the closing price of MDA common shares on the TSX as of the applicable date (converted to U.S. dollars based on the Bank of Canada's closing Canadian dollar-to-U.S. dollar exchange rate on the applicable date except as otherwise noted).

<u>Date</u>	<u>MDA Common Shares TSX (C\$)</u>	<u>DGI Common Stock NYSE (US\$)</u>	<u>Implied per share value of merger consideration (US\$)</u>
February 16, 2017	\$ 73.40	\$ 29.60	\$ 35.00 ⁽¹⁾
February 23, 2017	\$ 69.00	\$ 34.05	\$ 33.98
June 16, 2017	\$ 62.78	\$ 31.55	\$ 32.36

(1) Converted to U.S. dollars based on the Bank of Canada's closing Canadian dollar-to-U.S. dollar exchange rate on February 21, 2017.

DigitalGlobe shareowners will not receive the merger consideration until the merger is completed, which may be a substantial period of time after the special meeting. There can be no assurance as to the trading prices of MDA common shares at the time of the closing of the merger. The market prices of MDA common shares and DigitalGlobe common stock and the Canadian dollar-to-U.S. dollar exchange rate are likely to fluctuate prior to consummation of the merger and cannot be predicted. We urge you to obtain current market quotations for both MDA common shares and DigitalGlobe common stock and the Canadian dollar-to-U.S. dollar exchange rate.

The table below sets forth the dividends declared per MDA common share and the dividends declared per share of DigitalGlobe common stock for the periods indicated.

	<u>MDA (C\$)</u>	<u>DGI(1) (US\$)</u>
Three Months Ended June 30, 2017	0.37	0.00
Three Months Ended March 31, 2017	0.37	0.00
Year Ended December 31,		
2016	1.48	0.00
2015	1.48	0.00
2014	1.30	0.00
2013	1.30	0.00
2012	1.30	0.00

(1) DigitalGlobe has not declared or paid any cash dividends on its common stock since inception.

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The following tables present, as of the dates and for the periods indicated, selected historical unaudited pro forma condensed combined financial information per share of MDA common shares and DigitalGlobe common stock. You should read this information in conjunction with, and the information is qualified in its entirety by (a) the consolidated financial statements of MDA and notes thereto included elsewhere in this proxy statement/prospectus, (b) the consolidated financial statements of DigitalGlobe and notes thereto incorporated by reference into this proxy statement/prospectus, and (c) the financial information contained in the “*Unaudited Pro Forma Condensed Combined Financial Statements*” and notes thereto included elsewhere in this proxy statement/prospectus. For information about the filings incorporated by reference in this proxy statement/prospectus, see the section entitled “*Where You Can Find Additional Information.*”

The following pro forma information has been prepared in accordance with IFRS. It does not reflect cost savings, synergies or certain other adjustments that may result from the merger. This information is presented for illustrative purposes only. You should not rely on the pro forma combined or equivalent pro forma amounts as they are not necessarily indicative of the operating results or financial position that would have occurred if the merger had been completed as of the dates indicated, nor are they necessarily indicative of the future operating results or financial position of the combined company. The *pro forma* information, although helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect the benefits of expected cost savings, opportunities to earn additional revenue, the impact of restructuring and merger-related costs, or other factors that may result as a consequence of the merger and, accordingly, does not attempt to predict or suggest future results.

The following tables assume the issuance of approximately 21.5 million MDA common shares in connection with the merger, which is the number of shares issuable by MDA in connection with the merger assuming the merger was completed on May 25, 2017. As discussed in this proxy statement/prospectus, the actual number of MDA common shares issuable in the merger will be adjusted based on the number of shares of DigitalGlobe common stock, shares of DigitalGlobe preferred stock, DigitalGlobe options and DigitalGlobe RSUs outstanding immediately prior to the effective time. The pro forma data in the tables assume that the merger occurred on January 1, 2016 for income statement purposes and on March 31, 2017 for balance sheet purposes, and that the merger is accounted for as a business combination applying the acquisition method of accounting with MDA as the acquirer.

MDA COMMON SHARES	Three Months Ended March 31, 2017 (C\$)	Year Ended December 31, 2016 (C\$)
Basic earnings per common share		
Historical	\$ 0.16	\$ 3.84
Pro forma combined	\$ 0.05	\$ 1.42
Diluted earnings per common share		
Historical	\$ 0.15	\$ 3.74
Pro forma combined	\$ 0.05	\$ 1.36
Dividends per common share		
Historical	\$ 0.37	\$ 1.48
Pro forma combined	\$ 0.37	\$ 1.48
Book value per common share at period end		
Historical	\$ 31.45	\$ 31.85
Pro forma combined	\$ 40.35	\$ 43.02

The unaudited equivalent pro forma per share combined information for DigitalGlobe set forth below shows the effect of the merger from the perspective of a DigitalGlobe shareowner. The information was calculated by multiplying the unaudited pro forma combined per share data for MDA common shares (converted into U.S. dollars using the Bank of Canada’s annual average Canadian dollar-to-U.S. dollar exchange rate for the year

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ended December 31, 2016 and average Canadian dollar-to-U.S. dollar exchange rate for the three months ended March 31, 2017, except for book value per common share, converted into U.S. dollars using the Bank of Canada's closing Canadian dollar-to-U.S. dollar exchange rate on March 31, 2017 and December 30, 2016) by the exchange ratio of 0.3132. The exchange ratio does not include the US \$17.50 in cash portion of the merger consideration.

<u>DIGITALGLOBE COMMON STOCK</u>	<u>Three Months Ended March 31, 2017 (US\$)</u>	<u>Year Ended December 31, 2016 (US\$)</u>
Basic earnings per common share		
Historical	\$ (0.05)	\$ 0.34
Equivalent pro forma combined	\$ 0.01	\$ 0.34
Diluted earnings per common share		
Historical	\$ (0.05)	\$ 0.34
Equivalent pro forma combined	\$ 0.01	\$ 0.32
Dividends per common share		
Historical	\$ 0.00	\$ 0.00
Equivalent pro forma combined	\$ 0.09	\$ 0.35
Book value per common share at period end		
Historical	\$ 18.93	\$ 19.10
Equivalent pro forma combined	\$ 9.49	\$ 10.04

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RISK FACTORS

You should consider carefully the following risk factors, as well as the other information set forth in and incorporated by reference into this proxy statement/prospectus, before making a decision on the merger proposal or the other proposals presented. As a MDA shareholder following completion of the merger, you will be subject to all risks inherent in the business of MDA in addition to the risks relating to DigitalGlobe. The market value of your MDA common shares will reflect the performance of the business relative to, among other things, that of the competitors of MDA and DigitalGlobe and general economic, market and industry conditions. The value of your investment may increase or may decline and could result in a loss. You should carefully consider the following factors as well as the other information contained in and incorporated by reference into this proxy statement/prospectus. For information about the filings incorporated by reference in this proxy statement/prospectus, see the section entitled "Where You Can Find Additional Information."

Risks Relating to the Merger

Because the market value of MDA common shares that DigitalGlobe shareowners will receive in the merger may fluctuate, DigitalGlobe shareowners cannot be sure of the market value of the stock portion of the consideration that they will receive in the merger.

The stock portion of the merger consideration that DigitalGlobe shareowners will receive upon completion of the merger is a fixed number of MDA common shares, not a number of shares that will be determined based on a fixed market value. The market value of MDA common shares, the exchange rate between the Canadian dollar and the U.S. dollar and the market value of the common stock of DigitalGlobe at the effective time may vary significantly from their respective values on the date that the merger agreement was executed or at other dates, such as the date of this proxy statement/prospectus or the date of the special meeting. Stock price changes may result from a variety of factors, including, among others, changes in MDA's or DigitalGlobe's respective businesses, operations or prospects, regulatory considerations, and general business, market, industry or economic conditions. The exchange ratio relating to the stock portion of the merger consideration will not be adjusted to reflect any changes in the market value of MDA common shares, the comparative value of the Canadian dollar and U.S. dollar or market value of the DigitalGlobe common stock. Therefore, the aggregate market value of the MDA common shares that a DigitalGlobe shareowner is entitled to receive at the time that the merger is completed could vary significantly from the value of such shares on the date of this proxy statement/prospectus or the date of the special meeting and, at the time of the special meeting, DigitalGlobe shareowners will not necessarily know or be able to calculate the total value of the merger consideration they would receive upon completion of the merger. Neither DigitalGlobe nor MDA is permitted to terminate the merger agreement solely because of changes in currency exchange rates or in the market prices of either shares of DigitalGlobe common stock or MDA common shares.

Upon completion of the merger, DigitalGlobe shareowners will become MDA shareholders, and the market price for MDA common shares may be affected by factors different from those that historically have affected DigitalGlobe.

Upon completion of the merger, DigitalGlobe shareowners will become MDA shareholders. MDA's businesses differ from those of DigitalGlobe, and accordingly, the results of operations of MDA will be affected by some factors that are different from those currently affecting the results of operations of DigitalGlobe. The market price of MDA common shares may fluctuate significantly following consummation of the merger and DigitalGlobe shareowners could lose the value of their investment in MDA common shares. In addition, the stock market has experienced significant price and volume fluctuations in recent times which could have a material adverse effect on the market for, or liquidity of, the MDA common shares, regardless of MDA's actual operating performance. For a discussion of the business of MDA and of some important factors to consider in connection with MDA's business, see the sections entitled "Additional Information about MDA" and "Risk Factors—Risks Related to MDA's Business." For a discussion of the business of DigitalGlobe and of some

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important factors to consider in connection with DigitalGlobe's business, see the documents incorporated by reference in this proxy statement/prospectus and referred to in the section entitled "*Where You Can Find Additional Information.*"

Certain rights of DigitalGlobe shareowners will change as a result of the merger.

Upon completion of the merger, DigitalGlobe shareowners will no longer be shareowners of DigitalGlobe, a Delaware corporation, but will be shareholders of MDA, a British Columbia corporation. There will be certain differences between your current rights as a DigitalGlobe shareowner, on the one hand, and the rights to which you will be entitled as a MDA shareholder, on the other hand. These differences include, but are not limited to the following:

- MDA is authorized to issue an unlimited number of common shares;
- voting at a meeting of shareholders may be conducted by a show of hands, without respect to the number of shares held by each such shareholder, unless a poll is directed by the chairperson or demanded by a shareholder entitled to vote;
- MDA's articles provide that, subject to special rights and restrictions attached to any class or series of shares, a quorum of shareholders is constituted by two persons who are, or represent by proxy, shareholders holding at least 25% of the issued shares entitled to be voted;
- MDA has in place a Shareholders Rights Plan Agreement dated January 8, 2008 between MDA and Computershare Investor Services Inc., as rights agent; and
- as MDA is governed by the BCA rather than the DGCL, and MDA is not subject to an anti-takeover statute comparable to Section 203 of the DGCL, to which DigitalGlobe is subject.

For a more detailed discussion of the differences in the rights of DigitalGlobe shareowners and MDA shareholders, see the section entitled "*Comparison of Rights of MDA Shareholders and DigitalGlobe shareowners.*"

There is no assurance when or if the merger will be completed.

The completion of the merger is subject to the satisfaction or waiver of a number of conditions as set forth in the merger agreement, including, among others, (a) the approval and adoption of the merger agreement by the DigitalGlobe shareowners holding a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, and entitled to vote at the special meeting; (b) the approval of the issuance of MDA common shares in connection with the merger by a majority of the votes cast on such matter at the MDA meeting; (c) expiration or termination of the applicable waiting period under the HSR Act; (d) receipt of an approval from the CFIUS; (e) receipt of other regulatory approvals; (f) the absence of any law or action taken by any governmental entity of competent jurisdiction (whether temporary, preliminary or permanent) which restrains, precludes, enjoins or otherwise prohibits the consummation of the merger or makes the merger illegal; (g) the SEC declaring effective the registration statement on Form F-4 under the U.S. Securities Act of which this proxy statement/prospectus is a part; (h) the conditional approval or authorization, as applicable, for listing on the TSX and either the NYSE or NASDAQ of the MDA common shares issuable in connection with the merger; (i) receipt by each of MDA and DigitalGlobe of a tax opinion from an outside tax advisor or legal counsel regarding certain aspects of the transaction; (j) the accuracy of the representations and warranties contained in the merger agreement (subject to specified materiality qualifiers); (k) compliance with the covenants and agreements in the merger agreement in all material respects; and (l) no material adverse effect on either DigitalGlobe or MDA having occurred. The closing of the merger is not subject to a financing condition. There can be no assurance as to when these conditions will be satisfied or waived, if at all, or that other events will not intervene to delay or result in the failure to close the proposed merger.

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DigitalGlobe and MDA have made various filings and submissions and are pursuing all required consents, orders and approvals in accordance with the merger agreement. No assurance can be given that the required consents, orders and approvals will be obtained or that the required conditions to closing will be satisfied. Even if all such consents, orders and approvals are obtained and such conditions are satisfied, no assurance can be given as to the terms, conditions and timing of such consents, orders and approvals. For example, these consents, orders and approvals may impose conditions on or require divestitures relating to the divisions, operations or assets of DigitalGlobe and MDA or may impose requirements, limitations or costs or place restrictions on the conduct of DigitalGlobe's or MDA's business, and if such consents, orders and approvals require an extended period of time to be obtained, such extended period of time could increase the chance that an adverse event occurs with respect to DigitalGlobe or MDA. Such extended period of time also may increase the chance that other adverse effects with respect to DigitalGlobe or MDA could occur, such as the loss of key personnel. Under the merger agreement, neither MDA nor any of its subsidiaries (including Holdings and Merger Sub) will be required to, as a condition to obtaining any required approval or resolving any objection of any governmental entity, offer or accept, or agree, commit to agree or consent to, any "Extraordinary Condition," as defined below under "*The Merger Proposal—Regulatory Approvals Required for the Merger.*" Each party's obligation to complete the merger is also subject to the accuracy of the representations and warranties of the other party (subject to specified materiality qualifiers) and the performance in all material respects of the other party's covenants under the merger agreement. In addition, if the merger is not completed by 5:00 p.m. Eastern Time on December 7, 2017, either DigitalGlobe or Holdings may choose to terminate the merger agreement. DigitalGlobe or Holdings may elect to terminate the merger agreement in certain other circumstances, and DigitalGlobe and MDA can mutually decide to terminate the merger agreement at any time prior to the effective time, before or after the approval by the DigitalGlobe shareowners or the MDA shareholders. As a result of these conditions, DigitalGlobe and MDA cannot provide assurance that the merger will be completed on the terms or timeline currently contemplated, or at all. For more information, see the sections entitled "*The Merger Proposal—Regulatory Approvals Required for the Merger,*" "*The Merger Agreement—Conditions that Must Be Satisfied or Waived for the Merger to Occur*" and "*The Merger Agreement—Termination of the Merger Agreement.*"

The special meeting may take place before all of the required regulatory approvals have been obtained and before all conditions to such approvals, if any, are known. Notwithstanding the foregoing, if the merger proposal is approved by DigitalGlobe shareowners, DigitalGlobe and MDA would not be required to seek further approval of DigitalGlobe shareowners, even if the conditions imposed in obtaining required regulatory approvals could have an adverse effect on DigitalGlobe or MDA either before or after completing the merger.

Following the closing of the merger, MDA may not realize all of the anticipated benefits of the merger.

MDA believes that the merger will provide benefits to MDA as described elsewhere in this proxy statement/prospectus. However, there is a risk that some or all of the expected benefits of the merger may fail to materialize, or may not occur within the time periods anticipated by MDA. The realization of such benefits may be affected by a number of factors, including tax and regulatory considerations and decisions, many of which are beyond the control of MDA and DigitalGlobe. The challenge of combining previously independent businesses makes evaluating the business and future financial prospects of MDA following the merger difficult. DigitalGlobe and MDA have operated and, until completion of the merger, will continue to operate, independently. The past financial performance of each of DigitalGlobe and MDA may not be indicative of their future financial performance. Realization of the anticipated benefits in the merger will depend, in part, on MDA's ability to successfully integrate DigitalGlobe with MDA. The combined company will be required to devote significant management attention and resources to integrating its business practices and support functions. The diversion of management's attention and any delays or difficulties encountered in connection with the merger and the coordination of the two companies' operations could have an adverse effect on the business, financial results, financial condition or the share price of MDA following the merger. The coordination process may also result in additional and unforeseen expenses.

Failure to realize all of the anticipated benefits of the merger may impact the financial performance of MDA, the price of the MDA common shares and the ability of MDA to continue paying dividends on its

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common shares at rates consistent with current dividend guidance or at all. The declaration of dividends by MDA will be at the discretion of its board of directors, which may determine at any time to cease paying dividends, lower the dividend rate or not increase the dividend rate.

The announcement and pendency of the merger could adversely affect DigitalGlobe's and MDA's business, results of operations and financial condition.

The announcement and pendency of the merger could cause disruptions in and create uncertainty surrounding DigitalGlobe's and MDA's business, including affecting DigitalGlobe's and MDA's relationships with its existing and future customers, suppliers and employees, which could have an adverse effect on DigitalGlobe's and MDA's business, results of operations and financial condition, regardless of whether the merger is completed. In particular, DigitalGlobe and MDA could potentially lose important personnel as a result of the departure of employees who decide to pursue other opportunities in light of the merger. DigitalGlobe and MDA could also potentially lose customers or suppliers, and new customer or supplier contracts could be delayed or decreased. In addition, DigitalGlobe and MDA have expended, and continue to expend, significant management resources in an effort to complete the merger, which are being diverted from DigitalGlobe's and MDA's day-to-day operations.

If the merger is not completed, DigitalGlobe's and MDA's stock prices will likely fall to the extent that the current price of DigitalGlobe common stock and MDA common shares reflect a market assumption that the merger will be completed. In addition, the failure to complete the merger may result in negative publicity or a negative impression of DigitalGlobe and MDA in the investment community and may affect DigitalGlobe's and MDA's relationship with employees, customers, suppliers and other partners in the business community.

DigitalGlobe and MDA will incur substantial transaction fees and costs in connection with the merger.

DigitalGlobe and MDA have incurred and expect to incur additional material non-recurring expenses in connection with the merger and completion of the transactions contemplated by the merger agreement, including costs relating to the financing of the merger and obtaining required shareowner or shareholder, as applicable, and regulatory approvals. DigitalGlobe and MDA have incurred significant legal, advisory and financial services fees in connection with the process of negotiating and evaluating the terms of the merger. Additional significant unanticipated costs may be incurred in the course of coordinating the businesses of DigitalGlobe and MDA after completion of the merger. Even if the merger is not completed, DigitalGlobe and MDA will need to pay certain costs relating to the merger incurred prior to the date the merger was abandoned, such as legal, accounting, financial advisory, filing and printing fees. Such costs may be significant and could have an adverse effect on the parties' future results of operations, cash flows and financial condition. In addition to its own fees and expenses, each of DigitalGlobe and MDA may be required to reimburse the other party for its reasonable out-of-pocket expenses incurred in connection with the merger agreement, subject to a cap of \$10 million, in the event the DigitalGlobe shareowners or MDA shareholders, respectively, do not approve the matters required to be voted upon by DigitalGlobe shareowners or MDA shareholders, respectively, and the merger agreement is terminated.

MDA will have a substantial amount of indebtedness, which may adversely affect its cash flow and ability to operate its business.

After giving effect to the merger and the financing thereof, MDA will have a significant amount of debt. As of December 31, 2016, on a pro forma basis after giving effect to the merger and the financing plans in connection with the merger, as assumed in the unaudited pro forma condensed combined financial statements contained under the section entitled "Unaudited Pro Forma Condensed Combined Financial Information," the consolidated indebtedness of MDA was estimated to be approximately C\$4.13 billion. The expected substantial increase in the amount of indebtedness of MDA will, among other things, reduce MDA's flexibility to respond to changing business and economic conditions and could increase MDA's borrowing costs. In addition, the amount of cash required to service MDA's increased indebtedness levels and thus the demands on MDA's cash resources

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will be greater than the amount of cash flows required to service the indebtedness of MDA or DigitalGlobe individually prior to the merger. The increased levels of indebtedness could also reduce funds available for capital expenditures, the payment of dividends and other activities and may create competitive disadvantages for MDA relative to other companies with lower debt levels.

There can be no assurance that MDA will be able to secure the funds necessary to pay the cash portion of the merger consideration and refinance certain of DigitalGlobe's existing indebtedness on acceptable terms, in a timely manner, or at all.

MDA intends to fund the cash portion of the merger consideration with debt financing, and also intends to refinance certain of DigitalGlobe's existing indebtedness with debt financing. To this end, MDA has entered into the debt commitment letter for senior secured credit facilities in an aggregate principal amount of up to US\$3.75 billion. However, neither MDA nor any of its subsidiaries has entered into definitive agreements for the debt financing (or any equity issuance or other financing arrangements in lieu thereof). There can be no assurance that MDA will be able to secure the debt financing pursuant to the debt commitment letter. In the event that the debt financing contemplated by the debt commitment letter is not available, other financing may not be available on acceptable terms, in a timely manner or at all. Although the merger agreement does not contain any financing conditions, if MDA is unable to secure financing for the merger, the merger may not be completed.

The definitive documentation governing the debt financing has not been finalized. However, it is expected that the definitive documentation governing the debt financing will contain various affirmative and negative covenants that impose restrictions on MDA and certain of its subsidiaries. In addition, such documentation is expected to contain financial covenants that will require MDA to maintain certain financial ratios. These covenants could limit the ability of MDA and certain subsidiaries thereof to finance their future operations and capital needs and their ability to pursue business opportunities and activities that may be in MDA's interest. Failure to comply with these covenants could result in an event of default, which, if not cured or waived, could accelerate MDA's repayment obligations. See the section entitled "*The Merger Proposal—Financing for the Merger*" for more information.

Significant demands will be placed on DigitalGlobe and MDA as a result of the merger.

As a result of the pursuit and completion of the merger, significant demands will be placed on the managerial, operational and financial personnel and systems of DigitalGlobe and MDA. The future operating results of MDA will be affected by the ability of its officers and key employees to manage changing business conditions and to implement and expand its operational and financial controls and reporting systems in response to the merger.

The unaudited pro forma condensed combined financial information of DigitalGlobe and MDA is presented for illustrative purposes only and may not be indicative of the results of operations or financial condition of MDA following the merger.

The unaudited pro forma condensed combined financial information included in this proxy statement/prospectus has been prepared using the consolidated historical financial statements of MDA and DigitalGlobe, is presented for illustrative purposes only and should not be considered to be an indication of the results of operations or financial condition of MDA following the merger. In addition, the pro forma combined financial information included in this proxy statement/prospectus is based in part on certain assumptions regarding the merger. These assumptions may not prove to be accurate, and other factors may affect MDA's results of operations or financial condition following the merger. Accordingly, the historical and pro forma financial information included in this proxy statement/prospectus does not necessarily represent MDA's results of operations and financial condition had DigitalGlobe and MDA operated as a combined entity during the periods presented, or of MDA's results of operations and financial condition following completion of the merger. MDA's

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potential for future business success and operating profitability must be considered in light of the risks, uncertainties, expenses and difficulties typically encountered by recently combined companies.

In preparing the pro forma financial information contained in this proxy statement/prospectus, MDA has given effect to, among other items, the completion of the merger, the payment of the merger consideration and the indebtedness of MDA on a consolidated basis after giving effect to the merger, including the indebtedness of DigitalGlobe. The unaudited pro forma financial information does not reflect all of the costs that are expected to be incurred by DigitalGlobe and MDA in connection with the merger. For more information, see the section entitled “*Unaudited Pro Forma Condensed Combined Financial Statements*,” including the notes thereto.

MDA may not have discovered undisclosed liabilities of DigitalGlobe.

In the course of the due diligence review of DigitalGlobe that MDA conducted prior to the execution of the merger agreement, MDA may not have discovered, or may have been unable to quantify, undisclosed liabilities of DigitalGlobe and its subsidiaries and MDA will not be indemnified for any of these liabilities. If DigitalGlobe has undisclosed liabilities, MDA as a successor owner may be responsible for such undisclosed liabilities. Such undisclosed liabilities could have an adverse effect on the business, results of operations, financial condition and cash flows of MDA and on the value of the MDA common shares after the consummation of the merger.

DigitalGlobe may not have discovered undisclosed liabilities of MDA.

In the course of the due diligence review of MDA that DigitalGlobe conducted prior to the execution of the merger agreement, DigitalGlobe may not have discovered, or may have been unable to quantify, undisclosed liabilities of MDA and its subsidiaries and DigitalGlobe shareowners will not be indemnified for any of these liabilities. Such undisclosed liabilities could have an adverse effect on the business, results of operations, financial condition and cash flows of MDA and on the value of the MDA common shares after the consummation of the merger.

While the merger agreement is in effect, DigitalGlobe and MDA are subject to restrictions on their business activities.

Under the merger agreement, DigitalGlobe and MDA are subject to certain restrictions on the conduct of their business and generally must operate their business in the ordinary course prior to completing the merger (unless DigitalGlobe or MDA obtains the other’s consent, as applicable, which is not to be unreasonably withheld, conditioned or delayed), which may restrict DigitalGlobe’s and MDA’s ability to exercise certain of its business strategies. These restrictions may prevent DigitalGlobe and MDA from pursuing otherwise attractive business opportunities, making certain acquisitions or making changes to DigitalGlobe’s and MDA’s businesses prior to the completion of the merger or termination of the merger agreement, as applicable. In addition, these restrictions may prevent DigitalGlobe from making certain investments, selling assets, engaging in capital expenditures in excess of certain agreed limits and incurring indebtedness prior to the completion of the merger or termination of the merger agreement, as applicable. These restrictions could have an adverse effect on DigitalGlobe’s and MDA’s business, financial results, financial condition or stock price.

In addition, the merger agreement prohibits DigitalGlobe and MDA from (a) initiating, soliciting, knowingly facilitating or knowingly encouraging, subject to certain exceptions set forth in the merger agreement, any inquiry or the making of any proposal or offer that constitutes, or could reasonably be expected to lead to, an acquisition proposal, (b) engaging in, continuing or otherwise participating in any discussions with or negotiations relating to any acquisition proposal or any inquiry or indication of interest that could reasonably be expected to lead to an acquisition proposal or (c) furnishing or providing any non-public information regarding it or its subsidiaries or providing access to any of its properties, assets or employees, to any person in connection with or in response to any acquisition proposal or any proposal or offer that could reasonably be expected to lead to an acquisition proposal or inquiry or indication of interest that could reasonably be expected to lead to an

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acquisition proposal. DigitalGlobe may be required to pay MDA a termination fee of \$85 million if the merger agreement is terminated under certain circumstances specified in the merger agreement, and MDA may be required to pay DigitalGlobe a termination fee of \$85 million if the merger agreement is terminated under certain circumstances specified in the merger agreement.

These provisions may limit DigitalGlobe's ability to pursue offers from third parties that could result in greater value to DigitalGlobe shareowners than the merger consideration. The termination fee may also discourage third parties from pursuing an alternative acquisition proposal with respect to DigitalGlobe.

If the merger agreement is terminated and DigitalGlobe determines to seek another business combination, DigitalGlobe may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the merger.

Possible U.S. federal income tax reform could adversely affect MDA.

The new U.S. administration and certain members of the U.S. House of Representatives have stated that one of their top legislative priorities is significant reform of the Code. Proposals by members of Congress have included, among other things, changes to U.S. federal tax rates, imposing significant additional limitations on the deductibility of interest, allowing for the expensing of capital expenditures, the migration from a "worldwide" system of taxation to a territorial system, and the use of certain border adjustments. There is a substantial uncertainty regarding both the timing and the details of any such tax reform. The impact of any potential tax reform on MDA's business and on holders of MDA common shares is uncertain and could be adverse. Prospective investors should consult their own tax advisors regarding potential changes in U.S. tax laws.

The merger may result in MDA being treated as a U.S. corporation for U.S. federal income tax purposes.

Under current U.S. federal income tax law, a corporation organized under Canadian law is not treated as a U.S. corporation, and therefore is treated as a non-U.S. corporation. Section 7874 of the Code and the Treasury Regulations promulgated thereunder, however, contain rules that may cause a non-U.S. corporation that acquires the stock of a U.S. corporation to be treated as a U.S. corporation for U.S. federal income tax purposes under certain circumstances. If MDA were treated as a domestic corporation for U.S. federal income tax purposes, among other consequences, it would generally be subject to U.S. federal income tax on its worldwide income, and its dividends would be treated as dividends from a U.S. corporation. Regardless of the application of Section 7874 of the Code, MDA is expected to be treated as a Canadian tax resident for Canadian tax purposes. Consequently, if MDA were to be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Code, it could be liable for both U.S. and Canadian taxes and dividends paid by MDA to its shareholders could be subject to both U.S. and Canadian withholding taxes. MDA and DigitalGlobe do not believe that MDA should be treated as a U.S. domestic corporation under Section 7874 of the Code. Further, the obligation to effect the merger is conditional upon MDA's and DigitalGlobe's receipt of an opinion from a nationally recognized tax advisor or legal counsel, dated as of the closing date and subject to certain qualifications and limitations set forth therein, to the effect that Section 7874 of the Code and the regulations promulgated thereunder should not apply in such a manner so as to cause MDA to be treated as a U.S. corporation for U.S. federal income tax purposes from and after the closing date.

There can be no assurance that the IRS, or a court will agree with the position that MDA is not treated as a U.S. domestic corporation under Section 7874 of the Code. The rules under the U.S. Treasury Regulations governing the application of Section 7874, including the ownership requirement, are new and complex, and there is limited guidance regarding the application of these rules. In addition, changes in facts or law might cause MDA to be treated as a domestic corporation for such purposes. New statutory or regulatory provisions, or other guidance under Section 7874 of the Code could be enacted or promulgated that would adversely affect MDA's status for U.S. federal income tax purposes, all of which could have retroactive application. For more information, see the section entitled "*The Merger Proposal—Certain U.S. Federal Income Tax Consequences of the Merger—Classification of MDA as a Foreign Corporation.*"

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If, as a result of the merger, MDA were treated as an inverted domestic corporation under the Homeland Security Act, the U.S. government may cease to make payments on its existing contracts with MDA and DigitalGlobe and may refrain from entering into new contracts with MDA in the future, which would substantially decrease the value of MDA's business and, accordingly, the value of MDA common shares.

The Federal Acquisition Regulation ("FAR") prohibits U.S. federal government agencies from using appropriated (or otherwise made available) funds for contracts with a foreign incorporated entity, or a subsidiary of such an entity, that is an "inverted domestic corporation," as defined in the Homeland Security Act at 6 U.S.C. § 395(b). This means that government agencies may be prohibited from entering into new contracts with an inverted domestic corporation, and may be prohibited from paying for contractor activities on existing contracts after the date of the "inversion." As the businesses of both MDA and DigitalGlobe are heavily dependent upon revenues generated from U.S. federal government contracts, the treatment of MDA as an inverted domestic corporation would substantially decrease the value of the combined company's business following the merger and, accordingly, the value of MDA common shares. The application of the "inverted domestic corporation" definition is somewhat unclear due to the lack of detailed regulations or other guidance promulgated with respect to the relevant provisions of the Homeland Security Act. Section 7874 of the Code, discussed above, includes substantially similar provisions regarding the determination of whether a foreign incorporated corporation is treated as a U.S. domestic corporation for U.S. federal income tax purposes. While the regulatory provisions and other guidance issued by the U.S. Internal Revenue Service ("IRS") and the Treasury Department with respect to Section 7874 provide more detailed guidance, which interprets Section 7874 as having expansive application, these regulations do not explicitly apply for the purposes of determining whether a corporation is an inverted domestic corporation under the Homeland Security Act, and it is unclear to what extent they should be viewed as interpretive guidance for such purposes. As discussed above, it is not expected that MDA will be treated as a U.S. domestic corporation under Section 7874 of the Code. Therefore, even if the expansive guidance issued by the IRS and Treasury Department were viewed as interpretive for purposes of the definition of "inverted domestic corporation" in the Homeland Security Act, it is not expected that MDA will be treated as an inverted domestic corporation for such purposes. There can be no assurance that the relevant U.S. federal government agencies, or a court or administrative tribunal, will agree with this position that MDA should not be treated as an inverted domestic corporation under the Homeland Security Act, and in addition, changes in facts or law might cause MDA to be treated as an inverted domestic corporation for such purposes. New statutory or regulatory provisions, or other guidance under the Homeland Security Act, or under the Code, could be enacted or promulgated that would adversely affect MDA's status with regard to the FAR prohibition, all of which could have retroactive application.

Directors and executive officers of DigitalGlobe have interests in the merger that differ from the interests of DigitalGlobe shareowners generally, including, if the merger is completed, the receipt of financial and other benefits.

In considering the recommendation of the DigitalGlobe board of directors, you should be aware that DigitalGlobe's directors and executive officers have interests in the merger that are different from, or in addition to, those of DigitalGlobe shareowners generally. These interests may include, among others, potential severance benefits, the treatment of outstanding equity awards pursuant to the merger agreement, rights to ongoing indemnification and insurance coverage, and certain rights to appointment to directorships in MDA and Holdings. These interests are described in more detail in the section entitled "*The Merger Proposal—Interests of DigitalGlobe's Directors and Executive Officers in the Merger.*"

Except in specified circumstances, if the merger is not completed by 5:00 p.m. Eastern Time on December 7, 2017, either DigitalGlobe or MDA may choose not to proceed with the merger.

Either DigitalGlobe or MDA may terminate the merger agreement if the merger has not been completed by 5:00 p.m. Eastern Time on December 7, 2017. However, this right to terminate the merger agreement will not be available to DigitalGlobe or MDA if the failure of such party to fulfill any material obligation under the merger

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agreement has been the cause of or resulted in the failure of the merger to be completed on or before such time. For more information, see the section entitled “*The Merger Agreement—Termination of the Merger Agreement.*”

Holders of DigitalGlobe common stock and DigitalGlobe preferred stock will have a reduced ownership and voting interest after the merger and will exercise less influence over management of the combined organization.

Holders of DigitalGlobe common stock and DigitalGlobe preferred stock currently have the right to vote in the election of the DigitalGlobe board of directors and on other matters affecting DigitalGlobe. Upon the completion of the merger, each holder of DigitalGlobe common stock and DigitalGlobe preferred stock that receives MDA common shares will become a shareholder of MDA with a percentage ownership of the combined organization that is smaller than the shareowner’s percentage ownership of DigitalGlobe. It is expected that the former securityholders of DigitalGlobe as a group will receive shares in the merger constituting approximately 37.1% of the outstanding MDA common shares immediately after the merger (assuming the issuance of the 600,556 MDA common shares expected to be reserved for issuance in respect of Converted RSUs). As a result, holders of DigitalGlobe common stock and DigitalGlobe preferred stock as a group will have significantly less influence on the management and policies of MDA than they now have on the management and policies of DigitalGlobe.

MDA expects to maintain its status as a “foreign private issuer” in the United States until the earlier of January 1, 2020 or the incorporation of the ultimate parent of Holdings and DigitalGlobe in the United States and thus will be exempt from a number of rules under the U.S. Exchange Act.

As a “foreign private issuer,” MDA is exempt from rules under the U.S. Exchange Act that impose disclosure requirements, as well as procedural requirements, for proxy solicitations under Section 14 of the U.S. Exchange Act. MDA’s officers, directors and principal shareholders are also exempt from the reporting and “short-swing” profit recovery provisions of Section 16 of the U.S. Exchange Act. In addition, MDA is permitted, under a multi-jurisdictional disclosure system adopted by the United States and Canada, to prepare its disclosure documents filed under the U.S. Exchange Act in accordance with Canadian disclosure requirements, including preparing its financial statements in accordance with IFRS, which differ in some respects from U.S. GAAP. As a result, following the merger, holders of DigitalGlobe common stock may have less readily available access to information about the financial performance and business of MDA as compared to DigitalGlobe, or such information may be presented differently.

Once MDA loses its status as a foreign private issuer, it will be required to file annual, quarterly and current reports on Forms 10-K, 10-Q, and 8-K within the time periods required by the U.S. Exchange Act, which are significantly shorter than the time periods required of foreign private issuers for the less extensive periodic reporting required of them, and will have to mandatorily comply with U.S. federal proxy requirements. MDA would also become subject to Regulation FD of the U.S. Exchange Act, regulating the selective disclosure of non-public information, and MDA’s directors, senior management and affiliates would be subject to the disclosure and other requirements of Section 16 of the U.S. Exchange Act in respect of their ownership of and transactions in MDA securities. As a result, the regulatory and compliance costs to MDA under U.S. securities laws as a U.S. domestic issuer may be higher than those of a Canadian foreign private issuer eligible to use the multi-jurisdictional disclosure system.

MDA is organized under the laws of British Columbia and a portion of its assets are, and some of its directors and officers reside, outside of the United States. As a result, it may not be possible for shareowners to enforce civil liability provisions of the securities laws of the United States in Canada.

MDA is organized under the laws of British Columbia, Canada. A portion of MDA’s assets are located outside of the United States, and some of MDA’s directors and officers and some of the experts named in this proxy statement/prospectus are residents of jurisdictions outside of the United States. As a result, it may be

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difficult for investors to effect service within the United States upon MDA and those directors, officers and experts, or to realize in the United States upon judgments of courts of the United States predicated upon civil liability of MDA and such directors, officers or experts under the U.S. federal securities laws. There is uncertainty as to the enforceability in Canada by a court in original actions, or in actions to enforce judgments of U.S. courts, of the civil liabilities predicated upon the U.S. federal securities laws.

Resales of MDA common shares following the merger may cause the market value of MDA common shares to decline.

MDA expects that it will issue approximately 20,866,028 MDA common shares to DigitalGlobe securityholders at the effective time and reserve for issuance approximately 600,556 MDA common shares for issuance to holders of Converted RSUs following the effective time in connection with the merger. The issuance of these new shares and the sale of additional shares that may become eligible for sale in the public market from time to time could have the effect of depressing the market value for MDA common shares. The increase in the number of MDA common shares may lead to sales of such MDA common shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market value of, MDA common shares.

The market value of MDA common shares may decline as a result of the merger.

The market value of MDA common shares may decline as a result of the merger if, among other things, MDA is unable to achieve the expected growth in earnings, or if the operational cost savings estimates in connection with the integration of DigitalGlobe's and MDA's businesses are not realized or if the transaction costs related to the merger are greater than expected. The market value also may decline if MDA does not achieve the perceived benefits of the merger as rapidly or to the extent anticipated by the market or if the effect of the merger on MDA's financial position, results of operations or cash flows is not consistent with the expectations of financial or industry analysts.

DigitalGlobe and MDA may be targets of securities class action and derivative lawsuits which could result in substantial costs and may delay or prevent the merger from being completed.

Securities class action lawsuits and derivative lawsuits are often brought against companies that have entered into merger agreements. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management time and resources. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting consummation of the merger, then that injunction may delay or prevent the merger from being completed. Moreover, any litigation could be time consuming and expensive and could divert MDA's and DigitalGlobe's management's attention away from their regular business. For information about lawsuits filed by alleged stockholders of DigitalGlobe relating to the merger, see the section entitled "*The Merger Proposal—Litigation Relating to the Merger.*"

One of the conditions to closing is that no governmental entity has issued a final and non-appealable statute, rule, order, decree or regulation or taken any other action that restrains, enjoins or otherwise prohibits the merger or makes the merger illegal. Consequently, if a settlement or other resolution is not reached in any lawsuit that is filed and a claimant secures injunctive or other relief prohibiting, delaying or otherwise adversely affecting MDA's or DigitalGlobe's ability to complete the merger on the terms contemplated by the merger agreement, then such law or injunctive or other relief may prevent the merger from becoming effective in a timely manner or at all.

The opinions of DigitalGlobe's financial advisors do not reflect changes in circumstances that may occur between the original signing of the merger agreement and the completion of the merger.

Consistent with market practice, the DigitalGlobe board of directors has not obtained updated opinions from its financial advisors as of the date of this proxy statement/prospectus and does not expect to receive an updated,

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revised or reaffirmed opinion prior to the completion of the merger. Changes in the operations and prospects of DigitalGlobe and MDA, general market and economic conditions and other factors that may be beyond the control of DigitalGlobe, and on which DigitalGlobe's financial advisors' opinions were based, may significantly alter the value of DigitalGlobe or the price of shares of DigitalGlobe common stock by the time the merger is completed. The opinions do not speak as of the time the merger will be completed or as of any date other than the date of such opinions. Because DigitalGlobe's financial advisors will not be updating their respective opinions, the opinions will not address the fairness of the merger consideration from a financial point of view at the time the merger is completed. The DigitalGlobe board of directors' recommendation that DigitalGlobe shareowners vote "**FOR**" the merger proposal, however, is made as of the date of this proxy statement/prospectus. For a description of the opinion that the DigitalGlobe board of directors received from its financial advisors, see the section entitled "*The Merger Proposal—Opinions of DigitalGlobe's Financial Advisors.*"

DigitalGlobe shareowners have appraisal rights under Delaware law.

Under the DGCL, DigitalGlobe shareowners who (1) do not vote in favor of the merger proposal, (2) deliver to DigitalGlobe a written demand for appraisal prior to taking of the vote on the merger proposal at the special meeting, (3) continuously hold their shares of DigitalGlobe common stock or DigitalGlobe preferred stock through the effective time and (4) otherwise comply with the requirements and procedures of Section 262 of the DGCL, are entitled to appraisal rights, which generally entitle shareowners to have their shares appraised by the Court of Chancery of the State of Delaware (the "Court of Chancery") and to receive payment in cash of the "fair value" of their DigitalGlobe common stock or DigitalGlobe preferred stock, as applicable, exclusive of any elements of value arising from the accomplishment or expectation of the merger, together with interest on the amount determined to be fair value, if any, as determined by the Court of Chancery (or, in certain circumstances described in this proxy statement/prospectus, on the difference between the amount determined to be the fair value and the amount paid by DigitalGlobe to each DigitalGlobe shareowner entitled to appraisal prior to the entry of judgment in the appraisal proceeding). The appraised value would be determined by the Court of Chancery and could be less than, the same as or more than the merger consideration. Under Delaware law, shareowners are generally entitled to statutory interest on an appraisal award at a rate equal to 5% above the Federal Reserve discount rate compounded quarterly. DigitalGlobe shareowners who have properly demanded appraisal rights must file a petition for appraisal with the Court of Chancery within 120 days after the effective date of the merger. Should a material number of DigitalGlobe shareowners exercise appraisal rights and should the Court determine that the fair value of such shares of DigitalGlobe common stock or DigitalGlobe preferred stock is materially greater than the merger consideration, it could have a material adverse effect on the financial condition and results of operation of the surviving corporation. A summary description of the appraisal rights available to holders of DigitalGlobe common stock and DigitalGlobe preferred Stock under the DGCL and the procedures required to exercise statutory appraisal rights are included under the section entitled "*The Merger Proposal—Appraisal or Dissenters' Rights.*" The full text of Section 262 of the DGCL is attached as Annex D to this proxy statement/prospectus. Due to the complexity of the procedures described above, DigitalGlobe shareowners who are considering exercising such rights are encouraged to seek the advice of legal counsel.

Risks Related to DigitalGlobe's Business

You should read and consider the risk factors specific to DigitalGlobe's business that will also affect the combined company after completion of the merger. These risks are described in DigitalGlobe's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, which is incorporated by reference into this proxy statement/prospectus, and in other documents that are incorporated by reference into this proxy statement/prospectus. See the section entitled "*Where You Can Find Additional Information*" for the location of information incorporated by reference into this proxy statement/prospectus.

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MDA's future revenue and operating results is dependent on its ability to generate a sustainable order rate for its satellite manufacturing operations and develop new technologies to meet the needs of its customers or potential new customers.

MDA's financial performance is dependent on its ability to generate a sustainable order rate for its satellite manufacturing operations. This can be challenging and may fluctuate on an annual basis as the number of satellite construction contracts awarded varies. The cyclical nature of the commercial satellite market could negatively impact MDA's ability to accurately forecast customer demand. The markets that MDA serves may not grow in the future and MDA may not be able to maintain adequate gross margins or profits in these markets. MDA's growth is dependent on the growth in the sales of services provided by its customers, its customers' ability to anticipate market trends, and MDA's ability to anticipate changes in the businesses of its customers and to successfully identify and enter new markets. If MDA fails to anticipate such changes in demand, its business, results of operations and financial position could be adversely affected.

The satellite manufacturing industry is characterized by development of technologies to meet changing customer demand for complex and reliable services. MDA's systems embody complex technology and may not always be compatible with current and evolving technical standards and systems developed by others. Failure or delays by MDA to meet or comply with the requisite and evolving industry or user standards could have a material adverse effect on MDA's business, results of operations and financial condition.

MDA needs to invest in technology to meet its customers' changing needs. Technological development is expensive and requires long lead time. MDA may not be successful in developing new technology or that the technology it is successful in developing may not meet the needs of its customers or potential new customers.

The markets in which MDA operates are characterized by changing technology and evolving industry standards. Despite years of experience in meeting customer systems requirements with the latest in technological solutions, MDA may not be successful in identifying, developing and marketing products or systems that respond to rapid technological change, evolving technical standards and systems developed by others. MDA's competitors may develop technology that better meets the needs of its customers. If MDA does not continue to develop, manufacture and market innovative technologies or applications that meet customers' requirements, sales may suffer.

MDA's business with various governmental entities is subject to the policies, priorities, regulations, mandates, and funding levels of such governmental entities and may be negatively or positively impacted by any change thereto.

Changes in government policies and priorities and the termination or suspension of government contracts could negatively impact MDA's business, financial condition, results of operations and cash flows.

Changes in government policies, priorities, regulations or government agency mandates, or funding levels through agency budget reductions, the imposition of budgetary constraints or a decline in government support or deferment of funding for programs in which MDA or its customers participate could result in contract terminations, delays in contract awards, the failure to exercise contract options, the cancellation of planned procurements and fewer new business opportunities. In addition, contracts with any government, including the Canadian or U.S. government, may be terminated or suspended by the government at any time and could result in significant liability obligations of MDA. MDA seeks to have in place as standard provisions, termination for convenience language which reimburses MDA for reasonable costs incurred, subcontractor and employee termination and wind-down costs plus a reasonable amount of profit thereon. However, reparations for termination may fall short of the financial benefit associated with full completion and operation of a contract. Also, MDA may not be able to procure new contracts to offset the revenue or backlog lost as a result of any termination of government contracts. The loss of one or more large contracts could have a material adverse impact on MDA's business, financial condition, results of operations and cash flows.

[Table of Contents](#)[Index to Financial Statements](#)***MDA's expansion into the U.S. government market is subject to significant regulatory risk.***

Entry into the U.S. government market is subject to significant government regulation. The costs associated with execution of MDA's U.S. government access plan are significant. A failure by MDA to maintain the relevant clearances and approvals could limit MDA's ability to operate in the U.S. market. Further, there can be no assurance that MDA will be awarded contracts by the U.S. government. In addition, a failure by MDA to keep current and compliant with relevant U.S. regulations could result in fines, penalties, repayments, or suspension or debarment from U.S. government contracting or subcontracting for a period of time and could have an adverse effect on MDA's standing and eligibility for future U.S. government contracts.

The failure of MDA and its subsidiaries to comply with the requirements of the National Industrial Security Program Operating Manual could result in interruption, delay or suspension of MDA's ability to provide its products and services, and could result in loss of current and future business with the U.S. government.

MDA and/or its subsidiaries are parties to certain contracts with various departments and agencies of the U.S. government, including the Department of Defense, which require that certain of MDA's subsidiaries (including Space Systems/Loral, LLC ("SSL")) be issued facility security clearances under the National Industrial Security Program. The National Industrial Security Program requires that a corporation maintaining a facility security clearance be effectively insulated from foreign ownership, control or influence ("FOCI"). Because MDA is a Canadian entity, MDA has entered into, and is implementing, the Security Control Agreement, dated January 26, 2017, by and among MDA, Holdings and the U.S. Department of Defense (which we refer to as the "Security Control Agreement"), as a suitable FOCI mitigation arrangement under the National Industrial Security Program Operating Manual. A FOCI mitigation arrangement is necessary for certain of MDA's U.S. subsidiaries, including SSL, to acquire and continue to maintain the requisite security clearances thereby enabling them to enter into contracts with U.S. government entities to perform classified work and to complete the performance under those contracts. Failure to maintain an appropriate agreement with DSS regarding the appropriate FOCI mitigation arrangement could result in invalidation or termination of the security clearances, which in turn would mean that MDA's subsidiaries would not be able to enter into future contracts with the U.S. government requiring facility security clearances, and may result in the loss of the ability of those subsidiaries to complete existing contracts with the U.S. government.

MDA's revenue, results of operations and reputation may be negatively impacted if its products contain defects or fail to operate in the expected manner.

MDA sells complex and technologically advanced systems, including satellites, products, hardware and software. Sophisticated software, including software developed by MDA, may contain defects that can unexpectedly interfere with the software's intended operation. Defects may also occur in components and products that MDA manufactures or purchases from third parties. Most of the satellites and systems developed by MDA must function under demanding and unpredictable operating conditions and in harsh and potentially destructive environments. In addition, MDA may agree to the in-orbit delivery of a satellite, adding further risks to its ability to perform under a contract. Failure to achieve successful in-orbit delivery could result in significant penalties and other obligations to MDA.

MDA also employs sophisticated design and testing processes and practices, which include a range of stringent factory and on-site acceptance tests with criteria and requirements that are jointly developed with customers. MDA's systems may not be successfully implemented, pass required acceptance criteria, or operate or give the desired output, or MDA may not be able to detect and fix all defects in the satellites, products, hardware and software it sells or resolve any delays or availability issues in the launch services it procures. Failure to do so could result in lost revenue and damage to MDA's reputation, and may adversely affect MDA's ability to win new contract awards.

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MDA operates in highly competitive industries and in various jurisdictions across the world which may cause MDA to have to reduce its prices.

MDA operates in highly competitive industries and many of MDA's competitors are larger and have substantially greater resources than MDA. In addition, some of MDA's foreign competitors currently benefit from, and others may benefit in the future from, protective measures by their home countries where governments are providing financial support, including significant investments in the development of new technologies. Government support of this nature greatly reduces the commercial risks associated with satellite development activities for these competitors. This market environment may result in increased pressures on MDA's pricing and other competitive factors.

MDA conducts business internationally and is subject to fluctuations in foreign currencies. In particular, the strengthening of the U.S. dollar relative to the Euro and Asian currencies could make some of MDA's non-U.S. competitors more cost competitive, placing increased pricing pressure on MDA during competitive bid processes primarily in the commercial communication satellite market.

MDA's business is subject to various regulatory risks that could adversely affect MDA's operations.

The environment in which MDA operates is highly regulated due to the sensitive nature of MDA's complex and technologically advanced systems, including satellites, products, hardware and software, in addition to those regulations broadly applicable to publicly listed corporations. There are numerous regulatory risks that could adversely affect operations, including but not limited to:

- It is possible that the laws and regulations governing MDA's business and operations will change in the future. A substantial portion of MDA's revenue is generated from customers outside of Canada and the United States. There may be a material adverse effect on MDA's financial condition and results of operations if MDA is required to alter its business to comply with changes in both domestic and foreign regulations, telecommunications standards, tariffs or taxes and other trade barriers that reduce or restrict MDA's ability to sell its products and services on a global basis, or by political and economic instability in the countries in which it conducts business. Any failure to comply with such regulatory requirements could also subject MDA to various penalties or sanctions.
- Certain businesses of MDA and satellites, systems, products, services or technologies developed by MDA require the implementation or acquisition of products or technologies from third parties, including those in other jurisdictions. Also, certain of MDA's satellites, systems, products or technologies may be required to be forwarded or exported to other jurisdictions. In certain cases and only where the technology is re-exported to certain countries, if the use of the technologies can be viewed by the jurisdiction in which that supplier or subcontractor resides as being subject to export constraints or restrictions relating to national security, MDA may not be able to obtain the technologies and products that it requires from subcontractors who would otherwise be its optimal choice or may not be able to obtain the export permits necessary to transfer or export its technology. To the extent that it is able, MDA obtains pre-authorization for re-export prior to signing contracts which oblige MDA to export subject technologies, including specific foreign government approval as needed. In the event of export restrictions, MDA may have the ability through contract force majeure provisions to be excused from its obligations. Notwithstanding these provisions, the inability to obtain export approvals, export restrictions or changes during contract execution or non-compliance by MDA's customers could have an adverse effect on the revenues and margins of MDA.
- For certain aspects of its business operations, MDA is required to obtain U.S. government licenses and approvals and to enter into agreements with various government bodies in order to export satellites and related equipment, to disclose technical data or provide defense services to foreign persons. The delayed receipt of or the failure to obtain the necessary U.S. government licenses, approvals and agreements may prohibit entry into or interrupt the completion of a satellite construction contract by MDA which could lead to a customer's termination of a contract for default, monetary penalties and/or the loss of incentive payments.

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- Some of MDA's customers and potential customers, along with insurance underwriters and brokers, have asserted that U.S. export control laws and regulations governing disclosures to foreign persons excessively restrict their access to information about the satellite during construction and on-orbit. OFAC sanctions and requirements may also limit certain business opportunities or delay or restrict MDA's ability to contract with potential foreign customers or operators. To the extent that MDA's non-U.S. competitors are not subject to these export control or economic sanctions laws and regulations, they may enjoy a competitive advantage with foreign customers, and it could become increasingly difficult for the U.S. satellite manufacturing industry, including MDA, to recapture this lost market share. Customers concerned over the possibility that the U.S. government may deny the export license necessary for MDA to deliver their purchased satellite to them, or the restrictions or delays imposed by the U.S. government licensing requirements, even where an export license is granted, may elect to choose a satellite that is purportedly free of International Traffic in Arms Regulations ("ITAR") offered by one of MDA's European competitors. MDA is further disadvantaged by the fact that a purportedly "ITAR-free" satellite may be launched less expensively in China on the Chinese Long March rocket, a launch vehicle that, because of ITAR restrictions, is not available to MDA.
- There is a risk that MDA could become non-compliant with Canadian or U.S. securities laws and regulations or International Financial Reporting Standards. Non-compliance may result in significant penalties, in addition to loss of reputation.
- As part of the regulatory and legal environments in which it operates, MDA is subject to global anti-corruption laws that prohibit improper payments directly or indirectly to government officials, authorities or persons defined in those anti-corruption laws in order to obtain or retain business or other improper advantages in the conduct of business. MDA's policies mandate compliance with anti-corruption laws. Failure by MDA's employees, agents, subcontractors, suppliers and/or partners to comply with anti-corruption laws could impact MDA in various ways that include, but are not limited to, criminal, civil and administrative fines and/or legal sanctions and could have a significant adverse effect on MDA's reputation, operations and financial results.

MDA is dependent on its ability to attract, train and retain employees. MDA's inability to do so, or the loss of key personnel, would cause serious harm MDA's business.

The success of MDA is largely dependent on the abilities and experience of its executive officers and other key personnel to oversee all aspects of its operations and to deliver on its corporate strategies, including managing acquisitions and execution of MDA's U.S. access plan. Competition for highly skilled management, technical, research and development and other personnel is intense in MDA's industry. In order to maintain its ability to compete as one of the prime contractors for technologically advanced communication satellites, MDA must continuously retain the services of a core group of specialists in a wide variety of disciplines for each phase of the design, development, manufacture and testing of its products. To the extent that the demand for qualified personnel exceeds supply, MDA could experience higher labor, recruiting or training costs in order to attract and retain such employees, or could experience difficulties in performing under contracts if MDA's needs for such employees were unmet. MDA may not be able to retain its current executive officers or key personnel or attract and retain additional executive officers or key personnel as needed to deliver on its corporate strategy.

Security breaches or other significant disruptions of MDA's IT networks and related systems could have a material adverse effect on MDA's business and results of operations.

MDA faces the risk of a security breach or other significant disruption of its IT networks and related systems, whether through cyber-attack or cyber intrusion via the Internet, malware, computer viruses, and email attachments to persons with access to MDA's systems, originating from a number of sources including hostile foreign governments. MDA also faces the added risk of a security breach or other serious disruption of the systems that it develops and installs for customers or that it develops and provides in any of its products. As a

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provider of communication satellites and complex systems, MDA faces a heightened risk of security breach or disruption from threats to gain unauthorized access to MDA's and its customers' proprietary or classified information stored on MDA's networks and related systems and to certain of the equipment used in customers' networks or related systems.

These types of information, IT networks and related systems are critical to the operation of MDA's business and essential to its ability to perform day-to-day operations, and, in some cases, are critical to the operations of certain of MDA's customers. Although MDA makes significant efforts to maintain the security and integrity of these types of information, IT networks and related systems, and MDA has implemented various measures to manage the risk of a security breach or disruption, there can be no assurance that MDA's security efforts and measures will be effective or that attempted security breaches or disruptions will not be successful or damaging. Even the most well protected information, networks, systems and facilities remain potentially vulnerable because attempted security breaches, particularly cyber-attacks and intrusions, or disruptions will occur in the future, and because the techniques used in such attempts are constantly evolving and generally are not recognized until launched against a target, and in some cases are designed not to be detected and, in fact, may not be detected. Accordingly, MDA may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is virtually impossible for MDA to entirely mitigate this risk. A security breach or other significant disruption involving these types of information, IT networks and related systems could: (a) disrupt the proper functioning of these networks and systems and therefore MDA's operations and/or those of certain of its customers; (b) result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of, proprietary, confidential, sensitive or otherwise valuable information of MDA or its customers, including trade secrets, which others could use to compete against MDA or for disruptive, destructive or otherwise harmful purposes and outcomes; (c) compromise other sensitive government functions; and (d) damage MDA's reputation with its customers (particularly agencies of various governments) and the public generally.

In addition, the cost of continually defending against cyber-attacks and breaches has increased in recent years and future costs and any or all of the foregoing could have a material adverse effect on MDA's business and results of operations.

The failure to obtain data or alternate sources of data for its products from various sources may have an adverse impact on MDA's results of operations and financial condition.

In MDA's geospatial services operations, MDA relies on data collected from a number of sources including data obtained from satellites. MDA may become unable or limited in its ability to collect such data. For example, satellites can cease to function for reasons beyond MDA's control. Additionally, in certain instances, governments may discontinue for periods of time the access to or operation of a satellite for any particular area on the Earth and for various reasons may not permit transmission of certain data, whether from a satellite owned by the government or not.

Although such data may be available from other sources at different prices, there is no assurance that the data will be available at the quality or at the times required. Also, the launch or operation of new satellites to replace old satellites may be delayed or may fail. Any of these factors could impact MDA's ability to obtain data or alternate sources of data for its products and adversely affect MDA's results of operations and financial condition. Sales for MDA Geospatial Services Inc., an indirect subsidiary of MDA, are dependent primarily on data received from the RADARSAT-2 satellite. The failure of RADARSAT-2 could have a material adverse effect on MDA's results of operations and financial condition.

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MDA's technology may violate the proprietary rights of third parties and MDA's intellectual property may be misappropriated or infringed upon by third parties, each of which could have a negative impact on MDA's operations.

If any of MDA's technology violates proprietary rights, including copyrights and patents, third parties may assert infringement claims against MDA. Certain software modules and other intellectual property used by MDA or in MDA's satellites, systems and products make use of or incorporate licensed software components and other licensed technology. These components are developed by third parties over whom MDA has no control. Any claims brought against MDA may result in limitations on MDA's ability to use the intellectual property subject to these claims. MDA may be required to redesign its satellites, systems or products or to obtain licenses from third parties to continue offering MDA's satellites, systems or products without substantially re-engineering such products or systems.

MDA's intellectual property rights may be invalidated, circumvented, challenged, infringed or required to be licensed to others. An infringement or misappropriation could harm any competitive advantage MDA currently derives or may derive from its proprietary rights.

To protect MDA's proprietary rights, MDA relies on a combination of patent protections, copyrights, trade secrets, trademark laws, confidentiality agreements with employees and third parties, and protective contractual provisions such as those contained in license agreements with consultants, subcontractors, vendors and customers. Although MDA applies rigorous standards, documents and processes to protect its intellectual property, there is no absolute assurance that the steps taken to protect MDA's technology will prevent misappropriation or infringement. Litigation may be necessary to enforce or protect MDA's intellectual property rights, protect its trade secrets or determine the validity and scope of the proprietary rights of others. Such litigation may be time-consuming and expensive to prosecute or defend and could result in the diversion of MDA's time and resources. In addition, competitors may design around MDA's technology or develop competing technologies.

Acquisitions could result in adverse impacts on MDA's operations and in unanticipated liabilities and MDA may be unable to successfully integrate acquired companies.

MDA has in the past and may continue to expand its operations by acquiring additional businesses, products or technologies. There can be no assurance that MDA will be able to identify, acquire, obtain the required regulatory approvals, or profitably manage additional businesses or successfully integrate any acquired businesses, products or technologies into MDA without substantial expenses, delays or other operational, regulatory, or financial problems. In addition, any acquired businesses, products or technologies may not achieve anticipated revenues and income growth. Acquisitions could also result in potentially dilutive issuances of equity securities. Further, acquisitions may involve a number of additional risks, including diversion of management's attention, failure to retain key personnel, or failure to attract the right talent to manage organizational growth. A failure by MDA to manage its acquisitions strategy successfully could have a material adverse effect on MDA's business, results of operations and financial condition.

MDA's ability to obtain additional debt or equity financing to finance operating working capital requirements and growth initiatives may be limited or difficult to obtain, which could adversely affect MDA's operations and financial condition.

MDA needs capital to finance operating working capital requirements and growth initiatives and to pay its outstanding debt obligations as they become due for payment. If the cash generated from MDA's businesses, together with the credit available under existing bank facilities, is not sufficient to fund future capital requirements, MDA will require additional debt or equity financing. MDA's ability to access capital markets on terms that are acceptable will be dependent on prevailing market conditions, as well as MDA's future financial condition. Further, MDA's ability to increase its debt financing and/or renew existing facilities may be limited by its financial covenants, its credit objectives, and debt capital market conditions. Although MDA does not

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anticipate any difficulties in raising funds in the future, there can be no assurance that capital will be available on suitable terms and conditions, or that borrowing costs will not be adversely affected.

MDA's current financing arrangements contain certain restrictive covenants that may impact MDA's future operating and financial flexibility. MDA's debt funding is provided under credit agreements with a number of banks and under the MDA Note Purchase Agreement with several private lenders. A failure by any lender to meet its funding obligations under MDA's credit agreements could result in the need to replace the lender. While MDA does not anticipate any difficulty in finding a replacement lender in such circumstances, such a change may result in an amendment of pricing under the credit agreement to reflect prevailing market conditions. The credit agreements and the MDA Note Purchase Agreement contain a series of positive and negative covenants which MDA must comply with, including the achievement or maintenance of stated financial ratios. If MDA fails to comply with any covenants and is unable to obtain a waiver thereof, the lenders may be able to take certain actions with respect to the amounts owing under such agreements, including early payment thereof. Any such actions could have a material adverse effect on the financial condition of MDA.

MDA has provided, and may provide in the future, partial financing of working capital to or on behalf of its customers to enable it to remain competitive in certain satellite construction contracts. MDA has in the past implemented these investments in the form of orbital receivables, work-in-progress, performance guarantees, or bridge financing indemnification of third party lenders. MDA may also arrange for partial or full third party financing with export credit agencies to be provided to its customers, which may be partially guaranteed by MDA. If a customer defaults on an obligation to MDA or to an indemnified third party, this could have a significant impact on MDA's business and results of operations. Financing provided by MDA and third party financing arranged by MDA may be linked to MDA's ability to deliver the satellite in orbit. If MDA cannot achieve a successful in orbit delivery, MDA could be liable for repayment of amounts received from third party finance providers and could forfeit amounts financed by MDA and any future amounts that would have otherwise been earned. MDA undertakes significant customer due diligence prior to providing any financial support to customers and will attempt to limit its exposure through the use of insurance products and other contractual measures but there can be no assurance that such products will be available or will be at a cost that is economically viable.

MDA has in the past, and may continue in the future to, receive government grants for research and development activities and other business initiatives. Any agreement or grant of this nature with government may be accompanied by contractual obligations applicable to MDA which may result in the grant money becoming repayable if certain requirements are not met. A failure to meet contractual obligations under such agreements and grants and a consequent requirement to repay money received could negatively impact MDA's results of operations and financial condition.

The failure to complete MDA's firm fixed price contracts or the termination of such contracts may have an adverse impact on MDA's financial condition.

A large percentage of MDA's contracts are firm fixed price contracts, whereby MDA agrees to perform certain work for a fixed price and absorb any cost overruns. There is risk in every firm fixed price contract that MDA will be unable to deliver under the contract within the time specified and at a cost to MDA which is less than the contract price. Furthermore, a termination of a contract for default or schedule delays that are caused by actions or inactions by MDA could result in significant financial penalties to MDA. These firm fixed price contracts may involve the completion of satellite development and manufacturing, large-scale system engineering, software, hardware and product development projects. Estimates of contract costs are based on a number of assumptions, such as future economic conditions, productivity of MDA's employees, performance of MDA's subcontractors and suppliers, price and availability of labor and materials, and other requirements that may affect contract costs and schedule. Although considered reasonable by MDA, these assumptions are inherently uncertain. MDA also has processes and systems in place to reasonably measure and monitor the technical and financial performance of contracts and, together with the customer, continuously monitors these projects to identify early warnings related to these risks.

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MDA's business may be adversely affected by deterioration in the credit quality of, or defaults under its contracts with, third parties with whom MDA does business.

MDA has certain commercial customers that are either highly leveraged or are in the development stages and may not be fully funded. There is a risk that these customers will be unable to meet their payment obligations, or are significantly delayed in meeting their payment obligations, under the satellite construction contracts. In the event that any of MDA's customers encounter financial difficulties, MDA's cash flows and liquidity may be materially and adversely affected. MDA may not be able to mitigate these effects because it manufactures satellites to each customer's specifications and generally purchases materials in response to a particular customer contract. Moreover, many of the satellite construction contracts include orbital receivables, and certain satellite construction contracts may require MDA to provide vendor financing to or on behalf of its customers, including guarantees or a combination of these contractual terms. To the extent that MDA's contracts contain orbital receivables provisions or MDA provides vendor financing to or on behalf of its customers, MDA's financial exposure is further increased.

There is a risk that MDA will not be able to access export credit financing to facilitate the sale of MDA's communication satellites and other products to non-Canadian and non-United States customers.

Fluctuations in foreign exchange rates could have a negative impact on MDA's business.

MDA's revenues, expenses, assets and liabilities denominated in currencies other than the Canadian dollar are translated into Canadian dollars for the purposes of compiling its consolidated financial statements. MDA uses hedging strategies to manage and minimize the impact of exchange rate fluctuations on its cash flow and economic profits. There are complexities inherent in determining whether and when foreign exchange exposures will materialize, in particular given the possibility of unpredictable revenue variations arising from schedule delays and contract postponements. Furthermore, MDA could be exposed to the risk of non-performance of its hedging counterparties. MDA may also have difficulty in fully implementing its hedging strategy depending on the willingness of hedging counterparties to extend credit. Accordingly, no assurances may be given that MDA's exchange rate hedging strategy will protect it from significant changes or fluctuations in revenues and expenses denominated in non-Canadian dollars.

MDA's business is vulnerable to natural disasters and other disruptions that may adversely affect its business, financial conditions or results of operations.

MDA is vulnerable to natural disasters, in particular seismic activity. MDA's satellite manufacturing operations are located in California in proximity to the San Andreas fault line, one of the longest and most heavily populated earthquake-prone rifts in the world. MDA's operations could also be subject to other natural disasters or significant disruptions including tsunamis, floods, earthquakes, fires, water shortages, other extreme weather conditions, medical epidemics, acts of terrorism, power shortages and blackouts, and telecommunications failures. In the event of such a natural disaster or other disruption, MDA could experience: disruptions to its operations or the operations of suppliers, subcontractors, distributors or customers; destruction of facilities; and / or loss of life.

While MDA has attempted to limit its exposure through the use of insurance products and other contingency measures, there can be no assurance that, after such an event, MDA would be able to recover its business to the same operating level as prior to the event.

MDA's operations are subject to governmental law and regulations relating to environmental matters, which may expose MDA to significant costs and liabilities that could negatively impact its financial condition.

MDA is subject to various federal, state, provincial and local environmental laws and regulations relating to the operation of its businesses, including those governing pollution, the handling, storage, disposal and

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transportation of hazardous substances, and the ownership and operation of real property. While MDA does not operate environmentally sensitive manufacturing processes at its company-owned facilities in Montreal, Quebec and Palo Alto, California, there can be no assurance that the previous owners of these properties had strictly complied with such environmental laws and regulations. Such laws and regulations may result in significant liabilities and costs to MDA due to the actions or inactions of the previous owners.

Risks Relating to Investing in and Ownership of MDA's Common Shares***MDA's common shares have no trading history in the United States.***

The MDA common shares currently trade on the TSX. It is a condition to the completion of the merger that the MDA common shares issued pursuant to the merger agreement be authorized for listing on the NYSE or the NASDAQ, in addition to the TSX. Currently, there is no public market in the United States for the MDA common shares. The price at which the MDA common shares will trade on the NYSE, NASDAQ and TSX may be lower than the value for which they are exchanged at the closing of the merger. In addition, because the liquidity and trading patterns of securities listed on the TSX may be substantially different from those of securities traded on the NYSE or NASDAQ, historical trading prices may not be indicative of the prices at which the MDA common shares will trade in the future on the NYSE or NASDAQ.

MDA's common shares will be traded on more than one market and this may result in price variations.

Trading in the MDA common shares on the NYSE or NASDAQ and TSX will take place in different currencies (U.S. dollars on the NYSE or NASDAQ and Canadian dollars on the TSX), and at different times (resulting from different trading days and different public holidays in the United States and Canada). The trading prices of the MDA common shares on these two markets may at times differ due to these and other factors. Any decrease in the price of MDA's common shares on the TSX could cause a decrease in the trading price of the MDA common shares on the NYSE or NASDAQ and vice versa. There can be no assurance that the expected benefits of listing the MDA common shares on the NYSE or NASDAQ will be realized or, if realized, that such benefits will be sustained.

The market price of MDA common shares following the consummation of the merger could be volatile and DigitalGlobe shareowners could lose all or part of their investment.

Notwithstanding the fact that MDA will issue a significant number of MDA common shares to DigitalGlobe shareowners in connection with the merger, there is no guarantee that a significant market for the MDA common shares will develop or be sustained on the NYSE or NASDAQ following the merger. DigitalGlobe shareowners may decide to sell the common shares received by them in the merger, which will generally be eligible for immediate resale, rather than remain MDA shareholders, which could have an adverse impact on the trading price of the common shares. As MDA is a company organized under the laws of British Columbia and is not as well-known to investors in the United States as it is in Canada, investors in Canada may be more likely to purchase any MDA common shares sold by DigitalGlobe shareowners following the merger. If a substantial portion of the common shares issued to DigitalGlobe shareowners are sold to investors in Canada following the merger, the trading price of the MDA common may decrease as a result of such sales. In addition, a perception among investors that such sales will occur could depress the market price of the MDA common shares prior to the issuance of common shares in connection with the merger. In the past, following periods of large price declines in the public market price of a company's securities, securities class action litigation has often been initiated against that company. Litigation of this type against MDA could result in substantial costs and diversion of management's attention and resources, which would adversely affect its business. Any adverse determination in litigation against MDA could also subject it to significant liabilities.

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As a foreign private issuer, MDA is permitted to follow certain home country corporate governance practices instead of otherwise applicable SEC and NYSE or NASDAQ requirements, which may result in less protection than is accorded to investors under rules applicable to U.S. domestic issuers.

As a foreign private issuer, in reliance on NYSE or NASDAQ rules that permit a foreign private issuer to follow the corporate governance practices of its home country, MDA will be permitted to follow certain Canadian corporate governance practices instead of those otherwise required under the corporate governance standards for U.S. domestic issuers. Following the listing of the MDA common shares on the NYSE or NASDAQ, MDA expects to follow Canadian home country practices with regard to obtaining shareholder approval for certain dilutive events. MDA may in the future elect to follow Canadian home country practices with regard to other matters such as the formation and composition of its board of directors, its audit, human resources and management compensation and governance and nominating committees and separate sessions of independent directors. Accordingly, MDA's shareholders may not be afforded the same protection as provided under NYSE or NASDAQ corporate governance rules. Following Canadian home country governance practices, as opposed to the requirements that would otherwise apply to a U.S. company listed on the NYSE or NASDAQ, may provide less protection than is accorded to investors in U.S. domestic issuers.

As a foreign private issuer, MDA will not be subject to the provisions of Regulation FD or U.S. proxy rules and will be exempt from filing certain U.S. Exchange Act reports, which could result in MDA common shares being less attractive to investors.

As a foreign private issuer, MDA will be exempt from a number of requirements under U.S. securities laws that apply to public companies that are not foreign private issuers. In particular, MDA will be exempt from the rules and regulations under the U.S. Exchange Act related to the furnishing and content of proxy statements, and MDA's officers, directors and principal shareholders will be exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the U.S. Exchange Act. In addition, MDA will not be required under the U.S. Exchange Act to file annual and current reports and financial statements with the SEC as frequently or as promptly as U.S. domestic companies whose securities are registered under the U.S. Exchange Act and MDA will generally be exempt from filing quarterly reports with the SEC under the U.S. Exchange Act. MDA will also be exempt from the provisions of Regulation FD, which prohibits the selective disclosure of material nonpublic information to, among others, broker-dealers and holders of a company's securities under circumstances in which it is reasonably foreseeable that the holder will trade in the company's securities on the basis of the information. Even though MDA intends to comply voluntarily with Regulation FD and will comply with applicable Canadian securities laws and regulations, these exemptions and leniencies may reduce the frequency and scope of information and protections to which you are entitled as an investor.

MDA would lose its foreign private issuer status if a majority of its shares are held by U.S. persons and a majority of its directors or executive officers are U.S. citizens or residents or MDA fails to meet additional requirements necessary to avoid loss of foreign private issuer status. Although MDA has elected to comply with certain U.S. regulatory provisions, loss of foreign private issuer status would make compliance with such provisions mandatory. The regulatory and compliance costs to MDA under U.S. securities laws as a U.S. domestic issuer may be significantly higher than the costs MDA incurs as a Canadian foreign private issuer eligible to use the Multi-Jurisdictional Disclosure System, or "MJDS". If MDA ceases to be a foreign private issuer, it would not be eligible to use the MJDS or other foreign issuer forms and will be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer. MDA may also be required to modify certain of its policies to comply with the governance obligations of U.S. domestic issuers. Such modifications will involve additional costs. In addition, MDA would lose its ability to rely upon exemptions from certain corporate governance requirements on U.S. stock exchanges that are available to foreign private issuers.

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THE SPECIAL MEETING

DigitalGlobe is providing this proxy statement/prospectus to DigitalGlobe shareowners for the solicitation of proxies to be voted at the special meeting that DigitalGlobe has called for the purposes described below. This proxy statement/prospectus is first being mailed to DigitalGlobe shareowners on or about June 22, 2017 and provides DigitalGlobe shareowners with the information they need to know about the merger and the proposals to be able to vote or instruct their vote to be cast at the special meeting.

Date, Time and Place of the Special Meeting

The special meeting will be held at 9:00 am, Mountain Time, on July 27, 2017, at DigitalGlobe's corporate headquarters located at 1300 West 120th Avenue, Westminster, Colorado 80234, or at any adjournment or postponement thereof.

Purpose of the Special Meeting

At the special meeting, DigitalGlobe shareowners will be asked to consider and vote on the following proposals, which we collectively refer to as the "proposals":

- **Merger Proposal:** to approve and adopt the merger agreement, pursuant to which, among other things, Merger Sub will merge with and into DigitalGlobe, with DigitalGlobe surviving the merger as an indirect wholly owned subsidiary of MDA;
- **Advisory Compensation Proposal:** to approve, on an advisory (non-binding) basis, certain specified compensation that will or may be paid by DigitalGlobe to its named executive officers that is based on or otherwise relates to the merger; and
- **Adjournment Proposal:** to approve the adjournment of the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve and adopt the merger proposal.

Each of the proposals is described in more detail in the sections entitled "*The Merger Proposal*", "*The Advisory Compensation Proposal*" and "*The Adjournment Proposal*", respectively. DigitalGlobe does not expect a vote to be taken on any matters, other than the proposals, at the special meeting or any adjournment or postponement thereof. However, DigitalGlobe shareowners may also be asked to transact such other business as may properly be brought before the special meeting or any adjournment or postponement thereof.

Recommendation of the DigitalGlobe Board of Directors

The DigitalGlobe board of directors has (a) determined and declared that the merger agreement is advisable and fair to, and in the best interests of, DigitalGlobe and its shareowners, (b) determined that the merger agreement and the transactions contemplated thereby, including the merger, taken together, are at a price and on terms that are in the best interests of DigitalGlobe and its shareowners, (c) unanimously approved and declared advisable the merger agreement and the transactions contemplated thereby, including the merger, and (d) resolved, subject to the terms of the merger agreement, to recommend adoption of the merger agreement by the DigitalGlobe shareowners. The DigitalGlobe board of directors unanimously recommends that DigitalGlobe shareowners vote "**FOR**" the merger proposal, "**FOR**" the advisory compensation proposal and "**FOR**" the adjournment proposal.

For more information, see the section entitled "*The Merger Proposal—DigitalGlobe's Reasons for the Merger; Recommendation of the DigitalGlobe Board of Directors.*"

In considering the recommendation of the DigitalGlobe board of directors with respect to the proposals, you should be aware that DigitalGlobe's directors and executive officers have interests that are different from, or in addition to, the interests of DigitalGlobe shareowners generally. For more information, see the section entitled "*The Merger Proposal—Interests of DigitalGlobe's Directors and Executive Officers in the Merger.*"

[Table of Contents](#)[Index to Financial Statements](#)**Record Date and Outstanding Shares of DigitalGlobe Common Stock and DigitalGlobe Preferred Stock**

Only DigitalGlobe shareowners of record as of the close of business on June 16, 2017 (the “record date”) will be entitled to receive notice of, and to vote at, the special meeting or at any adjournment or postponement thereof.

A complete list of DigitalGlobe shareowners entitled to vote at the special meeting will be available for inspection at DigitalGlobe’s principal place of business during regular business hours for a period of no less than 10 days before the special meeting and, during the special meeting, in each case, at the DigitalGlobe corporate headquarters, 1300 West 120th Avenue, Westminster, Colorado 80234.

Common Stock

Each share of DigitalGlobe common stock outstanding as of the record date is entitled to one vote on each proposal presented for consideration at the special meeting. As of the close of business on the record date, there were 62,219,652 shares of DigitalGlobe common stock issued and outstanding and entitled to vote at the special meeting.

Preferred Stock

Each share of DigitalGlobe preferred stock outstanding as of the record date is entitled to that whole number of votes equal to the number of shares of DigitalGlobe common stock into which such DigitalGlobe preferred stock would be convertible into on the record date, voting together as a single class with the holders of common stock on an as-converted to DigitalGlobe common stock basis. As of the close of business on the record date, there were 80,000 shares of DigitalGlobe preferred stock issued and outstanding and entitled to vote at the special meeting, which outstanding shares of DigitalGlobe preferred stock were convertible into 3,056,935 shares of DigitalGlobe common stock as of the record date.

Quorum

The holders of a majority of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock outstanding and entitled to vote on the record date must be present in person or represented by proxy to constitute a quorum at the special meeting, with DigitalGlobe preferred stock represented on an as-converted to DigitalGlobe common stock basis. If you attend the special meeting in person or you authorize a proxy to vote your shares by submitting a properly executed proxy card by mail or following the instructions contained therein with respect to submitting such authorization by telephone or the Internet, you will be considered part of the quorum. Because there were 65,276,587 shares of common stock, including shares of outstanding DigitalGlobe preferred stock calculated on an as-converted to DigitalGlobe common stock basis, entitled to vote as of the record date, we will need holders of at least 32,638,294 shares present in person or by proxy at the special meeting for a quorum to exist.

Abstentions will be deemed present and entitled to vote at the special meeting for the purpose of determining the presence of a quorum. DigitalGlobe common stock and DigitalGlobe preferred stock held by a shareowner that does not attend the special meeting or fails to submit a valid proxy to vote their shares at the special meeting and DigitalGlobe common stock and DigitalGlobe preferred stock held in “street name” with respect to which the beneficial owner fails to give voting instructions to the bank, broker or other nominee with respect to their shares, will not be considered present and entitled to vote at the special meeting for the purpose of determining the presence of a quorum.

