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MDC CORP INC
Form 6-K
August 01, 2003

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of

the Securities Exchange Act of 1934

For the month of, JULY 2003

Commission File Number 001-13718

MDC CORPORATION INC.

(Translation of registrant's name into English)

45 HAZELTON AVENUE, TORONTO, ONTARIO, CANADA, M5R 2E3

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40F.

Form 20-F Form 40-F X

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No X

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-_____

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DOCUMENT 1

PRESS RELEASE

FOR IMMEDIATE RELEASE

FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES

FOR: MDC Corporation Inc.
45 Hazelton Avenue
Toronto, Ontario M5R 2E3

CONTACTS:

MILES S. NADAL
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Chief Executive Officer
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PETER M. LEWIS
Executive Vice-President
and Chief Financial Officer
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GRAHAM L. ROSENBERG
Executive Vice President
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TSX STOCK SYMBOL: MDZ.A
NASDAQ STOCK SYMBOL: MDCA
website: www.mdccorp.com

MDC CORPORATION INC.

MDC AGREES TO SELL ADDITIONAL INTEREST IN CUSTOM DIRECT INCOME FUND IN AN

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UNDERWRITTEN PRIVATE PLACEMENT FOR GROSS PROCEEDS OF \$29.64 MILLION

- SALE TO INCLUDE 2.964 MILLION UNITS AT \$10.00 FOR GROSS PROCEEDS OF \$29.64 MILLION.
- TOTAL GROSS PROCEEDS TO MDC FROM INITIAL PUBLIC OFFERING AND SECONDARY OFFERING TO TOTAL \$208.1 MILLION.

TORONTO - July 18, 2003 - MDC Corporation Inc. ("MDC") of Toronto announced today that it has agreed to sell an additional 2.964 million units of Custom Direct Income Fund ("Fund") for gross proceeds of \$29.64 million. The sale will be completed by way of a private placement, which will be fully underwritten by a syndicate of underwriters. The private placement is scheduled to close on July 29, 2003.

The units have not been, and will not be, registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of that Act.

The proceeds from the private placement, together with amounts received in connection with the initial public offering of the Fund, will result in MDC having realized gross cash proceeds of approximately \$208.1 million (before commissions and expenses) from the sale of its 80% interest in Custom Direct including the term loan portion of Custom Direct's credit facility.

Following the closing of the private placement, MDC will continue to own a 20% subordinated interest in the business (which it has agreed not to sell until after December 21, 2003) exchangeable into approximately 3.9 million units of the Fund.

Proceeds received by MDC from this offering will be used for general corporate purposes.

ABOUT CUSTOM DIRECT INCOME FUND

Custom Direct Income Fund indirectly holds an 80% interest in the Custom Direct business. Based in Maryland and Arkansas, Custom Direct has been selling cheques and cheque related accessories across the United States since 1992 and offers the industry's widest selection of product designs. Custom Direct is the second largest participant in the direct-to-consumer segment of the U.S. cheque industry.

ABOUT MDC CORPORATION INC.

MDC is a publicly traded international business services organization with operating units in Canada, the United States, United Kingdom and Australia. MDC provides marketing communication services, through Maxxcom Inc., and offers security sensitive transaction products and services in four primary areas: personalized transaction products such as personal and business cheques; electronic transaction products such as credit, debit, telephone & smart cards; secure ticketing products, such as airline, transit and event tickets; and stamps, both postal and excise.

ABOUT MAXXCOM INC.

Maxxcom, a subsidiary of MDC, is a multi-national business services company with operating units in Canada, the United States and the United Kingdom. Maxxcom is built around entrepreneurial partner firms that provide a

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comprehensive range of communications services to clients in North America and the United Kingdom. Services include advertising, direct marketing, database management, sales promotion, corporate communications, marketing research, corporate identity and branding, and interactive marketing. Maxxcom Shares are traded on the Toronto Stock Exchange under the symbol MXX.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve risks and uncertainties which may cause the actual results or objectives to be materially different from those expressed or implied by such forward-looking statements. Such factors include, among other things, MDC's financial performance; changes in the competitive environment; adverse changes in the economy; ability to maintain long-term relationships with customers; financing requirements and other factors set forth in the MDC's Form 40-F for its fiscal year ended December 31, 2002 and subsequent SEC filings.

