MAXAR

Second Quarter 2019 Earnings Call

August 6, 2019

Caution concerning forward looking statements

This presentation and associated earnings release, conference call and webcast, which includes a business update, discussion of the financial results as of June 30, 2019, and question and answer session (collectively, the “Earnings Information”), contain certain “forward-looking statements” or “forward-looking information” under applicable securities laws. Forward-looking terms such as “may,” “will,” “could,” “should,” “would,” “plan,” “potential,” “intend,” “anticipate,” “project,” “target,” “believe,” “plan,” “outlook,” “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 based on certain key expectations and assumptions made by the Company. Although management of the Company 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 the Company can give no assurance that they will prove to be correct. Any such forward-looking statements are subject to a number of risks and uncertainties that could cause actual results and expectations to differ materially from the anticipated results or expectations expressed in this Earnings Information. The Company cautions readers that should certain risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary significantly from those expected.

The risks that could cause actual results to differ materially from current expectations include, but are not limited to those set forth in Part I, Item 1A, “*Risk Factors*” in our Annual Report on Form 10-K which is available online under the Company’s EDGAR profile at www.sec.gov or on the Company’s website at www.maxar.com, as well as the Company’s continuous disclosure materials filed from time to time with Canadian securities regulatory authorities, which are available online under the Company’s SEDAR profile at www.sedar.com or on the Company’s website at www.maxar.com. The risk factors detailed in the foregoing are not intended to be exhaustive and there may be other key risks that are not listed above that are not presently known to the Company or that the Company currently deems immaterial.

The forward-looking statements contained in this Earnings Information 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 Earnings Information or other specified date and speak only as of such date. The Company disclaims any intention or obligation to update or revise any forward-looking statements herein as a result of new information, future events or otherwise, other than as may be required under applicable securities law.

Key Highlights

- Sequential EBITDA growth
- Key wins
  - NASA: Power Propulsion Element for Lunar Gateway
  - Ovzon: Legion-Class GEO Comsat
  - NRO: Study contract on future capabilities
- Progress on 2019 priorities
- Reaffirmed outlook for the year

Progress against near-term priorities

1 **Reduce debt and leverage**	❑ **Debt down q/q** ▪ World-View 4 insurance proceeds ▪ CapEx up q/q as Legion program progresses ❑ **Leverage increased q/q** ▪ Trailing 12-month EBITDA down ▪ WV-4 satellite loss ▪ Tough comps given RCM and GEO Comsat ❑ **Continuing to drive on alternatives to reduce leverage and debt levels**
2 Re-engineer Space Solutions business (legacy SSL)	
3 Position MDA for long-term growth	
4 Position Imagery and Services for long-term growth, drive Imagery to flat revenue & Adj. EBITDA in 2019, & recover insurance proceeds for WV-4	
5 Reduce cost structure / Deploy new operating model	

Progress against near-term priorities

	Priority	Progress
1	Reduce debt and leverage	
2	**Re-engineer Space Solutions business (legacy SSL)**	❑ **Highlight wins** ▪ NASA: Power Propulsion Element for Lunar Gateway ▪ Ovzon: Legion-class GEO COMSAT ▪ Other: Several NASA and commercial study and production contracts ❑ **Solid performance** ▪ EBITDA of $7M, up q/q ▪ Eutelsat Launch and Intelsat shipment ▪ Re-engineering continued ❑ **Robust pipeline** ▪ USG and IDI: Classified and Unclassified ▪ Commercial: GEO and LEO satellites ▪ US Civil: robotics, exploration, servicing, etc. ❑ **Providing more detailed guidance**
3	Position MDA for long-term growth	
4	Position Imagery and Services for long-term growth, drive Imagery to flat revenue & Adj. EBITDA in 2019, & recover insurance proceeds for WV-4	
5	Reduce cost structure / Deploy new operating model	

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Progress against near-term priorities