If a quorum is not present or, subject to approval of the adjournment proposal by DigitalGlobe shareowners, if there are not sufficient votes for the approval of the merger proposal, DigitalGlobe expects that the special meeting will be adjourned to solicit additional proxies. At any subsequent reconvening of the special meeting, all

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proxies will be voted in the same manner as the manner in which such proxies could have been voted at the original convening of the special meeting, except for any proxies that have been validly revoked or withdrawn prior to the reconvened meeting.

Required Vote***Required Vote to Approve the Merger Proposal***

Approval of the merger proposal requires the affirmative vote of the holders of a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, as of the record date. Therefore, if you do not submit a valid proxy or attend the special meeting to vote your shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock, or if you abstain from voting or fail to instruct your broker, bank or other nominee how to vote your shares on the merger proposal, it will have the same effect as a vote “**AGAINST**” the merger proposal.

Required Vote to Approve the Advisory Compensation Proposal

Approval, on an advisory (non-binding) basis, of the advisory compensation proposal requires the affirmative vote of holders of a majority of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class that are present at the special meeting in person or by proxy and entitled to vote on the advisory compensation proposal. Therefore, if your shares of DigitalGlobe common stock or DigitalGlobe preferred stock are present at the special meeting but are not voted on the proposal, or if you abstain from voting on the advisory compensation proposal, each will have the same effect as a vote “**AGAINST**” the advisory compensation proposal. If you fail to submit a proxy or fail to attend the special meeting, or if you do not submit any instruction to your broker, bank or nominee, your shares of DigitalGlobe common stock or DigitalGlobe preferred stock will not be voted and will not be counted in determining the outcome of the advisory compensation proposal, assuming that a quorum is otherwise present. The vote on the advisory compensation proposal will not be binding on MDA, DigitalGlobe, their respective board of directors or any of their respective committees.

Required Vote to Approve the Adjournment Proposal

Approval of the adjournment proposal requires the affirmative vote of holders of a majority of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class that are present at the special meeting in person or by proxy and entitled to vote on the adjournment proposal. Therefore, if your shares of DigitalGlobe common stock or DigitalGlobe preferred stock are present at the special meeting but are not voted on the proposal, or if you abstain from voting on the adjournment proposal, each will have the same effect as a vote “**AGAINST**” the adjournment proposal. If you fail to submit a proxy or fail to attend the special meeting, or if you do not submit any instruction to your broker, bank or nominee, your shares of DigitalGlobe common stock or DigitalGlobe preferred stock will not be voted and will not be counted in determining the outcome of the adjournment proposal, assuming that a quorum is otherwise present.

Adjournment

In accordance with the DigitalGlobe bylaws, the special meeting may be adjourned by the DigitalGlobe shareowners entitled to vote at the special meeting present in person or by proxy thereat. If a quorum is not present or if there are not sufficient votes for the approval of the merger proposal, DigitalGlobe expects that the special meeting will be adjourned to solicit additional proxies. At any subsequent reconvening of the special meeting, all proxies will be voted in the same manner as the manner in which such proxies would have been voted at the original convening of the special meeting, except for any proxies that have been validly revoked or withdrawn prior to the reconvened meeting.

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Voting by Directors and Executive Officers

As of the record date for the special meeting, the DigitalGlobe directors and executive officers had the right to vote approximately 774,326 shares of DigitalGlobe common stock, representing approximately 1.2% of the shares of DigitalGlobe capital stock then outstanding and entitled to vote at the special meeting (with DigitalGlobe preferred stock calculated on an as-converted to DigitalGlobe common stock basis). As of the record date, no DigitalGlobe director or executive officer owns any shares of DigitalGlobe preferred stock. It is expected that the DigitalGlobe directors and executive officers who are DigitalGlobe shareowners will vote “**FOR**” the merger proposal, “**FOR**” the advisory compensation proposal and “**FOR**” the adjournment proposal, although none of them has entered into any agreement requiring them to do so. As of the record date, the directors and executive officers of MDA owned, in the aggregate, approximately 1,000 shares of DigitalGlobe common stock, representing less than 0.01% of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock then outstanding and entitled to vote at the special meeting. As of the record date, no MDA director or executive officer owns any shares of DigitalGlobe preferred stock.

Voting by Proxy or in Person

Voting and Submitting a Proxy for DigitalGlobe Common Stock or Preferred Stock Held by Holders of Record

If you were a holder of record of DigitalGlobe common stock or DigitalGlobe preferred stock at the close of business on the record date, you may vote your shares or, to ensure that your shares are represented at the special meeting, you may authorize a proxy to vote your shares by:

- **Internet**, by going to the website shown on your proxy card and following the instructions outlined on the secured website using certain information provided on your proxy card, thereby authorizing a proxy to vote your shares.
- **Telephone**, by using the toll-free number shown on your proxy card, or by following the instructions on your proxy card, thereby authorizing a proxy to vote your shares.
- **By Mail**, if you received your proxy materials by mail; you may submit your written proxy by completing the proxy card enclosed with those materials and signing, dating and returning your proxy card by mail in the postage-paid envelope provided, which requires no additional postage if mailed in the United States, thereby authorizing a proxy to vote your shares.
- **In Person**, by attending the special meeting and voting.

When you submit a proxy by telephone or the Internet, your proxy is recorded immediately. We encourage you to submit your proxy using these methods whenever possible. If you submit a proxy by telephone or the Internet, please do not return your proxy card by mail.

All shares of DigitalGlobe capital stock represented by each properly executed and valid proxy will be voted in accordance with the instructions given on the proxy. If a DigitalGlobe shareowner executes a proxy card without giving instructions, the DigitalGlobe capital stock represented by that proxy card will be voted “**FOR**” (a) the merger proposal, (b) the advisory compensation proposal and (c) the adjournment proposal.

Your vote is very important, regardless of the number of shares you own. Accordingly, please submit your proxy by telephone, the Internet or mail, whether or not you plan to attend the special meeting in person. Proxies submitted by telephone or the Internet must be received by 11:59 p.m. on July 26, 2017. A properly executed proxy card to vote your shares at the special meeting must be received prior to voting at the special meeting.

Voting and Submitting a Proxy for DigitalGlobe Common Stock and Preferred Stock Held in “Street Name”

If you hold your shares of DigitalGlobe common stock or DigitalGlobe preferred stock in “street name,” which means your shares are held of record by a bank, broker or other nominee, you must provide instructions to your bank, broker or nominee to direct how your shares are voted at the special meeting. Please follow the

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instructions provided by your bank, broker or other nominee regarding the voting of your shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock. Unless your bank, broker or other nominee has discretionary authority to vote your shares, your bank, broker or other nominee may not vote your shares without voting instructions from you. In accordance with the rules of the NYSE, brokers who hold DigitalGlobe common stock or DigitalGlobe preferred stock in street name for their customers have authority to vote on “routine” proposals when they have not received instructions from beneficial owners, but are precluded from exercising their voting discretion with respect to non-routine matters. All of the proposals at the special meeting (i.e., the merger proposal, the advisory compensation proposal and the adjournment proposal) are expected to be considered non-routine proposals. As a result, absent voting instructions from the beneficial owner of such shares, brokers will not be empowered to vote such shares at the special meeting and we do not expect broker non-votes on any of the proposals at the special meeting. A broker non-vote occurs on an item when (i) a broker has discretionary authority to vote on at least one routine proposal at a meeting, but under stock exchange rules is not permitted to vote on other non-routine proposals without instructions from the beneficial owner of the shares and (ii) that broker exercises its discretionary authority on the routine proposal after the beneficial owner fails to provide such instructions, resulting in broker non-votes on each of the non-routine proposals.

If you fail to instruct your bank, broker or other nominee how to vote your shares, that failure will have the same effect as a vote “**AGAINST**” the merger proposal, but will have no effect on the advisory compensation proposal or the adjournment proposal, assuming a quorum is present.

If you hold shares through a broker, bank or other nominee and wish to vote your shares in person at the special meeting, you must obtain a legal proxy from your broker, bank or nominee and present it to the inspector of election with your ballot when you vote at the special meeting.

Revocability of Proxies and Changes to a DigitalGlobe Shareowner’s Vote

If you are a shareowner of record, you may revoke your proxy or change your vote by:

- sending a written notice (bearing a date later than the date of the proxy) stating that you revoke your proxy to our Corporate Secretary, Daniel L. Jablonsky, in writing at 1300 West 120th Avenue, Westminster, Colorado 80234;
- signing and returning a valid, later-dated proxy card by mail;
- submitting a new proxy electronically via the Internet or by telephone; or
- attending and voting in person at the special meeting (please note that your attendance at the special meeting will not, without voting, revoke any proxy that you have previously given).

If you choose to submit a later-dated proxy by telephone or the Internet to change your vote, you must do so by 11:59 p.m. on July 26, 2017. If you choose to submit a later-dated proxy card by mail to change your vote, your proxy card must be received before voting at the special meeting.

If your shares are held in “street name” by a broker, bank or other nominee, and you have directed such broker, bank or other nominee to vote your shares, you may change your vote by submitting new voting instructions to your broker, bank or nominee, or, if you have obtained a legal proxy from your broker, bank or nominee giving you the right to vote your shares, by attending the special meeting and voting in person.

Abstentions and Broker Non-Votes

An abstention occurs when a shareowner attends a meeting, either in person or by proxy, but abstains from voting. At the special meeting, abstentions will be counted in determining whether a quorum is present. Abstentions and a failure to vote your shares of DigitalGlobe capital stock (including the failure of a record owner to execute and return a proxy card and the failure of a beneficial owner of shares held in “street name” by a broker or other holder of record to give voting instructions to the broker or other holder of record) will have the

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same effect as a vote “**AGAINST**” the merger proposal. Additionally, abstentions and a failure to vote your DigitalGlobe capital stock, to the extent it is present at the special meeting in person or by proxy, will have the same effect as a vote “**AGAINST**” the advisory compensation proposal and the adjournment proposal. For shares of DigitalGlobe capital stock held in “street name,” only shares of capital stock affirmatively voted “**FOR**” the merger proposal will be counted as a vote in favor of such proposal.

If no instruction as to how to vote is given (including an instruction to abstain) in an executed, duly returned and not revoked proxy, the proxy will be voted “**FOR**” (a) the merger proposal, (b) the advisory compensation proposal and (c) the adjournment proposal. However, if you indicate that you wish to vote against the merger proposal, your shares will only be voted in favor of the advisory compensation proposal and the adjournment proposal if you indicate that you wish to vote in favor of such proposal(s).

If you hold your DigitalGlobe capital stock in a brokerage account and you do not provide voting instructions to your broker, your shares will not be voted on any proposal because under the current rules of the NYSE, brokers do not have discretionary authority to vote on any of the proposals. A broker non-vote occurs on an item when (i) a broker has discretionary authority to vote on at least one routine proposal at a meeting, but under stock exchange rules is not permitted to vote on other non-routine proposals without instructions from the beneficial owner of the shares and (ii) that broker exercises its discretionary authority on the routine proposal after the beneficial owner fails to provide such instructions, resulting in broker non-votes on each of the non-routine proposals. Since there are no items on the agenda that your broker has discretionary authority to vote upon, we do not expect there will be any broker non-votes at the special meeting.

Tabulation of Votes

In advance of the special meeting, the DigitalGlobe board of directors, by resolution, or the chairman of the board or president of DigitalGlobe will appoint an inspector of election for the special meeting who will count the votes. The inspector of election will, among other matters, determine the number of shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis) represented at the special meeting to confirm the existence of a quorum, determine the validity of all proxies and ballots and certify the results of voting on all proposals submitted to the DigitalGlobe shareowners.

Solicitation of Proxies; Expenses of Solicitation

DigitalGlobe will bear all costs and expenses in connection with the solicitation of proxies from its shareowners. In addition to the solicitation of proxies by mail, DigitalGlobe will request that banks, brokers and other record holders send proxies and proxy material to the beneficial owners of DigitalGlobe capital stock and secure their voting instructions, if necessary. DigitalGlobe will reimburse the banks, brokers and other record holders for their reasonable expenses in taking those actions. DigitalGlobe has also made arrangements with Innisfree M&A Incorporated to assist in soliciting proxies and in communicating with DigitalGlobe shareowners and estimates that it will pay them a fee of approximately \$25,000 plus reasonable out-of-pocket fees and expenses for these services. Proxies may also be solicited by DigitalGlobe’s directors, officers and other employees through the mail or by telephone, the Internet, fax or other means, but no additional compensation will be paid to these persons.

Householding

The SEC has adopted a rule concerning the delivery of annual reports and proxy statements. It permits DigitalGlobe to send a single notice of meeting and, to the extent requested, a single set of this proxy statement/prospectus to any household at which multiple shareowners reside if DigitalGlobe believes they are members of the same family, until such time as DigitalGlobe receives contrary instructions. This rule is called “householding,” and its purpose is to help reduce printing and mailing costs of proxy materials. See the section entitled “*Householding of Proxy Materials*” for additional information.

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A number of brokerage firms have instituted householding. If you and members of your household have multiple accounts holding DigitalGlobe capital stock, you may have received a householding notification from your broker. Please contact your broker directly if you have questions, require additional copies of this proxy statement/prospectus or wish to revoke your decision to household. These options are available to you at any time.

If you hold shares beneficially in street name, please contact your broker, bank or nominee directly if you have questions, or require additional copies of the notice of meeting or proxy statement/prospectus.

Other Information

As of the date of this proxy statement/prospectus, the DigitalGlobe board of directors knows of no other matters that will be presented for consideration at the special meeting other than as described in this proxy statement/prospectus. If any other matters properly come before the special meeting, or any adjournments of the special meeting, the enclosed proxies will give the individuals that DigitalGlobe shareowners name as proxies discretionary authority to vote the shares represented by these proxies as to any of these matters.

The matters to be considered at the special meeting are of great importance to DigitalGlobe shareowners. Accordingly, you are urged to read and carefully consider the information contained in or incorporated by reference into this proxy statement/prospectus and submit your proxy by telephone or the Internet or complete, date, sign and promptly return the enclosed proxy in the enclosed postage-paid envelope. If you submit your proxy by telephone or the Internet, you do not need to return the enclosed proxy card.

DigitalGlobe shareowners should not send stock certificates with their proxies. If approved, a letter of transmittal and instructions for the surrender of DigitalGlobe stock certificates will be mailed to DigitalGlobe shareowners shortly after the completion of the merger.

DigitalGlobe intends to announce the preliminary voting results at the special meeting. In addition, within four business days following certification of the final voting results, DigitalGlobe intends to file the final voting results with the SEC on a Current Report on Form 8-K.

Assistance

If you need assistance in completing your proxy card, have questions regarding the special meeting, or would like additional copies, without charge, of this proxy statement/prospectus, please contact:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, NY 10022
1-888-750-5834 (toll-free from the U.S. and Canada)
1-412-232-3651 (from other locations)

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THE MERGER PROPOSAL

This section of the proxy statement/prospectus describes the various aspects of the merger and related matters. This section may not contain all of the information that is important to you. You should carefully read this entire proxy statement/prospectus and the documents incorporated by reference into this proxy statement/prospectus, including the full text of the merger agreement, a copy of which is attached to this proxy statement/prospectus as Annex A, for a more complete understanding of the merger. In addition, important business and financial information about each of DigitalGlobe and MDA is included in or incorporated by reference into this proxy statement/prospectus. For a listing of the documents incorporated by reference into this proxy statement/prospectus, see the section entitled “Where You Can Find Additional Information.”

As discussed throughout this proxy statement/prospectus, DigitalGlobe is asking the DigitalGlobe shareowners to approve and adopt the merger agreement.

As described in further detail in this section entitled “*The Merger Proposal*,” and the sections entitled “*Questions and Answers About the Merger and the Special Meeting*,” “*Summary*,” and “*The Merger Agreement*,” the DigitalGlobe board of directors has adopted a resolution (a) determining and declaring that the merger agreement is advisable and fair to, and in the best interests of, DigitalGlobe and its shareowners, (b) determining that the merger agreement and the transactions contemplated thereby, including the merger, taken together, are at a price and on terms that are in the best interests of DigitalGlobe and its shareowners, (c) approving and declaring advisable the merger agreement and the transactions contemplated thereby, including the merger, and (d) resolving, subject to the terms of the merger agreement, to recommend adoption of the merger agreement by the DigitalGlobe shareowners. The merger is subject to the satisfaction of the conditions set forth in the merger agreement, including, among others, the approval and adoption of the merger agreement by the DigitalGlobe shareowners holding a majority of the outstanding DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class as of the record date at the special meeting. Accordingly, the approval of the merger proposal by the DigitalGlobe shareowners is a condition to the obligations of MDA and DigitalGlobe to complete the merger.

The DigitalGlobe board of directors recommends a vote “**FOR**” the merger proposal.

Transaction Structure

The merger agreement provides that, subject to the terms and conditions of the merger agreement, at the effective time, Merger Sub, an indirect wholly owned subsidiary of MDA, will merge with and into DigitalGlobe. As a result, DigitalGlobe will survive the merger as an indirect wholly owned subsidiary of MDA. The terms and conditions of the merger are contained in the merger agreement, which is described in this proxy statement/prospectus and attached to this proxy statement/prospectus as Annex A. You are encouraged to read the merger agreement carefully, as it is the legal document that governs the merger. All descriptions in this summary and elsewhere in this proxy statement/prospectus of the terms and conditions of the merger are qualified by reference to the merger agreement.

Merger Consideration

Under the terms of the merger agreement, if the merger is completed, each share of DigitalGlobe common stock outstanding immediately prior to the effective time (other than shares of DigitalGlobe common stock held directly or indirectly by MDA, DigitalGlobe or any of their respective subsidiaries and except for shares of DigitalGlobe common stock owned by holders who properly exercise their appraisal rights under the DGCL) will automatically be cancelled and converted into the right to receive (a) cash in an amount equal to US \$17.50 and (b) 0.3132 of a validly issued, fully paid and non-assessable MDA common share, without interest and subject to any required withholding for taxes.

Each share of DigitalGlobe preferred stock issued and outstanding immediately prior to the effective time (other than shares of DigitalGlobe preferred stock held directly or indirectly by MDA, DigitalGlobe or any of

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their respective subsidiaries and except for shares of DigitalGlobe preferred stock owned by holders who properly exercise their appraisal rights under the DGCL) will be converted into the right to receive the merger consideration that the holder of such DigitalGlobe preferred stock would have been entitled to receive had such holder, immediately prior to the effective time, converted such DigitalGlobe preferred stock into DigitalGlobe common stock in accordance with the DigitalGlobe certificate of designation.

Based on the number of shares of DigitalGlobe common stock, shares of DigitalGlobe preferred stock, DigitalGlobe options and DigitalGlobe RSUs outstanding as of June 12, 2017, pursuant to the merger agreement, MDA would issue approximately 20,866,028 MDA common shares at the effective time to DigitalGlobe securityholders and would reserve for issuance approximately 600,556 MDA common shares, which will be issuable upon the vesting of the Converted RSUs following the effective time. The actual number of MDA common shares to be issued, and reserved for issuance, pursuant to the merger agreement will be determined immediately prior to the effective time based on the number of shares of DigitalGlobe common stock, shares of DigitalGlobe preferred stock, DigitalGlobe options and DigitalGlobe RSUs outstanding at such time. Based on the number of shares of DigitalGlobe common stock, shares of DigitalGlobe preferred stock, DigitalGlobe options and DigitalGlobe RSUs outstanding as of June 12, 2017, and the number of MDA common shares outstanding as of June 12, 2017, immediately after completion of the merger former securityholders of DigitalGlobe would own approximately 37.1% of the then outstanding MDA common shares (assuming the issuance of the 600,556 MDA common shares expected to be reserved for issuance in respect of Converted RSUs).

Based on the closing price of MDA common shares on the TSX on February 16, 2017, the last full trading day prior to media reports that DigitalGlobe and MDA were in merger discussions, the per share value of DigitalGlobe common stock implied by the merger consideration was \$35.00 (converted to U.S. dollars using a Canadian dollar-to-U.S. dollar exchange rate of 0.7612). Based on the closing price of shares of DigitalGlobe common stock on the NYSE on June 16, 2017, the most recent practicable date prior to the date of this proxy statement/prospectus, the per share value of DigitalGlobe common stock implied by the merger consideration was \$32.36 (converted to U.S. dollars based on the Bank of Canada's daily average Canadian dollar-to-U.S. dollar exchange rate on the applicable date). The implied value of the merger consideration will fluctuate, however, as the market price of MDA common shares fluctuates, because the stock consideration that is payable per share of DigitalGlobe common stock is a fixed fraction of an MDA common share. As a result, the value of the stock consideration that DigitalGlobe shareowners will receive upon the completion of the merger could be greater than, less than or the same as the value of the stock consideration on the date of this proxy statement/prospectus or at the time of the special meeting. Accordingly, you are encouraged to obtain current stock price quotations for DigitalGlobe common stock and MDA common shares before deciding how to vote with respect to the merger proposal. DigitalGlobe common stock trades on the NYSE under the ticker symbol "DGI" and MDA common shares trade on the TSX under the ticker symbol "MDA." The price of DigitalGlobe common stock on the NYSE is reported in U.S. dollars, while the price of MDA common shares on the TSX is reported in Canadian dollars.

Background of the Merger

As part of DigitalGlobe's ongoing consideration and evaluation of its long-term strategic goals and plans, DigitalGlobe management and the DigitalGlobe board of directors periodically review, consider and assess DigitalGlobe's operations and financial performance, as well as overall industry conditions and their impact on DigitalGlobe's strategic goals and plans. This review includes, among other items, potential opportunities for business combinations, acquisitions and other financial and strategic alternatives.

The merger and the terms of the merger agreement are the result of arm's length negotiations conducted between representatives of MDA, DigitalGlobe and their respective legal and financial advisors. The following is a summary of the principal events, meetings, negotiations and actions among the parties leading up to the execution and public announcement of the merger agreement.

In September and October of 2015, representatives of Barclays, at the request of the DigitalGlobe board of directors and in response to inquiries from financial sponsors, contacted four financial sponsors to gauge their

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interest in a potential acquisition of DigitalGlobe. During this time, a fifth financial sponsor independently contacted DigitalGlobe to engage in a preliminary discussion regarding a potential acquisition of DigitalGlobe. On October 22, 2015, the DigitalGlobe board of directors determined to terminate all such discussions after considering, among other matters, the then current trading price of DigitalGlobe common stock and DigitalGlobe's standalone business plan. Following the termination of these discussions, the DigitalGlobe board of directors and management continued to execute DigitalGlobe's standalone business plan.

On October 13, 2016, Howard L. Lance, MDA's President and Chief Executive Officer, contacted Jeffrey R. Tarr, DigitalGlobe's President and Chief Executive Officer, by telephone to gauge DigitalGlobe's interest in meeting to discuss a potential combination of MDA and DigitalGlobe. Mr. Tarr promptly communicated MDA's indication of interest to members of the DigitalGlobe board of directors individually.

Shortly thereafter, DigitalGlobe contacted PJT Partners as a potential financial advisor to DigitalGlobe, and invited PJT Partners to present to the DigitalGlobe board of directors at its October 20, 2016 meeting.

On October 20, 2016, the DigitalGlobe board of directors held a regularly scheduled meeting. Representatives of O'Melveny, DigitalGlobe's outside legal counsel, and PJT Partners were also present at the meeting. The DigitalGlobe board of directors discussed the October 13, 2016 conversation between Messrs. Lance and Tarr, as well as a range of other potential strategic alternatives, including whether any other strategic parties may have an interest in a business combination with DigitalGlobe and the likelihood that a financial sponsor would be able to make a competitive bid for DigitalGlobe. Representatives of PJT Partners provided the DigitalGlobe board of directors with information on MDA, discussed other potential acquirers of DigitalGlobe, and advised that, in their judgment, based in part on DigitalGlobe's prior experience, most financial sponsors would find it challenging to make a premium bid for DigitalGlobe. Extensive discussion by the DigitalGlobe board of directors then ensued. Following this discussion, the DigitalGlobe board of directors authorized management to engage in preliminary discussions with MDA regarding a potential business combination. The DigitalGlobe board of directors also approved the engagement of PJT Partners as a financial advisor to DigitalGlobe, subject to negotiation by management of an acceptable engagement letter with PJT Partners.

On October 20, 2016, Mr. Tarr advised Mr. Lance that the DigitalGlobe board of directors had authorized Mr. Tarr to engage in preliminary discussions with MDA regarding a potential combination of MDA and DigitalGlobe. Messrs. Lance and Tarr agreed to meet in person on October 26, 2016.

On October 26, 2016, Messrs. Lance and Tarr met in person to discuss the strategic rationale for a business combination between MDA and DigitalGlobe, though MDA made no proposal regarding a potential business combination with DigitalGlobe at this time. During the meeting, Mr. Tarr requested that MDA provide DigitalGlobe with additional information regarding the potential business combination, including proposed terms for a business combination, regulatory approvals required by a business combination, potential customer reactions, synergies and the proposed timing. Mr. Lance agreed to provide the requested information within a month. Mr. Tarr promptly updated members of the DigitalGlobe board of directors individually regarding this meeting.

On October 29, 2016, Mr. Tarr called Mr. Lance to reiterate his request from their October 26, 2016 meeting that the proposal address the proposed terms for a business combination, the regulatory approvals required by a business combination, the potential customer reactions, synergies and the proposed timing. Mr. Lance advised Mr. Tarr that he would work with his advisors to put together a proposal in the coming weeks.

On November 20, 2016, Mr. Lance met with Mr. Tarr and once again conveyed the strategic rationale for MDA to combine with DigitalGlobe, including the two companies' complementary business profiles and diversification prospects, the meaningful opportunity for synergies and the value creation that would result from the potential combination. Mr. Lance provided Mr. Tarr with a presentation on MDA, which included a non-binding indication of interest to merge with DigitalGlobe in an all-stock transaction at no premium to the

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trading price of DigitalGlobe common stock at the time of the announcement of the transaction. Mr. Lance provided Mr. Tarr with MDA's preliminary assessment of regulatory considerations and also expressed a potential willingness to explore alternative consideration formulations, including a mix of cash and stock at up to a ten percent premium to the trading price of DigitalGlobe common stock. Mr. Tarr indicated DigitalGlobe's need for deal certainty, including a regulatory termination fee in favor of DigitalGlobe and a public commitment by MDA to domicile the ultimate parent of DigitalGlobe in the United States within a reasonable time in the future. Mr. Tarr promptly communicated MDA's indication of interest to members of the DigitalGlobe board of directors individually.

On November 25, 2016, Mr. Lance contacted Mr. Tarr and reiterated a willingness to consider a cash and stock transaction structure that would include a control premium (but did not specify an amount). Following the conversation between Messrs. Lance and Tarr, representatives of Merrill Lynch, Pierce, Fenner & Smith Incorporated, which we refer to as "BofA Merrill Lynch", financial advisor to MDA, called representatives of PJT Partners to follow up on this conversation. Mr. Tarr promptly communicated his conversation with Mr. Lance to members of the DigitalGlobe board of directors individually.

On November 27, 2016, DigitalGlobe held a special meeting of its board of directors. Also present were representatives of O'Melveny and PJT Partners. Mr. Tarr led the DigitalGlobe board in a discussion of recent developments and discussions between DigitalGlobe and MDA. Representatives of PJT Partners provided their views on MDA's November 20, 2016 all-stock proposal, as well as MDA's financial capacity to include cash in the proposed transaction so as to offer a control premium while maintaining MDA as the acquiring entity. Representatives of PJT Partners also summarized recent discussions with representatives of BofA Merrill Lynch regarding potential synergies and constraints on the amount of cash consideration and premium MDA could offer. The DigitalGlobe board of directors discussed potential regulatory considerations that could arise in a transaction with MDA and the importance of a public commitment by MDA to domicile the ultimate parent of DigitalGlobe in the United States within a reasonable time in the future. The DigitalGlobe board of directors and representatives of PJT Partners discussed and considered other potential business combination partners for DigitalGlobe, including both strategic parties and financial sponsor parties and the representatives of PJT Partners stated that, in their judgment, based in part on DigitalGlobe's prior experience, a financial sponsor likely could not be competitive with the potential strategic bidders. Also at this meeting, representatives of O'Melveny reviewed with the DigitalGlobe board of directors its fiduciary duties with respect to the MDA proposal. After extensive additional discussion among the directors, the DigitalGlobe board of directors directed Mr. Tarr to respond to Mr. Lance that MDA's November 20, 2016 proposal was not acceptable to DigitalGlobe and to encourage MDA to improve its proposal to include a control premium, to provide that a meaningful portion of the consideration be paid in cash and to also consider making a public commitment at the time of any proposed transaction announcement with respect to its plan to domicile the ultimate parent of DigitalGlobe in the United States within a reasonable time in the future.

On November 29, 2016, Mr. Tarr informed Mr. Lance that the DigitalGlobe board of directors was receptive to combining the two companies, but not on the terms of MDA's November 20, 2016 indication of interest. Mr. Tarr advised that the DigitalGlobe board of directors would require a control premium and a meaningful portion of the consideration to be paid in cash. Messrs. Lance and Tarr agreed to discuss the matter further later that week and Mr. Lance indicated that MDA would work to convey a revised proposal to Mr. Tarr by December 2, 2016.

On November 29, 2016, representatives of PJT Partners reiterated the message that Mr. Tarr conveyed to Mr. Lance on November 29, 2016, to representatives of BofA Merrill Lynch, including the need for any revised MDA proposal to include a meaningful cash component and premium to the trading price of DigitalGlobe common stock, and also conveyed that DigitalGlobe would need a public commitment from MDA regarding its plan to domicile the ultimate parent of DigitalGlobe in the United States within a reasonable time in the future.

On December 2, 2016, Messrs. Lance and Tarr met in person and Mr. Lance orally delivered MDA's proposal to acquire DigitalGlobe at a 15% premium to the trading price of DigitalGlobe common stock at the

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time of announcement of the transaction (based on a measurement period to be determined by the parties), to be paid in MDA common shares and cash. Pursuant to this proposal, the surviving entity of the transaction would be a Canadian holding company, dual-listed on securities exchanges in the United States and Canada. Mr. Tarr informed Mr. Lance that the DigitalGlobe board of directors would meet to consider the proposal. At the meeting, Messrs. Lance and Tarr also briefly discussed the various regulatory approvals that would be required before any transaction could be consummated. Additionally, Mr. Lance reserved MDA's right to revise its proposal after conducting further due diligence on DigitalGlobe.

On December 6, 2016, DigitalGlobe held a special meeting of the board of directors, with representatives of PJT Partners and O'Melveny present, at which time Mr. Tarr and representatives of PJT Partners led the DigitalGlobe board of directors in discussions regarding the revised December 2, 2016 indication of interest from MDA. Representatives of PJT Partners compared MDA's revised indication of interest to MDA's original November 20, 2016 proposal, presented certain financial projections prepared by DigitalGlobe management and reviewed alternative valuation methodologies for assessing the value of DigitalGlobe. Also at this meeting, representatives of PJT Partners presented to the DigitalGlobe board of directors a list of potential strategic parties that may be interested in a business combination transaction with DigitalGlobe. After extensive discussion, the DigitalGlobe board of directors and representatives of PJT Partners identified the four potential strategic parties (Parties A, B, C and D, in each case defined below), which they collectively believed to be most likely to be interested in, and able to consummate, a business combination with DigitalGlobe, for potential inclusion in outreach efforts to assess whether a superior proposal was reasonably available to DigitalGlobe. Also discussed at this meeting was a potential strategic investor ("Party E"), which representatives of PJT Partners considered to be more likely interested in a strategic investment in DigitalGlobe rather than a business combination transaction or acquisition. Extensive discussion then ensued among the directors. At the conclusion of this meeting, the DigitalGlobe board of directors unanimously determined to continue discussions with MDA, to reach out at the appropriate time to one or more of Parties A, B, C and D (with the first of such parties, a strategic party ("Party A"), to be contacted by Mr. Tarr following this meeting), and to form a transactions committee of the DigitalGlobe board of directors consisting of Mr. Eddy Zervigon, who served as Chairman of the Transactions Committee, Mr. Nick Cyprus and Mr. Larry Hough (the "Transactions Committee") to assist the DigitalGlobe board of directors in its review of the strategic alternatives available to DigitalGlobe.

On December 6, 2016, Mr. Tarr called Mr. Lance to advise him that the DigitalGlobe board of directors had considered the MDA proposal and had authorized DigitalGlobe management to negotiate and enter into a mutual confidentiality agreement and engage in a mutual due diligence review process with MDA. Representatives of PJT Partners, on behalf of DigitalGlobe, delivered a draft mutual nondisclosure agreement to representatives of BofA Merrill Lynch (which nondisclosure agreement included a customary standstill provision that would automatically terminate upon DigitalGlobe's entry into a merger agreement with a third party). Messrs. Lance and Tarr agreed to hold management meetings on December 20 and 21, 2016.

On December 8, 2016, Mr. Tarr contacted a representative of a Party A to invite Party A to consider whether it would be interested in exploring a potential business combination with DigitalGlobe. The representative of Party A informed Mr. Tarr that he would discuss the matter internally and follow-up with Mr. Tarr.

On December 8, 2016, on behalf of MDA, representatives of BofA Merrill Lynch delivered a revised mutual nondisclosure agreement to representatives of PJT Partners, which included a mutual exclusivity undertaking by MDA and DigitalGlobe. Subsequently on December 8, 2016, after discussion with DigitalGlobe and representatives of O'Melveny, representatives of PJT Partners delivered a further revised mutual nondisclosure agreement to MDA, which, among other things, removed the mutual exclusivity undertaking. Representatives of PJT Partners subsequently confirmed to representatives of BofA Merrill Lynch DigitalGlobe's position that it would not agree to a mutual exclusivity undertaking. In a subsequent discussion between the parties, Mr. Lance requested that Mr. Tarr commit that DigitalGlobe would not contact other potential interested parties while it was engaged in discussions with MDA. Mr. Tarr responded that he could not make that commitment.

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On December 9, 2016, BofA Merrill Lynch and PJT Partners discussed arranging a due diligence session for the parties and their respective outside legal counsel, to be held the following week.

On December 12, 2016, the DigitalGlobe Transactions Committee held a meeting with representatives of PJT Partners and O'Melveny present. At this meeting, Mr. Tarr led the Transactions Committee in a discussion of recent developments with MDA, including negotiations of the MDA nondisclosure agreement and the proposed exclusivity undertaking, as well as Mr. Tarr's December 8, 2016 discussion with a representative of Party A. The Transactions Committee discussed these matters and then directed Mr. Tarr and PJT Partners to reiterate to MDA that DigitalGlobe was not prepared to agree to an exclusivity undertaking with MDA. At this meeting, the Transactions Committee also discussed the possibility of soliciting other strategic parties in addition to Party A. Following the meeting, Mr. Tarr and Mr. Lance spoke by telephone regarding the benefits of a strategic combination of DigitalGlobe and MDA, and also discussed logistics for mutual diligence meetings.

From December 12 through December 14, 2016, representatives of O'Melveny and Vinson & Elkins, MDA's outside counsel, further negotiated the terms of the mutual nondisclosure agreement, which agreement was entered into by DigitalGlobe and MDA on December 14, 2016. The nondisclosure agreement did not contain an exclusivity undertaking by either party.

On December 14, 2016, representatives of senior management of each of DigitalGlobe and MDA had a call to discuss certain preliminary due diligence matters, including required regulatory approvals for the proposed transaction and MDA's pending Security Control Agreement with the U.S. Department of Defense.

On December 15, 2016, Mr. Tarr had a call with a representative of Party A, where such representative indicated that Party A was not likely to pursue a potential business combination with DigitalGlobe, but that Party A would continue to consider the opportunity.

On December 17, 2016, General Howell M. Estes III, Chairman of the DigitalGlobe board of directors, contacted a representative of another strategic party ("Party B") to discuss a potential business combination with DigitalGlobe. Also on December 17, 2016, representatives of PJT Partners contacted certain other representatives of Party B regarding the potential for a business combination between the parties.

On December 20 and 21, 2016, representatives of senior management of each of MDA and DigitalGlobe met to provide each other with an overview of their respective businesses and operations. Representatives of each of BofA Merrill Lynch and PJT Partners also participated in this meeting.

On December 21, 2016, Party B separately informed General Estes and representatives of PJT Partners that Party B was not interested in a potential business combination with DigitalGlobe. Party B stated that it did not believe it could offer the DigitalGlobe shareowners a premium over the then current trading price per share of DigitalGlobe common stock and also expressed concern regarding Party B's ability to successfully integrate and manage DigitalGlobe's commercial business operations.

On December 22, 2016, a representative of PJT Partners contacted a representative of another strategic party ("Party C") regarding a potential business combination with DigitalGlobe. Representatives of Party C indicated that Party C would review DigitalGlobe's publicly available information and respond promptly if it was interested in seeking additional information.

On December 22, 2016, a representative of PJT Partners contacted a representative of another strategic party ("Party D") to assess its interest in a potential business combination with DigitalGlobe. The representative from Party D indicated that Party D would review DigitalGlobe's publicly available materials and respond to PJT Partners in early January 2017.

On December 22, 2016, the DigitalGlobe Transactions Committee held a meeting, with representatives of PJT Partners and O'Melveny present, at which meeting Mr. Tarr and representatives of PJT Partners updated the

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Transactions Committee on conversations with Parties A, B, C and D, as well as the recent communications with MDA. Mr. Tarr informed the Transactions Committee that MDA expected to obtain approval to either affirm or revise MDA's December 2, 2016 oral indication of interest at a meeting of the MDA board of directors to be held during the week of January 23, 2017.

On December 22, 2016, DigitalGlobe closed a refinancing transaction in which it terminated its existing credit agreement and entered into a \$1.275 billion senior secured term loan facility and a \$200 million senior secured revolving credit facility. The refinancing transaction, including the subsequent tender for, and redemption of, DigitalGlobe's outstanding 5.25% Senior Notes, reduced the interest rate and extended the maturities on DigitalGlobe's indebtedness.

During the weeks of January 2nd, 9th, and 16th, 2017, members of the management teams and financial advisors of each of DigitalGlobe and MDA held several calls to discuss the potential synergies arising from a combination of DigitalGlobe and MDA, as well as MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States within a reasonable time in the future.

On January 4, 2017, representatives of DigitalGlobe and Party C negotiated a nondisclosure agreement (which nondisclosure agreement included a customary standstill provision that automatically terminated upon DigitalGlobe's entry into the merger agreement), which the parties subsequently entered into on January 7, 2017.

On January 9, 2017, members of the management team of DigitalGlobe and representatives of PJT Partners met with representatives of Party C. At this meeting, the DigitalGlobe management team made a presentation to Party C regarding the DigitalGlobe business. Representatives of PJT Partners requested that if Party C was interested in pursuing a business combination with DigitalGlobe, Party C should provide DigitalGlobe with a written, non-binding indication of interest by January 20, 2017.

On January 9, 2017, a representative of PJT Partners had a call with a representative of Party A, during which conversation the Party A representative advised PJT Partners that Party A would further discuss the potential business combination opportunity internally and follow up with PJT Partners.

On January 9 and 10, 2017, DigitalGlobe and Party D negotiated the terms of a nondisclosure agreement (which nondisclosure agreement included a customary standstill provision that automatically terminated upon DigitalGlobe's entry into the merger agreement), which the parties subsequently entered into on January 10, 2017.

On January 10, 2017, DigitalGlobe and Party C held a follow-up meeting regarding the potential business combination of Party C and DigitalGlobe.

On January 11, 2017, the management team of MDA met with the management team of DigitalGlobe to conduct financial and human resources diligence on DigitalGlobe. Representatives of each of BofA Merrill Lynch and PJT Partners also participated in these meetings.

On January 12, 2017, members of the management team of DigitalGlobe along with representatives of PJT Partners, met with representatives of Party D. During this meeting, the DigitalGlobe management team made a presentation to Party D regarding the DigitalGlobe business. Representatives of PJT Partners requested that if Party D was interested in pursuing a business combination with DigitalGlobe that Party D provide DigitalGlobe with a written, non-binding indication of interest by January 20, 2017.

On January 12, 2017, the electronic data room for DigitalGlobe was opened to representatives of MDA and its respective advisors.

On January 13, 2017, the DigitalGlobe Transactions Committee held a meeting, with representatives of O'Melveny and PJT Partners present, at which meeting Mr. Tarr and representatives of PJT Partners updated the Transactions Committee on discussions and meetings with MDA, Party A, Party B, Party C and Party D.

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On January 16, 2017, members of the management team of DigitalGlobe, along with representatives of PJT Partners, spoke with representatives of Party D by telephone for a follow-up financial diligence meeting.

On January 17, 2017, a representative of Party A contacted PJT Partners to set up a meeting between the management teams of Party A and DigitalGlobe regarding interest in a potential acquisition of DigitalGlobe.

On January 17, 2017, a representative of Party C informed DigitalGlobe that Party C was not interested in pursuing further discussions with DigitalGlobe regarding a strategic business combination as it did not believe that it could offer the DigitalGlobe shareowners a premium over the then current trading price per share of DigitalGlobe common stock, nor was a business combination in line with its strategic priorities.

On January 19, 2017, a representative of Party D informed DigitalGlobe that Party D was not interested in pursuing further discussions with DigitalGlobe regarding a strategic business combination because, in part, Party D was concerned about its ability to successfully integrate and manage DigitalGlobe's commercial business operations and because Party D could not offer the DigitalGlobe shareowners a premium over the then current trading price per share of DigitalGlobe common stock.

On January 22, 2017, Messrs. Lance and Tarr spoke by phone and Mr. Lance delivered a revised, non-binding oral indication of interest to acquire DigitalGlobe at a 15% premium to the trading price of DigitalGlobe common stock at the time of announcement of the transaction (based on a measurement period to be determined by the parties), to be paid in MDA common shares and a cash component based on 4.0x net leverage for the pro forma combined entity (calculated as estimated pro forma debt minus estimated pro forma cash, divided by estimated pro forma last twelve months (LTM) earnings before interest, tax, depreciation and amortization (EBITDA)) at the then-estimated time of closing of the transaction. As with MDA's December 2, 2016 proposal, the surviving entity of the transaction would be a Canadian holding company dual-listed on securities exchanges in the United States and Canada. Mr. Tarr promptly communicated this January 22, 2017 revised MDA proposal to members of the DigitalGlobe board of directors individually and provided an update on recent discussions with each of Party A, Party C and Party D.

On January 24, 2017, members of MDA's management team, along with MDA's outside tax advisors, participated in a call with members of DigitalGlobe's management team and representatives of each of PJT Partners and O'Melveny for preliminary discussions regarding tax considerations relating to MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States within a reasonable time in the future, which MDA suggested would be by the end of 2019.

On January 25, 2017, DigitalGlobe and Party A entered into a nondisclosure agreement (which nondisclosure agreement included a customary standstill provision that automatically terminated upon DigitalGlobe's entry into the merger agreement).

On January 26, 2017, members of the management teams and financial advisors of DigitalGlobe and MDA met to conduct financial diligence on MDA.

On January 26, 2017, after discussions with members of the DigitalGlobe board of directors and each of the members of the Transactions Committee, Mr. Tarr called Mr. Lance to reject MDA's January 22, 2017 proposal and communicate that such proposal was viewed by DigitalGlobe as inferior to MDA's December 2, 2016 indication of interest.

On January 26, 2017, representatives of PJT Partners contacted representatives of Party E to assess its interest in a potential equity investment in DigitalGlobe.

On January 26, 2017, the DSS executed the Security Control Agreement with MDA and Holdings, establishing a formal, agreed-upon structure to mitigate foreign ownership, control or influence ("FOCI") issues

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associated with MDA's ownership of Holdings. The Security Control Agreement was the result of many months of negotiations and discussions between DSS, MDA and Holdings. The Security Control Agreement allows Holdings and its U.S. subsidiaries to hold facility security clearances to perform classified work for the U.S. Government.

On January 26, 2017, the Transactions Committee held a meeting, with representatives of PJT Partners and O'Melveny present, at which meeting Mr. Tarr led the Transactions Committee in discussions regarding the status of discussions with strategic parties and informed the Transactions Committee that Party C and Party D had ceased discussions with DigitalGlobe. Representatives of PJT Partners reviewed with the Transactions Committee PJT Partners' conversations with representatives of Party E and Mr. Tarr indicated that DigitalGlobe's management team was preparing for a meeting with Party E to assist Party E as it considered a strategic equity investment in DigitalGlobe. Extensive discussion then ensued among the directors. Also at this meeting, the Transactions Committee approved the engagement of Barclays as an additional financial advisor to DigitalGlobe, subject to negotiation by management of an acceptable engagement letter with Barclays. Among other reasons for engaging Barclays, the Transactions Committee was of the opinion that Barclays would be well-suited to advise on MDA's business.

On January 27, 2017, Mr. Lance called Mr. Tarr and delivered a final proposal to acquire DigitalGlobe for a combination of \$17.50 in cash and MDA common shares equal to \$17.50, per share of DigitalGlobe common stock, as determined by the trading price of MDA common shares at the time of announcement of the transaction (based on a measurement period to be determined by the parties). Mr. Tarr informed Mr. Lance that he expected the DigitalGlobe board of directors would meet that weekend to consider MDA's revised proposal. Mr. Tarr promptly communicated MDA's revised proposal to members of the DigitalGlobe board of directors individually.

On January 27, 2017, members of the management team of DigitalGlobe and representatives of PJT Partners met with Party A and made a presentation regarding the DigitalGlobe business.

On January 28, 2017, the Transactions Committee held a meeting, with representatives of each of O'Melveny, Barclays and PJT Partners present, at which meeting Mr. Tarr updated the Transactions Committee on the status of discussions with MDA, Party A and Party E. In addition, representatives of PJT Partners reviewed for the Transactions Committee the terms of MDA's January 27, 2017 proposal.

On January 29, 2017, the DigitalGlobe board of directors held a meeting, with representatives of each of O'Melveny, Barclays and PJT Partners present, at which meeting representatives of PJT Partners reviewed with the board of directors a history of the discussions with MDA, Party A, Party B, Party C, Party D and Party E, and presented to the board of directors a comparison of MDA's January 27, 2017 proposal and its previous proposals, including discussions of the implied consideration and premiums, and key assumptions related to financial projections and the proposed combination of MDA and DigitalGlobe. Representatives of O'Melveny reviewed with the DigitalGlobe board of directors its fiduciary duties in connection with a proposed transaction, its confidentiality obligations, and certain regulatory reviews and approvals that would be required by the proposed transaction with MDA. The DigitalGlobe board of directors also discussed alternatives to a transaction with MDA and the other strategic parties, including continuing as a standalone business. At the conclusion of the meeting, after extensive discussion among the directors, the DigitalGlobe board of directors unanimously determined that management should continue to engage with MDA to explore a potential combination with MDA on the basis of the terms set forth in MDA's January 27, 2017 revised oral proposal.

On January 30, 2017, Mr. Tarr informed Mr. Lance that the DigitalGlobe board of directors had expressed interest in MDA's revised proposal, subject to negotiation of definitive documentation and completion of due diligence. Later that day, Mr. Lance, William McCombe, Senior Vice President, Chief Financial Officer and Treasurer of Holdings, and Michelle Kley, Senior Vice President, Chief Legal and Compliance Officer of Holdings, spoke by telephone with Mr. Tarr, Gary W. Ferrera, Executive Vice President and Chief Financial Officer of DigitalGlobe and Daniel Jablonsky, DigitalGlobe's Senior Vice President and General Counsel, to discuss transaction logistics, including continuing due diligence.

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On January 29 and 30, 2017, calls between executives of DigitalGlobe and MDA were held to discuss MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019, the timing and process for regulatory reviews and approvals, next steps regarding a draft merger agreement and certain tax matters.

On January 31, 2017, the electronic data room for MDA was opened to representatives of DigitalGlobe and its advisors.

On January 31, 2017, representatives of O'Melveny, on behalf of DigitalGlobe, contacted representatives of Vinson & Elkins and Stikeman, on behalf of MDA, to relay certain high-level expectations DigitalGlobe had for the proposed transaction and the merger agreement, including with respect to structure, scope of representations and warranties, covenants and deal protections, the expectation to have committed financing with no financing condition, DigitalGlobe's expectation for a substantial reverse termination fee if regulatory approvals were not obtained, the importance to DigitalGlobe of MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019, proportionate representation of DigitalGlobe directors on the MDA board of directors and its committees, the importance of deal certainty and limited conditionality to the DigitalGlobe board of directors and the Transactions Committee, and DigitalGlobe's plans to consider adoption of an exclusive forum bylaw provision. O'Melveny also raised some due diligence questions about MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019, the plan for dual-listing of MDA common shares on the TSX and a U.S. securities exchange and the form of registration statement that MDA would use with respect to the shares issued as consideration in the proposed transaction.

On the evening of January 31, 2017, Messrs. Tarr and Lance met to discuss the potential transaction, including the composition of the MDA board of directors following the closing of the potential transaction and MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019.

On January 31, 2017, members of the DigitalGlobe management team met with employees of Party E to discuss an equity investment by Party E in DigitalGlobe.

On February 1, 2017, members of the DigitalGlobe management team had an additional meeting with a principal of Party E to discuss an equity investment by Party E in DigitalGlobe.

On February 1, 2017, representatives of Vinson & Elkins and O'Melveny discussed regulatory considerations in connection with an acquisition of DigitalGlobe by MDA.

On February 1, 2017, Messrs. Tarr and Lance discussed the structure of the proposed acquisition and the anticipated timing thereof.

On February 1, 2017, DigitalGlobe entered into a nondisclosure agreement with Party E (which nondisclosure agreement included a customary standstill provision that automatically terminated upon DigitalGlobe's entry into the merger agreement).

On February 2, 2017, Messrs. Tarr and Lance exchanged email correspondence regarding MDA's proposed acquisition of DigitalGlobe and the timing for MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States. Messrs. Tarr and Lance spoke by telephone on February 3, 2017 regarding the same topics.

On February 2 and 4, 2017, representatives of O'Melveny and Vinson & Elkins had calls to discuss diligence and regulatory matters.

During the week of February 6, 2017, the parties and their respective advisors continued their respective due diligence reviews of the other party, and over the weekend of February 10-12, 2017, each party provided the other with access to certain of its material contracts for the other to review.

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On February 6, 2017, members of the management team of DigitalGlobe met with representatives of Party A for an additional diligence session.

On February 6, 2017, the Transactions Committee held a meeting, with representatives of each of O'Melveny, Barclays and PJT Partners present, at which meeting representatives of PJT Partners updated the Transactions Committee on the status of discussions with MDA, Party A and Party E. Also at this meeting, representatives of Barclays reviewed for the Transactions Committee certain information regarding MDA, including with respect to its business units, the commercial satellite business, and preliminary financial analyses of MDA. The Transactions Committee was also provided with the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts. Representatives of PJT Partners and Barclays presented their respective preliminary financial analyses of an acquisition of DigitalGlobe by MDA to the Transactions Committee and extensive discussion ensued. Representatives of O'Melveny updated the Transactions Committee regarding the regulatory approvals that may be required in connection with the transaction, including in the United States. Also at this meeting, the key terms of the draft engagement letters with each of PJT Partners and Barclays and the relationship disclosures made by each of PJT Partners and Barclays were reviewed by the Transactions Committee.

On February 8, 2017, representatives of Vinson & Elkins, on behalf of MDA, distributed an initial draft merger agreement to O'Melveny, which initial draft did not provide for a regulatory termination fee payable to DigitalGlobe if certain required regulatory approvals were not obtained.

On February 8, 2017, the Transactions Committee held a meeting, with representatives of each of O'Melveny, Barclays and PJT Partners present, at which meeting Mr. Tarr updated the Transactions Committee on discussions with Mr. Lance regarding MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019. Also at this meeting, representatives of PJT Partners updated the Transactions Committee on discussions with Party A and Party E and representatives of Barclays updated the Transaction Committee on their review of the MDA business. In addition, DigitalGlobe management and the Transactions Committee discussed DigitalGlobe's need for deal certainty in connection with the potential transaction with MDA, including the need for a regulatory termination fee payable to DigitalGlobe upon a failure to receive the necessary regulatory approvals and a public commitment from MDA to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019. At the conclusion of the meeting, the Transactions Committee reviewed the proposed engagement letters for each of PJT Partners and Barclays and unanimously authorized and approved the execution of each such engagement letter by DigitalGlobe.

During the afternoon of February 8, 2017, a representative of Party A informed a representative of PJT Partners that Party A was not interested in pursuing further discussions with DigitalGlobe regarding a potential acquisition of DigitalGlobe as it did not believe that it could offer the DigitalGlobe shareowners a premium over the then current trading price per share of DigitalGlobe common stock.

On February 9, 2017, DigitalGlobe held a meeting of its board of directors, with representatives of each of O'Melveny, Barclays and PJT Partners present, at which meeting representatives of PJT Partners updated the board of directors on discussions with MDA, Party A and Party E. With respect to Party E, the representatives of PJT Partners informed the DigitalGlobe board of directors that Party E had put its consideration of a potential equity investment in DigitalGlobe on hold for the time being. From that point and until the announcement of the merger, Party E did not communicate any further interest in a potential equity investment in DigitalGlobe. Also at this meeting, representatives of O'Melveny reviewed with the DigitalGlobe board of directors its fiduciary duties in connection with its consideration of an acquisition transaction and discussed certain regulatory approvals that would be required in a transaction with MDA. Representatives of Barclays presented to the DigitalGlobe board of directors Barclays' views regarding the commercial satellite business generally, preliminary financial analyses of pro forma valuation of MDA common shares and the prospects of the combined pro forma entity. The DigitalGlobe board of directors also discussed the prospects for DigitalGlobe as a standalone business. In considering the prospects of DigitalGlobe as a standalone business, the DigitalGlobe board of directors

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considered, among other factors, historical information regarding DigitalGlobe's business, financial performance and results of operations, the market prices and trading multiples with respect to aerospace and defense industry participants, satellite industry participants and general market indices and current information regarding DigitalGlobe's business, prospects, financial condition, operations, technology, products, services, management, competitive position, business concentration levels, capital intensity and returns and strategic business goals and objectives. The DigitalGlobe board of directors also considered the prospects and likelihood that DigitalGlobe could realize superior benefits through remaining an independent company and the risks associated with remaining an independent company. Extensive discussion among the DigitalGlobe directors ensued.

On February 11, 2017, with the consent of MDA, Mr. Tarr met with a representative of a U.S. government customer of DigitalGlobe to inform him on a confidential basis of discussions with MDA and MDA's intent to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019. Subsequently, with the consent of MDA, Mr. Tarr contacted certain other U.S. government representatives to inform them, on a confidential basis, of discussions between DigitalGlobe and MDA regarding a potential business combination transaction.

On February 12, 2017, the Transactions Committee held a meeting, with representatives of each of O'Melveny, Barclays and PJT Partners present, at which meeting Mr. Tarr updated the Transactions Committee on his February 11, 2017 discussions with the U.S. government customer. A representative of PJT Partners informed the Transactions Committee that neither Party A nor Party E had contacted a representative of PJT Partners regarding a transaction since the DigitalGlobe board of directors meeting on February 9, 2017. Representatives of O'Melveny discussed the key issues in the draft merger agreement provided by MDA on February 8, 2017 with the Transactions Committee, including the provisions with respect to deal certainty.

On February 13, 2017, DigitalGlobe and PJT Partners entered into an engagement letter with respect to PJT Partners' engagement as financial advisor to DigitalGlobe, and DigitalGlobe and Barclays entered into an engagement letter with respect to Barclays' engagement as an additional financial advisor to DigitalGlobe.

On February 13, 2017, representatives of O'Melveny, on behalf of DigitalGlobe, submitted to representatives of Vinson & Elkins a markup of the draft merger agreement. The revised draft, among other things, (i) made the representations and warranties and interim operating covenants largely reciprocal, (ii) included a non-solicitation covenant applicable to MDA, (iii) included additional covenants related to financing and MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019, (iv) provided for a heightened regulatory efforts covenant and a reverse termination fee in the event that regulatory approvals were not obtained, (v) provided for increased representation of DigitalGlobe's existing directors on the MDA board of directors and its committees following closing, (vi) removed any conditions to closing related to third party consents, (vii) narrowed the definition of company material adverse effect and (viii) provided that all of the equity awards of DigitalGlobe would be deemed accelerated and paid the merger consideration upon closing of the proposed transaction.

On February 13, 2017, Mr. Tarr spoke with Mr. Lance by telephone regarding overall transaction timing, MDA's commitment to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019 and public messaging regarding the potential business combination transaction.

On February 14, 2017, members of MDA's management, KPMG LLP, MDA's outside tax advisors, Vinson & Elkins, Stikeman, members of DigitalGlobe's management, and representatives of each of PJT Partners, Barclays and O'Melveny conducted a diligence review of certain MDA tax matters by telephone.

On February 15, 2017, representatives of O'Melveny, on behalf of DigitalGlobe, delivered further revisions to the merger agreement to representatives of Vinson & Elkins, primarily related to additional representations and warranties that DigitalGlobe was seeking from MDA.

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On February 15, 2017, representatives of PJT Partners spoke with representatives of BofA Merrill Lynch by telephone regarding high-level issues on the markup of the draft merger agreement and the transaction process with a focus on termination provisions.

On February 16, 2017, representatives of each of BofA Merrill Lynch, Vinson & Elkins and Stikeman held a conference call with representatives of PJT Partners and O'Melveny to discuss several key open points in the merger agreement including DigitalGlobe's request that MDA pay a substantial reverse termination fee if regulatory approvals were not obtained, the treatment of DigitalGlobe equity awards in the transaction, the establishment of a retention bonus pool for certain DigitalGlobe employees, the makeup of the MDA board of directors after closing, the scope of the representations and warranties, interim operating covenants, MDA's covenants with respect to its commitment to domicile the ultimate parent of DigitalGlobe in the United States by the end of 2019 and certain deal protection provisions.

Later on February 16, 2017, representatives of Vinson & Elkins, on behalf of MDA, presented to representatives of O'Melveny a list of key issues contained in the draft merger agreement.

On the evening of February 16, 2017, a representative of PJT Partners contacted representatives of BofA Merrill Lynch and advised that DigitalGlobe was unwilling to proceed unless MDA agreed to certain conditions to deliver greater certainty to close, either through a significant reverse termination fee in the event that required regulatory approvals were not obtained, or a strong covenant to obtain such regulatory approvals, or some combination of the two.

On February 17, 2017, various media reports were published stating that MDA was in talks to acquire DigitalGlobe.

On February 17, 2017, the Transactions Committee held a meeting, with representatives of each of O'Melveny, PJT Partners and Barclays present, at which meeting Mr. Tarr led discussions regarding the news publications concerning MDA and DigitalGlobe. Mr. Tarr also updated the Transactions Committee on his discussions with representatives of a U.S. government customer from earlier that day. The Transactions Committee discussed with DigitalGlobe's management team the status of negotiations of the merger agreement with MDA and reiterated the need for deal certainty. Also at this meeting, representatives of O'Melveny reviewed with directors their fiduciary duties in connection with a potential sale of DigitalGlobe. Extensive discussion ensued among the Transactions Committee.

On February 17, 2017, representatives of Vinson & Elkins, on behalf of MDA, distributed draft commitment papers for MDA's financing of the proposed acquisition of DigitalGlobe to representatives of O'Melveny.

On February 17, 2017, Mr. Lance contacted Mr. Tarr to offer a regulatory termination fee of \$50 million payable to DigitalGlobe in certain circumstances, but that MDA would not agree to the regulatory covenants in the revised DigitalGlobe draft of the merger agreement. MDA instead required that the merger agreement reflect the proposed regulatory covenants set forth in its initial February 8, 2017 draft of the merger agreement, which permitted MDA and Merger Sub to reject, as a condition to obtaining any required regulatory approvals, any requirement to divest or hold separate (or the imposition of any other condition or restriction with respect to) any assets or operations of DigitalGlobe, MDA, Merger Sub or their respective affiliates. Mr. Tarr, Mr. Lance and Dr. Walter S. Scott, DigitalGlobe's Executive Vice President and Founder, Chief Technical Officer and Executive Leader of Platform and Services, also spoke by video conference to discuss diligence matters and Dr. Scott's history with DigitalGlobe.

During the morning of February 18, 2017, DigitalGlobe held a board of directors meeting, with representatives of each of O'Melveny, PJT Partners and Barclays present, at which meeting Mr. Tarr informed the board of directors of MDA's February 17, 2017 proposal on regulatory matters. At this meeting, the DigitalGlobe board of directors unanimously agreed to reject MDA's regulatory proposal, including the \$50 million regulatory termination fee.

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Later on February 18, 2017, Mr. Tarr advised Mr. Lance that the DigitalGlobe board of directors had rejected MDA's February 17, 2017 proposal regarding regulatory matters.

During the afternoon of February 18, 2017, DigitalGlobe held a subsequent meeting of its board of directors, with representatives of each of O'Melveny, Barclays and PJT Partners present. At this meeting, representatives of PJT Partners informed the DigitalGlobe board of directors that Mr. Lance had contacted representatives of PJT Partners following Mr. Lance's conversation with Mr. Tarr regarding the significance to DigitalGlobe of addressing deal certainty matters. Representatives of BofA Merrill Lynch also spoke with representatives of each of PJT Partners and Barclays by telephone regarding the same topic.

On February 19, 2017, representatives of O'Melveny, on behalf of DigitalGlobe distributed to representatives of Vinson & Elkins a markup of certain provisions of the merger agreement related to the regulatory covenants, regulatory termination fee and related provisions of the draft merger agreement.

On February 19, 2017, representatives of Vinson & Elkins, on behalf of MDA, circulated to DigitalGlobe and representatives of O'Melveny MDA's revised proposal on regulatory matters, which proposal provided for a \$150 million regulatory termination fee payable to DigitalGlobe in certain circumstances and a reasonable best efforts covenant to obtain all required regulatory approvals, subject to certain conditions. During the evening of February 19, 2017, representatives of each of MDA, DigitalGlobe, Vinson & Elkins, Stikeman, O'Melveny, BofA Merrill Lynch, PJT Partners and Barclays discussed this revised regulatory approval proposal by telephone as well as other open issues in the draft merger agreement.

On February 20, 2017, the Transactions Committee held a meeting, with representatives of each of O'Melveny, PJT Partners and Barclays present, during which the Transactions Committee reviewed and discussed MDA's revised proposal from February 19 and members of DigitalGlobe's management team and representatives from O'Melveny updated the Transactions Committee on the status of merger agreement negotiations. At the conclusion of the meeting, the Transactions Committee authorized management and the outside advisors to continue their negotiations with MDA.

On February 20, 2017, representatives of each of Vinson & Elkins and O'Melveny spoke by telephone to discuss MDA's proposal on regulatory approvals with the aim of better understanding each party's position.

On February 20, 2017, representatives of O'Melveny, on behalf of DigitalGlobe, distributed their comments to MDA's financing papers to representatives of Vinson & Elkins.

On February 20, 2017, representatives of O'Melveny, on behalf of DigitalGlobe, distributed further revisions to the draft merger agreement to representatives of Vinson & Elkins. Representatives of each of O'Melveny and Vinson & Elkins, on behalf of DigitalGlobe and MDA, respectively, continued negotiations of the draft merger agreement and later that evening, representatives of Vinson & Elkins delivered a revised draft of the merger agreement to O'Melveny.

On February 20, 2017, Mr. Tarr and a representative of Party A had a call in which Party A indicated an interest in pursuing an undefined joint venture arrangement with DigitalGlobe in the future, but that Party A was not able to pursue any such transaction in the near term.

On February 21, 2017, representatives of Vinson & Elkins, on behalf of MDA, sent a revised draft of the merger agreement to representatives of O'Melveny and negotiations continued between representatives of each of O'Melveny and Vinson & Elkins regarding the merger agreement.

On February 21, 2017, representatives of each of O'Melveny and Vinson & Elkins discussed certain termination right provisions in the merger agreement and the interim operating covenants applicable to DigitalGlobe. Later that afternoon, Ms. Kley, and representatives of Vinson & Elkins and Stikeman held a conference call with Mr. Jablonsky and representatives of O'Melveny to discuss several open points on the merger agreement.

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On February 21, 2017, the Transactions Committee held a meeting, with representatives of each of O'Melveny, PJT Partners and Barclays present, during which members of DigitalGlobe's management team and representatives of O'Melveny updated the Transactions Committee on the status of diligence matters and merger agreement negotiations, and summarized and explained the key terms of the latest draft of the merger agreement. Mr. Tarr also updated the Transactions Committee on Mr. Tarr's call with Party A.

On February 21, 2017, Mr. Lance called Mr. Tarr to inform him that it was his position that the exchange ratio for the stock consideration of the deal should be based on the unaffected MDA and DigitalGlobe share prices as of February 16, 2017, the day before numerous media outlets reported that MDA and DigitalGlobe were in advanced discussions.

On February 21, 2017, Mr. Zervigon, members of DigitalGlobe's management team, and PJT Partners spoke by telephone to discuss Mr. Lance's proposal regarding the exchange ratio and concluded that it was consistent with their expectations.

Later in the evening on February 21, 2017, representatives of O'Melveny, on behalf of DigitalGlobe, sent a revised draft of the draft merger agreement to representatives of Vinson & Elkins.

During the evening of February 21, 2017, representatives of each of MDA, Vinson & Elkins, DigitalGlobe and O'Melveny, discussed certain open provisions of the merger agreement mainly related to regulatory approvals, treatment of equity awards in the transaction, the non-solicitation covenants and certain of MDA's termination rights.

On February 21 and 22, 2017, Messrs. Tarr and Lance spoke by telephone regarding transaction status and timing.

On February 22, 2017, the Compensation Committee of the DigitalGlobe board of directors (the "Compensation Committee") held a meeting, at which meeting representatives of O'Melveny were present, to review the proposed treatment of equity awards in the draft merger agreement and discuss employee retention matters. The Compensation Committee expressed its support for the proposed treatment of the DigitalGlobe equity awards as set forth in the draft merger agreement.

On February 22, 2017, DigitalGlobe held a board of directors meeting, with representatives of each of O'Melveny, PJT Partners and Barclays present, at which meeting representatives of O'Melveny again reviewed with the board of directors its fiduciary duties with respect to the potential sale of DigitalGlobe, the material terms of the draft merger agreement and the proposed amendment to DigitalGlobe's amended and restated bylaws to provide for Delaware as its exclusive forum for certain litigation involving DigitalGlobe. Representatives of each of PJT Partners and Barclays separately presented to the DigitalGlobe board of directors their respective financial analyses regarding the proposed business combination. Representatives of each of PJT Partners and Barclays informed the DigitalGlobe board of directors that each of PJT Partners and Barclays was prepared to deliver to the DigitalGlobe board of directors their respective fairness opinions upon finalization of the draft merger agreement.

On February 22, 2017, representatives of Vinson & Elkins, on behalf of MDA, provided representatives of O'Melveny with the proposed exchange ratio of 0.3132, which O'Melveny, after discussion with DigitalGlobe, Barclay's and PJT Partners, subsequently confirmed.

On February 22, 2017, representatives of each of O'Melveny and Vinson & Elkins exchanged revised drafts of the merger agreement.

During the evening of February 22 and during the day on February 23, 2017, members of the MDA management team met in person with members of the DigitalGlobe management team to finalize open issues in the draft merger agreement. Representatives of each of PJT Partners and BofA Merrill Lynch also participated in these meetings.

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On February 23, 2017, representatives of each of MDA, DigitalGlobe, Vinson & Elkins, O'Melveny, BofA Merrill Lynch, Barclays, and PJT Partners spoke by telephone to discuss the remaining open issues in the draft merger agreement and the accompanying draft disclosure schedules of MDA and DigitalGlobe.

Throughout the day on February 23, 2017, representatives of each of O'Melveny and Vinson & Elkins exchanged revisions to the merger agreement on behalf of DigitalGlobe and MDA, respectively.

On February 23, 2017, DigitalGlobe held a board of directors meeting, with representatives of each of O'Melveny, PJT Partners and Barclays present, at which meeting Mr. Tarr provided the board of directors with an update on the status of merger agreement negotiations. In addition, representatives of each of PJT Partners and Barclays confirmed that PJT Partners and Barclays remained prepared to deliver their respective fairness opinions to the DigitalGlobe board of directors upon finalization of the draft merger agreement.

On February 23, 2017, following the DigitalGlobe board of directors meeting, O'Melveny reported to Vinson & Elkins and MDA senior management that the DigitalGlobe board of directors was prepared to continue negotiating the proposed transaction, subject to finalizing the definitive documentation. After subsequent discussions among the parties, representatives of each of MDA, DigitalGlobe, Vinson & Elkins and O'Melveny agreed on the final form of the merger agreement for submission to the board of directors of each of MDA and DigitalGlobe.

During the afternoon of February 23, 2017, the MDA board of directors unanimously determined that the merger agreement and the consummation of the transactions contemplated thereby, including the merger, were in the best interests of MDA, approved the merger agreement and the transactions contemplated thereby and resolved to recommend that the MDA shareholders vote in favor of the issuance of MDA common shares in connection with the merger agreement. That same day, the board of directors of Merger Sub and of Holdings each approved the merger agreement by written consent.

Following this meeting of the MDA board of directors, representatives of Vinson & Elkins advised O'Melveny that the MDA board of directors had unanimously approved the proposed transaction and delivered to representatives of O'Melveny final versions of financing commitment letters from Royal Bank of Canada, RBC Capital Markets, Bank of America, N.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, providing for MDA's debt financing of the proposed business combination.

During the evening of February 23, 2017, DigitalGlobe held a meeting of its board of directors, with representatives of each of O'Melveny, PJT Partners and Barclays present, to consider the terms of the final proposed business combination with MDA and the final form of merger agreement. At this meeting, the changes made to the draft merger agreement following the previous DigitalGlobe board of directors meeting were reviewed with the board of directors and each of PJT Partners and Barclays delivered oral fairness opinions, which were subsequently confirmed in writing, to the effect that, as of that date and based on and subject to various assumptions and limitations described in their respective opinions, the merger consideration to be received by holders of DigitalGlobe common stock (other than, to the extent applicable, DigitalGlobe, its subsidiaries, MDA and its affiliates) was fair, from a financial point of view, to holders of DigitalGlobe common stock. After discussion among the directors, the DigitalGlobe board of directors unanimously voted to approve and adopt the merger agreement with MDA, and instructed management to sign and deliver the merger agreement on behalf of DigitalGlobe.

Early on the morning of February 24, 2017, MDA and the lenders executed the financing commitment letters.

Prior to the opening of the financial markets in the United States on February 24, 2017, MDA and DigitalGlobe entered into the merger agreement and issued a joint press release announcing the proposed merger and the timing of a joint conference call for the investment community to discuss the proposed merger.

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Pursuant to the merger agreement, at the effective time, the MDA board of directors is required to appoint three individuals (each a “DigitalGlobe designee”) as mutually agreed upon in good faith by MDA and DigitalGlobe (each of whom must have been serving as a director of DigitalGlobe as of February 24, 2017) and reasonably approved by the Governance and Nominating Committee of the MDA board of directors to serve on the MDA board of directors. The MDA board of directors is also required under the merger agreement to take all actions necessary so that at the effective time the total number of directors serving on the MDA board of directors will not be more than twelve, including the three DigitalGlobe designees. Additionally, at least one of the DigitalGlobe designees will be appointed to each of the MDA board of directors’ Audit Committee, Human Resources and Management Compensation Committee and Governance and Nominating Committee. MDA and DigitalGlobe have agreed that, subject to the approval of the Governance and Nominating Committee of MDA, General Howell M. Estes, III, Dr. L. Roger Mason, Jr. and Nick S. Cyprus will be appointed to serve as MDA directors upon consummation of the merger. In addition, it is expected that, as of the effective time, General Estes will be appointed as a member of MDA’s Human Resources and Management Compensation Committee, Dr. Mason will be appointed as a member of MDA’s Governance and Nominating Committee and Mr. Cyprus will be appointed as a member of MDA’s Audit Committee.

In lieu of appointing the DigitalGlobe designees to the MDA board at the effective time, such individuals will be nominated for election at the MDA meeting to the MDA board at the effective time.

Additionally, at the effective time, and subject to certain qualifications, MDA is required to cause Holdings to appoint two individuals who are DigitalGlobe designees as mutually agreed upon by MDA and DigitalGlobe and reasonably approved by the Governance and Nominating Committee of the MDA board of directors to serve on the Holdings board of directors (the appointment of each being subject to approval by DSS). In order for a DigitalGlobe designee to be appointed to the Holdings board of directors, such person must qualify as an “Outside Director” (as defined in that certain Security Control Agreement, dated January 26, 2017, by and among MDA, Holdings and the U.S. Department of Defense, which we refer to as the “Security Control Agreement”) and satisfy the other director requirements set forth in the Security Control Agreement. MDA and Holdings are also required under the merger agreement to take all actions necessary so that at the effective time the total number of directors serving on the Holdings board of directors on the closing date will not be more than seven, including the two DigitalGlobe designees.

At this time, it has not yet been determined who will serve as directors or executive officers of the surviving corporation.

Information about those individuals who are eligible to be appointed as DigitalGlobe designees to each of the MDA board of directors and the Holdings board of directors is incorporated herein by reference from DigitalGlobe’s proxy statement for its 2016 annual meeting of shareowners filed with the SEC on April 14, 2016.

Information about MDA’s current directors and executive officers can be found in the section entitled “*Additional Information about MDA.*”

MDA’s Reasons for the Merger

At its meeting held on February 23, 2017, after due consideration and consultation with MDA’s management and outside legal and financial advisors, the MDA board of directors unanimously approved the merger agreement and the transactions contemplated thereby and authorized the issuance of MDA common shares pursuant to the merger agreement. In doing so, the MDA board of directors considered the business, assets, liabilities, results of operations, financial performance, strategic direction and prospects of DigitalGlobe

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and MDA. Additionally, in making its determination, the MDA board of directors considered a number of factors, including, but not limited to, the following:

- MDA expects the combination of MDA's and DigitalGlobe's technology will provide vertical integration benefits, including lower costs, increased speed-to-market, and enhanced analytics capabilities;
- MDA expects the acquisition of DigitalGlobe will expand MDA's ability to penetrate its existing markets and open channels for growth in adjacent markets;
- MDA expects the transaction to be accretive to MDA's adjusted operating earnings per share in 2018;
- MDA expects that the combined company will deliver meaningful revenue and cost synergies of C\$75-150 million on a run-rate basis by 2019;
- MDA expects cost synergies to include elimination of duplicative public company costs, procurement cost savings, efficiencies gained by leveraging the manufacturing capabilities of Space Systems/Loral, LLC, a wholly owned subsidiary of Holdings, which we refer to as "SSL," for future Earth observation satellite constellations, and the operational benefits of increased scale;
- MDA expects revenue synergies to include accelerating SSL's penetration into U.S. government markets, international market expansion, cross-selling opportunities and the ability to target larger geospatial services contract awards;
- the combination of MDA's and DigitalGlobe's respective businesses is expected to add revenue, product and customer diversity to MDA following completion of the merger;
- MDA expects that the combination of MDA and DigitalGlobe will provide increased scale to their services businesses which will allow the combined company to better serve larger customer programs and address more complex customer mission needs;
- MDA expects that the acquisition will provide it with greater access to U.S. and Canadian government and international customers and strengthen the position of MDA in the United States;
- MDA expects that the acquisition will accelerate MDA's previously announced United States access strategy and allow it to more effectively serve the U.S. government space markets and customers;
- MDA expects that the scale, quality and investor value proposition of MDA and its listing on the NYSE or NASDAQ following completion of the merger will attract additional investor interest;
- MDA believes that the seasoned management team at DigitalGlobe will bring valuable talent to the operations of the combined company;
- the belief that MDA and DigitalGlobe have similar corporate cultures and values;
- the fact that in connection with the transaction, MDA will become a publicly traded company in the United States, which is expected to provide MDA with greater access to capital and future financing sources;
- the fact that the exchange ratio is fixed with respect to the stock consideration and will not be adjusted for fluctuations in the market price of MDA common shares and DigitalGlobe common stock;
- the ability of MDA, in specified circumstances, to provide information to and to engage in discussions or negotiations with a third party that makes an unsolicited acquisition proposal with respect to MDA, as further described in the section entitled "*The Merger Agreement—No-Solicitation*";
- the ability of the MDA board of directors, in specified circumstances, to make a change in recommendation to MDA shareholders concerning the merger, as further described in the section entitled "*The Merger Agreement—Board Recommendation*";
- the belief that required regulatory approvals from various governmental entities, including CFIUS, DSS, DDTC, FCC, NOAA, FTC and the Antitrust Division are expected to be received prior to the end date. For more information about the status of these applications, see the section entitled "*The Merger Proposal—Regulatory Approvals Required for the Merger*";

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- other favorable terms of the merger agreement, including:
 - restrictions on DigitalGlobe’s ability to solicit alternative transactions and to provide confidential information to, or engage in discussions with, a third party interested in pursuing an alternative transaction with DigitalGlobe, as further discussed in the section entitled “*The Merger Agreement—No Solicitation*”;
 - the obligation of DigitalGlobe to pay MDA a termination fee of \$85 million upon termination of the merger agreement under specified circumstances; and
 - the obligation of DigitalGlobe to reimburse MDA for its out-of-pocket expenses, subject to a maximum amount of \$10 million, if the merger agreement is terminated due to the failure to obtain DigitalGlobe shareowner approval termination right; and
- the probability that the conditions to the merger will be satisfied.

In connection with its deliberations relating to the merger, the MDA board of directors also considered potential risks and negative factors concerning the merger and the other transactions contemplated by the merger agreement, including, but not limited to, the following:

- the risk that the merger might not be completed in a timely manner or at all;
- the effect that the length of time from announcement until closing could have on the market price of MDA common shares, MDA’s operating results (particularly in light of the significant costs incurred in connection with the merger) and the relationships with MDA’s employees, shareholders, customers, suppliers, regulators, partners and others that do business with MDA;
- the risk that the anticipated benefits of the merger will not be realized in full or in part, including the risk that expected synergies will not be achieved or will not be achieved in the expected time frame;
- the risk that the regulatory approval process could result in a rejection of the merger, the imposition of undesirable conditions or burdensome terms (including an “Extraordinary Condition” as defined in “*The Merger Proposal—Regulatory Approvals Required for the Merger*”) or increased pre-tax transaction costs;
- the fact that the merger agreement provides for a fixed exchange ratio with respect to the stock consideration and that no adjustment will be made in the merger consideration to be received by DigitalGlobe shareowners in the merger as a result of a possible increase in the trading price of MDA’s common shares, while noting that the significant cash portion of the merger consideration will reduce the impact of an increase in the trading price of MDA common shares on the value of the merger consideration;
- the risk of diverting the attention of MDA’s senior management from other strategic priorities to implement the merger and make arrangements for integration of MDA’s and DigitalGlobe’s operations and infrastructure following the merger;
- certain restrictions on the conduct of MDA’s business during the pendency of the merger, including restrictions on MDA’s ability to solicit alternative transactions, although the MDA board of directors believed that such restrictions were reasonable;
- the risk that any inability to maintain the current management team of DigitalGlobe could affect the operations of DigitalGlobe following the merger, as MDA recognizes the value of DigitalGlobe’s management and expertise in operating DigitalGlobe’s business;
- the fact that the merger agreement provides for the ability of the DigitalGlobe board of directors to, under certain circumstances, in a manner adverse to MDA, withhold, change, amend, modify or qualify its recommendation that DigitalGlobe shareowners approve the merger agreement;
- the risk that if the merger agreement is terminated, MDA may be obligated to pay a termination fee of US\$85 million or a reverse termination fee of US\$150 million under certain circumstances;

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- the enhanced regulatory burden and risk of exposure to litigation and regulatory action as a result of MDA becoming a registrant with the SEC and having its common shares listed on the NYSE or NASDAQ;
- the absence of a financing condition and DigitalGlobe's ability to specifically enforce MDA's obligations under the merger agreement and associated risks relating to MDA's merger financing plans;
- the inability of MDA to terminate the merger agreement to enter into an agreement for a superior proposal;
- the potential impact on the market price of MDA common shares as a result of the issuance of the stock consideration to DigitalGlobe shareowners; and
- the risks described in the section entitled "*Risk Factors*."

After consideration of these factors, the MDA board of directors determined that, overall, the potential benefits of the merger outweighed the potential risks.

