DigitalGlobe 2017 First Quarter Earnings
Supplemental Prepared Remarks
May 2, 2017

Today, May 2, 2017, DigitalGlobe (NYSE: DGI) issued a press release reporting financial results for the first quarter ended March 31, 2017. The following supplemental prepared remarks provide additional information related to the Company's operating and financial performance.

As previously announced on February 24, 2017, MacDonald, Dettwiler and Associates Ltd. ("MDA") (TSX: MDA) entered into a definitive merger agreement, pursuant to which SSL MDA Holdings, the U.S. operating company of MDA, will acquire DigitalGlobe. MDA will provide commentary regarding the status of the combination in its upcoming first quarter earnings call scheduled for Tuesday May 2, 2017 at 5:30 p.m. (ET).

OVERVIEW

We delivered solid first quarter results with significant revenue growth across all of our major business units.

We continued to enhance our **Imagery Leadership** position. We had another quarter of flawless execution against the EnhancedView SLA. We achieved our highest revenue quarter ever in our DAP business and delivered double digit revenue growth in our Commercial imagery business. We have placed our newest, high-resolution satellite, WorldView-4 into service and began commercial operations with certain DAP customers. Throughout the year we will focus on commissioning contracted direct access customers and bringing additional government and commercial customers online to access WorldView-4.

We also continue to advance our **Platform Leadership** position. In the first quarter, we delivered strong growth with GBDX – DigitalGlobe's leading multi-source, geospatial big data analytics platform. Our ecosystem of hundreds of developers and an even larger library of applications running on our 100 petabyte, 17-year time lapse record of our changing planet, in the cloud, is unlocking new use cases to drive future revenue growth. We have hundreds of new MapsAPI customers and continue to renew and sign up new users of Spatial on Demand despite a low oil price environment. This quarter we launched a GBDX incubator program and signed up new companies working on algorithms to solve customer problems.

The third strategic focus area, **Services Leadership**, also recorded significant growth driven not only by the newly acquired Radiant Group, but also from our organic USG analytics services business. Our services business is focused on enabling our customers to integrate our imagery into their workflows and tackle the most complex challenges across the entire geospatial intelligence value chain from collection through to analysis. The integration of the two businesses has been well executed and puts our combined Services business in a unique position to capture growth opportunities across the US Department of Defense and Intelligence Community. We are pleased with the Services business performance and expect the Radiant acquisition to drive growth throughout 2017.

We've also been focused on extending our technological lead while reducing our **Capital Intensity**. Progress in this area continues according to plan.

As we stated last quarter, we have begun investment in long lead elements of WorldView-Legion, our next generation satellite system which will replace the capacity of WorldView-1 and WorldView-2 – targeted for launch in 2020. This industry-leading multi-satellite system will more than double our high resolution capacity in regions where it matters most. We continue to expect that this investment will not exceed $600 million, excluding capitalized interest – considerably less than the combined cost of WorldView-1 and WorldView-2.

We continue to partner with KACST and Taqnia Space in the development of Scout – a fleet of small satellites which are targeted for launch in 2019.

Together, WorldView-Legion and Scout will extend our lead by delivering a combination of resolution, accuracy and revisit with the goal of delivering our customers the ability to image the most rapidly changing regions on earth up to 40 times per day combined with the ability to see areas of interest with industry leading resolution and accuracy.

FINANCIAL PERFORMANCE

NOTE: We closed the acquisition of the Radiant Group in November 2016 and have identified the impact of the transaction where appropriate. For comparison purposes, we recognized $27.1 million of revenue from Radiant in the first quarter.

The first quarter was highlighted by strong revenue growth driven by the successful calibration and initial operations of WorldView-4 serving certain of our International Defense and Intelligence customers, solid growth in our Other Diversified Commercial business as well as the continued growth of the Radiant Group which resulted in solid financial results. Revenue for the quarter was $209.7 million, up $34.3M or 19.6 percent. Excluding the impact of Radiant, total revenue was up 4.1 percent for the quarter to $182.6 million.

U.S. Government revenue for the quarter was $138.3 million, up 25.4 percent year over year. While our EnhancedView SLA was flat year over year, our U.S. Government value-added services revenue was $50.2 million for the quarter as compared to the prior year period of $22.2 million, primarily from the contribution of Radiant as well as growth in our existing services business.

Diversified Commercial revenue was $71.4 million for the quarter, up 9.7 percent primarily due to revenue from the delivery of WorldView-4 imagery to certain DAP customers and demand for our Global Basemap product suite. In February 2017, we began providing direct access capacity to certain of our international defense and intelligence customers on WorldView-4. Additionally, sales to DAP customers remained above contractual minimums due to multiple crises in the Middle East and led to record revenue in this customer group.