1 Reduce debt and leverage	❑ **Highlight wins** ▪ Canadian search and rescue repeaters ▪ Numerous government and commercial awards ❑ **Solid performance** ▪ EBITDA down modestly y/y on lower RCM work ▪ RCM launch ▪ Canadarm2 continues to perform well on the ISS ▪ CSC work has begun ❑ **Robust pipeline** ▪ CSC production phases ▪ Canadarm3 ▪ GEO, LEO and space robotics programs ❑ **No change to 2019 Outlook**
2 Re-engineer Space Solutions business (legacy SSL)	
3 **Position MDA for long-term growth**	
4 Position Imagery and Services for long-term growth, drive Imagery to flat revenue & Adj. EBITDA in 2019, & recover insurance proceeds for WV-4	
5 Reduce cost structure / Deploy new operating model	

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Progress against near-term priorities

1. Reduce debt and leverage
2. Re-engineer Space Solutions business (legacy SSL)
3. Position MDA for long-term growth
4. **Position Earth Intelligence businesses (Imagery and Services) for long-term growth, drive Imagery to flat revenue & Adj. EBITDA in 2019, & recover insurance proceeds for WV-4**
5. Reduce cost structure / Deploy new operating model

- **Highlight wins**
  - USG: Study contract w/ NRO; Vricon OWT contract
  - IDI: New country added to RAP installed base
  - Commercial: HERE and ESRI
- **Solid performance**
  - Q/Q EBITDA growth
  - $10M to $15M rev. shift from WV-4 under contract
  - Continued traction with SecureWatch and EarthWatch products and with NASA climate contract
- **Robust pipeline**
  - USG: Classified and unclassified programs
  - IDI: SecureWatch, Legion-X, GEOINT services, etc.
  - Commercial: EarthWatch and other online platforms
- **No change to 2019 Outlook**

Progress against near-term priorities

1. Reduce debt and leverage
2. Re-engineer Space Solutions business (legacy SSL)
3. Position MDA for long-term growth
4. Position Imagery and Services for long-term growth, drive Imagery to flat revenue & Adj. EBITDA in 2019, & recover insurance proceeds for WV-4
5. **Reduce cost structure / Deploy new operating model**

- ❑ **Reducing cost structure**
  - On target for $60M in-year savings and $70M run-rate by close of 2019
  - On target for original merger synergies of $60M to $120M
- ❑ **Deploying new operating model**
  - Product teams working across the company
  - Global Field Operations building and executing on robust pipeline
  - Marketing / Branding move to Maxar / MDA
  - Finance / Operations consolidating / streamlining

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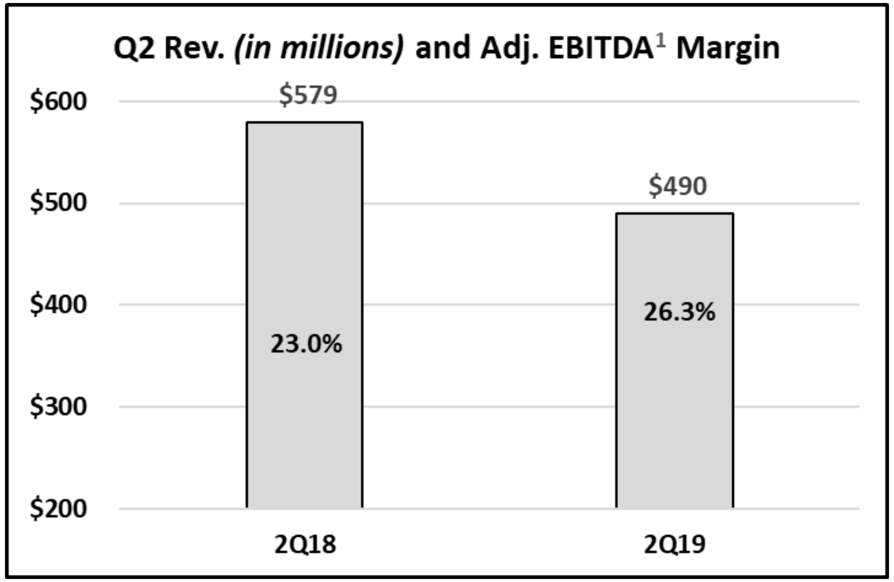
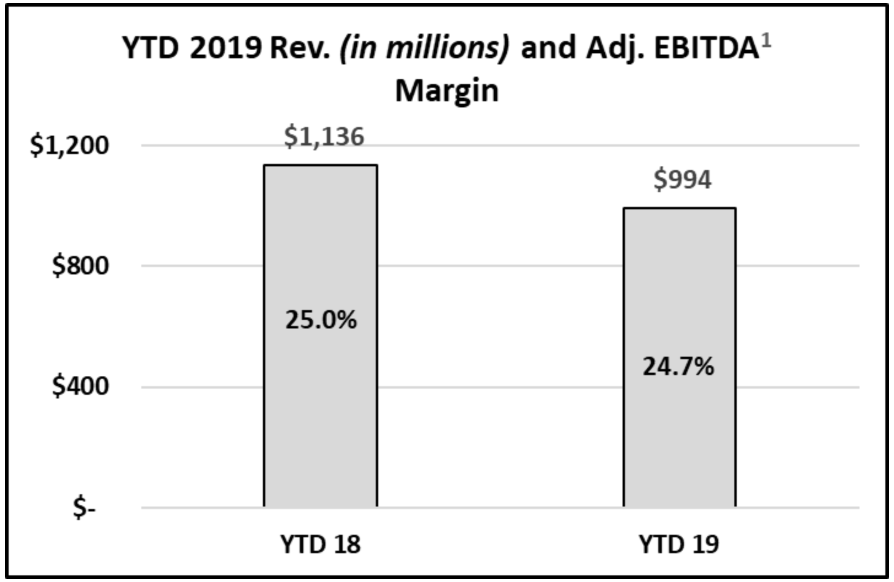
Longer-term view