The foregoing discussion of factors considered by the MDA board of directors is not intended to be exhaustive and may not include all the factors considered by the MDA board of directors. In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the MDA board of directors did not attempt to quantify, rank or otherwise assign any relative or specific weights to the factors that it considered in reaching its determination to approve the merger and the merger agreement. In addition, individual members of the MDA board of directors may have given differing weights to different factors. The MDA board of directors conducted an overall review of the factors described above and other material factors, including through discussions with, and inquiry of, MDA's management and outside legal and financial advisors.

The foregoing description of MDA's consideration of the factors supporting the merger is forward-looking in nature. This information should be read in light of the factors discussed in the section entitled "*Cautionary Statement Regarding Forward-Looking Statements*."

DigitalGlobe's Reasons for the Merger; Recommendation of the DigitalGlobe Board of Directors

At its meeting held on February 23, 2017, after due consideration and consultation with DigitalGlobe's management and outside legal and financial advisors, the DigitalGlobe board of directors determined that the merger agreement was advisable and fair to, and in the best interests of, DigitalGlobe and its shareowners and unanimously approved and declared advisable the merger agreement and the merger. THE DIGITALGLOBE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT DIGITALGLOBE SHAREOWNERS VOTE "**FOR**" THE ADOPTION OF THE MERGER AGREEMENT.

In evaluating the merger agreement and the merger, the DigitalGlobe board of directors consulted with DigitalGlobe management, as well as DigitalGlobe's legal and financial advisors, in reaching its decision to, among other things, approve the merger agreement and the merger and to recommend that DigitalGlobe shareowners adopt the merger agreement, and the DigitalGlobe board of directors considered a variety of factors, including the following material factors:

- historical information regarding (a) DigitalGlobe's business, financial performance and results of operations, (b) market prices, volatility and trading activity with respect to DigitalGlobe common stock, and (c) market prices and trading multiples with respect to aerospace and defense industry participants, satellite industry participants and general market indices;
- current information regarding (a) DigitalGlobe's business, prospects, financial condition, operations, technology, products, services, management, competitive position, contract and customer business

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concentration levels, capital intensity and returns and strategic business goals and objectives, (b) DigitalGlobe's capital expenditure budget and plans for building and deploying its next satellite constellation, (c) general economic, industry and financial market conditions, and (d) opportunities and competitive factors within DigitalGlobe's industry;

- (a) historical information regarding MDA's business and financial performance and market prices and the trading multiple of MDA common shares and (b) current information regarding MDA's business, prospects, financial condition, operations, technology, products, services, management and competitive position;
- the efforts undertaken by DigitalGlobe, with the assistance of its financial advisors, to identify and engage since December 8, 2016 with other prospective parties identified as most likely to be interested in (and capable of) acquiring DigitalGlobe, including a review of management's communications and dealings with other possible buyers in the past and assessment of the likelihood that a third party would offer a higher price than the price per share offered by MDA;
- the DigitalGlobe board of director's belief, based on the advice and counsel of DigitalGlobe's financial advisors, that financial sponsors would be constrained by their leverage models from being able to make a competitive offer for an acquisition of DigitalGlobe;
- the DigitalGlobe board of director's, PJT Partners' and Barclays' familiarity with the aerospace and defense industries and satellite industry and possible other third parties who could potentially seek to acquire DigitalGlobe and the belief, including based on the process conducted with PJT Partners in reaching out to parties identified as most likely and most capable of acquiring DigitalGlobe and the feedback from each of the contacted parties rejecting an invitation to engage in acquisition discussions or advising DigitalGlobe or its financial advisors that such parties either were not interested in acquiring DigitalGlobe or believed that DigitalGlobe's common stock trading price reflected full value for DigitalGlobe and that such parties were not interested in making a proposal in excess of the trading price of the DigitalGlobe common stock;
- the DigitalGlobe board of director's belief, after conferring with its financial advisors, that the aggregate merger consideration to be paid by MDA in the merger is the maximum price (including the maximum cash consideration) that MDA was willing to offer in connection with the merger;
- the timing of the merger and the risk that if DigitalGlobe did not accept the MDA offer (as provided for in the merger agreement), it may not have another opportunity to do so or a comparable opportunity with another qualified party;
- (a) the belief of the DigitalGlobe board of directors that continuing with the strategic process was unlikely to result in a transaction at a more attractive price than offered by MDA in the merger, (b) the fact that, under the terms of the merger agreement, the DigitalGlobe board of directors would be permitted to make a change in recommendation with respect to the adoption of the merger agreement by the DigitalGlobe shareowners under certain circumstances, (c) the fact that DigitalGlobe would be permitted, under circumstances described in the merger agreement, to terminate the merger agreement in order to enter into an agreement with respect to a superior proposal after giving MDA the opportunity to match the superior proposal and upon payment of a termination fee equal to \$85 million (approximately 3.6% of the equity value of DigitalGlobe), as further described in the section entitled "*The Merger Agreement—Board Recommendation*", and (d) the advice of PJT Partners and Barclays that the approach pursued was likely to result in a premium price for DigitalGlobe;
- the allocation of regulatory risk between the parties under the merger agreement, including with respect to the level of efforts and undertakings required by the parties to obtain all necessary regulatory approvals, as well as the termination fee of \$150 million payable by MDA to DigitalGlobe, subject to certain conditions, in the event the parties are not able to obtain all necessary regulatory approvals, as further described in the section entitled "*The Merger Proposal—Regulatory Approvals Required for the Merger*";

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- (a) the financial analyses presented by PJT Partners and Barclays to the DigitalGlobe board of directors, (b) detailed discussions about the stock consideration, diligence performed by DigitalGlobe and its advisors with respect to MDA and reasonable expectations about the anticipated performance of the MDA common shares in anticipation of and following the closing of the merger, and (c) the opinions of each of PJT Partners and Barclays as to the fairness from a financial point of view of the merger consideration to be received by the holders of shares of DigitalGlobe common stock in the merger, as of the date of such opinions, as more fully described below in the sections entitled “*The Merger Proposal—Opinions of DigitalGlobe’s Financial Advisors—Opinion of PJT Partners*” and “*The Merger Proposal—Opinions of DigitalGlobe’s Financial Advisors—Opinion of Barclays*”;
- the fact that the mixed equity and cash nature of the merger consideration offers DigitalGlobe’s shareowners the opportunity to participate in part with respect to the future earnings and growth of the combined company as well as requires that DigitalGlobe’s shareowners share in related risks of unfavorable performance of the combined company, while also providing DigitalGlobe’s shareowners with a substantial cash payout of \$17.50 per share;
- the DigitalGlobe board of director’s belief that the merger will result in a combined company that is more broadly diversified and not substantially dependent on any one business line or customer, and with an enhanced earnings profile from sustainable synergies;
- the fact that the board of directors believes that MDA has the requisite financial wherewithal to (after giving effect to the financing contemplated by the debt commitment letter) consummate the transactions contemplated by the merger agreement and pay all related fees and expenses;
- risks associated with remaining an independent company, and possible alternative business strategies; and
- the availability of appraisal rights to DigitalGlobe shareowners in connection with the merger.

In connection with its deliberations relating to the merger, the DigitalGlobe board of directors also considered potential risks and negative factors concerning the merger and the other transactions contemplated by the merger agreement, including the following:

- the prospects and likelihood of realizing superior benefits through remaining an independent company;
- recognition that the merger agreement does not contain a floor for the value of MDA common shares and that the total value of the merger consideration payable in connection with the merger could rise or fall based on the changes in the trading value of the MDA common shares between the time of signing the merger agreement and the closing of the merger;
- the fact that both the stock consideration and the cash consideration will be taxable to DigitalGlobe’s shareowners;
- recognition that, while not anticipated, public announcement of the merger could negatively impact MDA’s financial performance, operating results and stock price and MDA’s relationship with customers, suppliers, other business partners, management and employees;
- recognition that, while not anticipated, public announcement of the merger could negatively impact DigitalGlobe’s financial performance, operating results and stock price and DigitalGlobe’s relationship with management, employees, customers, suppliers, and other business partners, including with respect to satellite constellation capital programs for new satellite builds and replacement capacity;
- regulatory approval requirements particular to MDA and DigitalGlobe, and risks associated with obtaining such approvals, including the potential that negative customer reaction, if any, to the proposed merger could unfavorably impact the outcome of seeking and obtaining the required regulatory approvals and that such customer reaction is not within DigitalGlobe’s control, as further described in the section entitled “*The Merger Proposal—Regulatory Approvals Required for the Merger*”;

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- risks and uncertainties introduced in any transaction in connection with any required antitrust laws as compared to the anticipated results of such filings in connection with the transactions contemplated by the merger agreement;
- the fact that DigitalGlobe will no longer exist as an independent public company and DigitalGlobe's shareowners will forego any future increase in its value as an independent public company that might result from its possible growth (together with the possibility of near and long term fluctuations in the value of MDA common shares to be issued in connection with the merger);
- the fact that the merger agreement (a) precludes DigitalGlobe from actively soliciting competing acquisition proposals, as further discussed in the section entitled "The Merger Agreement—No Solicitation," and (b) obligates DigitalGlobe (or its successor) to pay MDA a termination fee of up to \$85 million under specified circumstances (and to reimburse MDA for expenses up to \$10 million in certain other circumstances), which could discourage the making of a competing acquisition proposal or adversely impact the price offered in such a proposal, as further described in the section entitled "*The Merger Agreement—Termination of the Merger Agreement*";
- the fact that the merger agreement imposes restrictions on the conduct of DigitalGlobe's business in the pre-closing period, which may adversely affect DigitalGlobe's business in the event the merger is not completed (including by delaying or preventing DigitalGlobe from pursuing business opportunities that may arise or precluding actions that would be advisable if DigitalGlobe were to remain an independent company);
- all known interests of directors and executive officers of DigitalGlobe in the merger that may be different from, or in addition to, their interests as DigitalGlobe shareowners or the interests of DigitalGlobe's other shareowners generally;
- the risks involved with the merger and the likelihood that DigitalGlobe and MDA will be able to complete the merger or that MDA's shareholders, whose favorable vote is required to permit MDA to consummate the merger, may not vote in favor of the merger, and the possibility that if the merger is not consummated for any reason, DigitalGlobe may encounter enhanced challenges in maintaining important relationships with its customers, suppliers, other business partners, management, employees and investors; and
- the substantial transaction expenses to be incurred in connection with the merger, including those that are payable by DigitalGlobe irrespective of whether the merger is consummated, and the negative impact of such expenses on DigitalGlobe's cash reserves and operating results.

After considering the foregoing potentially negative and potentially positive factors, the DigitalGlobe board of directors concluded that the uncertainties, risks and potentially negative factors relevant to the merger were outweighed by the potential benefits that it expected DigitalGlobe and its shareowners would achieve as a result of the transaction.

The foregoing discussion of the information and factors considered by the DigitalGlobe board of directors, including the material positive and negative factors considered by the DigitalGlobe board of directors in consideration of the merger, is not exhaustive and may not include all of the factors considered by the DigitalGlobe board of directors. In view of the wide variety of factors considered in connection with its evaluation of the merger, and the complexity of these matters, the DigitalGlobe board of directors, both individually and collectively, did not quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the merger and the merger agreement and to make its recommendations to the DigitalGlobe shareowners. Rather, the DigitalGlobe board of directors based its recommendation on the totality of the information presented to it and the factors it considered. In addition, individual members of the DigitalGlobe board of directors may have given differing weights to different factors.

In considering the recommendation of the DigitalGlobe board of directors, you should be aware that directors and executive officers of DigitalGlobe have interests in the proposed merger that are in addition to, or

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different from, any interests they might have as shareowners. For more information, see the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger.*”

Opinions of DigitalGlobe’s Financial Advisors

Pursuant to separate engagement letters dated January 31, 2017 and February 8, 2017, respectively, DigitalGlobe engaged PJT Partners and Barclays, respectively, to act as financial advisor with respect to exploring strategic alternatives for DigitalGlobe, including the merger.

Opinion of PJT Partners

On February 23, 2017, PJT Partners rendered its oral opinion (which was subsequently confirmed in writing) to the DigitalGlobe board of directors that, as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the merger consideration to be received in the merger by the holders of DigitalGlobe common stock (other than DigitalGlobe, its subsidiaries, MDA and its affiliates) was fair from a financial point of view to the holders of DigitalGlobe common stock.

The full text of PJT Partners’ written opinion, dated as of February 23, 2017, is attached as Annex B to this proxy statement/prospectus. PJT Partners’ written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by PJT Partners in rendering its opinion. You are encouraged to read the opinion carefully in its entirety. The following is a summary of PJT Partners’ opinion and the methodology that PJT Partners used to render its opinion. This summary is qualified in its entirety by reference to the full text of the opinion.

In arriving at its opinion, PJT Partners, among other things:

- reviewed certain publicly available information concerning the businesses, financial conditions and operations of DigitalGlobe and MDA;
- reviewed certain internal information concerning the business, financial condition and operations of DigitalGlobe prepared and furnished to us by the management of DigitalGlobe;
- reviewed certain internal financial analyses, estimates and forecasts relating to DigitalGlobe, including the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections;
- reviewed certain financial analyses, estimates and forecasts relating to MDA, including the DigitalGlobe Revised MDA Forecasts;
- reviewed the expectations of management of DigitalGlobe with respect to the pro forma impact of the merger on the future financial performance of the combined company, including the Synergy Projections, and other strategic benefits expected by the management of DigitalGlobe to result from the merger;
- reviewed the projections estimating the net operating losses of DigitalGlobe for fiscal year 2017 through fiscal year 2021 included in the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections;
- held discussions with members of senior management of DigitalGlobe concerning, among other things, their evaluation of the merger and DigitalGlobe’s and MDA’s businesses, operating and regulatory environments, financial conditions, prospects and strategic objectives;
- held discussions with members of senior management of MDA concerning, among other things, their evaluation of MDA’s business, operating and regulatory environment, financial condition, prospects and strategic objectives;
- reviewed the historical market prices and trading activity for the DigitalGlobe common stock and MDA common shares;

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- compared certain publicly available financial and stock market data for DigitalGlobe and MDA with similar information for certain other companies that PJT Partners deemed to be relevant;
- reviewed a draft, dated February 23, 2017, of the merger agreement; and
- performed such other financial studies, analyses and investigations, and considered such other matters, as PJT Partners deemed necessary or appropriate for purposes of rendering its opinion.

In preparing its opinion, with the consent of DigitalGlobe, PJT Partners relied upon and assumed the accuracy and completeness of the foregoing information and all other information discussed with or reviewed by it, without independent verification thereof. PJT Partners assumed, with DigitalGlobe's consent, that the Scenario 1 projections, Scenario 2 projections and the Scenario 3 projections were reasonably prepared in accordance with industry practice and represented, as of the date of PJT Partners' opinion, the best estimates and judgments of management of DigitalGlobe (subject, in each case, to the assumptions set forth therein) as to the business and operations and future financial performance of DigitalGlobe. PJT Partners assumed, with DigitalGlobe's consent, that the DigitalGlobe Revised MDA Forecasts were reasonably prepared in accordance with industry practice and represented, as of the date of PJT Partners' opinion, the best estimates and judgments of management of DigitalGlobe (subject to the assumptions set forth therein) as to the business and operations and future financial performance of MDA. PJT Partners assumed, with DigitalGlobe's consent, that the amounts of the net operating losses included in the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections were reasonable and that such net operating losses would be realized in accordance with such estimates. PJT Partners assumed, with DigitalGlobe's consent, that the amounts and timing of the Synergy Projections were reasonable and that the Synergy Projections would be realized in accordance with such estimates. With DigitalGlobe's consent, PJT Partners assumes no responsibility for and expressed no opinion as to the Scenario 1 projections, the Scenario 2 projections, the Scenario 3 projections, the DigitalGlobe Revised MDA Forecasts, the net operating loss projections included in the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections, the Standalone NOL Projections, the Synergy Projections, the assumptions upon which any of the foregoing are based or any other financial analyses, estimates and forecasts provided to PJT Partners by management of DigitalGlobe. With DigitalGlobe's consent, PJT Partners assumed that there were no material changes in the assets, financial conditions, results of operations, businesses or prospects of DigitalGlobe or MDA since the respective dates of the last financial statements made available to PJT Partners prior to the date of its opinion, other than as reflected in the Scenario 1 projections, the Scenario 2 projections, the Scenario 3 projections or the DigitalGlobe Revised MDA Forecasts. PJT Partners further relied, with DigitalGlobe's consent, upon the assurances of management of DigitalGlobe that they were not aware of any facts that would make the information and projections provided by them inaccurate, incomplete or misleading in any material respect.

PJT Partners also assumed, with DigitalGlobe's consent, that the final executed form of the merger agreement would not differ in any material respect from the draft reviewed by it and that the consummation of the merger would be effected in accordance with the terms and conditions of the merger agreement, without any material waiver, modification or amendment of any term, condition or agreement, and that, in the course of obtaining the necessary regulatory or third party consents and approvals (contractual or otherwise) for the merger, no delay, limitation, restriction or condition would be imposed that would have a material effect on the combined company or the contemplated benefits of the merger. PJT Partners did not express any opinion as to any tax or other consequences that might result from the merger, nor does its opinion address any legal, tax, regulatory or accounting matters, as to which PJT Partners understood that DigitalGlobe obtained such advice as it deemed necessary from qualified professionals. PJT Partners are not legal, tax or regulatory advisors and, with DigitalGlobe's consent, relied upon without independent verification the assessment of DigitalGlobe and its legal, tax and regulatory advisors with respect to such matters.

PJT Partners was not asked to undertake, and did not undertake, an independent verification of any information provided to or reviewed by it, nor was it furnished with any such verification, and it did not assume any responsibility or liability for the accuracy or completeness thereof. PJT Partners did not make a physical inspection of any of the properties or assets of DigitalGlobe or MDA. PJT Partners did not make an independent

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evaluation or appraisal of the assets or the liabilities (contingent or otherwise) of DigitalGlobe or MDA, nor was it furnished with any such evaluations or appraisals, nor did it undertake an evaluation of the solvency of DigitalGlobe or MDA under any applicable laws.

PJT Partners did not consider the relative merits of the merger as compared to any other business plan or opportunity that might be available to DigitalGlobe or the effect of any other arrangement in which DigitalGlobe might engage, and PJT Partners' opinion does not address the underlying decision by DigitalGlobe to engage in the merger. PJT Partners' opinion is limited to the fairness as of the date thereof, from a financial point of view, to the holders of DigitalGlobe common stock (other than DigitalGlobe, its subsidiaries, MDA and its affiliates) of the merger consideration to be received by such holders in the merger, and PJT Partners' opinion does not address any other aspect or implication of the merger, the merger agreement, or any other agreement or understanding entered into in connection with the merger or otherwise. PJT Partners further expressed no opinion or view as to the fairness of the merger to the holders of any other class of securities, creditors or other constituencies of DigitalGlobe or as to the underlying decision by DigitalGlobe to engage in the merger. PJT Partners also expressed no opinion as to the fairness of the amount or nature of the compensation to any of DigitalGlobe's officers, directors or employees, or any class of such persons, relative to the merger consideration or otherwise. PJT Partners' opinion is necessarily based upon economic, market, monetary, regulatory and other conditions as they existed and could be evaluated, and the information made available to PJT Partners, as of the date thereof.

PJT Partners expressed no opinion as to the prices or trading ranges at which shares of DigitalGlobe common stock or MDA common shares will trade at any time, regardless of exchange listing or listings. PJT Partners' opinion does not constitute a recommendation to any DigitalGlobe shareowner as to how such DigitalGlobe shareowner should vote or act with respect to the merger or any other matter. PJT Partners assumed no responsibility for updating or revising its opinion based on circumstances or events occurring after the date thereof. PJT Partners' opinion was approved by a fairness committee of PJT Partners in accordance with established procedures.

PJT Partners' opinion was provided to the DigitalGlobe board of directors, in its capacity as such, in connection with and for the purposes of its evaluation of the merger only and is not a recommendation as to any action the DigitalGlobe board of directors should take with respect to the merger or any aspect thereof.

In connection with rendering its opinion, PJT Partners performed certain financial, comparative and other analyses as summarized below. In arriving at its opinion, PJT Partners did not ascribe a specific range of values to the shares of DigitalGlobe common stock but rather made its determination as to fairness, from a financial point of view, to the holders of DigitalGlobe common stock (other than DigitalGlobe, its subsidiaries, MDA and its affiliates) of the merger consideration to be offered to such holders in the merger on the basis of various financial and comparative analyses. The preparation of a fairness opinion is a complex process and involves various determinations as to the most appropriate and relevant methods of financial and comparative analyses and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to summary description.

In arriving at its opinion, PJT Partners did not attribute any particular weight to any single analysis or factor considered by it but rather made qualitative judgments as to the significance and relevance of each analysis and factor relative to all other analyses and factors performed and considered by it and in the context of the circumstances of the merger. Accordingly, PJT Partners believes that its analyses must be considered as a whole, as considering any portion of such analyses and factors, without considering all analyses and factors as a whole, could create a misleading or incomplete view of the process underlying its opinion.

The following is a summary of the material financial analyses used by PJT Partners in preparing its opinion to the DigitalGlobe board of directors. Certain financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses used by PJT Partners, the tables must be read together with the text of each summary, as the tables alone do not constitute a complete description of the financial analyses. In performing its analyses, PJT Partners made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond

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the control of DigitalGlobe or any other parties to the merger. None of DigitalGlobe, MDA, Merger Sub, PJT Partners, Barclays or any other person assumes responsibility if future results are materially different from those discussed. Any estimates contained in these analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth below. In addition, analyses relating to the value of the businesses do not purport to be appraisals or reflect the prices at which the businesses may actually be sold.

Historical Trading Multiples

PJT Partners reviewed and compared various implied financial multiples and ratios of DigitalGlobe since DigitalGlobe's initial public offering in May 2009. As part of this analysis, PJT Partners calculated and analyzed DigitalGlobe's total enterprise value (calculated as the equity value based on fully diluted shares outstanding calculated using the treasury stock method, plus debt and less cash) as a multiple of certain historical financial criteria (such as earnings before interest, taxes, depreciation and amortization and post-stock based compensation for the next twelve month period for which financial information is not available, or NTM EBITDA (post-stock based compensation)). All of these calculations were performed and based on publicly available financial data (including historical Wall Street NTM EBITDA (post-stock based compensation) consensus estimates) and closing prices through February 16, 2017. The results of this historical trading multiples analysis are summarized below:

	Total enterprise value / NTM EBITDA (post-stock based compensation)
Date range	
6-month	7.6x
1-year	7.2x
Since IPO	7.7x

Based upon the foregoing analysis and its professional judgment, PJT Partners selected a range of 6.5x to 8.5x for 2017E EBITDA (post-stock based compensation) for DigitalGlobe and applied such range to the Scenario 1 projections, Scenario 2 projections and Scenario 3 projections to calculate a range of implied prices per share of DigitalGlobe common stock based on the fully diluted number of shares of DigitalGlobe common stock as of February 16, 2017. The following summarizes the results of these calculations, as compared to the merger consideration:

Implied prices per share of DigitalGlobe common stock	Merger consideration⁽¹⁾
\$20-\$31	\$ 35.00

- (1) The implied value of the merger consideration used for purposes of PJT Partners' financial analyses was determined by DigitalGlobe and MDA based on the closing price of MDA common shares on the TSX on February 16, 2017 (converted to U.S. dollars using a CAD/USD exchange rate of 0.7612).

PJT Partners noted that on the basis of the historical trading multiples analysis, the value of the merger consideration was above the range of implied value per share.

Selected Comparable Company Analysis—DigitalGlobe

In order to assess how the public market values shares of similar publicly traded companies, PJT Partners reviewed and compared specific financial and operating data relating to DigitalGlobe with selected companies that PJT Partners deemed comparable to DigitalGlobe. The selected comparable companies were Airbus Group SE, Eutelsat Communications SA, Inmarsat Plc, Intelsat SA, Orbital ATK Inc., SES SA and Thales SA.

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PJT Partners calculated and compared various implied financial multiples and ratios of DigitalGlobe and the selected comparable companies. As part of its selected comparable company analysis, PJT Partners calculated and analyzed the following ratios and multiples: (1) total enterprise value (calculated as the equity value based on fully diluted shares outstanding calculated using the treasury stock method, plus debt, tax-effected unfunded pension liability and the value of any minority interests, and less cash), as a multiple of 2017E EBITDA (post-stock based compensation and adjusted for pension expense) and (2) total enterprise value (calculated as the equity value based on fully diluted shares outstanding calculated using the treasury stock method, plus debt and the value of any minority interests, and less cash) as a multiple of 2017E EBITDA (post-stock based compensation). All of these calculations were performed and based on publicly available financial data (including Wall Street 2017E EBITDA (post-stock based compensation) consensus estimates) and closing prices as of February 16, 2017. The results of this selected comparable company analysis are summarized below:

Company	Total enterprise value / 2017E EBITDA(post- stock based compensation)(1)	Total enterprise value / 2017E EBITDA (post- stock based compensation)(2)
Mean	8.4x	8.0x
Median	8.2x	8.2x
DigitalGlobe (market price as of February 16, 2017)	8.1x	8.1x
DigitalGlobe (value of merger consideration)	9.0x	9.0x

(1) Total enterprise value includes tax-effected unfunded pension liability. EBITDA is adjusted for pension expense.

(2) Total enterprise value does not include tax-effected unfunded pension liability. EBITDA is not adjusted for pension expense.

PJT Partners selected the comparable companies listed above because PJT Partners believed their businesses and operating profiles are reasonably similar to that of DigitalGlobe. However, because of the inherent differences between the business, operations and prospects of DigitalGlobe and those of the selected comparable companies, PJT Partners believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the selected comparable company analysis. Accordingly, PJT Partners also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of DigitalGlobe and the selected comparable companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, profitability levels and degree of operational risk between DigitalGlobe and the companies included in the selected company analysis. Based upon these judgments, PJT Partners selected a range of 7.0x to 9.0x for 2017E EBITDA (post-stock based compensation) for DigitalGlobe and applied such range to the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections to calculate a range of implied prices per share of DigitalGlobe common stock based on the fully diluted number of shares of DigitalGlobe common stock as of February 16, 2017. The following summarizes the results of these calculations, as compared to the merger consideration:

Implied prices per share of DigitalGlobe common stock	Merger consideration
\$23-\$34	\$ 35.00

PJT Partners noted that on the basis of the selected comparable company analysis, the value of the merger consideration was above the range of implied value per share.

Selected Comparable Company Analysis—MDA

In order to assess how the public market values shares of similar publicly traded companies, PJT Partners reviewed and compared specific financial and operating data relating to MDA with selected companies that PJT

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Partners deemed comparable to MDA. The selected comparable companies were Airbus Group SE, Boeing Co., Harris Corporation, L3 Technologies Inc., Lockheed Martin Corporation, Northrop Grumman Corporation, Orbital ATK Inc., Raytheon Company and Thales SA.

PJT Partners calculated and compared various implied financial multiples and ratios of MDA and the selected comparable companies. As part of its selected comparable company analysis, PJT Partners calculated and analyzed the following ratios and multiples: (1) total enterprise value (calculated as the equity value based on fully diluted shares outstanding calculated using the treasury stock method, plus debt, tax-effected unfunded pension liability and the value of any minority interests, and less cash), as a multiple of 2017E EBITDA (post-stock based compensation and adjusted for pension expense) and (2) total enterprise value (calculated as the equity value based on fully diluted shares outstanding calculated using the treasury stock method, plus debt and the value of any minority interests, and less cash) as a multiple of 2017E EBITDA (post-stock based compensation). All of these calculations were performed and based on publicly available financial data (including Wall Street 2017E EBITDA (post-stock based compensation) estimates) and closing prices as of February 16, 2017. The results of this selected comparable company analysis are summarized below:

Company	Total enterprise value / 2017E EBITDA (post- stock based compensation)(1)	Total enterprise value / 2017E EBITDA (post- stock based compensation)(2)
Mean	11.5x	10.9x
Median	11.8x	11.4x
MDA (Operating EBITDA)	10.4x	9.6x
MDA (Corporate EBITDA)	11.0x	10.2x

(1) Total enterprise value includes tax-effected unfunded pension liability. EBITDA is adjusted for pension expense.

(2) Total enterprise value does not include tax-effected unfunded pension liability. EBITDA is not adjusted for pension expense.

PJT Partners selected the comparable companies listed above because PJT Partners believed their businesses and operating profiles are reasonably similar to that of MDA. However, because of the inherent differences between the business, operations and prospects of MDA and those of the selected comparable companies, PJT Partners believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the selected comparable company analysis. Accordingly, PJT Partners also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of MDA and the selected comparable companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, profitability levels and degree of operational risk between MDA and the companies included in the selected company analysis. Based upon these judgments, PJT Partners selected a range of 9.5x to 12.5x for 2017E EBITDA (post-stock based compensation) for MDA and applied such ranges to the DigitalGlobe Revised MDA Forecasts to calculate ranges of implied prices per MDA common share based on the fully diluted number of MDA common shares as of February 16, 2017. The following summarizes the results of these calculations, as compared to the closing price per MDA common share as of February 16, 2017:

Implied prices per MDA common share	Price per MDA common share(1)
\$44-64	\$ 56.23

(1) Calculated using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017.

PJT Partners noted that on the basis of the selected comparable company analysis, the closing price per MDA common share as of February 16, 2017 was within the range of implied value per share.

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Discounted Cash Flow Analysis—DigitalGlobe

In order to estimate the present value of DigitalGlobe common stock, PJT Partners performed a discounted cash flow analysis of DigitalGlobe. A discounted cash flow analysis is a traditional valuation methodology used to derive a valuation of an asset by calculating the “present value” of estimated future cash flows generated by the asset. “Present value” refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macroeconomic assumptions and estimates of risk, the opportunity cost of capital, expected returns and other appropriate factors.

To calculate the estimated enterprise value of DigitalGlobe using the discounted cash flow method, PJT Partners added (a) DigitalGlobe’s projected after-tax unlevered free cash flows for fiscal years 2017E through 2021E based on the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections (adjusted to exclude the effect of DigitalGlobe’s interest on taxes paid) to (b) ranges of “terminal values” of DigitalGlobe as of December 31, 2021, and discounted such amount to its present value using a range of selected discount rates. The after-tax unlevered free cash flows were calculated by taking earnings before interest, tax expense, depreciation and amortization (excluding amortization of purchased intangibles) and post-stock based compensation, subtracting taxes (calculated assuming a net operating loss balance of \$225 million as of December 31, 2016 and assuming levered net operating loss usage as set forth in the net operating loss projections included in the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections, as applicable), capital expenditures, deferred revenue, deferred contract costs and other operating activities, and adjusting for changes in working capital. The residual value of DigitalGlobe at the end of the forecast period, or “terminal value,” was estimated by applying perpetuity growth rates of 1.5% to 2.5% to the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections. The range of discount rates of 7.75% to 8.75% was selected based on an analysis of the estimated weighted average cost of capital of DigitalGlobe. PJT Partners then calculated a range of implied prices per share of DigitalGlobe common stock by subtracting estimated net debt as of December 31, 2016 from the estimated enterprise value derived using the discounted cash flow method and dividing such amount by the fully diluted number of shares of DigitalGlobe common stock as of February 16, 2017. The following summarizes the results of these calculations as compared to the merger consideration:

Projections	Implied prices per share of DigitalGlobe common stock	Merger consideration
Scenario 1 projections	\$ 25-\$40	\$ 35.00
Scenario 2 projections	\$ 20-\$32	\$ 35.00
Scenario 3 projections	\$ 29-\$45	\$ 35.00

PJT Partners noted that on the basis of the discounted cash flow analysis, the value of the merger consideration was within the ranges of implied values per share calculated using the Scenario 1 projections and the Scenario 3 projections and above the range of implied values per share calculated using the Scenario 2 projections.

Discounted Cash Flow Analysis—MDA

In order to estimate the present value of MDA common shares, PJT Partners also performed a discounted cash flow analysis of MDA.

To calculate the estimated enterprise value of MDA using the discounted cash flow method, PJT Partners added (a) MDA’s projected after-tax unlevered free cash flows for fiscal years 2017E through 2021E based on the DigitalGlobe Revised MDA Forecasts to (adjusted to exclude the effect of MDA’s interest on taxes paid) (b) ranges of “terminal values” of MDA as of December 31, 2021, and discounted such amount to its present value using a range of selected discount rates. The after-tax unlevered free cash flows were calculated by taking earnings before interest, tax expense, depreciation and amortization (excluding amortization of purchased intangibles) and post-stock based compensation, subtracting taxes, capital expenditures, enterprise improvement

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costs, foreign exchange loss, executive termination settlement costs and income tax expenses, and adjusting for changes in working capital. The residual value of MDA at the end of the forecast period, or “terminal value,” was estimated by selecting a range of terminal values multiples based on 2021E EBITDA (post-stock based compensation) of 9.5x to 12.5x, which was derived by analyzing the results from the selected comparable company analysis, and applying such range to the DigitalGlobe Revised MDA Forecasts. The range of discount rates of 7.5% to 8.5% was selected based on an analysis of the estimated weighted average cost of capital of MDA. PJT Partners then calculated a range of implied prices per MDA common share by subtracting estimated net debt (including the after-tax unfunded pension liability) as of December 31, 2016 from the estimated enterprise value derived using the discounted cash flow method and dividing such amount by the fully diluted number of MDA common shares as of February 16, 2017. The following summarizes the results of these calculations, as compared to the closing price per MDA common share as of February 16, 2017:

Implied prices per MDA common share	Price per MDA common share⁽¹⁾
\$42-\$62	\$ 56.23

(1) Calculated using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017.

PJT Partners noted that on the basis of the discounted cash flow analysis, the closing price per MDA common share as of February 16, 2017 was within the range of implied values per share calculated using the DigitalGlobe Revised MDA Forecasts.

Discounted Equity Value Analysis—DigitalGlobe

PJT Partners performed a discounted equity value analysis of DigitalGlobe on a stand-alone basis to estimate the present value of DigitalGlobe common stock. The discounted equity value of DigitalGlobe was estimated by selecting a range of multiples for 2020E NTM EBITDA (post-stock based compensation) of 6.5x to 8.5x, which was derived by analyzing the results from the historical trading multiples analysis and selected comparable company analysis, applying such range to the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections, and subtracting estimated net debt as of December 31, 2020 (which was calculated assuming 50% of DigitalGlobe’s excess cash flow is used to repay debt). PJT Partners then calculated an estimated future equity value per share of DigitalGlobe common stock on December 31, 2020 by taking such implied equity values and dividing such amounts by the fully diluted number of shares of DigitalGlobe common stock estimated to be outstanding as of December 31, 2020 (which was calculated assuming 50% of DigitalGlobe’s excess cash flow is used to repurchase shares of DigitalGlobe common stock at a constant multiple of 6.5x to 8.5x of NTM EBITDA (post-stock based compensation)). PJT Partners then discounted these ranges of future equity values per share by a discount rate of 11% based on DigitalGlobe’s estimated cost of equity. The following summarizes the results of these calculations, as compared to the merger consideration:

Projections	Implied prices per share of DigitalGlobe common stock	Merger consideration
Scenario 1 projections	\$ 25-\$34	\$ 35.00
Scenario 2 projections	\$ 21-\$29	\$ 35.00
Scenario 3 projections	\$ 28-\$38	\$ 35.00

PJT Partners noted that on the basis of the discounted equity value analysis, the value of the merger consideration was within the range of implied values per share calculated using the Scenario 3 projections and above the ranges of implied values per share calculated using the Scenario 1 projections and the Scenario 2 projections.

Discounted Equity Value Analysis—MDA

PJT Partners performed a discounted equity value analysis of MDA on a stand-alone basis to estimate the present value of MDA common shares. The discounted equity value of MDA was estimated by selecting a range

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of multiples for 2020E NTM EBITDA (post-stock based compensation) of 9.5x to 12.5x, which was derived by analyzing the results from the selected comparable company analysis, applying such range to the DigitalGlobe Revised MDA Forecasts, and subtracting estimated net debt (including the after-tax unfunded pension liability) as of December 31, 2020 (which was calculated assuming 50% of MDA's excess cash flow is used to repay debt). PJT Partners then calculated an estimated future equity value per MDA common share on December 31, 2020 by taking such implied equity values and dividing such amounts by the fully diluted number of MDA common shares estimated to be outstanding as of December 31, 2020 (which was calculated assuming 50% of MDA's excess cash flow is used to repurchase MDA common shares at a constant multiple of 9.5x to 12.5x of NTM EBITDA (post-stock based compensation)). PJT Partners then discounted these ranges of future equity values per share by a discount rate of 8.75% based on MDA's estimated cost of equity. The following summarizes the results of these calculations, as compared to the closing price per MDA common share as of February 16, 2017:

Implied prices per MDA common share	Price per MDA common share ⁽¹⁾
\$49-\$64	\$ 56.23

(1) Calculated using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017.

PJT Partners noted that on the basis of the discounted equity value analysis, the closing price per MDA common share as of February 16, 2017 was within the range of implied values per share calculated using the DigitalGlobe Revised MDA Forecasts.

Implied Stock-for-Stock Exchange Ratios

PJT Partners also performed the following analyses to derive ranges of implied stock-for-stock exchange ratios of MDA common share per share of DigitalGlobe common stock for the stock component of the merger consideration:

- Relative Historical Trading Multiples Analysis.** PJT Partners performed an analysis in which PJT Partners derived a range of implied stock-for-stock exchange ratios of MDA common shares per share of DigitalGlobe common stock for the stock component of the merger consideration by (a) dividing the difference between the low end of the implied prices per share of DigitalGlobe common stock derived from the historical trading multiples analysis discussed above and the cash component of the merger consideration by the low end of the implied prices per MDA common share derived from the selected comparable company analysis discussed above and (b) dividing the difference between the high end of the implied prices per share of DigitalGlobe common stock derived from the historical trading multiples analysis discussed above and the cash component of the merger consideration by the high end of the implied prices per MDA common share derived from the selected comparable company analysis discussed above. Based on this analysis, PJT Partners calculated a range of implied exchange ratios of 0.057x to 0.217x, as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017). The actual exchange ratio for the stock component of the merger consideration is 0.3132x.
- Relative Selected Comparable Company Analysis.** PJT Partners performed an analysis in which PJT Partners derived a range of implied stock-for-stock exchange ratios of MDA common shares per share of DigitalGlobe common stock for the stock component of the merger consideration by (a) dividing the difference between the low end of the implied prices per share of DigitalGlobe common stock derived from the selected comparable company analysis discussed above and the cash component of the merger consideration by the low end of the implied prices per MDA common share derived from the selected comparable company analysis discussed above and (b) dividing the difference between the high end of the implied prices per share of DigitalGlobe common stock derived from the selected comparable

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company analyses discussed above and the cash component of the merger consideration by the high end of the implied prices per MDA common share derived from the selected comparable company analysis discussed above. Based on this analysis, PJT Partners calculated a range of implied exchange ratios of 0.122x to 0.261x, as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017). The actual exchange ratio for the stock component of the merger consideration is 0.3132x.

- Relative Discounted Cash Flow Analysis.* PJT Partners performed an analysis in which PJT Partners derived ranges of implied stock-for-stock exchange ratios of MDA common shares per share of DigitalGlobe common stock for the stock component of the merger consideration by, for each of the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections, (a) dividing the difference between the low end of the implied prices per share of DigitalGlobe common stock derived from the discounted cash flow analysis discussed above and the cash component of the merger consideration by the low end of the implied prices per MDA common share derived from the discounted cash flow analysis discussed above and (b) dividing the difference between the high end of the implied prices per share of DigitalGlobe common stock derived from the discounted cash flow analysis discussed above and the cash component of the merger consideration by the high end of the implied prices per MDA common share derived from the discounted cash flow analysis discussed above. Based on this analysis, PJT Partners calculated ranges of implied exchange ratios of 0.184x to 0.358x based on the Scenario 1 projections, 0.056x to 0.242x based on the Scenario 2 projections, and 0.275x to 0.446x based on the Scenario 3 projections, in each case as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017). The actual exchange ratio for the stock component of the merger consideration is 0.3132x.
- Relative Discounted Equity Value Analysis.* PJT Partners performed an analysis in which PJT Partners derived ranges of implied stock-for-stock exchange ratios of MDA common shares per share of DigitalGlobe common stock for the stock component of the merger consideration by, for each of the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections, (a) dividing the difference between the low end of the implied prices per share of DigitalGlobe common stock derived from the discounted equity value analysis discussed above and the cash component of the merger consideration by the low end of the implied prices per MDA common share derived from the discounted equity value analysis discussed above and (b) dividing the difference between the high end of the implied prices per share of DigitalGlobe common stock derived from the discounted equity value analysis discussed above and the cash component of the merger consideration by the high end of the implied prices per MDA common share derived from the discounted equity value analysis discussed above. Based on this analysis, PJT Partners calculated ranges of implied exchange ratios of 0.157x to 0.264x based on the Scenario 1 projections, 0.074x to 0.185x based on the Scenario 2 projections and 0.215x to 0.320x based on the Scenario 3 projections, in each case as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017). The actual exchange ratio for the stock component of the merger consideration is 0.3132x.

Other Information

PJT Partners also observed the below factors, which were not considered part of its financial analyses in connection with rendering its opinion, but were referenced solely for informational purposes:

- leveraged buyout analyses of DigitalGlobe (assuming an equity investment that would achieve a minimum rate of return of 17.5% to 22.5% during a five-year period, a projected NTM EBITDA exit

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multiple of 6.5x to 8.5x and leverage of 6.0x LTM EBITDA) using the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections, which indicated ranges of implied values per share of \$25 to \$34 in the case of the Scenario 1 projections, \$22 to \$29 in the case of the Scenario 2 projections and \$27 to \$36 in the case of the Scenario 3 projections, in each case as compared to the merger consideration of \$35.00;

- historical trading prices of a share of DigitalGlobe common stock and an MDA common share during the 52-week period ending February 16, 2017, which indicated (a) low and high closing prices of a share of DigitalGlobe common stock during such period of \$13 to \$33, as compared to the merger consideration of \$35.00, (b) low and high closing prices of an MDA common share during such period of \$49 to \$71, as compared to the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) and (c) ranges of implied exchange ratios for the stock component of the merger consideration of -0.050x to 0.295x, as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) (the actual exchange ratio for the stock component of the merger consideration is 0.3132x); and
- publicly available Wall Street research analysts' share price targets in the next twelve months for each of a share of DigitalGlobe common stock and an MDA common share, which indicated (a) a target share price range for a share of DigitalGlobe common stock of \$22 to \$40 (reflecting the discounting of such price targets using an assumed cost of equity of 11.0%), as compared to the merger consideration of \$35.00, (b) a target share price range for an MDA common share of \$53 to \$67 (reflecting the discounting of such price targets using an assumed cost of equity of 8.75%), as compared to the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) and (c) ranges of implied exchange ratios for the stock component of the merger consideration of 0.078x to 0.331x, as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) (the actual exchange ratio for the stock component of the merger consideration is 0.3132x).

General

PJT Partners is an internationally recognized investment banking firm and, as part of its investment banking activities, is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. The DigitalGlobe board of directors selected PJT Partners because of its qualifications, reputation and experience in the valuation of businesses and securities in connection with mergers and acquisitions generally and in the technology, media and telecommunications sector specifically.

PJT Partners is acting as financial advisor to DigitalGlobe in connection with the merger. As compensation for its services in connection with the merger, DigitalGlobe paid PJT Partners (a) \$1 million upon the delivery of PJT Partners' opinion and (b) \$4 million upon execution of the merger agreement. Estimated compensation of approximately \$36 million (estimated based on DigitalGlobe's debt, cash and fully diluted shares outstanding calculated using the treasury stock method as of February 16, 2017 and the announced merger consideration of \$35.00) will be payable at the closing of the merger, against which the amounts previously paid relating to the opinion and execution of the merger agreement will be credited. For the avoidance of doubt, the actual compensation payable will not be finally determined until the closing of the merger. In addition, DigitalGlobe has agreed to reimburse PJT Partners for its out-of-pocket expenses incurred in connection with the merger and to indemnify PJT Partners for certain liabilities that may arise out of its engagement by DigitalGlobe and the

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rendering of PJT Partners' opinion. In the ordinary course of its and its affiliates' businesses, PJT Partners and its affiliates may provide investment banking and other financial services to DigitalGlobe, MDA and their respective affiliates and may receive compensation for the rendering of these services. Specifically, since its formation on October 1, 2015, PJT Partners advised DigitalGlobe in connection with a possible acquisition that was ultimately not consummated. PJT Partners did not receive any compensation, and no engagement letter was executed, in connection with such transaction.

Opinion of Barclays

On February 23, 2017, Barclays rendered its oral opinion (which was subsequently confirmed in writing) to the DigitalGlobe board of directors that, as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, from a financial point of view, the merger consideration to be offered to the holders of DigitalGlobe common stock (other than DigitalGlobe, its subsidiaries, MDA and its affiliates) was fair to such holders.

The full text of Barclays' written opinion, dated as of February 23, 2017, is attached as Annex C to this proxy statement/prospectus. Barclays' written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by Barclays in rendering its opinion. You are encouraged to read the opinion carefully in its entirety. The following is a summary of Barclays' opinion and the methodology that Barclays used to render its opinion. This summary is qualified in its entirety by reference to the full text of the opinion.

Barclays' opinion, the issuance of which was approved by Barclays' Valuation and Fairness Opinion Committee, was for the use and benefit of, and was rendered to, the DigitalGlobe board of directors in connection with its consideration of the merger, addresses only the fairness, from a financial point of view, of the merger consideration to be offered to the holders of DigitalGlobe common stock and does not constitute a recommendation to any holder of DigitalGlobe common stock or other stockholder of DigitalGlobe as to how such stockholder should vote with respect to the merger or any other matter. The terms of the merger were determined through arm's-length negotiations between DigitalGlobe and MDA and were unanimously approved by the DigitalGlobe board of directors. Barclays did not recommend any specific form of consideration to DigitalGlobe or that any specific form of consideration constituted the only appropriate consideration for the merger. Barclays was not requested to opine as to, and its opinion does not in any manner address, DigitalGlobe's underlying business decision to proceed with or effect the merger or the likelihood of consummation of the merger. In addition, Barclays expressed no opinion on, and its opinion does not in any manner address, the fairness of the amount or the nature of any compensation to any officers, directors or employees of any parties to the merger, or consideration to the holders of any other class of capital stock of DigitalGlobe, or any class of such persons, relative to the merger consideration to be offered to the holders of DigitalGlobe common stock in the merger or otherwise.

In arriving at its opinion, Barclays, among other things:

- reviewed and analyzed a draft of the merger agreement, dated as of February 22, 2017, and the material terms of the merger;
- reviewed and analyzed publicly available information concerning DigitalGlobe and MDA that Barclays believed to be relevant to its analysis, including the annual reports (on Form 10-K for DigitalGlobe) for the fiscal year ended 2015 and quarterly reports (on Form 10-Q for DigitalGlobe) for the fiscal quarters ended March 31, 2016, June 30, 2016 and September 30, 2016);
- reviewed and analyzed financial and operating information with respect to the business, operations and prospects of DigitalGlobe furnished to Barclays by DigitalGlobe, including the Scenario 1 projections;
- reviewed and analyzed financial and operating information with respect to the business, operations and prospects of MDA furnished to Barclays by DigitalGlobe, including (i) the MDA Forecasts and (ii) the DigitalGlobe Revised MDA Forecasts;

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- reviewed and analyzed the projections estimating the net operating losses of DigitalGlobe for the fourth quarter of 2016 through fiscal year 2021 included in the Scenario 1 projections and the Standalone NOL Projections;
- reviewed and analyzed the trading history of the DigitalGlobe common stock and MDA common shares for the twelve-month period ended February 16, 2017 and a comparison of that trading history with those of other companies that Barclays deemed relevant;
- reviewed and analyzed a comparison of the historical financial results and present financial condition of DigitalGlobe and MDA with each other and those of other companies that Barclays deemed relevant;
- reviewed and analyzed a comparison of the financial terms of the merger with the financial terms of certain other precedent transactions Barclays deemed to be relevant;
- reviewed and analyzed the expectations of the management of DigitalGlobe with respect to the pro forma impact of the merger on the future financial performance of the combined company, including the Synergy Projections, and other strategic benefits expected by the management of DigitalGlobe to result from a combination of the businesses;
- reviewed and analyzed published consensus estimates of independent research analysts with respect to the future financial performance and price targets of DigitalGlobe and MDA;
- reviewed and analyzed the relative contributions of DigitalGlobe and MDA to the historical and future financial performance of the combined company on a pro forma basis (reflecting certain pro forma financing assumptions provided by the management of MDA); and
- had discussions with the management of DigitalGlobe and MDA concerning DigitalGlobe's and MDA's respective businesses, operations, assets, liabilities, financial conditions and prospects and undertook such other studies, analyses and investigations as Barclays deemed appropriate.

In arriving at its opinion, Barclays assumed and relied upon the accuracy and completeness of the financial and other information used by it without any independent verification of such information (and has not assumed responsibility or liability for any independent verification of such information) and further relied upon the assurances of the management of DigitalGlobe that they were not aware of any facts or circumstances that would make such information inaccurate or misleading. With respect to the Scenario 1 projections, with the consent of DigitalGlobe, Barclays assumed that such projections were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of DigitalGlobe (subject to the assumptions set forth therein) as to the future financial performance of DigitalGlobe. With respect to the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts, with the consent of DigitalGlobe, Barclays assumed that such projections were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of MDA or the management of DigitalGlobe, as applicable, as to the future financial performance of MDA. With respect to the net operating loss projections included in the Scenario 1 projections and the Standalone NOL Projections, with the consent of DigitalGlobe, Barclays assumed that the amounts of the net operating losses included in the Scenario 1 projections and the Standalone NOL Projections were reasonable and that the net operating losses contained therein would be realized in accordance with such estimates. Furthermore, with the consent of DigitalGlobe, Barclays assumed that the amounts and timing of the Synergy Projections were reasonable and that the Synergy Projections would be realized in accordance with such estimates. Barclays assumed no responsibility for and expressed no view as to any such projections or estimates or the assumptions on which they are based. In arriving at its opinion, Barclays did not conduct a physical inspection of the properties and facilities of DigitalGlobe or MDA and did not make or obtain any evaluations or appraisals of the assets or liabilities of DigitalGlobe or MDA. In addition, DigitalGlobe did not authorize Barclays to solicit, and Barclays did not solicit, any indications of interest from any third party with respect to the purchase of all or a part of DigitalGlobe's business. Barclays' opinion necessarily is based upon market, economic and other conditions as they existed on, and could be evaluated as of, the date of its opinion. Barclays assumed no

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responsibility for updating or revising its opinion based on events or circumstances that may occur after the date of its opinion. Barclays expressed no opinion as to the prices at which any shares of capital stock of DigitalGlobe or MDA would trade following the announcement or consummation of the merger, regardless of exchange listing or listings.

Barclays assumed that the executed merger agreement would conform in all material respects to the last draft reviewed by it. Barclays assumed the accuracy of the representations and warranties contained in the merger agreement and all agreements related thereto. Barclays also assumed, with the consent of DigitalGlobe, that all material governmental, regulatory and third party approvals, consents and releases for the merger would be obtained within the constraints contemplated by the merger agreement (and that, in the course of obtaining such approvals, consents and releases, no delay, limitation, restriction or condition would be imposed that would have a material effect on the combined company or the contemplated benefits of the merger) and that the merger would be consummated in accordance with the terms of the merger agreement without any material waiver, modification or amendment of any term, condition or agreement thereof. Barclays did not express any opinion as to any tax or other consequences that might result from the merger, nor does its opinion address any legal, tax, regulatory or accounting matters, as to which Barclays understood that DigitalGlobe obtained such advice as it deemed necessary from qualified professionals.

In connection with rendering its opinion, Barclays performed certain financial, comparative and other analyses as summarized below. In arriving at its opinion, Barclays did not ascribe a specific range of values to the shares of DigitalGlobe common stock but rather made its determination as to fairness, from a financial point of view, to the holders of DigitalGlobe common stock (other than DigitalGlobe, its subsidiaries, MDA and its affiliates) of the merger consideration to be offered to such holders in the merger on the basis of various financial and comparative analyses. The preparation of a fairness opinion is a complex process and involves various determinations as to the most appropriate and relevant methods of financial and comparative analyses and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to summary description.

In arriving at its opinion, Barclays did not attribute any particular weight to any single analysis or factor considered by it but rather made qualitative judgments as to the significance and relevance of each analysis and factor relative to all other analyses and factors performed and considered by it and in the context of the circumstances of the merger. Accordingly, Barclays believes that its analyses must be considered as a whole, as considering any portion of such analyses and factors, without considering all analyses and factors as a whole, could create a misleading or incomplete view of the process underlying its opinion.

The following is a summary of the material financial analyses used by Barclays in preparing its opinion to the DigitalGlobe board of directors. Certain financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses used by Barclays, the tables must be read together with the text of each summary, as the tables alone do not constitute a complete description of the financial analyses. In performing its analyses, Barclays made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of DigitalGlobe or any other parties to the merger. None of DigitalGlobe, MDA, Merger Sub, Barclays, PJT Partners or any other person assumes responsibility if future results are materially different from those discussed. Any estimates contained in these analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth below. In addition, analyses relating to the value of the businesses do not purport to be appraisals or reflect the prices at which the businesses may actually be sold.

Historical Share Price Analysis

To illustrate the trend in the historical trading prices of DigitalGlobe common stock, Barclays considered historical data with regard to the trading prices of DigitalGlobe common stock for the period from February 16,

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2016 to February 16, 2017 and compared such data with the relative stock price performances during the same periods of MDA, a composite of Lockheed Martin Corporation, Orbital ATK Inc., Northrop Grumman Corporation, Raytheon Company, L3 Technologies Inc., BAE Systems plc, Thales SA and Harris Corporation, which we refer to as the “Aerospace & Defense Composite”, and a composite of Eutelsat Communications SA, Intelsat SA, Inmarsat PLC and SES SA, which we refer to as the “Satellites Composite”.

Barclays noted that during the period from February 16, 2016 to February 16, 2017, the closing price of DigitalGlobe common stock increased 106%, compared to MDA common shares which decreased 13%, the Aerospace & Defense Composite which increased 27% and the Satellites Composite which decreased 28%.

Selected Comparable Company Analysis—DigitalGlobe

In order to assess how the public market values shares of similar publicly traded companies, Barclays reviewed and compared specific financial and operating data relating to DigitalGlobe with selected companies that Barclays deemed comparable to DigitalGlobe. The selected comparable companies were Eutelsat Communications SA, Intelsat SA, Inmarsat SA and SES SA (in the satellites industry) and Lockheed Martin Corporation, Northrop Grumman Corporation, Orbital ATK Inc. and Raytheon Company (in the aerospace and defense industry).

Barclays calculated and compared various implied financial multiples and ratios of DigitalGlobe and the selected comparable companies. As part of its selected comparable company analysis, Barclays calculated and analyzed, among other things, each company’s ratio of (1) its equity value (based on fully diluted shares outstanding calculated using the treasury stock method) to projected leveraged free cash flow (or LFCF, calculated by subtracting capital expenditures from cash flow from operations) and (2) its enterprise value (calculated by adding short- and long-term debt and the value of any minority and preferred interests to equity value and subtracting cash and cash equivalents) to earnings before interest, taxes, depreciation and amortization and post-stock based compensation (or EBITDA (post-stock based compensation)), with and without adjustments for pensions. All of these calculations were performed and based on publicly available financial data and closing prices as of February 16, 2017. The results of this selected comparable company analysis are summarized below:

	Enterprise Value / EBITDA (post-stock based compensation)		Enterprise Value / EBITDA (post-stock based compensation) (with pension adj.)		Equity Value / LFCF	
	2017E	2018E	2017E	2018E	2017E	2018E
Average for Satellites Industry⁽¹⁾	7.6x	7.2x	7.6x	7.2x	11.9x	10.3x
Median for Satellites Industry⁽¹⁾	7.3x	6.9x	7.3x	6.9x	11.8x	10.8x
Average for Aerospace & Defense Industry⁽²⁾	12.0x	11.3x	12.5x	11.8x	18.4x	17.7x
Median for Aerospace & Defense Industry⁽²⁾	12.6x	11.7x	12.9x	12.0x	18.0x	18.6x
Total Average	9.8x	9.2x	10.1x	9.5x	15.6x	14.5x
Total Median	9.5x	8.9x	9.5x	9.0x	15.8x	14.5x
Scenario 1 projections ⁽³⁾	8.2x	6.6x	8.2x	6.6x	22.4x	11.3x
DigitalGlobe (consensus estimates) ⁽⁴⁾	8.1x	7.6x	8.1x	7.6x	26.8x	19.4x

- (1) LFCF calculated using normalized capital expenditure figures. Equity Value / LFCF Average and Median for Satellites Industry (and Total Average and Total Median) exclude Intelsat SA.
- (2) LFCF calculated using actual capital expenditure figures for projected periods.
- (3) LFCF calculated using normalized capital expenditure figures based on 2017-2021E average capital expenditure figures as per the Scenario 1 projections.
- (4) LFCF calculated using normalized capital expenditure figures per Wall Street consensus estimates.

Barclays selected the comparable companies listed above because Barclays believed their businesses and operating profiles are reasonably similar to that of DigitalGlobe. However, because of the inherent differences between the business, operations and prospects of DigitalGlobe and those of the selected comparable companies,

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Barclays believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the selected comparable company analysis. Accordingly, Barclays also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of DigitalGlobe and the selected comparable companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, profitability levels and degree of operational risk between DigitalGlobe and the companies included in the selected company analysis. Based upon these judgments, Barclays selected ranges of 7.5x to 9.5x for 2017E EBITDA (post-stock based compensation), 7.0x-9.0x for 2018E EBITDA (post-stock based compensation), 11.5x to 16.0x for 2017E LFCF and 10.5x to 14.5x for 2018E LFCF for DigitalGlobe and applied such ranges to the Scenario 1 projections to calculate ranges of implied prices per share of DigitalGlobe common stock based on the fully diluted number of shares of DigitalGlobe common stock as of February 16, 2017. The following summarizes the results of these calculations, as compared to the merger consideration:

Metric	Implied prices per share of DigitalGlobe common stock	Merger consideration ⁽¹⁾
2017E EBITDA (post-stock based compensation)	\$ 25.76-37.21	\$ 35.00
2018E EBITDA (post-stock based compensation)	\$ 32.64-\$46.85	\$ 35.00
2017E LFCF ⁽²⁾	\$ 15.24-\$21.17	\$ 35.00
2018E LFCF ⁽²⁾	\$ 27.53-\$37.89	\$ 35.00

- (1) The implied value of the merger consideration used for purposes of Barclays' financial analyses was determined by DigitalGlobe and MDA based on the closing price of MDA common shares on the TSX on February 16, 2017 (converted to U.S. dollars using a CAD/USD exchange rate of 0.7612).
- (2) LFCF calculated using normalized capital expenditure figures based on 2017-2021E average capital expenditure figures as per the Scenario 1 projections.

Barclays noted that on the basis of the selected comparable company analysis, the value of the merger consideration was within the ranges of implied values per share (except in the case of 2017E LFCF, where the value of the merger consideration was above the range of implied value per share).

Selected Comparable Company Analysis—MDA

In order to assess how the public market values shares of similar publicly traded companies, Barclays reviewed and compared specific financial and operating data relating to MDA with selected companies that Barclays deemed comparable to MDA. The selected comparable companies were BAE Systems plc, Harris Corporation, L3 Technologies, Inc., Lockheed Martin Corporation, Northrop Grumman Corporation, Orbital ATK Inc., Raytheon Company and Thales SA.

Barclays calculated and compared various implied financial multiples and ratios of MDA and the selected comparable companies. As part of its selected comparable company analysis, Barclays calculated and analyzed, among other things, each company's ratio of (1) its equity value (based on fully diluted shares outstanding calculated using the treasury stock method) to LFCF and (2) its enterprise value (calculated by adding short- and long-term debt and the value of any minority and preferred interests to equity value and subtracting cash and cash equivalents) to EBITDA (post-stock based compensation), with and without adjustments for pensions. All of these calculations were performed and based on publicly available financial data and closing prices, as of February 16, 2017. The results of this selected comparable company analysis are summarized below:

	Enterprise Value / EBITDA (post-stock based compensation)		Enterprise Value / EBITDA (post-stock based compensation) (with pension adj.)		Equity Value / LFCF ⁽¹⁾	
	2017E	2018E	2017E	2018E	2017E	2018E
Average	11.3x	10.5x	12.0x	11.2x	19.6x	16.9x
Median	11.9x	11.0x	11.9x	11.1x	18.1x	17.1x
MDA (February 16, 2017 closing price)	10.5x	10.2x	11.3x	11.0x	80.1x	19.6x

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(1) 2018E Equity Value / LFCF Average and Median exclude Harris Corporation.

Barclays selected the comparable companies listed above because Barclays believed their businesses and operating profiles are reasonably similar to that of MDA. However, because of the inherent differences between the business, operations and prospects of MDA and those of the selected comparable companies, Barclays believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the selected comparable company analysis. Accordingly, Barclays also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of MDA and the selected comparable companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, profitability levels and degree of operational risk between MDA and the companies included in the selected company analysis. Based upon these judgments, Barclays selected ranges of 11.0x to 13.0x for 2017E EBITDA (post-stock based compensation), 10.0x to 12.0x for 2018E EBITDA (post-stock based compensation) and 15.0x to 19.0x for 2018E LFCF for MDA and applied such ranges to the DigitalGlobe Revised MDA Forecasts to calculate ranges of implied prices per MDA common share based on the fully diluted number of MDA common shares as of February 16, 2017. The following summarizes the results of these calculations, as compared to the closing price per MDA common share as of February 16, 2017:

Metric	Implied prices per MDA common share	Price per MDA common share⁽¹⁾
2017E EBITDA (post-stock based compensation)	\$ 54.48-\$67.60	\$ 56.23
2017E EBITDA (post-stock based compensation)	\$ 49.29-\$63.02	\$ 56.23
2018E LFCF	\$ 43.28-\$54.57	\$ 56.23

(1) Calculated using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017.

Barclays noted that on the basis of the selected comparable company analysis, the closing price per MDA common share as of February 16, 2017 was within the ranges of implied values per share (except in the case of 2018E LFCF, where the then-current market price of an MDA common share was above the range of implied value per share).

Selected Precedent Transaction Analysis

Barclays reviewed and compared the purchase prices and implied financial multiples (including EBITDA (post-stock based compensation) for the last twelve month period for which financial information was publicly available at the time of announcement of the applicable transaction, or LTM EBITDA (post-stock based compensation), multiples) paid in certain selected transactions that Barclays, based on its experience with merger and acquisition transactions, deemed relevant. The selected transactions were the acquisitions of Asia Satellite Telecommunications Co. Ltd., Satelites Mexicanos, S.A. de C.V., Hellas-Sat Consortium Limited, GeoEye Inc., Vizada, Hughes Communications Inc. and WildBlue Communications Inc. (in the satellites industry) and B/E Aerospace, Inc., Airbus Defense Electronics, Lockheed Martin Information Systems & Global Solutions, SRA International, Fokker Technologies Group BV, Sikorsky Aircraft Corporation, Exelis Inc., Aeroflex Holding Corp., ARINC Aviation Solutions, Space Systems/Loral, LLC, SRA International and Stanley, Inc. (in the aerospace and defense industry). Barclays chose such transactions based on, among other things, the similarity of the applicable target companies in the transactions to DigitalGlobe with respect to the size, mix, margins and other characteristics of their businesses.

The reasons for and the circumstances surrounding each of the selected precedent transactions analyzed were diverse, and there are inherent differences in the business, operations, financial conditions and prospects of DigitalGlobe and the companies included in the selected precedent transaction analysis. Accordingly, Barclays believed that a purely quantitative selected precedent transaction analysis would not be particularly meaningful in the context of considering the merger. Barclays therefore made qualitative judgments concerning differences

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between the characteristics of the selected precedent transactions and the merger which would affect the acquisition values of the selected target companies and DigitalGlobe. The results of this selected precedent transactions analysis are summarized below:

	Purchase Price (\$mm)	Purchase Price / LTM EBITDA (post-stock based compensation)(1)
Average for Satellites Industry	\$ 984	8.0x
Median for Satellites Industry	\$ 960	8.8x
Average for Aerospace & Defense Industry	\$ 3,175	10.7x
Median for Aerospace & Defense Industry	\$ 1,670	11.1x
Average of Satellites and Aerospace & Defense Averages	\$ 1,095	9.3x
Average of Satellites and Aerospace & Defense Means	\$ 2,886	10.0x

- (1) Averages and Medians exclude Asia Satellite Telecommunications Co. Ltd., Hellas-Sat Consortium Limited, Airbus Defense Electronics, Lockheed Martin Information Systems & Global Solutions, Sikorsky Aircraft Corporation and ARINC Aviation Solutions.

Based upon the foregoing, Barclays selected a range of 8.0x to 10.0x for 2016E EBITDA (post-stock based compensation) and applied such range to the Scenario 1 projections to calculate a range of implied prices per share of DigitalGlobe common stock based on the fully diluted number of shares of DigitalGlobe common stock as of February 16, 2017. The following table summarizes the results of such analysis, as compared to the merger consideration:

Implied prices per share of DigitalGlobe common stock	Merger consideration
\$27.21-\$38.29	\$ 35.00

Barclays noted that on the basis of the selected precedent transaction analysis, the value of the merger consideration was within the range of implied values per share.

Discounted Cash Flow Analysis—DigitalGlobe

In order to estimate the present value of DigitalGlobe common stock, Barclays performed a discounted cash flow analysis of DigitalGlobe. A discounted cash flow analysis is a traditional valuation methodology used to derive a valuation of an asset by calculating the “present value” of estimated future cash flows generated by the asset. “Present value” refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macroeconomic assumptions and estimates of risk, the opportunity cost of capital, expected returns and other appropriate factors.

To calculate the estimated enterprise value of DigitalGlobe using the discounted cash flow method, Barclays added (a) DigitalGlobe’s projected after-tax unlevered free cash flows for fiscal years 2017E through 2021E based on the Scenario 1 projections to (b) ranges of “terminal values” of DigitalGlobe as of December 31, 2021, and discounted such amount to its present value using a range of selected discount rates. The after-tax unlevered free cash flows were calculated by taking the tax-affected earnings before interest and tax expense, adding depreciation and amortization, subtracting capital expenditures and adjusting for changes in working capital and other cash flow items. The residual value of DigitalGlobe at the end of the forecast period, or “terminal value,” was estimated by applying perpetuity growth rates of 1.5% to 2.5% to the Scenario 1 projections. The range of after-tax discount rates of 8% to 9% was selected based on an analysis of the estimated weighted average cost of capital of DigitalGlobe. Barclays then calculated a range of implied prices per share of DigitalGlobe common stock by subtracting estimated net debt as of December 31, 2016 from the estimated enterprise value derived using the discounted cash flow method and dividing such amount by the fully diluted number of shares of DigitalGlobe common stock as of February 16, 2017, and then adding to such amount the estimated present value

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of the net operating losses of DigitalGlobe (as set forth in the Standalone NOL Projections and the net operating loss projections included in the Scenario 1 projections) of \$1.31 per share of DigitalGlobe common stock (after discounting the net operating losses of DigitalGlobe by a discount rate of 6.25%). The following summarizes the results of these calculations, as compared to the merger consideration:

Implied prices per share of DigitalGlobe common stock	Merger consideration
\$22.67-\$35.56	\$ 35.00

Barclays noted that on the basis of the discounted cash flow analysis, the value of the merger consideration was within the range of implied values per share calculated using the Scenario 1 projections.

Discounted Cash Flow Analysis—MDA

In order to estimate the present value of MDA common shares, Barclays also performed a discounted cash flow analysis of MDA.

To calculate the estimated enterprise value of MDA using the discounted cash flow method, Barclays added (a) MDA's projected after-tax unlevered free cash flows for fiscal years 2017E through 2021E based on the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts to (b) ranges of "terminal values" of MDA as of December 31, 2021, and discounted such amount to its present value using a range of selected discount rates. The after-tax unlevered free cash flows were calculated by taking the tax-affected earnings before interest and tax expense, adding depreciation and amortization, subtracting capital expenditures and adjusting for changes in working capital and other cash flow items. The residual value of MDA at the end of the forecast period, or "terminal value," was estimated by applying a range of terminal value multiples based on 2021 EBITDA for the five-year period ending December 31, 2021, of 11.0x to 13.0x, which was derived by analyzing the results of the selected comparable company analysis, and applying such range to the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts. The range of after-tax discount rates of 7% to 8% was selected based on an analysis of the estimated weighted average cost of capital of MDA. Barclays then calculated a range of implied prices per MDA common share by subtracting estimated net debt as of December 31, 2016 from the estimated enterprise value derived using the discounted cash flow method and dividing such amount by the fully diluted number of MDA common shares as of February 16, 2017. The following summarizes the results of these calculations, as compared to the closing price per MDA common share as of February 16, 2017:

Projections	Implied prices per MDA common share	Price per MDA common share ⁽¹⁾
MDA Forecasts	\$ 69.11-\$85.31	\$ 56.23
DigitalGlobe Revised MDA Forecasts	\$ 52.19-\$66.48	\$ 56.23

(1) Calculated using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017.

Barclays noted that on the basis of the discounted cash flow analysis, the closing price per MDA common share as of February 16, 2017 was within the range of implied values per share calculated using the DigitalGlobe Revised MDA Forecasts and below the range of implied values per share calculated using the MDA Forecasts.

Implied Stock-for-Stock Exchange Ratios

Barclays also performed the following analyses to derive ranges of implied stock-for-stock exchange ratios of MDA common shares per share of DigitalGlobe common stock for the stock component of the merger consideration:

- *Relative Discounted Cash Flow Analysis.* Barclays performed an analysis in which Barclays derived ranges of implied stock-for-stock exchange ratios of MDA common shares per share of DigitalGlobe

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common stock for the stock component of the merger consideration by, for each of the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts, (a) dividing the difference between the low end of the implied prices per share of DigitalGlobe common stock derived from the discounted cash flow analysis discussed above and the cash component of the merger consideration by the low end of the implied prices per MDA common share derived from the discounted cash flow analysis discussed above and (b) dividing the difference between the high end of the implied prices per share of DigitalGlobe common stock derived from the discounted cash flow analysis discussed above and the cash component of the merger consideration by the high end of the implied prices per MDA common share derived from the discounted cash flow analysis discussed above. Based on this analysis, Barclays calculated ranges of implied exchange ratios of 0.075x to 0.212x based on the MDA Forecasts and 0.099x to 0.272x based on the DigitalGlobe Revised MDA Forecasts, in each case as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017). The actual exchange ratio for the stock component of the merger consideration is 0.3132x.

- *Relative Selected Comparable Company Analysis.* Barclays performed an analysis in which Barclays derived ranges of implied stock-for-stock exchange ratios of MDA common shares per share of DigitalGlobe common stock for the stock component of the merger consideration by (a) dividing the difference between the low end of the implied prices per share of DigitalGlobe common stock derived from the selected comparable company analysis discussed above and the cash component of the merger consideration by the low end of the implied prices per MDA common share derived from the selected comparable company analysis discussed above and (b) dividing the difference between the high end of the implied prices per share of DigitalGlobe common stock derived from the selected comparable company analysis discussed above and the cash component of the merger consideration by the high end of the implied prices per MDA common share derived from the selected comparable company analysis discussed above. Based on this analysis, Barclays calculated ranges of implied exchange ratios of 0.152x to 0.292x based on 2017E EBITDA (post-stock based compensation), 0.307x to 0.466x based on 2018E EBITDA (post-stock based compensation), and 0.232x to 0.374x based on 2018E LFCF, in each case as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017). The actual exchange ratio for the stock component of the merger consideration is 0.3132x.
- *Relative Precedent Transaction Analysis.* Barclays performed an analysis in which Barclays derived a range of implied stock-for-stock exchange ratios of MDA common shares per share of DigitalGlobe common stock for the stock component of the merger consideration by (a) dividing the difference between the low end of the implied prices per share of DigitalGlobe common stock derived from the precedent transaction analysis discussed above and the cash component of the merger consideration by the closing price of an MDA common share as of February 16, 2017 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) and (b) the difference between the high end of the implied prices per share of DigitalGlobe common stock derived from the precedent transaction analysis discussed above and the cash component of the merger consideration by the closing price of an MDA common share as of February 16, 2017 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017). Based on this analysis, Barclays calculated a range of implied exchange ratios of 0.173x to 0.370x, as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017). The actual exchange ratio for the stock component of the merger consideration is 0.3132x.

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Other Information

Barclays also observed the below factors, which were not considered part of its financial analyses in connection with rendering its opinion, but were referenced solely for informational purposes:

- publicly available Wall Street research analysts' share price targets in the next twelve months for each of a share of DigitalGlobe common stock and an MDA common share, which indicated (a) a target share price range for a share of DigitalGlobe common stock of \$22.20 to \$39.06 (reflecting the discounting of such price targets using an assumed cost of equity of 12.6%), as compared to the merger consideration of \$35.00, (b) a target share price range for an MDA common share of \$52.89 to \$67.00 (reflecting the discounting of such price targets using an assumed cost of equity of 8.6%), as compared to the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) and (c) ranges of implied exchange ratios for the stock component of the merger consideration of 0.089x to 0.322x, as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) (the actual exchange ratio for the stock component of the merger consideration is 0.3132x);
- historical trading prices of a share of DigitalGlobe common stock and an MDA common share during the 52-week period ending February 16, 2017, which indicated (a) low and high closing prices of a share of DigitalGlobe common stock during such period of \$13.32 to \$33.05, as compared to the merger consideration of \$35.00, (b) low and high closing prices of an MDA common share during such period of \$49.06 to \$71.18, as compared to the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) and (c) ranges of implied exchange ratios for the stock component of the merger consideration of -0.085x to 0.218x, as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) (the actual exchange ratio for the stock component of the merger consideration is 0.3132x); and
- a transaction premium analysis based on the premiums paid in certain precedent telecom transactions announced between 2005 and 2016 with implied transaction values above \$1 billion, calculated by comparing the transaction value per share to the target company's closing share price one day prior to announcement and 30 days prior to announcement, which indicated (a) target share price ranges for a share of DigitalGlobe common stock of \$30.43 to \$37.66 (based on the closing share price one day prior to announcement) and \$30.87 to \$38.92 (based on the closing share price 30 days prior to announcement), in each case as compared to the merger consideration of \$35.00 and (b) ranges of implied exchange ratios for the stock component of the merger consideration of 0.230x to 0.359x (based on the closing share price one day prior to announcement) and 0.238x to 0.381x (based on the closing share price 30 days prior to announcement), calculated relative to the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017), as compared to the exchange ratio of 0.311x implied by the stock component of the merger consideration and the closing price of an MDA common share as of February 16, 2017 of \$56.23 (converted to USD using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017) (the actual exchange ratio for the stock component of the merger consideration is 0.3132x).

General

Barclays is an internationally recognized investment banking firm and, as part of its investment banking activities, is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, competitive bids, secondary

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distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. The DigitalGlobe board of directors selected Barclays because of its qualifications, reputation and experience in the valuation of businesses and securities in connection with mergers and acquisitions generally.

Barclays is acting as financial advisor to DigitalGlobe in connection with the merger. As compensation for its services in connection with the merger, DigitalGlobe paid Barclays \$1.5 million upon the delivery of Barclays' opinion. Estimated compensation of approximately \$18 million (estimated based on DigitalGlobe's debt, cash and fully diluted shares outstanding calculated using the treasury stock method as of February 16, 2017 and the announced merger consideration of \$35.00) will be payable at the closing of the merger, against which the amounts previously paid relating to the opinion will be credited. For the avoidance of doubt, the actual compensation payable will not be finally determined until the closing of the merger. In addition, DigitalGlobe has agreed to reimburse Barclays for its out-of-pocket expenses incurred in connection with the merger and to indemnify Barclays for certain liabilities that may arise out of its engagement by DigitalGlobe and the rendering of Barclays' opinion. Barclays has performed various investment banking services for DigitalGlobe in the past, and expects to perform such services in the future, and has received, and expects to receive, customary fees for such services. Specifically, in the past two years, Barclays has performed the following investment banking and financial services for DigitalGlobe: Lead Arranger and Bookrunner on DigitalGlobe's 2016 Secured Credit Facility and Sole Dealer Manager and Solicitation Agent on the associated tender offer. Barclays may perform various investment banking services for MDA in the future and would expect to receive customary fees for such services.

Barclays, its subsidiaries and its affiliates engage in a wide range of businesses for investment and commercial banking, lending, asset management and other financial and non-financial services. In the ordinary course of its business, Barclays and its subsidiaries and affiliates may actively trade and effect transactions in the equity, debt and/or other securities (and any derivatives thereof) and financial instruments (including loans and other obligations) of DigitalGlobe, MDA and their respective affiliates for its own account and for the accounts of its customers and, accordingly, may at any time hold long or short positions and investments in such securities and financial instruments.

Certain Unaudited Prospective Financial Information Used by the DigitalGlobe Board of Directors and DigitalGlobe's Financial Advisors

Projections with respect to DigitalGlobe

DigitalGlobe generally does not disclose projections of its expected future financial performance or position because of, among other things, the inherent difficulty of accurately predicting financial performance for future periods and the possibility that the underlying assumptions and estimates may prove incorrect. While DigitalGlobe has not generally published financial projections, it has, from time to time, in its earnings press releases, published estimated ranges for its annual revenue, adjusted EBITDA and capital expenditures. In addition, in connection with DigitalGlobe's evaluation of the merger, DigitalGlobe's management prepared certain financial forecasts regarding DigitalGlobe for the fiscal years from 2017 to 2021.

In connection with discussions between MDA and DigitalGlobe regarding a business combination transaction, and the strategic review process conducted by the DigitalGlobe board of directors that followed, DigitalGlobe management prepared non-public financial projections and operating data for DigitalGlobe as a stand-alone company, without giving effect to the merger, that included (i) a forecast, which we refer to as the "Scenario 1 projections", (ii) an additional forecast, which we refer to as the "Scenario 2 projections", and (iii) a further additional forecast, which we refer to as the "Scenario 3 projections." The Scenario 1 projections, Scenario 2 projections and Scenario 3 projections were initially prepared by DigitalGlobe management on November 11, 2016, November 16, 2016 and January 6, 2017, respectively, and were thereafter updated through February 2, 2017 and included projections estimating the net operating losses of DigitalGlobe for the same period (fiscal years 2017 through 2021 in each case). Also in connection with discussions between MDA and

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DigitalGlobe regarding a business combination transaction, and the strategic review process conducted by the DigitalGlobe board of directors that followed, DigitalGlobe management prepared (i) a standalone version of the net operating loss projections included in the Scenario 1 projections, which we refer to as the “Standalone NOL Projections” and which were merely a restatement of the net operating loss projections included in the Scenario 1 projections, and (ii) non-public financial projections and operating data for the combined company for the fourth quarter of 2017 through fiscal year 2021, estimating the cost synergies and the revenue synergies that could result from the merger, which we refer to as the “Synergy Projections.” The Standalone NOL Projections were initially prepared by DigitalGlobe management on November 11, 2016 in connection with the Scenario 1 projections and were likewise updated through February 2, 2017. The Synergy Projections were initially prepared by DigitalGlobe management on February 5, 2017. We refer to the Scenario 1 projections, the Scenario 2 projections, the Scenario 3 projections, the Synergy Projections and the Standalone NOL Projections collectively as the “Forecasts.” The Forecasts were based solely upon information available to DigitalGlobe management at the time of their preparation, including, with respect to the Synergy Projections, the information available to DigitalGlobe management based on due diligence it conducted with respect to MDA. DigitalGlobe’s management did not update the Forecasts to take into account a variety of detailed assumptions or other matters that have changed since the preparation of the Forecasts, such as DigitalGlobe’s actual 2017 year-to-date financial performance, changes to general industry or economic conditions, geopolitical matters, the effects that the strategic review process may have had on DigitalGlobe’s business, or the restrictions on the conduct of DigitalGlobe’s business imposed by the terms of the merger agreement.