Other Diversified Commercial customer group returned to strong growth in the quarter as revenue was $35.3 million, up 10.7 percent, principally from increased demand for our Global Basemap product suite and growth in our Platform business.

Our cost of revenue for the quarter was $61.3 million, while SG&A expenses were $63.1 million. Most of the increase in cost of revenue was due to the addition of the Radiant Group. In addition, cost of revenue was impacted by an increase in headcount for the operation of Worldview-4. SG&A expenses included $10.1 million of merger related costs related to the upcoming combination with MDA. The impact of these increases was mitigated by our continued focus on realizing efficiencies across the business.

For the quarter, Adjusted EBITDA increased 0.1 percent to $95.5 million, lowering margin by approximately 885 basis points to 45.5 percent. As expected, this decline was driven by growth in lower margin Radiant Services revenue combined with the impact of increased expenses to support the operation of WorldView-4.

On February 1, 2017, WorldView-4 was placed into service. We assigned WorldView-4 an estimated useful life of 10.5 years, resulting in incremental depreciation expense of $84.2 million annually.

Reported net interest expense was $9.5 million for the quarter, reflecting capitalization of $3.1 million in quarterly interest on our debt. Total interest expense, inclusive of capitalized interest and accretion of debt discount, was $12.7 million for the quarter. Total cash interest paid for the quarter was $13.8 million. We expect to expense the majority of our interest for the remainder of 2017 as we will be capitalizing a small portion of interest.

Reported income tax benefit was $2.3 million for the quarter. We are not currently a significant cash tax payer and we do not expect to be in 2017.

For the quarter, we made net investments in cDAFs totaling $1.4 million that were accounted for as deferred contract costs.

In November 2016 we initiated a restructuring plan in conjunction with the Radiant transaction under which we expect to incur approximately $4.5 million of costs. This initiative is to consolidate our real estate footprint and rationalize the reporting structure of our Services business. Through the first quarter of 2017, we have incurred $1.1 million of expense under this plan, which we expect to complete by the end of the fourth quarter of 2017.

Net loss for the quarter was $2.2 million or $(0.05) cents per share. Capex spending, excluding capitalized interest, was $15.8 million for the quarter.

We generated $17.8 million of free cash flow for the quarter, down 14.8 percent or $3.1 million year over year, primarily due to lower cash flows provided by operations due to increased costs for WorldView-4, merger costs and higher incentive based compensation payments compared to prior year, partially offset by a decrease in capital expenditures.

We completed the tender for the remaining $34.4 million of outstanding senior notes in January.

2017 OUTLOOK

For the year, we continue to expect revenue to be in the range of $840 to $865 million.

We expect EBITDA to be in the range of $380 to $395 million. As a reminder, due to the lower margin revenue profile of Radiant, we anticipate the full year contribution from Radiant will increase our Adjusted EBITDA but reduce our overall EBITDA margins by approximately 700 basis points.

We currently anticipate that our cash interest expense for the year will be approximately $58 million to $60 million in 2017.

We will continue to make investments to enable new and existing DAP customers to access WorldView-4 during 2017 which will be approximately $10 million, net of customer reimbursements that will be accounted for as deferred contract costs.

We expect our capital expenditures will be approximately $100 million, excluding capitalized interest and tenant improvements, for the year.

We are excited with our early progress in 2017 with a major focus on the increased monetization of WorldView-4, driving users to our Platform business, continuing to integrate Radiant while increasing growth in our combined services business and investing for the future.

SUMMARY

DigitalGlobe's first quarter results demonstrated the successful execution of our strategy for shareowner value creation. Throughout 2017, we will continue to execute that strategy. We will extend our commanding lead in imagery as we monetize WorldView-4. We will continue to grow our industry leading platform business with new customers and ecosystem partners. We will grow our now expanded services business. We will advance our efforts to extend our industry lead while reducing capital intensity by making initial investments to ensure WorldView-Legion is ready for launch in 2020 and we will advance our work with KACST and TAQNIA space on Scout. Mostly importantly, our combination with MDA will create a geospatial leader with a powerful end-to-end combination of capabilities including satellite manufacturing, ground infrastructure, radar and electro-optical imagery and analytics.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained herein, contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to future events or our future financial performance. We generally identify forward-looking statements by terminology such as "may," "can," "will," "should," "expects," "plans," "anticipates," "would," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential," "continue" 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 or 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 risks and uncertainties related to the proposed transaction with MacDonald, Dettwiler and Associates Ltd. ("MDA") include the possibility that the parties may be unable to obtain required stockholder approvals or regulatory approvals or that other conditions to closing the transaction may not be satisfied, such that the transaction will not close or that the closing may be delayed; the potential adverse effect on partner and customer relationships, operating results and business generally resulting from the proposed transaction; the proposed transaction will require significant time, attention and resources, potentially diverting attention from the conduct of DigitalGlobe's business; the anticipated benefits of the proposed transaction may not be realized; the anticipated and unanticipated costs, fees, expenses and liabilities related to the transaction; the outcome of any legal proceedings related to the transaction; and the occurrence of any event, change or other circumstances that could give rise to the termination of the transaction agreement. Additional information concerning these and other risk factors can be found in our filings with the U.S. Securities and