DOCUMENT 2

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OR FOR DISSEMINATION IN THE UNITED STATES

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WEBSITE: WWW.MDCCORP.COM

MDC CORPORATION INC.

MDC AGREES TO SELL ADDITIONAL INTEREST IN CUSTOM DIRECT INCOME
FUND IN AN UNDERWRITTEN

PRIVATE PLACEMENT FOR GROSS PROCEEDS

OF \$29.64 MILLION

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The proceeds from the private placement, together with amounts received in connection with the initial public offering of the Fund, will result in MDC having realized gross cash proceeds of approximately \$208.1 million (before commissions and expenses) from the sale of its 80% interest in Custom Direct including the term loan portion of Custom Direct's credit facility.

Following the closing of the private placement, MDC will continue to own a 20% subordinated interest in the business (which it has agreed not to sell until after December 21, 2003) exchangeable into approximately 3.9 million units of the Fund.

Proceeds received by MDC from this offering will be used for general corporate purposes.

"The completion of the transaction will strengthen MDC's balance sheet and place it in a position to grow its core operations and maximize shareholder value," stated Miles S. Nadal, Chairman, President and Chief Executive Officer of MDC.

ABOUT CUSTOM DIRECT INCOME FUND

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DOCUMENT 3

PRESS RELEASE

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FOR:

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CEO
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Peter M. Lewis
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Graham L. Rosenbe
Executive Vice
President
416-960-9000 ex.

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Robert E. Dickson
Executive Vice
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Glenn W. Gibson
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TSX STOCK SYMBOL: MXX
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UPDATE ON MAXXCOM PLAN OF ARRANGEMENT

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TORONTO, ONTARIO - JULY 28, 2003 - MDC Corporation Inc. of Toronto ("MDC") and Maxxcom Inc. ("Maxxcom") today announced the definitive exchange ratio under the Plan of Arrangement described in Maxxcom's management information circular mailed to its shareholders on July 9, 2003.

As previously announced, subject to receipt of all necessary approvals, under the Plan of Arrangement, MDC will acquire all of the issued and outstanding common shares of Maxxcom not already owned by MDC in exchange for Class A subordinate voting shares of MDC ("MDC Class A Shares"). Based on the volume weighted average trading price of the outstanding MDC Class A Shares on the Toronto Stock Exchange for the past 20 trading day period, Maxxcom shareholders (other than MDC) will receive 1

MDC Class A Share for every 5.25 Maxxcom common shares they own.

Maxxcom is seeking shareholder approval of the Plan of Arrangement at its annual and special meeting of shareholders to be held in Toronto on July 30, 2003. Provided that all necessary approvals (including Court approvals) are received, it is expected that the transaction will close on or about July 31, 2003.

ABOUT MDC CORPORATION INC.

MDC is a publicly traded international business services organization with operating units in Canada, the United States, United Kingdom and Australia. MDC provides marketing communication services, through Maxxcom, and offers security sensitive transaction products and services in three primary areas: electronic transaction products such as credit, debit, telephone & smart cards; secure ticketing products, such as airline, transit and event tickets, and stamps, both postal and excise. MDC Class A Shares are traded on the Toronto Stock Exchange under the symbol MDZ.A and on the Nasdaq National Market under the symbol MDCA.

ABOUT MAXXCOM INC.

Maxxcom, a subsidiary of MDC, is a multi-national business services company with operating units in Canada, the United States and the United Kingdom. Maxxcom is built around entrepreneurial partner firms that provide a comprehensive range of communications services to clients in North America and the United Kingdom. Services include advertising, direct marketing, database management, sales promotion, corporate communications, marketing research, corporate identity and branding, and interactive marketing. Maxxcom common shares are traded on the Toronto Stock Exchange under the symbol MXX.

FORWARD-LOOKING STATEMENTS

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MDC CORPORATION INC.

MDC COMPLETES SALE OF ADDITIONAL INTEREST IN CUSTOM DIRECT INCOME FUND IN AN
UNDERWRITTEN PRIVATE PLACEMENT FOR GROSS PROCEEDS
OF \$29.64 MILLION

- SALE INCLUDES 2.964 MILLION UNITS AT \$10.00 FOR GROSS PROCEEDS OF \$29.64 MILLION.
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TORONTO - July 31, 2003 - MDC Corporation Inc. ("MDC") of Toronto announced today that it has completed the sale of an additional 2.964 million units of Custom Direct Income Fund ("Fund") for gross proceeds of \$29.64 million. The sale was completed by way of a private placement, which was fully underwritten by a syndicate led by CIBC World Markets Inc. and TD Securities Inc., which included Scotia Capital Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc. and Griffiths McBurney & Partners.