In connection with the evaluation of DigitalGlobe’s strategic alternatives, DigitalGlobe’s management provided an iteration of the Scenario 3 projections to parties with whom DigitalGlobe entered into confidentiality agreements to explore a potential strategic transaction, including MDA. The iterations of the Scenario 3 projections were provided by DigitalGlobe’s management to such parties with a view to showing potential bidders the potential performance of DigitalGlobe, subject to certain assumptions reflected therein. In addition, the Forecasts were provided to PJT Partners and Barclays. Based on its professional judgment and experience evaluating merger and acquisition transactions, PJT Partners used the Scenario 1 projections, the Scenario 2 projections and the Scenario 3 projections (and the associated net operating loss projections in each case) as well as the Synergy Projections as the basis for its financial analyses of DigitalGlobe. Based on its professional judgment and experience evaluating merger and acquisition transactions, Barclays used the Scenario 1 projections, the Synergy Projections and the Standalone NOL Projections as the basis for its financial analyses of DigitalGlobe. DigitalGlobe’s management also provided the Forecasts to the DigitalGlobe board of directors.

The Forecasts were not prepared with a view toward public disclosure, and the inclusion of summaries of the Forecasts below should not be regarded as an indication that any of DigitalGlobe, MDA or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results.

In addition, the Forecasts were not prepared on a basis designed to comply with the published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants with respect to the preparation and presentation of projections or U.S. GAAP or IFRS. The Forecasts included in this registration statement has been prepared by, and is the responsibility of, DigitalGlobe’s management. Neither of DigitalGlobe’s nor MDA’s independent registered public accounting firms, which are listed as experts in the section entitled “Experts” , nor any other independent accountants, has compiled, examined or performed any procedures with respect to the Forecasts summarized below, nor expressed any opinion or any other form of assurance with respect to this information or its achievability. The reports of the independent registered public accounting firms included or incorporated by reference in this proxy statement/prospectus relate to historical financial statements. They do not extend to the Forecasts and should not be read to do so.

Although presented with numerical specificity, the Forecasts reflect the use of variables, estimates and assumptions that are inherently uncertain, susceptible to multiple interpretations and may be beyond the control of DigitalGlobe, and which may prove not to have been, or to no longer be, accurate. While in the view of DigitalGlobe’s management, the Forecasts were developed on bases that were reasonable at the time of their

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preparation, the Forecasts are subject to many risks and uncertainties. Important factors that may affect actual results and cause actual results to differ materially from the Forecasts include, but are not limited to, risks and uncertainties relating to DigitalGlobe's businesses (including the effects that the pending merger may have on DigitalGlobe's business), industry performance, the regulatory environment, general business and economic conditions, market and financial conditions, tax rates, transactions or events that were not anticipated at the times the Forecasts were prepared, various risks set forth in DigitalGlobe's reports filed with the Securities and Exchange Commission, and other factors described or referenced in the section entitled "Cautionary Statement Regarding Forward-Looking Statements" and in the section entitled "Risk Factors".

The Forecasts also do not take into account any circumstances, transactions or events occurring after the dates the Forecasts were prepared. Accordingly, actual results have differed and will likely continue to differ, and may differ materially, from those contained in the Forecasts.

None of DigitalGlobe, MDA or their respective affiliates, officers, directors, or other representatives gives any DigitalGlobe shareowner, or any other person, any assurance that actual results will be realized, or that future financial results of DigitalGlobe will not differ materially from the Forecasts, and, except as otherwise required by law, none of them undertakes any obligation to update or otherwise revise or reconcile the Forecasts to reflect circumstances after the dates the Forecasts were prepared, or to reflect the occurrence of future events, even in the event that any or all of the assumptions and estimates underlying the Forecasts are shown to be in error.

No one has made or makes any representation to any DigitalGlobe shareowner, or anyone else regarding, nor assumes any responsibility for the validity, reasonableness, accuracy or completeness of the Forecasts. You are cautioned not to rely on the Forecasts. The inclusion of the summaries of the Forecasts below should not be regarded as an indication that DigitalGlobe, MDA or any other recipient of this information considered, or now considers, it to be material or to be a reliable prediction of actual future results. The Forecasts have not been included to influence DigitalGlobe shareowners' decision to vote for the merger proposal.

The summaries of the Forecasts included below cover multiple years, and this information by its nature becomes subject to greater uncertainty with each successive year. The Forecasts should be evaluated, if at all, in conjunction with the historical financial statements and other information contained in this proxy statement/prospectus and DigitalGlobe's public filings with the Securities and Exchange Commission incorporated by reference herein.

The following tables present summaries of the Forecasts. The dollar amounts below are in U.S. dollars and in millions.

Scenario 1 Projections

The Scenario 1 projections were based on the following key assumptions:

- A \$75 million increase in revenue from DigitalGlobe's EnhancedView program and certain service level agreements, net of certain reductions for other services to the U.S. government over time.
- Revenue from DigitalGlobe's Direct Access Program, which we refer to as "DAP," increases to approximately \$187 million in 2021, reflecting a compound annual growth rate, which we refer to as "CAGR," from 2016 through 2021 of 9%.
- Revenue from DigitalGlobe's multi-source analytics platform business, which we refer to as the "Platform Business," grows to approximately \$100 million in 2021, reflecting a CAGR from 2016 through 2021 of 46%.
- Aggregate capital expenditures (excluding capitalized interest) of \$942 million.

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The following table presents selected unaudited prospective financial data as part of the Scenario 1 projections:

	<u>2017E</u>	<u>2018E</u>	<u>2019E</u>	<u>2020E</u>	<u>2021E</u>
Revenue	\$ 873	\$1,008	\$1,099	\$1,172	\$1,221
EBITDA (pre-stock based compensation)(1)	\$ 413	\$ 509	\$ 540	\$ 550	\$ 532
EBITDA (post-stock based compensation)(2)	\$ 395	\$ 491	\$ 521	\$ 531	\$ 513
Capital expenditures (excluding capitalized interest)	\$ 96	\$ 310	\$ 255	\$ 177	\$ 104
Unlevered Free Cash Flow(3)	\$ 241	\$ 116	\$ 192	\$ 256	\$ 350
Levered Free Cash Flow(4)	\$ 183	\$ 57	\$ 133	\$ 196	\$ 290

- (1) “EBITDA (pre-stock based compensation)” means earnings before interest, taxes, depreciation and amortization and pre-stock based compensation.
- (2) “EBITDA (post-stock based compensation)” means earnings before interest, taxes, depreciation and amortization and post-stock based compensation.
- (3) “Unlevered Free Cash Flow” means EBITDA (pre-stock based compensation) minus taxes, capital expenditures, changes in net working capital and other cash flow and deferred items.
- (4) “Levered Free Cash Flow” means EBITDA (pre-stock based compensation) minus taxes, capital expenditures, changes in net working capital, other cash flow and deferred items and interest.

Scenario 2 Projections

The Scenario 2 projections were based on the same key assumptions as the Scenario 1 projections, except that the Scenario 2 projections assume:

- A \$10 million increase in revenue from DigitalGlobe’s EnhancedView program, with no reductions for other services to the U.S. government over time.
- The revenue from the DAP business grows to approximately \$210 million in 2021, reflecting a CAGR from 2016 through 2021 of 11%.
- The revenue from the Platform Business grows to approximately \$65 million in 2021, reflecting a CAGR from 2016 through 2021 of 35%.

The following table presents selected unaudited prospective financial data as part of the Scenario 2 projections:

	<u>2017E</u>	<u>2018E</u>	<u>2019E</u>	<u>2020E</u>	<u>2021E</u>
Revenue	\$ 873	\$ 962	\$1,021	\$1,071	\$1,093
EBITDA (pre-stock based compensation)	\$ 413	\$ 469	\$ 486	\$ 501	\$ 478
EBITDA (post-stock based compensation)	\$ 395	\$ 451	\$ 468	\$ 482	\$ 460
Capital expenditures (excluding capitalized interest)	\$ 96	\$ 310	\$ 255	\$ 177	\$ 104
Unlevered Free Cash Flow	\$ 241	\$ 78	\$ 158	\$ 239	\$ 318
Levered Free Cash Flow	\$ 183	\$ 19	\$ 99	\$ 180	\$ 258

Scenario 3 Projections

The Scenario 3 projections were based on the same key assumptions as the Scenario 1 projections, except that the Scenario 3 projections assume:

- A \$75 million increase in revenue from DigitalGlobe’s EnhancedView program and certain service level agreements, with no reduction for other services provided to the U.S. government over time.
- The revenue from the DAP business grows to approximately \$210 million in 2021, reflecting a CAGR from 2016 through 2021 of 11%.

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The following table presents selected unaudited prospective financial data as part of the Scenario 3 projections:

	<u>2017E</u>	<u>2018E</u>	<u>2019E</u>	<u>2020E</u>	<u>2021E</u>
Revenue	\$ 873	\$ 986	\$ 1,095	\$ 1,156	\$ 1,190
EBITDA (pre-stock based compensation)	\$ 413	\$ 493	\$ 560	\$ 585	\$ 575
EBITDA (post-stock based compensation)	\$ 395	\$ 474	\$ 542	\$ 567	\$ 557
Capital expenditures (excluding capitalized interest)	\$ 96	\$ 310	\$ 255	\$ 177	\$ 104
Unlevered Free Cash Flow	\$ 241	\$ 97	\$ 208	\$ 272	\$ 374
Levered Free Cash Flow	\$ 183	\$ 38	\$ 149	\$ 213	\$ 314

Synergy Projections

The Synergy Projections were based on both cost and revenue synergies. The cost synergies were expected to come from eliminating DigitalGlobe's public company costs and eliminating redundancies, organizational streamlining, overhead absorption and cost savings from MDA building the Worldview-Legion satellites. The implementation of these cost savings was expected to be completed by 2018. The revenue synergies were expected to come from several opportunities, including, without limitation, cross-selling of DigitalGlobe's Direct Access Facilities and data, and the potential revenue synergies derived from having more scale and a broader suite of capabilities enabling the surviving company to bid on a larger and broader array of government contracts, including, among others, those contracts that may benefit from being able to combine satellite manufacturing and operations and those contracts that require a services business with greater scale. The implementation of these revenue synergies was expected to be completed by the end of 2019. In addition, the Synergy Projections assume integration costs of \$45 million in the first year following the closing of the merger.

The following table presents selected unaudited prospective financial data as part of the Synergy Projections:

	<u>Q4 2017E(1)</u>	<u>2018E</u>	<u>2019E</u>	<u>2020E</u>	<u>2021E</u>
Revenue Synergies	\$ 0	\$ 0	\$ 36	\$ 36	\$ 36
Cost Synergies	\$ 11	\$ 45	\$ 45	\$ 45	\$ 45
EBITDA Impact of Revenue and Cost Synergies	\$ 11	\$ 45	\$ 70	\$ 70	\$ 70

(1) Assumes the merger closes on September 30, 2017.

Standalone NOL Projections

The following table presents selected unaudited prospective financial data as part of the Standalone NOL Projections:

	<u>2017E</u>	<u>2018E</u>	<u>2019E</u>	<u>2020E</u>	<u>2021E</u>
Net operating losses as of year end	\$ 250	\$ 111	\$ 0	\$ 0	\$ 0

Projections with respect to MDA

MDA generally does not disclose projections of its expected future financial performance or position because of, among other things, the inherent difficulty of accurately predicting financial performance for future periods and the possibility that the underlying assumptions and estimates may prove incorrect. In connection with the MDA board of directors' evaluation of the merger and the other transactions contemplated by the merger agreement, MDA's management prepared certain financial forecasts regarding MDA for the fiscal years from 2017 to 2021.

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In connection with the evaluation of the merger and the other transactions contemplated by the merger agreement, MDA's management prepared and provided non-public financial projections and operating data for MDA for fiscal years 2017 through 2021, which we refer to as the "MDA Forecasts", to DigitalGlobe in connection with due diligence it conducted with respect to MDA and to PJT Partners and Barclays for their consideration in connection with their respective financial analyses and opinions as to the fairness from a financial point of view of the merger consideration. An iteration of the MDA Forecasts was also provided to the MDA board of directors and to MDA's financial advisors.

In addition, DigitalGlobe's management revised the MDA Forecasts, on the basis of certain assumptions DigitalGlobe's management believed to be reasonable at the time of its preparation, including to address adjusted pricing on satellite construction, adjustments to the number of projected satellite awards in selected years, and certain one-time impacts and growth trends. DigitalGlobe's management provided the MDA Forecasts, as revised, which we refer to as the "DigitalGlobe Revised MDA Forecasts", to the DigitalGlobe board of directors and to PJT Partners and Barclays for their consideration in connection with their respective financial analyses and opinions as to the fairness from a financial point of view of the merger consideration. The MDA Forecasts and the Revised MDA Forecasts were not prepared with a view toward public disclosure, and the inclusion of the summaries of the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts below should not be regarded as an indication that any of MDA, DigitalGlobe or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results. The MDA Forecasts were developed based solely upon information available to MDA management at the time of their preparation and the Revised MDA Forecasts were based solely upon information available to DigitalGlobe management at the time of their preparation.

In addition, the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts were not prepared on a basis designed to comply with the published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants with respect to the preparation and presentation of projections, U.S. GAAP or IFRS. Neither of DigitalGlobe's nor MDA's independent registered public accounting firms, which are listed as experts in the section entitled "Experts", nor any other independent accountants, has compiled, examined or performed any procedures with respect to the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts summarized below, nor expressed any opinion or any other form of assurance with respect to this information or its achievability, and assumes no responsibility for, and disclaims any association with, the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts. The reports of the independent registered public accounting firms included or incorporated by reference in this proxy statement/prospectus relate to historical financial statements. They do not extend to any prospective financial information and should not be seen to do so.

Although presented with numerical specificity, the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts reflect the use of variables, estimates and assumptions that are inherently uncertain, susceptible to multiple interpretations and may be beyond the control of MDA, and which may prove not to have been, or to no longer be, accurate. Each of the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts is subject to many risks and uncertainties. Important factors that may affect actual results and cause actual results to differ materially from the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts financial information include, but are not limited to, risks and uncertainties relating to MDA's businesses (including the effects that the pending merger may have on MDA's business), industry performance, the regulatory environment, general business and economic conditions, market and financial conditions, tax rates, transactions or events that were not anticipated at the times the various projections underlying the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts were prepared, and other factors described or referenced in the section entitled "Cautionary Statement Regarding Forward-Looking Statements" and in the section entitled "Risk Factors".

The MDA Forecasts and the DigitalGlobe Revised MDA Forecasts do not take into account any circumstances, transactions or events occurring after the date the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts were prepared. Accordingly, actual results have differed and will likely continue to differ, and may differ materially, from those contained in the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts.

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None of MDA, DigitalGlobe or their respective affiliates, officers, directors, or other representatives gives any MDA shareholder, or any other person, any assurance that actual results will be realized, or that future financial results of MDA will not differ materially from the MDA Forecasts or the DigitalGlobe Revised MDA Forecasts, and, except as otherwise required by law, none of them undertakes any obligation to update or otherwise revise or reconcile the MDA Forecasts or the DigitalGlobe Revised MDA Forecasts to reflect circumstances after the dates the various projections underlying the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts were prepared, or to reflect the occurrence of future events, even in the event that any or all of the assumptions and estimates underlying the MDA Forecasts or the DigitalGlobe Revised MDA Forecasts are shown to be in error.

No one has made or makes any representation to any MDA shareholder or DigitalGlobe shareowner, or anyone else regarding, nor assumes any responsibility for the validity, reasonableness, accuracy or completeness of the MDA Forecasts or the DigitalGlobe Revised MDA Forecasts. You are cautioned not to rely on the MDA Forecasts or the DigitalGlobe Revised MDA Forecasts. The inclusion of the summaries of the MDA Forecasts and DigitalGlobe Revised MDA Forecasts should not be regarded as an indication that DigitalGlobe, MDA or any other recipient of this information considered, or now considers, it to be material or to be a reliable prediction of actual future results. Each of the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts has not been included to influence DigitalGlobe shareowners' decision to vote for the merger proposal.

The summaries of the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts included below cover multiple years, and this information by its nature becomes subject to greater uncertainty with each successive year. Each of the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts should be evaluated, if at all, in conjunction with the historical financial statements and other information contained in this proxy statement/prospectus and MDA's filings with SEDAR.

The following tables present summaries of the MDA Forecasts and the DigitalGlobe Revised MDA Forecasts. The MDA Forecasts were provided to DigitalGlobe, PJT Partners and Barclays in Canadian dollars and were then converted by them into U.S. dollars using an exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017. The dollar amounts below are in U.S. dollars and in millions.

MDA Forecasts⁽¹⁾

	<u>2017E</u>	<u>2018E</u>	<u>2019E</u>	<u>2020E</u>	<u>2021E</u>
Revenue	\$1,525	\$1,547	\$1,960	\$2,307	\$2,633
Corporate EBITDA (pre-stock based compensation) ⁽²⁾	\$ 272	\$ 290	\$ 322	\$ 359	\$ 401
Corporate EBITDA (post-stock based compensation) ⁽³⁾	\$ 257	\$ 273	\$ 303	\$ 338	\$ 378
Capital expenditures	\$ 121	\$ 111	\$ 96	\$ 96	\$ 96
Unlevered Free Cash Flow ⁽⁴⁾	\$ 55	\$ 140	\$ 181	\$ 221	\$ 263
Levered Free Cash Flow ⁽⁵⁾	\$ 29	\$ 116	\$ 160	\$ 204	\$ 250

(1) All values calculated using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017.

(2) "Corporate EBITDA (pre-stock based compensation)" means EBITDA (pre-stock based compensation) and post-corporate expenses.

(3) "Corporate EBITDA (post-stock based compensation)" means EBITDA (post-stock based compensation) and post-corporate expenses.

(4) "Unlevered Free Cash Flow" means Corporate EBITDA (pre-stock based compensation) minus taxes, capital expenditures, changes in net working capital and other cash flow and deferred items.

(5) "Levered Free Cash Flow" means Corporate EBITDA (pre-stock based compensation) minus taxes, capital expenditures, changes in net working capital, other cash flow and deferred items and interest.

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	<u>2017E</u>	<u>2018E</u>	<u>2019E</u>	<u>2020E</u>	<u>2021E</u>
Revenue	\$1,526	\$1,541	\$1,731	\$1,770	\$1,921
Corporate EBITDA (pre-stock based compensation)	\$ 272	\$ 280	\$ 282	\$ 285	\$ 327
Corporate EBITDA (post-stock based compensation)	\$ 257	\$ 263	\$ 263	\$ 264	\$ 305
Capital expenditures	\$ 121	\$ 111	\$ 96	\$ 96	\$ 96
Unlevered Free Cash Flow	\$ (12)	\$ 67	\$ 86	\$ 101	\$ 147
Levered Free Cash Flow	\$ 26	\$ 105	\$ 123	\$ 136	\$ 177

(1) All values calculated using a CAD/USD exchange rate of 0.766, as reported by S&P CapitalIQ on February 16, 2017.

Discussion and Reconciliation of Non-U.S. GAAP Measures in the Forecasts

The following tables present reconciling items between the projected non-U.S. GAAP metrics above and the most directly comparable U.S. GAAP metrics for fiscal year 2017. The reconciliations speak only as of the date of the Forecasts included in this proxy statement/prospectus and have not been updated to reflect any circumstances or events occurring since the preparation of the Forecasts. Some or all of the estimates and assumptions underlying the amounts provided in the reconciliations below may have changed since the date the Forecasts were prepared and actual results may differ from such amounts. The information presented in the reconciliations set forth below is not indicative of DigitalGlobe's expected performance for fiscal year 2017 and is being included solely to provide a quantitative reconciliation of the non-U.S. GAAP financial measures included in the Forecasts to the most comparable U.S. GAAP financial measures for fiscal year 2017. The details set forth in, and the specificity of, the reconciliations set forth below should not be construed as indicative of DigitalGlobe management's views as to the reliability of such reconciliations. The reconciling items reflect the use of variables, estimates and assumptions that are inherently uncertain, susceptible to multiple interpretations and may be beyond the control of DigitalGlobe, and which may prove not to have been, or to no longer be, accurate. Due to the inherent uncertainties of the reconciling items, DigitalGlobe has not historically presented non-U.S. GAAP reconciliations on a forward-looking basis. DigitalGlobe does not intend to update or otherwise revise the Forecasts or the reconciliations set forth below to reflect circumstances existing since their preparation or to reflect the occurrence of unanticipated events or changes in general economic or industry conditions even in the event that any or all of the underlying assumptions may have changed. DigitalGlobe has not provided reconciliations for fiscal years 2018 through 2021 because, with the passage of time, it becomes increasingly difficult to estimate the reconciling items without unreasonable effort. Factors that are materially significant to DigitalGlobe's ability to forecast certain components of net income, including income tax expense, interest expense and depreciation, include, but are not limited to, the nature of DigitalGlobe's assets under construction during the applicable period, the timing and amount of capital expenditures and the timing of placing assets in service. In addition, factors that are materially significant to DigitalGlobe's ability to forecast cash flow from operations include, but are not limited to, the timing and amount of capital expenditures. DigitalGlobe does not have a reasonable basis to reliably predict the timing, amount or nature of these reconciling items for fiscal years 2018 through 2021.

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	Scenario 1 projections (2017) 2017E
EBITDA (post-stock based compensation)	395
Depreciation and Amortization	360
Interest Expense	61
Income Tax Expense	(10)
Net (Loss) Income	(16)

	Scenario 2 projections (2017) 2017E
EBITDA (post-stock based compensation)	395
Depreciation and Amortization	360
Interest Expense	61
Income Tax Expense	(10)
Net (Loss) Income	(16)

	Scenario 3 projections (2017) 2017E
EBITDA (post-stock based compensation)	395
Depreciation and Amortization	360
Interest Expense	61
Income Tax Expense	(10)
Net (Loss) Income	(16)

EBITDA post stock-based compensation is a non-U.S. GAAP measure and may not be defined similarly by other companies. EBITDA excludes depreciation and amortization expense because these non-cash expenses reflect the impact of prior capital expenditure decisions which are not indicative of future capital expenditure requirements. EBITDA also excludes interest income, interest expense and income taxes because these items are associated with our capitalization and tax structures.

EBITDA should not be considered an alternative to net income (loss) as an indication of financial performance or an alternative to cash flow from operations as a measure of liquidity. EBITDA is a key measure used in DigitalGlobe internal operating reports and by the DigitalGlobe board of directors to evaluate the performance of its operations and are also used by analysts, investment banks and lenders for the same purpose.

DigitalGlobe's management believes that EBITDA is a particularly important metric in a capital intensive industry, in which current period depreciation is not a good indication of current- or future-period capital expenditures. The cost to construct and launch a satellite and to build the related ground infrastructure may vary greatly from one satellite to another, depending on the satellite's size, type and capabilities. Current depreciation expense is also not indicative of the revenue-generating potential of the satellites.

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Levered Free Cash Flow

	Scenario 1 projections (2017)
	2017E
Levered Free Cash Flow	183
Capital Expenditures	97
Cash Flow From Operations	280
	Scenario 2 projections (2017)
	2017E
Levered Free Cash Flow	183
Capital Expenditures	97
Cash Flow From Operations	280
	Scenario 3 projections (2017)
	2017E
Levered Free Cash Flow	183
Capital Expenditures	97
Cash Flow From Operations	280

Levered free cash flow (pre-stock based compensation) is a non-U.S. GAAP measure. The Forecasts present free cash flow by reference to EBITDA (pre-stock based compensation) minus taxes, capital expenditures, changes in net working capital and other cash flow and deferred items, whereas the reconciliation tables above present reconciling items between free cash flow and net cash provided by operating activities (which DigitalGlobe considers to be the most comparable U.S. GAAP measure) for fiscal year 2017.

In relation to net cash provided by operating activities, levered free cash flow would be defined as cash flow from operations less capital expenditures (inclusive of capitalized interest).

Since levered free cash flow includes investments in operating assets, DigitalGlobe believes this non-U.S. GAAP liquidity measure is useful in addition to the most comparable U.S. GAAP measure — “net cash flows provided by (used in) operating activities” because it provides information about the amount of cash generated before acquisitions of businesses that is then available to repay debt obligations, make investments, fund acquisitions and for certain other activities.

There are limitations to using non-U.S. GAAP financial measures, including the difficulty associated with comparing companies in different industries that use similar performance measures whose calculations may differ from DigitalGlobe’s calculations.

Listing of MDA Common Shares

It is a condition to DigitalGlobe’s obligation to effect the merger that the MDA common shares to be issued pursuant to the merger agreement and in respect of certain DigitalGlobe equity awards are authorized for listing on either the NYSE or NASDAQ, in each case subject to official notice of issuance. It is a condition to DigitalGlobe’s and MDA’s obligation to effect the merger that the MDA common shares to be issued pursuant to the merger agreement and in respect of certain DigitalGlobe equity awards are conditionally approved for listing on the TSX, subject only to the provision of such required documentation as is customary in the circumstances. Under the merger agreement, MDA is required to use its reasonable best efforts to obtain the listing and admission for trading of the MDA common shares issued as merger consideration on the NYSE or NASDAQ and the TSX. Such listing of MDA common shares is subject to MDA fulfilling all of the listing requirements of each of the NYSE or NASDAQ, as applicable, and the TSX. For example, MDA will not be able to satisfy the listing requirements of the TSX unless MDA shareholder approval is obtained at the MDA meeting or any adjournment.

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or postponement thereof. Additionally, there can be no assurance that such MDA common shares will be accepted for listing on the NYSE or NASDAQ, as applicable, or the TSX. The TSX has conditionally approved the listing of the MDA common shares to be issued pursuant to the merger, subject to the approval by MDA shareholders of such issuance of MDA common shares, as discussed in the section entitled “*The Merger Proposal—The MDA Meeting and Shareholder Approval*,” and filing certain documents following the closing of the merger.

Delisting and Deregistration of DigitalGlobe Common Stock

As promptly as practicable after the effective time, and in any event no more than 10 days after the effective time, DigitalGlobe common stock currently listed on the NYSE will cease to be listed on the NYSE and will be deregistered under the U.S. Exchange Act.

Interests of DigitalGlobe’s Directors and Executive Officers in the Merger

In considering the recommendation of the DigitalGlobe board of directors in favor of the merger agreement, you should be aware that aside from their interests as DigitalGlobe shareowners, DigitalGlobe’s directors and executive officers have interests in the merger that are different from, or in addition to, those of DigitalGlobe shareowners generally. Members of the DigitalGlobe board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement and the merger, and in recommending to DigitalGlobe shareowners that the merger agreement be adopted. For more information see the sections entitled “*The Merger Proposal—Background of the Merger*” and “*The Merger Proposal—DigitalGlobe’s Reasons for the Merger; Recommendation of the DigitalGlobe Board of Directors*.” These interests are described in more detail below, and certain of them are quantified in the narrative and the tables below.

Treatment of DigitalGlobe Equity Awards

Under the merger agreement, the equity awards held by DigitalGlobe’s directors and executive officers as of the effective time will be treated as follows:

Options. At the effective time, each option to purchase DigitalGlobe common stock that has been granted or assumed by DigitalGlobe and is outstanding and unexercised immediately prior to the effective time (which we refer to as a “DigitalGlobe option”), whether vested or unvested, will be cancelled in exchange for the right to receive a combination of cash and a number of MDA common shares (which we refer to as the “Option Consideration”), as described below. Each DigitalGlobe option currently outstanding is fully vested.

The cash component of the Option Consideration for a DigitalGlobe option will equal the positive difference, if any, between (a) the product of (i) the cash consideration (\$17.50) and (ii) the number of shares of DigitalGlobe common stock subject to the DigitalGlobe option immediately prior to the effective time less (b) the Total Cash Exercise Price (as defined below). The “Total Cash Exercise Price” with respect to a DigitalGlobe option is the product of (i) the aggregate exercise price of the shares of DigitalGlobe common stock subject to the DigitalGlobe option immediately prior to the effective time and (ii) a fraction, the numerator of which is the cash consideration and the denominator of which is the sum of (A) the cash consideration and (B) the Parent Share Consideration Value (as defined below). The “Parent Share Consideration Value” is the product of the stock consideration (0.3132 of an MDA common share) and the Parent Closing Stock Value. The “Parent Closing Stock Value” is the average of the closing sale prices of the MDA common shares on the TSX for the five trading days ending with the trading day immediately before the closing of the merger, converted from Canadian dollars to U.S. dollars using the Bank of Canada’s daily average Canada/U.S. exchange rate for each such trading day.

The MDA share component of the Option Consideration for a DigitalGlobe option will be a number of MDA common shares equal to (a) the positive difference, if any, between (i) the product of (A) the Parent Share Consideration Value and (B) the number of shares of DigitalGlobe common stock subject to the DigitalGlobe

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option immediately prior to the effective time less (ii) the aggregate exercise price of the shares of DigitalGlobe common stock subject to the DigitalGlobe option immediately prior to the effective time reduced by the Total Cash Exercise Price, divided by (b) the Parent Closing Stock Value. Any fractional share interest will be settled in cash in accordance with the merger agreement.

MDA will pay, or will cause the surviving company to pay, on the effective date of the merger, the Option Consideration for a DigitalGlobe option cancelled pursuant to the merger agreement. Such payments will be subject to all applicable tax withholdings and deductions. If the Option Consideration for a particular DigitalGlobe option is zero or a negative number, such option will be cancelled without payment.

Performance-Based RSUs and Vested RSUs. At the effective time, each outstanding restricted stock unit (which we refer to as a “RSU”) granted by DigitalGlobe and denominated in shares of DigitalGlobe common stock (which we refer to as a “DigitalGlobe RSU”) that is subject to unsatisfied performance conditions for a performance period that includes the date of the closing of the merger (which we refer to as a “DigitalGlobe performance-based RSU”), whether vested or unvested, and each DigitalGlobe RSU that is not a DigitalGlobe performance-based RSU and that is vested immediately prior to the effective time, after giving effect to any accelerated vesting in connection with the merger (which we refer to as a “DigitalGlobe vested RSU”), will be cancelled in exchange for the right to receive (a) a cash payment equal to the product of (i) the cash consideration and (ii) the total number of shares of DigitalGlobe common stock subject to such RSU, and (b) a number of MDA common shares equal to the product of (i) the stock consideration and (ii) the total number of shares of DigitalGlobe common stock subject to such RSU. There are currently no outstanding vested and previously unsettled DigitalGlobe performance-based RSUs. Any fractional share interest will be settled in cash in accordance with the merger agreement. MDA will pay, or will cause the surviving company to pay, such consideration on the effective date of the merger. Such payments will be subject to all applicable tax withholdings and deductions.

The number of shares of DigitalGlobe common stock subject to a DigitalGlobe performance-based RSU that, at the effective time, remains subject to one or more unsatisfied performance conditions for a performance period that includes the date on which the effective time occurs will be determined as though such performance conditions were satisfied at the applicable “target” level, except as to any such performance condition based on a relative total stockholder return measure. The number of shares of DigitalGlobe common stock subject to a DigitalGlobe performance-based RSU that, at the effective time, remains subject to an unsatisfied performance condition based on a relative total stockholder return measure for a performance period that includes the date on which the effective time occurs will be determined as though the applicable performance period ended with the trading day immediately preceding the date on which the effective time occurs and using an average of the closing prices for a share of DigitalGlobe common stock for the period of five trading days immediately preceding the date on which the effective time occurs as the value of the DigitalGlobe common stock at the end of such performance period for the purposes of such performance determination.

Unvested Time-Based RSUs. At the effective time, each outstanding DigitalGlobe RSU that is not a DigitalGlobe performance-based RSU and that is not, immediately prior to the effective time and after giving effect to any accelerated vesting in connection with the transaction contemplated by the merger agreement, vested (which we refer to as a “DigitalGlobe unvested time-based RSU”), will be assumed by MDA. Each DigitalGlobe unvested time-based RSU that is assumed by MDA is referred to as a “Converted RSU.” Each Converted RSU will represent the right to receive (a) an amount in cash equal to the product of (i) the cash consideration and (ii) the total number of shares of DigitalGlobe common stock subject to such DigitalGlobe RSU (which we refer to as the “Converted RSU cash consideration”), and (b) a number of MDA common shares equal to the product of (i) the stock consideration and (ii) the total number of shares of DigitalGlobe common stock subject to such DigitalGlobe RSU (which we refer to as the “Converted RSU stock consideration”). Each Converted RSU will be subject to substantially the same terms and conditions as were applicable to such DigitalGlobe RSU immediately before the effective time, except that the Converted RSU will be deemed fully vested upon the effective time as to the Converted RSU cash consideration. MDA will pay, or will cause the surviving company to pay, the Converted RSU cash consideration on the effective date of the merger. Such payments will be subject to all applicable tax withholdings and deductions.

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Accelerated Vesting. Pursuant to Jeffrey R. Tarr's employment agreement, and pursuant to the terms and conditions of other equity awards granted to DigitalGlobe's executive officers and the terms of their respective severance protection agreements entered into with DigitalGlobe, the Converted RSUs held by the executive officers following the effective time may, to the extent that they do not vest at the effective time as described above, accelerate in full upon a qualifying termination of the executive's employment following the merger. In addition, the Converted RSUs held by one non-employee director, Dr. Mason, will vest if Dr. Mason is asked to resign as a director in connection with the merger and he does not continue as a director of MDA. For information on these agreements, please see "*The Merger Proposal—Interests of DigitalGlobe's Directors and Executive Officers in the Merger—Employment and Severance Protection Agreements with Executive Officers; Equity Award Agreements for Directors and Executive Officers*" below.

Quantification of Payments.

Assuming that the merger was completed on May 25, 2017, the estimated aggregate amount that would be payable to DigitalGlobe's non-employee directors as a group for their DigitalGlobe equity awards is as follows: (a) with respect to DigitalGlobe options, \$334,096 in cash and 5,979 MDA common shares, (b) with respect to DigitalGlobe vested RSUs, \$2,195,795 in cash and 39,298 MDA common shares, and (c) with respect to DigitalGlobe unvested time-based RSUs, \$111,458 in cash and 1,995 MDA common shares, which MDA common shares will remain subject to continued time-based vesting requirements. DigitalGlobe's non-employee directors do not hold any DigitalGlobe performance-based RSUs. The only DigitalGlobe non-employee director who holds DigitalGlobe unvested time-based RSUs is, as discussed below, Dr. Mason.

Assuming that the merger was completed on May 25, 2017, the estimated aggregate amount that would be payable to DigitalGlobe's executive officers as a group for their DigitalGlobe equity awards is as follows: (a) with respect to DigitalGlobe options, \$4,356,957 in cash and 77,977 MDA common shares, (b) with respect to DigitalGlobe performance-based RSUs, \$13,427,840 in cash and 240,320 MDA common shares, and (c) with respect to DigitalGlobe unvested time-based RSUs, \$6,663,755 in cash and 119,262 MDA common shares, which MDA common shares will remain subject to continued time-based vesting requirements. DigitalGlobe's executive officers do not currently hold any DigitalGlobe vested RSUs that have not previously been settled.

The total number of MDA common shares payable to DigitalGlobe's executive officers as a group and non-employee directors as a group with respect to their DigitalGlobe equity awards is (including any shares that will remain subject to continued time-based vesting requirements) 437,559 and 47,272, respectively, which have a value (assuming that the value of an MDA common share is \$46.54 for this purpose, which was the closing sale price of MDA common shares on the TSX on May 25, 2017, converted from Canadian dollars to U.S. dollars using an assumed exchange rate of 1 Canadian dollar to 0.74 U.S. dollars, and rounding to the nearest whole cent) of \$20,363,996 and \$2,200,039, respectively, and represent approximately 1.20% and 0.13%, respectively, of MDA's current outstanding common shares.

For purposes of this "Quantification of Payments" disclosure, it is assumed that DigitalGlobe performance-based RSUs that, at the effective time, remain subject to an unsatisfied performance condition based on a relative total stockholder return measure (which we refer to as "Relative TSR Performance-Based RSUs") will vest at the following performance level: 87% of the "target" level for the awards granted in 2015, 200% of the "target" level (maximum performance) for the awards granted in 2016, and 141% of the "target" level for the awards granted in 2017.

For an estimate of the amounts that would be payable to each of DigitalGlobe's named executive officers in connection with any acceleration of the DigitalGlobe equity awards, see the section entitled "*The Merger Proposal—Interests of DigitalGlobe's Directors and Executive Officers in the Merger—Quantification of Payments and Benefits to DigitalGlobe's Named Executive Officers*" below.

[Table of Contents](#)[Index to Financial Statements](#)***Employment and Severance Protection Agreements with Executive Officers; Equity Award Agreements for Directors and Executive Officers******Chief Executive Officer Employment Agreement***

DigitalGlobe entered into an employment agreement with Jeffrey R. Tarr, its President and Chief Executive Officer, on July 23, 2014 (which we refer to as the “CEO Employment Agreement”), which provides for a base salary, target annual incentive compensation, health and welfare benefits, and severance benefits in the event Mr. Tarr experiences a qualifying termination of employment, either outside a change in control or in connection with a change in control. The CEO Employment Agreement has an initial term of 36 months and automatically renews annually thereafter for an additional year unless either party has given 180 days’ prior written notice of non-renewal. In the event of a change in control, the term will be extended for two years following the change in control. In all cases, the term is subject to earlier termination pursuant to the terms of the CEO Employment Agreement. The merger will constitute a “change in control” under the CEO Employment Agreement.

Under the CEO Employment Agreement, if Mr. Tarr’s employment is terminated by DigitalGlobe without “cause” or by non-renewal of the term of the CEO Employment Agreement (in either case, except on account of death or disability), or Mr. Tarr resigns for “good reason” (as such terms are defined in the CEO Employment Agreement), in each case, within six months prior to, upon, or within two years following a change in control (we refer to this period of time as the “change in control period”), Mr. Tarr will be entitled to a lump sum severance payment equal to (a) two times the sum of (i) his highest annual rate of base salary in effect at any time in the two years prior to the date of termination, and (ii) Mr. Tarr’s target annual bonus amount for the year of termination; plus (b) a prorated portion of his target bonus for the year in which the termination occurs, with the pro-ration based on the number of whole months during such calendar year he was employed by the Company; plus (c) an amount equal to the estimated monthly cost for Mr. Tarr to continue medical coverage for himself and his eligible dependents under the Consolidated Omnibus Budget Reconciliation Act (which we refer to as “COBRA”) for one month multiplied by 24. In addition, in connection with such a termination of employment, Mr. Tarr will also be entitled to accelerated vesting of his equity awards granted prior to the change in control period, to the extent the equity awards are outstanding and unvested on the date Mr. Tarr’s employment terminates. The severance benefits provided under the CEO Employment Agreement are scheduled to be paid on the 60th day following termination of employment and conditioned upon Mr. Tarr’s execution of a release of claims and his compliance with a proprietary information, invention and non-competition agreement, which includes a one-year non-competition provision and a one-year non-solicitation of DigitalGlobe’s customers or prospective customers provision.

“Good reason” is defined under the CEO Employment Agreement to include, in general, the occurrence, without Mr. Tarr’s consent, of any of the following: (a) a material reduction or change in Mr. Tarr’s title or job duties, responsibilities and requirements inconsistent with Mr. Tarr’s position with DigitalGlobe and Mr. Tarr’s prior duties, responsibilities and requirements, including in connection with any assignment of the CEO Employment Agreement to another entity; (b) following a change in control, a material reduction or change in the authority, duties or responsibilities of the supervisor to whom Mr. Tarr is required to report, including a requirement that Mr. Tarr report to a corporate officer or employee instead of reporting directly to the board of directors of the ultimate parent entity; (c) any reduction of Mr. Tarr’s then in effect base salary or target bonus level; (d) the requirement to relocate to a facility or location more than 50 miles from DigitalGlobe’s current corporate headquarters; or (e) any material breach of the CEO Employment Agreement by DigitalGlobe; in each case subject to certain notice and cure provisions set forth in the CEO Employment Agreement. It is expected that, following the effective time, “good reason” will exist under the CEO Employment Agreement.

Pursuant to the CEO Employment Agreement, if the aggregate payments and benefits provided to Mr. Tarr in connection with the merger, whether under the CEO Employment Agreement or otherwise, constitute “excess parachute payments” under Section 280G of the Code that would be subject to the excise tax imposed by Section 4999 of the Code, then such payments and benefits will be either (a) delivered in full or (b) delivered to such lesser amount that would result in no portion of the amounts payable to Mr. Tarr being subject to such

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excise tax, whichever results in the receipt by Mr. Tarr on an after-tax basis of the greatest amount. The CEO Employment Agreement does not provide for a “gross-up” of any excise taxes under Sections 280G and 4999 of the Code.

Severance Protection Agreements with Executive Officers

DigitalGlobe entered into a Severance Protection Agreement with each of Gary W. Ferrera, Timothy M. Hascall, Walter S. Scott, Stephanie Georges, Daniel L. Jablonsky and Grover N. Wray, dated as of January 7, 2015, April 13, 2015, April 13, 2015, December 21, 2016, December 19, 2016 and December 19, 2016, respectively (collectively referred to as the “Severance Agreements”).

Each Severance Agreement has a two-year term with automatic one-year extensions unless earlier terminated in accordance with the Severance Agreement. In the event of a change in control, the term will be extended for two years following the change in control. The merger will constitute a “change in control” under each Severance Agreement.

Pursuant to each Severance Agreement, if the executive’s employment is terminated by DigitalGlobe without “cause” (other than for death or disability) or by the executive for “good reason” (as such terms are defined in the applicable Severance Agreement), in each case on or after a change in control, the executive will be entitled to a lump sum severance payment equal to two times (one and one-half times under the Severance Agreements with each of Messrs. Jablonsky and Wray and Ms. Georges) the sum of (a) the executive’s highest annual rate of base salary from DigitalGlobe in effect at any time in the preceding 12 months, plus (b) the executive’s target cash bonus amount for the year in which the change in control occurs. In addition, in the event the executive is entitled to such severance benefit, DigitalGlobe will pay or reimburse the cost for the executive and the executive’s eligible dependents to continue medical coverage under COBRA for up to 12 months following the termination of the executive’s employment.

Each Severance Agreement also provides, as to any DigitalGlobe equity award that provides for accelerated vesting in the event the executive’s employment is terminated as described above, that such accelerated vesting protection shall apply for a period of 24 months following a change in control.

The severance benefits provided under each of the Severance Agreements are payable, with respect to the cash severance amounts, on the 60th day following termination of employment and, with respect to the payment or reimbursement of medical coverage, beginning on such 60th day, and in all cases, conditioned on the respective executive’s execution of a release of claims and the executive’s compliance with a proprietary information, invention and non-competition agreement, which includes a one-year non-competition provision and a one-year non-solicitation of DigitalGlobe’s customers or prospective customers provision.

“Good reason” is defined under the Severance Agreements to include, in general, the occurrence of any of the following: (a) a material reduction in the executive’s job duties, responsibilities and requirements inconsistent with the executive’s position with DigitalGlobe and the executive’s prior duties, responsibilities and requirements; (b) a material reduction of the executive’s base compensation; (c) the requirement to relocate to another company facility or location more than 50 miles from DigitalGlobe’s headquarters location or (d) only in the case of Mr. Ferrera, any material breach of his Severance Agreement by the Company; in each case subject to certain notice and cure provisions set forth in the Severance Agreement.

Pursuant to each of the Severance Agreements, if the aggregate payments and benefits provided to the executive in connection with the merger, whether under the Severance Agreement or otherwise, constitute “excess parachute payments” under Section 280G of the Code that would be subject to the excise tax imposed by Section 4999 of the Code, then such payments and benefits will be either (a) delivered in full or (b) delivered to such lesser amount that would result in no portion of the amounts payable to the executive being subject to such excise tax, whichever results in the receipt by the executive on an after-tax basis of the greatest amount. None of

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the Severance Agreements provide for a “gross-up” of any excise taxes under Sections 280G and 4999 of the Code.

Equity Award Agreements for Directors and Executive Officers

Pursuant to the award agreement for each DigitalGlobe unvested time-based RSU granted to DigitalGlobe’s executive officers and the executive officer’s Severance Agreement (or, in the case of Mr. Tarr, his CEO Employment Agreement), if the executive’s employment is terminated without “cause” or by the executive for “good reason” (as these terms are defined in the executive’s Severance Agreement, or in the case of Mr. Tarr, in his CEO Employment Agreement), within 24 months following a change in control, the award will fully vest upon such termination of the executive’s employment subject to the executive’s execution of a release claims. The merger will constitute a “change in control” under these award agreements and these severance protections will apply to the portions of the unvested time-based RSUs held by DigitalGlobe’s executive officers that do not accelerate and become vested upon the effective time.

In accordance with DigitalGlobe’s director compensation policy, the DigitalGlobe RSU awards granted to DigitalGlobe’s non-employee directors are vested at grant but payment may be deferred past the grant date of the award. These RSUs, to the extent that they remain outstanding and unpaid at the effective time, are included in the DigitalGlobe vested RSUs and will be cancelled and paid at the effective time as discussed above. Dr. Mason was granted DigitalGlobe RSUs in October 2015 in connection with his joining the DigitalGlobe board of directors, and the units subject to this award are scheduled to vest in annual installments over four years following the grant of the award. This initial award grant for Dr. Mason is currently outstanding and unvested as to 6,369 shares of DigitalGlobe common stock and, to the extent it remains outstanding and unvested at the effective time, will be treated as a DigitalGlobe unvested time-based RSU award with respect to its treatment at the effective time, as described above. The Converted RSU award for Dr. Mason will vest if he is asked to resign as a director in connection with the merger and he does not continue as a director of MDA.

Quantification of Payments

Assuming that the merger was completed on May 25, 2017 and that each of DigitalGlobe’s executive officers experienced a termination of employment on that date in circumstances entitling the executive officer to severance benefits under the executive’s employment or severance agreement with DigitalGlobe, the estimated aggregate severance benefits payable to the executive officers as a group would be approximately \$10,473,000, not including the value of accelerated equity awards which is disclosed in the section above or the accelerated MDA common shares received for Converted RSUs. In addition, in such circumstances, the approximate 119,262 MDA common shares that, in the aggregate, would constitute the Converted RSU stock consideration for the DigitalGlobe unvested time-based RSUs held by DigitalGlobe’s executive officers would vest in connection with such terminations of employment. For an estimate of the severance benefits that would be payable to each of DigitalGlobe’s named executive officers in such circumstances, see the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Quantification of Payments and Benefits to DigitalGlobe’s Named Executive Officers*” below. If Dr. Mason is asked to resign as a director in connection with the merger and he does not continue as a director of MDA, the 1,995 MDA common shares that would constitute the Converted RSU stock consideration for his DigitalGlobe unvested time-based RSUs would vest.

Indemnification and Insurance

Pursuant to the terms of the merger agreement, DigitalGlobe’s directors and executive officers will be entitled to certain ongoing indemnification and coverage for a period of six years following the effective time under directors’ and officers’ liability insurance policies from the surviving corporation. The indemnification and insurance coverage is further described in the section entitled “*The Merger Agreement—Indemnification and Insurance*.”

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In addition, the merger agreement provides that in the event any excise tax is payable by any of DigitalGlobe's directors and executive officers pursuant to Section 4985, which applies if DigitalGlobe is treated as an expatriated entity for U.S. federal income tax purposes under Section 7874, MDA will, or will cause the surviving corporation to, pay to each such individual an amount equal to the sum of the excise tax payable by such individual pursuant to Section 4985, plus the amount necessary to put the individual in the same after-tax position that such individual would have been in if such individual had not incurred such excise tax. It is currently expected that DigitalGlobe will not be treated as an expatriated entity for U.S. federal income tax purposes under Section 7874 as a result of the merger. However, there can be no assurance that the IRS will agree with the position that DigitalGlobe is not an expatriated entity under Section 7874. The rules under the U.S. Treasury Regulations governing the application of Section 7874 are new and complex and there is limited guidance regarding the application of these rules. In addition, changes in facts or law might cause DigitalGlobe to be treated as an expatriated entity under Section 7874. New statutory or regulatory provisions, or other guidance under Section 7874 could be enacted or promulgated that could impact the determination of whether DigitalGlobe is an expatriated entity under Section 7874 of the Code, all of which could have retroactive application.

MDA Board of Directors after the Merger

Pursuant to the merger agreement, at the effective time, the MDA board of directors is required to appoint three individuals (each a "DigitalGlobe designee") as mutually agreed upon in good faith by MDA and DigitalGlobe (each of whom must have been serving as a director of DigitalGlobe as of February 24, 2017) and reasonably approved by the Governance and Nominating Committee of the MDA board of directors to serve on the MDA board of directors. Additionally, at least one of the DigitalGlobe designees will be appointed to each of the MDA board of directors' Audit Committee, Human Resources and Management Compensation Committee and Governance and Nominating Committee. MDA and DigitalGlobe have agreed that, subject to the approval of the Governance and Nominating Committee of MDA, General Howell M. Estes, III, Dr. L. Roger Mason, Jr. and Nick S. Cyprus will be appointed to serve as MDA directors upon consummation of the merger. In addition, it is expected that, as of the effective time, General Estes will be appointed as a member of MDA's Human Resources and Management Compensation Committee, Dr. Mason will be appointed as a member of MDA's Governance and Nominating Committee and Mr. Cyprus will be appointed as a member of MDA's Audit Committee.

Furthermore, at the effective time, and subject to certain qualifications, MDA is required to cause Holdings to appoint two individuals who are DigitalGlobe designees as mutually agreed upon by MDA and DigitalGlobe and reasonably approved by the Governance and Nominating Committee of the MDA board of directors to serve on the Holdings board of directors (the appointment of each being subject to approval by DSS).

Quantification of Payments and Benefits to DigitalGlobe's Named Executive Officers

In accordance with Item 402(t) of Regulation S-K, the table below sets forth the amount of payments and benefits that each of DigitalGlobe's named executive officers may receive in connection with the merger, assuming that the merger was consummated on May 25, 2017 and such named executive officer experienced a termination of employment on that date under circumstances entitling the executive officer to severance benefits under the executive's employment or severance agreement with DigitalGlobe. The amounts below are determined using an assumed price per share of DigitalGlobe common stock of \$31.63, which is the average of the closing prices for a share of DigitalGlobe common stock for the first five trading days following the public announcement of the merger. As a result of the foregoing assumptions, the actual amounts, if any, to be received by a named executive officer may materially differ from the amounts set forth below.

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Golden Parachute Compensation

<u>Named Executive Officer</u>	<u>Cash \$(1)</u>	<u>Equity \$(2)</u>	<u>Perquisites/ Benefits(3)</u>	<u>Tax Reimbursement(4)</u>	<u>Total(5)</u>
Jeffrey R. Tarr	\$3,445,000	\$13,094,058	\$ 36,096	—	\$16,575,154
Gary W. Ferrera	\$1,581,000	\$ 5,162,861	\$ 18,048	—	\$ 6,761,909
Walter S. Scott	\$1,377,000	\$ 3,943,997	\$ 19,320	—	\$ 5,340,317
Timothy M. Hascall	\$1,394,000	\$ 4,635,510	\$ 18,048	—	\$ 6,047,558
Daniel L. Jablonsky	\$ 960,000	\$ 3,773,061	\$ 19,320	—	\$ 4,752,381

- (1) *Cash.* The estimated amount listed in this column for Mr. Tarr represents the aggregate value of cash severance that he would be entitled to receive from DigitalGlobe under the CEO Employment Agreement upon a “double trigger” qualifying termination, where the executive’s employment is terminated without “cause,” or by non-renewal of the CEO Employment Agreement, or by the executive for “good reason,” in each case, within six months prior to, upon, or within two years following a change in control. The estimated amounts listed in this column for Messrs. Ferrera, Scott, Hascall and Jablonsky represent the aggregate value of cash severance that each such executive would be entitled to receive from DigitalGlobe under their respective Severance Agreements upon a “double trigger” qualifying termination, where the executive’s employment is terminated without “cause” or by the executive for “good reason” (as the terms are defined in the Severance Agreements) on or after a change in control. For additional information see the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Employment and Severance Protection Agreements with Executive Officers; Equity Award Agreements for Directors and Executive Officers.*”

The following table quantifies each separate form of cash compensation included in the aggregate total reported in the column.

<u>Named Executive Officer</u>	<u>Base Salary Component of Severance (\$)</u>	<u>Annual Bonus Component of Severance (\$)</u>	<u>Additional Prorated Bonus Component of Severance (\$)</u>
Jeffrey R. Tarr	\$ 1,590,000	\$ 1,590,000	\$ 265,000
Gary W. Ferrera	\$ 930,000	\$ 651,000	—
Walter S. Scott	\$ 810,000	\$ 567,000	—
Timothy M. Hascall	\$ 820,000	\$ 574,000	—
Daniel L. Jablonsky	\$ 600,000	\$ 360,000	—

- (2) *Equity.* Pursuant to the terms of the merger agreement and as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Stock Options and Other Equity-Based Awards,*” each of the named executive officer’s DigitalGlobe options, and DigitalGlobe performance-based RSUs outstanding immediately prior to the effective time will “single-trigger” vest (if not already vested) and will be settled in accordance with the merger agreement, and the Converted RSU cash consideration for each of the named executive officer’s DigitalGlobe unvested time-based RSUs will “single-trigger” vest and will be settled in accordance with the merger agreement.

Pursuant to the terms of the merger agreement, the executive’s employment or severance protection agreement with DigitalGlobe and the terms and conditions of the applicable award, and as described in the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Treatment of DigitalGlobe Stock Options and Other Equity-Based Awards*” and “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Employment and Severance Protection Agreements with Executive Officers; Equity Award Agreements for Directors and Executive Officers,*” the MDA common shares that constitute the stock consideration for the named executive officer’s unvested time-based RSUs will immediately vest upon a “double trigger” qualifying termination, where the executive’s employment is terminated without “cause” or by the executive for “good reason,” in each case, within 24 months following a change in control.

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For purposes of this note and the table above, the value of the DigitalGlobe equity awards is calculated as the assumed value of a share of DigitalGlobe common stock (\$31.63) multiplied by the number of shares of DigitalGlobe common stock subject to the award. For this purpose, the number of shares of DigitalGlobe common stock subject to each DigitalGlobe performance-based RSU is assumed to be at the applicable “target” level, except as to any such performance condition based on a relative total stockholder return measure. The number of shares of DigitalGlobe common stock subject to a DigitalGlobe performance-based RSU that remains subject to an unsatisfied performance condition based on a relative total stockholder return measure is assumed for this purpose to be at the following performance level: 87% of the “target” level for the awards granted in 2015, 200% of the “target” level (maximum performance) for the awards granted in 2016, and 147% of the “target” level for the awards granted in 2017.

The following table illustrates the allocation of the aggregate total reported in the column for each named executive officer’s (i) DigitalGlobe performance-based RSUs, and (ii) DigitalGlobe unvested time-based RSUs. The value of each named executive officer’s DigitalGlobe unvested time-based RSUs is presented in two columns as follows: (a) a portion of such value corresponding to the cash consideration, which is a fixed value of \$17.50 per share subject to the award, as this portion of such value will vest and be settled at the effective time; and (b) the remaining portion of such value which reflects the Converted RSU stock consideration component would vest on a “double trigger” basis if the executive’s employment is terminated in the circumstances described above (which, for purposes of this table and for each share subject to the award, is calculated as the assumed value of a share of DigitalGlobe common stock (\$31.63) less the fixed cash consideration of \$17.50).

<u>Named Executive Officer</u>	<u>Aggregate Value of Accelerated Performance-Based RSUs (\$)</u>	<u>Aggregate Value of Accelerated Cash Component of Unvested Time-Based RSUs (\$)</u>	<u>Aggregate Value of Accelerated Stock Component of Unvested Time-Based RSUs (\$)</u>
Jeffrey R. Tarr	\$ 8,886,034	\$ 2,328,183	\$ 1,879,841
Gary W. Ferrera	\$ 3,277,112	\$ 1,043,333	\$ 842,416
Walter S. Scott	\$ 2,680,790	\$ 698,898	\$ 564,309
Timothy M. Hascall	\$ 3,093,864	\$ 852,950	\$ 688,696
Daniel L. Jablonsky	\$ 2,578,649	\$ 660,835	\$ 533,577

This table does not reflect the value of each named executive officer’s DigitalGlobe options that have vested as of May 25, 2017. The value of each named executive officer’s DigitalGlobe options that were vested as of that date, calculated as the difference between the assumed value of a share of DigitalGlobe common stock (\$31.63) less the per share exercise price of the option, multiplied by the number of shares of DigitalGlobe common stock subject to the option, is as follows: \$3,940,612 for Mr. Tarr, \$0 for Mr. Ferrera, \$2,203,816 for Mr. Scott, \$917,114 for Mr. Hascall and \$420,931 for Mr. Jablonsky. As of May 25, 2017, the named executive officers held no unvested DigitalGlobe options, nor did they hold any vested RSUs that had not previously been settled.

- (3) *Perquisites/Benefits.* This column includes, for each named executive officer, the estimated monthly cost for the executive to continue medical coverage for the executive and the executive’s eligible dependents under COBRA for one month multiplied by a factor of 24 for Mr. Tarr and a factor of 12 for each other named executive officer. For additional information see the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Employment and Severance Protection Agreements with Executive Officers; Equity Award Agreements for Directors and Executive Officers.*”
- (4) *Tax Reimbursements.* DigitalGlobe has no obligation to any named executive officer to pay a “gross-up” of any excise taxes under Sections 280G and 4999 of the Code. As disclosed above under “—Indemnification and Insurance,” the named executive officers have a right to tax gross-up payments in the event any excise tax is payable by any named executive officer pursuant to Section 4985, which applies if DigitalGlobe is treated as an expatriated entity for U.S. federal income tax purposes under Section 7874. It is estimated that the named executive officers would not be entitled to any such gross-up payment for any taxes due as a

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result of Section 4985 because, as discussed below under “*The Merger Proposal—Certain U.S. Federal Income Tax Consequences of the Merger—Classification of MDA as a Foreign Corporation*,” it is currently expected that DigitalGlobe will not be treated as an expatriated entity for U.S. federal income tax purposes under Section 7874 as a result of the merger. However, there can be no assurance that the IRS will agree with the position that DigitalGlobe is not an expatriated entity under Section 7874. The rules under the U.S. Treasury Regulations governing the application of Section 7874 are new and complex and there is limited guidance regarding the application of these rules. In addition, changes in facts or law might cause DigitalGlobe to be treated as an expatriated entity under Section 7874. New statutory or regulatory provisions, or other guidance under Section 7874 could be enacted or promulgated that could impact the determination of whether DigitalGlobe is an expatriated entity under Section 7874 of the Code, all of which could have retroactive application.

- (5) For purposes of this table, it is assumed that the compensation and benefits for each of the named executive officers will not be reduced in order to avoid any excise taxes under Sections 280G and 4999 of the Code. DigitalGlobe has no obligation to any named executive officer to pay a “gross-up” of any excise taxes under Sections 280G and 4999 of the Code. For additional information see the section entitled “*The Merger Proposal—Interests of DigitalGlobe’s Directors and Executive Officers in the Merger—Employment and Severance Protection Agreements with Executive Officers; Equity Award Agreements for Directors and Executive Officers*.”

The MDA Meeting and Shareholder Approval

Pursuant to Section 611(c) of the TSX Company Manual, security holder approval is required if the number of securities issued or issuable in payment of the purchase price for an acquisition exceeds 25% of the number of securities of the listed issuer which are outstanding, on a pre-acquisition, non-diluted basis. As of June 12, 2017, approximately (a) 62,155,231 shares of DigitalGlobe common stock were issued and outstanding, not including 15,637,541 shares of DigitalGlobe common stock which were held as treasury stock as of June 12, 2017; (b) 80,000 shares of DigitalGlobe preferred stock were issued and outstanding; (c) 5,167,403 shares of DigitalGlobe common stock were reserved and available for issuance pursuant to the DigitalGlobe equity plans, of which (i) 1,094,391 shares of DigitalGlobe common stock were issuable upon exercise of outstanding DigitalGlobe options and (ii) 2,665,467 shares of DigitalGlobe common stock were the subject of DigitalGlobe RSUs, assuming target performance with respect to performance-based DigitalGlobe RSUs. Pursuant to the terms of the merger agreement, DigitalGlobe is restricted from issuing additional stock, subject to certain exceptions.

Consequently, if the merger is completed, approximately (a) 20,866,028 MDA common shares would be issued at the effective time to current holders of DigitalGlobe common stock, DigitalGlobe preferred stock, DigitalGlobe options and DigitalGlobe RSUs; and (b) 600,556 MDA common shares would be reserved for issuance, which will be issuable upon the vesting of the Converted RSUs following the effective time. The MDA common shares to be issued, or reserved for issuance, to current DigitalGlobe securityholders pursuant to the merger agreement will represent approximately 58.9% of the issued and outstanding MDA common shares on a non-diluted basis as of June 12, 2017. The actual number of MDA common shares to be issued, or reserved for issuance, pursuant to the merger agreement will be determined immediately prior to the effective time based on the number of shares of DigitalGlobe common stock, shares of DigitalGlobe preferred stock, DigitalGlobe options and DigitalGlobe RSUs outstanding at such time.

Accordingly, MDA shareholders will be required to approve the issuance of common shares to the holders of DigitalGlobe stock and certain equity awards in connection with the merger. The MDA shareholder meeting regarding such approval will be held on July 27, 2017.

Accounting Treatment of the Merger

In accordance with IFRS, the merger will be accounted for as a business combination applying the acquisition method of accounting with MDA as the acquirer. Accordingly, the aggregate fair value of the merger

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consideration paid by MDA in connection with the merger will be allocated to DigitalGlobe's net assets based on their fair values as of the completion of the transaction. The excess of the total purchase consideration over the fair value of the identifiable assets acquired, liabilities assumed and any non-controlling interest in DigitalGlobe will be allocated to goodwill. The results of operations of DigitalGlobe will be included in MDA's consolidated results of operations only for periods subsequent to the completion of the merger.

Financing for the Merger

The total amount of funds necessary to consummate the merger will be funded by MDA, including the funds needed to (a) pay DigitalGlobe shareowners the aggregate cash consideration due to them under the merger agreement; (b) make payments pursuant to the merger agreement in respect of outstanding DigitalGlobe options and restricted stock units granted under the DigitalGlobe equity plans; (c) if required, repay the outstanding indebtedness of DigitalGlobe under the Existing DigitalGlobe Credit Agreement; (d) repay the outstanding revolving loans of MDA under the 2012 Credit Agreement dated as of November 2, 2012 with Royal Bank of Canada as agent (the "2012 Credit Agreement") (if the financing of the new revolving facility of MDA is not effected through an increase in the revolving credit commitments under the 2012 Credit Agreement, as described under the caption "Debt Commitment Letter" below); (e) repay the outstanding MDA notes issued under the MDA Note Purchase Agreement and (f) pay fees and expenses payable by MDA, Holdings and Merger Sub under the merger agreement and in connection with the debt financing. The obligation of MDA, Holdings and Merger Sub to complete the merger is not conditioned upon MDA obtaining financing.

Debt Commitment Letter

Concurrently with the signing of the merger agreement, MDA obtained a commitment letter (the "debt commitment letter") from Royal Bank of Canada, RBC Capital Markets, Bank of America, N.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated (collectively, the "debt commitment parties"), pursuant to which Royal Bank of Canada and Bank of America, N.A. (collectively, the "Initial Lenders") each severally committed to provide, upon the terms and subject to the conditions set forth therein, one-half of senior secured credit facilities (the "Senior Secured Credit Facilities") with an aggregate principal amount of US\$3.75 billion. On April 10, 2017, the Initial Lenders entered into the Pro Rata Lender Joinder Letter and the Pro Rata Lender Joinder and TLB Sell Down Letter (collectively, the "Joinder Letters") with several commercial banks that regularly participate in similar facilities (collectively, the "Syndicate Lenders"). Pursuant to the Joinder Letters, the Syndicate Lenders committed to purchase from the Initial Lenders (with such purchase allocated on an equal basis between the Initial Lenders) in the aggregate 80.8% of commitments with respect to the Revolving Facility (as defined below), 78.0% of commitments with respect to the Term Loan A Facility (as defined below) and 40.5% of commitments with respect to the Term Loan B Facility (as defined below) and to assume (on an equal basis between the Initial Lenders) the corresponding percentage of the Initial Lenders' obligations to provide the Senior Credit Facilities to MDA, and severally, but not jointly, committed to each provide to MDA the agreed percentage of Senior Credit Facilities on the terms set forth in the debt commitment letter.

The Senior Secured Credit Facilities include (a) a four year senior secured first lien revolving credit facility ("Revolving Facility") in an aggregate principal amount of \$1,250 million (with \$700 million plus such additional amounts required to fund certain additional upfront fees or original issue discount with respect to the Senior Secured Credit Facilities available on the day of the initial funding and completion of the merger (the "Closing Date")); (b) a senior secured first lien term loan A facility ("Term Loan A Facility") in an aggregate principal amount of \$500 million consisting of a \$250 million tranche with a three year maturity and a \$250 million tranche with a four year maturity; and (c) a seven year senior secured first lien term loan B facility ("Term Loan B Facility") in an aggregate principal amount of \$2,000 million. Loans under the Revolving Facility and the Term Loan A Facility will be available in U.S. dollars and, at the option of the Borrower, Canadian dollars. Loans under the Term Loan B Facility will be available in U.S. dollars. The debt commitment parties may invite other banks, financial institutions or other lenders reasonably acceptable to MDA to participate in the debt financing contemplated by the debt commitment letter and to undertake a portion of the commitments to provide such debt financing.

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The Revolving Facility may be effected through an increase in the revolving credit commitments under the existing \$700 million revolving credit facility of MDA (the “Revolver Upsizing”). At the option of MDA, it may, prior to the Closing Date, elect to issue unsecured senior notes (“Senior Notes”) in a public offering or in a Rule 144A or other private placement to replace a portion of the Senior Secured Credit Facilities, the aggregate principal amount of which Senior Notes actually issued and available on the Closing Date for the financing of the merger and related transactions shall reduce on a dollar-for-dollar basis the commitments in respect of the Term Loan B Facility in an amount of up to \$750 million and, thereafter, the commitments in respect of the Term Loan B Facility and/or Term Loan A Facility at MDA’s discretion.

The obligation of each Initial Lender and each Syndicate Lender to fund its commitments under the debt commitment letter is subject to a number of conditions, including, without limitation, execution and delivery of definitive documentation consistent with the debt commitment letter. The commitments under the debt commitment letter will terminate at the earliest to occur of (a) the termination of the merger agreement without the consummation of the merger having occurred, (b) December 8, 2017, if the Closing Date has not occurred by such date or (c) the consummation of the merger without the funding of the Senior Secured Credit Facilities.

The proceeds of the Senior Secured Credit Facilities and the proceeds of any Senior Notes on the Closing Date will be applied to (a) pay DigitalGlobe shareowners the aggregate cash consideration due to them under the merger agreement; (b) make payments pursuant to the merger agreement in respect of outstanding DigitalGlobe options and restricted stock units granted under the DigitalGlobe equity plans; (c) if required, repay the outstanding indebtedness under the Existing DigitalGlobe Credit Agreement; (d) repay the outstanding revolving loans of MDA under the 2012 Credit Agreement (if the Revolving Facility is not effected through the Revolver Upsizing); (e) repay the outstanding MDA notes issued under the MDA Note Purchase Agreement and (f) pay fees and expenses payable by MDA, Holdings and Merger Sub under the merger agreement and in connection with the debt financing. The proceeds of the Revolving Facility following the Closing Date will be used for working capital and other general corporate purposes, including financing of permitted acquisitions.

Terms of Senior Secured Credit Facilities

Borrowings under the Senior Secured Credit Facilities on the Closing Date will be subject to certain key conditions including, but not limited to: the absence of an event or condition constituting a material adverse effect on DigitalGlobe under the merger agreement; completion of the merger in accordance with the merger agreement (which has not been modified in a manner materially adverse to the lenders without the consent of the lead arrangers); the accuracy in all material respects of specified representations and warranties contained in the documents governing the Senior Secured Credit Facilities and specified merger agreement representations; delivery of financial statements, MDA’s certificates and other closing documents.

Borrowings under the Senior Secured Credit Facilities will bear interest at a rate per annum equal to, at the option of MDA, (a) (i) LIBOR (adjusted for statutory reserves) plus a margin (the “Applicable Margin”) or (ii) the alternative base rate plus the Applicable Margin reduced by 1.00% or (b) in the case of Canadian Dollar borrowings under the Revolving Facility or Term Loan A Facility, (i) the rate applicable to Canadian dollar bankers’ acceptances (CDOR rate) plus the Applicable Margin or (ii) Canadian prime rate plus the Applicable Margin reduced by 1.00%. The Applicable Margin with respect to loans under the Term Loan B Facility is 2.50% per annum; the Applicable Margin with respect to loans under the Term Loan A Facility and the Revolving Facility will be between 1.2% and 3.0% per annum based on MDA’s total leverage ratio.

The Term Loan A Facility will not amortize. The Term Loan B Facility will amortize in equal quarterly installments in aggregate annual amounts equal to 1.00% of the original principal amount of the Term Loan B Facility during each year of the Term Loan B Facility, with a final balloon payment equal to the balance of the original principal amount of the Term Loan B Facility payable at maturity.

MDA will be required to cause (a) a specified percentage (based on the first lien leverage ratio) of the annual excess cash flow that is not reinvested or used to make permitted distributions or for other specified

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purposes and (b) the entire amount of proceeds that MDA receives from future non-ordinary course asset sales and other dispositions of property (in each case, subject to certain exceptions and reinvestment rights) and certain incurrences of indebtedness to ratably prepay the Term Loan A Facility, the Term Loan B Facility and any incremental term facility.

The Term Loan A Facility and the Revolving Facility may be prepaid, in whole or in part (subject to minimums and increments), by MDA at any time and without premium or penalty other than customary breakage costs related to prepayments of LIBOR borrowings. If, prior to the date that is six months after the Closing Date, the Term Loan B Facility is voluntarily prepaid or mandatorily prepaid with proceeds from issuances of debt obligations in connection with a refinancing the primary purpose of which is to reduce the all-in yield then in effect for the Term Loan B Facility or amended in a manner the primary purpose of which is to reduce such all-in yield, then the aggregate principal amount subject to such transaction will be subject to a 1.00% prepayment premium.

On and after the Closing Date, the Senior Secured Credit Facilities will be guaranteed (subject to customary exceptions) by certain of MDA's existing and subsequently acquired direct or indirect subsidiaries designated by MDA, provided that adjusted EBITDA calculated with respect to MDA and its subsidiaries so designated shall comprise no less than 85% of adjusted EBITDA of MDA's group. The security for the Senior Secured Credit Facilities (subject to customary exceptions) will include substantially all tangible and intangible assets of MDA and subsidiary guarantors and equity interests of each subsidiary guarantor.

The Senior Secured Credit Facilities will contain affirmative covenants customary for facilities of this type, including, among others, covenants pertaining to the delivery of financial statements, annual budgets, notices of default and certain other material events, use of proceeds, maintenance of corporate existence and rights, maintenance of property and insurance, compliance with laws and payment of obligations, maintenance of ratings, as well as customary negative covenants for facilities of this type (subject to certain exceptions), including, among others, limitations on the incurrence of indebtedness, liens, mergers and certain other fundamental changes, sales of assets, investments and loans, acquisitions, transactions with affiliates, payments of dividends, prepayments of junior, unsecured or subordinated debt and other restricted payments, restrictive agreements and changes in fiscal year and MDA's lines of business. Term Loan A Facility and Revolving Facility will also contain financial covenants that will be limited to: (a) a maximum consolidated total debt to adjusted EBITDA ratio and (b) a minimum interest coverage ratio.

The Senior Secured Credit Facilities will contain default provisions customary for facilities of this type, which are subject to customary cure periods and materiality thresholds, including, among others, defaults related to payment failures, failure to comply with covenants, material misrepresentations, defaults under other material indebtedness, the occurrence of a "change in control," bankruptcy and related events, material judgments, certain events related to the U.S. Employee Retirement Income Security Act and the invalidity or revocation of any of our loan documents.

The definitive documentation governing the debt financing has not been finalized and, accordingly, the actual terms of the debt financing may differ from those described in this proxy statement. In order to complete a successful syndication of the Senior Secured Credit Facilities, the debt commitment parties are entitled, in consultation with MDA, to change certain of the proposed terms of the Senior Secured Credit Facilities.

Regulatory Approvals Required for the Merger

To complete the merger and the other transactions contemplated by the merger agreement, DigitalGlobe and MDA are required to use their reasonable best efforts to obtain all necessary authorizations, consents and approvals and to make all necessary notifications, registrations and filings, including any registrations, notifications and filings required to be made in connection with obtaining such approvals. Under the merger agreement, DigitalGlobe and MDA are required to (a) file a notification and report form and obtain the expiration

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or termination of the waiting period under the HSR Act, (b) file a joint voluntary notice with and obtain approval from CFIUS with respect to the merger; and (c) make any required filings in connection with any other required regulatory approvals, including approval from the DSS, DDTC, NOAA and the FCC.

DigitalGlobe and MDA are not currently aware of any material governmental filings, authorizations, approvals or consents that are required prior to the parties' completion of the merger other than those described in this proxy statement/prospectus. There can be no assurance, however, if and when any of the approvals required to be obtained for the merger and the other transactions contemplated by the merger agreement will be obtained or as to the conditions or limitations that such approvals may contain or impose. Under the merger agreement, neither MDA nor any of its subsidiaries (including Holdings and Merger Sub) will be required to, as a condition to obtaining any required approval or resolving any objection of any governmental entity, offer or accept, or agree, commit to agree or consent to, any "Extraordinary Condition." An Extraordinary Condition is defined as any undertaking, term, condition, liability, obligation, commitment, sanction or other measure that (a) would or would reasonably be expected to result in a material change to the timing of MDA's plan to reincorporate in the United States as set forth in the merger agreement, (b) would have a material negative financial impact on MDA and its subsidiaries (on a consolidated basis) or DigitalGlobe and its subsidiaries (on a consolidated basis) or (c) would require MDA or any of its subsidiaries (including DigitalGlobe and its subsidiaries) to enter into a proxy agreement or voting trust agreement with respect to the services provided by DigitalGlobe under the NGA contract.

HSR Act

The merger is subject to the requirements of the HSR Act, which prevents DigitalGlobe and MDA from completing the merger until required information and materials are furnished to the FTC and the DOJ and specified waiting period requirements have been satisfied. On March 17, 2017, each of DigitalGlobe and MDA timely filed a Pre-merger Notification and Report Form pursuant to the HSR Act with the DOJ and FTC. On April 10, 2017, the FTC granted early termination of the HSR waiting period.

The FTC, the DOJ, state attorneys general, and others may challenge the merger on antitrust grounds after the expiration or termination of the applicable waiting period. Neither DigitalGlobe nor MDA believes that the merger violates federal or state antitrust laws, but there can be no assurance that a challenge to the merger on antitrust grounds will not be made or, if such a challenge is made, that it would not be successful.

Although DigitalGlobe and MDA do not anticipate any filings to be required under any antitrust or anti-competition statutes in any jurisdictions other than the HSR Act, if any such filings are required, the expiration or termination of the waiting period under such statutes will be a condition to the closing of the merger.

CFIUS

Section 721 of the Defense Production Act of 1950 (which we refer to as "Section 721"), as well as related Executive Orders and regulations, authorize the President to take such action for such time as the President considers appropriate to suspend or prohibit any transaction in which a foreign person obtains control of U.S. business (which we refer to as a "covered transaction") that threatens to impair the national security of the United States unless in the judgment of the President, there are other laws adequate and appropriate to protect national security. Section 721 authorizes CFIUS to review covered transactions to determine if they present a national security risk. Under Section 721 and Executive Order 13456, the Secretary of the Treasury acts through CFIUS to coordinate reviews of covered transactions that are voluntarily submitted in a joint voluntary notice to CFIUS or that are unilaterally reviewed by CFIUS. In general, CFIUS review of a covered transaction occurs in an initial 30-day review period that begins after CFIUS accepts the joint voluntary notice and such period may be extended by CFIUS for an additional 45-day investigation period. After the investigation, CFIUS may decline to take any action relative to the covered transaction; may negotiate or impose mitigation terms to resolve any national security concerns with the covered transaction; or may send a report to the President recommending that the

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transaction be suspended or prohibited, or providing notice to the President that CFIUS cannot agree on a recommendation relative to the covered transaction. The President has 15 days under Section 721 to act on CFIUS' report.

If CFIUS determines that a transaction presents national security concerns, it can negotiate or impose measures to mitigate such concerns or recommend that the President of the United States prohibit or unwind a transaction or take such other action to protect the national security. Parties to transactions subject to CFIUS's jurisdiction may voluntarily notify CFIUS of their proposed transaction through the submission of a joint voluntary notice in order to obtain CFIUS approval. If CFIUS approves of a transaction and the joint voluntary notice is accurate and complete, the President cannot exercise his authority under Section 721 with regard to the notified transaction. CFIUS may also self-initiate a review of any transaction within its jurisdiction. Under the terms of the merger agreement, DigitalGlobe and MDA are required to submit a joint voluntary notice of the merger to CFIUS within certain time frames set forth in the merger agreement (which we refer to as the "CFIUS notice"). On March 24, 2017, DigitalGlobe and MDA timely submitted a draft joint voluntary notice to CFIUS for comment or to inform the parties they can submit the final joint voluntary notice. The merger agreement requires the parties to submit a formal joint voluntary notice as soon as reasonably practicable. On April 12, 2017, DigitalGlobe and MDA submitted the formal CFIUS notice. On May 30, 2017, CFIUS notified the parties that it is initiating a 45-day investigation that will conclude no later than July 14, 2017.

Completion of the merger is conditioned on obtaining "CFIUS approval," which means that CFIUS has notified MDA and DigitalGlobe in writing that: (a) CFIUS has concluded that the merger is not a "covered transaction" under Section 721, (b) CFIUS has concluded its review or, if applicable, its investigation of the merger under Section 721, and there are no unresolved national security concerns with respect to the merger; or (c) CFIUS has sent a report to the President of the United States requesting the President's decision under Section 721 with respect to the merger and either (i) the period under Section 721 during which the President may announce his decision to take action to suspend, prohibit or place any limitations on the merger has expired without any such action being threatened, announced or taken or (ii) the President has announced a decision not to take any action to suspend, prohibit or place any limitations on the merger. Neither DigitalGlobe nor MDA believes that the merger poses a threat to national security, but there can be no assurance CFIUS will not conclude there is a national security risk associated with the merger and seek to challenge the transaction or require the parties enter into a mitigation agreement.

DSS Approval

As both DigitalGlobe and certain U.S. subsidiaries of MDA hold facility security clearances, MDA, as the acquirer and the surviving parent company, is required to file an updated certificate pertaining to its foreign interests with DSS regarding the planned change in foreign ownership, control, and influence (which we refer to as "FOCI") of its cleared subsidiaries. DSS may require MDA to agree to a new FOCI mitigation plan, the measures of which would supersede the Security Control Agreement between MDA, Holdings and the United States Department of Defense dated January 26, 2017, and could result in the execution of a new FOCI mitigation instrument relating to the cleared subsidiaries of MDA and DigitalGlobe.

DDTC Approval

DigitalGlobe is registered with the Directorate of Defense Trade Controls of the U.S. Department of State as a manufacturer and exporter of "defense articles," as that term is defined under ITAR. ITAR requires that a registrant notify DDTC at least 60 days prior to the consummation of any transaction that would result in "the sale or transfer to a foreign person of ownership or control" of a registrant. ITAR does not provide for DDTC to grant consent for a transaction that would result in foreign ownership or control, although DDTC retains the right to invalidate a registration or revoke any approved State Department export licenses, agreements or other authorizations. As the U.S. Department of State is also a CFIUS member agency, it could also raise any issues or concerns about a transaction in the CFIUS process.

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MDA and DigitalGlobe notified DDTC of the transaction on April 6, 2017, and therefore, they met the 60-day prior notice period in advance of closing. MDA and DigitalGlobe are not aware of any circumstances that would lead DDTC to invalidate DigitalGlobe's registration, revoke licenses or agreements issued thereunder, or seek redress in the CFIUS process. Nevertheless, MDA and DigitalGlobe cannot provide assurances that there will not be an issue resulting from the DDTC review.