Exchange Commission ("SEC"), including Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2016. 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. References in this filing to "DigitalGlobe," "Company," "we," "us," and "our" refer to DigitalGlobe, Inc. and its consolidated subsidiaries.

Non-U.S. GAAP Financial Measures

EBITDA and Adjusted EBITDA. EBITDA and Adjusted EBITDA are not recognized terms under U.S. GAAP and may not be defined similarly by other companies. EBITDA and Adjusted EBITDA should not be considered alternatives to net income (loss) as indications of financial performance or as alternatives to cash flow from operations as measures of liquidity. 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 ours.

EBITDA and Adjusted EBITDA are key measures used in our internal operating reports by management and our Board of Directors to evaluate the performance of our operations and are also used by analysts, investment banks and lenders for the same purpose. Adjusted EBITDA is a measure being used as a key element of our bonus incentive plan. We believe that the presentation of EBITDA and Adjusted EBITDA enables a more consistent measurement of period to period performance of our operations, and EBITDA facilitates comparison of our operating performance to companies in our industry.

We believe that EBITDA and Adjusted EBITDA measures are particularly important in a capital intensive industry such as ours, in which our current period depreciation is not a good indication of our 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.

We use EBITDA and Adjusted EBITDA in conjunction with traditional U.S. GAAP operating performance measures as part of our overall assessment of our performance and we do not place undue reliance on these non-GAAP measures as our only measures of operating performance. EBITDA and Adjusted EBITDA should not be considered as substitutes for other measures of financial performance reported in accordance with U.S. GAAP.

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.

Adjusted EBITDA further adjusts EBITDA to exclude restructuring and other re-engineering charges related to specific restructuring and re-engineering actions because we do not believe these costs are indicative of the underlying operating performance of our business and our ongoing operations. The amount and timing of these restructuring and other re-engineering costs are dependent on the size, type and status of the specific actions undertaken as part of our restructuring or re-engineering plans.

Adjusted EBITDA also excludes joint venture losses, net, merger and integration costs, and the loss on early extinguishment of debt as these are non-core items that are not directly related to our primary operations.

Free Cash Flow. Free cash flow is defined as net cash flows provided by operating activities less Capital expenditures as disclosed in the Unaudited Condensed Consolidated Statements of Cash Flows. Free cash flow is not a recognized term under U.S. GAAP and may not be defined similarly by other companies. Free cash flow should not be considered an alternative to "operating income (loss)," "net income (loss)," "net cash flows provided by (used in) operating activities" or any other measure determined in accordance with U.S. GAAP. Since free cash flow includes investments in operating assets, we believe this non-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 ours.

DigitalGlobe, Inc.
Reconciliation of Net Income to EBITDA and Adjusted EBITDA

(in millions)	For the three months ended March 31, 2017	2016
Net (loss) income	$ (2.2)	$ 8.6
Depreciation and amortization	79.5	71.0
Interest expense, net	9.5	5.1
Income tax (benefit) expense	(2.3)	6.0
EBITDA	84.5	90.7
Restructuring charges	0.3	2.9
Other re-engineering charges	—	0.9
Joint venture losses, net	—	0.9
Merger and integration costs	10.2	—
Loss from early extinguishment of debt	0.5	—
Adjusted EBITDA	$ 95.5	$ 95.4

DigitalGlobe, Inc.
Reconciliation of Net Cash Flows Provided by Operating Activities to Free Cash Flow

(in millions)	For the three months ended March 31, 2017	2016
Net cash flows provided by operating activities	$ 38.7	$ 59.5
Capital expenditures (1)	(20.9)	(38.6)
Free cash flow (2)	$ 17.8	$ 20.9

(1) Note that capital expenditures includes capitalized interest and capital expenditures.
(2) We modified our definition of free cash flow in the fourth quarter of fiscal year 2016. Prior period amounts have been revised to conform to the current definition.