DigitalGlobe

Q3 2016 Earnings Conference Call

OCTOBER 25, 2016

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Forward-Looking Statements

- Certain statements contained herein, including statements about our 2016 outlook and in the management quotation, contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to future events or future financial performance. We generally identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “continue” or “looks forward to” or the negative of these terms or other similar words, although not all forward-looking statements contain these words.

- Forward-looking statements are based upon our current expectations and assumptions of future events and are subject to risks and uncertainties that could cause our actual results or performance to differ materially from those indicated by such forward looking statements. Some of the risks and uncertainties that could cause actual results to differ include, but are not limited to: the loss or reduction in scope of any of our primary contracts, or decisions by customers not to exercise renewal options; the availability of government funding for our products and services both domestically and internationally; our ability to meet our obligations under the EnhancedView contract; our reliance on a limited number of vendors to provide certain key products or services to us; breach of our system security measures or loss of our secure facility clearance and accreditation; the loss or damage to any of our satellites; delays in the construction and launch of any of our satellites or our ability to achieve and maintain full operational capacity of all our satellites; loss or damage to the content contained in our ImageLibrary; interruption or failure of our ground systems and other infrastructure; decrease in demand for our imagery products and services; increased competition that may reduce our market share or cause us to lower our 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; our ability to recruit, hire or retain key employees or a highly skilled and diverse workforce; failure to obtain or maintain required regulatory approvals and licenses; and, changes in U.S. or foreign law or regulation that may limit our ability to distribute our imagery products and services. Additional information concerning these and other risk factors can be found in our filings with the Securities and Exchange Commission, including Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2015.

- We undertake no obligation to revise or update any forward-looking statements, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

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Q3 EBITDA and Adjusted EBITDA Reconciliation

($ in millions)	Q3 2016	Q3 2015
Net income	**$ 15.0**	**$ 9.6**
Net income margin(1)	**8.3%**	**5.5%**
Depreciation and amortization	64.6	70.4
Interest expense, net	4.0	5.6
Income tax expense	9.5	4.6
EBITDA(1)	**$ 93.1**	**$ 90.2**
EBITDA margin(1)	**51.2%**	**52.0%**
Restructuring charges	1.0	0.4
Other re-engineering charges	2.2	2.5
Joint venture losses, net	1.3	0.4
Gain on disposition of subsidiary	-	(1.6)
Adjusted EBITDA(1)	**$ 97.6**	**$ 91.9**
Adjusted EBITDA margin(1)	**53.7%**	**53.0%**
Revenue	**$ 181.8**	**$ 173.3**

(1) EBITDA, Adjusted EBITDA, EBITDA margin and Adjusted EBITDA margin are non-U.S. GAAP metrics. Net income margin, EBITDA margin and Adjusted EBITDA margin are calculated by dividing Net Income, EBITDA and Adjusted EBITDA, respectively, by revenue.

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2016 Outlook

Key Metric	Target
2016 Revenue	$700 million - $710 million
2016 Adjusted EBITDA(1,2)	$365 million - $375 million
2016 Capital Expenditures(3)	~ $135 million*

*** 2016 is a launch year**

NOTE: Current as of October 25, 2016.

(1) EBITDA and Adjusted EBITDA are non-U.S. GAAP metrics. See appendix for reconciliation.
(2) DigitalGlobe has not provided a reconciliation of our Adjusted EBITDA outlook to the comparable forward-looking U.S. GAAP financial measure because we are unable to provide a forward-looking estimate of the reconciling items between such non-U.S. GAAP forward-looking measure and the comparable forward-looking U.S. GAAP measure. Certain factors that are materially significant to our ability to estimate these items are out of our control and/or cannot be reasonably predicted. The nature of the assets under construction, timing of capital expenditures and uncertainty of timing of placing assets in service impact certain components of net income and our ability to reasonably predict net income. These items include income tax expense, interest expense and depreciation. Accordingly, a reconciliation to the comparable forward-looking U.S. GAAP measure is not available without unreasonable effort.
(3) Excludes capitalized interest.

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Q3 Cost of Revenue Components

($ in millions)	Q3 2016	Q3 2015
Labor and labor-related costs*	**$ 20.3**	**$ 14.3**
Facilities, subcontracting and equipment costs	16.0	15.8
Consulting and professional fees	0.8	1.4
Other direct costs	2.8	2.8
Total	**$ 39.9**	**$ 34.3**

***Labor and labor-related costs increased due to an increase in incentive compensation due to improved company performance, in addition to higher non-capital employee headcount in anticipation of the launch and operation of WorldView-4.**

NOTE: 2016 and 2015 include re-engineering costs.