- **We are driving toward top line growth**
  - Growing government and commercial markets; aligned well with National Defense Strategy
  - Unique capabilities and franchises across Space Infrastructure and Earth Intelligence
  - Flexible and agile commercial approach to move fast in addressing customer requirements
- **We have levers to expand margins over time**
  - Re-engineering and variablizing cost structure
  - Productization of services
- **We are moving toward a lower capital intensity model that can drive ROIC higher**
  - Rapid Access, SecureWatch, EarthWatch, Global-EGD, etc.
  - Smaller capital footprint across manufacturing and satellite operations
- **We are committed to maintaining financial flexibility in order to address growth opportunities**
  - CapEx holiday post Legion build
  - Target leverage of < 4.0x net debt-to-EBITDA over time

Q2 Financial Results

- **Revenue down ~15% y/y**
  - Lower Imagery given WV-4 loss
  - Lower Space Systems given GEO volume and RCM program wind-down
  - Offset by solid growth in Services
- **Adj. EBITDA[1] Margins up 330bps y/y**
  - Space Systems given improved performance
  - Offset by Imagery given WV-4 loss and Services given a change in lease amortization
- **US GAAP EPS of $2.45 vs. ($0.70) in 2Q18**
  - Driven largely by WV-4 Insurance Claim offset by $12M impairment related to OneWeb
- **YTD Results**
  - Revenue down 13% y/y
  - Margins roughly flat y/y
  - EPS $1.46 vs ($0.44) YTD 2018