The proceeds from the private placement, together with amounts received in connection with the initial public offering of the Fund, result in MDC having realized gross cash proceeds of approximately \$208.1 million (before commissions and expenses) from the sale of its 80% interest in Custom Direct including the term loan portion of Custom Direct's credit facility.

MDC continues to own a 20% subordinated interest in the business (which it has agreed not to sell until after December 31, 2003) exchangeable into approximately 3.9 million units of the Fund.

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Proceeds received by MDC from this offering will be used for general corporate purposes.

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DOCUMENT 5

PRESS RELEASE

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FOR:

CONTACTS:

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FOR:

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President,
Corporate Development
416-960-6090 ex. 528

Glenn W. Gibson
Executive Vice
President
& CFO
416-960-6090 ex.

TSX STOCK SYMBOL: MXX
WEBSITE: WWW.MAXXCOMINC.COM

MDC CORPORATION INC. AND MAXXCOM INC. ANNOUNCE COMPLETION OF PLAN OF ARRANGEMENT

TORONTO, ONTARIO - JULY 31, 2003 - MDC Corporation Inc. of Toronto ("MDC") and Maxxcom Inc. ("Maxxcom") today announced the completion of the previously-announced acquisition by MDC of all of the issued and outstanding common shares of Maxxcom not already owned by MDC by way of a court-approved Plan of Arrangement.

The Arrangement was approved by more than 99% of the shareholders of Maxxcom that voted on the Arrangement at yesterday's annual and special meeting of Maxxcom shareholders. The Arrangement also received final approval today by the Ontario Superior Court of Justice.

Pursuant to the Arrangement, Maxxcom shareholders (other than MDC) received 1 MDC Class A subordinate voting share ("Class A Share") for every 5.25 Maxxcom common shares they owned, resulting in the issuance by MDC of approximately 2.47 million Class A Shares to such shareholders. After giving effect to the acquisition, MDC has approximately 18.94 million Class A Shares issued and outstanding.

"We are delighted with the overwhelming support received for the transaction, which substantially completes the restructuring of MDC we began almost two years ago." said Miles S. Nadal, Chairman and CEO of MDC. "MDC has returned to its grass roots. We are once again a pure play in marketing communications but with greater strength and potential. With a strong balance sheet and upside potential in our non-core assets, we now have the ability to drive value organically and complement our growth with strategic acquisitions." added Nadal.

MDC owned approximately 36.1 million Maxxcom common shares or approximately 74% of the approximately 49.1 million outstanding Maxxcom common shares prior to giving effect to the Arrangement. Miles S. Nadal, who is presumed to be acting jointly or in concert with MDC, owned 17,634 common shares of Maxxcom.

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DOCUMENT 6

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DOCUMENT 7

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FOR: MDC Corporation Inc.
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TSE STOCK SYMBOL: MDZ.A
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WEBSITE: WWW.MDCORP.COM

MDC CORPORATION INC. ANNOUNCES FINANCIAL RESULTS FOR THE SECOND QUARTER
ENDED JUNE 30, 2003

Edgar Filing: MDC CORP INC - Form 6-K

TORONTO, ONTARIO (JULY 31, 2003) - MDC Corporation Inc. ("MDC") of Toronto today announced its financial results for the second quarter and six months ended June 30, 2003. Consolidated sales for the second quarter were \$187.0 million (US\$134.8 million), a decrease of 15% (7% in US\$) from the \$221.0 million (US\$144.2 million) achieved in the second quarter of 2002. Operating income before other charges declined 41% (35% in US\$) to \$8.2 million (US\$6.0 million) from the \$13.9 million (US\$9.2 million) reported for the same three-month period of the prior year. Net income for the quarter ended June 30, 2003 was \$12.2 million (US\$8.6 million) compared to \$128.3 million (US\$82.0 million) in 2002. Diluted earnings per share for the second quarter of 2003 was \$0.53 (US\$0.36) compared to \$5.43 (US\$3.86) last year. Diluted cashflow per share was \$0.13 (US\$0.09) this quarter versus \$0.25 (US\$0.16) in the second quarter of the previous year.