NOAA Approval

DigitalGlobe is subject to regulation by NOAA, under the Land Remote Sensing Policy Act of 1992, as amended. DigitalGlobe holds licenses issued by NOAA for the operation of its two private remote sensing space systems and has an additional license application pending before NOAA. Any transfer of administrative or operational control of an entity holding NOAA licenses requires prior NOAA consent. As a result of MDA's status as a foreign company, NOAA also must determine whether the foreign entity that will exercise administrative control of the NOAA license holder will take no action that impairs the national security interests, foreign policy or international obligations of the United States. On April 10, 2017, DigitalGlobe and MDA filed the required application for NOAA consent to the transfer of administrative control of DigitalGlobe to MDA. On April 12, 2017, NOAA received the applications, and initiated NOAA's formal review process. Under its regulations, NOAA will make a determination on the applications within 120 days of receipt. This time period, however, may be tolled for periods during which DigitalGlobe and/or MDA prepare and submit additional information in response to notifications from NOAA that such information is required. DigitalGlobe and MDA have received requests from NOAA for additional information, to which they are responding. While we believe that NOAA approval will ultimately be obtained, this approval is not assured.

FCC Approval

DigitalGlobe is subject to regulation by the FCC under the Communications Act of 1934, as amended. DigitalGlobe's licensed subsidiary holds authorizations issued by the FCC for the operation of satellites and earth stations. The FCC must approve the transfer of control of DigitalGlobe's licensed subsidiary to MDA prior to the consummation of the merger. On March 20, 2017, DigitalGlobe and MDA filed the required applications for FCC consent to the transfer of control to MDA of DigitalGlobe's license subsidiary. The applications were granted by the FCC on April 26, 2017 and May 16, 2017.

Appraisal or Dissenters' Rights

The following discussion summarizes appraisal rights under Delaware law and is qualified in its entirety by the full text of Section 262 of the DGCL, referred to also as "DGCL Section 262," which DGCL Section 262 (in effect as of the date of this proxy statement/prospectus) is attached to this document as Annex D. The following summary does not constitute legal or other advice, nor does it constitute a recommendation that DigitalGlobe shareowners exercise their appraisal rights under DGCL Section 262.

Under DGCL Section 262, record holders of shares of DigitalGlobe common stock or DigitalGlobe preferred stock who deliver a demand for appraisal with respect to such shares, who have neither voted in favor of, nor consented in writing to, the approval and adoption of the merger agreement, who continuously hold such shares through the effective time and who otherwise follow the procedures set forth in DGCL Section 262 will be entitled to have their shares appraised by the Delaware Court of Chancery and to receive payment in cash of the "fair value" of the shares, exclusive of any element of value arising from the accomplishment or expectation of the merger, as determined by the Delaware Court of Chancery, together with interest, if any, to be paid upon the amount determined to be the fair value (or, in certain circumstances described in this proxy statement/prospectus, on the difference between the amount determined to be the fair value and the amount paid by DigitalGlobe to each shareowner entitled to appraisal prior to the entry of judgment in the appraisal proceeding).

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Under DGCL Section 262, where a merger agreement relating to a proposed merger is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, must notify each of its stockholders who was a stockholder on the record date set by the board of directors for such notice (or if no such record date is set, on the close of business on the day next preceding the day on which notice is given), with respect to such shares for which appraisal rights are available, that appraisal rights are so available, and must include in each such notice a copy of DGCL Section 262. This proxy statement/prospectus constitutes such notice to the holders of DigitalGlobe's common stock and DigitalGlobe's preferred stock and a copy of DGCL Section 262 (in effect as of the date of this proxy statement/prospectus) is attached to this document as Annex D.

ANY HOLDER OF DIGITALGLOBE'S COMMON STOCK AND DIGITALGLOBE'S PREFERRED STOCK WHO WISHES TO EXERCISE APPRAISAL RIGHTS, OR WHO WISHES TO PRESERVE SUCH HOLDER'S RIGHT TO DO SO, SHOULD CAREFULLY REVIEW THE FOLLOWING DISCUSSION AND ANNEX D BECAUSE FAILURE TO TIMELY AND PROPERLY COMPLY WITH THE PROCEDURES SPECIFIED WILL RESULT IN THE LOSS OF APPRAISAL RIGHTS. MOREOVER, BECAUSE OF THE COMPLEXITY OF THE PROCEDURES FOR EXERCISING THE RIGHT TO SEEK APPRAISAL OF SHARES OF DIGITALGLOBE COMMON STOCK OR DIGITALGLOBE PREFERRED STOCK, DIGITALGLOBE BELIEVES THAT, IF A SHAREOWNER CONSIDERS EXERCISING SUCH RIGHTS, SUCH SHAREOWNER SHOULD SEEK THE ADVICE OF LEGAL COUNSEL.

Filing Written Demand

Holders of shares of DigitalGlobe's common stock and DigitalGlobe's preferred stock who decide to exercise their appraisal rights must make a demand, in writing, for appraisal of their shares of common stock or preferred stock prior to the taking of the vote with respect to the approval and adoption of the merger agreement at the DigitalGlobe shareowners meeting. A demand for appraisal will be sufficient if it reasonably informs DigitalGlobe of the identity of the shareowner and that such shareowner intends thereby to demand appraisal of such shareowner's shares of common stock or preferred stock. If you wish to exercise your appraisal rights you must be the record holder of such shares of DigitalGlobe common stock or DigitalGlobe preferred stock on the date the written demand for appraisal is made and you must continue to hold such shares through the closing of the merger. Accordingly, a shareowner who is the record holder of shares of common stock or preferred stock on the date the written demand for appraisal is made, but who thereafter transfers such shares prior to the closing of the merger, will lose any right to appraisal in respect of such shares. A shareowner's failure to make the written demand prior to the taking of the vote on the merger will constitute a waiver of appraisal rights. For the avoidance of doubt, a vote (in person or by proxy) against the merger proposal is not sufficient for the making of a written demand for appraisal. A DigitalGlobe shareowner electing to make such a demand must do so by separate written demand as provided in DGCL Section 262.

Only a holder of record of shares of DigitalGlobe common stock or DigitalGlobe preferred stock is entitled to demand an appraisal of the shares registered in that holder's name. A demand for appraisal in respect of shares of capital stock should be executed by or on behalf of the holder of record, fully and correctly, as the holder's name appears on the holder's stock certificates, should specify the holder's name and mailing address and the number of shares registered in the holder's name and must state that the person intends thereby to demand appraisal of the holder's shares in connection with the merger. If the shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of the demand should be made in that capacity, and if the shares are owned of record by more than one person, as in a joint tenancy and tenancy in common, the demand should be executed by or on behalf of all joint owners. An authorized agent, including an agent for two or more joint owners, may execute a demand for appraisal on behalf of a holder of record; however, the agent must identify the record owner or owners and expressly disclose that, in executing the demand, the agent is acting as agent for the record owner or owners. If the shares are held in "street name" by a broker, bank or nominee, the broker, bank or nominee may exercise appraisal rights with respect to the shares held for one or more beneficial owners while not exercising the rights with respect to the shares held for other beneficial owners;

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in such case, however, the written demand should set forth the number of shares as to which appraisal is sought and where no number of shares is expressly mentioned the demand will be presumed to cover all shares of capital stock held in the name of the record owner. If a shareowner holds shares of DigitalGlobe common stock or DigitalGlobe preferred stock through a broker who in turn holds the shares through a central securities depository nominee such as Cede & Co., a demand for appraisal of such shares must be made by or on behalf of the depository nominee and must identify the depository nominee as the record shareowner. Any beneficial owner who wishes to exercise appraisal rights and holds shares through a nominee holder is responsible for ensuring that the demand for appraisal is timely made by the record shareowner. The beneficial holder of the shares should instruct the nominee holder that the demand for appraisal should be made by the record holder of the shares, which may be a central securities depository nominee if the shares have been so deposited.

All written demands for appraisal pursuant to DGCL Section 262 should be sent or delivered to DigitalGlobe at:

DigitalGlobe, Inc.
1300 West 120th Avenue
Westminster, Colorado 80234
Attention: Daniel L. Jablonsky, General Counsel

At any time within 60 days after the effective time, any shareowner who has not commenced an appraisal proceeding or joined that proceeding as a named party will have the right to withdraw such shareowner's demand for appraisal and to accept the terms offered in the merger; after this period, the shareowner may withdraw such shareowner's demand for appraisal only with the consent of DigitalGlobe. No appraisal proceeding in the Delaware Court of Chancery shall be dismissed as to any shareowner without the approval of the Delaware Court of Chancery, and such approval may be conditioned upon such terms as the Court of Chancery deems just; provided, however, that any shareowner who has not commenced an appraisal proceeding or joined that proceeding as a named party may withdraw such shareowner's demand for appraisal and accept the merger consideration within 60 days of the effective date of the merger. If no petition for appraisal is filed with the Delaware Court of Chancery within 120 days after the effective time, shareowners' rights to appraisal shall cease and all holders of shares of DigitalGlobe common stock and DigitalGlobe preferred stock will be entitled to receive the merger consideration. Inasmuch as DigitalGlobe has no obligation to file such a petition and has no present intention to do so, any holder of shares of DigitalGlobe common stock or DigitalGlobe preferred stock who desires such a petition to be filed is advised to file it on a timely basis. Any shareowner may withdraw such shareowner's demand for appraisal by delivering to DigitalGlobe a written withdrawal of its demand for appraisal and acceptance of the merger consideration, except that (a) any such attempt to withdraw made more than 60 days after the effective time will require written approval of DigitalGlobe and (b) no appraisal proceeding in the Delaware Court of Chancery shall be dismissed as to any stockholder without the approval of the Delaware Court of Chancery and such approval may be conditioned upon such terms as the Delaware Court of Chancery deems just.

Any shareowner who has duly demanded appraisal rights for shares of DigitalGlobe common stock or DigitalGlobe preferred stock in compliance with Section 262 of the DGCL will not, after the effective time, be entitled to vote such shares for any purpose or be entitled to the payment of dividends or other distributions thereon, except dividends or other distributions payable to holders of record of shares of DigitalGlobe common stock or DigitalGlobe preferred stock, as the case may be, as of a date or time prior to the effective time.

Notice of the Effective Date

Within ten days after the effective date of the merger, DigitalGlobe must notify each holder of DigitalGlobe common stock and DigitalGlobe preferred stock entitled to appraisal rights of the effective date of the merger. Such notice may also be given by DigitalGlobe to each holder of DigitalGlobe common stock and DigitalGlobe preferred stock who is entitled to appraisal rights before the effective date of the merger.

[Table of Contents](#)[Index to Financial Statements](#)***Filing a Petition for Appraisal***

Within 120 days after the effective date of the merger, but not thereafter, MDA or any holder of DigitalGlobe common stock or DigitalGlobe preferred stock who has complied with DGCL Section 262 and is entitled to appraisal rights under DGCL Section 262 may commence an appraisal proceeding by filing a petition in the Delaware Court of Chancery, with a copy served on DigitalGlobe in the case of a petition filed by a shareowner, demanding a determination of the fair value of the shares held by all dissenting holders. If no such petition is filed within that 120 day period, appraisal rights will be lost for all dissenting shareowners. DigitalGlobe is under no obligation to and has no present intention to file a petition and holders should not assume that DigitalGlobe will file a petition. Accordingly, it is the obligation of the holders of capital stock to initiate all necessary action to perfect their appraisal rights in respect of shares of capital stock within the time prescribed in DGCL Section 262. Within 120 days after the effective date of the merger, any holder of capital stock who has complied with the requirements for exercise of appraisal rights will be entitled, upon written request, to receive from DigitalGlobe a statement setting forth the aggregate number of shares not voted in favor of the approval of the merger agreement and with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. The statement must be mailed within ten days after a written request therefor has been received by DigitalGlobe or within ten days after the expiration of the period for delivery of demands for appraisal, whichever is later. Notwithstanding the requirement that a demand for appraisal must be made by or on behalf of the record owner of shares, a person who is the beneficial owner of shares of capital stock held either in a voting trust or by a nominee on behalf of such person may, in such person's own name, file a petition or request to receive from DigitalGlobe the statement described in this paragraph.

If a petition for an appraisal is timely filed by a holder of shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock and a copy thereof is served upon DigitalGlobe, DigitalGlobe will then be obligated within 20 days to file with the Delaware Register in Chancery a duly verified list containing the names and addresses of all shareowners who have demanded an appraisal of their shares and with whom agreements as to the value of their shares have not been reached. Upon the filing of any such petition, the Delaware Court of Chancery may order the Delaware Register in Chancery to provide notice of the time and place fixed for the hearing on the petition by registered or certified mail to the surviving corporation and all of the shareowners shown on the verified list. Such notice will also be published in one or more publications at least one week before the day of the hearing in a newspaper of general circulation published in the City of Wilmington, Delaware, or in another publication determined by the Delaware Court of Chancery. The forms of notice by mail or publication will be approved by the Delaware Court of Chancery and the costs of these notices are borne by DigitalGlobe.

After such notice to the shareowners is given, the Delaware Court of Chancery is empowered to conduct a hearing on the petition to determine those shareowners who have complied with DGCL Section 262 and who have become entitled to appraisal rights thereunder. The Delaware Court of Chancery may require the shareowners who demanded payment for their shares to submit their stock certificates to the Register in Chancery for notation thereon of the pendency of the appraisal proceeding; and if any shareowner fails to comply with the direction, the Delaware Court of Chancery may dismiss the proceedings as to the shareowner. Even if a shareowner complies with the requirements of Section 262 of the DGCL, the Delaware Court of Chancery shall dismiss the proceedings unless (a) the total number of shares entitled to appraisal exceeds 1% of the outstanding common stock and preferred stock eligible for appraisal or (b) the value of the consideration provided in the merger for such total number of common stock and preferred stock exceeds \$1 million.

Determination of Fair Value

After the Delaware Court of Chancery determines the holders of capital stock entitled to appraisal, the appraisal proceeding shall be conducted in accordance with the rules of the Delaware Court of Chancery, including any rules specifically governing appraisal proceedings. Through the appraisal proceeding, the Delaware Court of Chancery shall determine the "fair value" of the shares, exclusive of any element of value

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arising from the accomplishment or expectation of the merger, together with interest, if any, to be paid upon the amount determined to be the fair value (or, in certain circumstances described in this proxy statement/prospectus, on the difference between the amount determined to be the fair value and the amount paid by DigitalGlobe to each shareowner entitled to appraisal prior to the entry of judgment in the appraisal proceeding). Unless the Delaware Court of Chancery in its discretion determines otherwise for good cause shown, and except as provided below, interest from the effective date of the merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at five percent over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the effective date of the merger and the date of payment of the judgment. At any time before the entry of judgment in the proceedings, the surviving corporation may pay to each shareowner entitled to appraisal an amount in cash, in which case interest shall accrue thereafter as provided herein only upon the sum of (a) the difference, if any, between the amount so paid and the fair market value of the shares as determined by the Delaware Court of Chancery, and (b) interest theretofore accrued, unless paid at the time.

In determining fair value, the Delaware Court of Chancery will take into account all relevant factors. In *Weinberger v. UOP, Inc.*, the Supreme Court of Delaware discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that “proof of value by any techniques or methods that are generally considered acceptable in the financial community and otherwise admissible in court” should be considered, and that “fair price obviously requires consideration of all relevant factors involving the value of a company.” The Delaware Supreme Court stated that, in making this determination of fair value, the court must consider market value, asset value, dividends, earnings prospects, the nature of the enterprise and any other facts that could be ascertained as of the date of the merger that throw any light on future prospects of the surviving corporation. DGCL Section 262 provides that fair value is to be “exclusive of any element of value arising from the accomplishment or expectation of the merger.” In *Cede & Co. v. Technicolor, Inc.*, the Delaware Supreme Court stated that such exclusion is a “narrow exclusion that does not encompass known elements of value,” but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In *Weinberger*, the Supreme Court of Delaware also stated that “elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered.”

Holders of DigitalGlobe common stock or DigitalGlobe preferred stock considering seeking appraisal should be aware that the fair value of their shares as so determined may be more than, the same as or less than the consideration they would receive pursuant to the merger if they did not seek appraisal of their shares and that an investment banking opinion as to the fairness, from a financial point of view, of the consideration payable in a sale transaction, such as the merger, is not an opinion as to, and does not otherwise address, fair value under DGCL Section 262. Although DigitalGlobe believes that the merger consideration is fair, no representation is made as to the outcome of the appraisal of fair value as determined by the Delaware Court of Chancery, and shareowners should recognize that such an appraisal could result in a determination of a value higher or lower than, or the same as, the merger consideration. Neither MDA nor DigitalGlobe anticipates offering more than the applicable merger consideration to any DigitalGlobe shareowner exercising appraisal rights, and each of MDA and DigitalGlobe reserves the right to assert, in any appraisal proceeding, that for purposes of DGCL Section 262, the “fair value” of a share of capital stock is less than the applicable merger consideration.

Upon application by holders of shares of DigitalGlobe common stock or DigitalGlobe preferred stock entitled to participate in the appraisal proceeding, the Delaware Court of Chancery may, in its discretion, proceed to trial upon the appraisal prior to the final determination of the shareowners entitled to an appraisal. Any holder of shares of DigitalGlobe common stock or DigitalGlobe preferred stock whose name appears on the verified list and, if such shares are represented by certificates and if so required, who has submitted such shareowner’s certificates of stock to the Delaware Register in Chancery, may participate fully in all proceedings until it is finally determined that such shareowner is not entitled to appraisal rights. The Delaware Court of Chancery will direct the payment of the fair value of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock, together with interest, if any, upon the amount determined to be the fair value (or, in certain circumstances

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described in this proxy statement/prospectus, on the difference between the amount determined to be the fair value and the amount paid by DigitalGlobe to each shareowner entitled to appraisal prior to the entry of judgment in the appraisal proceeding) to the shareowners entitled thereto. Payment will be so made to each such shareowner, in the case of holders of uncertificated stock, forthwith, and, in the case of holders of shares represented by certificates, upon the surrender to DigitalGlobe of such applicable shareowner's certificates. The Delaware Court of Chancery's decree may be enforced as other decrees in such court may be enforced.

The costs of the action (which do not include attorneys' fees or the fees and expenses of experts) may be determined by the Delaware Court of Chancery and taxed upon the parties as the Delaware Court of Chancery deems equitable. Upon application of a shareowner, the Delaware Court of Chancery may order all or a portion of the expenses incurred by a shareowner in connection with an appraisal proceeding, including, without limitation, reasonable attorneys' fees and the fees and expenses of experts utilized in the appraisal proceeding, to be charged, pro rata, against the value of all the shares of DigitalGlobe common stock and DigitalGlobe preferred stock entitled to appraisal. In the absence of an order, each party to the appraisal proceeding bears its own expenses.

If you wish to exercise your appraisal rights, you must not vote your shares of DigitalGlobe common stock or DigitalGlobe preferred stock in favor of the merger and you must comply with the procedures set forth in Section 262 of the DGCL. If you fail to take any required step in connection with the exercise of appraisal rights, it may result in the termination or waiver of your appraisal rights.

Litigation Relating to the Merger

On May 3, 2017, a DigitalGlobe shareowner filed a purported class action complaint in the U.S. District Court for the District of Colorado, captioned *George Assad v. DigitalGlobe, Inc., et al.*, Case No. 1:17-cv-01097-NYW, on behalf of himself and all other DigitalGlobe shareowners against DigitalGlobe, its directors at the time the acquisition was announced, MDA, Holdings, and Merger Sub. The complaint alleges, among other things, that in connection with MDA's proposed acquisition of DigitalGlobe, the defendants purportedly agreed to a supposedly inadequate price for the DigitalGlobe capital stock, provided allegedly misleading and incomplete disclosures in the Form F-4 registration statement, and potentially engaged in supposed self-dealing. The complaint seeks to recover under Sections 14(a) and 20(a) of the U.S. Exchange Act for alleged misstatements and omissions in the Form F-4 registration statement. The complaint seeks declaratory and injunctive relief, including enjoining the transaction or rescinding the transaction and rescissory damages to the extent already implemented, an order directing the dissemination of a registration statement that is not false or misleading, and an award of attorneys' and experts' fees.

On May 8, 2017, a DigitalGlobe shareowner filed a purported class action complaint in the U.S. District Court for the District of Colorado, captioned *Jeweltex Manufacturing Inc. Retirement Plan v. DigitalGlobe, Inc., et al.*, Case No. 1:17-cv-01140-STV, on behalf of itself and all other DigitalGlobe shareowners against DigitalGlobe and its directors at the time the acquisition was announced. The complaint alleges, among other things, that in connection with MDA's proposed acquisition of DigitalGlobe, the defendants purportedly provided allegedly misleading and incomplete disclosures in the Form F-4 registration statement, and potentially engaged in supposed self-dealing. The complaint seeks to recover under Sections 14(a) and 20(a) of the U.S. Exchange Act for alleged misstatements and omissions in the Form F-4 registration statement. The complaint seeks injunctive relief, including enjoining or rescinding the transaction and rescissory damages to the extent already implemented, and an award of attorneys' and experts' fees.

On May 10, 2017, a DigitalGlobe shareowner filed a purported class action complaint in the U.S. District Court for the District of Colorado, captioned *Royce Bussey v. DigitalGlobe, Inc., et al.*, Case No. 1:17-cv-01159-MEH, on behalf of himself and all other DigitalGlobe shareowners against DigitalGlobe and its directors at the time the acquisition was announced. The complaint alleges, among other things, that in connection with MDA's proposed acquisition of DigitalGlobe, the defendants purportedly agreed to a supposedly inadequate price for the

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DigitalGlobe capital stock, provided allegedly misleading and incomplete disclosures in the Form F-4 registration statement, and potentially engaged in supposed self-dealing. The complaint seeks to recover under Sections 14(a) and 20(a) of the U.S. Exchange Act for alleged misstatements and omissions in the Form F-4 registration statement. The complaint seeks declaratory and injunctive relief, including enjoining or rescinding the transaction and rescissory damages to the extent already implemented, an order directing the dissemination of a registration statement that is not false or misleading, and an award of attorneys' and experts' fees.

On May 15, 2017, a DigitalGlobe shareowner filed a complaint in the U.S. District Court for the District of Colorado, captioned *Dane Gussin v. DigitalGlobe, Inc., et al.*, Case No. 1:17-cv-01190-CMA, against DigitalGlobe, its directors at the time the acquisition was announced, MDA, Holdings, and Merger Sub. The complaint alleges, among other things, that in connection with MDA's proposed acquisition of DigitalGlobe, the defendants purportedly agreed to a supposedly inadequate price for the DigitalGlobe capital stock, provided allegedly misleading and incomplete disclosures in the Form F-4 registration statement, and potentially engaged in supposed self-dealing. The complaint seeks to recover under Sections 14(a) and 20(a) of the U.S. Exchange Act for alleged misstatements and omissions in the Form F-4 registration statement. The complaint seeks declaratory and injunctive relief, including enjoining or rescinding the transaction and rescissory damages to the extent already implemented, an order directing the dissemination of a registration statement that is not false or misleading, and an award of attorneys' and experts' fees.

On May 22, 2017, a DigitalGlobe shareowner filed a purported class action complaint in the U.S. District Court for the District of Delaware, captioned *Stuart Zand v. DigitalGlobe, Inc., et al.*, Case No. 1:17-cv-00592-RGA, on behalf of himself and all other DigitalGlobe shareowners against DigitalGlobe and its directors at the time the acquisition was announced. The complaint alleges, among other things, that in connection with MDA's proposed acquisition of DigitalGlobe, the defendants purportedly agreed to a supposedly inadequate price for the DigitalGlobe capital stock, provided allegedly misleading and incomplete disclosures in the Form F-4 registration statement, and potentially engaged in supposed self-dealing. The complaint seeks to recover under Sections 14(a) and 20(a) of the U.S. Exchange Act for alleged misstatements and omissions in the Form F-4 registration statement. The complaint seeks injunctive relief, including enjoining or rescinding the transaction and rescissory damages to the extent already implemented, and an award of attorneys' and experts' fees.

On June 5, 2017, the plaintiff in the *Zand* action moved for a preliminary injunction to enjoin the special meeting on the basis that the Form F-4 registration statement, as amended on June 2, 2017, allegedly still contains material omissions. No hearing has yet been set for this motion as of the date of this proxy statement/prospectus.

On June 12, 2017, DigitalGlobe and the director defendants moved to stay or transfer the *Zand* action from the District of Delaware to the District of Colorado, where the other actions are pending. The following day, on June 13, 2017, DigitalGlobe and the director defendants also moved to consolidate the four actions then pending in the District of Colorado—*Assad*, *Jeweltex*, *Bussey*, and *Gussin*—for adjudication before a single judge. Neither motion has been set for hearing as of the date of this proxy statement/prospectus.

On June 14, 2017, the plaintiff in the *Gussin* action moved for a preliminary injunction to enjoin the special meeting on the basis that the Form F-4 registration statement, as amended on June 2, 2017, allegedly still contains material omissions. This motion is set for hearing on July 18, 2017.

Except as described above, the defendants have not yet responded to any of the complaints. While it is too early to predict the outcome of litigation or a reasonable range of potential losses, DigitalGlobe and MDA believe these lawsuits are without merit. Additional lawsuits arising out of or relating to the merger agreement or the merger may be filed in the future.

[Table of Contents](#)[Index to Financial Statements](#)**Restrictions on Resales of MDA Common Shares Received in the Merger**

The MDA common shares to be issued in connection with the merger will be registered under the U.S. Securities Act and will be freely transferable under the U.S. Securities Act, except for shares issued to any shareholder who may be deemed to be an “affiliate” of MDA for purposes of Rule 144 under the U.S. Securities Act. Persons who may be deemed to be affiliates include individuals or entities that control, are controlled by, or are under common control with MDA and may include the executive officers, directors and significant MDA shareholders. This proxy statement/prospectus does not cover resale of MDA common shares received by any person upon completion of the merger, and no person is authorized to make use of this proxy statement/prospectus in connection with any such resale.

Dividend Policy

DigitalGlobe does not currently pay regular quarterly cash dividends on its common stock. Any decision to pay future cash dividends will be made by the DigitalGlobe board of directors and will depend on DigitalGlobe’s earnings, financial condition and other factors. Any payment of dividends by DigitalGlobe would require approval by the DigitalGlobe board of directors and its board of directors may change its dividend policy at any time.

Under the terms of the merger agreement, during the period before the closing of the merger, DigitalGlobe is not permitted to pay any dividends or make any cash distributions on its capital stock without the consent of MDA other than dividends provided for in the DigitalGlobe certificate of designation with respect to the DigitalGlobe preferred stock and paid by DigitalGlobe consistent with past practice.

Certain U.S. Federal Income Tax Consequences of the Merger

The following discussion summarizes certain material U.S. federal income tax consequences of (a) the merger to U.S. and non-U.S. Holders of DigitalGlobe capital stock and (b) the subsequent ownership and disposition by U.S. holders of MDA common shares.

This summary is based on the Code, the Treasury Regulations promulgated thereunder (whether final, temporary, or proposed), administrative rulings, judicial decisions, and, to the extent noted, the Convention Between the United States of America and Canada with Respect to Taxes on Income and Capital, which is referred to as the U.S.-Canada Tax Treaty, all as in effect on the date hereof. Each of the foregoing authorities is subject to change, which change could apply with retroactive effect and could affect the accuracy of the statements and conclusions set forth in this discussion. Neither MDA nor DigitalGlobe will request a ruling from the U.S. Internal Revenue Service (“IRS”) as to the U.S. federal income tax consequences of the merger or the post-merger ownership and disposition of MDA common shares or any other matter. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions described in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the positions described in this summary. There can be no assurance that the IRS will not challenge any of the U.S. federal income tax consequences described below or that, if challenged, such treatment would be sustained by a court.

This summary is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may apply to a holder as a result of the merger or as a result of the ownership and disposition of MDA common shares. This summary does not take into account the individual facts and circumstances of any particular holder that may affect the U.S. federal income tax consequences to such holder, including specific tax consequences to a holder under an applicable tax treaty. In addition, this summary does not address the U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, or non-U.S. tax consequences of the merger or the ownership and disposition of MDA common shares.

The discussion assumes that shareowners hold their DigitalGlobe capital stock and hold, or will hold, their MDA common shares as “capital assets” within the meaning of Section 1221 of the Code (generally, property held for investment).

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The discussion does not constitute tax advice and does not address all aspects of U.S. federal income taxation that may be relevant to particular shareowners in light of their personal circumstances, including any tax consequences to shareowners subject to special treatment under the Code, including:

- banks, thrifts, mutual funds, financial institutions, and other persons engaged in the active conduct of a banking, financing or similar business or whose principal business is trading in stocks or securities for their own account;
- regulated investment companies and real estate investment trusts;
- dealers of securities who apply, and traders in securities who elect to apply, a mark-to-market method of accounting;
- tax-exempt organizations and pension funds;
- insurance companies;
- individual retirement and other deferred accounts;
- U.S. holders whose functional currency is not the U.S. dollar;
- U.S. expatriates;
- “passive foreign investment companies,” “controlled foreign corporations” or “corporations liable for the accumulated earnings tax”;
- persons subject to the alternative minimum tax;
- holders who hold their shares as part of a straddle, hedging, conversion, constructive sale, or other risk reduction transaction;
- partnerships or other pass-through entities for U.S. federal income tax purposes and holders of interests therein;
- persons deemed to sell DigitalGlobe stock or MDA common shares under the constructive sale provisions of the Code;
- grantor trusts;
- holders that directly, indirectly or constructively own 10% or more of the voting power of MDA common shares; and
- holders who received their shares through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan.

Holders that are subject to special provisions under the Code, including holders described immediately above, should consult their tax advisors regarding the tax consequences of the merger and the ownership and disposition of MDA common shares after the merger.

For purposes of this discussion, a U.S. holder means a beneficial owner of DigitalGlobe capital stock or MDA common shares, who is:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in the United States or under the laws of the United States or any subdivision thereof;
- an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust if (1) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (2) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person for U.S. federal income tax purposes.

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For purposes of this discussion, a non-U.S. holder means a beneficial owner of DigitalGlobe capital stock or MDA common shares that is neither a U.S. holder nor a partnership (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes).

If a partnership, including for this purpose any entity or arrangement that is classified as a partnership for U.S. federal income tax purposes, holds DigitalGlobe capital stock or MDA common shares, the tax treatment of a partner in such partnership will generally depend upon the status of the partner, the activities of the partnership, and upon certain determinations made at the partner level. A holder that is a partnership and the partners in such partnership should consult their tax advisors about the U.S. federal income tax consequences of the merger and the ownership and disposition of MDA common shares after the merger.

SHAREOWNERS SHOULD CONSULT WITH THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE MERGER AND OF THE OWNERSHIP AND DISPOSITION OF MDA COMMON SHARES AFTER THE MERGER, INCLUDING THE EFFECTS OF U.S. FEDERAL, STATE AND LOCAL, AND OTHER TAX LAWS, ANY APPLICABLE TREATY, AND ANY APPLICABLE INFORMATION REPORTING OBLIGATIONS.

Classification of MDA as a Foreign Corporation

Under current U.S. federal income tax law, a corporation organized under Canadian law is not treated as a U.S. corporation, and therefore is treated as a non-U.S. corporation. Section 7874 of the Code and the Treasury Regulations promulgated thereunder, however, contain rules that may cause a non-U.S. corporation that acquires the stock of a U.S. corporation to be treated as a U.S. corporation for U.S. federal income tax purposes under certain circumstances. If MDA were treated as a domestic corporation for U.S. federal income tax purposes, among other consequences, it would generally be subject to U.S. federal income tax on its worldwide income, and its dividends would be treated as dividends from a U.S. corporation. MDA and DigitalGlobe do not believe that MDA should be treated as a U.S. domestic corporation under Section 7874 of the Code. Further, the obligation to effect the merger is conditional upon MDA's and DigitalGlobe's receipt of an opinion from a nationally recognized tax advisor or legal counsel, dated as of the closing date and subject to certain qualifications and limitations set forth therein, to the effect that Section 7874 of the Code and the regulations promulgated thereunder should not apply in such a manner so as to cause MDA to be treated as a U.S. corporation for U.S. federal income tax purposes from and after the closing date. Absent any changes in fact or law, MDA and DigitalGlobe each expect to receive such an opinion. The remaining discussion assumes that MDA will not be treated as a U.S. corporation for U.S. federal income tax purposes under Section 7874 of the Code.

Consequences of the Merger to Holders of DigitalGlobe Capital Stock

U.S. Holders

In general, subject to the discussion below relating to potential dividend treatment under Section 304 of the Code, a U.S. holder will recognize gain or loss equal to the difference between (a) the aggregate amount of cash and the fair market value of the MDA common shares received by such U.S. holder in the merger (including any cash paid in lieu of fractional MDA common shares) and (b) its aggregate tax basis in the DigitalGlobe capital stock surrendered in the merger.

Such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. holder's holding period for the DigitalGlobe capital stock surrendered exceeds one year at the effective time. Certain non-corporate U.S. holders (including individuals) are eligible for preferential rates applicable to long-term capital gain. The deductibility of capital losses is subject to limitations. Gain or loss must be calculated separately for each block of DigitalGlobe capital stock if blocks of DigitalGlobe capital stock were acquired at different times or for different prices. A U.S. holder's aggregate tax basis in the MDA common shares received in the merger will generally equal the fair market value of such MDA common shares at the effective time, and the U.S. holder's holding period for such MDA common shares will begin on the day after the merger.

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If the holders of DigitalGlobe capital stock hold (including as a result of constructive ownership rules) at least 50% of the outstanding MDA common shares following the merger (including MDA common shares not received pursuant to the merger) and certain other requirements are met (some of which depend on a holder's particular circumstances), the receipt of merger consideration by U.S. holders of DigitalGlobe may be subject to Section 304 of the Code. If so, subject to certain exceptions, instead of recognizing taxable gain or loss as described above, the merger consideration received by a U.S. holder would be treated as a dividend to the extent of such U.S. holder's allocable share of the applicable earnings and profits of MDA and DigitalGlobe. The portion of the merger consideration in excess of such earnings and profits would first be applied against such U.S. holder's tax basis in the MDA share deemed issued in exchange for DigitalGlobe capital stock, and any remaining amount of the merger consideration would be treated as gain from the sale of such U.S. holder's capital stock. However, certain exceptions to such dividend treatment under Section 304 may apply to a particular U.S. holder. The IRS has indicated in a revenue ruling that a minority shareholder in a publicly traded corporation will qualify for one of such exceptions if the minority shareholder (a) has a minimal percentage stock interest, (b) exercises no control over corporate affairs and (c) experiences any reduction in its percentage stock interest.

MDA and DigitalGlobe do not expect that holders of DigitalGlobe capital stock will be treated as owning at least 50% of the MDA common shares following the merger and therefore do not expect Section 304 to apply to the merger. The rules of Section 304 are very complex, however, and all U.S. holders should consult their own tax advisors with respect to the possible application of Section 304 to their particular circumstances.

Non-U.S. Holders

A non-U.S. holder generally will not be subject to U.S. federal income tax on any gain recognized in the merger unless:

1. the recognized gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States, and if required by an applicable tax treaty, attributable to a permanent establishment maintained by the non-U.S. holder in the United States;
2. the non-U.S. holder is an individual present in the U.S. for 183 days or more during the taxable year of the merger, and certain other requirements are met; or
3. DigitalGlobe capital stock constitutes a "United States real property interest" within the meaning of Section 897(c) of the Code by reason of DigitalGlobe's status as a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code (a "USRPHC") at any time during the shorter of (1) the period that the non-U.S. holder owned DigitalGlobe capital stock or (2) the five-year period ending on the date of the exchange (the "Applicable Period"), and the non-U.S. holder is not eligible for any special exemption or the exception from the definition of U.S. real property interest for certain interests in publicly traded corporations.

Unless an applicable treaty provides otherwise, the recognized gain described in number one above or, subject to the exceptions described below, number three above generally will be subject to U.S. federal income tax on a net income basis in the same manner as if such non-U.S. holder were a U.S. person (see "*The Merger Proposal—Consequences of the Merger to Holders of DigitalGlobe Stock—U.S. Holders*" above). A non-U.S. holder that is a corporation for U.S. federal income tax purposes also may also be subject to a branch profits tax equal to 30% (or such lower rate specified by an applicable tax treaty) with respect to such gain. Non-U.S. holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Recognized gain described in number two above generally will be subject to U.S. federal income tax at a 30% rate (or such lower rate specified by an applicable income tax treaty), but may be offset by U.S. source capital losses of the non-U.S. holder (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, generally a corporation is a USRPHC if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its

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worldwide real property interests and its other assets used or held for use in a trade or business. DigitalGlobe does not believe that it currently is a USRPHC for U.S. federal income tax purposes. It is a condition to closing that DigitalGlobe provide a certificate to MDA to the effect that, and the remainder of the discussion assumes that, it is not, and has not been during the Applicable Period, a USRPHC.

As discussed above, if contrary to MDA's and DigitalGlobe's expectations, Section 304 of the Code were to apply to the merger, receipt of the merger consideration would be treated as a dividend to the extent of a holder's allocable share of the applicable earnings and profits of MDA and DigitalGlobe. Any such dividend that is paid to or for the account of a non-U.S. holder (other than a non-U.S. holder as to which such dividend is effectively connected with the conduct of a trade or business in the United States) and is from U.S. sources generally would be subject to U.S. federal withholding tax at the rate of 30%, or at a lower rate to the extent provided by an applicable tax treaty and the non-U.S. holder provides the documentation required to claim benefits under such tax treaty to the applicable withholding agent.

As stated above, DigitalGlobe and MDA do not currently expect Section 304 to apply to the merger. Nevertheless, given the lack of certainty surrounding the application of Section 304 to the merger and the treatment of any given non-U.S. holder, MDA, Merger Sub, a broker or another applicable withholding agent may treat the entire merger consideration received by a non-U.S. holder as subject to U.S. federal withholding tax at the rate of 30%, unless such non-U.S. holder can establish that either an exception to Section 304 applies to it or a reduced rate for or exemption from such withholding applies. Depending on the circumstances, the broker (or other applicable withholding agent) may obtain the funds necessary to remit any such withholding tax by asking the non-U.S. holder to provide the funds, by using funds in the non-U.S. holder's account with the broker or by selling (on the non-U.S. holder's behalf) all or a portion of the MDA common shares. All non-U.S. holders should consult their own tax advisors with respect to the possible application of Section 304 to their particular circumstances.

Ownership and Disposition of MDA Common Shares by U.S. Holders

Distributions

Subject to the discussion under "*The Merger Proposal—Ownership and Disposition of MDA Common Shares by U.S. Holders—Passive Foreign Investment Company Status*" below, the gross amount of cash distributions on MDA common shares (including any withheld Canadian taxes) will be taxable to U.S. holders as dividends to the extent paid out of MDA's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Such income (including any withheld Canadian taxes) generally will be includable in the gross income of a U.S. holder as ordinary income on the day actually or constructively received by such holder. Distributions on MDA common shares (including any withheld Canadian taxes) that are treated as dividends for U.S. federal income tax purposes will not be eligible for the dividends received deduction allowed to corporations in respect of dividends received from other corporations under the Code.

With respect to certain non-corporate U.S. holders (including individuals), dividends may be subject to U.S. federal income taxation at the lower capital gains rate applicable to "qualified dividend income," provided that (a) either the MDA common shares are considered to be readily tradable on an established securities market in the United States or MDA qualifies for benefits under the income tax treaty between the United States and Canada; (b) MDA is not a PFIC (as defined below) for the taxable year during which the dividend is paid or the immediately preceding taxable year; (c) certain holding period requirements are met; and (d) the U.S. holder is not under an obligation to make related payments with respect to positions in substantially similar or related property. As the IRS and the Treasury Department have determined that the income tax treaty between the United States and Canada is a comprehensive tax treaty that includes an exchange of information provision, MDA believes that it is eligible for benefits under the treaty. MDA also believes that its common shares will be readily tradable on an established securities market in the United States following the merger as MDA intends to apply for listing of its common shares on either the NYSE or NASDAQ.

To the extent that the amount of any distribution exceeds MDA's current and accumulated earnings and profits for a taxable year, as determined under U.S. federal income tax principles, the portion of the distribution

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in excess of such earnings and profits would first be applied against the basis of the U.S. holder's MDA common shares, and any remaining amount of the distribution would be treated as gain on a sale or exchange as described below under "*The Merger Proposal—Ownership and Disposition of MDA Common Shares by U.S. Holders—Sale or Other Taxable Disposition.*"

To the extent of any cash distribution on MDA common shares in a foreign currency, the amount of such distribution will be treated as the U.S. dollar value of the foreign currency distributed by MDA, calculated by reference to the exchange rate in effect on the date of the distribution, regardless of whether the payment is in fact converted into U.S. dollars on the date of receipt. Any gain or loss resulting from a change in the exchange rate in effect between the date of the distribution to the date such U.S. holder actually converts the payment into U.S. dollars will be treated as ordinary income or loss and generally will be income or loss from U.S. sources for foreign tax credit limitation purposes.

Dividend income recognized by a U.S. holder that is an individual or estate may be subject to the 3.8% tax on net investment income described below under "*The Merger Proposal—Additional Tax on Net Investment Income.*"

Foreign Tax Credit with Respect to Dividends

Subject to certain conditions and limitations, Canadian withholding taxes, if any, on dividends paid on MDA common shares may be credited against a U.S. holder's U.S. federal income tax liability. For purposes of calculating the foreign tax credit, dividends paid on MDA common shares will, subject to the discussion below regarding foreign corporations that are at least 50% owned by U.S. persons, be treated as income from sources outside the United States and will generally constitute passive category income. Further, in certain circumstances, a U.S. holder will not be allowed a foreign tax credit for foreign taxes imposed on dividends paid on MDA common shares if the U.S. holder (a) has held MDA common shares for less than a specified minimum period during which the U.S. holder is not protected from risk of loss or (b) is obligated to make certain payments related to the dividends.

Dividends paid by a foreign corporation that is at least 50% owned by U.S. persons may be treated as U.S. source income (rather than foreign source income) for foreign tax credit purposes to the extent that the foreign corporation has more than a de minimis amount of earnings and profits attributable to U.S. source income. The effect of this rule may be to treat a portion of any dividends paid by MDA as U.S. source income. Treatment of the dividends as U.S. source income in whole or in part may limit a U.S. holder's ability to claim a foreign tax credit for any Canadian withholding taxes payable in respect of the dividends. However, to the extent that any amount of a dividend paid by MDA is treated as U.S. source income pursuant to this rule, a U.S. holder that is eligible to claim benefits under the income tax treaty between the United States and Canada may nevertheless elect to treat such amounts as foreign source income for the purposes of claiming a credit (subject to special limitations) for any Canadian taxes paid with respect to such amount. U.S. holders should consult their own tax advisors about the desirability and method of making such an election.

The rules governing foreign tax credits are complex, and the manner in which they apply varies greatly depending upon the particular circumstances of the relevant U.S. holder. U.S. holders should consult their tax advisors regarding the availability of the foreign tax credit under the holder's particular circumstances and the requirements for claiming such credit.

Sale or Other Taxable Disposition

For U.S. federal income tax purposes, a U.S. holder will recognize taxable gain or loss on any sale or other taxable disposition of MDA common shares in an amount equal to the difference between the amount realized (generally, the sum of cash and the fair market value of other property received) and such U.S. holder's tax basis in such MDA common shares. The gain or loss recognized by a U.S. holder on the sale or other taxable disposition of MDA common shares will generally be capital gain or loss. Capital gains of non-corporate U.S. holders (including individuals) currently are eligible for the preferential U.S. federal income tax rates applicable

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to long-term capital gains if such holder has held the MDA common shares for more than one year as of the date of the sale, exchange or other taxable disposition. The deductibility of capital losses is subject to significant limitations. Any gain or loss recognized by a U.S. holder on the sale or exchange of MDA common shares will generally be treated as U.S. source gain or loss.

Gain recognized by a U.S. holder that is an individual or estate may be subject to the 3.8% tax on net investment income described below under “— *Additional Tax on Net Investment Income.*”

Passive Foreign Investment Company Status

Notwithstanding the foregoing, certain adverse U.S. federal income tax consequences could apply to a U.S. holder if MDA is treated as a “passive foreign investment company” or “PFIC” for any taxable year during which the U.S. holder holds MDA common shares. A foreign corporation, such as MDA, will be classified as a PFIC for U.S. federal income tax purposes for any taxable year in which, after applying certain look-through rules, either (a) 75% or more of its gross income for such year is “passive income” for purposes of the PFIC rules or (b) 50% or more of the value of its assets (determined on the basis of a quarterly average) during such year produce or are held for the production of passive income. For purposes of the PFIC rules, “passive income” generally includes dividends, interest, royalties, rents, annuities, net gains from the sale or exchange of property producing such income and net foreign currency gains. MDA does not currently expect to be treated as a PFIC for U.S. federal income tax purposes for the taxable year of the merger or for foreseeable future taxable years, but this conclusion is a factual determination made annually and is thus subject to change. MDA has not sought a ruling from the IRS or an opinion of any tax advisor with respect to its status as a PFIC, and there can be no assurance that the IRS will agree with its conclusion.

If MDA were to be treated as a PFIC, U.S. holders of MDA common shares could be subject to certain adverse U.S. federal income tax consequences with respect to any distributions received on such shares and any gain realized on a taxable disposition of such shares and may be subject to certain additional U.S. federal income tax reporting requirements. In addition, a U.S. holder could be subject to such adverse tax consequences upon certain distributions by, or dispositions of stock of, any foreign corporations in which MDA owns an interest that are treated as PFICs.

Furthermore, dividends received with respect to MDA common shares would not constitute qualified dividend income eligible for preferential tax rates if MDA is treated as a PFIC for the taxable year of the distribution or for its preceding taxable year. Certain elections (including a mark-to-market election) may be available to U.S. holders to mitigate some of the adverse tax consequences resulting from PFIC treatment, although MDA cannot assure U.S. holders that it will be able to provide them with the necessary information to make any such elections. U.S. holders should consult their tax advisers regarding the application of the PFIC rules to their investment in the MDA common shares.

Additional Tax on Net Investment Income

An additional 3.8% tax is generally imposed on the “net investment income” of U.S. holders that are individuals, estates and trusts whose income exceeds certain thresholds. “Net investment income” generally includes the following: (a) gross income from interest and dividends other than from the conduct of a non-passive trade or business; (b) other gross income from a passive trade or business; and (c) net gain attributable to the disposition of property other than property held in a non-passive trade or business. Therefore, capital gains from the disposition of DigitalGlobe capital stock in the merger and dividends on or gain from the sale or other taxable disposition of MDA common shares may be subject to this additional tax.

[Table of Contents](#)[Index to Financial Statements](#)**Information Reporting and Backup Withholding*****U.S. Holders***

Information reporting requirements apply with respect to the cash consideration received by U.S. holders of DigitalGlobe capital stock in the merger (including any cash paid in lieu of fractional MDA common shares), dividends received by U.S. holders of MDA common shares and the proceeds received on the disposition of MDA common shares effected within the United States (and, in certain cases, outside the United States), in each case, other than U.S. holders that are exempt recipients (such as corporations). Backup withholding (currently at a rate of 28%) may apply to the foregoing amounts if the U.S. holder fails to provide an accurate taxpayer identification number (generally on an IRS Form W-9 provided to the exchange agent or the U.S. holder's broker) or is otherwise subject to backup withholding. MDA will also provide information to the exchange agent and withholding agents concerning the fair market value of MDA common shares received by U.S. holders of DigitalGlobe capital stock as consideration in the merger, and such amounts may be reported to the IRS. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or credit on a U.S. holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Certain U.S. holders holding specified foreign financial assets with an aggregate value in excess of the applicable U.S. dollar threshold are required to report information to the IRS relating to MDA common shares, subject to certain exceptions (including an exception for MDA common shares held in accounts maintained by certain financial institutions), by attaching IRS Form 8938, Statement of Specified Foreign Financial Assets, to their U.S. federal income tax return, for each year in which they hold MDA common shares. Such U.S. holders should consult their own tax advisors regarding information reporting requirements relating to their ownership of MDA common shares.

Non-U.S. Holders

Other information reporting requirements may apply to, and a non-U.S. holder may be subject to backup withholding on, the cash consideration received by non-U.S. holders of DigitalGlobe capital stock in the merger (including any cash paid in lieu of fractional MDA common shares), unless the non-U.S. holder furnishes to the paying agent the required certification as to its non-U.S. status, such as by providing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI, or otherwise establishes an exemption. Dividends paid with respect to MDA common shares and proceeds from the sale or other disposition of MDA common shares received in the United States by a non-U.S. holder or through certain U.S.-related financial intermediaries may be subject to information reporting and backup withholding unless such non-U.S. holder provides proof of an applicable exemption or complies with certain certification procedures described above, and otherwise complies with the applicable requirements of the backup withholding rules. Exemptions from information reporting and backup withholding will not apply if a withholding agent has actual knowledge, or reason to know, that the non-U.S. Holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied. MDA may also provide information to the exchange agent and withholding agents concerning the fair market value of MDA common shares received by non-U.S. holders of DigitalGlobe capital stock as consideration in the merger, and such amounts may be reported to the IRS, subject to an exemption from reporting as discussed above. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or credit on a non-U.S. holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Certain Canadian Federal Income Tax Considerations of Holding MDA Common Shares

At effective time, DigitalGlobe shareowners will receive MDA common shares as part of the merger consideration. The following is a general summary, as of the date hereof, of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the regulations thereunder (the "Canadian Tax Act") of the ownership and disposition of the MDA common shares generally applicable to a holder who, for the

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purposes of the Canadian Tax Act and at all relevant times (a) is a beneficial owner of the MDA common shares; (b) is not resident, and is not deemed to be resident, in Canada; (c) holds the MDA common shares as capital property; and (d) does not use or hold, and is not deemed to use or hold, the MDA common shares in connection with carrying on a business in Canada (a “Non-Canadian Holder”).

This summary is not applicable to a Non-Canadian Holder that is either an “authorized foreign bank” (as defined in the Canadian Tax Act) or an insurer that carries on an insurance business in Canada and elsewhere. Any such Non-Canadian Holder should consult its own tax advisor.

This summary is based upon the current provisions of the Canadian Tax Act and an understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the “CRA”) made publicly available prior to the date hereof. The summary takes into account all specific proposals to amend the Canadian Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Tax Proposals”) and assumes that the Tax Proposals will be enacted in the form proposed. No assurance can be given that the Tax Proposals will be enacted in the form proposed, or at all. This summary does not otherwise take into account or anticipate any other changes in law, whether by judicial, governmental or legislative decision or action or changes in the administrative policies or assessing practices of the CRA, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may differ materially from those described in this summary. This summary is also based on the assumption that the MDA common shares will, at all relevant times, be listed on the TSX.

This summary does not address the principal Canadian federal income tax consequences of acquiring, holding and disposing of MDA common shares to any person other than a Non-Canadian Holder, including any such person who is a resident of Canada for purposes of the Canadian Tax Act. Any such person should consult their own tax advisors with respect to the consequences to them of acquiring, holding or disposing of such securities having regard to their own particular circumstances.

This summary is of a general nature only and is not, and is not intended to be, nor should it be construed to be, legal or tax advice or representations to any particular Non-Canadian Holder, and is not exhaustive of all Canadian federal income tax considerations. Accordingly, all Non-Canadian Holders are urged to consult their own legal and tax advisors with respect to the tax consequences to them of acquiring, holding and disposing of MDA common shares having regard to their particular circumstances, including the application and effect of the income and other tax laws of any country, province or other jurisdiction that may be applicable to a Non-Canadian Holder.

Dividends on MDA Shares

Any dividends paid or credited, or deemed to be paid or credited, to a Non-Canadian Holder on MDA common shares will be subject to Canadian withholding tax at a rate of 25%, subject to any reduction in such rate pursuant to an applicable income tax treaty or convention between Canada and the Non-Canadian Holder’s jurisdiction of residence.

The rate of withholding tax applicable to a dividend paid to and beneficially owned by (or in certain circumstances, derived by) a Non-Canadian Holder on MDA common shares who is a resident of the United States for purposes of, and is entitled to the benefits in accordance with the provisions of, the *Canada-U.S. Income Tax Convention*, will generally be reduced to 15% or, if the Non-Canadian Holder is a company that owns at least 10% of the voting stock of MDA, to 5%. The rate of withholding tax on dividends is also reduced under certain other bilateral income tax treaties or conventions to which Canada is a signatory.

Non-Canadian Holders are advised to consult their own tax advisors to determine the rate of withholding applicable to dividends paid on MDA common shares having regard to their particular circumstances. MDA (or an applicable withholding agent) will be required to withhold the required

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amount of withholding tax from any dividend, and to remit it to CRA for the account of the Non-Canadian Holder. Non-Canadian Holders who may be eligible for a reduced rate of withholding tax on dividends pursuant to any applicable income tax convention should consult with their own tax advisors with respect to taking all appropriate steps in this regard.

Disposition of MDA Shares

A Non-Canadian Holder will not be subject to tax under the Canadian Tax Act in respect of any capital gain realized by such Non-Canadian Holder on a disposition of MDA common shares (other than to MDA) unless the MDA common shares constitute “taxable Canadian property” (as defined in the Canadian Tax Act) of the Non-Canadian Holder at the time of disposition and are not “treaty protected property” of the Non-Canadian Holder.

Provided that at the time of disposition the MDA common shares are listed on a “designated stock exchange” as defined in the Canadian Tax Act (which includes the TSX, the NYSE and NASDAQ), an MDA common share generally will not constitute taxable Canadian property of a Non-Canadian Holder at the time of disposition unless at any time during the 60-month period immediately preceding the time of disposition (a) the Non-Canadian Holder, persons with whom the Non-Canadian Holder did not deal at arm’s length, partnerships in which the Non-Canadian Holder or a person with whom the Non-Canadian Holder did not deal at arm’s length holds a membership interest directly or indirectly through one or more partnerships, or the Non-Canadian Holder together with any combination of such persons or partnerships, owned 25% or more of the issued shares of any class or series of shares of MDA, and (b) more than 50% of the fair market value of the MDA common share was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, “Canadian resource property” (as defined in the Canadian Tax Act), “timber resource property” (as defined in the Canadian Tax Act), and options in respect of, or interests in, or for civil law rights in, any such property (whether or not such property exists). Notwithstanding the foregoing, MDA common shares may, in certain circumstances, be deemed to be taxable Canadian property to a Non-Canadian Holder for the purposes of the Canadian Tax Act.

Even if MDA common shares are considered to be taxable Canadian property to a Non-Canadian Holder, a taxable capital gain resulting from the disposition of such MDA common shares will not be included in computing the Non-Canadian Holder’s income for purposes of the Canadian Tax Act if the MDA common shares constitute “treaty protected property”, as defined in the Canadian Tax Act. MDA common shares owned by a Non-Canadian Holder will generally be treaty-protected property if the gain from the disposition of such shares would, because of an applicable income tax treaty or convention to which Canada is a signatory, be exempt from tax under Part I of the Tax Act.

Non-Canadian Holders whose MDA common shares may constitute taxable Canadian property are urged to consult their own tax advisors for advice having regard to their particular circumstances.

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THE ADVISORY COMPENSATION PROPOSAL

As required by Section 14A of the U.S. Exchange Act and the applicable SEC rules promulgated thereunder, DigitalGlobe is required to submit a proposal to DigitalGlobe's shareowners for an advisory, non-binding, vote to approve the compensation payments that will or may be made to DigitalGlobe's named executive officers in connection with the merger as disclosed in the table (and related narrative disclosure) in the section entitled "*The Merger Proposal—Interests of DigitalGlobe's Directors and Executive Officers in the Merger—Quantification of Payments and Benefits to DigitalGlobe's Named Executive Officers*" above. The plans and arrangements under which these compensation payments may be made are part of DigitalGlobe's compensation program for its named executive officers or are required by the merger agreement.

You should review carefully the information under the section entitled "*The Merger Proposal—Interests of DigitalGlobe's Directors and Executive Officers in the Merger—Quantification of Payments and Benefits to DigitalGlobe's Named Executive Officers*" above.

The DigitalGlobe board of directors unanimously recommends that DigitalGlobe's shareowners approve the following resolution:

"RESOLVED, that the shareowners of DigitalGlobe hereby approve, on an advisory, non-binding, basis, the compensation payments which will or may be made to DigitalGlobe's named executive officers in connection with the merger, as disclosed pursuant to Item 402(t) of Regulation S-K in the section entitled "*The Merger Proposal—Interests of DigitalGlobe's Directors and Executive Officers in the Merger—Quantification of Payments and Benefits to DigitalGlobe's Named Executive Officers*" of DigitalGlobe's proxy statement for the special meeting."

The vote on the advisory compensation proposal is a vote separate and apart from the vote on the merger proposal. Accordingly, you may vote to approve the merger proposal and vote not to approve the advisory compensation proposal and vice versa. Because the vote on the advisory compensation proposal is advisory only, it will not be binding on DigitalGlobe, MDA, or their respective boards of directors. Further, the underlying plans and agreements are contractual in nature and not, by their terms, subject to shareowner approval. Accordingly, if the merger agreement is approved and adopted and the merger is completed, the compensation payments that are contractually required to be made to DigitalGlobe's named executive officers will be made, subject only to the conditions applicable thereto, regardless of the outcome of the advisory, non-binding, vote of DigitalGlobe shareowners.

The affirmative vote of holders of a majority of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, that are present at the special meeting in person or by proxy and entitled to vote on the advisory compensation proposal, is required to approve the advisory compensation proposal.

The DigitalGlobe board of directors recommends a vote "FOR" the advisory compensation proposal.

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THE ADJOURNMENT PROPOSAL

DigitalGlobe shareowners are being asked to approve a proposal that will give the DigitalGlobe board of directors authority to adjourn the special meeting, if necessary, to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve the merger proposal.

If this adjournment proposal is approved, the special meeting could be adjourned to any date. If the special meeting is adjourned, DigitalGlobe shareowners who have already submitted their proxies will be able to revoke them at any time prior to their use. If you sign and return a proxy and do not indicate how you wish to vote on the adjournment proposal, your shares of DigitalGlobe common stock and DigitalGlobe preferred stock will be voted in favor of the adjournment proposal.

The affirmative vote of holders of a majority of the shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class, that are present at the special meeting in person or by proxy and entitled to vote on the adjournment proposal, is required to approve the adjournment proposal.

The DigitalGlobe board of directors recommends a vote “FOR” the adjournment proposal.

[Table of Contents](#)[Index to Financial Statements](#)**INFORMATION ABOUT THE COMPANIES*****MacDonald, Dettwiler and Associates Ltd.***

MDA was incorporated under the *Canada Business Corporations Act* and was continued under the *Business Corporations Act* (British Columbia) and the regulations thereunder, meaning that MDA is now governed by the BCA rather than the *Canada Business Corporations Act*. MDA is a global communications and information company providing operational solutions to commercial and government organizations worldwide. MDA's business is focused on markets and customers with strong repeat business potential, primarily in the communications sector and the surveillance and intelligence sector. In addition, MDA conducts a significant amount of advanced technology development. MDA's comprehensive capabilities in business and program management, systems engineering, systems integration, testing, and support services address complex customer requirements through the full solutions life cycle. MDA's established global customer base is served by more than 4,800 employees operating from 15 locations in the United States, Canada, and internationally. MDA has committed in the merger agreement to use its reasonable best efforts to continue to, in consultation with the Government of Canada and its key stakeholders, execute its United States access strategy, which will include further restructuring of all or part of MDA's corporate and operating structure so that the ultimate parent of DigitalGlobe and Holdings is incorporated in the United States by the end of 2019, subject to customary approvals.

MDA is a public company trading on the TSX under the ticker symbol "MDA." MDA's principal executive offices are located at One Embarcadero Center, Suite 500, San Francisco, California 94111, and its telephone number is 1-415-315-1550. As a condition to the closing of the merger, the MDA common shares to be issued in the merger will have been authorized for listing on either the NYSE or the NASDAQ.

Additional information about MDA can be found under its SEDAR profile at www.sedar.com, its profile on EDGAR at www.sec.gov or its website at www.mdacorporation.com. The information contained in, or that can be accessed through, MDA's website is not intended to be incorporated into this proxy statement/prospectus.

For further information about MDA, see the sections entitled "*Where You Can Find Additional Information*" and "*Additional Information about MDA*."

SSL MDA Holdings, Inc.

Holdings is the holding company for MDA's operating subsidiaries, which operate MDA businesses throughout the world. Holdings is incorporated in Delaware and has its headquarters in San Francisco, California. Holdings is a direct wholly owned subsidiary of MDA.

Holdings' principal executive offices are located at One Market Plaza, Suite 4025, Spear Tower, San Francisco, California 94105 and its telephone number is 1-650-852-6313.

Merlin Merger Sub, Inc.

Merger Sub is a Delaware corporation and a direct wholly owned subsidiary of Holdings and an indirect wholly owned subsidiary of MDA. Merger Sub was formed solely for the purpose of facilitating the merger. Merger Sub has not carried on any activities or operations to date, except for those activities incidental to its formation and undertaken in connection with the transactions contemplated by the merger agreement. By operation of the merger, Merger Sub will be merged with and into DigitalGlobe. As a result, DigitalGlobe will survive the merger as an indirect wholly owned subsidiary of MDA. Upon completion of the merger, Merger Sub will cease to exist as a separate entity.

Merger Sub's principal executive offices are located at One Market Plaza, Suite 4025, Spear Tower, San Francisco, California 94105 and its telephone number is 1-650-852-6313.

[Table of Contents](#)[Index to Financial Statements](#)***DigitalGlobe, Inc.***

DigitalGlobe is a leading global provider of high-resolution Earth imagery, data, services and analytics. Sourced from its own advanced satellite constellation and third-party providers, its imagery solutions and other services provide customers with accurate and mission-critical information about the changing planet, and support a wide variety of uses, including mission-planning, mapping and analysis, environmental monitoring, oil and gas exploration, and infrastructure management. Additionally, hundreds of developers are building new applications and machine learning algorithms on DigitalGlobe's Geospatial Big Data platform and in its recently expanded services business. Each day users depend on DigitalGlobe to better understand the changing planet in order to save lives, resources and time. DigitalGlobe's principal executive offices are located at 1300 West 120th Avenue, Westminster, Colorado 80234, and its telephone number is 1-303-684-4000.

DigitalGlobe was originally incorporated as EarthWatch on September 30, 1993 under the laws of the State of Colorado and reincorporated in the State of Delaware on August 21, 1995. On August 22, 2002, EarthWatch changed its name to DigitalGlobe, Inc. DigitalGlobe common stock has been listed on the NYSE and traded under the symbol "DGI" since its initial public offering in May 2009. On January 31, 2013, DigitalGlobe completed its acquisition of 100% of the outstanding stock of GeoEye, Inc., a leading provider of geospatial intelligence solutions.

Additional information about DigitalGlobe can be found under its profile on EDGAR at www.sec.gov or its website at www.digitalglobe.com. The information contained in, or that can be accessed through, DigitalGlobe's website is not intended to be incorporated into this proxy statement/prospectus.

For further information about DigitalGlobe, see the sections entitled "*Where You Can Find Additional Information*" and "*Additional Information about MDA*."

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THE MERGER AGREEMENT

The summary of the material provisions of the merger agreement below and elsewhere in this proxy statement/prospectus is qualified in its entirety by reference to the merger agreement, a copy of which is attached to this proxy statement/prospectus as Annex A. This summary may not contain all of the information about the merger agreement that is important to you. We urge you to read carefully the merger agreement in its entirety as it is the legal document governing the merger.

The merger agreement contains representations and warranties that the parties have made to each other as of specific dates. The assertions embodied in the representations and warranties in the merger agreement were made solely for purposes of the merger agreement and the transactions and agreements contemplated thereby among the parties thereto and may be subject to important qualifications and limitations agreed to by the parties thereto in connection with negotiating the terms thereof. The representations and warranties may also be subject to a contractual standard of materiality different from those generally applicable to shareholders and reports and documents filed with the SEC or SEDAR, and the assertions embodied in the representations and warranties contained in the merger agreement (and summarized below) are qualified by information in disclosure schedules provided by DigitalGlobe to MDA and by MDA to DigitalGlobe in connection with the signing of the merger agreement and by certain information contained in certain of DigitalGlobe's filings with the SEC and by certain information contained in certain of MDA's filings with SEDAR. These disclosure schedules and SEC and SEDAR filings contain information that modifies, qualifies and creates exceptions to the representations and warranties set forth in the merger agreement. In addition, information concerning the subject matter of the representations and warranties may have changed or may change after February 24, 2017 and subsequent developments or new information qualifying a representation or warranty may have been included in this proxy statement/prospectus.

In addition, if specific material facts arise that contradict the representations and warranties in the merger agreement, MDA, Holdings, Merger Sub or DigitalGlobe, as applicable, will disclose those material facts in the public filings that it makes with the SEC and the Canadian securities regulatory authorities in accordance with, and to the extent required by, applicable law. Accordingly, the representations and warranties in the merger agreement and the description of them in this proxy statement/prospectus should not be read alone, but instead should be read in conjunction with the other information contained in the reports, statements and filings MDA, Holdings and DigitalGlobe publicly file with the SEC or SEDAR. Such information can be found elsewhere in this proxy statement/prospectus and in the public filings DigitalGlobe makes with the SEC, as described in the section entitled "Where You Can Find Additional Information."

The Merger

The merger agreement provides that, upon the terms and subject to conditions of the merger agreement and in accordance with the provisions of the DGCL, at the effective time, Merger Sub will be merged with and into DigitalGlobe and, as a result, the separate existence of Merger Sub will cease, and DigitalGlobe will continue as the surviving corporation.

The closing of the merger will be no later than the fifth business day after satisfaction or waiver of all of the closing conditions set forth in the merger agreement (except for those conditions that by their nature cannot be satisfied until the closing, but subject to the satisfaction or waiver of such conditions), or at such other time as the parties to the merger agreement agree in writing. See the section entitled "*The Merger Agreement—Conditions That Must Be Satisfied or Waived for the Merger to Occur.*" The merger will become effective on the date and at the time, which we refer to as the effective time, when the certificate of merger has been duly filed with the Secretary of State of the State of Delaware or, subject to the DGCL, such later time as is agreed upon by the parties to the merger agreement and specified in the certificate of merger.

[Table of Contents](#)[Index to Financial Statements](#)**Effects of the Merger on the Governance of MDA, Holdings and the Surviving Corporation**

The officers of Merger Sub immediately prior to the effective time will be the initial officers of the surviving corporation. The directors of Merger Sub immediately prior to the effective time will be the directors of the surviving corporation.

At the effective time, the MDA board of directors has agreed to appoint three individuals, whom we refer to as the DigitalGlobe designees, to serve on the MDA board of directors. The DigitalGlobe designees, each of whom must have been serving as a director of the DigitalGlobe board of directors as of February 24, 2017, must be mutually agreed upon in good faith by DigitalGlobe and MDA and be reasonably approved by the Governance and Nominating Committee of the MDA board of directors. MDA will take all actions necessary so that at the effective time, the number of directors that will comprise the entire MDA board of directors will be not more than twelve, including the three DigitalGlobe designees. At the effective time, the MDA board of directors will have three committees, consisting of an Audit Committee, a Human Resources and Management Compensation Committee and a Governance and Nominating Committee, and each committee will include at least one of the DigitalGlobe designees. In lieu of appointing the DigitalGlobe designees to the MDA board at the effective time, such individuals will be nominated for election at the MDA meeting to the MDA board at the effective time.

At the effective time, MDA will cause Holdings to appoint two of the DigitalGlobe designees, as mutually agreed upon in good faith by DigitalGlobe and MDA and reasonably approved by the Governance and Nominating Committee of the MDA board of directors, to serve on the Holdings board of directors, provided such DigitalGlobe designees qualify as an “Outside Director” (as defined in the Security Control Agreement) and satisfy the director requirements set forth in the Security Control Agreement, including without limitation Section 3.01 thereof. MDA and Holdings will take all actions necessary so that at the effective time, the number of directors of the entire Holdings board of directors will be not more than seven, including the two DigitalGlobe designees.

Merger Consideration

At the effective time, by virtue of the merger, each share of DigitalGlobe common stock outstanding immediately prior to the effective time (other than shares of DigitalGlobe common stock held directly or indirectly by MDA, DigitalGlobe or any of their respective subsidiaries and except for shares of DigitalGlobe common stock owned by holders who properly exercise their appraisal rights under the DGCL) will be converted into the right to receive (a) cash in an amount equal to US \$17.50, which we refer to as the cash consideration, and (b) 0.3132 of a validly issued, fully paid and non-assessable MDA common share, which we refer to as the stock consideration, and together with the cash consideration, we refer to as the merger consideration.

At the effective time, by virtue of the merger, each share of DigitalGlobe preferred stock issued and outstanding immediately prior to the effective time (other than shares held directly or indirectly by MDA, DigitalGlobe or any of their respective subsidiaries and except for shares of DigitalGlobe preferred stock owned by holders who properly exercise their appraisal rights under the DGCL) will be converted into the right to receive the merger consideration that the holder thereof would have received if such holder, immediately prior to the effective time, had converted such shares into DigitalGlobe common stock.

The merger consideration to be paid for each share of DigitalGlobe common stock and DigitalGlobe preferred stock will be appropriately adjusted if at any time after the date of the merger agreement and prior to the effective time, any change in the outstanding shares of capital stock of MDA or DigitalGlobe occurs by reason of any reclassification, recapitalization, stock split or combination, exchange or readjustment of shares, or any stock dividend with a record date during such period.

At the effective time, all shares of DigitalGlobe common stock and DigitalGlobe preferred stock that are owned directly or indirectly by DigitalGlobe or any DigitalGlobe subsidiary will be cancelled and will cease to exist and no stock of MDA, cash or other consideration will be delivered in exchange for those shares.

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At the effective time, all shares of DigitalGlobe common stock that are owned directly or indirectly by MDA or any of the MDA subsidiaries will be converted into one fully paid and non-assessable share of common stock of the surviving corporation.

At the effective time, Holdings will issue to MDA 100,000 shares of the common stock of Holdings and the surviving corporation shall issue to Holdings 100,000 shares of the common stock of the surviving corporation.

DigitalGlobe shareowners will not receive any fractional MDA common shares in the merger and such fractional share interest will not entitle the owner to vote or to have any rights as a holder of any MDA common shares. All fractional shares which a single record holder of shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock would otherwise be entitled to receive will be aggregated. In lieu of any such fractional shares, each holder of shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock who would otherwise be entitled to receive fractional shares will be entitled to receive an amount in cash, without interest, equal to such fractional amount multiplied by the average of the closing sale prices of the MDA common shares on the TSX as reported by *The Wall Street Journal* for the five trading days immediately preceding the date on which the effective time occurs, converted from Canadian dollars to U.S. dollars using the Bank of Canada's daily average Canadian dollar-to-U.S. dollar exchange rate for each such trading day.

In addition, with respect to each share of DigitalGlobe common stock and/or DigitalGlobe preferred stock as to which the holder thereof has properly complied with the provisions of Section 262 of the DGCL as to appraisal rights, which we refer to as a "dissenting share," such holder will be entitled to payment of the appraisal value of the dissenting shares to the extent permitted by and in accordance with the provisions of Section 262 of the DGCL. At the effective time, all dissenting shares will no longer be outstanding and will automatically be canceled and cease to exist and each holder of dissenting shares will cease to have any rights with respect to such dissenting shares, except the right to receive the fair value of the dissenting shares in accordance with Section 262 of the DGCL. Notwithstanding the foregoing, if any holder affirmatively withdraws his, her or its demand for appraisal of such dissenting shares, fails to establish his, her or its entitlement to appraisal rights as provided in the DGCL or takes or fails to take any action the consequence of which is that such holder is not entitled to payment for his, her or its shares under the DGCL, then such holder will forfeit the right to appraisal of such shares and such shares will be deemed to have been converted at the effective time into the right to receive, without interest, the merger consideration. For more information regarding appraisal rights, see the section entitled "*The Merger Proposal—Appraisal or Dissenters' Rights*."

Surrender of DigitalGlobe Shares

Prior to the effective time, MDA and Merger Sub will deposit with the exchange agent cash sufficient to provide all funds necessary for the exchange agent to pay the aggregate cash consideration, and an aggregate number of MDA common shares representing MDA common shares issuable as stock consideration, to the DigitalGlobe shareowners. Further, MDA will make available to the exchange agent, from time to time as needed, additional cash sufficient to pay any dividends and other distributions with respect to unexchanged shares or any payments in lieu of any fractional shares.

Promptly after the effective time, MDA will instruct the exchange agent to mail to each holder of record of DigitalGlobe common stock and/or DigitalGlobe preferred stock a letter of transmittal and instructions for use in effecting the surrender of certificates or book-entry shares (or affidavits of loss in lieu of the certificates) to the exchange agent.

Upon surrender to the exchange agent of eligible shares of DigitalGlobe common stock and DigitalGlobe preferred stock that are certificates, by physical surrender of such certificate (or affidavit of loss in lieu of a certificate), or that are book-entry shares, by book-receipt of an "agent's message" by the exchange agent in connection with the transfer of book-entry shares, in accordance with the terms of the transmittal materials and instructions, the holder of such certificated or book-entry shares will be entitled to receive in exchange therefor

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(a) the number of MDA common shares, in uncertificated, book-entry form, unless a physical certificate is requested, equal to the number of shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock on an as-converted to DigitalGlobe common stock basis represented by such certificated or book-entry shares multiplied by the per share stock consideration and (b) a check in the amount (after giving effect to any required tax withholdings) equal to the number of shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock on an as-converted to DigitalGlobe common stock basis represented by such certificated or book-entry shares multiplied by the cash consideration, and such product plus any cash in lieu of any fractional MDA common shares, dividends and other distributions such holder has the right to receive pursuant to the merger agreement. No interest will be paid or accrued on any cash amount payable upon surrender of the certificates.

If a transfer of ownership of shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock that is not registered in the transfer records of DigitalGlobe occurs or if payment and issuance of the applicable merger consideration or of any cash in lieu of fractional MDA common shares, dividends or other distributions payable pursuant to the terms of the merger agreement are to be made to a person other than the person in whose name the surrendered certificated or book-entry share is registered, then the MDA common shares and a check for any cash to be exchanged upon due surrender of the certificated or book-entry share may be issued to such transferee or other person if the certificated or book-entry share formerly representing such shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock is presented to the exchange agent accompanied by all documents required to evidence and effect such transfer and the person requesting such exchange will pay to the exchange agent in advance any applicable transfer or other taxes required or establish to the satisfaction of the exchange agent that such tax has been paid or is not payable.

If any cash or evidence of shares in book-entry form representing MDA common shares remains unclaimed by DigitalGlobe shareowners for 12 months after the effective time, such cash and evidence of shares will be delivered to MDA upon demand. Any holder of shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock who has not previously complied with the exchange procedures in the merger agreement will thereafter look to MDA for the merger consideration (after giving effect to any required tax withholdings), any cash in lieu of fractional MDA common shares, dividends or other distributions such holder has the right to receive pursuant to the terms of the merger agreement. Any amounts remaining unclaimed by DigitalGlobe shareowners for three years after the effective time, will, to the extent permitted by applicable law, become the property of MDA, free and clear of any liens, claims or interest.

If any certificate representing shares of DigitalGlobe common stock and/or DigitalGlobe preferred stock has been lost, stolen or destroyed, then upon the making of an affidavit of that fact by the person claiming such certificate (and, if required by MDA, the posting by such person of a bond in a reasonable amount as indemnity against any claim that may be made against it with respect to such certificate) the exchange agent will pay such holder an amount (after giving effect to any required tax withholdings) equal to the applicable cash consideration, plus any cash in lieu of any fractional MDA common shares, dividends and other distributions such holder has the right to receive pursuant to the terms of the merger agreement and the exchange agent will deliver the number of MDA common shares equal to the applicable stock consideration, in uncertificated book-entry form.

Each of MDA, Holdings, Merger Sub, the surviving corporation and their respective agents (including the exchange agent) will be entitled to deduct and withhold from the amounts otherwise payable under the merger agreement to any holder of shares of DigitalGlobe common stock, shares of DigitalGlobe preferred stock, options, or restricted stock, such amounts as it is required to deduct and withhold by applicable law. To the extent that amounts are so withheld by MDA, Holdings, Merger Sub, the surviving corporation or any of their respective agents (including the exchange agent), as the case may be, such withheld amounts will be treated for all purposes of the merger agreement as having been paid to the holder of such securities provided such amounts are actually remitted to the applicable governmental entity.

No dividends or other distributions declared or made with respect to MDA common shares with a record date after the effective time will be paid to the holder of any certificated or book-entry share representing shares

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of DigitalGlobe common stock and/or DigitalGlobe preferred stock with respect to the MDA common shares that such holder would be entitled to receive upon surrender of such DigitalGlobe certificate, until such holder actually surrenders such certificated or book-entry share in accordance with the terms of the merger agreement. Following the surrender of any such certificated or book-entry share, the holder of MDA common shares issued in exchange therefor will be paid, without interest, (a) promptly after the time of surrender, the amount of cash consideration due pursuant to the terms of the merger agreement and cash payable in lieu of fractional MDA common shares to which such holder is entitled and the amount of dividends and other distributions with a record date and payment date after the effective time but prior to such surrender and (b) at the appropriate payment date, the amount of dividends or other distributions with a record date after the effective time but prior to such surrender and a payment date subsequent to such surrender payable with respect to such MDA common shares.

Treatment of DigitalGlobe Stock Options and Other Equity-Based Awards

Options. At the effective time, each option to purchase DigitalGlobe common stock that has been granted or assumed by DigitalGlobe and is outstanding and unexercised immediately prior to the effective time (which we refer to as a “DigitalGlobe option”), whether vested or unvested, will be cancelled in exchange for the right to receive a combination of cash and a number of MDA common shares (which we refer to as the “Option Consideration”), as described below.

The cash component of the Option Consideration for a DigitalGlobe option will equal the positive difference, if any, between (a) the product of (i) the cash consideration (\$17.50) and (ii) the number of shares of DigitalGlobe common stock subject to the DigitalGlobe option immediately prior to the effective time less (b) the Total Cash Exercise Price (as defined below). The “Total Cash Exercise Price” with respect to a DigitalGlobe option is the product of (i) the aggregate exercise price of the shares of DigitalGlobe common stock subject to the DigitalGlobe option immediately prior to the effective time and (ii) a fraction, the numerator of which is the cash consideration and the denominator of which is the sum of (A) the cash consideration and (B) the Parent Share Consideration Value (as defined below). The “Parent Share Consideration Value” is the product of the stock consideration (0.3132 of an MDA common share) and the Parent Closing Stock Value. The “Parent Closing Stock Value” is the average of the closing sale prices of the MDA common shares on the TSX for the five trading days ending with the trading day immediately before the closing of the merger, converted from Canadian dollars to U.S. dollars using the Bank of Canada’s daily average Canada/U.S. exchange rate for each such trading day.

The MDA share component of the Option Consideration for a DigitalGlobe option will be a number of MDA common shares equal to (a) the positive difference, if any, between (i) the product of (A) the Parent Share Consideration Value and (B) the number of shares of DigitalGlobe common stock subject to the DigitalGlobe option immediately prior to the effective time less (ii) the aggregate exercise price of the shares of DigitalGlobe common stock subject to the DigitalGlobe option immediately prior to the effective time reduced by the Total Cash Exercise Price, divided by (b) the Parent Closing Stock Value. Any fractional share interest will be settled in cash in accordance with the merger agreement, as described in “*The Merger Agreement—Merger Consideration*”.

MDA will pay, or will cause the surviving company to pay, on the effective date of the merger, the Option Consideration for a DigitalGlobe option cancelled pursuant to the merger agreement. Such payments will be subject to all applicable tax withholdings and deductions. If the Option Consideration for a particular DigitalGlobe option is zero or a negative number, such option will be cancelled without payment.

Performance-Based RSUs and Vested RSUs. At the effective time, each outstanding restricted stock unit (which we refer to as an “RSU”) granted by DigitalGlobe and denominated in shares of DigitalGlobe common stock (which we refer to as a “DigitalGlobe RSU”) that is subject to unsatisfied performance conditions for a performance period that includes the date of the closing of the merger (which we refer to as a “DigitalGlobe performance-based RSU”), whether vested or unvested, and each DigitalGlobe RSU that is not a DigitalGlobe

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performance-based RSU and that is vested immediately prior to the effective time, after giving effect to any accelerated vesting in connection with the merger (which we refer to as a “DigitalGlobe vested RSU”), will be cancelled in exchange for the right to receive (a) a cash payment equal to the product of (i) the cash consideration and (ii) the total number of shares of DigitalGlobe common stock subject to such RSU, and (b) a number of MDA common shares equal to the product of (i) the stock consideration and (ii) the total number of shares of DigitalGlobe common stock subject to such RSU. Any fractional share interest will be settled in cash, in accordance with the merger agreement, as described above. MDA will pay, or will cause the surviving company to pay, such consideration on the effective date of the merger. Such payments will be subject to all applicable tax withholdings and deductions.