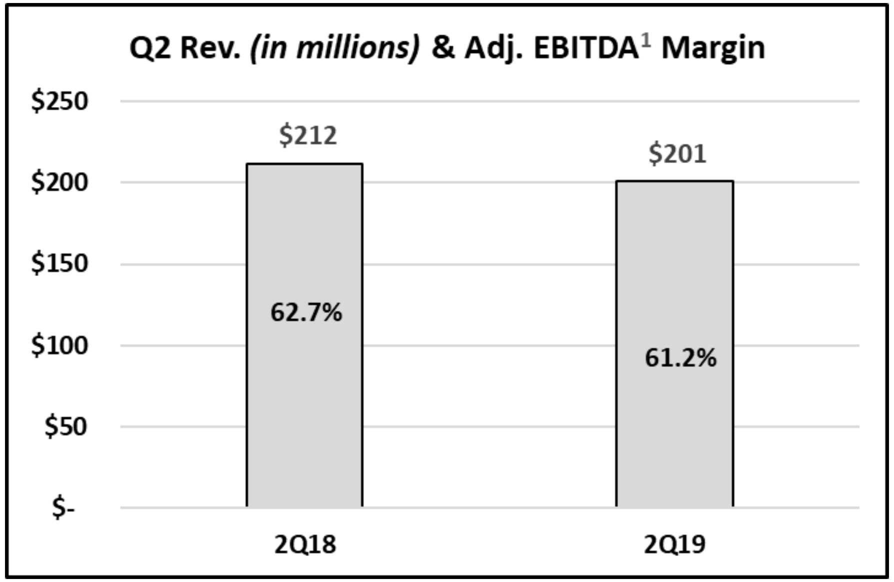


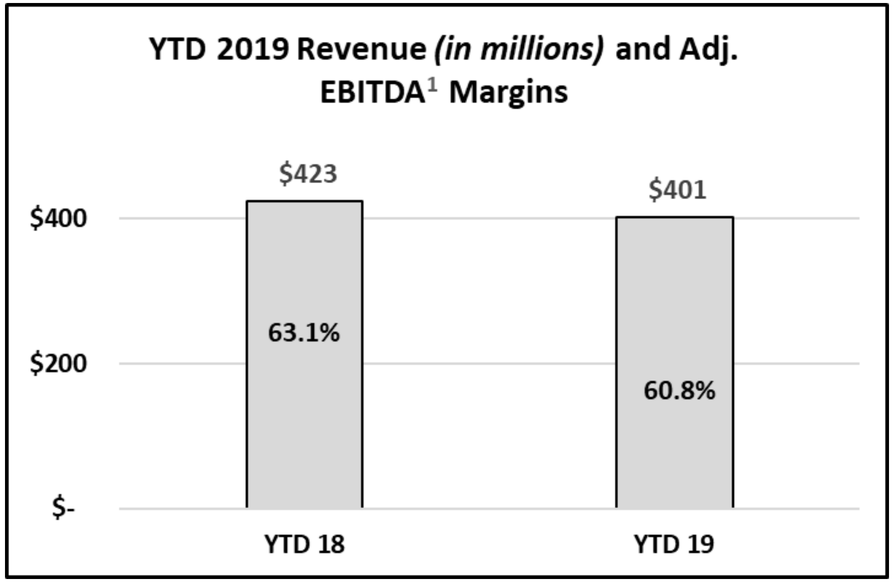


[1] This is a non-GAAP financial measure. Refer to section “Non-GAAP Financial Measures” in the Appendix to these earnings slides.

Imagery – Q2 Results

- **Revenue down 5% y/y**
  - Growth in USG
  - Decline in IDI given WV-4 loss and delay in contract renewal
- **Adj. EBITDA[1] Margins down 150bps y/y**
  - Driven largely by lower volume
  - Margins up 70bps q/q driven by recent cost initiatives
- **YTD Results**
  - Revenue down 5% given WV-4 loss
  - Margins down 230bps given lower volume