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Q3 SG&A Components

($ in millions)	Q3 2016	Q3 2015
Labor and labor-related costs	**$ 27.7**	**$ 26.2**
Consulting and professional fees	7.7	8.9
Rent and facilities	3.0	4.2
Computer hardware and software	2.8	3.7
Satellite insurance	2.3	2.8
Other	3.0	3.8
Total	**$ 46.5**	**$ 49.6**

NOTE: 2016 and 2015 include re-engineering costs.

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Deferred Revenue Roll-forward

($ in millions)	Enhanced View SLA	U.S. Government Value-Add	NextView Pre-FOC Payments	DAP	Other	Total
December 31, 2015	**$ 172.9**	**$ 68.9**	**$ 73.7**	**$ 41.5**	**$ 7.3**	**$ 364.3**
Deferred revenue on cash collections	225.0	42.2	-	58.5	46.5	372.2
Deferred revenue recognized	(252.9)	(45.4)	(11.4)	(62.6)	(45.0)	(417.3)
September 30, 2016	**$ 145.0**	**$ 65.7**	**$ 62.3**	**$ 37.4**	**$ 8.8**	**$ 319.2**
YTD % Change	**-16.1%**	**-4.6%**	**-15.5%**	**-9.9%**	**20.5%**	**-12.4%**

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Free Cash Flow Reconciliation

($ in millions)	Q1 2016	Q2 2016	Q3 2016
Operating Cash Flow	$ 57.6	$ 91.0	$ 66.1
Investing Cash Flow	(47.3)	(45.5)	(68.5)
Investment in Joint Venture	7.5	-	2.5
Free Cash Flow(1)	17.8	45.5	0.1
Repurchase of Common Stock	$ 60.9	$ 15.9	$ 9.6

($ in millions)	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015
Operating Cash Flow	$ 56.9	$ 95.0 *	$ 85.6	$ 92.2	$ 329.7
Investing Cash Flow	(31.3)	(40.9)	(34.1)	(63.6)	(169.9)
Investment in Joint Venture	-	5.0	-	-	5.0
Free Cash Flow(1)	25.6	59.1	51.5	28.6	164.8
Repurchase of Common Stock	$ 31.1	$ 32.7	$ 36.7	$ 44.0	$ 144.5

(1) Free Cash Flow is a non-GAAP metric and is defined as the result of Operating Cash Flow less Investing Cash Flow adjusted for acquisition-related activity and other strategic investments.
** Includes additional $25M payment from NGA*

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Trailing 12-Month ROIC Reconciliation

($ in millions)	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Net cash flows provided by operating activities	$ 66.1	$ 91.0	$ 57.6	$ 92.2	$ 85.6
Less: Net cash flows used in investing activities	(68.5)	(45.5)	(47.3)	(63.6)	(34.1)
Add: Investment in joint venture	2.5	-	7.5	-	-
Add: Cash paid for interest	22.4	6.7	22.5	5.3	21.1
Unlevered Free Cash Flow(1)	**$ 22.5**	**$ 52.2**	**$ 40.3**	**$ 33.9**	**$ 72.6**
Total Debt	$ 1,109.9	$ 1,109.9	$ 1,109.9	$ 1,109.9	$ 1,113.1
Total Stockholders' Equity	1,205.2	1,195.0	1,195.3	1,248.1	1,278.3
Less: Cash and Cash Equivalents	(87.9)	(100.5)	(72.8)	(126.1)	(147.6)
Invested Capital(2)	**$ 2,227.2**	**$ 2,204.4**	**$ 2,232.4**	**$ 2,231.9**	**$ 2,243.8**
Quarterly ROIC(3)	**1.0%**	**2.4%**	**1.8%**	**1.5%**	**3.2%**
TTM ROIC(4)	**6.7%**	**9.0%**	**9.6%**	**9.9%**	**10.6%**

(1) Unlevered Free Cash Flow is a non-US GAAP measure and is defined as the result of Operating Cash Flow less Investing Cash Flow adjusted for acquisitions and other strategic investments and cash paid for interest.
(2) Invested Capital is calculated using balances as of the end of the periods presented.
(3) Quarterly ROIC is a non-US GAAP measure, calculated as follows: Current Quarter Unlevered Free Cash Flow / Invested Capital.
(4) Trailing Twelve Months (TTM) ROIC is a non-US GAAP measure, calculated as follows: Most Recent Four Quarters Unlevered Free Cash Flow / Current period-end Invested Capital.