The number of shares of DigitalGlobe common stock subject to a DigitalGlobe performance-based RSU that, at the effective time, remains subject to one or more unsatisfied performance conditions for a performance period that includes the date on which the effective time occurs will be determined as though such performance conditions were satisfied at the applicable “target” level, except as to any such performance condition based on a relative total stockholder return measure. The number of shares of DigitalGlobe common stock subject to a DigitalGlobe performance-based RSU that, at the effective time, remains subject to an unsatisfied performance condition based on a relative total stockholder return measure for a performance period that includes the date on which the effective time occurs will be determined as though the applicable performance period ended with the trading day immediately preceding the date on which the effective time occurs and using an average of the closing prices for a share of DigitalGlobe common stock for the period of five trading days immediately preceding the date on which the effective time occurs as the value of the DigitalGlobe common stock at the end of such performance period for the purposes of such performance determination.

Unvested Time-Based RSUs. At the effective time, each outstanding DigitalGlobe RSU that is not a DigitalGlobe performance-based RSU and that is not, immediately prior to the effective time and after giving effect to any accelerated vesting in connection with the transaction contemplated by the merger agreement, vested (which we refer to as a “DigitalGlobe unvested time-based RSU”), will be assumed by MDA. Each DigitalGlobe unvested time-based RSU that is assumed by MDA is referred to as a “Converted RSU.” Each Converted RSU will represent the right to receive (a) an amount in cash equal to the product of (i) the cash consideration and (ii) the total number of shares of DigitalGlobe common stock subject to such DigitalGlobe RSU (which we refer to as the “Converted RSU cash consideration”), and (b) a number of MDA common shares equal to the product of (i) the stock consideration and (ii) the total number of shares of DigitalGlobe common stock subject to such DigitalGlobe RSU (which we refer to as the “Converted RSU stock consideration”). Each Converted RSU will be subject to substantially the same terms and conditions as were applicable to such DigitalGlobe RSU immediately before the effective time, except that the Converted RSU will be deemed fully vested upon the effective time as to the Converted RSU cash consideration. MDA will pay, or will cause the surviving company to pay, the Converted RSU cash consideration on the effective date of the merger. Such payments will be subject to all applicable tax withholdings and deductions.

After the effective time, MDA will assume the DigitalGlobe equity plans and the number of MDA common shares available for Converted RSUs under the DigitalGlobe equity plans will be determined by adjusting the number of shares of DigitalGlobe common stock available for such awards under the DigitalGlobe equity plans immediately before the effective time in accordance with the preceding paragraph.

Representations and Warranties

In the merger agreement, DigitalGlobe has made customary representations and warranties regarding, among other topics:

- due organization, valid existence, good standing, corporate or other entity power and authority, organizational documents and ownership of subsidiaries;
- capital structure, including in particular the number of shares of DigitalGlobe common stock, shares of DigitalGlobe preferred stock and DigitalGlobe equity-based awards issued and outstanding;

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- the corporate power and authority to execute, deliver and perform its obligations under the merger agreement and to consummate the transactions contemplated by the merger agreement;
- absence of conflicts with or breaches of its or its subsidiaries' governing documents or contracts or applicable laws as a result of entering into the merger agreement and the consummation of the merger and the other transactions contemplated by the merger agreement;
- consents and approvals required in connection with the execution and delivery of the merger agreement or the completion of the merger and the other transactions contemplated by the merger agreement, including required filings with, and the consents and approvals of, governmental entities or third parties in connection with the transactions contemplated by the merger agreement;
- SEC securities filings (including reports, schedules, forms and other documents) since January 1, 2015, including financial statements contained therein;
- internal controls (including internal controls over financial reporting);
- absence of certain changes since September 30, 2016;
- absence of undisclosed liabilities;
- accuracy of the information supplied for inclusion in this proxy statement/prospectus;
- matters related to employee benefit plans;
- compliance with laws and legal proceedings;
- intellectual property matters;
- regulatory matters, international trade laws and government contracts;
- material contracts;
- tax matters;
- environmental matters;
- DigitalGlobe's assets;
- real property matters;
- insurance matters;
- labor matters;
- affiliate transactions;
- whether DigitalGlobe is an "investment company" or an "investment adviser" under the Investment Company Act of 1940, as amended, or the Investment Advisors Act of 1940, as amended;
- the Investment Canada Act;
- recommendations from the DigitalGlobe board of directors and receipt of opinions of financial advisors;
- brokers' fees in connection with the transactions contemplated by the merger agreement; and
- Competition Act (Canada).

In the merger agreement, MDA, Holdings and Merger Sub made customary representations and warranties with respect to MDA, Holdings and Merger Sub, including, among other topics:

- due organization, valid existence, good standing, corporate or other entity power and authority, organizational documents and ownership of subsidiaries;

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- capital structure, including in particular the number of shares of MDA common shares and equity-based awards issued and outstanding;
- the corporate power and authority to execute, deliver and perform its obligations under the merger agreement and to consummate the transactions contemplated by the merger agreement;
- absence of conflicts with or breaches of its or its subsidiaries' governing documents or contracts or applicable laws as a result of entering into the merger agreement and the consummation of the merger and the other transactions contemplated by the merger agreement;
- consents and approvals required in connection with the execution and delivery of the merger agreement or the completion of the merger and the other transactions contemplated by the merger agreement, including required filings with, and the consents and approvals of, governmental entities or third parties in connection with the transactions contemplated by the merger agreement;
- filings (including reports, schedules, forms and other documents) with the applicable Canadian securities regulatory authorities since January 1, 2015, including financial statements contained therein;
- internal controls (including internal controls over financial reporting);
- absence of certain changes since September 30, 2016;
- absence of undisclosed liabilities;
- accuracy of the information supplied for inclusion in this proxy statement/prospectus and in the management information circular to be provided to MDA shareholders;
- matters related to employee benefit plans;
- compliance with laws and legal proceedings;
- intellectual property matters;
- international trade laws;
- material contracts;
- tax matters;
- environmental matters;
- MDA's assets;
- insurance matters;
- financing of the merger, including the debt commitment letter;
- related party transactions;
- whether MDA is an "investment company" or an "investment adviser" under the Investment Company Act of 1940, as amended, or the Investment Advisors Act of 1940, as amended;
- recommendations from the MDA board of directors;
- brokers' fees in connection with the transactions contemplated by the merger agreement;
- ownership and operations of Merger Sub; and
- the registration of MDA common shares to be issued as stock consideration.

Certain of the representations and warranties in the merger agreement are subject to exceptions or qualifications, including, in certain cases, knowledge qualifications, which means that those representations and warranties would not be deemed untrue or incorrect as a result of matters of which certain executives of the party making the representation did not have actual knowledge after reasonable inquiry, and materiality or material adverse effect qualifications.

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Material Adverse Effect

Certain of the representations and warranties in the merger agreement are subject to materiality or material adverse effect qualifications (that is, they will not be deemed to be untrue or incorrect unless their failure to be true or correct is material or would result in a material adverse effect).

Under the merger agreement, a material adverse effect with respect to any person is generally defined as any fact, circumstance, effect, change, event or development that materially adversely affects the business, assets, liabilities, properties, financial condition or results of operations of such person and its subsidiaries, taken as a whole. No effect (by itself or when aggregated or taken together with any and all other effects), directly or indirectly resulting from, arising out of, attributable to, or related to any of the following will be deemed to be or constitute a material adverse effect, and no effect (by itself or when aggregated or taken together with any and all other such effects) directly or indirectly, resulting from, arising out of, attributable to, or related to any of the following shall be taken into account when determining whether a material adverse effect has occurred or may, would or could occur (except the effect of the changes described in the first, second, third, fourth, fifth and eighth bullets below will not be excluded to the extent they disproportionately adversely affect such person and its subsidiaries, taken as whole, as compared to other persons that conduct business in the countries and regions in the world and in the industries in which such person and its subsidiaries conduct business):

- general economic conditions (or changes in such conditions) in the United States, Canada or any other country or region in the world, or conditions in the global economy generally;
- conditions (or changes in such conditions) in the securities markets, credit markets, currency markets or other financial markets in the United States, Canada or any other country or region in the world, including (a) changes in interest rates in the United States, Canada or any other country or region in the world and changes in exchange rates for the currencies of any countries and (b) any suspension of trading in securities (whether equity, debt, derivative or hybrid securities) generally on any securities exchange or over-the-counter market operating in the United States, Canada or any other country or region in the world;
- conditions (or changes in such conditions) in the industries in which such person and its subsidiaries conduct business;
- political conditions (or changes in such conditions) in the United States, Canada or any other country or region in the world or acts of war, sabotage or terrorism (including any escalation or general worsening of any such acts of war, sabotage or terrorism) in the United States, Canada or any other country or region in the world;
- earthquakes, hurricanes, tsunamis, tornadoes, floods, mudslides, wild fires or other natural disasters, or weather conditions in the United States, Canada or any other country or region in the world;
- the announcement of the merger agreement or the pendency or consummation of the transactions contemplated hereby;
- any actions taken or failure to take action, in each case, to which MDA or DigitalGlobe has requested; or compliance with the terms of, or the taking of any action expressly permitted or required by, the merger agreement; or the failure to take any action prohibited by the merger agreement;
- changes in the law or other legal or regulatory conditions, or the interpretation thereof, or changes in U.S. GAAP, IFRS or other accounting standards (or the interpretation thereof), or that result from any action taken for the purpose of complying with any of the foregoing;
- any changes in stock price or the trading volume or any failure to meet any public estimates or expectations of revenue, earnings or other financial performance or results of operations for any period, or any failure to meet any internal budgets, plans or forecasts of revenues, earnings or other financial performance or results of operations (it being understood that the facts or occurrences giving rise to or contributing to such changes or failures may constitute, or be taken into account in determining whether there has been or will be, a material adverse effect); or

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- any legal proceedings made or brought by any of the current or former stockholders on their own behalf or on behalf of such person against DigitalGlobe, MDA, Holdings, Merger Sub or any of their directors or officers, arising out of the merger or in connection with any other transactions contemplated by the merger agreement.

A “material adverse effect” also includes any fact, circumstance, effect, change, event or development that materially adversely affects the ability of such person and its subsidiaries to consummate the transactions contemplated by the merger agreement.

The representations and warranties contained in the merger agreement, or in any instrument delivered pursuant thereto and any rights arising out of any breach of such representations and warranties will not survive the effective time.

Covenants Regarding Conduct of Business by DigitalGlobe Pending the Merger

Except as required or permitted by the merger agreement, required by applicable law, or consented to in writing by MDA (which consent may not be unreasonably withheld, conditioned or delayed), from the date of the merger agreement until the earlier of the effective time or the termination of the merger agreement with certain exceptions, DigitalGlobe has agreed to, and to cause each of its subsidiaries to:

- conduct its business in all material respects in the ordinary course of business consistent with past practice; and
- use its reasonable best efforts to preserve intact its business organization and goodwill and the business organization and goodwill of its subsidiaries, to maintain its rights, franchises, licenses and other authorizations issued by governmental entities, to keep available the services of current officers and employees and preserve and maintain existing relations with customers, suppliers, officers, employees and creditors of DigitalGlobe and its subsidiaries.

In addition, except as required or permitted by the merger agreement, required by applicable law, or consented to in writing by MDA (which consent may not be unreasonably withheld, conditioned or delayed), from the date of the merger agreement until the earlier of the effective time or the termination of the merger agreement with certain exceptions, DigitalGlobe has agreed not to, and to cause each of its subsidiaries not to:

- subject to certain exceptions, directly or indirectly, incur or commit to any capital expenditures, other than capital expenditures and obligations or liabilities incurred or committed to in an amount not materially greater in the aggregate than, and during the same calendar quarter set forth in, 110% of DigitalGlobe’s current capital budget, as provided in the merger agreement;
- amend its certificate of incorporation or bylaws or similar organizational documents;
- declare, set aside or pay any dividend or other distribution, whether payable in cash, stock or any other property or right, with respect to its capital stock, other than dividends and distributions by a direct or indirect subsidiary to DigitalGlobe or another subsidiary (such dividends to be made, in proportion to the ownership thereof and consistent with past practice in the case of a distribution by a less than wholly owned direct or indirect subsidiary) and other than dividends provided for in the DigitalGlobe certificate of designation and paid by DigitalGlobe consistent with past practice;
- adjust, split, combine, consolidate, subdivide or reclassify any of its capital stock, other equity interests or voting securities or securities convertible into or exchangeable or exercisable for capital stock or other equity interests or voting securities or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for its capital stock, other equity interests or voting securities;
- repurchase, redeem or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any capital stock or voting securities of, or equity interests in, DigitalGlobe or any of its subsidiaries or any

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securities of DigitalGlobe or any of its subsidiaries convertible into or exchangeable or exercisable for capital stock or voting securities of, or equity interests in, DigitalGlobe or any of its subsidiaries, or any warrants, calls, options or other rights to acquire any such capital stock, securities or interests, other than (a) the withholding or acquisition of shares of DigitalGlobe common stock to satisfy tax obligations or any applicable exercise or purchase price with respect to awards granted pursuant to the DigitalGlobe equity plans or (b) the acquisition by DigitalGlobe of awards granted pursuant to the DigitalGlobe equity plans in connection with the termination or forfeiture of such awards in accordance with the terms of such awards;

- issue, deliver, sell, grant, pledge or otherwise encumber or subject to any lien (a) any shares of capital stock of DigitalGlobe or any of its subsidiaries (other than shares of DigitalGlobe common stock issued upon conversion of DigitalGlobe preferred stock in accordance with the terms of the DigitalGlobe certificate of designation), (b) any other equity interests or voting securities of DigitalGlobe or any of its subsidiaries, (c) any securities convertible into or exchangeable or exercisable for capital stock or voting securities of, or other equity interests in, DigitalGlobe or any of its subsidiaries, (d) any warrants, calls, options or other rights to acquire any capital stock or voting securities of, or other equity interests in, DigitalGlobe or any of its subsidiaries, any rights issued by DigitalGlobe or any of its subsidiaries that are linked in any way to the price of any class of DigitalGlobe capital stock or any shares of capital stock of any DigitalGlobe subsidiary, the value of DigitalGlobe, any DigitalGlobe subsidiary or any part of DigitalGlobe or any DigitalGlobe subsidiary or any dividends or other distributions declared or paid on any shares of capital stock of DigitalGlobe or any of its subsidiaries or (e) any debentures, bonds, notes or other indebtedness of DigitalGlobe having the right to vote (or convertible into, or exchangeable for, securities having the right to vote), in each case other than the issuance of shares of DigitalGlobe common stock upon the exercise of DigitalGlobe options and the payment of DigitalGlobe restricted stock units outstanding on the date of the merger agreement and in accordance with their terms and any grants, pledges, encumbrances or liens with respect to DigitalGlobe's existing credit facility;
- do any of the following other than, in each case, in the ordinary course of business consistent with past practice, as required to comply with applicable law, as contemplated, permitted or required by the merger agreement, or as required by the existing terms of any DigitalGlobe benefit plan: (a) grant any increase in the compensation or benefits payable or to become payable by DigitalGlobe or any of its subsidiaries to any former or current director or executive officer of DigitalGlobe or any of its subsidiaries, (b) grant any increase in the compensation or benefits payable or to become payable by DigitalGlobe or any of its subsidiaries to any former or current non-executive officer or employee of DigitalGlobe or any of its subsidiaries, (c) grant any additional rights to severance or termination pay to, or enter into any severance agreement with, any former or current director, officer or employee of DigitalGlobe or any of its subsidiaries, (d) establish, adopt, enter into, amend or terminate any bonus, profit sharing, thrift, pension, retirement, deferred compensation, employment, termination or severance plan, agreement, trust, fund, policy or other benefit arrangement as to any such former or current director, officer or employee of DigitalGlobe or any of its subsidiaries, or (e) accelerate the vesting or payment of compensation or benefits under any DigitalGlobe benefit plan. However, the foregoing restrictions in this bullet shall not restrict DigitalGlobe or any of its subsidiaries from entering into or making available to newly hired employees or to other employees (in the context of promotions based on job performance or workplace requirements, in each case in the ordinary course of business) plans, agreements, benefits and compensation arrangements (including incentive grants) that have a value that is consistent with the past practice of making compensation and benefits available to newly hired or promoted employees in similar positions;
- make any material change to its methods of accounting, except in accordance with changes in U.S. GAAP as concurred to by DigitalGlobe's independent auditors;
- acquire by merging or consolidating with, by purchasing an equity interest in or a material portion of the business of, or by any other manner, any person or other business organization (other than any

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wholly owned subsidiary of DigitalGlobe), division or business of such person or any assets if the aggregate amount of the consideration paid or transferred by DigitalGlobe and its subsidiaries in connection with such transaction and all other such transactions after the date of the merger agreement would exceed, individually or in the aggregate, \$10 million or if such transaction would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the consummation of the merger or any of the other transactions contemplated by the merger agreement;

- sell, lease, license (except in the ordinary course of business), mortgage, sell and leaseback, exchange, transfer, pledge, hypothecate, grant any security interest in, or otherwise subject to any other lien (other than certain permitted liens) or otherwise dispose of, or agree to do any of the foregoing with respect to, any of DigitalGlobe's assets or any interests therein that individually have a fair market value in excess of \$10 million, in the aggregate have a fair market value in excess of \$25 million, or are otherwise material, individually or in the aggregate, to DigitalGlobe;
- incur any indebtedness, except for (a) indebtedness incurred in the ordinary course of business pursuant to existing letters of credit or DigitalGlobe's existing credit facility not to exceed \$25 million in the aggregate, (b) indebtedness in replacement of existing indebtedness, (c) guarantees by DigitalGlobe of existing indebtedness of any of its wholly-owned subsidiaries, (d) letters of credit regarding performance bonds, refund bonds or bid bonds or (e) intercompany debt;
- make any loans, advances or capital contributions to, or investments in, any other person (other than to wholly-owned subsidiaries of DigitalGlobe, or by such subsidiaries to DigitalGlobe or other subsidiaries wholly owned by DigitalGlobe) exceeding \$10 million in the aggregate;
- except in the ordinary course of business and except as set forth in the following bullet, pay, discharge or satisfy any material claims (including claims of stockholders), liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise) where such payment, discharge or satisfaction would require any material payment except for the payment, discharge or satisfaction of liabilities or obligations in accordance with the terms of DigitalGlobe's benefit plans and material contracts made available to MDA as in effect on the date of the merger agreement or the repayment of intercompany debt;
- compromise, settle, grant any waiver or release relating to any litigation, other than settlements or compromises of litigation where the aggregate amount paid or to be paid does not exceed \$2.5 million for any individual claim or series of related claims, or \$10 million in the aggregate for all claims;
- engage in any transaction (except (a) pursuant to agreements in effect at the time of the merger agreement and disclosed in DigitalGlobe's disclosure letter and (b) as otherwise permitted by certain terms of the merger agreement), or enter into or materially amend any agreement, arrangement, or understanding, directly or indirectly, with any of DigitalGlobe's affiliates;
- adopt or change any material method of tax accounting;
- make or change any material tax election, except as consistent with past practice;
- make a material amendment to any tax return;
- surrender any right to claim a material refund or offset of any taxes;
- make a request for a material tax ruling, enter into a closing agreement with respect to or settle or compromise any material tax liability;
- adopt or enter into a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of DigitalGlobe or any of its subsidiaries (other than the merger) or any agreement relating to an acquisition proposal with respect to DigitalGlobe, except as otherwise provided for in the no solicitation covenants described in the section entitled "*The Merger Agreement—No Solicitation*" below;

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- enter into or amend any contract, if such contract or amendment would reasonably be expected to prevent, materially impede, or materially delay the consummation of the merger;
- enter into or amend any material contract that would materially restrain, limit or impede DigitalGlobe's or any of its subsidiaries' ability to compete with or conduct any business or line of business, including geographic limitations on DigitalGlobe's or any of its subsidiaries' activities;
- (a) terminate or cancel any material contract (other than the non-renewal of existing material contract and other than the termination or cancellation of material contracts in the ordinary course of business) or (b) enter into or amend any contract that, if entered into on the date of the merger agreement, would have been a material contract, unless in the case of this clause (b), (i) such contract is entered into in the ordinary course of business, consistent with past practice and (ii) such contract, or in the case of an amendment, such amendment, does not require DigitalGlobe or any of its subsidiaries to make payments in excess of \$20 million over the term of such contract;
- except in the ordinary course of DigitalGlobe's or its subsidiaries' business consistent with past practice, (a) grant, agree to grant to any person, or dispose of or permit to lapse any rights to any material intellectual property, or disclose or agree to disclose to any person, other than representatives of MDA, any material trade secret, or (b) compromise, settle or agree to settle, or consent to judgment in, any one or more actions or institute any action concerning any material intellectual property;
- enter into an agreement, contract, commitment or arrangement to do any of the foregoing; or
- take any action which would cause MDA to be treated as a domestic corporation for U.S. federal income tax purposes pursuant to Section 7874(b) of the Code after the consummation of the merger as a result of the merger.

Covenants Regarding Conduct of Business by MDA, Holdings and Merger Sub Pending the Merger

Except as required or permitted by the merger agreement, required by applicable law, or consented to in writing by DigitalGlobe (which consent may not be unreasonably withheld, delayed or conditioned), from the date of the merger agreement until the earlier of the effective time or the termination of the merger agreement with certain exceptions, MDA has agreed to, and to cause each of its subsidiaries to:

- conduct its business in all material respects in the ordinary course consistent with past practice;
- use reasonable best efforts to preserve intact its business organization and goodwill and business organization and goodwill of its subsidiaries and maintain its rights, franchises, licenses and other authorizations issued by governmental entities, to keep available the services of their current officers and employees and preserve and maintain existing relations with customers, suppliers, officers, employees and creditors of MDA and its subsidiaries; and
- use reasonable best efforts to continue to, in consultation with the Government of Canada and its key stakeholders, execute its United States access strategy, which will include further restructuring of all or part of MDA's corporate and operating structure so that the ultimate parent of DigitalGlobe and Holdings is incorporated in the United States by the end of 2019, subject to customary approvals.

In addition, except as required or permitted by the merger agreement, required by applicable law, or consented to in writing by DigitalGlobe (which consent may not be unreasonably withheld, delayed or conditioned), from the date of the merger agreement until the earlier of the effective time or the termination of the merger agreement with certain exceptions, MDA and Holdings have agreed not to, and to cause each of their subsidiaries not to:

- amend MDA's notice of articles or MDA's articles or adopt any material change in comparable similar organizational documents of the subsidiaries of MDA that would adversely affect the consummation of the merger or the other transactions contemplated by the merger agreement;

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- declare, set aside or pay any dividend or other distribution, whether payable in cash, stock or any other property or right, with respect to its capital stock, other than the payment by MDA of quarterly cash dividends on MDA common shares consistent with past practice at a rate not to exceed a quarterly rate of CAD \$0.37 per share and dividends and other than distributions by a direct or indirect subsidiary to MDA or another subsidiary;
- adjust, split, combine, consolidate, subdivide or reclassify any of its capital stock, other equity interests or voting securities or securities convertible into or exchangeable or exercisable for capital stock or other equity interests or voting securities or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for its capital stock, other equity interests or voting securities;
- repurchase, redeem or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any capital stock or voting securities of, or equity interests in, MDA or any of its subsidiaries or any securities of MDA or any of its subsidiaries convertible into or exchangeable or exercisable for capital stock or voting securities of, or equity interests in, MDA or any of its subsidiaries, or any warrants, calls, options or other rights to acquire any such capital stock, securities or interests, other than (a) the withholding of shares of MDA common shares to satisfy tax obligations with respect to awards granted pursuant to MDA's equity plans, (b) the acquisition by MDA of awards granted pursuant to MDA's equity plans in connection with the termination or forfeiture of such awards or (c) the acquisition, redemption or repurchase or cash settlement by MDA or any MDA subsidiary of its obligations under any awards granted pursuant to MDA's equity plans;
- issue, deliver, sell, grant, pledge or otherwise encumber or subject to any lien (a) any shares of capital stock of MDA or any of its subsidiaries, (b) any other equity interests or voting securities of MDA or any of its subsidiaries, (c) any securities convertible into or exchangeable or exercisable for capital stock or voting securities of, or other equity interests in, MDA or any of its subsidiaries, (d) any warrants, calls, options or other rights to acquire any capital stock or voting securities of, or other equity interests in, MDA or any of its subsidiaries or (e) any debentures, bonds, notes or other indebtedness of MDA having the right to vote (or convertible into, or exchangeable for, securities having the right to vote), in each case other than (i) the issuance of shares of MDA common shares in connection with the conversion or vesting of MDA equity awards outstanding as of the date of the merger agreement or MDA equity awards issued after the date of the merger agreement in the ordinary course of business consistent with past practice, or the issuance of MDA equity awards in the ordinary course of business consistent with past practice pursuant to any MDA equity plans sponsored or maintained by MDA, (ii) the issuance by a wholly owned subsidiary of MDA of such subsidiary's capital stock or other equity interests to MDA or any other wholly owned subsidiary of MDA; (iii) any grants, pledges, encumbrances or liens with respect to MDA's existing credit facility or the MDA Note Purchase Agreement, (iv) sales of MDA common shares in a public offering for cash consideration if the number of shares of MDA common shares so issued does not exceed in the aggregate 10% of the issued and outstanding MDA common shares as of the date of the merger agreement, (v) issuances of MDA common shares as consideration in an acquisition, by merger or otherwise, of assets or any person, subject to compliance with certain other terms of the merger agreement, and (vi) issuances of MDA common shares for cash consideration in connection with (A) the repayment of any indebtedness of DigitalGlobe and its subsidiaries or (B) any financing in connection with the consummation of the transactions contemplated by the merger agreement;
- make any material change to its methods of accounting, except in accordance with changes in IFRS as concurred to by MDA's independent auditors;
- adopt or enter into a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of MDA or Holdings (other than the merger and other than as required or permitted by MDA's interim covenant to execute its United States access strategy, which will include further restructuring of all or part of MDA's corporate and operating structure so that the ultimate parent of DigitalGlobe and Holdings is incorporated in the United States by the end of 2019, subject to customary approvals);

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- except as would not or would not reasonably be expected to prevent, materially impede or materially delay the consummation of the merger, adopt or enter into a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization with respect to any subsidiary of MDA (other than the merger);
- except as would not or would not reasonably be expected to prevent, materially impede or delay the consummation of the merger, acquire by merger or otherwise, any assets or securities of any person (other than another wholly owned subsidiary of MDA or Holdings) or any portion of the business or property of any entity or merge, consolidate or enter into any other business combination transaction with any person (other than another wholly owned subsidiary of MDA or Holdings);
- enter into an agreement, contract, commitment or arrangement to do any of the foregoing; and
- take any action which would cause MDA to be treated as a domestic corporation for U.S. federal income tax purposes pursuant to Section 7874(b) of the Code after the consummation of the merger as a result of the merger.

No Solicitation

DigitalGlobe and MDA have agreed to, and to cause each of their respective subsidiaries to, use their reasonable best efforts to cause their respective directors, officers, employees, accountants, auditors, consultants, legal counsel, advisors (including financial advisors), agents and other representatives, which we refer to collectively as “representatives,” to:

- immediately cease and cause to be terminated any solicitation, encouragement, discussion or negotiation with any person (other than the parties to the merger agreement) in connection with any actual or potential acquisition proposal that exists as of the date of the merger agreement; and
- promptly request and use their commercially reasonable efforts to obtain (it being understood that such efforts shall not require DigitalGlobe to engage in litigation), pursuant to its contract rights, the return or destruction of confidential information previously furnished to any third person with whom discussions or negotiations have been terminated on, prior to or subsequent to the date of the merger agreement.

DigitalGlobe and MDA have agreed not to, and to cause their subsidiaries not to, and to use their reasonable best efforts to cause their respective representatives not to:

- initiate, solicit, knowingly facilitate or knowingly encourage (including by furnishing or providing information) any inquiries, proposals or offers with respect to, or the making of, any proposal or offer that constitutes, or could reasonably be expected to lead to, an acquisition proposal;
- enter into, participate or engage in, or continue, any discussions or negotiations with respect to any acquisition proposal, or any inquiry or indication of interest that could reasonably be expected to lead to an acquisition proposal;
- furnish or provide any non-public information regarding DigitalGlobe or its subsidiaries, or MDA or its subsidiaries, as applicable, or provide access to its properties, assets or employees in response to any acquisition proposal, or any inquiry or indication of interest that could reasonably be expected to lead to an acquisition proposal;
- approve or recommend to its shareholders or shareowners, as applicable, any acquisition proposal; and
- execute or enter into, any letter of intent, agreement in principle or any other contract contemplating or otherwise relating to an acquisition proposal (except an acceptable confidentiality agreement as provided for in the merger agreement).

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Notwithstanding the foregoing, prior to the approval and adoption of the merger agreement by the DigitalGlobe shareowners, in the case of DigitalGlobe, or prior to the time the MDA shareholders approve the issuance of the MDA common shares in connection with the merger agreement, in the case of MDA, if either of MDA or DigitalGlobe, any of their respective subsidiaries or any of such person's representatives receives a bona fide written acquisition proposal that did not result from a material violation of the foregoing restrictions and such party's board of directors has determined in good faith, after consultation with its outside legal counsel and independent financial advisors, that such acquisition proposal is, or could reasonably be expected to lead to a superior proposal, and after consultation with its outside counsel, such party's board of directors has determined in good faith that the failure to take such action would be inconsistent with its fiduciary duties under applicable law, then such party may:

- enter into, participate or engage in discussion or negotiations with the person making such acquisition proposal; and
- furnish or provide non-public information regarding such party or its subsidiaries or provide access to its properties, assets or employees to the person making such acquisition proposal.

Prior to any party providing any non-public information to such person, such party will have entered into an acceptable confidentiality agreement with such person, which agreement may not contain provisions that prevent such party from complying with its no solicitation covenants under the merger agreement. In addition, such party will substantially concurrently provide to the other party any information concerning such party or its subsidiaries provided to any other person in connection with an acquisition proposal that was not previously provided or made available to the other party.

Each of MDA and DigitalGlobe, as applicable, will advise the other party in writing within 24 hours of the receipt of (a) any acquisition proposal and (b) any request for material non-public information relating to such party or any of its subsidiaries, and any inquiry or request for discussions or negotiations with such party or any of its representatives, in each case relating to an acquisition proposal or which could reasonably be expected to lead to an acquisition proposal. In addition, each of MDA and DigitalGlobe, as applicable, must provide the other party, within such 24 hour time period, the identity of each person that makes an acquisition proposal or request and a copy of any such acquisition proposal or request. Each of MDA and DigitalGlobe, as applicable, is also required to keep the other party informed on a reasonably prompt basis of the status of any such acquisition proposal or request (including the identity of the third party, the price involved and any material change to the material terms and conditions thereof), and provide the other party as promptly as reasonably practicable (and in any event within 24 hours), copies of all correspondence and other written material sent to or received from the third parties in connection with such acquisition proposal or request. For purposes of this paragraph only, the term "acquisition proposal" with respect to MDA will be changed such that all references to 20% will be changed to 50%.

For purposes of this proxy statement/prospectus, "acquisition proposal" means, with respect to either MDA or DigitalGlobe, any contract, proposal, offer or indication of interest relating to any transaction or series of related transactions involving (a) any merger, amalgamation, share exchange, recapitalization, consolidation, liquidation or dissolution involving such party the business of which constitutes 20% or more of such party's consolidated net revenue or earnings before interest, taxes, depreciation and amortization for the preceding twelve months; (b) any direct or indirect acquisition (by asset purchase, stock purchase, merger, or otherwise) by any person or "group" (as defined under Section 13(d) of the U.S. Exchange Act) of any business or assets of such party or any of its subsidiaries (including capital stock of or ownership interest in any subsidiary) that generated 20% or more of such party's consolidated net revenue or earnings before interest, taxes, depreciation and amortization for the preceding twelve months, or any license, lease or long-term supply agreement having a similar economic effect; or (c) any direct or indirect acquisition of beneficial ownership (as defined under Section 13(d) of the U.S. Exchange Act) by any person or "group" of 20% or more of the voting stock of such party or any tender or exchange offer that, if consummated, would result in any person or group beneficially owning 20% or more of the voting stock of such party; provided, however, in the case of MDA only, that a

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proposal to issue up to 40% of the outstanding MDA common shares as of the date of such proposal as consideration in an acquisition, by merger or otherwise, of assets or any person, will not be deemed to be an acquisition proposal with respect to MDA.

For the purposes of this proxy statement/prospectus, “superior proposal” means, with respect to either MDA or DigitalGlobe, an unsolicited, bona fide written offer by any person or “group” to acquire, directly or indirectly, substantially all of the businesses or assets of such party, or a majority of such party’s common shares or common stock, as applicable, in each case whether by way of merger, amalgamation, share exchange, tender offer, exchange offer, recapitalization, consolidation, sale of assets or otherwise, that, such party’s board of directors determines, in good faith, after taking into account relevant legal, financial, regulatory, estimated timing of consummation and other aspects of such proposal and the person or group making such proposal, would, if consummated in accordance with its terms, result in a transaction more favorable, from a financial point of view, to such party’s shareowners or shareholders, as applicable, than the merger.

Board Recommendation

Prior to the approval and adoption of the merger agreement by the DigitalGlobe shareowners, in the case of DigitalGlobe, or prior to the time the MDA shareholders approve the issuance of the MDA common shares in connection with the merger agreement, in the case of MDA, each party’s board of directors, in the case of an acquisition proposal, may make a change in recommendation or, in the case of DigitalGlobe only, terminate the merger agreement if it determines in good faith, after consultation with its outside legal counsel and independent financial advisors, that such acquisition proposal constitutes a superior proposal and the failure of such party’s board of directors to take such action would be inconsistent with the directors’ fiduciary duties under applicable law. However, each party’s board of directors may not make such change in recommendation or, in the case of DigitalGlobe only, terminate the merger agreement unless prior to taking such action:

- such party has given the other party written notice, which notice will (a) include a copy of the proposed transaction agreements, (b) specify the material terms and conditions of the superior proposal not reflected by such agreements (including the identity of the person making the superior proposal), and (c) inform the other party that it intends to make a change in recommendation at the end of the period described in the bullet below;
- for at least four business days after receipt of such notice referred to in the bullet immediately above, such party has negotiated and used its reasonable best efforts to cause its representatives to negotiate, in good faith with the other party (to the extent the other party wishes to negotiate) with respect to any revisions of the terms of the merger agreement proposed by the other party; and
- at the end of the period referred to in the bullet immediately above, such party’s board of directors has determined in good faith, after consultation with its outside legal counsel and independent financial advisors that such acquisition proposal remains a superior proposal and that the failure to take such action would be inconsistent with the directors’ fiduciary duties under applicable law, after taking into account any proposed binding changes to the terms and conditions of the merger agreement proposed by the other party.

In the event of any amendment to the financial terms or other material terms of an acquisition proposal, the party that received the acquisition proposal will be required to deliver a new written notice to the other party and to comply with the requirements of merger agreement with respect to such new written notice.

In addition, prior to the approval and adoption of the merger agreement by the DigitalGlobe shareowners, in the case of DigitalGlobe, or prior to the time the MDA shareholders approve the issuance of the MDA common shares in connection with the merger agreement, in the case of MDA, each party’s board of directors, in the absence of an acquisition proposal and solely in response to an intervening event, may make a change in recommendation if it determines in good faith, after consultation with its outside legal counsel and independent financial advisors, that the failure of such party’s board of directors to take such action in response to such

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intervening event would be inconsistent with the directors' fiduciary duties under applicable law. However, each party's board of directors may not make such change in recommendation unless prior to taking such action:

- such party's board of directors has given the other party written notice, which notice will include a detailed description of the intervening event and inform the other party that such party intends make a change in recommendation at the end of the period described in the bullet below;
- for at least four business days after receipt of such notice referred to in the bullet immediately above, such party has negotiated and used its reasonable best efforts to cause its representatives to negotiate, in good faith with the other party (to the extent the other party wishes to negotiate) with respect to any revisions to the terms of the merger agreement proposed by such party; and
- at the end of the period referred to in the bullet immediately above, such party's board of directors has considered in good faith any changes to the merger agreement proposed in writing by the other party and has determined in good faith, after consultation with its outside legal counsel and independent financial advisors, that notwithstanding such proposed changes, the failure to take such action in response to an intervening event would be inconsistent with the directors' fiduciary duties under applicable law.

Nothing in the merger agreement prohibits DigitalGlobe or MDA or their respective boards of directors from complying with, in the case of DigitalGlobe, Rule 14e-2(a) and Rule 14d-9 promulgated under the U.S. Exchange Act or, in the case of MDA, National Instrument 62-104 – Take-Over Bids and Issuer Bids of the Canadian securities regulatory authorities; provided, however, that each party will not, except as expressly permitted by the merger agreement, make a change in recommendation in any disclosure document or communication filed or publicly issued or made in conjunction with the compliance with such requirements.

For purposes of this proxy statement/prospectus, an "intervening event" means, with respect to either MDA or DigitalGlobe, any material event, development or circumstance that was not known to such parties board of directors on the date of the merger agreement (or if known, the consequences of which were not known or reasonably foreseeable by the board of directors on the date of the merger agreement), which event or circumstance, or any material consequences thereof, becomes known to such parties board of directors prior to obtaining the requisite shareowner or shareholder approval, as applicable; provided, however, that in no event will the receipt, existence or terms of an acquisition proposal or any matter relating thereto or consequence thereof constitute an intervening event.

For purposes of this proxy statement/prospectus, a "change in recommendation" means, with respect to either MDA or DigitalGlobe:

- any failure to make, or any change, qualification, withholding, withdrawal or modification, in a manner adverse to the other party, of such party's board of directors' recommendation that (a) in the case of MDA, the MDA shareholders vote in favor of the issuance of the MDA common shares in connection with the merger agreement or (b) in the case of DigitalGlobe, the DigitalGlobe shareowners vote in favor of approving the merger agreement;
- a failure to recommend against acceptance of any tender offer or exchange offer for the shares of such party's common stock or common shares, as applicable, within 10 business days after commencement of any such offer;
- adopting, approving or recommending or publicly proposing to approve or recommend an acquisition proposal or any letter of intent, agreement in principal, acquisition agreement or similar contract relating to an acquisition proposal; or
- resolving to take any of the actions described above.

DigitalGlobe Financing Cooperation

Prior to the closing of the merger, DigitalGlobe will, and will cause each of its affiliates and representatives to use reasonable best efforts to provide all cooperation reasonably requested by MDA that is customary in

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connection with the arrangement of any debt financing for transactions that are substantially similar to the transactions contemplated by the merger agreement, which reasonable best efforts will include:

- providing the debt commitment parties the information with respect to the business, operations and financial condition of DigitalGlobe or its subsidiaries and certain specified financial statements of DigitalGlobe and its subsidiaries required to be furnished to such parties by the terms of the merger agreement;
- participating in a reasonable number of meetings, drafting sessions, road shows, rating agency presentations and due diligence sessions and sessions with rating agencies at times and locations mutually agreed upon and reasonably coordinated in advance of such event;
- assisting upon request in the preparation of, and providing information to assist MDA in preparing, pro forma financial statements and financial projections;
- furnishing to MDA for distribution to the debt commitment parties, as promptly as practicable following such request, pertinent information regarding DigitalGlobe's assets and operations as is customary in connection with the debt financing of the amounts set forth in the debt commitment letters, including an offering of senior notes as contemplated by the debt commitment letters (the "debt financing"), including providing, as promptly as practicable following such request, monthly financial and operating data relating to DigitalGlobe's assets and operations that is reasonably requested by MDA;
- assisting MDA and the debt commitment parties, upon request, in the preparation of (a) a customary offering document for any of the debt financing" (including assistance with preparation of a customary offering document for a senior notes offering); (b) materials for rating agency presentations and (c) similar documents required in connection with the debt financing;
- taking all corporate actions, subject to the closing of the merger, reasonably requested by MDA to permit the consummation of the debt financing and to permit such proceeds to be made available to MDA;
- facilitating and assisting the appropriate authorized representatives of DigitalGlobe on and as of the closing date to execute and deliver any pledge and security documents, definitive financing documents or other certificates or documents as may be reasonably requested by MDA or otherwise facilitating the pledging of collateral for delivery at the consummation of the debt financing on and as of the closing of the merger; *provided* that the effectiveness of any such pledges (or delivery of stock certificates) or documents will be subject to the occurrence of the closing of the merger;
- providing, if requested by MDA, customary authorization letters to the debt commitment parties authorizing the distribution of information to prospective lenders;
- cooperating reasonably with the debt commitment parties' due diligence, to the extent customary and reasonable;
- obtaining accountant's comfort letters reasonably requested by MDA and customary for financings similar to the debt financing;
- obtaining customary payoff letters, lien terminations and releases and instruments of discharge to be provided at the closing of the merger providing for the payoff, discharge and termination on the closing date of all indebtedness and release of liens contemplated by the repayment or refinancing of such indebtedness to be paid off, discharged and terminated on the closing date; and
- providing at least five business days prior to the closing of the merger, all documentation and other information about DigitalGlobe and each of its subsidiaries as is reasonably requested in writing by MDA which relates to applicable "know your customer" and anti-money laundering rules and regulations including without limitation the USA PATRIOT Act to the extent requested at least nine business days prior to the closing of the merger (or at such times as will reasonably allow DigitalGlobe to comply with such request).

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Notwithstanding the foregoing, nothing in the merger agreement will require any such cooperation to the extent that it would:

- unreasonably interfere with the business or operations, or conflict with applicable law or the organizational documents, of DigitalGlobe or its subsidiaries;
- require a person that is a director of DigitalGlobe or its subsidiaries at any time prior to the closing date to take any action to approve the debt financing in their capacity as a pre-closing director;
- make effective prior to the closing date any written agreement of DigitalGlobe or its subsidiaries or any of their affiliates or representatives with respect to the debt financing (other than with respect to certain authorization letters described in the merger agreement);
- require DigitalGlobe or any of its subsidiaries or their respective affiliates, officers, directors, employees, shareowners and representatives to pay any commitment or other similar fee; or
- require DigitalGlobe or any of its subsidiaries or their respective affiliates, officers, directors, employees, shareowners and representatives to incur any cost or expense, except to the extent such cost or expense (a) is reimbursed by MDA in connection with the debt financing prior to or at the closing of the merger or (b) solely in the case of DigitalGlobe and its subsidiaries, is contingent upon the closing of the merger.

In determining whether the closing condition requiring DigitalGlobe to perform in all material respects its obligations under the merger agreement has been satisfied, DigitalGlobe's obligations with respect to financing cooperation will be satisfied unless the failure of such condition to be satisfied was caused by the willful and material breach by DigitalGlobe of its obligations stated above.

Financing

MDA is required to use reasonable best efforts to obtain and effectuate the debt financing on a timely basis on the terms and conditions described in the debt commitment letter. MDA will give DigitalGlobe reasonably prompt notice upon having knowledge of any breach by any party to the debt commitment letter or any termination of the debt commitment letter.

In the event any portion of the debt financing becomes unavailable on the terms and conditions contemplated in the debt commitment letter, MDA must promptly notify DigitalGlobe and use reasonable best efforts to arrange to obtain alternative financing from alternative sources in an amount sufficient to consummate the transactions contemplated by the merger agreement upon the terms set forth in the merger agreement, the debt commitment letter and otherwise on terms no less favorable to MDA than the terms and conditions set forth in the debt commitment letter.

MDA's United States Access Strategy

Upon consummation of the merger, MDA and its subsidiaries are required to use their reasonable best efforts to continue to, in consultation with the Government of Canada and its key stakeholders, execute MDA's United States access strategy. This will include further restructuring of all or part of MDA's corporate and operating structure so that the ultimate parent of DigitalGlobe and Holdings is incorporated in the United States by the end of 2019, subject to customary approvals.

Shareholder Meetings

The merger agreement requires DigitalGlobe, in accordance with its certificate of incorporation and bylaws, to promptly and duly call, give notice of, convene and hold, a meeting of DigitalGlobe shareowners as soon as practicable, (and in no event more than 45 days) after this proxy statement/prospectus is declared effective by the

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SEC for the purposes of voting upon the approval and adoption of the merger agreement. The merger agreement also requires DigitalGlobe to: (a) recommend approval and adoption of the merger agreement by the DigitalGlobe shareowners and include in the proxy statement such recommendation and (b) use its reasonable best efforts to solicit and obtain such approval and adoption.

The merger agreement requires MDA to prepare and, concurrently with the mailing of the proxy statement to the DigitalGlobe shareowners, (a) file with the Canadian securities regulatory authorities the management information circular for the purpose of seeking the approval of its shareholders of the issuance of MDA common shares in connection with the merger agreement and (b) mail the management information circular to the MDA shareholders. MDA will take, in accordance with applicable law and MDA's notice of articles and MDA's articles, all action necessary to convene a special meeting of its shareholders to consider and vote upon the approval of the issuance of MDA common shares in connection with the merger agreement. Notwithstanding the foregoing, MDA has no obligation to convene or hold a special meeting of its shareholders to consider and vote upon the approval of the issuance of MDA common shares in connection with the merger agreement and MDA will be permitted to adjourn, postpone or cancel such special meeting if called, until certain regulatory conditions have been satisfied.

Employee Benefits

During the period from the closing of the merger to the first anniversary of the closing date, MDA will provide, or cause its affiliates to provide, to the employees who are employees of DigitalGlobe or its subsidiary at the time of the closing of the merger, which we refer to as the "Continuing Employees," a base salary or base wage rate, as applicable, that is not less than each such Continuing Employee's base salary or base wage rate, as applicable, as in effect immediately prior to the closing of the merger and compensation and benefits (excluding equity-based compensation) that are substantially comparable, in the aggregate, to those provided to the Continuing Employees immediately prior to the closing of the merger (excluding any transaction-based retention or other extraordinary, special or one-time, non-recurring compensation or benefits), while such continuing employees remain employed by MDA or any of its subsidiaries.

As of the closing date, MDA will provide, or cause its affiliates to provide, to each Continuing Employee under each employee benefit plan, program and arrangement established or maintained by MDA or its affiliates in which Continuing Employees may be eligible to participate after the closing date, credit for purposes of eligibility to participate, vesting, vacation entitlement and severance benefits (but not for purposes of benefit accrual) for full or partial years of service with DigitalGlobe or its affiliates (including any predecessors) performed at any time prior to the closing date to the extent such service was taken into account under the analogous DigitalGlobe benefit plan immediately prior to the closing date. However, no such prior service shall be taken into account to the extent it would result in the duplication of benefits to any Continuing Employee.

For the their respective terms, MDA and Holdings will honor, and will cause DigitalGlobe to honor, in accordance with their terms, certain employment, severance, retention and change in control agreements and arrangements listed in the DigitalGlobe disclosure letter. Additionally, MDA and Holdings will maintain, for one year following the closing of the merger, a severance policy for Continuing Employees that is not less favorable than the DigitalGlobe severance policy in effect on the date of the merger agreement.

Indemnification and Insurance

From and after the effective time, MDA will cause DigitalGlobe to indemnify and hold harmless, as and to the fullest extent provided in DigitalGlobe's certificate of incorporation and DigitalGlobe's bylaws as in effect on the date of the merger agreement and permitted by applicable law, each present and former officer, director, manager, employee and agent of DigitalGlobe and any of its subsidiaries in such capacities, which we refer to as the "Indemnified Parties," against all claims, losses, liabilities, damages, judgments, fines and reasonable fees, costs and expenses (including reasonable attorneys' fees and expenses in advance of the final disposition of any

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claim, suit, proceeding or investigation to each Indemnified Party upon receipt of an undertaking from such Indemnified Party to repay such advanced expenses if it is determined by a final and non-appealable judgment of a court of competent jurisdiction that such Indemnified Party was not entitled to indemnification hereunder) arising out of or pertaining to the fact that the Indemnified Party is or was an officer, director, manager, employee or agent of DigitalGlobe or any of its subsidiaries or, while a director, manager or officer of DigitalGlobe or any of its subsidiaries, is or was serving at the request of DigitalGlobe or one of its subsidiaries as an officer, director, manager, employee or agent of another person.

For a period of six years after the effective time, DigitalGlobe's certificate of incorporation and DigitalGlobe's bylaws will contain, and each of MDA and Holdings will cause DigitalGlobe's certificate of incorporation and DigitalGlobe's bylaws to so contain, provisions no less favorable with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers of DigitalGlobe and its subsidiaries than are set forth in DigitalGlobe's certificate of incorporation and DigitalGlobe's bylaws as in effect on the date of the merger agreement.

For a period of six years after the effective time, DigitalGlobe will either (a) maintain, and each of MDA and Holdings will cause DigitalGlobe to maintain, at no expense to the beneficiaries, the current directors' and officers' liability insurance policies maintained by DigitalGlobe, which we refer to as the "Current D&O Insurance," with respect to matters existing or occurring at or prior to the effective time (including the transactions contemplated by the merger agreement) or (b) purchase a six year extended reporting period endorsement with respect to the Current D&O Insurance and maintain such endorsement in full force and effect for its full term. Notwithstanding the foregoing, in no event will MDA be required to expend, in the aggregate, an amount in excess of 300% of the annual premiums currently paid by DigitalGlobe and its subsidiaries for the Current D&O Insurance, which we refer to as the "Maximum Premium." If DigitalGlobe's existing insurance expires, is terminated or canceled during such six-year period or exceeds the Maximum Premium, DigitalGlobe will obtain, and each of MDA and Holdings will cause DigitalGlobe to obtain, as much directors' and officers' liability insurance as can be obtained for the remainder of such period for an annualized premium not in excess of the Maximum Premium, on terms and conditions no less advantageous to the Indemnified Parties than the Current D&O Insurance.

In the event any excise tax is payable by any of DigitalGlobe's directors and executive officers pursuant to Section 4985, MDA will, or will cause the surviving corporation to, pay to each such individual an amount equal to the sum of the excise tax payable by such individual pursuant to Section 4985, plus the amount necessary to put the individual in the same after-tax position that such individual would have been in if such individual had not incurred such excise tax.

Regulatory Approvals

Holdings, MDA, DigitalGlobe and Merger Sub have agreed to:

- use their reasonable best efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable under applicable laws to consummate and make effective the transactions contemplated or required by the merger agreement, including using reasonable best efforts to satisfy the conditions precedent to the obligations of any of the parties, to obtain all necessary authorizations, consents and approvals (including CFIUS approval and the other regulatory approvals), and to effect all necessary notifications, registrations and filings (including any registrations, notifications and filings required to be made in connection with obtaining such approvals);
- promptly inform the other party of any communication received by such party from, or given by such party to a governmental entity, promptly providing copies to the other party of any such written communications regarding any of the transactions contemplated by the merger agreement and of any communication received or given in connection with any proceeding by a private party regarding the transactions contemplated by the merger agreement;

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- cooperate and coordinate with the other party in the making of any filings or submissions that are required to be made under any applicable laws or requested to be made by any governmental entity in connection with the transactions contemplated by the merger agreement, provided that if the parties cannot agree on any tactic or strategy after good faith discussions, MDA shall have the final determination of any such tactic or strategy;
- use their reasonable best efforts to cause the expiration or termination of the applicable waiting periods under any applicable laws as soon as practicable; and
- use their reasonable best efforts to obtain any consents, licenses, permits, waivers, approvals, authorizations or orders required under or in connection with any applicable laws or from any governmental entity (including the CFIUS approval and regulatory approvals).

In addition, under the merger agreement, DigitalGlobe and MDA will: (a) as soon as practicable and in any event within 15 business days after the date of the merger agreement, file Notification and Report Forms under the HSR Act with the Federal Trade Commission, which we refer to as the “FTC,” and the Antitrust Division of the Department of Justice, which we refer to as the “Antitrust Division,” and will use reasonable best efforts to respond as promptly as practicable to all inquiries received from the FTC or the Antitrust Division for additional information or documentation; (b) as soon as practicable make any filing, notice or application under any other applicable competition laws and use reasonable best efforts to respond as promptly as practical to all inquiries received from any governmental entity with jurisdiction over any such competition laws; (c) make any required filings in connection with regulatory approvals and make any filings and provide any information requested by a governmental entity from a party in respect of the regulatory approvals, and supply as promptly as reasonably practicable as required in applicable regulations any additional information and documentary material (other than information subject to attorney-client or attorney work-product privilege) that may be requested by CFIUS, DSS, NOAA, DDTC or any other governmental entity, as applicable, in connection with obtaining CFIUS approval and the other regulatory approvals; (d) consistent with Section 721, file a draft joint voluntary notice with CFIUS with respect to the merger (and in no event later than 20 business days from the date of the merger agreement), and as promptly as practicable thereafter, file a formal joint voluntary notice with CFIUS; and (e) use its reasonable best efforts to cause the expiration or termination of the applicable waiting periods under the HSR Act (including any extensions thereof) and to obtain CFIUS approval and the other regulatory approvals as promptly as reasonably practicable. Notwithstanding the foregoing, if CFIUS notifies MDA and DigitalGlobe that CFIUS intends to send a report to the President of the United States recommending that the President act to suspend or to prohibit the merger, either MDA or DigitalGlobe may request a withdrawal of the notice filed with CFIUS in connection with the CFIUS approval in which case the CFIUS approval will be deemed to be withheld.

Each of the parties will use their respective reasonable best efforts to prevent the entry of, and to cause to be discharged or vacated, any order or injunction of a governmental entity precluding, restraining, enjoining or prohibiting consummation of the merger.

With respect to any DSS FOCI review, DigitalGlobe and MDA will (a) file as promptly as practicable, all certificates pertaining to foreign interests and similar notifications or documents (including any FOCI mitigation plan) required or advisable in order to ensure after the effective time that MDA, DigitalGlobe and their respective subsidiaries maintain their respective facility security clearances and personnel security clearances issued by DSS and remain in compliance with and perform under the contracts of MDA, DigitalGlobe and their respective subsidiaries and with applicable U.S. national industrial security laws and regulations; and (b) supply, as promptly as practicable, any additional documents and information that may be required or requested in connection with any DSS FOCI review. Subject to the limitations discussed below, DigitalGlobe and MDA will take, and cause their affiliates to take, any and all actions necessary, and agree to all such requirements or conditions as may be requested or required by DSS in connection with, or as a condition of, the receipt of DSS approval of any FOCI mitigation plan and make such changes to the FOCI mitigation plan as are requested or required by DSS in order to obtain DSS approval.

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Notwithstanding the foregoing, neither MDA nor any of its subsidiaries (including Holdings and Merger Sub) will be required to, as a condition to obtaining any required approval or resolving any objection of any governmental entity, offer or accept, or agree, commit to agree or consent to, any Extraordinary Condition. In addition, DigitalGlobe will not, and will not permit any of its subsidiaries to, in connection with obtaining any required approval of any government entity in connection with the merger agreement or the transactions contemplated thereby, offer to agree, or agree, to any undertaking, term, condition, liability, obligation, commitment, sanction or other measure, without MDA's prior written consent.

Other Covenants and Agreements

The merger agreement also contains additional covenants, including, among others, section 16 matters, securities law matters, equity award notices, listing of MDA common shares on the NYSE or NASDAQ and the TSX, announcements relating to the merger, notice of failures to comply with covenants and covenants relating to access to information.

Conditions That Must Be Satisfied or Waived for the Merger to Occur

Conditions to the Obligations of MDA, Holdings, Merger Sub and DigitalGlobe

The respective obligations of MDA, Holdings, Merger Sub and DigitalGlobe to consummate the merger are subject to the satisfaction or waiver, at or prior to the effective time, of the following mutual conditions:

- approval and adoption of the merger agreement by the DigitalGlobe shareowners holding a majority in voting power of the outstanding shares of DigitalGlobe common stock and DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis), voting together as a single class (the condition described in this bullet is referred to as the "DigitalGlobe shareowner approval condition");
- the approval of the issuance of MDA common shares in connection with the merger by a majority of the votes cast on such matter at the MDA meeting;
- absence of any statute, rule, order, decree or regulation (enacted or promulgated) and absence of any action taken by any governmental entity of competent jurisdiction (whether temporary, preliminary or permanent) which restrains, precludes, enjoins or otherwise prohibits the consummation of the merger or makes the merger illegal (the condition described in this bullet is referred to as the "no injunction condition");
- expiration or termination of any waiting period (and any extension thereof) applicable to the consummation of the merger under any competition law (the condition described in this bullet is referred to as the "expiration or termination of any waiting period condition");
- obtaining, and remaining in full force and effect, the CFIUS approval and the other regulatory approvals (and satisfaction or waiver of all conditions to such approvals required to be satisfied as of closing) (the condition described in this bullet is referred to as the "CFIUS and regulatory approvals condition");
- SEC declaration of effectiveness of the registration statement of which this proxy statement/prospectus forms a part and the absence of any stop order suspending the effectiveness of the registration statement issued by the SEC and absence of any proceedings for that purpose having been initiated or threatened by the SEC; and
- conditional approval of the MDA common shares issuable to the DigitalGlobe shareowners in connection with the merger and in respect of DigitalGlobe equity awards for listing on the TSX, subject only to the provision of such required documentation as is customary in the circumstances.

For purposes of this proxy statement/prospectus, "regulatory approval" generally means DSS approval, ICA approval, and any approval, consent, authorization, filing, registration, license, franchise, permit, exemption,

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variance or non-objection of NOAA, DDTC or any other governmental entity necessary to consummate the transactions contemplated by the merger agreement.

For purposes of this proxy statement/prospectus, “DSS approval” generally means that DSS shall have signed and returned to DigitalGlobe an executed counterpart of the commitment letter submitted by the parties, approving in principle the measures to be implemented following the closing date to mitigate any FOCI issues arising from the participation of MDA in the transactions contemplated by the merger agreement.

For the purposes of this proxy statement/prospectus, “ICA approval” generally means that a party shall not have received, with respect to the merger, a notice from the Minister (as such term is defined in section 3 of the Investment Canada Act) under certain sections of the Investment Canada Act within the prescribed period, or, if a party has received such notice, such party will have subsequently received: (a) a notice indicating that no order for the review of the transactions contemplated by the merger agreement will be made under Section 25.3(1) of the Investment Canada Act, (b) a notice under Section 25.3(6)(b) of the Investment Canada Act indicating that no further action will be taken in respect of the transactions contemplated by the merger agreement or (c) a notice under section 25.4(1) of the Investment Canada Act indicating that the Governor in Council authorizes the completion of the transactions contemplated by the merger agreement.

Conditions to DigitalGlobe’s Obligations

The obligation of DigitalGlobe to consummate the merger is subject to the satisfaction or waiver, at or prior to the effective time, of additional conditions, including:

- the accuracy of the representations and warranties of MDA, Holdings and/or Merger Sub both when made and at and as of the date of the closing of the merger (except to the extent expressly made as of an earlier date, in which case as of such date), subject to such representations and warranties:
 - being true and correct in all respects, for the representations and warranties regarding the absence of a material adverse effect with respect to MDA;
 - being true and correct in all but *de minimis* respects, with regard to the capitalization of MDA;
 - being true and correct in all material respects, with regard to certain representations and warranties including regarding MDA’s capital stock, corporate authority and broker fees; and
 - being true and correct subject to a “material adverse effect” standard, with regard to all of MDA’s and Merger Sub’s other representations and warranties;
- the receipt by DigitalGlobe of a certificate signed on behalf of MDA by each of two senior executive officers of MDA to the foregoing effect;
- the performance by each of MDA and Merger Sub in all material respects of their obligations under the merger agreement required to be performed at or prior to the effective time, and the receipt by DigitalGlobe of a certificate signed on behalf of each of MDA and Merger Sub by the CEO of each of MDA and Merger Sub to such effect;
- the absence of any fact, circumstance, effect, change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on MDA, and the receipt by DigitalGlobe of a certificate signed on behalf of MDA by an executive officer of MDA to such effect;
- the MDA common shares issuable to the DigitalGlobe shareowners in connection with the merger and in respect of the DigitalGlobe equity awards will have been authorized for listing on the NYSE or NASDAQ, in either case, subject to official notice of issuance; and
- (a) DigitalGlobe will have received an opinion of either O’Melveny & Myers LLP or Ernst & Young LLP or if none of the foregoing is able or willing to render the required opinion, a nationally

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recognized tax advisor or legal counsel reasonably acceptable to DigitalGlobe and MDA, dated as of the closing date to the effect that Section 7874 of the Code, the regulations promulgated thereunder, and any official interpretation thereof as set forth in published guidance by the IRS should not apply in such a manner so as to cause MDA to be treated as a domestic corporation for U.S. federal income tax purposes pursuant to Section 7874(b) of the Code after giving effect to the transactions contemplated by the merger agreement from and after the closing date or (b) MDA will have received an opinion of KPMG LLP or Vinson & Elkins LLP or if none of the foregoing is able or willing to render the required opinion, a nationally recognized tax advisor or legal counsel, reasonably acceptable to DigitalGlobe and MDA which opinion (i) satisfies the MDA tax opinion condition summarized below, (ii) has been provided to DigitalGlobe and (iii) DigitalGlobe will be permitted by the issuer of such opinion to rely on such opinion (the condition described in this bullet is referred to as the “DigitalGlobe tax opinion condition”).

Conditions to Obligations of MDA, Holdings and Merger Sub

The obligations of MDA and Merger Sub to consummate the merger are subject to the satisfaction or waiver, at or prior to the effective time, of additional conditions, including:

- the accuracy of the representations and warranties of DigitalGlobe both when made and at and as of the date of the closing of the merger (except to the extent expressly made as of an earlier date, in which case as of such date), subject to such representations and warranties:
 - being true and correct in all respects, for the representations and warranties regarding the absence of a material adverse effect with respect to DigitalGlobe;
 - being true and correct in all but *de minimis* respects, with regard to the capitalization of DigitalGlobe;
 - being true and correct in all material respects, with regard to certain representations and warranties including regarding DigitalGlobe’s capital stock, corporate authority and broker fees; and
 - being true and correct subject to a “material adverse effect” standard, with regard to all of DigitalGlobe’s other representations and warranties;
- the receipt by MDA of a certificate signed on behalf of DigitalGlobe by each of two senior executive officers of DigitalGlobe to the foregoing effect;
- the performance by DigitalGlobe in all material respects of its obligations under the merger agreement required to be performed by it at or prior to the effective time, and the receipt by MDA of a certificate signed on behalf of DigitalGlobe by its CEO or CFO to such effect;
- the absence any fact, circumstance, effect, change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on DigitalGlobe;
- receipt of a certificate, meeting the requirements of Treasury Regulations Section 1.1445-2(c)(3) and dated as of the closing date, to the effect that DigitalGlobe is not, and has not been during the applicable time period set forth in Section 897(c)(1)(A)(ii) of the Code, a United States real property holding corporation and, accordingly, the shares of DigitalGlobe common stock are not U.S. real property interests; and
- (a) MDA will have received an opinion of either KPMG LLP or Vinson & Elkins LLP or if none of the foregoing is able or willing to render the required opinion, a nationally recognized tax advisor or legal counsel reasonably acceptable to DigitalGlobe and MDA, dated as of the closing date to the effect that Section 7874 of the Code, the regulations promulgated thereunder, and any official interpretation thereof as set forth in published guidance by the IRS should not apply in such a manner so as to cause MDA to be treated as a domestic corporation for U.S. federal income tax purposes pursuant to Section 7874(b) of the Code after giving effect to the transactions contemplated by the merger agreement from and after the closing date or (b) DigitalGlobe will have received an opinion of O’Melveny & Myers

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LLP or Ernst & Young LLP or if none of the foregoing is able or willing to render the required opinion, a nationally recognized tax advisor or legal counsel, reasonably acceptable to DigitalGlobe and MDA which opinion (i) satisfies the DigitalGlobe tax opinion condition summarized above, (ii) has been provided to MDA and (iii) MDA will be permitted by the issuer of such opinion to rely on such opinion (the condition described in this bullet is referred to as the “MDA tax opinion condition”).

Termination of the Merger Agreement

The merger agreement may be terminated and the merger may be abandoned at any time prior to the effective time, notwithstanding the approval and adoption of the merger agreement by the DigitalGlobe shareowners and notwithstanding the approval of the issuance of the MDA common shares in connection with the merger by the MDA shareholders, under the following circumstances:

- by mutual written consent of MDA and DigitalGlobe;
- by either DigitalGlobe or Holdings upon written notice to the other party:
 - if the merger has not been completed on or before 5:00 p.m. Eastern time on December 7, 2017 (which we refer to as the end date) and the failure of the merger to be completed on or before the end date was not caused by, or the result of, the failure to fulfill any material obligations under the merger agreement by the party seeking to terminate the merger agreement (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “end date termination right”);
 - if any governmental entity has issued a statute, rule, order, decree or regulation or taken any other action restraining, enjoining or otherwise prohibiting the merger or making the merger illegal (which statute, rule, order, decree, regulation or other action, the parties have used reasonable best efforts to lift) and such statute, rule, order, decree, regulation or other action will have become final and non-appealable (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “injunction termination right”);
 - if DigitalGlobe shareowner approval of the merger agreement is not obtained in accordance with applicable law at the special meeting, or any adjournment or postponement thereof (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “failure to obtain DigitalGlobe shareowner approval termination right”);
 - if MDA shareholder approval of the MDA common share issuance in connection with the merger is not obtained in accordance with applicable law at the MDA meeting, or any adjournment or postponement thereof (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “failure to obtain MDA shareowner approval termination right”); or
 - if CFIUS notifies MDA and DigitalGlobe in writing that CFIUS intends to send a report to the President of the United States recommending that the President act to suspend or prohibit the merger (the right to terminate the merger agreement pursuant to this sub-bullet is referred to as the “CFIUS notification termination right”).
- by DigitalGlobe:
 - if MDA has breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in the merger agreement, which breach or failure to perform (a) would cause certain of the conditions to DigitalGlobe’s obligation to consummate the merger to not be satisfied, and (b) cannot be cured or is not cured by MDA within 30 days after receipt of written notice given by DigitalGlobe to MDA of such breach or failure to perform; but only if DigitalGlobe is not in breach and has not failed to perform any of its representations, warranties, covenants or other agreements contained in the merger agreement, which breach or failure to perform would cause certain of the conditions to MDA’s and Merger Sub’s obligations to consummate the merger not to be satisfied (DigitalGlobe’s right to terminate the merger agreement pursuant to this sub-bullet is referred to as “DigitalGlobe’s material breach termination right”);

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- if, prior to obtaining the MDA shareholder approval of the MDA common share issuance, (a) the MDA board of directors has (i) entered into any agreement in connection with an acquisition proposal with respect to MDA (other than an acceptable confidentiality agreement as provided for in the merger agreement) or (ii) approved or recommended any acquisition proposal with respect to MDA other than the merger, or (b) the MDA board of directors has made a change in recommendation or has resolved to make a change in recommendation (DigitalGlobe's right to terminate the merger agreement pursuant to this bullet is referred to as "DigitalGlobe's change in recommendation termination right"); or
- if, prior to obtaining the DigitalGlobe shareowner approval, in order to enter into a definitive agreement in connection with a superior proposal with respect to DigitalGlobe (which definitive agreement must be entered into concurrently with, or promptly following, the termination of the merger agreement), DigitalGlobe has complied with its obligations under the merger agreement to take such termination action, and on or prior to such termination, DigitalGlobe pays in full a termination fee in the amount of \$85 million to MDA (DigitalGlobe's right to terminate the merger agreement pursuant to this bullet is referred to as "DigitalGlobe's superior proposal termination right").
- by Holdings:
 - if DigitalGlobe has breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in the merger agreement, which breach or failure to perform (a) would cause certain of the conditions to MDA's or Merger Sub's obligation to consummate the merger to not be satisfied, and (b) cannot be cured by DigitalGlobe or is not cured by DigitalGlobe within 30 days after receipt of written notice given by MDA to DigitalGlobe of such breach or failure to perform, but only if each of MDA, Holdings or Merger Sub is not in breach and has not failed to perform any of its representations, warranties, covenants or other agreements contained in the merger agreement, which breach or failure to perform would cause certain of the conditions to DigitalGlobe's obligations to consummate the merger not to be satisfied (Holdings' right to terminate the merger agreement pursuant to this sub-bullet is referred to as the "Holdings' material breach termination right");
 - if, prior to receipt of the DigitalGlobe shareowner approval of the merger proposal, (a) the DigitalGlobe board of directors has (i) entered into any agreement in connection with an acquisition proposal with respect to DigitalGlobe (other than an acceptable confidentiality agreement as provided for in the merger agreement) or (ii) approved or recommended any acquisition proposal with respect to DigitalGlobe other than the merger, or (b) the DigitalGlobe board of directors makes a change in recommendation or has resolved to make a change in recommendation (Holdings' right to terminate the merger agreement pursuant to this bullet is referred to as the "Holdings' change in recommendation termination right"); or
 - if (a) (i) the NGA contract has been terminated or cancelled or the option to renew the NGA contract for the next contract year after the date of the merger agreement has not been exercised by NGA, (ii) NGA has provided clear, unambiguous authorized notice to DigitalGlobe that the NGA contract will, on or before the business date after the next scheduled renewal date after the date of the merger agreement, be terminated or cancelled or the option to renew the NGA contract for the next contract year will not be exercised by NGA, or (iii) NGA materially changes the scope under a specified portion of the NGA contract which materially decreases the revenue to be received by DigitalGlobe under the NGA contract for the remainder of the current option year of the NGA contract, and (b) on or prior to such termination, MDA has paid DigitalGlobe a reverse termination fee in an amount of \$150 million (Holdings' right to terminate the merger agreement pursuant to this bullet is referred to as "Holdings' NGA termination right").

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Effect of Termination

If the merger agreement is terminated in accordance with its terms, there will be no liability on the part of MDA, Holdings, Merger Sub or DigitalGlobe, except certain provisions of the merger agreement will survive such termination, including those provisions relating to fees and expenses, publicity and the requirement to comply with the confidentiality agreement between DigitalGlobe and MDA; provided that, nothing will relieve any party from liability with respect to a willful and material breach or intentional fraud.

Termination Fee and Expenses

DigitalGlobe has agreed to reimburse Holdings for all expenses of MDA, Holdings and Merger Sub, incurred or paid in connection with the negotiation of the merger agreement or the consummation of the transactions contemplated by the merger agreement up to an amount of \$10 million, which we refer to as the “cap,” if the merger agreement is terminated by either DigitalGlobe or Holdings pursuant to the failure to obtain DigitalGlobe shareowner approval termination right.

Holdings has agreed to reimburse DigitalGlobe for all expenses of DigitalGlobe incurred or paid in connection with the negotiation of the merger agreement or the consummation of the transactions contemplated by the merger agreement up to the cap if the merger agreement is terminated by either DigitalGlobe or Holdings pursuant to the failure to obtain MDA shareowner approval termination right.

DigitalGlobe has agreed to pay to Holdings a termination fee of \$85 million, which we refer to as the “termination fee,” if:

- the merger agreement is terminated by Holdings pursuant to Holdings’ change in recommendation termination right;
- the merger agreement is terminated by DigitalGlobe pursuant to DigitalGlobe’s superior proposal termination right;
- the merger agreement is terminated:
 - by either DigitalGlobe or Holdings pursuant to the end date termination right (other than a situation where MDA would be obligated to pay the reverse termination fee to DigitalGlobe as described below) or by Holdings pursuant to Holdings’ material breach termination right;
 - after an acquisition proposal with respect to DigitalGlobe has been proposed or announced by any person (other than MDA, Holdings and Merger Sub or any of their respective affiliates); and
 - within 12 months of such termination DigitalGlobe or any of its subsidiaries enters into a definitive agreement with respect to (or consummates) an acquisition proposal with respect to DigitalGlobe (provided that, for the purposes of this and the immediately preceding sub-bullet, all references to 20% in the term “acquisition proposal” with respect to DigitalGlobe will be changed to 50%); or
- the merger agreement is terminated:
 - by either DigitalGlobe or Holdings pursuant to the failure to obtain DigitalGlobe shareowner approval termination right;
 - after an acquisition proposal with respect to DigitalGlobe has been publicly proposed or publicly announced by any person (other than MDA, Holdings and Merger Sub or any of their respective affiliates); and
 - within 12 months of such termination DigitalGlobe or any of its subsidiaries enters into a definitive agreement with respect to (or consummates) an acquisition proposal with respect to DigitalGlobe (provided that for the purposes of this and the immediately preceding sub-bullet, all references to 20% in the term “acquisition proposal” with respect to DigitalGlobe will be changed to 50%) (provided that the termination fee will be reduced by any previous payment by DigitalGlobe of the expenses of MDA, Holdings and Merger Sub as described above).

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MDA, on behalf of Holdings, has agreed to pay to DigitalGlobe the termination fee if:

- the merger agreement is terminated by DigitalGlobe pursuant to DigitalGlobe’s change in recommendation termination right;
- the merger agreement is terminated:
 - by either DigitalGlobe or Holdings pursuant to the end date termination right or by DigitalGlobe pursuant to DigitalGlobe’s material breach termination right;
 - after an acquisition proposal with respect to MDA has been proposed or announced by any person (other than DigitalGlobe or any of its affiliates); and
 - within 12 months of such termination MDA or any of its subsidiaries enters into a definitive agreement with respect to (or consummates) an acquisition proposal with respect to MDA (provided that, for the purposes of this and the immediately preceding sub-bullet, all references to 20% in the term “acquisition proposal” with respect to MDA will be changed to 50%); or
- the merger agreement is terminated:
 - by either DigitalGlobe or Holdings pursuant to the failure to obtain MDA shareholder approval termination right;
 - after an acquisition proposal with respect to MDA has been publicly proposed or publicly announced by any person (other than DigitalGlobe or any of its affiliates); and
 - within 12 months of such termination MDA or any of its subsidiaries enters into a definitive agreement with respect to (or consummates) an acquisition proposal with respect to MDA (provided that, for the purposes of this and the immediately preceding sub-bullet, all references to 20% in the term “acquisition proposal” with respect to MDA will be changed to 50%) (provided that the termination fee will be reduced by any previous payment by MDA of the expenses of DigitalGlobe as described above).

MDA, on behalf of Holdings, has agreed to pay to DigitalGlobe a reverse termination fee of \$150 million, which we refer to as the “reverse termination fee,” if:

- the merger agreement is terminated by Holdings pursuant to Holdings’ NGA termination right;
- the merger agreement is terminated, at a time when the specific conditions to MDA’s and Merger Sub’s obligation to effect the merger have been satisfied or waived (other than the MDA tax opinion condition and any conditions that by their nature are to be satisfied at the closing date (so long as such conditions are then capable of being satisfied)), by DigitalGlobe pursuant to DigitalGlobe’s material breach termination right due to a breach by MDA, Holdings or Merger Sub of certain regulatory covenants set forth in the merger agreement, at a time when (A) the expiration or termination of any waiting period condition or CFIUS and regulatory approvals condition have not been satisfied or (B) the no injunction condition has not been satisfied, due to a matter related to a competition law, CFIUS approval or any regulatory approval at the time of such termination; or
- the merger agreement is terminated, at a time when (a) the specific conditions to MDA’s and Merger Sub’s obligation to effect the merger and (b) the DigitalGlobe shareowner approval condition have been satisfied or waived (other than the MDA tax opinion condition and any conditions that by their nature are to be satisfied at the closing date, but subject to the satisfaction or waiver of such conditions), by:
 - Holdings or DigitalGlobe pursuant to the CFIUS notification termination right;
 - Holdings or DigitalGlobe pursuant to the end date termination right, at a time when (A) the expiration or termination of any waiting period condition or the CFIUS and regulatory approvals condition have not been satisfied, (B) the no injunction condition has not been satisfied due to a matter related to a competition law, CFIUS approval or any regulatory approval or (C) the MDA tax opinion condition has not been satisfied or waived by MDA;

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- Holdings or DigitalGlobe pursuant to the injunction termination right as a result of a matter related to a competition law, CFIUS approval or any regulatory approval; or
- Holdings pursuant to the failure to obtain MDA shareholder approval termination right at a time when: (A) the expiration or termination of any waiting period condition or the CFIUS and regulatory approvals condition have not been satisfied or (B) the no injunction condition has not been satisfied due to a matter related to a competition law, CFIUS approval or any regulatory approval;

Notwithstanding the immediately preceding sub-bullet, if the MDA shareholder approval of the MDA common share issuance is not obtained and, prior to the MDA meeting, the MDA board of directors has made a change in recommendation as a result of a superior proposal with respect to MDA (and such superior proposal has not been withdrawn prior to the MDA meeting), then MDA will be required to pay DigitalGlobe the termination fee instead of the reverse termination fee.

Other Remedies

MDA, Holdings, Merger Sub and DigitalGlobe will be entitled to injunctive relief to prevent breaches of the merger agreement, to enforce specifically the terms and provisions of the merger agreement and to compel performance of any party's obligations, this being in addition to any other remedy to which they are entitled at law or in equity. Each of the parties to the merger agreement agree that the failure of any party to perform its agreements and covenants under the merger agreement will cause irreparable injury to the non-breaching parties and agree to waive any requirement for the securing or posting of any bond in connection with any such remedy.

Modification, Amendment or Waiver

The merger agreement may be amended by the parties to the merger agreement. However, if the DigitalGlobe shareowners approve the merger agreement, no amendment or supplement may be made to the merger agreement after such approval that would require, by applicable law or the rules of any relevant self-regulatory organization, further approval by the DigitalGlobe shareowners (unless such amendment or supplement is approved by the DigitalGlobe shareowners), and, if the MDA shareholders approve the MDA common shares to be issued in connection with the merger, no amendment or supplement may be made to the merger agreement after such approval that would require, by applicable law or the rules of any relevant self-regulatory organization, further approval by the MDA shareholders (unless such amendment or supplement is approved by the MDA shareholders). Additionally, any amendment to certain sections of the merger agreement that would be adverse to a debt commitment party would require the prior written consent of the adversely affected debt commitment party.

At any time prior to the effective time, the parties may (a) extend the time for the performance of the obligations or acts of the other parties, (b) waive any inaccuracies in the representations and warranties of the other parties contained in the merger agreement or in any other document delivered pursuant to the merger agreement or (c) waive compliance with any of the agreements or conditions of the other parties. Any agreement to an extension or waiver must be in writing and signed on behalf of the parties.

Governing Law

The merger agreement will be governed, construed and enforced in accordance with the laws of the State of Delaware (without giving effect to principles of conflicts of law thereof).

[Table of Contents](#)[Index to Financial Statements](#)**UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS**

The following unaudited pro forma condensed combined financial statements give effect to the proposed merger by MDA of DigitalGlobe under the acquisition method of accounting for business combinations and based on the respective historical unaudited condensed consolidated and the historical audited consolidated financial statements of MDA and DigitalGlobe as at and for the three months ended March 31, 2017 and for the year ended December 31, 2016, respectively. The unaudited pro forma condensed combined balance sheet gives effect to the proposed merger as if it had closed on March 31, 2017. The unaudited pro forma condensed combined statement of earnings (including the pro forma earnings per share) for the three months ended March 31, 2017 and for the year ended December 31, 2016 gives effect to the proposed merger as if it had closed on January 1, 2016.

The historical unaudited condensed consolidated and historical audited consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to events that are: (i) directly attributable to the pro forma events, (ii) factually supportable and (iii) with respect to the unaudited pro forma condensed combined statements of earnings, expected to have a continuing impact on the combined company's results. As such, the impact from merger-related expenses is not included in the unaudited pro forma condensed combined statements of earnings. The unaudited pro forma condensed combined financial statements do not reflect any cost savings from operational efficiencies or synergies that could result from the proposed merger or for liabilities that may result from integration planning. The unaudited pro forma condensed combined financial statements are presented for illustrative purposes only and do not necessarily reflect what the combined company's financial condition and results of operations would have been had the proposed merger occurred on the dates indicated.

The unaudited pro forma condensed combined financial statements also may not be useful in predicting the future financial condition and results of the operations of the combined company. The actual financial position and results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors. The unaudited pro forma condensed combined financial statements should be read in conjunction with: (i) the historical unaudited condensed consolidated and historical audited consolidated financial statements of MDA for the three months ended March 31, 2017 and as at and for the year ended December 31, 2016, respectively, and the related notes thereto and the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations of MDA*" contained elsewhere in this proxy statement/prospectus for three months ended March 31, 2017 and the year ended December 31, 2016, respectively, and (ii) the historical unaudited condensed consolidated and historical audited consolidated financial statements of DigitalGlobe for the three months ended March 31, 2017 and as of and for the year ended December 31, 2016, respectively, and the related notes thereto and the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" included in DigitalGlobe's quarterly report on Form 10-Q for the three months ended March 31, 2017 and annual report on Form 10-K for the year ended December 31, 2016, respectively, and incorporated by reference into this proxy statement/prospectus.