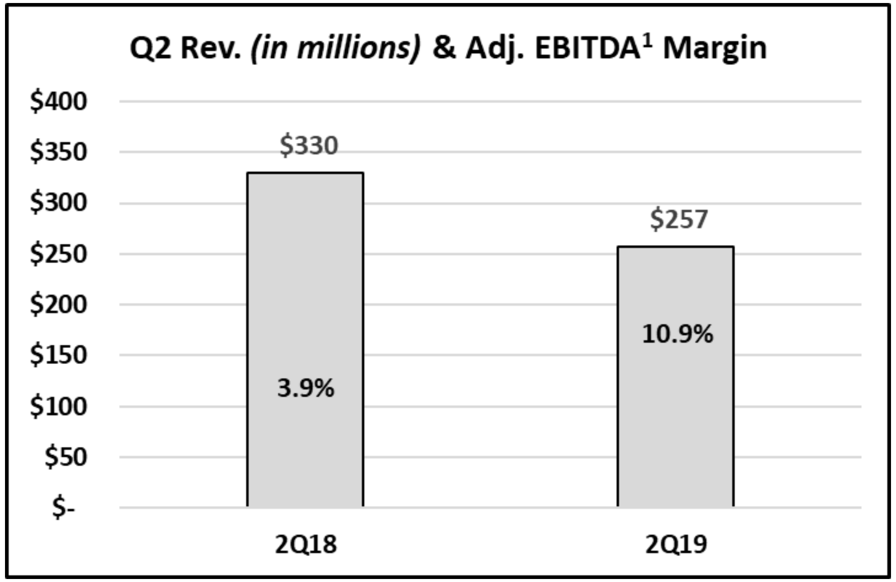


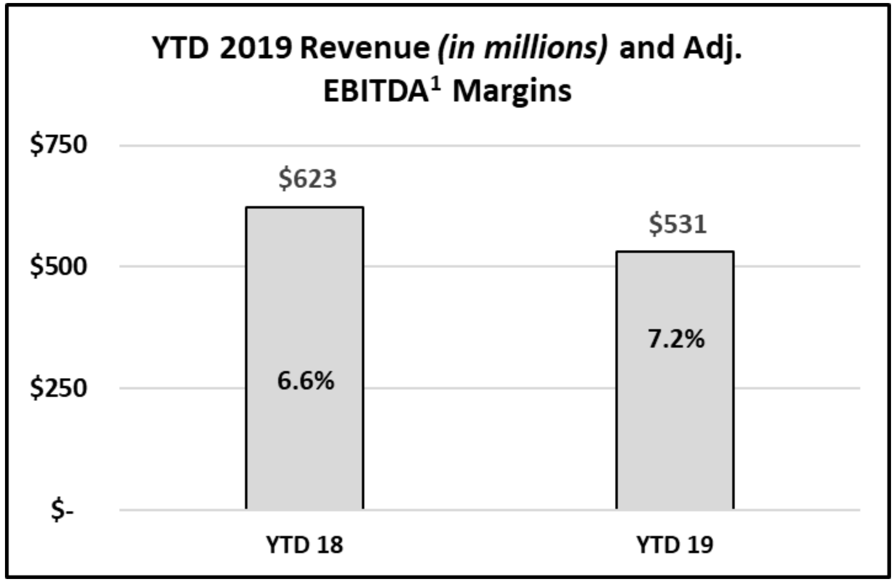


[1] Segment adjusted EBITDA margin is defined as segment adjusted EBITDA as a percentage of segment revenues.

Space Systems – Q2 Results

- **Revenue down 22% y/y**
  - Decline in GEO and RCM
- **Adj. EBITDA[1] Margins up 700bps y/y**
  - Lower costs and liquidated damages; reserve reversal
  - Offset by lower RCM volumes
- **Space Solutions (legacy SSL):** $181M in Revenue and $7M in Adj. EBITDA
- **YTD Results**
  - Revenue down 15% given GEO and RCM
  - Margins up 60bps given lower costs and liquidated damages; reserve reversal





[1] Segment adjusted EBITDA margin is defined as segment adjusted EBITDA as a percentage of segment revenues.