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Historical Russia Revenue

($ in millions)

	Q1	Q2	Q3	Q4	FY/YTD
2013	$4.5	$6.0	$4.6	$8.3	$23.4
2014	$1.2	$1.1	$4.0	$2.6	$ 8.9
2015	$0.1	$1.6	$2.3	$0.3	$ 4.3
2016	$0.5	$1.9	$3.0	N/A	$ 5.4

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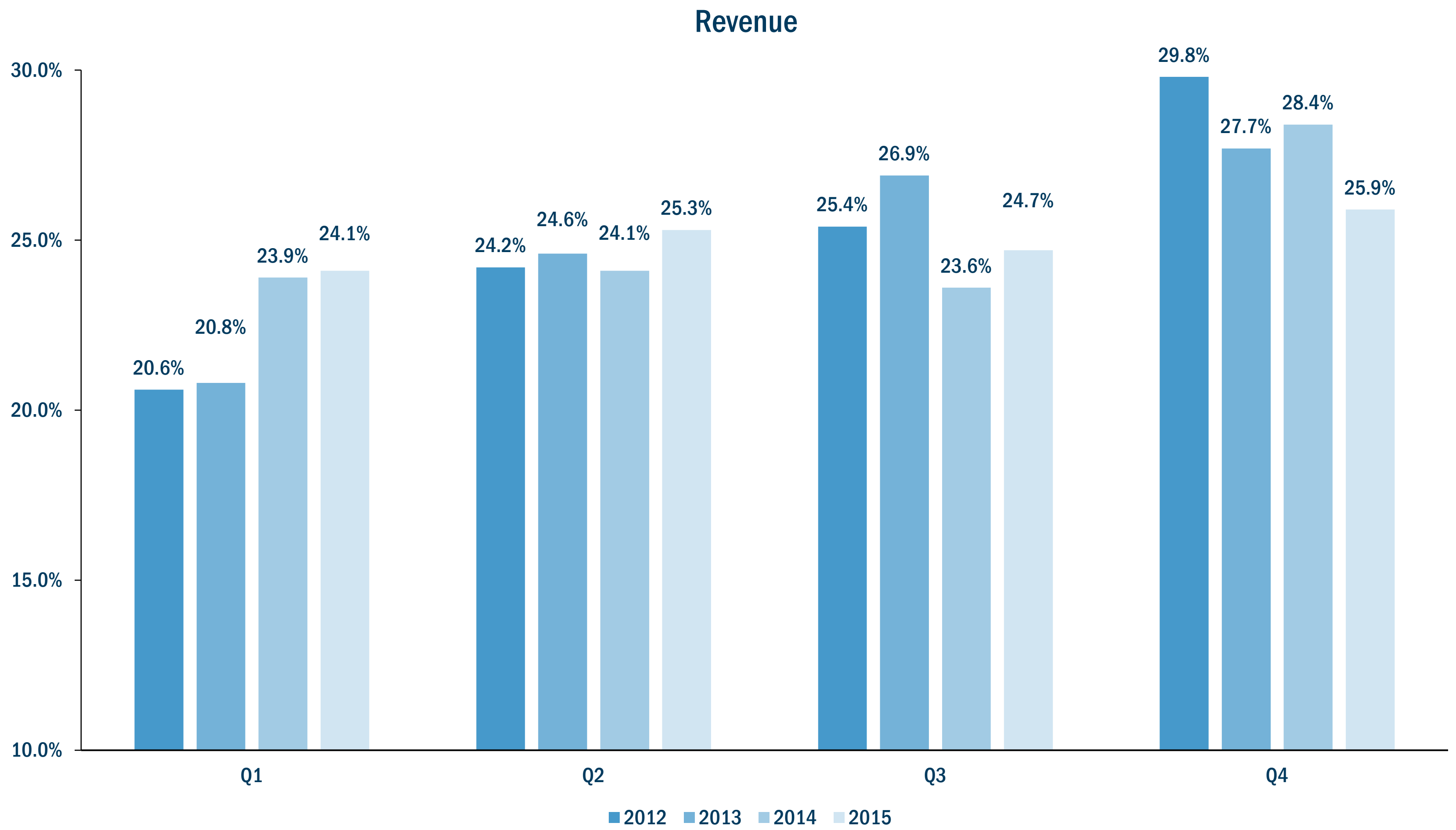
Historic DigitalGlobe Revenue Percentages by Quarter



Note for 2016: While we are not providing quarterly guidance, we do currently expect seasonality for revenue to be similar to 2015 within a percentage point or two each quarter.