The pro forma adjustments and purchase price allocation for DigitalGlobe are based on preliminary estimates of the fair value of the consideration paid and the fair value of the assets acquired and liabilities assumed, current available information and certain assumptions that MDA believes are reasonable in the circumstances, as described in the notes to the unaudited pro forma condensed combined financial statements. The actual adjustments to the consolidated financial statements of MDA upon the closing of the proposed merger will depend on a number of factors, including, among others, additional information available and the net assets of DigitalGlobe, the foreign exchange rate on the closing date, and the market price of the MDA common shares offered as partial consideration to the DigitalGlobe shareowners. As a result of these factors, the actual adjustments will differ from the pro forma adjustments, and the differences may be material.

[Table of Contents](#)[Index to Financial Statements](#)**MACDONALD, DETTWILER AND ASSOCIATES LTD.****Pro Forma Condensed Combined Balance Sheet****March 31, 2017****(Unaudited)****(in thousands of Canadian dollars unless otherwise noted)**

	As at March 31, 2017							Proforma Condensed Combined Balance Sheet CAD
	MDA in IFRS CAD	Digital Globe in US GAAP USD	Digital Globe in US GAAP CAD	Adjustments to IFRS CAD	Note 4	Pro Forma adjustments CAD	Note 5	
Assets								
Current assets:								
Cash and cash equivalents	1,852	77,200	102,846	—		4,273,237 (1,600,384) (1,669,113) (873,589) (71,539) (163,310)	(b) (b) (b) (b) (b), (i)	—
Trade and other receivables	232,975	121,500	161,862	—		3,535	(e)	398,372
Other current assets	596,480	38,100	50,757	—		(247)	(e)	646,990
	<u>831,307</u>	<u>236,800</u>	<u>315,465</u>	<u>—</u>		<u>(101,410)</u>		<u>1,045,362</u>
Non-current assets:								
Orbital receivables	562,283	—	—	—		—		562,283
Other non-current assets	109,938	88,100	117,367	—		(1,044)	(e)	226,261
Property, plant and equipment	480,163	1,950,900	2,598,989	(121,537)	(c)	(1,491,398)	(a)	1,466,217
Intangible assets	451,036	82,700	110,173	121,537	(c)	1,435,179	(a)	2,117,925
Goodwill	932,688	578,100	770,145	—		1,529,983	(a)	3,232,816
	<u>2,536,108</u>	<u>2,699,800</u>	<u>3,596,674</u>	<u>—</u>		<u>1,472,720</u>		<u>7,605,502</u>
	<u>\$3,367,415</u>	<u>\$ 2,936,600</u>	<u>\$ 3,912,139</u>	<u>\$ —</u>		<u>\$ 1,371,310</u>		<u>\$8,650,864</u>
Liabilities and Shareholders' Equity								
Current liabilities:								
Trade and other payables	267,078	39,300	52,355	—		3,535 (16,859)	(e) (i)	306,109
Non-financial liabilities	21,314	89,100	118,699	101,882	(a)	(17,608)	(a)	224,287
Construction contract	278,208	—	—	—		—		278,208
Other current liabilities	217,888	24,900	33,172	—		—		251,060
Current portion of long-term debt	2,408	12,800	17,052	—		(17,052) 71 26,644	(b) (b) (b)	29,123
	<u>786,896</u>	<u>166,100</u>	<u>221,278</u>	<u>101,882</u>		<u>(21,269)</u>		<u>1,088,787</u>
Non-current liabilities:								
Employee benefits	321,639	200	266	—		—		321,905
Deferred tax liabilities	15,499	119,500	159,198	(88,064)	(b)	4,974	(a)	91,607
Securitization liability	136,550	—	—	—		—		136,550
Non-financial liabilities	19,360	235,500	313,733	149,728	(a)	(52,823)	(a)	429,998
Other non-current liabilities	65,079	1,400	1,866	—		—		66,945
Long-term debt	877,189	1,240,100	1,652,061	—		(1,652,061) (873,660) 4,246,593 (71,539)	(b) (b) (b) (b)	4,178,583
	<u>2,222,212</u>	<u>1,762,800</u>	<u>2,348,402</u>	<u>163,546</u>		<u>1,580,215</u>		<u>6,314,375</u>
Shareholders' equity:								
Share capital and contributed surplus	568,162	1,177,500	1,568,666	—		(1,568,666) 1,339,028	(k) (a)	1,907,190
Retained earnings	302,846	(3,700)	(4,929)	(251,610) 88,064	(a) (b)	(146,451) 168,475 (1,291)	(i) (k) (e)	155,104
Accumulated other comprehensive income	274,195	—	—	—		—		274,195
Total shareholders' equity	<u>1,145,203</u>	<u>1,173,800</u>	<u>1,563,737</u>	<u>(163,546)</u>		<u>(208,905)</u>		<u>2,336,489</u>
	<u>\$3,367,415</u>	<u>\$ 2,936,600</u>	<u>\$ 3,912,139</u>	<u>\$ —</u>		<u>\$ 1,371,310</u>		<u>\$8,650,864</u>

[Table of Contents](#)[Index to Financial Statements](#)**MACDONALD, DETTWILER AND ASSOCIATES LTD.****Pro Forma Condensed Combined Statement of Earnings****For the three months ended March 31, 2017****(Unaudited)****(in thousands of Canadian dollars unless otherwise noted)**

For the three months ended March 31, 2017								Proforma Condensed Combined Statement of Earnings in IFRS CAD
	MDA in IFRS CAD	Digital Globe in US GAAP USD	Digital Globe in US GAAP CAD	Adjustments to IFRS CAD	Note 4	Pro Forma adjustments CAD	Note 5	
Revenues	494,347	209,700	277,433	25,263	(a)	(5,138) (6,849)	(e) (h)	785,056
Direct costs, selling, general and administration	410,557	117,800	155,849	—		(3,848) (13,362)	(e) (i)	549,196
Depreciation and amortization	25,148	79,500	105,179	—		48,775 (45,916)	(f) (g)	133,186
Foreign exchange gain	(245)	—	—	—		—		(245)
Share-based compensation expense	6,471	6,600	8,732	—		—		15,203
Other expense	24,986	300	397	—		(10,694)	(i)	14,689
Earnings before interest and income taxes	27,430	5,500	7,276	25,263		13,058		73,027
Loss from early extinguishment of debt	—	500	662	—		—		662
Finance income	(103)	(100)	(132)	—		—		(235)
Finance expense	14,082	9,600	12,701	12,535	(a)	(19,453) 41,677	(d) (c)	61,542
Losses from joint ventures	—	—	—	—		—		—
Earnings before income taxes	13,451	(4,500)	(5,955)	12,728		(9,166)		11,058
Income tax expense / (recovery)	7,566	(2,300)	(3,043)	4,455	(b)	(911)	(j)	8,067
Net earnings	5,885	(2,200)	(2,912)	8,273		(8,255)		2,991
Weighted average shares outstanding – basic	36,460					21,500	(a)	57,960
Weighted average shares outstanding – diluted	36,480					21,500	(a)	57,980
Net earnings per common share:								
Basic	\$ 0.16							\$ 0.05
Diluted	\$ 0.15							\$ 0.05

[Table of Contents](#)[Index to Financial Statements](#)**MACDONALD, DETTWILER AND ASSOCIATES LTD.****Pro Forma Condensed Combined Statement of Earnings****For the year ended December 31, 2016****(Unaudited)****(in thousands of Canadian dollars unless otherwise noted)****For the year ended December 31, 2016**

	MDA in IFRS CAD	Digital Globe in US GAAP USD	Digital Globe in US GAAP CAD	Adjustments to IFRS CAD	Note 4	Pro Forma adjustments CAD	Note 5	Proforma Condensed Combined Statement of Earnings in IFRS CAD
Revenues	2,063,783	725,400	961,603	101,377	(a)	(23,195) (24,235)	(e) (h)	3,079,333
Direct costs, selling, general and administration	1,708,575	330,400	438,045	—		(19,573)	(e)	2,127,047
Depreciation and amortization	102,611	267,200	354,431	—		205,821 (126,210)	(f) (g)	536,653
Foreign exchange loss	4,675	—	—	—		—		4,675
Share-based compensation expense	19,261	19,100	25,315	—		—		44,576
Other expense	7,818	6,500	8,688	—		—		16,506
Earnings before interest and income taxes	220,843	102,200	135,124	101,377		(107,468)		349,876
Loss from early extinguishment of debt	—	35,700	47,635	—		—		47,635
Finance income	(372)	(400)	(529)	—		—		(901)
Finance expense	49,785	18,200	24,154	56,535	(a)	(55,147) 121,270	(d) (c)	196,597
Losses from joint ventures	—	3,900	5,142	—		—		5,142
Earnings before income taxes	171,430	44,800	58,722	44,842		(173,591)		101,403
Income tax expense / (recovery)	31,804	18,300	24,019	15,695	(b)	(52,306)	(j)	19,212
Net earnings	139,626	26,500	34,703	29,147		(121,285)		82,191
Weighted average shares outstanding – basic	36,377					21,500	(a)	57,877
Weighted average shares outstanding – diluted	36,517					21,500	(a)	58,017
Net earnings per common share:								
Basic	\$ 3.84							\$ 1.42
Diluted	\$ 3.74							\$ 1.36

[Table of Contents](#)[Index to Financial Statements](#)**MACDONALD, DETTWILER AND ASSOCIATES LTD.****Notes to Pro Forma Condensed Combined Financial Statements****Three months ended March 31, 2017 and for the year ended December 31, 2016 (Unaudited)****(Dollar amounts in thousands of Canadian dollars unless otherwise noted)****1. Basis of presentation**

The accompanying unaudited pro forma condensed combined financial statements have been prepared in connection with the proposed acquisition of DigitalGlobe by MDA by means of the merger as described in Note 2. The unaudited pro forma condensed combined financial statements have been prepared by management and are based on the respective historical unaudited condensed consolidated and the historical audited consolidated financial statements of MDA and DigitalGlobe as at and for the three months ended March 31, 2017 and for the year ended December 31, 2016, respectively. The unaudited pro forma condensed combined balance sheet gives effect to the proposed merger as if it had closed on March 31, 2017. The unaudited pro forma condensed combined statement of earnings (including the pro forma earnings per share) for the three months ended March 31, 2017 and for the year ended December 31, 2016 gives effect to the proposed merger as if it had closed on January 1, 2016.

These unaudited pro forma condensed combined financial statements have been prepared for illustrative purposes only and are not necessarily indicative of the operating results or financial condition that would have been achieved if the proposed acquisition had been completed on the dates or for the periods presented, nor do they purport to project the results of operations or financial position of the combined entities for any future period or as of any future date. These unaudited pro forma condensed combined financial statements may not be useful in predicting the future financial condition and results of operations of the combined company. The actual financial position and results of operations may differ significantly from the pro forma amounts presented herein.

The unaudited pro forma condensed combined financial statements should be read in conjunction with: (i) the historical unaudited condensed consolidated and historical audited consolidated financial statements of MDA for the three months ended March 31, 2017 and as at and for the year ended December 31, 2016, respectively, and the related notes thereto and the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations of MDA*” contained elsewhere in this proxy statement/prospectus for three months ended March 31, 2017 and the year ended December 31, 2016, respectively, and (ii) the historical unaudited condensed consolidated and historical audited consolidated financial statements of DigitalGlobe for the three months ended March 31, 2017 and as of and for the year ended December 31, 2016, respectively, and the related notes thereto and the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” included in DigitalGlobe’s quarterly report on Form 10-Q for the three months ended March 31, 2017 and annual report on Form 10-K for the year ended December 31, 2016, respectively, and incorporated by reference into this proxy statement/prospectus.

The historical unaudited condensed consolidated and historical audited consolidated financial statements have been adjusted in the unaudited pro forma condensed combined financial statements to give effect to events that are (1) directly attributable to the pro forma events, (2) factually supportable, and (3) with respect to the unaudited pro forma condensed combined statement of earnings, expected to have a continuing impact on the combined company’s results. The unaudited pro forma condensed combined financial statements do not reflect any cost savings from operating efficiencies or synergies that could result from the merger or for liabilities that may result from integration planning. Provisions may be recognized in subsequent periods for severance or change of control obligations relating to certain DigitalGlobe employees and such amounts could be material. Furthermore, potential future tax planning strategies have not been reflected in these unaudited pro forma condensed combined financial statements and no adjustments have been made related to the impact on the combined company’s ability to utilize unrecognized deferred tax assets as a result of the pro forma events. Therefore, the actual effective tax rate will likely vary from the estimated statutory tax rates that have been used for purposes of computing tax expense in these pro forma financial statements.

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DigitalGlobe's historical unaudited condensed consolidated and historical audited financial statements were originally presented in U.S. dollars under U.S. generally accepted accounting principles and have been translated to Canadian dollars for presentation in these unaudited pro forma condensed combined financial statements. The unaudited pro forma condensed combined balance sheet of DigitalGlobe has been translated using the exchange rate in effect at March 31, 2017 and the unaudited pro forma condensed combined statement of earnings for the three months ended March 31, 2017 and for the year ended December 31, 2016 has been translated using average quarterly exchange rates for the three months ended March 31, 2017 and average quarterly exchange rates for the year ended December 31, 2016, respectively, as disclosed in Note 7.

DigitalGlobe's historical unaudited condensed consolidated and historical audited financial statements have been conformed to IFRS as issued by the International Accounting Standards Board for inclusion in these unaudited pro forma condensed combined financial statements. These adjustments are discussed in Note 4. In addition, certain reclassifications have been made to the presentation of DigitalGlobe's historical audited financial statements to conform to the presentation used in the unaudited pro forma condensed combined balance sheet and statement of earnings. Additional accounting differences may be identified after consummation of the merger and these changes may be material.

The pro forma adjustments and purchase price allocation for DigitalGlobe are based on preliminary estimates of the fair value of the consideration paid and the fair value of the assets acquired and liabilities assumed, current available information and certain assumptions that MDA believes are reasonable in the circumstances. The actual adjustments to the consolidated financial statements of MDA upon the closing of the merger will depend on a number of factors including among others, additional information available, the amount of net assets of DigitalGlobe, the foreign exchange rate on the closing date of the merger, and the market price of the MDA common shares offered as partial consideration to the DigitalGlobe shareowners. As a result of these factors, the actual adjustments will differ from the pro forma adjustments, and the differences may be material.

2. Description of the Merger

On February 24, 2017, MDA entered into the merger agreement with DigitalGlobe, Holdings and Merger Sub pursuant to which MDA will acquire DigitalGlobe by means of the merger for newly issued MDA common shares and cash. Under the terms of the merger agreement, each share of DigitalGlobe common stock and each share of DigitalGlobe preferred stock (on an as-converted to DigitalGlobe common stock basis) will be exchanged for US\$17.50 in cash and 0.3132 MDA common shares. MDA will also assume DigitalGlobe's net debt, which was approximately C\$1.6 billion (US\$1.2 billion) as at March 31, 2017. Based on the trading value of MDA common shares on May 25, 2017 the consideration to be paid by MDA results in an equity value of DigitalGlobe of approximately C\$2.9 billion (US\$2.2 billion) and an enterprise value of C\$4.5 billion (US\$3.4 billion). MDA has arranged committed financing that will fully fund the cash portion of the consideration, transaction costs, the payments due under the merger agreement in respect of outstanding DigitalGlobe options and DigitalGlobe restricted stock units, the refinancing of the outstanding indebtedness of both DigitalGlobe and MDA, and the fees and expenses payable in connection with such debt financing.

3. Preliminary purchase price allocation and funding requirements

The merger has been accounted for as a business combination in the unaudited pro forma condensed combined financial statements in accordance with *IFRS 3, Business Combinations* with MDA as the acquirer.

(a) Estimated purchase price and funding requirements

The following tables summarize the estimated purchase price, the estimated funding requirements, and the assumed financing structure for the merger.

For purposes of presentation in these pro forma statements, the portion of the estimated purchase price related to the issuance of the MDA common shares is based on the trading value of the MDA common shares and

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the applicable foreign exchange rate on May 25, 2017 at C\$1.3453/U.S.\$1. All other amounts have been translated at the foreign exchange rate at March 31, 2017 (Note 7).

<u>Estimated purchase price and funding requirements</u>		<u>U.S.\$</u>	<u>C\$</u>
Cash	(i)	\$1,201,309	\$1,600,384
Issuance of MDA Common Shares	(ii)	1,005,125	1,339,028
Estimated purchase price		2,206,434	2,939,412
Debt assumed (net of cash on hand of \$104,698 (US\$78,590))	(iii)	1,174,310	1,564,415
Estimated debt issuance costs	(5(b))	53,700	71,539
Estimated acquisition costs	(5(i))	122,587	163,310
Estimated funding requirements		\$3,557,031	\$4,738,676
<u>Assumed Financing Structure</u>		<u>U.S.\$</u>	<u>C\$</u>
Issuance of MDA Common Shares	(ii)	\$1,005,125	\$1,339,028
Estimated long term debt used to finance the transaction	(5(b))	2,551,906	3,399,648
		\$3,557,031	\$4,738,676

- (i) The cash consideration is calculated based on an estimated number of shares of DigitalGlobe common stock outstanding as at the closing date of the merger of approximately 68,646,233, on a fully diluted basis, multiplied by the agreed amount of US\$17.50 per share.
- (ii) The number of shares to be issued or reserved for issuance by MDA is estimated to be approximately 21,500,000 and is based on the conversion ratio of 0.3132 shares of MDA for each share of DigitalGlobe common stock. The value of the stock consideration is calculated based on the closing price per MDA common share as of May 25, 2017 of C\$62.89 (US\$46.75).
- (iii) The debt assumed, net of cash expected to be utilized, is based on the book value of the debt as presented in the historical unaudited condensed consolidated balance sheet of DigitalGlobe as at March 31, 2017 and is translated based on the foreign exchange rate on March 31, 2017.
- (iv) The final purchase price (and resulting goodwill) and the amount of consideration received by the DigitalGlobe shareowners will vary based on a number of factors including the market price of the MDA common shares and the foreign exchange rate on the closing date of the merger.
- An increase or decrease of 10% in the MDA common share price (assuming no change in foreign exchange rates) will increase or decrease the value of the stock consideration by \$135.2 million and \$122.9 million respectively.
 - An increase or decrease of 1% in the Canadian dollar exchange rate (assuming no change in the MDA common share price) would decrease or increase the value of the cash consideration by \$16.0 million and \$15.8 million respectively.
- (b) Preliminary allocation of estimated purchase price

The purchase price consideration has been allocated on a preliminary pro forma basis to the fair values of DigitalGlobe's assets and liabilities as at March 31, 2017 using assumptions that MDA's and DigitalGlobe's management believe are reasonable, based on currently available information. The final purchase price and fair value assessment will be based in part on a detailed valuation that has not yet been completed. As discussed above, the actual fair values of the assets and liabilities may differ materially from the initial estimated fair values.

In the preliminary valuation, the fair values of the satellite assets are estimated using a depreciated replacement cost approach in reference to their remaining available capacity and the fair values of the definite life intangible assets are estimated using income or cost based approaches, as appropriate. The fair value of deferred revenue is based on estimated selling prices less marketing expenses applicable to the sales activities.

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The excess of the estimated purchase price of the acquisition over the estimated fair value of net assets acquired from DigitalGlobe is classified as goodwill. Goodwill primarily represents the significant barriers to entry and DigitalGlobe's market position, the existing workforce of qualified personnel and future growth prospects of the business, including synergies with MDA's existing business.

The carrying values of DigitalGlobe's assets and liabilities shown in the table below are based on the amounts and exchange rates as at March 31, 2017. The fair values of the assets and liabilities are based on the estimated purchase price as described above.

<u>Preliminary purchase price allocation</u>	<u>Carrying value (under IFRS)</u>	<u>Fair value adjustment</u>	<u>Fair value</u>
Cash and cash equivalents	\$ 102,846	\$ —	\$ 102,846
Trade and other receivables	161,862	—	161,862
Other assets	168,124	—	168,124
Property, plant and equipment	2,477,452	(1,491,398)	986,054
Intangible assets	231,710	1,435,179	1,666,889
Trade and other payables	(52,355)	—	(52,355)
Non-financial liabilities	(684,042)	70,431	(613,611)
Long-term employee benefits	(266)	—	(266)
Long-term debt	(1,669,113)	—	(1,669,113)
Deferred tax liabilities	(71,134)	(4,974)	(76,108)
Other liabilities	(35,038)	—	(35,038)
Goodwill	770,145	1,529,983	2,300,128
	<u>\$ 1,400,191</u>	<u>\$ 1,539,221</u>	<u>\$ 2,939,412</u>

4. Significant accounting policies

Management of MDA has performed a preliminary limited review of the historic accounting records and financial statements of DigitalGlobe to identify and adjust material differences between accounting policies selected by MDA under IFRS and U.S. GAAP as applied by DigitalGlobe.

To conform to IFRS the following adjustments were made:

a. Deferred revenue:

- (1) Under IFRS, MDA imputes interest on advance payments received from customers that contain a financing element. Under US GAAP, there is no requirement to separate the financing element. MDA determines the interest rate to be applied to the advance payments based on the company's prevailing borrowing rate at contract inception and the interest rate is not updated for changes in circumstances. The effect of imputing interest on advance payments received from customers that contain a financing element is to increase deferred revenue with an offsetting charge to finance expense. As at March 31, 2017 deferred revenue was increased by \$216.7 million (US\$162.7 million) and for the three months ended March 31, 2017 and for the year ended December 31, 2016 revenue was increased by \$22.5 million (US\$17.0 million) and \$90.0 million (US\$67.9 million), respectively, and finance expense was increased by \$12.5 million (US\$9.5 million) and \$56.5 million (US\$42.6 million), respectively, as a result of conforming this accounting policy; and
- (2) Under IFRS, MDA treats contract amendments that provide for additional services that are distinct from the original contract as modifications of the original contract. Remaining revenue of the modified contract is recognized prospectively based on the terms of and over the remaining life of the modified contract. Under US GAAP, DigitalGlobe accounted for such contract amendments as new arrangements and not as modifications of the original contract. Accordingly, there was no

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change to the amortization of the deferred revenue related to the original contract. The differences in deferred revenue recognition and method of amortization impacted the timing and amount of revenue recognized. As at March 31, 2017 deferred revenue was increased by \$34.9 million (US\$26.2 million) and for the three months ended March 31, 2017 and for the year ended December 31, 2016, revenue was increased by \$2.8 million (US\$2.1 million) and \$11.4 million (US\$8.6 million), respectively, as a result of conforming this accounting policy.

- b. To record the estimated tax effects of the above noted pro forma adjustments using the statutory tax rate for DigitalGlobe of 35%.
- c. To record the DigitalGlobe presentation of computer software in intangible assets rather than within property, plant and equipment.

5. Pro forma adjustments and assumptions

The following adjustments have been recorded in the pro forma combined financial statements to reflect the pro forma effects of the merger as described in the preceding notes:

- a. To reflect the estimated fair value of DigitalGlobe's assets and liabilities and to reflect the issuance or reservation for issuance of approximately 21.5 million MDA common shares to DigitalGlobe shareowners. (Note 3).
- b. To record cash inflows of \$4,273.3 million from acquisition related debt financing and to record cash outflows for purchase consideration paid to DigitalGlobe shareowners of \$1,600.4 million, refinancing of DigitalGlobe's debt of \$1,669.1 million, refinancing of MDA's debt of \$873.6 million, and payment of estimated debt issuance and additional transaction costs of \$71.5 million and \$163.3 million respectively. Cash on hand of \$104.7 million (US\$78.6 million) is also expected to be utilized to finance the merger. Long term debt has been reduced by the estimated debt issuance costs and has been classified between current and non-current based on the amortization profile of the assumed financing structure.
- c. To record estimated finance expense for the three months ended March 31, 2017 of 41.7 million and for the year ended December 31, 2016 of \$121.3 million. The total estimated finance expense for three months ended March 31, 2017 including amortization of debt issuance costs is \$47.2 million with \$5.5 million of finance expense expected to be capitalized as borrowing costs for the construction of qualifying assets. The total estimated finance expense for the year ended December 31, 2016 including amortization of debt issuance costs is \$188.7 million with \$67.4 million of finance expense expected to be capitalized as borrowing costs for the construction of qualifying assets. The terms of the long term debt ranges between 3 to 7 years with a weighted average interest rate of 4.12% for the three months ended March 31, 2017 and for the year ended December 31, 2016.

A fluctuation in the estimated interest rate of +/-1/8% would result in a change in finance expense of approximately \$1.3 million and \$5.3 million for the three months ended March 31, 2017 and for the year ended December 31, 2016, respectively.

- d. To reverse DigitalGlobe's and MDA interest expense of \$19.5 million and \$55.1 million on long term debt for the three months ended March 31, 2017 and for the year ended December 31, 2016, respectively, as a result of the refinancing of the debt upon the consummation of the merger.
- e. To reflect the elimination of intra entity transactions.
- f. To record an increase in amortization expense of \$48.8 million and \$205.8 million for the three months ended March 31, 2017 and for the year ended December 31, 2016, respectively, due to fair value adjustments to definite life intangible assets. The preliminary estimates for remaining useful lives of the definite life intangible assets are between 4 and 15 years.

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A change of +/- 10% in the fair value of definite life intangible assets will result in a change in amortization expense of approximately \$5.4 million and \$21.8 million for the three months ended March 31, 2017 and for the year ended December 31, 2016, respectively.

- g. To record a decrease in depreciation expense of \$45.9 million and \$126.2 million for three months ended March 31, 2017 and for the year ended December 31, 2016, respectively, due to fair value adjustments to satellite assets. The preliminary estimates for remaining useful lives of DigitalGlobe's satellites are between 2.6 years and 10.5 years. No depreciation expense was recorded on DigitalGlobe's WorldView-4 satellite for the year ended December 31, 2016 since it was not placed into service until February 2017. The preliminary estimated useful life and annual depreciation of WorldView-4 is 10.5 years and \$25.6 million respectively.

A change of +/- 10% in the fair value of the satellites will result in a change in depreciation expense of approximately \$2.5 million and \$8.2 million for the three months ended March 31, 2017 and for the year ended December 31, 2016, respectively.

- h. To record a decrease in revenue of \$6.8 million and \$24.2 million for the three months ended March 31, 2017 and for the year ended December 31, 2016, respectively, to reflect the difference between advance payments received and the fair value of the assumed performance obligations as they are satisfied, assuming the merger was consummated on January 1, 2016.
- i. To record the elimination of non-recurring transaction costs that are directly related to the merger of \$13.4 million and \$10.7 million incurred during the three months ended March 31, 2017 by DigitalGlobe and MDA respectively.

To eliminate \$16.9 million of accrued merger transaction costs as at March 31, 2017 and reflected as paid upon the consummation of the merger.

To record an additional estimated merger transaction costs of \$146.5 million relating to the merger. These costs have been included as a pro forma adjustment to retained earnings rather than being reflected in the unaudited pro forma condensed combined statement of earnings on the basis that they are directly incremental to the merger and are non-recurring in nature.

- j. To record the estimated tax effects of the above noted pro forma adjustments (a) to (i) using statutory tax rates of 35% for DigitalGlobe related adjustments and 26% for MDA related adjustments.
- k. To reverse the historical stockholders' equity of DigitalGlobe, which includes retained earnings common and preferred stock.

6. Pro forma earnings per common share

The calculation of basic and diluted pro forma earnings per common share for the three months ended March 31, 2017 and for the year ended December 31, 2016, reflects the assumed issuance of approximately 21.5 million MDA common shares as stock consideration (Note 3(a)) as if the issuance had taken place as of January 1, 2016.

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7. Foreign exchange translation

The following exchange rates were utilized in preparing the unaudited pro forma condensed combined financial statements:

<u>Financial statement</u>	<u>Foreign exchange rate (C\$/U.S.\$)</u>	
Combined balance sheet as at March 31, 2017	Period end rate	1.3322
Combined statements of earnings:		
Quarter ended March 31, 2016	Average rate	1.3748
Quarter ended June 30, 2016	Average rate	1.2886
Quarter ended September 30, 2016	Average rate	1.3047
Quarter ended December 31, 2016	Average rate	1.3343
Quarter ended March 31, 2017	Average rate	1.3230

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF MDA

The following discussion (the "MD&A") should be read in conjunction with MDA's consolidated financial statements and the related notes included elsewhere in this proxy statement/prospectus. This discussion contains forward-looking statements that are subject to known and unknown risks and uncertainties. Actual results and the timing of events may differ significantly from those expressed or implied in such forward-looking statements due to a number of factors, including those set forth in the section entitled "Risk Factors" and elsewhere in this proxy statement/prospectus. You should read the following discussion in conjunction with the sections entitled "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors." Unless otherwise indicated, the results reported herein have been prepared in accordance with IFRS and all dollar amounts are expressed in Canadian dollars.

The financial information set out herein as at and for the three month periods ended March 31, 2017 and 2016 is unaudited. However, such information reflects all adjustment, consisting solely of normal recurring adjustments, necessary for a fair presentation of the results for the periods presented.

Overview

MDA is a global communications and information company providing operational solutions to commercial and government organizations worldwide. MDA's comprehensive capabilities in business and program management, systems engineering, systems integration, testing, and support services address complex customer requirements through the full solutions life cycle. MDA's established global customer base is served by more than 4,800 employees operating from 15 locations in the United States, Canada and internationally.

MDA had total assets of \$3,367.4 million and \$3,438.9 million as of March 31, 2017 and December 31, 2016, respectively, and consolidated revenues of \$494.3 million and \$2,063.8 million for the three months ended March 31, 2017 and year ended December 31, 2016, respectively.

MDA analyzes financial performance by segments, which group related activities within MDA. MDA's two reportable operating segments are Communications and Surveillance and Intelligence. MDA's reporting business segments allow senior management to evaluate the operational performance and assess the overall contribution of each segment to the long-term objectives of MDA.

In the Communications segment, MDA offers solutions for cost-efficient global delivery of a broad range of services, including television and radio distribution, broadband internet, and mobile communications. MDA is a leading supplier of communication satellites, satellite payloads, satellite antenna subsystems, and associated ground infrastructure and support services. MDA's principal customers in this segment are communication satellite operators, communication satellite manufacturers, and government agencies worldwide. The Communications segment contributed revenues of \$332.0 million and \$1,441.6 million for the three months ended March 31, 2017 and year ended December 31, 2016, respectively.

In the Surveillance and Intelligence segment, MDA offers end-to-end solutions to monitor changes and activities around the globe to support the operational needs of government agencies, both military and civilian, and commercial customers. MDA is a leading supplier of space-based and airborne surveillance solutions, imaging satellite ground systems, geospatial information services, and associated support services. MDA also supplies robotic systems for the space and terrestrial markets. The Surveillance and Intelligence segment contributed revenues of \$162.4 million and \$622.2 million for the three months ended March 31, 2017 and year ended December 31, 2016, respectively.

Pending Merger with DigitalGlobe

On February 24, 2017, MDA, DigitalGlobe, Holdings and Merger Sub entered into the merger agreement pursuant to which MDA will acquire DigitalGlobe by means of the merger in a transaction valued at

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approximately \$4.7 billion, including assumed consolidated debt of DigitalGlobe on closing. The combination will bring together complementary space-related capabilities, creating a stronger company uniquely positioned to capture growth in the U.S., Canadian and global Earth observation and geospatial services markets given that the combined company will have the ability to provide complete, end-to-end space systems, earth imagery and geospatial solutions. Together, the combination will leverage a full suite of space-related capabilities, including communications and Earth observation satellites and robotics, ground stations, integrated electro-optical and radar imagery, and advanced data analytics. Additionally, the combined company will lead in cloud-based information services that allow commercial and government customers worldwide to better understand activity across the changing planet.

The combination of MDA and DigitalGlobe's technology offers attractive vertical integration benefits, including lower costs, increased speed-to-market and enhanced analytics capabilities. Combining MDA's leadership in satellite design and manufacturing, radar capabilities, ground systems and systems engineering with DigitalGlobe's world-leading constellation, archive, platform and advanced geospatial expertise and analytics will drive value and open channels for growth in adjacent markets. MDA's industry-leading technology in large and small satellites and ground stations will enhance DigitalGlobe's future constellations, positioning the combined company to extend its lead in the collection, dissemination and analysis of commercial Earth imagery collected with unrivaled resolution, accuracy, revisit and refresh of the most rapidly changing places on the planet.

The transaction is expected to be accretive to MDA's operating earnings per share in 2018 and the combined company expects to deliver meaningful revenue and cost synergies of \$75-150 million on a run-rate basis by 2019. Revenue synergies include accelerating SSL's penetration into U.S. Government markets, international market expansion, cross-selling opportunities and the ability to target larger geospatial services contract awards. Cost synergies include elimination of duplicative public company costs, procurement cost savings, efficiencies gained by leveraging SSL's manufacturing capabilities for future Earth observation satellite constellations, and the operational benefits of increased scale.

The total amount of funds necessary to consummate the merger will be funded by MDA, including the funds needed to (a) pay DigitalGlobe shareowners the aggregate cash consideration due to them under the merger agreement; (b) make payments pursuant to the merger agreement in respect of outstanding DigitalGlobe options and restricted stock units granted under the DigitalGlobe equity plans; (c) if required, repay the outstanding indebtedness of DigitalGlobe under the Existing DigitalGlobe Credit Agreement; (d) repay the outstanding indebtedness of MDA under the 2012 Credit Agreement (other than the revolving loans thereunder, if the financing of the new revolving facility of MDA is effected through an increase in the revolving credit commitments under the 2012 Credit Agreement, as described in the section entitled "*The Merger Proposal—Financing for the Merger—Debt Commitment Letter*" below); (e) repay the outstanding MDA notes issued under the MDA Note Purchase Agreements and (f) pay fees and expenses payable by MDA, Holdings and Merger Sub under the merger agreement and in connection with the debt financing. Concurrently with the signing of the merger agreement, MDA obtained the commitment letter, pursuant to which the Initial Lenders committed to provide, upon the terms and subject to the conditions set forth therein, the Senior Secured Credit Facilities in an aggregate principal amount of up to US\$3.75 billion (including a first lien revolving credit facility in an aggregate principal amount of US\$1,250 million, a senior secured first lien term loan A facility in an aggregate principal amount of US\$500 million and a senior secured first lien term loan B facility in an aggregate principal amount of US\$2,000 million). See the section entitled "*The Merger Proposal—Financing for the Merger*" for further information.

MDA has incurred and expects to incur additional significant non-recurring expenses in connection with the merger, including, without limitation, financing, legal, accounting, and financial advisory and regulatory filing fees. Additional unanticipated costs may be incurred in the course of coordinating the businesses of MDA and DigitalGlobe after completion of the merger. See the section entitled "*Risk Factors—Risks Relating to the Merger*" for more information. While MDA will incur additional legal, accounting and other expenses in

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connection with becoming a listed company in the United States, subject to reporting, disclosure control and other obligations under the U.S. Exchange Act, Sarbanes-Oxley Act of 2002, the Dodd-Frank Act, as well as rules adopted, and to be adopted, by the SEC and the NYSE or NASDAQ, as applicable, certain similar expenses currently incurred by DigitalGlobe are expected to decrease after the merger, as DigitalGlobe will delist its shares from the NYSE and deregister its shares from the SEC in connection with the closing of the merger. Any net increase in the foregoing costs following the merger are not expected to be material to MDA on a consolidated basis.

Key Performance Indicators

The key performance indicators used by MDA to measure financial operating performance are revenues, adjusted operating EBITDA, adjusted operating earnings and adjusted operating earnings per share. Adjusted operating EBITDA, adjusted operating earnings and adjusted operating earnings per share are non-IFRS financial measures which provide useful information to investors and shareholders as they provide increased transparency and predictive value. MDA also uses these measures internally to establish budgets and operational goals to manage and monitor its business, evaluate its underlying historical performance and to report its results to the board of directors. MDA's management believes adjusted operating EBITDA, adjusted operating earnings and adjusted operating earnings per share provide a more meaningful representation of MDA's fundamental earnings power and reflect MDA's ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of trends in its business. For more information regarding adjusted operating EBITDA, adjusted operating earnings and adjusted operating earnings per share, including reconciliation to their most directly comparable IFRS measures, see the section entitled "*Non-IFRS Financial Measures*" of this MD&A below.

Factors Affecting the Results of Operations of MDA

Generally, MDA's results of operations are impacted by the size and number of construction contracts in progress, contract life cycle of large construction contracts, recognition of investment tax credits, fluctuation in foreign exchange rates, volume of subcontractor activity, and the impact of revisions of total cost and revenue estimates on construction contracts, including the recognition of contract loss provisions.

In the Communications segment, MDA's operating results are impacted by market conditions in the commercial communications satellite market. This poses certain challenges to MDA as demand in the commercial communications satellite market is cyclical.

In the Surveillance and Intelligence segment, MDA receives contracts from the Canadian federal government and its agencies, such as the Canadian Space Agency and Department of National Defence. Changes in Canadian government policies, priorities, funding levels, or deferment of funding for programs in which MDA or its customers participate could affect MDA's operating results in the Surveillance and Intelligence segment.

Corporate expense is impacted by legal fees associated with obtaining the government security clearances necessary for MDA to implement its United States access strategy, as well as costs related to the setup of MDA's U.S. operating company and new management team. Also, costs denominated in U.S. dollars, including finance expense and amortization expense, are impacted by fluctuations in the Canadian to U.S. dollar exchange rate.

MDA's net earnings under IFRS are impacted by the inclusion and variability of a number of items that may not be indicative of the operational and financial performance of MDA's ongoing businesses. These items include share-based compensation expense, amortization of acquisition-related intangible assets, restructuring costs, executive compensation settlement, and enterprise improvement costs.

[Table of Contents](#)[Index to Financial Statements](#)**Consolidated Results of Operations of MDA**

The following table summarizes MDA's results of operations for the periods indicated.

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
	(\$ millions, except per common share amounts)				
Consolidated revenues	494.3	562.4	2,063.8	2,117.4	2,098.8
Direct cost, selling, general and administration	410.5	468.2	1,708.6	1,754.3	1,737.7
Depreciation and amortization	25.1	26.0	102.6	99.5	82.3
Foreign exchange loss (gain)	(0.2)	(2.5)	4.7	3.6	11.4
Share-based compensation expense	6.5	3.9	19.3	14.1	49.4
Other expense	25.0	4.8	7.8	12.9	99.3
Earnings before interest and income taxes	27.4	62.0	220.8	232.9	118.7
Finance income	(0.1)	(0.0)	(0.4)	(0.3)	(0.5)
Finance expense	14.1	12.9	49.8	46.6	34.6
Earnings before income taxes	13.5	49.1	171.4	186.6	84.6
Income tax expense	7.5	8.4	31.8	43.7	37.5
Net earnings	5.9	40.7	139.6	142.8	47.1
Diluted net earnings per share	0.15	1.10	3.74	3.84	1.31

Foreign exchange differences

MDA conducts business internationally and is subject to fluctuations in foreign currencies, particularly the U.S. dollar and the Euro. The effect of foreign currency fluctuations impacts MDA's revenues, expenses, assets, liabilities and order backlog, as reported in Canadian dollars. Fluctuations of the U.S. dollar relative to the Canadian dollar would result in variability to revenues and expenses from MDA's operations based in the United States, as well as to interest expense on long-term debt.

Consolidated revenues*For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016*

Consolidated revenues decreased by \$68.1 million, or 12.1%, from \$562.4 million for the three months ended March 31, 2016 to \$494.3 million for the three months ended March 31, 2017. The Communications segment contributed revenues of \$332.0 million for the three months ended March 31, 2017 compared to \$403.2 million for the three months ended March 31, 2016, and the Surveillance and Intelligence segment contributed revenues of \$162.4 million for the three months ended March 31, 2017 compared to \$159.2 million for the three months ended March 31, 2016. The decrease in revenues from the Communications segment was primarily due to a lower number of satellite contracts awarded in the geostationary communications satellite industry and to MDA over the last two years, resulting in fewer satellites under construction during the three months ended March 31, 2017 compared to the three months ended March 31, 2016. The increase in revenues from the Surveillance and Intelligence segment was primarily due to higher revenue from contracts in the emerging markets sector, which includes the U.S. government space and defense markets.

For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

Consolidated revenues decreased by \$53.6 million, or 2.5%, from \$2,117.4 million for the year ended December 31, 2015 to \$2,063.8 million for the year ended December 31, 2016. The Communications segment contributed revenues of \$1,441.6 million for the year ended December 31, 2016, compared to \$1,508.2 million

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for the year ended December 31, 2015, and the Surveillance and Intelligence segment contributed revenues of \$622.2 million for the year ended December 31, 2016, compared to \$609.2 million for the year ended December 31, 2015. The decrease in revenues from the Communications segment was primarily due to the lower number of satellite contracts awarded in the geostationary communications satellite industry and to MDA over the prior two years, resulting in fewer satellites under construction in the second half of 2016 compared to the year ended December 31, 2015. MDA expects this trend to continue for the next several quarters or until satellite order intake levels return to historical averages. The increase in revenues in the Surveillance and Intelligence segment was primarily due to higher activity on certain airborne surveillance and satellite ground system programs as well as higher revenue from contracts in the emerging markets sector, which includes the U.S. government space and defense markets.

For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Consolidated revenues increased by \$18.6 million, or 0.9%, from \$2,098.8 million for the year ended December 31, 2014 to \$2,117.4 million for the year ended December 31, 2015. The Communications segment contributed revenues of \$1,508.2 million for the year ended December 31, 2015, compared to \$1,494.1 million for the year ended December 31, 2014, and the Surveillance and Intelligence segment contributed revenues of \$609.2 million for the year ended December 31, 2015, compared to \$604.8 million for the year ended December 31, 2014.

The increase in revenues from the Communications segment was primarily due to a favorable impact from foreign exchange translation on U.S. dollar denominated balances partially offset by lower revenues from commercial geostationary satellite programs and satellite components. The increase in revenues in the Surveillance and Intelligence segment was primarily due to having a full year of revenue from the Advanced Systems business acquired from General Dynamics Information Systems, Inc. in the fourth quarter of 2014 partially offset by lower revenues from the Radarsat Constellation Mission program and unmanned aerial vehicle surveillance solution programs.

Please refer to “*Results of Operations by Reporting Segment*” of this MD&A for further discussion of MDA’s revenues by segment.

Order backlog*As at March 31, 2017 Compared to December 31, 2016*

Order backlog, representing the estimated dollar value of firm funded contracts for which work has not been performed, was \$2.0 billion as at March 31, 2017 compared to \$2.4 billion as at December 31, 2016. The decrease was primarily due to revenue recognized in excess of new bookings during the three months ended March 31, 2017. Order backlog at March 31, 2017 does not include the full value of certain U.S. government selections or unexercised contract options and potential orders under indefinite delivery/indefinite quantity contracts. MDA was selected by the U.S. Defense Advanced Research Projects Agency (“DARPA”), as a partner on its Robotic Servicing of Geosynchronous Satellites (“RSGS”) program, to develop advanced capabilities for servicing and maintaining spacecraft in geostationary orbit, as well as by the National Aeronautics and Space Administration’s (“NASA”) Jet Propulsion Laboratory to provide a spacecraft platform for a NASA Discovery Mission to explore the metallic asteroid 16 Psyche. However, the value of these selections has not yet been reflected in backlog as of March 31, 2017.

As at December 31, 2016 Compared to December 31, 2015

Order backlog was \$2.4 billion as at December 31, 2016 compared to \$2.9 billion as at December 31, 2015. This year-over-year decrease was due to revenue recognized during the year in excess of bookings and the unfavorable impact of foreign exchange translation on U.S. dollar denominated balances. Order backlog does not include unexercised contract options and potential orders under indefinite delivery/indefinite quantity contracts.

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As at December 31, 2015 Compared to December 31, 2014

Order backlog was \$2.9 billion as at December 31, 2015 compared to \$3.1 billion as at December 31, 2014. This year-over-year decrease was due to revenue recognized during the year in excess of bookings partially offset by the favorable impact of foreign exchange translation on U.S. dollar denominated balances.

Please refer to “Results of Operations by Reporting Segment” of this MD&A for further discussion of MDA’s bookings by segment.

Direct cost, selling, general and administration expense

The following table shows direct cost, selling, general and administration expense for the periods indicated.

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
			(\$ millions)		
Operating segment expenses	405.2	464.0	1,692.1	1,743.4	1,727.6
Corporate expenses	5.3	4.2	16.5	10.9	10.1
Direct cost, selling, general and administration expense	<u>410.5</u>	<u>468.2</u>	<u>1,708.6</u>	<u>1,754.3</u>	<u>1,737.7</u>

Direct cost, selling, general and administration expense consists of operating expenses relating to MDA’s two operating segments, Communications and Surveillance and Intelligence, and to corporate activities. Expenses relating to corporate activities include such items as corporate office costs, regulatory costs, executive and director compensation, and fees for audit, legal and consulting services.

For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016

Direct cost, selling, general and administration expense relating to MDA’s operating segments was \$405.2 million for the three months ended March 31, 2017 compared to \$464.0 million for the three months ended March 31, 2016. This decrease was consistent with the decrease in consolidated revenues described above.

Direct cost, selling, general and administration expense relating to corporate activities was \$5.3 million for the three months ended March 31, 2017 compared to \$4.2 million for the three months ended March 31, 2016. This increase was primarily due to the incremental cost of setting up MDA’s U.S. operating company and new management team. Corporate expenses are expected to continue at current levels in 2017.

For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

Direct cost, selling, general and administration expense relating to MDA’s operating segments was \$1,692.1 million for the year ended December 31, 2016 compared to \$1,743.4 million for the year ended December 31, 2015. This decrease was consistent with the decrease in consolidated revenues described above.

Direct cost, selling, general and administration expense relating to corporate activities was \$16.5 million for the year ended December 31, 2016 compared to \$10.9 million for the year ended December 31, 2015. This increase was primarily due to legal fees associated with obtaining the security clearances necessary for MDA to implement its United States access strategy as well as costs related to the setup of MDA’s U.S. operating company and new management team.

For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Direct cost, selling, general and administration expense relating to MDA’s operating segments was \$1,743.4 million for the year ended December 31, 2015 compared to \$1,727.6 million for the year ended December 31, 2014. This increase was consistent with the changes in consolidated revenues described above.

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Direct cost, selling, general and administration expense relating to corporate activities was \$10.9 million for the year ended December 31, 2015 compared to \$10.1 million for the year ended December 31, 2014. This increase was primarily due to variability in the ordinary course of business.

Depreciation and amortization

The following table shows depreciation and amortization expense for the periods indicated.

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
	(\$ millions)				
Property, plant and equipment	10.7	11.7	45.0	46.2	42.3
Intangible assets—acquisition related	10.6	11.0	43.0	40.6	33.1
Intangible assets—other	3.9	3.4	14.6	12.6	6.9
Depreciation and amortization	<u>25.1</u>	<u>26.0</u>	<u>102.6</u>	<u>99.5</u>	<u>82.3</u>

For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016

Depreciation and amortization expense, including amortization of acquisition related intangible assets, was \$25.1 million for the three months ended March 31, 2017 compared \$26.0 million for the three months ended March 31, 2016, representing a decrease of \$0.9 million, or 3.5%. This decrease was primarily due to certain property, plant and equipment becoming fully depreciated partly offset by the amortization on MDA's increased investments in technologies and software.

Amortization expense on acquisition related intangible assets was \$10.6 million for the three months ended March 31, 2017 compared to \$11.0 million for the three months ended March 31, 2016, representing a decrease of \$0.4 million, or 3.6%. This decrease was primarily due to the impact of foreign currency translation on U.S. dollar denominated expenses.

For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

Depreciation and amortization expense, including amortization of acquisition related intangible assets, increased to \$102.6 million for the year ended December 31, 2016 compared to \$99.5 million for the year ended December 31, 2015, representing an increase of \$3.2 million, or 3.2%. This increase reflected MDA's increased investments in technologies and software partially offset by the impact of foreign currency translation on U.S. dollar denominated expenses.

Amortization expense on acquisition related intangible assets increased to \$43.0 million for the year ended December 31, 2016 compared to \$40.6 million for the year ended December 31, 2015, representing an increase of \$2.4 million, or 5.9%. This increase was primarily due to the impact of foreign currency translation on U.S. dollar denominated expenses.

For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Depreciation and amortization expense, including amortization of acquisition related intangible assets, increased to \$99.5 million for the year ended December 31, 2015 compared to \$82.3 million for the year ended December 31, 2014, representing an increase of \$17.1 million, or 20.8%, respectively. The increase reflected MDA's increased investments in technologies and software and the impact of foreign currency translation on U.S. dollar denominated expenses.

Amortization expense on acquisition related intangible assets increased to \$40.6 million for the year ended December 31, 2015 compared to \$33.1 million for the year ended December 31, 2014, representing an increase

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of \$7.5 million, or 22.7%. This increase was primarily due to the impact of a full year's amortization on intangible assets acquired in the Advanced Systems acquisition in the fourth quarter of 2014 and foreign currency translation on U.S. dollar denominated expenses.

Share-based compensation expense***For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016***

Share-based compensation expense was \$6.5 million for the three months ended March 31, 2017 compared to \$3.9 million for the three months ended March 31, 2016. Share-based compensation expense under IFRS may vary significantly from period to period as it is based on fair valuation of the awards, which is estimated using complex option pricing models incorporating factors such as the expected life of options and market volatility.

The average cash outlay on share-based compensation was approximately \$1.3 million per quarter since the second quarter of 2015 when MDA began settling the majority of share-based compensation awards with equity instead of cash. Over the twelve-month period ended March 31, 2017, cash outlay on share-based compensation was equivalent to 0.5% of total salaries and benefits. For the three months ended March 31, 2017, MDA issued 5,609 common shares from treasury to settle the exercise of equity-settled awards.

For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

Share-based compensation expense was \$19.3 million for the year ended December 31, 2016 compared to \$14.1 million for the year ended December 31, 2015. For the year ended December 31, 2016, share-based compensation also included a charge of \$15.3 million related to an executive compensation settlement with MDA's former chief executive officer (see the section entitled "*Certain Relationships and Related Party Transactions*" of this MD&A below). With the reclassification of certain share-based awards in 2015 from cash-settled awards to equity-settled awards, the volatility to net earnings has decreased as the accounting expense for equity-settled awards is based on the fair value at date of grant, and unlike cash-settled awards, the fair value is not re-measured at each period end. For the year ended December 31, 2016, MDA issued 83,860 common shares from treasury to settle the exercise of equity-settled awards.

The average cash outlay on share-based compensation was approximately \$30 million per year over the five-year period ended December 31, 2016. For the year ended December 31, 2016, cash outlay on share-based compensation was equivalent to 0.6% of total salaries and benefits, compared to 3.7% for the year ended December 31, 2015. This decrease was primarily due to a reduction in the cash outlay on share-based compensation resulting from the change in settlement method from cash to equity settlement for certain share-based awards. The lower cash outlay on share-based compensation is expected to continue in future periods as a result of this change in settlement method.

For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Share-based compensation expense was \$14.1 million for the year ended December 31, 2015 compared to \$49.4 million for the year ended December 31, 2014. This decrease was primarily due to the inherent variability of share-based compensation expense based on fair valuation of the awards as described above. For the year ended December 31, 2015, MDA issued 50,672 common shares from treasury to settle the exercise of equity-settled awards.

For the year ended December 31, 2015, cash outlay on share-based compensation was equivalent to 3.7% of total salaries and benefits, compared to 6.1% for the year ended December 31, 2014.

[Table of Contents](#)[Index to Financial Statements](#)**Other expense**

The following table shows other expense for the periods indicated.

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
	(\$ millions)				
Enterprise improvement costs	—	4.8	4.8	12.9	15.6
Executive compensation settlement	—	—	3.0	—	—
ViaSat settlement and associated activities	—	—	—	—	74.6
Employee benefit expense	—	—	—	—	8.2
Acquisition related expense	10.7	—	—	—	0.9
Restructuring costs	14.3	—	—	—	—
Other expense	<u>25.0</u>	<u>4.8</u>	<u>7.8</u>	<u>12.9</u>	<u>99.3</u>

For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016

Acquisition related expense

For the three months ended March 31, 2017, MDA incurred costs of \$10.7 million related to the merger with DigitalGlobe that were not contingent upon closing the transaction. Acquisition related expense consisted primarily of incremental costs for legal, tax, consulting and other professional fees.

Restructuring costs

In the first quarter of 2017, in response to the lower level of order activity in the geostationary communications satellite industry, MDA commenced a restructuring project to further reduce headcount at its Palo Alto manufacturing facility and to explore new efficiency initiatives to further reduce operating costs. The new initiatives include the redesign of software development processes for certain operations and the implementation of enterprise shared services to reduce support function costs. In connection with the implementation of these initiatives, MDA incurred costs of \$14.3 million for the three months ended March 31, 2017, including severance for employee terminations of \$7.8 million and consulting fees of \$6.5 million. MDA may incur additional restructuring costs during the remainder of 2017 as it continues to assess and implement its efficiency initiatives.

For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

Enterprise improvement costs

In 2014, MDA commenced a comprehensive review of its satellite manufacturing operations. With assistance from expert industry consultants, MDA has been identifying and implementing certain initiatives (the “enterprise improvement initiatives”) that are aimed at reducing overhead costs, increasing supply chain value and improving overall production processes, in particular via automation and standardization. MDA has established a team consisting of senior management and other key employees dedicated to managing the current initiatives and to continually evaluate additional long-term measures to improve efficiency. The enterprise improvement program has been firmly entrenched into the supply chain and production processes and has become an integral part of ongoing management systems.

In connection with the implementation of enterprise improvement initiatives, MDA incurred enterprise improvement costs of \$4.8 million for the year ended December 31, 2016 and \$12.9 million for the year ended December 31, 2015. These costs primarily related to severance for employee terminations and consulting fees. The labor cost of the senior management team and other key employees participating in the enterprise improvement initiatives project has not been included in enterprise improvement costs.

[Table of Contents](#)[Index to Financial Statements](#)[Executive compensation settlement](#)

In the second quarter of 2016, MDA incurred an expense related to an executive compensation settlement with MDA's former chief executive officer (see the section entitled "*Certain Relationships and Related Party Transactions*" of this MD&A below).

For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

[Enterprise improvement costs](#)

In connection with the implementation of the enterprise improvement initiatives, MDA incurred costs of \$12.9 million for the year ended December 31, 2015 and \$15.6 million for the year ended December 31, 2014. These costs related to severance for employee terminations and consulting fees. The labor cost of the senior management team and other key employees participating in the project has not been included in enterprise improvement costs.

[ViaSat settlement and associated activities](#)

Prior to MDA's acquisition of Space Systems/Loral, LLC and Space Systems/Loral Land, LLC (collectively "SSL") in 2012, ViaSat, Inc. ("ViaSat") filed two complaints against SSL and Loral Space & Communications Inc. ("Loral"), the former parent company of SSL, in the United States District Court for the Southern District of California. ViaSat's complaints alleged, among other matters, that SSL and Loral infringed on certain ViaSat patents and that SSL breached non-disclosure obligations in certain contracts with ViaSat in connection with the manufacture of satellites by SSL for customers other than ViaSat. In April 2014, a jury returned a verdict in favor of ViaSat and awarded US\$283 million in damages for patent infringement and breach of contract. In August 2014, a federal court vacated the jury's damages award and ordered a new trial on damages. In September 2014, the parties entered into an agreement to settle the litigation, pursuant to which all claims were dismissed. MDA recognized a net expense of \$69.2 million for its share of the settlement obligation and \$5.4 million for associated legal fees and other costs.

[Employee benefit expense](#)

In 2014, MDA incurred costs of \$8.2 million related to the restructuring of pension and post-retirement benefit plans at one of its operating divisions.

[Acquisition related expense](#)

Acquisition related expense includes legal, tax, consulting and other professional fees incurred relating to acquisitions whether completed or abandoned. In October 2014, MDA acquired Advanced Systems, a Michigan-based line of business involved in the development and application of radar and other information sensors for the U.S. government, from General Dynamics Information Systems, Inc. MDA incurred costs of \$0.9 million relating to the acquisition.

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Net finance expense

The following table shows the components of net finance expense for the periods indicated.

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
	(\$ millions)				
Finance expense:					
Interest expense on long-term debt	8.1	8.7	34.7	33.3	29.9
Interest expense on defined benefit pension and other post-retirement benefit obligations	3.1	3.3	12.6	11.3	7.6
Interest expense on orbital securitization liability	2.6	—	2.1	—	—
Capitalization of borrowing costs	(1.3)	(0.6)	(3.7)	(2.0)	(3.0)
Imputed and other interest	1.6	1.5	4.1	4.1	0.1
Finance income	(0.1)	(0.0)	(0.4)	(0.3)	(0.5)
Net finance expense	<u>14.0</u>	<u>12.9</u>	<u>49.4</u>	<u>46.4</u>	<u>34.1</u>

For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016

Net finance expense increased by \$1.1 million, or 8.4%, from \$12.9 million for the three months ended March 31, 2016 to \$14.0 million for the three months ended March 31, 2017. The increase in net finance expense was primarily due to non-cash accretion interest on the orbital securitization liability which was not applicable in the same period of last year.

For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

Net finance expense increased by \$3.0 million, or 6.5%, from \$46.4 million for the year ended December 31, 2015 to \$49.4 million for the year ended December 31, 2016. The increase in net finance expense was primarily due to the impact of foreign currency translation on interest expense denominated in U.S. dollars. For the year ended December 31, 2016, interest expense also included non-cash accretion interest on the securitization liability. For the year ended December 31, 2016, imputed and other interest consisted primarily of interest accretion on certain other long-term financial liabilities.

For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Net finance expense increased by \$12.2 million, or 35.8%, from \$34.1 million for the year ended December 31, 2014 to \$46.4 million for the year ended December 31, 2015. The increase in net finance expense was primarily due to higher outstanding levels of long-term debt as well as the impact of foreign currency translation on interest expense denominated in U.S. dollars. Debt levels increased primarily as a result of working capital requirements. For the year ended December 31, 2015, imputed interest consisted primarily of interest on liabilities related to the acquisition of Advanced Systems and interest on the outstanding ViaSat settlement obligation.

Income tax expense

Income tax expense for the three months ended March 31, 2017 was \$7.5 million (effective tax rate of 56.2%) compared to \$8.4 million (effective tax rate of 17.1%) for the three months ended March 31, 2016. Income tax expense was impacted by the variability of certain non-deductible expenses.

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Income tax expense for the year ended December 31, 2016 was \$31.8 million (effective tax rate of 18.6%) compared to \$43.7 million (effective tax rate of 23.4%) for the year ended December 31, 2015 and \$37.5 million for the year ended December 31, 2014 (effective tax rate of 44.3%). Income tax expense was impacted by the variability of certain non-deductible expenses and recognition of deferred tax assets.

Financial position

As at March 31, 2017 Compared to December 31, 2016

Total Assets

MDA had total assets of \$3,367.4 million as at March 31, 2017 compared to \$3,438.9 million as at December 31, 2016. The following table explains the changes to certain assets and liabilities as at March 31, 2017 compared to December 31, 2016.

	<u>Increase (Decrease) in \$ millions</u>	<u>Explanation</u>
Trade and other receivables	(77.4)	Trade and other receivables will vary depending on the timing of milestone billings on large construction programs. The decrease reflected lower milestone billings on satellite programs in the weeks leading up to March 31, 2017 compared to December 31, 2016.
Construction contract assets	29.8	Construction contract assets are revenues earned on construction contracts in excess of progress billings. The increase was primarily due to the variability in the timing of billings on large dollar value construction contracts in the ordinary course of business.
Employee benefit liabilities, current	(22.3)	The current portion of employee benefit liabilities primarily consist of accruals for salary and benefits. The decrease was primarily due to the payment of variable pay to employees in the ordinary course of business.
Construction contract liabilities	(115.2)	Construction contract liabilities represent advances received from customers on construction contracts and contract loss provisions. The decrease was primarily due to the variability in the timing of advance billings on large dollar value construction contracts in the ordinary course of business.
Long-term debt, current portion	(134.4)	The decrease in the current portion of long-term debt related to the repayment of the 2017 Term Notes, as discussed below.

Total Long-Term Debt

Total long-term debt was \$879.6 million as at March 31, 2017 compared to \$806.6 million as at December 31, 2016. The following table shows the changes to long-term debt during the three months ended March 31, 2017.

	<u>(\$ millions)</u>
Balance as at December 31, 2016	806.6
Proceeds from revolving loan facility and other long-term debt	223.5
Repayment of 2017 Term Notes	(131.9)
Repayment of 2024 Term Notes	(13.5)
Foreign currency translation and other	(5.1)
Balance as at March 31, 2017	<u>879.6</u>

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During the three months ended March 31, 2017, MDA used proceeds from its revolving loan facility to repay in full its 2017 term notes, which were issued pursuant to a long-term debt agreement for US\$100 million with a private lender (the “2017 Term Notes”) and matured on February 22, 2017. MDA also repaid a portion of its 2024 term notes, which were issued pursuant to a twelve-year senior secured note purchase agreement for US\$250 million (the “2024 Term Notes”). For a further description of the 2024 Term Notes, see the section entitled “*Liquidity and Capital Resources—Credit Facilities—Senior Term Notes*” of this MD&A below.

Shareholders’ Equity

Shareholders’ equity was \$1,145.2 million as at March 31, 2017 compared to \$1,158.7 million as at December 31, 2016. The following table shows the changes to shareholders’ equity during the three months ended March 31, 2017.

	<u>(\$ millions)</u>
Balance as at December 31, 2016	1,158.7
Net earnings	5.9
Other comprehensive loss	(10.3)
Dividends	(13.5)
Equity-settled share-based compensation expense	2.7
Common shares issued under employee share purchase plan	1.7
Balance as at March 31, 2017	<u>1,145.2</u>

Other comprehensive loss was mainly comprised of unrealized foreign exchange losses arising from the translation of the results of foreign operations. Such foreign currency translation adjustments are wholly dependent on fluctuations of the Canadian dollar relative to foreign currencies and could result in unrealized gains or losses that may vary significantly from period to period.

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As at December 31, 2016 Compared to December 31, 2015

Total Assets

MDA had total assets of \$3,438.9 million as at December 31, 2016 compared to \$3,611.0 million as at December 31, 2015. The following table explains the changes to certain assets and liabilities as at December 31, 2016 compared to December 31, 2015.

	<u>Increase (Decrease) in \$ millions</u>	<u>Explanation</u>
Trade and other receivables	(68.7)	Trade and other receivables will vary depending on the timing of milestone billings on large construction programs. The decrease reflected lower milestone billings on satellite programs in the weeks leading up to December 31, 2016 compared to December 31, 2015.
Financial assets, other ⁽¹⁾	26.9	Other financial assets mainly consist of notes receivable, restricted cash, long-term investments and deferred fair value gains on derivative financial instruments. The increase reflected higher notes receivable outstanding relating to payments due under a satellite construction contract offset by lower deferred fair value gains on derivative financial instruments.
Construction contract assets	(83.7)	Construction contract assets are revenues earned on construction contracts in excess of progress billings. The decrease was primarily due to the variability in the timing of billings on large dollar value construction contracts in the ordinary course of business.
Goodwill	(25.5)	The decrease in goodwill was due solely to the impact of foreign currency translation.
Financial liabilities, other ⁽¹⁾	(30.0)	Other financial liabilities mainly consist of non-trade payables and deferred fair value losses on derivative financial instruments. The decrease reflected payments made on payables relating to the settlement with ViaSat and a smaller balance of deferred fair value losses on derivative financial instruments.
Construction contract liabilities	(213.3)	Construction contract liabilities represent advances received from customers on construction contracts and contract loss provisions. The decrease was primarily due to a lower number of active satellite programs at the 2016 year-end and the variability in the timing of advance billings on large dollar value construction contracts in the ordinary course of business.
Securitization liability	162.7	The securitization liability represents proceeds received from orbital receivable securitization transactions that occurred during 2016. Refer to the section entitled “ <i>Liquidity and Capital Resources</i> ” of this MD&A for a further discussion of securitization liability.

(1) Including current and non-current portions.

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Total Long-Term Debt

Total long-term debt was \$806.6 million as at December 31, 2016 compared to \$986.3 million as at December 31, 2015. The following table shows the changes to long-term debt during the year ended December 31, 2016.

	<u>(\$ millions)</u>
Balance as at December 31, 2015	986.3
Repayment of revolving loan facility and other long-term debt	(133.9)
Repayment of 2024 Term Notes	(18.4)
Foreign currency translation and other	<u>(27.4)</u>
Balance as at December 31, 2016	<u>806.6</u>

During the year ended December 31, 2016, MDA used cash flow from operations and proceeds from the securitization of orbital receivables to repay amounts outstanding under its revolving loan facility and a portion of its 2024 Term Notes.

Shareholders' Equity

Shareholders' equity was \$1,158.7 million as at December 31, 2016 compared to \$1,107.7 million as at December 31, 2015. The following table shows the changes to shareholders' equity during the year ended December 31, 2016.

	<u>(\$ millions)</u>
Balance as at December 31, 2015	1,107.7
Net earnings	139.6
Other comprehensive loss	(50.3)
Dividends	(53.8)
Equity-settled share-based compensation expense	10.0
Common shares issued under employee share purchase plan	<u>5.5</u>
Balance as at December 31, 2016	<u>1,158.7</u>

Non-IFRS Financial Measures

In addition to results reported in accordance with IFRS, MDA uses certain non-IFRS financial measures as supplemental indicators of its financial and operating performance. These non-IFRS financial measures include adjusted operating earnings, adjusted operating earnings per share and adjusted operating EBITDA. MDA believes these supplementary financial measures reflect MDA's ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of trends in its business.

Adjusted operating earnings, adjusted operating earnings per share and adjusted operating EBITDA do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. MDA cautions readers to consider these non-IFRS financial measures in addition to, and not as an alternative for, measures calculated in accordance with IFRS.

Adjusted operating earnings and adjusted operating earnings per share

MDA defines adjusted operating earnings as net earnings excluding the impact of specified items affecting comparability, including, where applicable, non-operational income and expenses, amortization of acquisition related intangible assets, share-based compensation, and other gains and losses. The use of the term

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“non-operational income and expenses” is defined by MDA as those items or income and expense that do not impact operating decisions taken by MDA’s management and is based upon the way MDA’s management evaluates the performance of MDA’s business for use in MDA’s internal management reports. Income tax expense on adjusted operating earnings is computed using the substantively enacted income tax rate, adjusted to account for the specified items affecting comparability such as non-deductible expenses and the recognition of deferred tax assets.

For the three months ended March 31, 2017 and years ended December 31, 2016, 2015 and 2014, MDA incurred non-operational income and expenses for costs related to restructuring, enterprise improvement initiatives, an executive compensation settlement, a legal settlement with ViaSat, certain employment benefit expenses and acquisition expenses. MDA believes that the exclusion of these expenses from net earnings provides for better period-to-period comparisons of operating results of MDA’s ongoing operations.

MDA’s acquisitions of SSL in 2012 and Advanced Systems in 2014 have resulted in fair value adjustments to finite life intangible assets, which are being amortized over estimated lives of five to twenty years. The acquisition related intangible assets, consisting of technology, software, trade names and other intellectual property, are generally non-recurring expenditures as MDA does not need to replace these assets at the end of their lives to continue to operate its business. Ongoing maintenance and support costs are expensed as incurred and any internally developed technology and software that are capitalized post-acquisition are amortized in the normal course of business. All other research and development costs are expensed as incurred. MDA believes that the exclusion of amortization expense on acquisition related intangible assets provides a better representation of the results of MDA’s ongoing operations.

Share-based compensation is an important aspect of compensation for management and key employees. However, the accounting expense under IFRS, based on fair valuation which is estimated using complex option pricing models incorporating factors such as the expected life of options and market volatility, is beyond MDA’s control and can vary significantly from period to period. Further, the accounting fair value adjustments are not reflective of actual cash outlays by MDA in any particular period. MDA believes that the exclusion of share-based compensation reduces volatility in net earnings and facilitates the comparison of financial results across periods.

As described below, certain foreign exchange gains and losses recognized by MDA can result in significant variability in net earnings but have little bearing on operating performance.

(a) *Foreign exchange timing differences on certain project-related foreign exchange forward contracts not subject to hedge accounting*

Certain foreign exchange derivative contracts entered into by MDA relating to certain large dollar satellite solution programs did not qualify for hedge accounting at inception of the contracts as the timing of the anticipated cash flows and/or the contract currency for certain subcontracts could not be predicted with sufficient certainty. Accordingly, the fair value adjustments on these derivative contracts were recognized in net earnings immediately, resulting in foreign exchange timing differences. The foreign exchange timing differences can result in significant variability in net earnings but have little bearing, other than timing, on the performance of the related programs.

(b) *Foreign exchange gains and losses on translation of intercompany balances*

As part of its cash management efforts, MDA frequently advances funds between group entities that have differing functional currencies. The foreign currency exposure on these intercompany loans is not hedged. As a result, currency fluctuations, particularly between the Canadian and U.S. dollar, can result in significant unrealized foreign exchange gains or losses on the translation of the intercompany loans. These unrealized foreign exchange gains or losses can impact the comparability of net earnings and will only reverse upon disposal or liquidation of the associated foreign operation.

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(c) *Unrealized foreign exchange gains and losses on translation of long-term foreign currency denominated financial assets and liabilities*

MDA recognizes unrealized foreign exchange gains and losses when translating certain long-term foreign currency denominated financial assets and liabilities at each period end. For example, the translation of a portion of MDA's U.S. dollar denominated long-term debt and Euro denominated orbital receivables, that have neither been hedged nor subject to hedge accounting, results in the recognition of unrealized foreign exchange gains and losses in MDA's consolidated financial statements. MDA excludes these amounts as they have little bearing on the current operating performance of MDA.

Adjusted operating earnings per share is calculated using diluted weighted average shares outstanding and does not represent actual earnings per share attributable to shareholders. MDA believes that the disclosure of adjusted operating earnings and adjusted operating earnings per share allows investors to evaluate the operational and financial performance of MDA's ongoing business using the same evaluation measures that its management uses, and is therefore a useful indicator of MDA's performance or expected performance of recurring operations.

The following table reconciles net earnings to adjusted operating earnings for the periods indicated:

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
	(\$ millions, except per common share amounts)				
Net earnings	5.9	40.7	139.6	142.8	47.1
Share-based compensation expense	6.5	3.9	19.3	14.1	49.4
Amortization of acquisition related intangible assets	10.6	11.0	43.0	40.6	33.1
Executive compensation settlement	—	—	3.0	—	—
Enterprise improvement costs	—	4.8	4.8	12.9	15.6
Foreign exchange differences	(0.2)	(3.8)	3.7	6.6	10.4
ViaSat settlement and associated activities	—	—	—	—	52.6
Employee benefit expense	—	—	—	—	8.2
Acquisition related expense	10.7	—	—	—	0.9
Restructuring costs	14.3	—	—	—	—
Income tax expense adjustment	(2.9)	(0.7)	(2.4)	4.1	(9.3)
Adjusted operating earnings	<u>44.9</u>	<u>55.9</u>	<u>211.0</u>	<u>221.1</u>	<u>208.0</u>
Adjusted operating earnings per share	<u>1.23</u>	<u>1.53</u>	<u>5.78</u>	<u>6.08</u>	<u>5.76</u>

For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016

Adjusted operating earnings was \$44.9 million (\$1.23 per share) for the three months ended March 31, 2017 compared to \$55.9 million (\$1.53 per share) for the three months ended March 31, 2016. The decrease was primarily due to lower adjusted operating EBITDA and higher unallocated corporate expenses, as well as additional non-cash interest expense from the orbital securitization liability and a higher effective income tax rate on adjusted operating earnings.

Income tax expense on adjusted operating earnings for the three months ended March 31, 2017 was \$10.4 million (effective tax rate of 18.8%) compared to \$9.1 million (effective tax rate of 14.0%) for the three months ended March 31, 2016. The increase in the effective income tax rate on adjusted operating earnings was primarily due to the change in mix of income from various jurisdictions.

[Table of Contents](#)[Index to Financial Statements](#)*For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015*

Adjusted operating earnings was \$211.0 million (\$5.78 per share) for the year ended December 31, 2016 compared to \$221.1 million (\$6.08 per share) for the year ended December 31, 2015. The decrease was primarily due to slightly lower adjusted operating EBITDA and higher unallocated corporate expenses, partially offset by a lower effective income tax rate on adjusted operating earnings.

Income tax expense on adjusted operating earnings for the year ended December 31, 2016 was \$34.2 million (effective tax rate of 13.9%) compared to \$39.6 million (effective tax rate of 15.2%) for the year ended December 31, 2015. The decrease in the effective income tax rate on adjusted operating earnings was primarily due to the change in mix of income from various jurisdictions.

For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Adjusted operating earnings was \$221.1 million (\$6.08 per share) for the year ended December 31, 2015 compared to \$208.0 million (\$5.76 per share) for the year ended December 31, 2014. The increase was primarily due to higher operating EBITDA and a lower effective income tax rate on adjusted operating earnings.

Income tax expense on adjusted operating earnings for the year ended December 31, 2015 was \$39.6 million (effective tax rate of 15.2%) compared to \$46.8 million (effective tax rate of 18.4%) for the year ended December 31, 2014. The decrease in the effective income tax rate on adjusted operating earnings was primarily due to the change in mix of income from various jurisdictions.

During the year ended December 31, 2014, MDA recognized a net expense of \$52.6 million for costs and activities related to the defense and settlement of the litigation brought by ViaSat. The amount consisted of a charge of \$69.2 million for MDA's share of the settlement obligation and \$5.4 million for associated legal fees and other costs. The expense was partially offset by a gain of \$22.0 million for the reversal of certain purchase accounting provisions that were set up in relation to the litigation and associated activities and were no longer required after the settlement.

Adjusted operating EBITDA

MDA defines adjusted operating EBITDA as earnings before interest, taxes, depreciation and amortization, and adjusted for certain corporate expenses and items affecting comparability as specified in the calculation of adjusted operating earnings. Adjusted operating EBITDA is presented on a basis consistent with MDA's internal management reports. MDA discloses adjusted operating EBITDA to capture the profitability of its business before the impact of items not considered in management's evaluation of operating unit performance. MDA also discloses segment operating EBITDA as a measure of each reporting segment's profitability and contribution to adjusted operating EBITDA.

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The following table reconciles net earnings to EBITDA and adjusted operating EBITDA for the periods indicated:

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
			(\$) millions		
Net earnings	5.9	40.7	139.6	142.8	47.1
Depreciation and amortization	25.1	26.0	102.6	99.5	82.3
Net finance expense	14.0	12.9	49.4	46.4	34.1
Income tax expense	7.5	8.4	31.8	43.7	37.5
EBITDA	<u>52.5</u>	<u>88.0</u>	<u>323.4</u>	<u>332.3</u>	<u>201.0</u>
Corporate expense	5.3	4.2	16.5	10.9	10.1
Share-based compensation expense	6.5	3.9	19.3	14.1	49.4
Executive compensation settlement	—	—	3.0	—	—
Enterprise improvement costs	—	4.8	4.8	12.9	15.6
Foreign exchange differences	(0.2)	(3.8)	3.7	6.6	10.4
ViaSat settlement and associated activities	—	—	—	—	52.6
Employee benefit expense	—	—	—	—	8.2
Acquisition related expense	10.7	—	—	—	0.9
Restructuring costs	14.3	—	—	—	—
Adjusted operating EBITDA	<u>89.2</u>	<u>97.2</u>	<u>370.7</u>	<u>376.8</u>	<u>348.2</u>

For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016

For the three months ended March 31, 2017, adjusted operating EBITDA was \$89.2 million and adjusted operating EBITDA as a percentage of consolidated revenues (“adjusted operating EBITDA margin percentage”) was 18.0%. This is compared to adjusted operating EBITDA of \$97.2 million and adjusted operating EBITDA margin percentage of 17.3% for the three months ended March 31, 2016. The increase in adjusted operating EBITDA margin percentage was primarily due to the net impact of the mix of activity between business segments and lines of business and the benefits from enterprise improvement initiatives implemented in prior periods.

For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015

For the year ended December 31, 2016, adjusted operating EBITDA was \$370.7 million and adjusted operating EBITDA margin percentage was 18.0%. This is compared to adjusted operating EBITDA of \$376.8 million and adjusted operating EBITDA margin percentage of 17.8% for the year ended December 31, 2015. The decrease in adjusted operating EBITDA was primarily due to a contract loss provision of \$10.0 million on a program in the Surveillance and Intelligence segment. The program involved significant technology development work on a space robotics vehicle and was undertaken as a firm fixed price contract. The estimated loss resulted from a change in estimate of development and engineering costs to complete the program after it became evident that the design, specifications and testing requirements of the contract were significantly more complex than the original assessment. MDA has processes and systems in place to reasonably measure and monitor the technical and financial performance of contracts and MDA, together with its customers, continuously monitors these projects to identify early warnings related to these risks. In addition, MDA implements risk management and mitigation techniques as part of its program management processes. MDA considers this kind of adjustment to be an isolated incident. However, there can be no assurance that other contracts will not incur a significant cost overrun. Excluding this contract loss provision, adjusted operating EBITDA margin percentage would have been 18.4% for the year ended December 31, 2016. The increase in adjusted operating EBITDA

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margin percentage compared to the year ended December 31, 2015 was primarily due to the net impact of the mix of activity between business segments.

MDA continues to face strong competition, particularly in the communications satellite market. To successfully compete in this market, MDA conducts extensive MDA-funded research and development activities. Costs associated with these activities may either be capitalized as internally developed technologies or expensed as incurred depending on certain accounting criteria. For the year ended December 31, 2016, a higher portion of these costs met the accounting criteria to be capitalized, thereby increasing adjusted operating EBITDA when comparing year over year.

For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

For the year ended December 31, 2015, adjusted operating EBITDA was \$376.8 million and adjusted operating EBITDA margin percentage was 18%. This is compared to adjusted operating EBITDA of \$348.2 million and adjusted operating EBITDA margin percentage of 17% for the year ended December 31, 2014. The increase in adjusted operating EBITDA margin percentage reflected the net impact of the mix of activity, lower levels of subcontract activity on certain construction programs in 2015, and the timing of recognition or adjustment of contract loss provisions. In addition, MDA recognized higher amounts of investment tax credits in 2015. The amount of investment tax credits recognized year over year may vary significantly depending on various factors, including the timing of tax filings, the status of tax audits and other circumstances that may impact whether there is reasonable assurance that the government assistance will be received.

Adjusted operating EBITDA margin percentage will fluctuate from period to period with changes in the revenue mix, including the proportion of construction contracts and services contracts, the volume of subcontract activity, and the contract life cycle of large dollar value contracts. In addition, MDA revises cost and revenue estimates on contracts in the ordinary course of business. When applying the percentage of completion method of revenue recognition, the inception to date impact of changes in estimates, including the recognition or reversal of a contract loss provision, is recognized in the period the changes are determined by management and may impact margin percentages.

Results of Operations by Reporting Segment

MDA analyzes financial performance by segments, which group related activities within MDA. MDA's two reportable operating segments are Communications and Surveillance and Intelligence. Inter-segment transactions have been eliminated from the segmented financial information discussed below.

Communications

MDA offers solutions for cost-efficient global delivery of a broad range of services, including television and radio distribution, broadband internet, and mobile communications. MDA is a leading supplier of communication satellites, satellite payloads, satellite antenna subsystems, and associated ground infrastructure and support services. MDA's principal customers in this sector are communication satellite operators, communication satellite manufacturers, and government agencies worldwide.

The following table provides selected financial information for the Communications segment.

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
			(\$ millions)		
Revenues	332.0	403.2	1,441.6	1,508.2	1,494.1
Operating EBITDA	50.5	59.5	213.3	210.2	187.4

[Table of Contents](#)[Index to Financial Statements](#)*For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016*Revenues

Revenues from the Communications segment decreased \$71.2 million, or 17.7%, from \$403.2 million for the three months ended March 31, 2016 to \$332.0 million for the three months ended March 31, 2017. For the past several quarters, including the first three months of 2017, revenues were negatively impacted by a lower number of satellite contracts awarded in the geostationary communications satellite industry and to MDA over the last two years, resulting in fewer satellites under construction at MDA's manufacturing facility in Palo Alto, California. Satellite operators in the geostationary communications satellite industry have continued to delay awards to assess competing technologies, shifts in customer demand and regional capacity and pricing issues. This has resulted in fewer awards in the industry over the last two years. MDA expects this lower level of revenue to continue until such time as the geostationary communications satellite market stabilizes and growth resumes. MDA remains positive on the long-term health of the geostationary communications satellite industry based on video stability and data-centric application growth. MDA is confident in its ability to adapt to changes in customer demand and maintain its leading market share position in the face of technological innovation.