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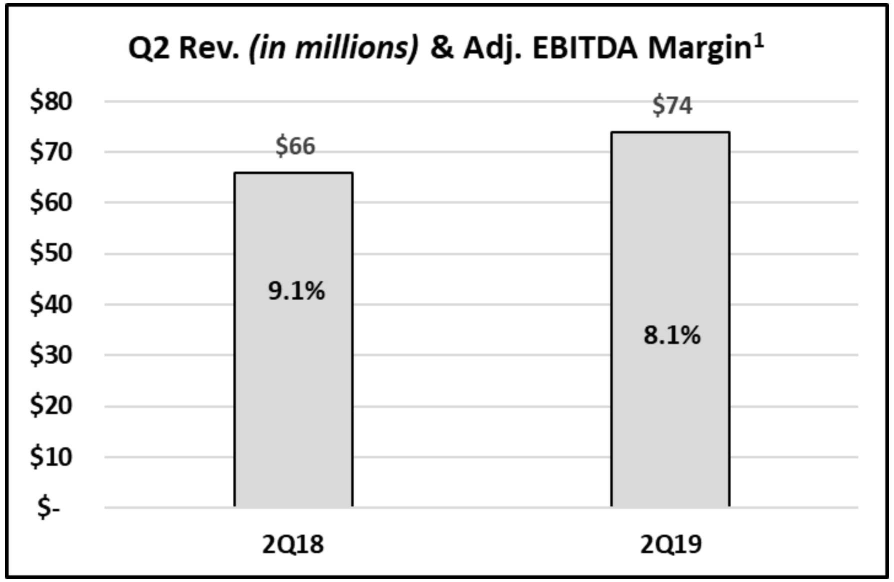
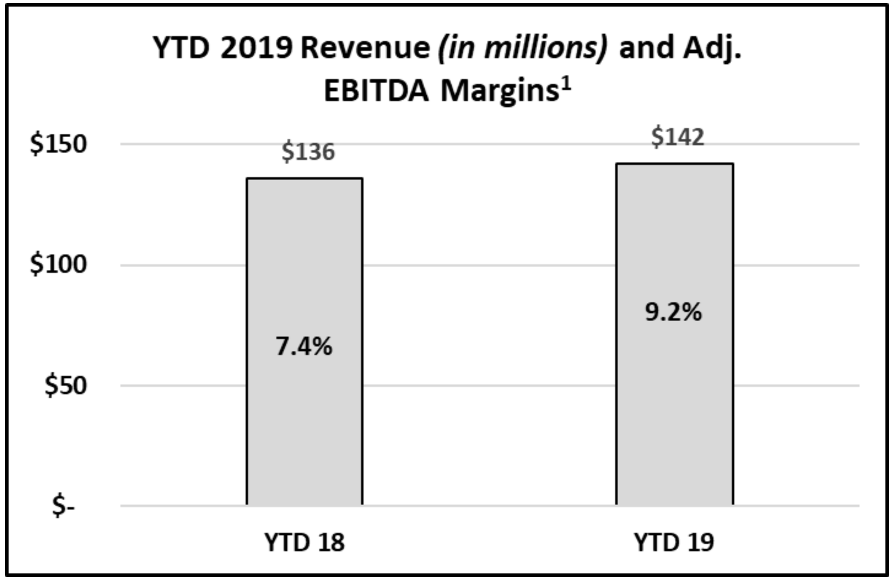
Services – Q2 Results

- **Revenue up 12% y/y**
  - Recent awards and program expansion on existing contracts across the Intelligence Community and DoD
- **Adj. EBITDA[1] Margins decreased 100bps y/y**
  - Driven by change in lease amortization
  - Margins up 170bps y/y excluding change in lease amortization
- **Total book-to-bill above 1x**
  - Multiple awards and option exercises across capability set
- **YTD Results**
  - Revenue up 4% given recent wins
  - Margins up 180bps given loss on divestiture in 1H18





[1] Segment adjusted EBITDA margin is defined as segment adjusted EBITDA as a percentage of segment revenues.

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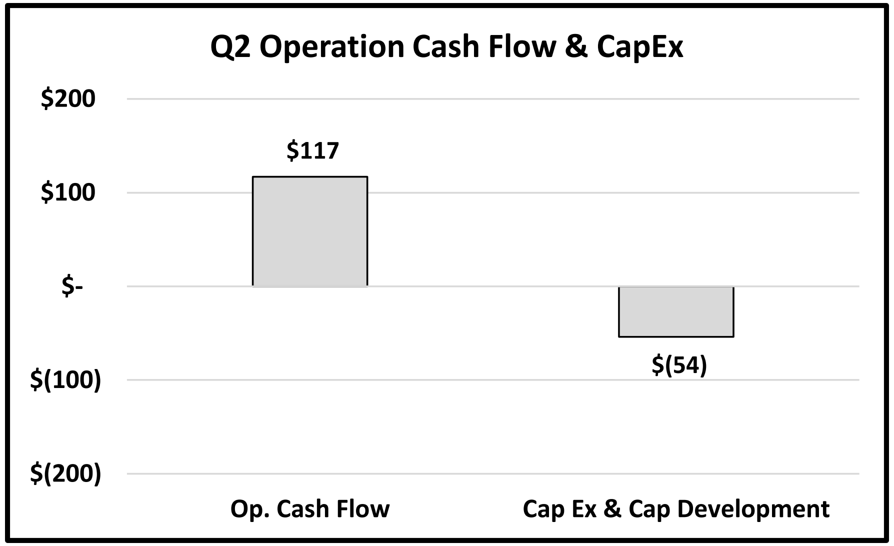
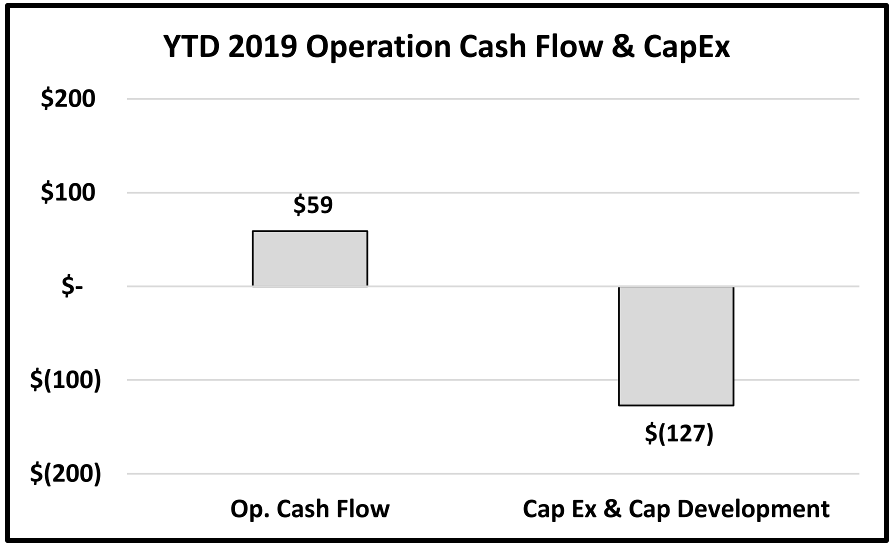
Q2 Cash Flows