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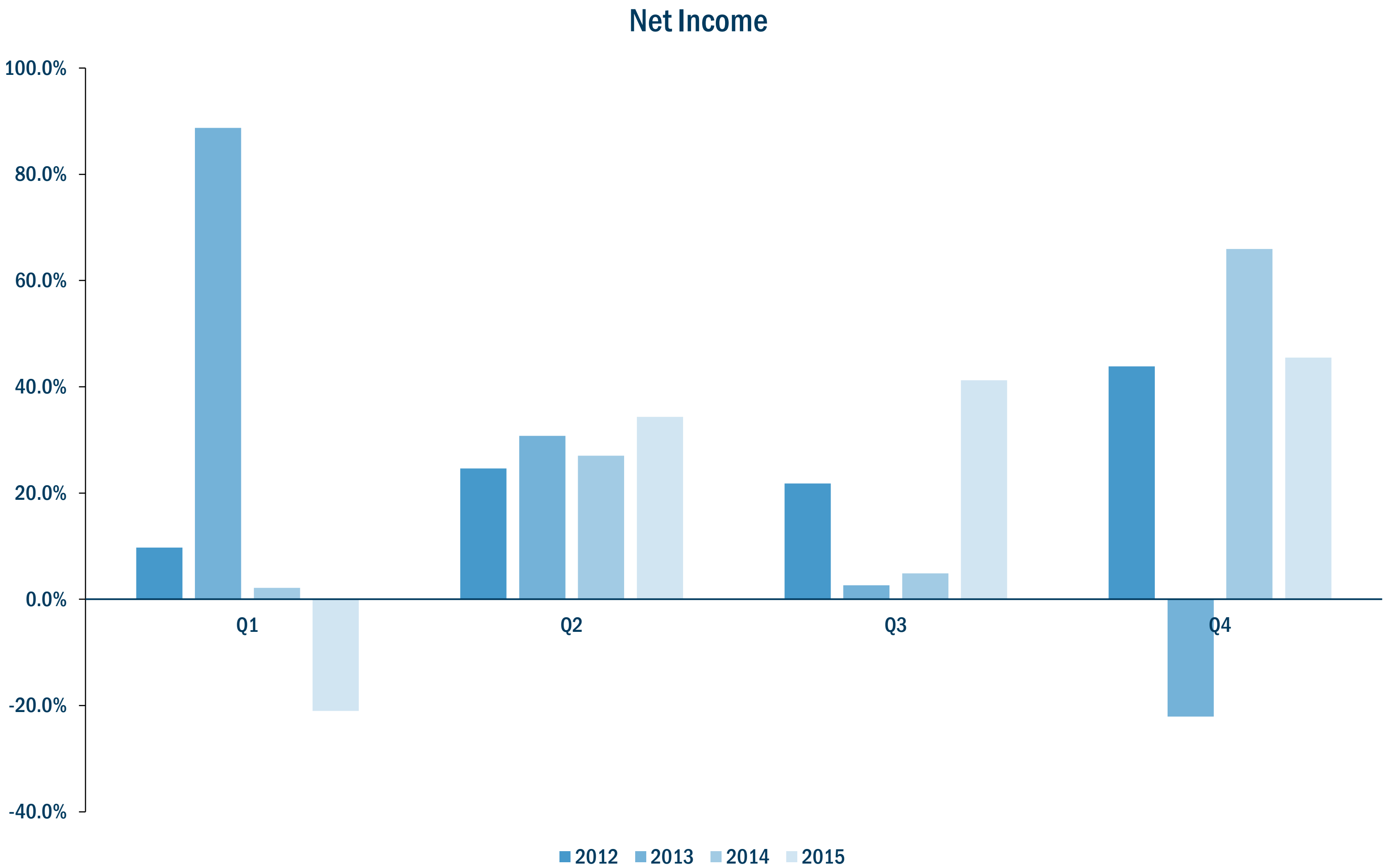
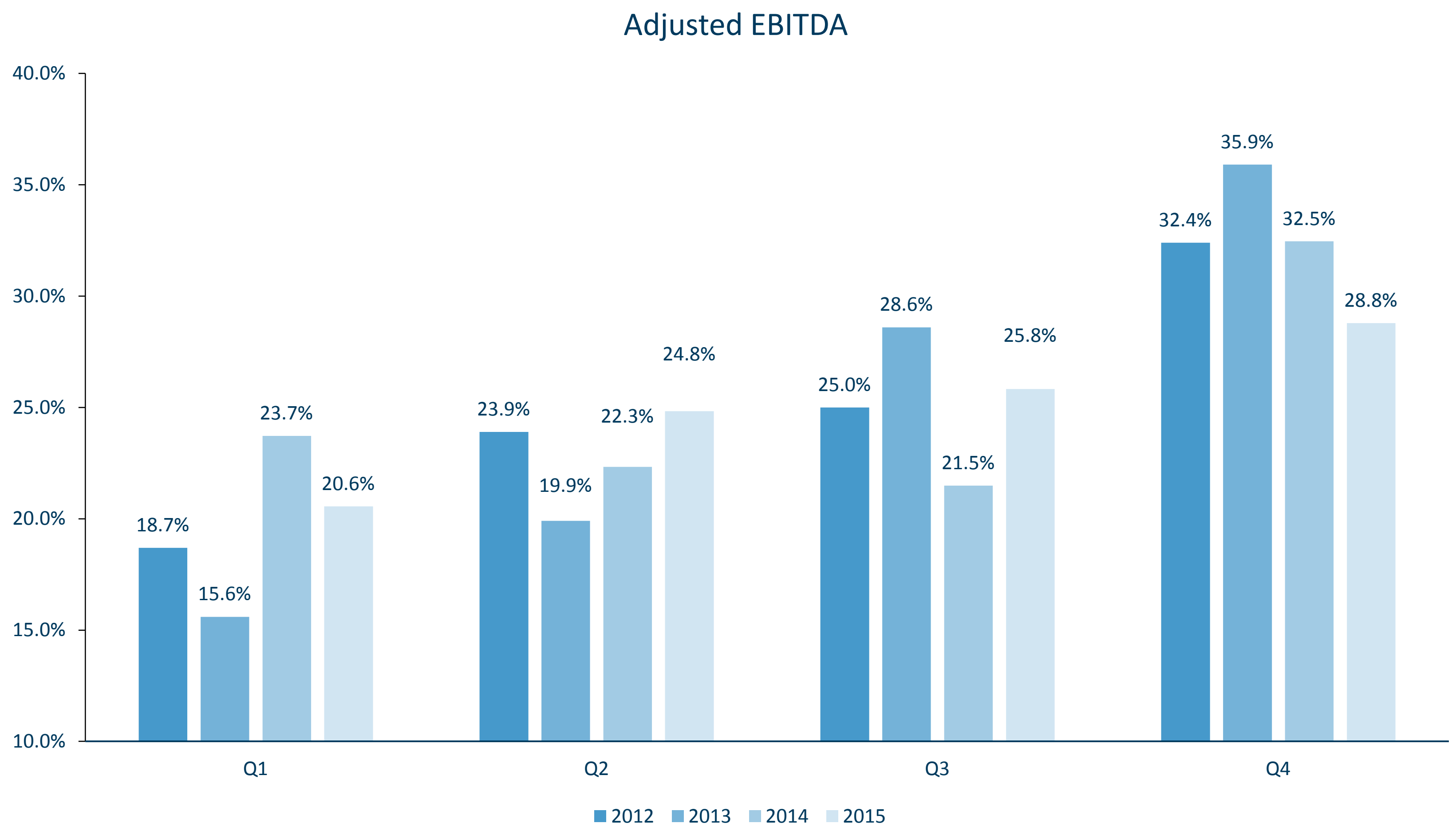
Percent of Net Income by Quarter



Percent of Total Adjusted EBITDA by Quarter



Note for 2016: Based on historical norms we would expect Adjusted EBITDA to have greater quarterly variability than revenue.
Adjusted EBITDA is defined as net income (loss) less depreciation and amortization expense, interest expense, income taxes, and certain other non-recurring items.

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