Operating EBITDA

Operating EBITDA margin percentage from the Communications segment for the three months ended March 31, 2017 was 15.2% compared to 14.8% for the three months ended March 31, 2016. The margin improvement reflected, among other items, the mix of construction contracts in progress and the benefits from enterprise improvement initiatives implemented at MDA's Palo Alto manufacturing facility in prior periods.

First Quarter 2017 Operational Highlights

Notable bookings in the Communications segment announced in the three months ended March 31, 2017 included:

- an authorization to proceed from Airbus Defence and Space for the provision of multiple communication antenna subsystems to be integrated into the EUTELSAT-5WB communication satellite; and
- an authorization to proceed from The Boeing Company for the provision of three Ku-band communication subsystems that will replace aging Ku-band communication subsystems.

In March 2017, the EchoStar XXIII satellite, designed and built for EchoStar Corporation, was launched and successfully performed post-launch maneuvers according to plan. The highly flexible Ku-band satellite is capable of providing service from multiple orbital slots and is expected to provide high-power direct-to-home services in Brazil.

*For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015*Revenues

Revenues from the Communications segment decreased \$66.6 million, or 4.4%, from \$1,508.2 million for the year ended December 31, 2015 to \$1,441.6 million for the year ended December 31, 2016. For the year ended December 31, 2016, revenues were negatively impacted by a lower number of satellite contracts awarded in the geostationary communications satellite industry and to MDA over the last two years, resulting in fewer satellites under construction in the second half of the year compared to the year ended December 31, 2015. The number of awards in the geostationary communications satellite market remained below its historical average for a second year as satellite operators delayed awards to consider competing technologies and to assess regional capacity and pricing issues. MDA continues to maintain the leading market share position for both traditional geostationary and high throughput satellites, but since the overall market awards have decreased, MDA has achieved fewer awards for the years ended December 31, 2016 and December 31, 2015 than in prior years. MDA expects this

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lower level of revenue to continue until such time as growth in the communications satellite market improves. MDA remains positive on the long-term health of the geostationary communications satellite industry, where new orders will include replacement satellites as well as satellites to serve increasing end customer demands, and expects market demand to rebound in fiscal years 2017 and 2018.

Changes in revenues from year to year are influenced by the size, timing and number of satellite contracts awarded in the current and preceding years and the length of the construction period for satellite contracts awarded. Revenues on satellite contracts are recognized on a percentage of completion method over the construction period, which can range between 20 to 36 months and up to 48 months in special situations.

Operating EBITDA

Operating EBITDA margin percentage from the Communications segment for the year ended December 31, 2016 was 14.8% compared to 13.9% for the year ended December 31, 2015. The margin improvement reflected, among other items, the mix of construction contracts in progress and the impact of enterprise improvement initiatives at MDA's Palo Alto manufacturing facility.

Subcontract work from SSL remains an important mechanism to support growth in Canada, as MDA's satellite sub-system facilities in Montreal manufacture antennas and other key components on certain SSL satellites. Further, once MDA's digital payload product developments are complete, supply of this equipment to SSL should also bolster MDA's satellite subsystems business.

2016 Operational Highlights

The stronger U.S. dollar relative to the Euro over the last two years has impacted MDA's ability to compete against its European competitors, putting pricing pressure on bids primarily in the commercial communications satellite market. For the year ended December 31, 2016, MDA booked orders to build four communication satellites compared to five communication satellites for the year ended December 31, 2015. These communication satellites consisted of:

- the Eutelsat 7C satellite for Eutelsat Communications, a high-power all-electric communication satellite that will provide broadcast services to multiple regions including Africa, the Middle East and Turkey;
- the Intelsat 39 satellite for Intelsat S.A., a high-power communication satellite that will provide data networking and video distribution services in Africa, Europe, the Middle East, and Asia; and
- the SXM-7 and SXM-8 satellites for SiriusXM, two high-power satellites that will provide continuous and reliable delivery of audio entertainment and data services.

MDA also booked several orders relating to low Earth orbit ("LEO") satellites in 2016:

- a contract with Telesat to build a prototype Ka-band satellite. Telesat plans to launch the satellite in 2017 as part of the test and demonstration phase for a global constellation;
- a contract with an undisclosed customer to build a LEO satellite. MDA will also provide the launch and operate the satellite on orbit; and
- a contract with OneWeb Satellites to develop and manufacture 3,600 communication antenna subsystems for integration on 900 satellites for the OneWeb LEO constellation. MDA is manufacturing the antenna subsystems at its facilities in Montreal, Quebec.

Other notable bookings in the Communications segment for the year ended December 31, 2016 included:

- a contract with Thales Alenia Space, prime contractor for the O3b constellation, to provide 96 communication antenna subsystems;

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- contracts with Airbus Defence and Space to develop and provide multiple communication subsystems to be integrated into the Inmarsat-6 mobile communication satellites;
- two contracts with Thales Alenia Space to provide four subsystems to be installed on the Sentinel environmental monitoring satellites, part of Europe's Copernicus program; and
- a contract with The Boeing Company to provide a communication subsystem to be installed on the Boeing 702MP satellite platform.

For the year ended December 31, 2016, a record eleven geostationary satellites built by MDA were successfully launched and commenced operations, including three advanced high throughput satellites.

- In the first quarter, the Eutelsat 65 West A satellite was launched for Eutelsat Communications. Post-launch, MDA and Eutelsat Communications have successfully carried out transmissions in Extremely High Frequencies using an experimental payload on the satellite. The two companies are analyzing the potential of the Q/V band as an enabler of future terabit satellite broadband programs.
- In the second quarter, four satellites built by MDA were launched including: JCSAT-14, a communications satellite built for Sky Perfect JSAT Corporation; Intelsat 31, an advanced high-power satellite built for Intelsat S.A.; EchoStar XVIII, a high-power multi-spot beam satellite built for DISH Network LLC; and BRISat, a satellite built for PT. Bank Rakyat Indonesia (Persero) Tbk., one of Indonesia's largest state-owned banks.
- In the third quarter, two satellites built by MDA were launched including: JCSAT-16, a satellite built for Sky Perfect JSAT Corporation and Intelsat 36, a satellite built for Intelsat S.A.
- In the fourth quarter, four satellites built by MDA were launched including: Sky Muster™ II, a high throughput satellite built for Australia's national broadband network (nbn™); EchoStar XIX, a high throughput satellite built for Hughes Network Systems, LLC; JCSAT-15, a satellite built for Sky Perfect JSAT Corporation; and Star One D1, a high throughput satellite built for Embratel Star One.

In 2014, MDA declared force majeure with respect to the ground infrastructure of its communication satellite program in the Ukraine, and its position was accepted by its Ukrainian customer. There has been no significant development on the program following the force majeure. MDA has completed work on the spacecraft, which is in storage. With the force majeure in place and no new funding available at present to address the force majeure impact, any other further work on the program is uncertain.

For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Revenues

Revenues from the Communications segment increased \$14.1 million, or 0.9%, from \$1,494.1 million for the year ended December 31, 2014 to \$1,508.2 million for the year ended December 31, 2015. Revenues from Communications for the year ended December 31, 2015 were consistent with the year ended December 31, 2014, as the decrease in the volume of flow-through items on satellite construction programs was offset by the impact of foreign currency translation.

Operating EBITDA

Operating EBITDA margin percentage from Communications for the year ended December 31, 2015 was 13.9% compared to 12.5% for the year ended December 31, 2014. The increase reflected, among other items, lower volume of flow-through items in the current year and improved margins at MDA's satellite systems facility in Montreal due to the recognition of higher investment tax credits and the impact of foreign currency translation.

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2015 Operational Highlights

For the year ended December 31, 2015, MDA booked orders to build five communication satellites. These communication satellites consisted of:

- The BSAT-4a satellite for Broadcasting Satellite System Corporation, a leading broadcasting satellite operator in Japan. The satellite will expand the availability of advanced television services in Japan;
- The Azerspace-2/Intelsat 38 satellite for Azercosmos, in partnership with Intelsat S.A. Azercosmos, the national satellite operator of Azerbaijan, will use the satellite to support the growing demand for direct-to-home, government, and network services in Europe, Central and South Asia, the Middle East, and sub-Saharan Africa. For Intelsat, the satellite will provide continuity of service for the Intelsat 12 satellite, which currently hosts direct-to-home platforms for Central and Eastern Europe and the Asia-Pacific region;
- The Telstar 18 Vantage and Telstar 19 Vantage satellites for Telesat Canada, one of the world's top satellite operators. The Telstar 18 Vantage satellite will expand Telesat's capacity over the Asia Pacific region. The Telstar 19 Vantage satellite will serve growing markets in Latin America, the North Atlantic Ocean, the Caribbean and Northern Canada; and
- The Telkom-4 satellite for PT Telkom Indonesia (Persero) Tbk, the largest telecommunications and network provider in Indonesia. The satellite will provide fixed satellite services in Indonesia, India and Southeast Asia.

Other notable bookings in the Communications segment for the year ended December 31, 2015 included:

- a contract with Aselsan Electronic Industries Inc. to provide Ku-band payload equipment for a communications satellite subsystem;
- a contract with The Boeing Company to provide a communication antenna subsystem; and
- a contract with Lockheed Martin to develop two communication subsystems.

A number of satellites built by MDA were successfully launched and put into operation in 2015: the Thor 7 satellite built for Telenor Satellite Broadcasting; the Star One C4 satellite built for Embratel Star One; the Intelsat 34 satellite built for Intelsat S.A.; and the Sky Muster satellite built for Australia's national broadband network (nbnTM).

Surveillance and Intelligence

MDA offers end-to-end solutions to monitor changes and activities around the globe to support the operational needs of government agencies, both military and civilian, and commercial customers. MDA is a leading supplier of space-based and airborne surveillance solutions, imaging satellite ground systems, geospatial information services, and associated support services. MDA also supplies robotic systems for the space and terrestrial markets.

The following table provides selected financial information for the Surveillance and Intelligence segment.

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
	(\$ millions)				
Revenues	162.4	159.2	622.2	609.2	604.8
Operating EBITDA	38.6	37.7	157.4	166.6	160.8

[Table of Contents](#)[Index to Financial Statements](#)*For the Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016*Revenues

Revenues from the Surveillance and Intelligence segment increased \$3.2 million, or 2.0%, from \$159.2 million for the three months ended March 31, 2016 to \$162.4 million for the three months ended March 31, 2017. The increase was primarily due to higher revenue from contracts in the emerging markets sector, which includes the U.S. government space and defense markets.

Operating EBITDA

Operating EBITDA margin percentage from Surveillance and Intelligence for the three months ended March 31, 2017 was 23.8%, which was comparable to 23.7% for the three months ended March 31, 2016.

First Quarter 2017 Operational Highlights

Notable bookings in the Surveillance and Intelligence segment announced in the three months ended March 31, 2017 included:

- a contract with DARPA, as a partner on its RSGS program, to develop advanced capabilities for servicing and maintaining spacecraft in geostationary orbit. MDA is expected to provide a spacecraft to carry the robotic servicing payload and will manage integration and operation of the spacecraft. This award comes in addition to the 2016 award for the design and build of the robotic arm flight hardware for the RSGS program. DARPA's RSGS program will be the foundation of a new business for MDA that will serve both commercial and government operators with repair, upgrade, relocation, and refueling of on-orbit assets;
- a master services agreement to modernize the land administration infrastructure for an undisclosed international customer as well as an initial award for the initial design phase of a long-term modernization service; and
- three contract amendments with international customers to provide information collected by the RADARSAT-2 satellite.

During the three months ended March 31, 2017, MDA was also selected by NASA's Jet Propulsion Laboratory to provide a spacecraft platform for a NASA Discovery Mission to explore the metallic asteroid 16 Psyche.

*For the Year Ended December 31, 2016 Compared to the Year Ended December 31, 2015*Revenues

Revenues from Surveillance and Intelligence increased \$13.0 million, or 2.1%, from \$609.2 million for the year ended December 31, 2015 to \$622.2 million for the year ended December 31, 2016. The increase was primarily due to higher activity on certain airborne surveillance and satellite ground system programs as well as higher revenue from contracts in the emerging markets sector.

Operating EBITDA

Operating EBITDA margin percentage from Surveillance and Intelligence for the year ended December 31, 2016 was 25.3%, compared to 27.3% for the year ended December 31, 2015. The decrease was primarily due to a contract loss provision of \$10.0 million recognized for the year ended December 31, 2016 resulting from a change in the estimate of development and engineering costs to complete a firm fixed price program. Operating EBITDA margin percentage can also vary from period to period with changes in the sales mix.

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2016 Operational Highlights

Order intake in the Surveillance and Intelligence segment remained solid across the different markets. Of particular note, in 2016, MDA was awarded several contracts in the emerging markets sector, which includes the U.S. government space and defense markets. Some of these bookings were:

- a contract with NASA's Jet Propulsion Laboratory ("JPL") to conduct first phase design studies for a spacecraft on the Asteroid Redirect Mission. NASA is developing a first-ever robotic mission to visit a large near-Earth asteroid, collect a multi-ton boulder from its surface, and redirect the boulder into a lunar orbit so it can be explored by astronauts in the 2020s;
- a contract with NASA's JPL to design and build the Sample Handling Assembly for the Mars 2020 Mission. The robotic arm will be used on a rover vehicle exploring Mars to collect, process and store rock and soil samples from the planet's surface;
- a contract with DARPA to design and build robotic arm flight hardware for the first phase of the agency's RSGS program; and
- a contract with NASA Goddard Space Flight Center to provide a spacecraft bus for its Restore-L servicing mission. The Restore-L mission will demonstrate the ability to extend the life of a satellite in low Earth orbit, and is scheduled to launch in 2020. The contract includes a three-year core period and a two-year indefinite-delivery-indefinite-quantity portion.

Other notable bookings in the Surveillance and Intelligence segment announced in 2016 included:

- a contract with Terra Bella to build six LEO satellites for earth imaging;
- contracts with DigitalGlobe to provide new ground station solutions to two international customers. The ground stations will receive and process imagery and data from DigitalGlobe's satellite constellation, and are also configurable to receive and process data from the RADARSAT-2 satellite;
- a contract with the Government of Canada to provide an advanced global maritime and Arctic surveillance solution for the Department of National Defence. Named Polar Epsilon 2, the solution will be capable of receiving and exploiting information from the Radarsat Constellation Mission satellites to provide timely maritime information over vast areas;
- a contract with Malin Space Science Systems to design and build the camera focus mechanisms for NASA's Mars 2020 Rover instrument. Named SHERLOC, the instrument will be used to study Mars' surface and support the selection of return samples;
- a follow-on contract with National Geospatial-Intelligence Agency to continue providing MDA's patented Persistent Change Monitoring solution, which allows for efficient monitoring of the effects of climate change, urban sprawl, deforestation, wetlands loss, and other concerns;
- a contract with ViaSat Inc. to establish a repair, maintenance and upgrade service facility for ViaSat's Link 16 military communication terminals;
- a four-year contract with the European Maritime Safety Agency ("EMSA") to provide RADARSAT-2 information to support EMSA in the areas of maritime safety, law enforcement, border security, fisheries control, and marine pollution monitoring; and
- contract amendments with the Canadian Space Agency to provide additional funding to support the ongoing robotic operations of the Mobile Servicing System on the International Space Station.

In the third quarter of 2016, the first four SkySat satellites built by MDA for Terra Bella's LEO constellation were successfully launched.

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For the Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Revenues

Revenues from Surveillance and Intelligence increased \$4.4 million, or 0.7%, from \$604.8 million for the year ended December 31, 2014 to \$609.2 million for the year ended December 31, 2015. The increase was primarily due to having a full year of revenue from the Advanced Systems business acquired from General Dynamics Information Systems, Inc. in the fourth quarter of 2014 partially offset by lower revenues from the Radarsat Constellation Mission program and unmanned aerial vehicle surveillance solution programs. The Radarsat Constellation Mission is a constellation consisting of three Earth observation satellites which is currently being developed under contract with the Canadian Government and is expected to launch in 2018.

Operating EBITDA

Operating EBITDA margin percentage from Surveillance and Intelligence for the year ended December 31, 2015 was 27.3% compared to 26.6% for the year ended December 31, 2014. Operating EBITDA for 2015 included, among other items, foreign exchange losses of \$6.7 million on fair valuation of unhedged commitments related to the launch of the Radarsat Constellation Mission.

2015 Operational Highlights

Notable bookings in the Surveillance and Intelligence segment for the year ended December 31, 2015 included:

- multiple contracts with Airbus Defence and Space to modernize the U.S. Air Force's five Eagle Vision mobile ground stations;
- a six-year contract with the European Space Agency to extend the provision of Radarsat-2 information in support of the European Union's Copernicus program;
- multiple contracts and amendments with the Canadian Space Agency to extend the ongoing support for the Mobile Servicing System ("MSS") on the International Space Station and to design and develop upgraded camera systems for the MSS;
- a five-year, indefinite delivery/indefinite quantity contract with the U.S. Air Force. Under this contract, MDA will support the U.S. Air Force with a high-precision flight path safety system that aids the design of airport approach and departure flight paths for pilots;
- a contract with DARPA to study on-orbit robotic assembly of geostationary satellites. The program will enable MDA to demonstrate its advanced robotics capabilities;
- an indefinite delivery/indefinite quantity contract with an undisclosed customer to provide information products and services derived from spaced-based imagery, open-source information and geospatial data;
- a contract with NASA to develop on-orbit robotic assembly technology. This program builds on the DARPA funded study and moves the concept to a ground demonstration; and
- a contract with DigitalGlobe to upgrade multiple international ground stations in order to receive and process imagery and data directly from DigitalGlobe's WorldView-4 satellite, which launched in 2016, in addition to its existing satellite constellation.

Liquidity and Capital Resources

MDA's principal sources of liquidity are cash provided by operations, collection or securitization of orbital receivables and access to credit facilities and equity capital resources, including public common share offerings. MDA's primary short-term cash requirement is to fund working capital, including supplier payments on long-

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term construction contracts and fixed overhead costs. Working capital requirements can vary significantly from period to period. MDA's medium-term cash requirements are to service and repay debt and to invest in facilities, equipment, technologies, and research and development for growth initiatives. Cash is also used to pay dividends and finance other long-term strategic business initiatives.

MDA believes that its principal sources of liquidity will be sufficient to enable MDA to meet its present and future cash needs and anticipated operating, capital expenditure, growth, investment, debt service, dividend and other financial requirements in the near term.

During the third quarter of 2016, MDA signed a revolving securitization facility agreement with an international financial institution. Under the terms of the agreement, MDA may offer to sell up to US\$400 million of eligible orbital receivables from time to time with terms of seven years or less discounted to face value using prevailing market rates. Subsequent to signing the agreement, MDA executed two drawdowns and sold orbital receivables with book value of \$148.6 million (US\$112.1 million) for net proceeds of \$163.0 million (US\$123.1 million). The proceeds of the drawdowns were used to pay down long-term debt but the facility will ultimately be used to help fund growth initiatives.

The orbital receivables that were securitized remain on MDA's balance sheet as MDA continues to service the orbital receivables and has retained substantially all of the risks and rewards of ownership. The net proceeds received have been recognized as a securitization liability that has been subsequently measured at amortized cost using the effective interest rate method. The securitized orbital receivables and the securitization liability are being drawn down as payments are received from customers and passed on to the international financial institution. MDA continues to recognize orbital income on the orbital receivables that are subject to the securitization transactions and recognizes interest expense to accrete the securitization liability to the value at maturity. The net impact to operating earnings and operating earnings per share is negative as interest savings from long-term debt repayments do not fully offset the additional accretion interest.

Cash Flows

The following table contains a summary of MDA's cash flows for the fiscal years indicated:

	Three months ended March 31,		Years ended December 31,		
	2017	2016	2016	2015	2014
	(\$ millions)				
Cash provided by operations ⁽¹⁾	51.5	90.5	332.2	321.3	244.2
Changes in operating assets and liabilities	(76.7)	(90.7)	(159.5)	(186.1)	(166.0)
Cash provided by (used in) operating activities	(25.2)	(0.2)	172.7	135.2	78.2
Cash used in investing activities	(33.0)	(24.3)	(132.3)	(105.5)	(135.8)
Cash provided by (used in) financing activities	49.5	5.9	(84.2)	(11.6)	21.6
Effect of foreign currency on cash and cash equivalents	(0.2)	(5.0)	(2.9)	6.4	2.8
Cash and cash equivalents, beginning of period	(5.1)	41.6	41.6	17.1	50.3
Cash and cash equivalents, end of period ⁽²⁾	(14.0)	18.0	(5.1)	41.6	17.1

(1) Before changes in operating assets and liabilities.

(2) Cash and cash equivalents less bank overdraft.

Operating Activities

For the three months ended March 31, 2017, MDA used \$25.2 million in operating activities after changes in non-cash working capital items compared to \$0.2 million for the three months ended March 31, 2016. The

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decrease was primarily due to lower adjusted operating EBITDA and an increase in net working capital. Cash flows from operating activities can vary significantly from period to period as a result of MDA's working capital requirements, given its portfolio of large construction programs and the timing of milestone receipts and payments with customers and suppliers in the ordinary course of business. Investment in working capital is also necessary to build MDA's business and manage lead times in construction activities. The increase in working capital during the three months ended March 31, 2017 was primarily due to an increase in unbilled receivables on construction contracts and the continued draw down on the pool of advance payments received from customers in prior periods. Working capital was also impacted by extended payment terms on one satellite program and the payment of variable pay to employees. MDA expects working capital account balances to continue to vary from period to period. MDA efficiently funds its working capital requirements with the revolving loan facility.

MDA generated \$172.7 million in cash flow from operations for the year ended December 31, 2016, compared to \$135.2 million for the year ended December 31, 2015, after changes in non-cash working capital items. For the years ended December 31, 2016 and December 31, 2015, cash flow from operating activities was negatively impacted by increases in net working capital. For the year ended December 31, 2016, the increase in net working capital, or more specifically, the reduction in the net working capital deficiency, was primarily due to a reduction of construction contract liabilities. MDA has historically maintained a net non-cash working capital deficiency due to the large pool of advance payments received from customers on satellite construction programs. In fiscal year 2016, MDA drew down this pool of advance payments as a record number of satellites were completed and launched during the year, resulting in a decrease in construction contract liabilities and reduction of the net non-cash working capital deficiency. Working capital was also impacted by extended payment terms on one satellite program and the recognition of investment tax credits.

In May 2016, MDA was awarded a contribution agreement by the Government of Canada under the Technology Demonstration Program, which provides government assistance to support large-scale research and development projects. The agreement will provide non-repayable matching contributions of up to \$31.5 million for eligible costs incurred by MDA in connection with its digital payload program and other research and development projects. For the year ended December 31, 2016, MDA received \$6.1 million of funding under this agreement.

MDA generated \$135.2 million in cash flow from operations for the year ended December 31, 2015 compared to \$78.2 million for the year ended December 31, 2014, after changes in non-cash working capital items. This increase was primarily due an increase in earnings before interest, income taxes and depreciation and amortization partially offset by a larger increase in net non-cash working capital in 2015 compared to 2014. In 2015, net non-cash working capital increased due to the timing of payment of accounts payable and employee benefit liabilities as well as the recognition of investment tax credits for accounting purposes.

Investing Activities

Cash used in investing activities was \$33.0 million for the three months ended March 31, 2017 compared to \$24.3 million for the three months ended March 31, 2016. The major investing activities during the three months ended March 31, 2017 were purchases of property, plant and equipment of \$10.4 million, compared to \$8.0 million for the three months ended March 31, 2016, and investments in technologies and software of \$23.7 million, compared to \$16.2 million for the three months ended March 31, 2016. Investments in technology and software were higher in the three months ended March 31, 2017 as MDA capitalized higher levels of costs relating to the internal development of key technologies, including the digital payload program.

Cash used in investing activities was \$132.3 million for the year ended December 31, 2016 compared to \$105.5 million for the year ended December 31, 2015. This increase was primarily due to an increase in

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purchases of property, plant and equipment and investments in technology and software. The major investing activities for the year ended December 31, 2016 were purchases of property, plant and equipment of \$52.2 million, compared to \$31.7 million for the year ended December 31, 2015, and investments in technologies and software of \$81.2 million, compared to \$48.7 million for the year ended December 31, 2015. Purchases of property, plant and equipment were higher in fiscal year 2016 as MDA made investments in leasehold improvements to move certain manufacturing operations to new leased facilities. Investments in technology and software were higher in fiscal year 2016 as MDA capitalized higher levels of costs relating to the internal development of key technologies, including its digital payload program.

Cash used in investing activities was \$105.5 million for the year ended December 31, 2015 compared to \$135.8 million for the year ended December 31, 2014. The major investing activities for the year ended December 31, 2015 were purchases of property, plant and equipment of \$31.7 million compared to \$58.0 million for the year ended December 31, 2014, and investments in technologies and software of \$48.7 million for the year ended December 31, 2015 compared to \$34.7 million for the year ended December 31, 2014. Purchases of property, plant and equipment were higher in fiscal year 2014 due to the construction of a second thermal vacuum test chamber at MDA's U.S. satellite manufacturing facility. For the year ended December 31, 2015, cash used for investing activities also included an investment in WorldVu Satellites Limited of \$32.7 million, and for the year ended December 31, 2014, cash used for investing activities included \$41.5 million in the acquisition of Advanced Systems.

Financing Activities

MDA received \$49.5 million from financing activities for the three months ended March 31, 2017 compared to \$5.9 million for the three months ended March 31, 2016. Financing activities for the three months ended March 31, 2017 included drawdowns totaling \$223.5 million under MDA's revolving loan facility compared to \$23.9 million for the three months ended March 31, 2016. MDA used proceeds of \$145.4 million from its revolving loan facility to repay its 2017 Term Notes in full upon maturity on February 22, 2017 and a portion of its 2024 Term Notes. Other major financing activities for the three months ended March 31, 2017 included interest payments on long-term debt of \$9.4 million, compared to \$5.5 million for the three months ended March 31, 2016, and dividend payments of \$13.5 million, compared to \$13.4 million for the three months ended March 31, 2016.

MDA used \$84.2 million for financing activities for the year ended December 31, 2016 compared to \$11.6 million for the year ended December 31, 2015. Financing activities provided cash of \$21.6 million for the year ended December 31, 2014. The volatility in cash flow from financing activities relates primarily to the timing of drawdowns or repayments under MDA's revolving loan facility and revolving securitization facility. For the year ended December 31, 2016, financing activities included repayments of \$133.9 million under the revolving loan facility compared to drawdowns of \$113.4 million for the year ended December 31, 2015 and \$165.4 million for the year ended December 31, 2014. For the year ended December 31, 2016, MDA received net proceeds of \$163.0 million from drawdowns under its recently signed revolving securitization facility. Other major financing activities for the year ended December 31, 2016 were repayment of a portion of the 2024 Term Notes of \$18.4 million (compared to nil for the years ended December 31, 2015 and 2014), and payment of interest on long-term debt amounting to \$39.8 million (compared to \$35.0 million and \$29.1 million for the years ended December 31, 2015 and 2014, respectively). MDA also paid dividends amounting to \$53.8 million (\$1.48 per common share) for the year ended December 31, 2016 compared to \$53.6 million (\$1.48 per common share) for the year ended December 31, 2015 and \$46.9 million (\$1.30 per common share) for the year ended December 31, 2014. Additionally, for the years ended December 31, 2015 and 2014, MDA repaid installments of \$42.7 million and \$74.4 million, respectively, on the promissory note to Loral Space & Communications Inc. related to the acquisition of SSL.

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Credit Facilities

The following table summarizes MDA's long-term debt.

	March 31, 2017	December 31, 2016 (\$ millions)	December 31, 2015
Syndicated credit facility	572.9	349.3	495.5
Senior term notes	301.2	451.5	484.4
Financing fees	(0.5)	(0.6)	(0.7)
Obligations under finance leases	6.0	6.4	7.1
Long-term debt	<u>879.6</u>	<u>806.6</u>	<u>986.3</u>

Syndicated credit facility

MDA has in place a senior secured syndicated credit facility with several North American and international banks. The syndicated credit facility is comprised of a revolving loan facility of up to US\$700 million, which can be drawn in Canadian and U.S. dollars. The revolving loan facility includes a US\$125 million sub limit under which letters of credit can be issued. In the third quarter of 2016, MDA amended its syndicated credit facility to extend the maturity date by twenty-two months to September 2020. In the second quarter of 2015, MDA amended its syndicated credit facility to increase its revolving loan facility from US\$600 million to US\$700 million, reduce the interest rates applicable to the drawn and undrawn borrowings under the facility, and extend the maturity date by twelve months to November 2018. The syndicated credit facility is guaranteed by certain of MDA's subsidiaries and the loans are secured by specific assets of MDA and its subsidiaries.

Loans under the syndicated credit facility bear interest at CDOR or Bankers' Acceptance plus an applicable margin for Canadian dollar advances, and at U.S. LIBOR plus an applicable margin for U.S. dollar advances. The margin will vary with MDA's consolidated debt to EBITDA ratio. As of March 31, 2017, the applicable margin was 1.7%. As of December 31, 2016, the applicable margin was 2.0%.

MDA has significant unused borrowing capacity under its syndicated credit facility and ready access to capital markets on an as-required basis to finance growth initiatives.

Senior Term Notes

As noted previously, the 2024 Term Notes were issued pursuant to a twelve-year senior secured note purchase agreement for US\$250 million with two major U.S. private lenders. The 2024 Term Notes bear interest at a fixed rate of 4.31% per annum and are repayable in five equal annual installments beginning in November 2020. As a result of the drawdowns of the revolving securitization facility, MDA agreed to prepay a portion of the 2024 Term Notes. MDA prepaid \$18.4 million (US\$13.7 million) of the principal amount in the fourth quarter of 2016 and prepaid a further principal amount of \$13.5 million (US\$10.2 million) in the three months ended March 31, 2017.

The 2024 Term Notes are guaranteed by certain of MDA's subsidiaries and secured by specific assets of MDA and its subsidiaries. The 2024 Term Notes can be repaid, at MDA's option, in whole or in part, together with accrued interest and a make-whole premium. The 2024 Term Notes rank equally with the obligations under the credit agreements.

As discussed above, the 2017 Term Notes, which were issued pursuant to a long-term debt agreement for US\$100 million with a private lender, were repaid in full in February 2017.

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Promissory note

MDA had a promissory note payable to Loral Space & Communications Inc. related to the acquisition of SSL. The final installment of \$42.7 million (US\$33.7 million) on the promissory note was repaid on March 31, 2015.

Debt covenants

As of March 31, 2017 and December 31, 2016, MDA was in compliance with all covenants under its various credit facilities and long-term debt agreements.

Contractual Obligations

MDA enters into contractual obligations in the normal course of business. The following table provides a summary of MDA's payment obligations in each of the next five years and thereafter, as of December 31, 2016, specifically related to long-term debt, operating leases, purchase obligations and other obligations.

Contractual obligations	Payment due by period				
	Total	Less than 1 year	1-3 years (\$ millions)	3-5 years	More than 5 years
Bank overdraft	24.1	24.1	—	—	—
Long-term debt obligations ⁽¹⁾	806.7	136.8	3.4	476.3	190.2
Interest obligations on long-term debt ⁽²⁾	111.0	22.5	45.1	29.0	14.4
Securitization liability (including interest)	203.9	30.4	57.6	58.1	57.8
Operating lease obligations ⁽³⁾	151.3	42.7	55.3	32.5	20.8
Purchase obligations	672.5	526.3	145.7	0.5	—
Other obligations ⁽⁴⁾	43.9	23.3	10.0	5.8	4.8
	<u>2,013.4</u>	<u>806.1</u>	<u>317.1</u>	<u>602.2</u>	<u>288.0</u>

- (1) Long-term debt is presented net of prepaid bank facility fees.
- (2) Interest obligations on MDA's revolving loan facility have been estimated by assuming that the balance outstanding and applicable interest rate margin in place at December 31, 2016 remain outstanding or in place until the maturity date of September 2020.
- (3) The operating leases were primarily related to rental of office and manufacturing space.
- (4) Other obligations is represented on MDA's consolidated balance sheet as "Financial liabilities, other", which was primarily comprised of non-trade payables and deferred fair value losses on foreign exchange forward contracts.

MDA has purchase obligations for goods and services, under legally enforceable agreements with defined terms as to quantity, price and timing of delivery. Most of these purchase obligations are with subcontractors on long-term construction contracts that MDA has with its customers.

No material changes outside the ordinary course of business have occurred with respect to MDA's specified contractual obligations during the three months ended March 31, 2017.

Capital Expenditures

MDA's commitment for capital expenditures as at March 31, 2017 and December 31, 2016 is not considered material. MDA's commitment for capital expenditures as at December 31, 2016 is included in purchase obligations in the preceding table.

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For the three months ended March 31, 2017, MDA purchased property, plant and equipment of \$10.4 million. For the years ended December 31, 2016, December 31, 2015 and December 31, 2014, MDA purchased property, plant and equipment of \$52.2 million, \$31.7 million and \$58.0 million, respectively.

For the three months ended March 31, 2017, MDA capitalized development of technology and software of \$23.7 million. For the years ended December 31, 2016, December 31, 2015 and December 31, 2014, MDA capitalized development of technology and software of \$81.2 million, \$48.7 million and \$34.7 million, respectively. Investments in technology and software were higher in the three months ended March 31, 2017 and fiscal year 2016 as MDA capitalized higher levels of costs relating to the internal development of key technologies, including its digital payload program.

Research and Development

MDA conducts extensive company-funded research and development (“R&D”) activities that involve the experimentation, design, development and testing of innovative next-generation technology for space communications and space surveillance. The satellite manufacturing industry is characterized by technological developments necessary to meet changing customer demand for complex and reliable services and MDA needs to invest in technology to meet its customers’ changing needs. For the last three fiscal years, MDA has devoted significant R&D resources to the development of an advanced flexible payload, satellite bus platform, stationary plasma thruster, advanced solar array technology and other satellite subsystems. The majority of MDA’s R&D activities take place in its manufacturing facilities in Palo Alto, California and Montreal, Canada. MDA also conducts customer-funded R&D under contracts with government and commercial customers and has received government grants in the past from Canadian federal and provincial governments to help fund certain R&D activities.

In May 2016, MDA was awarded a contribution agreement by the Government of Canada under the Technology Demonstration Program, which provides government assistance to support large-scale research and development projects. The agreement will provide non-repayable matching contributions of up to \$31.5 million for eligible costs incurred by MDA in connection with its digital payload program and other research and development projects. For the year ended December 31, 2016, MDA received \$6.1 million of funding under this agreement.

Costs associated with R&D activities may either be capitalized as internally developed technologies or expensed as incurred depending on certain accounting criteria. The following table provides a summary of company-funded research and development activities, net of government grants, for the fiscal years indicated.

<u>Research and development expense</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	(\$ millions)		
Expensed in direct cost, selling general and administration	29.0	32.2	20.5
Capitalized as intangible assets	65.0	35.9	24.7
Total	<u>94.0</u>	<u>68.1</u>	<u>45.2</u>

Off-Balance Sheet Arrangements

As at March 31, 2017, December 31, 2016 and December 31, 2015, MDA’s banks have issued letters of credit for \$115.0 million, \$112.4 million and \$58.5 million, respectively, of which \$90.2 million, \$93.3 million and \$37.5 million, respectively, was guaranteed by Export Development Canada (“EDC”), a Canadian government corporation. MDA uses letters of credit as security for its contract performance, validity of bids it submits and advance payments it receives. They are issued under lines of credit established with several banks.

MDA has also provided an indemnity to EDC in partial support of selected satellite financings provided by EDC. The indemnity is not recognized on the balance sheet and if it were called upon, the maximum value of the

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indemnity as at March 31, 2017 and December 31, 2016 was \$46.9 million (US\$35.2 million) and \$39.9 million (US\$29.8 million), respectively.

MDA has received, in aggregate, the maximum eligible funding of \$9.0 million of government grants under a non-refundable contribution agreement with Investissement Québec relating to the expansion of MDA's satellite systems facility in Montreal. The government grants can become conditionally repayable if certain average employment targets to December 31, 2018 are not met.

In prior years, MDA's Canadian operations have received funding under contract from the Government of Canada under several programs that support the development of new commercial technologies and products for delivery to customers of the Government of Canada. This funding is subject to possible repayment in the form of royalties, generally not exceeding 5% of future revenues, upon commercialization of that intellectual property by MDA. For the three months ended March 31, 2017 and the years ended December 31, 2016 and 2015, no funding was received under these programs.

Quantitative and Qualitative Disclosures About Market Risk

Refer to Note 22 of the consolidated historical financial statements for the year ended December 31, 2016 for quantitative and qualitative disclosures of MDA's primary market risk exposures, including credit risk, liquidity risk, interest rate risk and foreign exchange risk.

Critical Accounting Policies and Use of Estimates

The preparation of MDA's consolidated financial statements in conformity with IFRS requires management to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Estimates, assumptions and judgments are based on historical experience, current conditions and various other assumptions believed to be reasonable under the circumstances. Due to changes in facts and circumstances, and the inherent uncertainty involved in making estimates, actual results may differ significantly from current estimates. Estimates and judgments are reviewed periodically and, as adjustments become necessary, are recognized in earnings in the period in which they become known. The most significant areas that require management to use estimates, assumptions and judgments are discussed below.

Revenue recognition

MDA generates a significant portion of revenues from long-term construction contracts. Revenues from long-term construction contracts, including amounts attributed to customer supplied materials, are recognized using the percentage of completion method based on costs incurred relative to total estimated costs. The inception to date effect of any changes in estimates of contract price or costs to complete is recognized in the period when the change is determined by management. The long-term nature of contracts involves considerable use of judgment and estimates in determining total revenues, total costs, performance incentives, contract risks, and percentage of completion. There are numerous factors to consider, including variances in the contract deliverables, scheduling, labor costs, material costs and productivity. MDA has developed methods and systems to provide reasonably dependable expenditure estimates for its long-term construction contracts.

When management's estimates indicate that it is probable that total contract costs including allocation of overhead will exceed contract revenue on a construction contract upon completion, a provision for the expected loss is recognized immediately in the period in which the loss becomes evident. For the three months ended March 31, 2017 and the years ended December 31, 2016, 2015 and 2014, MDA has recognized contract loss provisions for certain construction contracts. Management continually reviews the estimates for total contract costs and revenues and adjusts the contract loss provisions as necessary.

MDA enters into certain long-term construction contracts with the Canadian federal government where a portion of the funding received may be contingently repayable. Government assistance relating to long-term

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construction contracts is treated as an increase in revenue or as a reduction in costs, depending on its nature. MDA reviews all government assistance to determine which of the methods is appropriate in the circumstances. MDA treats amounts received from governments as revenue on contracts when the government is the final customer and where the contract requires that a final product be delivered. In certain cases, MDA retains the commercial rights to the related intellectual property but the government retains the rights to receive a royalty on any commercialization of that intellectual property. MDA treats amounts received from governments as a reduction of costs incurred when funding is provided for the development of a capability or intellectual property.

Income taxes

MDA is subject to taxation in numerous jurisdictions and exercises judgment in estimating the provision for federal, provincial, and foreign income taxes. Income tax laws and regulations can be complex and are potentially subject to different interpretation between MDA and the respective tax authority. Provisions for tax are made using MDA's best estimate of the amount of tax expected to be paid based on an assessment of all relevant factors. However, the precision and reliability of the estimates are subject to uncertainty and may change as additional information becomes known.

Deferred tax assets are recognized only when it is probable that sufficient taxable profit will be available in future periods against which deductible temporary differences may be utilized. The recognition of deferred income tax assets involves considerable use of judgment and requires management to make estimates and assumptions, including estimates of projected taxable income, the timing of the reversal of temporary differences, the tax rates and laws in each respective jurisdiction and the impact of tax planning strategies. The amount of recognized deferred tax assets may change from period to period due to the uncertainties surrounding these assumptions.

Impairment of non-financial assets

Goodwill is not amortized. MDA tests goodwill for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. Goodwill is considered to be impaired and an impairment loss would be recognized in earnings when the carrying amount of the cash generating unit or group of cash generating units to which the goodwill has been allocated exceeds its fair value.

Intangible assets with finite useful lives are amortized over their estimated useful lives. MDA reviews the amortization methods and estimated useful lives of intangible assets annually. As at March 31, 2017, December 31, 2016 and December 31, 2015, MDA did not have any indefinite life intangible assets. MDA tests intangible assets for impairment when events or changes in circumstances indicate that an asset might be impaired. The impairment test compares the carrying amount of the intangible asset with its fair value, and an impairment loss would be recognized in earnings for the excess of carrying value over fair value, if any.

MDA has used independent third party valuation specialists for significant acquisitions to perform purchase price allocations and to identify and attribute values and estimated useful lives to the intangible assets acquired. Details provided in valuers' reports on cash flows, tax rates, discount rates, capital expenditures, attrition rates and other assumptions used to determine the nature and amount of the individual intangible assets are reviewed by management. This process calls for considerable use of judgment, and requires all parties involved to make estimates and assumptions. These determinations impact the amount of amortization expense to be recognized in future periods over the estimated useful lives of the intangible assets.

Impairment tests of goodwill and intangible assets involve considerable use of judgment and require management to make estimates and assumptions. The fair values of cash generating units are derived from certain valuation models, which consider various factors such as discount rates, future earnings and perpetual growth rates. Changes in estimates and assumptions can affect the reported value of goodwill and intangible assets.

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Impairment of financial assets

Financial assets not carried at fair value through earnings are assessed for impairment at each reporting date. A financial asset is impaired if objective evidence indicates that a loss event which negatively affected the estimated future cash flows has occurred after the initial recognition of the asset. Management uses judgment when identifying and assessing objective evidence that may indicate a loss event and when estimating the potential impact on the carrying value of accounts receivable, notes receivable, orbital receivables, and other financial assets. For financial assets measured at amortized cost, the impairment loss is the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. If an impairment has occurred, the carrying amount of the asset is reduced, with the amount of the loss recognized in earnings. A permanent impairment loss for an available-for-sale investment is recognized by transferring the cumulative loss previously recognized in other comprehensive income to earnings.

Business combinations

In a business combination, all assets, liabilities and contingent liabilities acquired or assumed are recorded at their fair values at the date of acquisition. Management uses judgment when estimating fair values of the net assets acquired and any contingent consideration to be recognized as part of the initial purchase consideration. The fair value of intangible assets acquired is determined using valuation techniques that require estimation of replacement costs, future net cash flows and discount rates. Changes in the estimates and assumptions used could have a material impact on the amount of goodwill recorded and the amount of depreciation and amortization expense recognized in earnings for depreciable assets in future periods.

Fair valuation of financial instruments

IFRS requires financial instruments to be measured at fair value as at the balance sheet date. In determining fair value, MDA must estimate the price that market participants would sell for, or buy at, in an active liquid market, if there was one. Current market conditions, in which some financial instruments may lack an active market, make it more difficult for MDA to estimate fair value. While management believes the estimates of fair values at the balance sheet date are reasonable, differences in estimates could have an impact on the financial position and results of operations of MDA.

Derecognition of financial assets

IFRS requires that financial assets be derecognized when the rights to receive cash flows from the assets have expired or have been transferred, either outright or through a qualifying pass-through arrangement, and MDA has transferred substantially all of the risk and rewards of ownership of the asset. When MDA retains substantially all of the risks and rewards of transferred assets, the transferred assets are not derecognized and remain on the consolidated balance sheet. Management assesses these criteria using the balance of facts and circumstances of each individual arrangement and applies considerable judgment when making these assessments, particularly when determining whether substantially all the risks and rewards of ownership of the financial assets have been transferred. MDA assessed these criteria in order to determine the appropriate accounting treatment for the orbital securitization transactions executed in 2016 and concluded that MDA has retained substantially all of the risks and rewards of ownership of the orbital receivables. Accordingly, the securitized orbital receivables remain recognized on the consolidated balance sheet and the net proceeds received have been recognized as a securitization liability. Any changes to the conclusions of these assessments could have a material impact on the consolidated financial statements.

Provisions

MDA records a provision when an obligation to a third party exists, the payment is probable and the amount can be reasonably estimated. MDA records a provision based on the best estimate of the expenditure required to

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settle the present obligation at the balance sheet date. While management believes these estimates are reasonable, differences in actual results or changes in estimates could have an impact on the liabilities and results of operations recorded by MDA.

Pension and other post-retirement benefit obligations

MDA's obligations and expenses relating to defined benefit pension and other post-retirement benefit plans are determined using actuarial calculations, and are dependent on significant assumptions such as the long-term rate of return on plan assets, the discount rate for pension benefits obligations and the rate of compensation increase. While management believes these assumptions are reasonable, differences in actual results or changes in assumptions could have an impact on the obligations and expenses recorded by MDA.

Share-based compensation

MDA measures the fair value of its share-based compensation awards using the Black-Scholes option pricing model and recognizes the fair value expense on a straight-line basis over the relevant vesting period. Management uses judgment to determine the inputs to the Black-Scholes option pricing model including expected plan lives, underlying share price volatility and forfeiture rates. Changes in these assumptions could have a material impact on the calculation of fair value and the amount of compensation expense recognized in earnings.

Hedge accounting

IFRS specifies the criteria that must be satisfied in order to apply hedge accounting under each of the permitted hedging strategies relevant to MDA. MDA applies considerable judgment when assessing whether a hedging relationship meets the criteria to qualify for hedge accounting and when testing for effectiveness. Hedge accounting is discontinued prospectively when the hedging relationship ceases to be effective or the hedging or hedged items cease to exist as a result of invoicing, maturity, expiry, sale, termination, cancellation or exercise. The fair value of hedged items and hedging instruments are primarily derived from market values adjusted for credit risk, which can fluctuate greatly from period to period. When a hedging relationship does not qualify for hedge accounting, the changes in fair value are recognized immediately in earnings and can result in significant variability in net earnings.

Investment tax credits

MDA recognizes investment tax credits when the reasonable assurance threshold is met. Investment tax credits may be carried forward to reduce future Canadian federal and provincial income taxes payable. MDA applies judgment when determining whether the reasonable assurance threshold has been met to recognize investment tax credits in the consolidated financial statements. For investment tax credits that have not met the criteria to be recognized in the consolidated financial statements, management continually reviews these interpretations and assessments and recognizes the investment tax credits relating to prior period expenses in the period when the reasonable assurance criteria have been met. MDA must interpret eligibility requirements in accordance with Canadian income tax laws and must assess whether future taxable income will be available against which the investment tax credits can be utilized. Any changes in these interpretations and assessments could have a material impact on the amount and timing of investment tax credits recognized in the consolidated financial statements. Furthermore, the amount of investment tax credits recognized in a period may impact adjusted operating EBITDA margin percentages.

Recently Issued Accounting Pronouncements

In July 2014, the International Accounting Standards Board ("IASB") issued IFRS 9—*Financial Instruments*, which replaces the earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39—

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Financial Instruments: Recognition and Measurement. IFRS 9 includes a logical model for classification and measurement of financial assets; a single, forward-looking “expected credit loss” impairment model and a substantially-reformed approach to hedge accounting to better link the economics of risk management with its accounting treatment. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Earlier adoption is permitted. MDA has commenced a preliminary assessment of the potential impact of IFRS 9 on its consolidated financial statements and does not intend to early adopt the standard.

In May 2014, the IASB issued IFRS 15 - *Revenue from Contracts with Customers*, which supersedes IAS 18 - *Revenue*, IAS 11 - *Construction Contracts* and other interpretive guidance associated with revenue recognition. IFRS 15 provides a single, principles-based five-step model to be applied to all contracts with customers to determine how and when an entity should recognize revenue. The standard also provides guidance on whether revenue should be recognized at a point in time or over time as well as requirements for more informative, relevant disclosures. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 with earlier adoption permitted. MDA has established an implementation plan and intends to adopt IFRS 15 in its financial statements for the annual period beginning on January 1, 2018 and will retrospectively apply IFRS 15 to prior periods.

Based on a preliminary analysis, MDA expects that the significant majority of long-term construction and service contracts currently accounted for under the percentage-of-completion method will meet the requirements for revenue recognition over time under IFRS 15, and MDA will continue to apply a costs incurred to expected total cost model. MDA anticipates that its method for accounting for contract loss provisions will change. A contract with a customer will be considered onerous and a loss provision will be recognized only if it becomes probable that the total estimated direct costs of the contract, excluding allocated overheads, would exceed total contract revenues. Previously, MDA recognized a contract loss provision if it became probable that total contract costs, including allocated overheads, exceeded total contract revenues. The impact of this change in accounting policy, if adopted, would decrease the frequency and amount of contract loss provisions recognized. MDA continues to assess whether there will be a change in the timing of revenue recognition relating to identification of performance obligations as well as accounting for customer options, contract modifications, variable consideration, and financing elements within a contract.

MDA is completing its review of all significant construction and service contracts in place and is in the process of quantifying the amount of adjustments that may be applicable to onerous contracts in addition to adjustments, if any, that may be required relating to identification of performance obligations and for contracts containing customer options, modifications, variable consideration or financing elements and will provide further updates during 2017 as it continues to execute its implementation plan. MDA anticipates that its analysis will be completed during the fourth quarter of 2017.

In January 2016, the IASB issued IFRS 16—*Leases*, which supersedes IAS 17—*Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with earlier adoption permitted, but only if also applying IFRS 15—*Revenue from Contracts with Customers*. MDA is currently evaluating the impact of IFRS 16 on its financial statements and does not intend to early adopt the standard.

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ADDITIONAL INFORMATION ABOUT MDA

Business

MDA's two reportable operating segments are *Communications* and *Surveillance and Intelligence*.

In the Communications segment, MDA offers solutions for cost-efficient global delivery of a broad range of services, including television and radio distribution, broadband internet, and mobile communications. MDA is a leading supplier of communication satellites, satellite payloads, satellite antenna subsystems, and associated ground infrastructure and support services. MDA's principal customers in this segment are communication satellite operators, communication satellite manufacturers, and government agencies worldwide.

In the Surveillance and Intelligence segment, MDA offers end-to-end solutions to monitor changes and activities around the globe to support the operational needs of government agencies, both military and civilian, and commercial customers. MDA is a leading supplier of space-based and airborne surveillance solutions, imaging satellite ground systems, geospatial information services, and associated support services. MDA also supplies robotic systems for the space and terrestrial markets.

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Organizational Structure and Subsidiaries

MDA operates its business through the following principal operating subsidiaries:

<u>Name of Subsidiary</u>	<u>Country of Incorporation</u>	<u>Percentage Ownership</u>
<i>SSL MDA Holdings, Inc.</i> ⁽¹⁾ Serves as the holding company overseeing the operations for all MDA's operating subsidiaries.	USA	100%
<i>MDA Communications Holdings, LLC</i> ⁽¹⁾ Serves as a holding and financing company for MDA's U.S. operations.	USA	100%
<i>MDA Information Systems LLC</i> ⁽¹⁾ Provides geospatial information solutions primarily in the United States.	USA	100%
<i>MDA US Systems LLC</i> Provides mechanical systems engineering, robotics and mechanisms, and mechanical analyses for systems operating in extreme environments.	USA	100%
<i>Space Systems/Loral, LLC</i> ⁽¹⁾ Designs, manufactures and integrates satellites and satellite systems for commercial and government customers worldwide.	USA	100%
<i>MDA Geospatial Services Inc.</i> ⁽¹⁾ Provides geospatial information solutions internationally.	Canada	100%
<i>MDA Systems Ltd.</i> ⁽¹⁾ Designs and manufactures ground-based information solutions and services, including Earth observation ground systems, defense information systems, airborne surveillance systems and services, transportation management systems, and space-based information solutions.	Canada	100%
<i>MacDonald, Dettwiler and Associates Corporation</i> Designs and manufactures systems and subsystems for commercial space communications and remote sensing.	Canada	100%
<i>MacDonald, Dettwiler and Associates Inc.</i> Designs and constructs advanced robotics for space and terrestrial applications.	Canada	100%
<i>MD Information Service (Luxembourg) S.A.R.L.</i> ⁽¹⁾ Provides inter-company financing to MDA's U.S. operations.	Luxembourg	100%

(1) Is a "significant subsidiary" of MDA within the meaning of Rule 1-02 of Regulation S-X of the SEC.

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Breakdown of Revenues

The following table includes a breakdown of MDA's revenue in dollars and as a percentage of consolidated revenue by segment and geographic market for the periods indicated:

	Year Ended December 31, 2016					
	Communications		Surveillance and Intelligence		Total	
	(\$ millions)					
United States	341.9	23.7%	250.5	40.3%	592.4	28.7%
Canada	263.1	18.3%	299.0	48.1%	562.1	27.2%
Asia	393.3	27.3%	20.7	3.3%	414.0	20.1%
Europe	345.8	24.0%	31.3	5.0%	377.1	18.3%
South America	75.2	5.2%	1.7	0.3%	76.9	3.7%
Australia	22.2	1.5%	16.8	2.7%	39.0	1.9%
Others	0.1	0.0%	2.2	0.4%	2.3	0.1%
	<u>1,441.6</u>	<u>100.0%</u>	<u>622.2</u>	<u>100.0%</u>	<u>2,063.8</u>	<u>100.0%</u>

	Year Ended December 31, 2015					
	Communications		Surveillance and Intelligence		Total	
	(\$ millions)					
United States	385.3	25.5%	239.3	39.3%	624.6	29.5%
Canada	7.7	0.5%	287.8	47.2%	295.5	14.0%
Asia	475.3	31.5%	17.7	2.9%	493.0	23.3%
Europe	444.0	29.4%	40.7	6.7%	484.7	22.9%
South America	149.6	9.9%	2.6	0.4%	152.2	7.2%
Australia	46.2	3.1%	18.4	3.0%	64.6	3.1%
Others	0.1	0.0%	2.7	0.4%	2.8	0.1%
	<u>1,508.2</u>	<u>100.0%</u>	<u>609.2</u>	<u>100.0%</u>	<u>2,117.4</u>	<u>100.0%</u>

	Year Ended December 31, 2014					
	Communications		Surveillance and Intelligence		Total	
	(\$ millions)					
United States	540.5	36.2%	147.4	24.4%	687.9	32.8%
Canada	3.7	0.2%	326.3	54.0%	330.0	15.7%
Asia	320.0	21.4%	31.2	5.2%	351.2	16.7%
Europe	241.6	16.2%	39.3	6.5%	280.9	13.4%
South America	214.3	14.3%	3.5	0.6%	217.8	10.4%
Australia	173.6	11.6%	54.6	9.0%	228.2	10.9%
Others	0.4	0.0%	2.4	0.4%	2.8	0.1%
	<u>1,494.1</u>	<u>100.0%</u>	<u>604.8</u>	<u>100.0%</u>	<u>2,098.8</u>	<u>100.0%</u>

Business of MDA—Communications

Satellite communications represent a global market driven by strong demand from commercial enterprises, consumers, and governments. Its principal applications are direct-to-home television, digital audio radio, broadband internet, and mobile communications. MDA, through its acquisition of SSL, has over 50 years heritage of performance and delivering reliable solutions in this market, spanning hundreds of communication satellites. MDA has approximately 1.4 million square feet of state-of-the-art manufacturing facilities in Palo Alto, California and another 350,000 square foot facility in Montreal, Quebec.

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Communications Satellites

With its satellite manufacturing operations in Palo Alto, California, MDA is a leading supplier of geostationary communications satellites to commercial satellite operators worldwide. MDA's customers include the world's largest communications satellite operators, such as Intelsat, S.A., SES S.A., Eutelsat S.A., Telesat Canada, EchoStar Corporation, Asia Satellite Telecommunications Co. Ltd., HISPASAT Group, and DIRECTV, LLC. With over 80 satellites in operation today, MDA has an excellent track record for delivery of commercial communication satellites.

MDA is a leading supplier of direct-to-home television and radio broadcast satellites to commercial broadcast satellite operators.

With over 45 Ka-band payloads fielded, MDA is also an industry leader in advanced high throughput multi-mission satellites for broadband internet services.

In addition to the satellites it delivers, MDA offers its customers ground control and ground network distribution solutions, as well as mission engineering, simulation, performance evaluation, and training services.

Satellite Subsystems

Through its operations in Montreal, Quebec, MDA is a leading independent supplier of subsystem solutions for communication satellites. MDA's principal customers are prime contractors of commercial and government communication satellites around the world, such as Airbus Defence and Space, Aselsan Electronic Industries, The Boeing Company, Lockheed Martin Corporation, OHB-System, and Thales S.A.

MDA is the world's largest independent commercial supplier of communication satellite antenna subsystems, spanning all of C, Ku, Ka, L, and UHF bands. MDA also provides advanced radio frequency and power electronics, as well as various digital solutions for inclusion in satellite payloads. In selected cases, MDA offers complete payload solutions to emerging satellite prime contractors.

MDA's satellite antenna business in Quebec operates independently of MDA's satellite manufacturing business in Palo Alto, California.

Summary of Operating Segment

Principal Markets. MDA designs, manufactures and integrates satellites, satellite sub-systems and advanced antennas for commercial and government customers worldwide. MDA's solutions meet a broad range of customer requirements for broadband internet service to the home, mobile video and internet service, broadcast feeds for television and radio distribution, emergency services, civil and defence communications, direct-to-home television broadcast, satellite radio, telecommunications backhaul and trucking, weather and environmental monitoring, and air traffic control. In addition, MDA produces spacecraft subsystems and integrates government and other add-on missions on commercial satellites.

Distribution Methods. MDA's communications solutions are sold in domestic and international markets through a combination of direct sales and agents. MDA's customers include, among others: Asia Broadcast Satellite Limited, Asia Satellite Telecommunications Co. Ltd., Avanti Communications Group plc, Aselsan Electronic Industries Inc., DIRECTV, LLC, EchoStar Corporation, Eutelsat S.A., Hispasat S.A., Hughes Network Systems, LLC, Intelsat, S.A., NBN Co. Limited, Satelites Mexicanos, S.A. de C.V., SES S.A., Sirius XM Radio Inc., SKY Perfect JSAT Corporation, Star One S.A., Telenor Satellite Broadcasting AS, and Telesat Canada.

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Production and Services. MDA participates in a highly competitive commercial satellite manufacturing industry and is successful principally on the basis of its relationships, technical capabilities and engineering expertise, product reliability, cost and ability to meet delivery schedules. MDA's major contracts are generally firm fixed price contracts under which work performed and products shipped are paid for at a fixed price generally without adjustment for actual costs incurred.

Specialized Skills and Knowledge. MDA relies on engineers and scientists with a range of skills and knowledge, including specialized engineering and scientific skills related to its business.

Competition. MDA sells in a highly competitive market. Primary competitors for satellite manufacturing contracts are (i) The Boeing Company, Lockheed Martin Corporation, and Orbital ATK, Inc. in the United States, (ii) Thales S.A. and Airbus Defence and Space, a subsidiary of the Airbus Group in Europe, and (iii) Mitsubishi Electric Corporation in Japan. In addition, many of MDA's competitors are larger and have greater resources. MDA may also face competition in the future from emerging low-cost competitors in India, Russia and China.

Cycles. Satellite demand is driven by fleet replacement cycles, increased video, internet and data bandwidth demand and the development of new satellite applications. Because MDA's operating results with respect to the Communications Segment are impacted by market conditions in the commercial communications satellite market, the cyclical nature of demand in this market poses certain challenges to MDA.

Regulatory Environment. The satellite manufacturing industry is highly regulated due to the sensitive nature of satellite technology. MDA is required by the International Traffic in Arms Regulations, or ITAR, administered by the United States Department of State, to obtain licenses and enter into technical assistance agreements to export satellites and related equipment and to disclose technical data or provide defense services to foreign persons. In addition, if a satellite project involves countries, individuals or entities that are the subject of United States economic sanctions, which are referred to here as "Sanctions Targets", or is intended to provide services to Sanctions Targets, MDA's participation in the project may be prohibited altogether or licenses or other approvals from the United States Treasury Department's Office of Foreign Assets Control, or OFAC, may be required.

Certain contracts with the various departments and agencies of the U.S. government, including the Department of Defense, require that certain of MDA's subsidiary offices (including that of SSL) be issued facility security clearances under the National Industrial Security Program. The National Industrial Security Program requires that a corporation maintaining a facility security clearance be effectively insulated from foreign ownership, control or influence ("FOCI"). MDA has entered into, and is implementing, a Security Control Agreement with the Defense Security Service ("DSS"), as a suitable FOCI mitigation arrangement under the National Industrial Security Program Operating Manual. A FOCI mitigation arrangement is necessary for certain of MDA's U.S. subsidiaries, including SSL, to acquire and continue to maintain the requisite security clearances thereby enabling them to enter into contracts with U.S. government entities to perform classified work and to complete the performance under those contracts.

Economic Dependence. MDA's Communications business is dependent on obtaining certain governmental licenses and other approvals. Commercial communication satellites and certain related equipment, technical data and services are subject to U.S. export controls. U.S. government licenses or other approvals generally must be obtained before certain products and services are exported and may be required before they are re-exported or transferred from one foreign person to another foreign person. In addition, if a satellite project involves countries, individuals or entities that are subject to U.S. economic sanctions, MDA may be prohibited altogether or licenses or other approvals may also be required.

Employees. As of December 31, 2016, MDA's Communications business employed approximately 3,220 people. The Communications business is a knowledge-intensive business, the success of which relies heavily on its technological heritage and the skills of its workforce.

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As of December 31, 2016, MDA's U.S. operations of its Communications business employed approximately 2,470 employees, none of whom were subject to collective bargaining agreements.

As of December 31, 2016, MDA's Canadian operations of the Communications business employed approximately 750 employees. MDA has collective bargaining agreements with the following unions and associations with respect to its Canadian employees:

<u>Union / Association</u>	<u>Expiration Date</u>	<u>Employees</u>
Space Systems Engineers and Scientists Association	March 2019	329
Unifor – Local 508	March 2018	180
Confederation des Syndicats Nationaux	November 2017	99

MDA maintains contributory and non-contributory defined benefit pension plans covering a portion of its employees.

Property. MDA's Communications business operates largely out of Palo Alto, California and Montreal, Quebec. MDA operates under owned and leased premises at its locations.

MDA's operations in the United States are headquartered in Palo Alto, California, with additional facilities located in nearby Mountain View and San Jose, California. The Palo Alto facilities encompass approximately 1.4 million square feet, of which approximately 582,000 square feet are owned and 802,000 square feet are leased, spanning 36 buildings on 80 acres. The Montreal facilities encompass approximately 350,000 square feet and are owned by MDA. The facilities at Palo Alto and Montreal provide space for manufacturing, systems design and engineering, research and development, and office and administration. MDA believes its owned and leased facilities are adequate for its current needs and additional space can be obtained if necessary.

Business of MDA—Surveillance and Intelligence

Surveillance and Intelligence represents a global market driven by ever increasing needs for accurate and timely information about man-made and natural changes occurring around the world. MDA has over 50 years heritage of performance and delivering reliable solutions in the market. MDA is a leading supplier of space-based surveillance and robotic solutions, ground-based and airborne surveillance and intelligence solutions, geospatial information services, and associated support services. MDA's solutions support the operational needs of government and commercial customers worldwide, including space agencies, defence and civil departments, intelligence agencies, aerospace prime contractors, aviation authorities, imaging satellite operators, and oil and gas companies.

Space-based Surveillance and Robotic Solutions

MDA provides end-to-end space missions to monitor changes and activities around the globe. MDA is a leader with decades of heritage in the development, commissioning, and operation of entire radar satellite missions, including ground segments. Historically, the principal customer in this area has been the Government of Canada. Under contracts with the Government of Canada, MDA has built the RADARSAT-1 and RADARSAT-2 satellites, and is now building the Radarsat Constellation Mission. Primary users of information provided by these satellites include civil, defence, and intelligence agencies around the world, as well as transportation authorities and exploration companies.

MDA also offers low cost Earth observation satellite constellations for commercial and government applications. In 2014, MDA was selected by Terra Bella to build a constellation of low Earth orbit imaging satellites. These low cost Earth observation satellites are being constructed at MDA's specialized facility in Palo Alto, California dedicated to small satellite manufacturing. The first four of these satellites were successfully launched in 2016. In 2016, MDA contracted with Terra Bella for an additional six satellites.

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In addition, MDA is a leader in space robotics, with NASA, the Canadian Space Agency, and DARPA as principal customers. MDA has a long term heritage of providing the robotics for the U.S. Space Shuttle and the International Space Station (“Canadarm” and “Dextre”), and is currently involved in the development of the next generation of space automation for exploration. In 2015, MDA was selected by NASA to develop on-orbit robotic assembly technology. The project is part of NASA’s Tipping Point initiative to work with industry to advance the goals for robotic and human exploration of the solar system through the development of critical space technologies.

Leveraging on its heritage in space robotics, MDA is pursuing terrestrial applications for its robotics capabilities in the medical and nuclear fields. With the acquisition of SSL, MDA has expanded its efforts to market its robotics capability to the U.S. Government and U.S. commercial markets with MDA’s combined U.S. and Canadian capabilities. MDA has won important Earth observation constellation contracts and space robotics contracts in the United States.

Ground-based and Airborne Information Solutions

MDA’s ground-based and airborne surveillance and intelligence solutions provide vital intelligence to operational decision makers.

MDA offers a full range of multi-satellite ground stations to operate radar and optical surveillance satellites and to receive, process, distribute, archive and exploit imagery from those satellites. More than 50 receiving ground stations have been installed by MDA in more than 25 different countries, processing data from over 20 different satellites. The intelligence provided through MDA’s ground stations supports a broad range of applications, such as national security, maritime transportation, urban development, land use, resource management, environmental monitoring, defence operations, law enforcement and mapping.

MDA’s ground-based solutions include maritime surveillance systems that draw on satellite imagery. Domestically MDA provides a number of defense information solutions, including ship combat systems, command and control systems, and operational trainers.

With the U.S. Air Force as a principal customer, MDA provides advanced navigation information systems that increase safety and efficiency of aircraft landings and departures, supporting the next generation of air traffic management.

MDA provides various airborne surveillance solutions to monitor human activity and its impact. MDA’s airborne radar solution provides high resolution imaging, advanced moving target identification, and other advanced detection and identification modes. MDA also operates a long endurance unmanned aerial vehicle surveillance service which provides real-time multi-sensor intelligence to support critical operations directly in-theatre. This service is currently used by the Royal Australian Air Force.

One of MDA’s U.S. subsidiaries, MDA Information Systems LLC, which operated under a Proxy Agreement with an independent proxy board until February 28, 2017, is marketing MDA’s ground station technology to the U.S. government and U.S. commercial ground systems market. MDA Information Systems LLC has won several important contracts in this area, including a contract with the U.S. Air Force Life Cycle Management Center.

Geospatial Information Services

MDA’s geospatial services operations provide optical and radar satellite imagery, and value added products derived from satellite and other data sources. MDA owns the worldwide commercial distribution rights for RADARSAT-2 satellite imagery.

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As the operator and worldwide commercial data distributor for the RADARSAT-2 satellite, MDA is one of the largest radar information providers worldwide.

MDA also provides value added geospatial information and monitoring services derived from radar imagery and other sources to customers in defence, weather, transportation, energy and mining, and civilian sectors.

In the United States, MDA provides critical geospatial intelligence and change detection services to the intelligence community through MDA Information Systems LLC. This subsidiary provides efficient and advanced information solutions to government and commercial customers in four specialty areas. The geospatial solutions division uses remote sensing, geographic information systems, multi-source data, and large volume image and data processing technology to provide cutting edge intelligence and information products and analysis services. The intelligence, surveillance and reconnaissance ("ISR") systems division leverages MDA's world-leading multi-mission ground system experience to provide fixed and transportable remote sensing satellite ground systems. The weather services division has been providing unique weather information products and services for energy and agriculture applications for over forty years. The sensor systems technologies division designs, develops, and enhances high performance ISR solutions to exploit data and provide critical information to support customer needs.

Summary of Operating Segment

Principal Markets. MDA's Surveillance and Intelligence business provides turnkey solutions developed around proprietary and purchased technologies and services, tailored to meet the operational requirements of government and commercial customers worldwide.

MDA offers geospatial information solutions that consist of Earth observation imagery information from aerial platforms and the majority of commercially available radar and optical satellites. These products and services are used globally for maritime surveillance, military intelligence, offshore oil and gas exploration, environmental monitoring, agriculture resource management, ice reconnaissance, and disaster management.

Distribution Methods. MDA's information solutions are sold in domestic and international markets through a combination of direct sales and with the help of agents or partners. Customers for MDA's information solutions include, among others: Canadian Space Agency, Canada's Department of National Defence, DigitalGlobe, Inc., European Space Agency, NASA, National Geospatial-Intelligence Agency, Commonwealth of Australia, U.S. Air Force, DARPA, and numerous government agencies in Canada, the United States and internationally. MDA's geospatial information solutions are distributed by a combination of direct sales, regional partners, and local distributors.

Production and Services. A significant portion of MDA's Surveillance and Intelligence business involves long-term projects which are based on firm fixed price contracts. MDA has sufficient processes and systems in place to ensure compliance of its systems with ISO standards, reasonably measure and monitor the technical risk and financial performance of these contracts, and recognize revenues using the percentage of completion method. MDA's geospatial information solutions and services are derived from satellites and other data sources. The solutions provide applications for defence intelligence and surveillance, resource management, and environmental responses.

Specialized Skills and Knowledge. MDA relies on engineers and scientists with a range of skills and knowledge, including specialized engineering and scientific skills related to its business.

Competition. Competition in the information solutions market is highly diverse and includes aerospace and defence contractors such as the Airbus Group, General Dynamics Corporation, Raytheon Company, Orbital ATK, Inc., Lockheed Martin Corporation, The Boeing Company, and Thales S.A. Competition with respect to MDA's geospatial services operations comes from other data and information providers such as Satellite Imaging

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Corporation, Leidos, Inc., BAE Systems, and DigitalGlobe, Inc. While these companies offer different products, there is often competition for contracts that are part of governmental budgets. MDA's radar products compete with products offered by Airbus Defence and Space's TerraSAR-X satellite and also with Telespazio's COSMO-SkyMed satellite data, though each radar system has its strengths and weaknesses.

MDA addresses the information solutions market by providing end-to-end solutions that allow customers to deal with a single source supplier. MDA relies on its experience in both the commercial and aerospace markets to offer its customers the required level of reliability, customization and timely delivery. MDA also strives to co-operate, or team with, its competitors on large programs.

Cycles. MDA's Surveillance and Intelligence business is project driven and therefore can experience an irregular revenue profile as the result of large projects being at varying stages of completion. However, there is no specific seasonal or cyclical impact.

Regulatory Environment. MDA sells certain of its systems and products to non-Canadian and non-United States customers. MDA also procures certain key product components from non-Canadian and non-United States vendors. Accordingly, MDA's Surveillance and Intelligence business is subject to restrictive trade policies and import-export control regulations of Canadian, United States and foreign governments.

MDA's geospatial services operations rely on data collected from a number of sources including data obtained from satellites. In certain instances, governments may discontinue for periods of time the access to or operation of a satellite for any particular area on the Earth and for various reasons may not permit transmission of certain data, whether from a satellite owned by the government or not.

Economic Dependence. In the Surveillance and Intelligence sector, MDA receives contracts from the Canadian federal government and its agencies, such as the Canadian Space Agency and Department of National Defence. For fiscal year 2016, 14% of MDA's consolidated revenues were from the Canadian federal government and its agencies.

Employees. As of December 31, 2016, MDA's Surveillance and Intelligence business employed approximately 1,630 people. MDA has collective agreements with the following unions and associations.

<u>Union / Association</u>	<u>Expiration Date</u>	<u>Employees</u>
SPATEA—Brampton	December 2015(1)	225
UNIFOR (Local 112 and Local 673)	August 2017	33

- (1) Negotiations have concluded and MDA has reached an agreement in principle with the union. Work has been ongoing during these negotiations.

MDA maintains contributory and non-contributory defined benefit pension plans covering a portion of its employees.

Property. MDA's Surveillance and Intelligence business operates largely out of Canada and the United States, with a small operation in the United Kingdom. MDA primarily operates under leased premises at each of its locations.

MDA's primary facilities in Canada are in Richmond, British Columbia, which encompass approximately 180,000 square feet, and Brampton, Ontario, which encompass approximately 290,000 square feet. The Richmond facilities provide space for systems design and engineering, research and development, and office and administration. The Brampton facilities provide space for manufacturing, systems design and engineering, research and development, and office and administration. MDA has additional facilities in Dartmouth, Nova Scotia and Ottawa, Ontario. In the United States, MDA's primary facilities are in Gaithersburg, Maryland, with approximately 26,000 square feet. The Gaithersburg facilities provide space for production and office and administration.

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MDA is not dependent upon its U.S. operations, but they do offer a strong supplement to MDA's business offerings and provide inroads into U.S. Space and Defense markets. MDA believes its leased facilities are adequate for its current needs and additional space can be obtained if necessary.

History

MDA was incorporated on February 3, 1969 under the name MacDonald, Dettwiler and Associates Ltd. by letters patent under the *Canada Corporations Act*. MDA was subsequently continued under the *Canada Business Corporations Act* on May 3, 1976, meaning that as of such date, MDA became subject to and governed by the *Canada Business Corporations Act*. On December 22, 1999, MacDonald, Dettwiler and Associates Ltd. amalgamated with MacDonald, Dettwiler Holdings Inc., and continued as and under the name MacDonald, Dettwiler and Associates Ltd. On September 12 and 17, 2001, the Articles of MDA were amended to provide for a number of Directors, within a range, to be elected and to remove the right to cumulative voting with respect to the election of Directors, respectively. On May 16, 2016, MDA was continued under the Business Corporation Act (British Columbia) (the "BCA") and the regulations thereunder, meaning that MDA is now governed by the BCA rather than the *Canada Business Corporations Act*, and in connection with such continuation a new notice of articles was filed and new articles were adopted, which are, respectively, MDA's notice of articles and MDA's articles currently in effect.

The registered office of MDA is located at 25th Floor, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3, and the principal place of business is located at One Embarcadero Center, Suite 500, San Francisco, California 94111, telephone 1-415-315-1550, facsimile 1-415-433-5994. MDA's agent in Canada is Farris, Vaughan, Wills & Murphy LLP and such agent is located at 700 W Georgia Street, Vancouver, BC V7Y 1B3.

General Development of the Business

MDA was established in 1969 to focus on the emerging field of Earth observation satellite ground stations. Over the next decades, MDA expanded to become a strong systems engineering company focused on developing large-scale, custom computer and software systems for government, space, and defence customers around the world.

In the 1990s, MDA began a program of strategic diversification, acquisition and investment to augment its core systems engineering capabilities which provided MDA with world leading capabilities in space robotics technology and permitted MDA to become an international distributor of geospatial information solutions derived from satellite imagery.

At that same time, MDA also leveraged its strength in building systems that process information into providing complete solutions for land and property-related information, thereby becoming an information solutions company and expanding into property-related information products in North America, the United Kingdom, and Europe. This property information business was sold in January 2011.

In 2012, MDA acquired Space Systems/Loral, LLC ("SSL"), thereby becoming a leading provider of commercial communication satellites, serving a global customer base and creating a stronger presence in the U.S. market for MDA.

Subsequent to the acquisition of SSL, MDA has continued to diversify with new solutions in both the Communications and Surveillance and Intelligence segments. It has also expanded its efforts to provide solutions for commercial, civil and government markets in the United States.

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Security Control Agreement

In the fall of 2016, MDA completed the internal reorganization of its subsidiaries, creating Holdings as a holding company overseeing the operations of the subsidiaries of MDA. Holdings is headquartered in the United States. As part of this reorganization, MDA retained the equity interest in the Canadian and non-U.S. based operating subsidiaries and Holdings indirectly holds the voting interests. Holdings alone indirectly holds all of the interests in MDA's U.S. operating companies.

On January 26, 2017, MDA, Holdings and the U.S. Department of Defense entered into a security control agreement (the "Security Control Agreement") which provides for governance of Holdings and dealings between MDA on the one hand and Holdings and the subsidiaries under Holdings' oversight (together, the "Controlled Entities"), on the other hand. The Security Control Agreement is a key step in the process to permit MDA to have access to U.S. government contracts. The facilities of SSL require a facility security clearance under the National Industrial Security Program Operating Manual in order to enter into and perform certain U.S. government contracts.

The Security Control Agreement contains provisions with respect to the composition, qualifications, appointment and removal of the Board of Directors of Holdings, the qualifications of the officers of Holdings, and the operation and interactions between personnel of MDA and that of the Controlled Entities, including visits and communications. These provisions are designed to ensure that personnel of MDA without appropriate security clearance do not have access to U.S. classified and export controlled information. A government security committee ("GSC") of Holdings is required under the Security Control Agreement to oversee the implementation of the Security Control Agreement and the interactions between MDA and the Controlled Entities. The GSC is comprised of directors approved by the Defense Security Service. The Security Control Agreement also contains provisions that provide protections to MDA including provisions limiting the ability of the Controlled Entities, to enter into certain transactions, from issuing shares, from amending their charter documents, to enter into certain specified contracts and to incur capital expenditures, without MDA's approval. It also requires that Holdings and the Controlled Entities adopt reporting standards, risk management policies and corporate strategies of MDA.

Progress in Satellite Servicing

In 2016, MDA further developed its solutions for the servicing of space infrastructure. Following the NASA Restore-L contract in 2016 highlighted below, in February 2017, MDA was selected by the U.S. Defense Advanced Research Projects Agency (DARPA) to develop the capability to service and maintain spacecraft and other infrastructure in the geostationary arc. MDA is expected to provide a spacecraft to carry the robotic servicing payload and will manage integration and operation of the spacecraft. DARPA's Robotic Servicing of Geosynchronous Satellites (RSGS) program draws upon MDA's business units in the Communications and Surveillance and Intelligence segments, and will be the foundation of a new business for MDA that will serve both commercial and government operators with repair, upgrade, relocation, and refueling of on-orbit assets.

Legal Proceedings

MDA and its subsidiaries are subject to various legal proceedings and claims arising in the ordinary course of business operations. The outcomes of these matters will generally not be known for an extended period of time. In certain of the legal proceedings, the claimants seek damages, as well as other compensatory relief, which could result in the payment of significant claims and settlements. While the ultimate outcome and impact of any proceeding cannot be predicted with certainty, MDA's management believes that the resolution of its pending proceedings will not have a material adverse effect on MDA's consolidated financial position, results of operations or liquidity.

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The following table sets forth the name, age and position of each of MDA's officers, selected senior managers and directors as of June 16, 2017. For a discussion of the expected composition of MDA's directors as of the closing of the merger, see the section entitled "*The Merger Proposal—Board of Directors of MDA after the Merger.*"

<u>Name</u>	<u>Age</u>	<u>Position</u>
Officers		
Howard L. Lance	61	President and Chief Executive Officer and Director
Anil Wirasekara	59	Executive Vice President, Chief Financial Officer
Angela Lau	49	Senior Vice President, Finance and Corporate Secretary
Chris Harrison	60	Treasurer
Selected Senior Managers		
John Celli	68	President, Space Systems/Loral, LLC
William McCombe	59	Senior Vice President and Chief Financial Officer, SSL MDA Holdings, Inc.
Don Osborne	57	President, Information Systems Group (a division of MDA)
Don Schaefer	60	President, MDA Information Systems LLC
Directors		
Robert L. Phillips ⁽¹⁾⁽²⁾	66	Director and Chairman of the Board
Howard L. Lance	61	President and Chief Executive Officer and Director
Dennis H. Chookaszian ⁽¹⁾⁽²⁾	73	Director
Lori B. Garver ⁽²⁾⁽³⁾	56	Director
Joanne O. Isham ⁽³⁾	61	Director
C. Robert Kehler ⁽³⁾	65	Director
Brian G. Kenning ⁽¹⁾⁽²⁾	68	Director
Eric J. Zahler ⁽¹⁾⁽³⁾	66	Director

(1) Member of MDA's Audit Committee.

(2) Member of MDA's Governance and Nominating Committee.