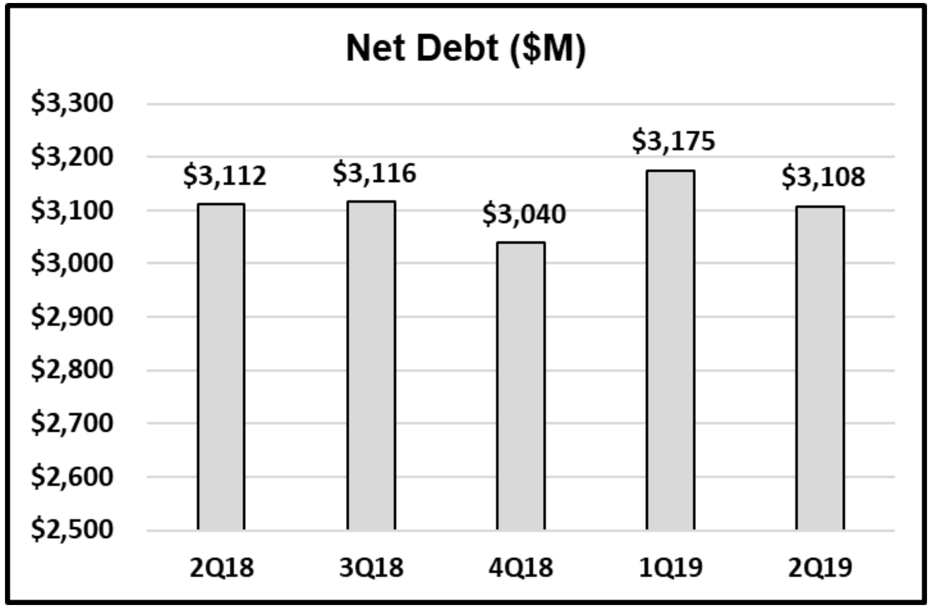
- **Cash from operations of $117M**
  - Insurance proceeds of $183M from WV-4
  - Offset by working capital
- **Capital expenditures / intangibles of ($54M)**
  - Driven by Legion program and US Government infrastructure investment
- **Space Solutions (legacy SSL)**
  - Consumed $44M in operating cash flow during the quarter and $82M YTD





Liquidity and Debt

- **Liquidity:**
  - Cash on Hand: $63M
  - Revolver: $533M
  - Total: $596M
- **Net debt down q/q**
- **Leverage ratio of ~4.7x well below covenant restrictions of 6.0x**
- **Maturity schedule:**
  - Oct. 2020: $250M Term Loan A
  - Oct. 2021: $250M Term Loan A + Revolver ($701M drawn as of 6/30/19)
  - Oct. 2024: $2.0B Term Loan B
- **Debt Rating: B2 / B**



Financial Outlook – 2019

Imagery, Services, and MDA Adjusted EBITDA[1]	> $550M [Including Corporate expense but excluding Space Solutions retention]
Space Solutions Adj. EBITDA[1]	Approximately Breakeven
Space Solutions Eliminations	(~$20M)
Space Solutions Retention	(~$20M)
Total Adj. EBITDA[1]	**>$510M**
Operating Cash Flow	$350M to $450M (ex Space Solutions)
Space Solutions Op. Cash Flow	($100M) to ($80M)
CapEx	< $375M (excluding roughly $20M of capitalized interest)
Debt Covenant Add Backs	Conversion from US GAAP to IFRS + add backs allowed for under credit agreement
Leverage Ratio for Covenant Calc.	< 6.0x

Other Noteworthy Items

Depreciation and Amortization: ~$405M
Interest Expense: ~$200M
Tax Rate: ~0%
Share Count: ~61M

Amortization on Purchased Intangibles

In $ millions

2019	2020	2021	2022	2023	After
$234	$203	$145	$118	$47	$353

Amortization of acquired intangible assets is based on the period over which the Company expects to receive benefit from those assets. Assets are generally amortized on a straight-line basis.

EV Deferred Revenue / Imputed Interest

In $ millions

2019	2020	2021
$120	$80	$0

Revenue is reported in the Imagery segment and relates to the Enhanced View (EV) contract signed in 2010 that expires in August 2020. There are no material costs associated with this revenue.

[1] This is a non-GAAP financial measure. Refer to section "Non-GAAP Financial Measures" in the Appendix to these earnings slides.

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Appendix

NON-GAAP FINANCIAL MEASURES

In addition to results reported in accordance with U.S. GAAP, we use certain non-GAAP financial measures as supplemental indicators of our financial and operating performance. These non-GAAP financial measures include *EBITDA* and *Adjusted EBITDA.*

We define *EBITDA* as earnings before interest, taxes, depreciation and amortization, and *Adjusted EBITDA* as EBITDA adjusted for certain items affecting comparability as specified in the calculation. Management believes that exclusion of these items assists in providing a more complete understanding of our underlying results and trends, and management uses these measures along with the corresponding U.S. GAAP financial measures to manage our business, evaluate our performance compared to prior periods and the marketplace, and to establish operational goals. Adjusted EBITDA is a measure being used as a key element of our incentive compensation plan. The Syndicated Credit Facility also uses Adjusted EBITDA in the determination of our debt leverage covenant ratio. The definition of Adjusted EBITDA in the Syndicated Credit Facility includes a more comprehensive set of adjustments.

We believe that these non-GAAP measures, when read in conjunction with our U.S. GAAP results, provide useful information to investors by facilitating the comparability of our ongoing operating results over the periods presented, the ability to identify trends in our underlying business, and the comparison of our operating results against analyst financial models and operating results of other public companies.

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 alternate to cash flows from operations as measures of liquidity. EBITDA and Adjusted EBITDA have limitations as an analytical tool and should not be considered in isolation or as a substitute for our results reported under U.S. GAAP.

Appendix

($ millions)	Three Months Ended June 30, 2019	Three Months Ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018
Net income (loss)	$ 146	$ -40	$ 87	$ -25
Income tax expense (benefit)	2	-9	1	-41
Interest expense, net	49	50	98	103
Depreciation and amortization	99	113	197	224
EBITDA	$ 296	$ 114	$ 383	$ 261
Acquisition and integration related expense	2	6	6	10
Restructuring	2	13	22	13
Impairment losses	12	—	15	—
Satellite insurance recovery	-183	—	-183	—
CEO severance	—	—	3	—
Adjusted EBITDA	129	133	$ 246	$ 284
Adjusted EBITDA:				
Space Systems	28	13	38	41
Imagery	123	133	244	267
Services	6	6	13	10
Intersegment eliminations	-10	-7	-13	-9
Corporate and other expenses	-18	-12	-36	-25
Adjusted EBITDA	$ 129	$ 133	$ 246	$ 284

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