"To date in 2003, we have made significant progress towards our goal of transitioning to an organization focussed on the marketing and communications industry," said Miles S. Nadal, Chairman, President and Chief Executive Officer.

Maxxcom generated revenues of \$142.8 million (US\$103.0 million), a decrease of \$3.5 million (an increase of US\$8.0 million) from the \$146.3 million (US\$95.0 million) recorded in the second quarter of 2002. However, operating income before other charges increased by \$2.2 million or 42% (US\$2.0 million or 56%) to \$7.5 million (US\$5.4 million) from the \$5.3 million (US\$3.4 million) generated in the same quarter in the prior year. This improvement was primarily the result of a 3.7% increase in gross margin combined with flat operating expenses.

"Maxxcom has capitalized on increased activity in the marketplace with significant new business wins, including Virgin Atlantic Airways, JC Penny, Sam's Club Canada and Xerox, while maintaining an efficient operating cost structure," said Mr. Nadal. "During the quarter, the strengthening Canadian dollar has partially offset the operating income improvement at Maxxcom. To assist in understanding the effect, we have included U.S. dollar equivalent results."

The Secure Transactions Division reported sales of \$42.2 million (US\$30.5 million) for the second quarter, down 39% (34% in US\$) from the \$69.6 million (US\$45.9 million) achieved in the same quarter of 2002. Operating income before other charges was \$1.9 million (US\$1.5 million), down from \$10.6 million (US\$7.0 million) in the 2002 second quarter. Excluding divested operations, sales decreased \$5.3 million or 21% (US\$1.9 million or 12%) and operating income decreased \$2.6 million (US\$1.7 million) primarily as a result of reduced revenues in all of the Secure Transactions operations.

During the quarter, MDC successfully completed an initial public offering ("IPO") of its U.S.-based, direct-to-consumer cheque business, through Custom Direct Income Fund (the "Fund"). Subsequent to June 30, additional units of the Fund were sold by way of a fully underwritten private placement. The proceeds from the private placement, together with amounts received in connection with the IPO of the Fund, resulted in gross cash proceeds of approximately \$208.1 million (US\$149.3 million) (before commissions and expenses) from the sale of an 80% interest in Custom Direct including the term loan portion of Custom Direct's credit facility. MDC will continue to own a 20% subordinated interest in the business (which it has agreed not to sell until after December 31, 2003) exchangeable into units of the Fund.

"The crystallization of the significant value created in Custom Direct has

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allowed MDC to further strengthen its balance sheet. Consistent with our plan to sell our non-core businesses in order to repay our existing debt, US\$89.5 million of the cash proceeds generated by the IPO were used to redeem all of the outstanding 10 1/2% Senior Subordinated Notes due December 1, 2006," said Peter Lewis, Executive Vice-President and Chief Financial Officer.

On July 30th, the minority shareholders of Maxxcom approved a plan of arrangement whereby MDC will issue one Class A Subordinate voting share for every 5.25 Maxxcom Inc. shares it does not already own. MDC will issue approximately 2.48 million Class A Subordinate voting shares. Upon completion Maxxcom will be a wholly-owned subsidiary of MDC.

"We are excited by the financial flexibility and improved liquidity that has resulted from the privatization of Maxxcom and the sale of 80% of Custom Direct. We believe that MDC is now well-positioned to capitalize on the tremendous opportunities presenting themselves in the marketing services sector which is anticipated to create significant additional value for our shareholders," said Mr. Nadal. "We have now completed approximately 75% of the transformation of MDC to a pure play in marketing services. We

believe that over the next eighteen months we will complete the process and enjoy the benefits of a significant recovery in the marketing service sector commencing in 2004."

ABOUT MDC CORPORATION INC. ("MDC")

MDC is a publicly traded international business services organization with operating units in Canada, the United States, United Kingdom and Australia. MDC provides marketing communication services, through Maxxcom, and offers security sensitive transaction products and services in three primary areas: electronic transaction products such as credit, debit, telephone & smart cards; secure ticketing products, such as airline, transit and event tickets, and stamps, both postal and excise. MDC shares are traded on the Toronto Stock Exchange under the symbol MDZ.A and on Nasdaq National Market under the symbol MDCA.

ABOUT MAXXCOM INC. ("MAXXCOM")

Maxxcom, a subsidiary of MDC, is a multi-national business services company with operating units in Canada, the United States and the United Kingdom. Maxxcom is built around entrepreneurial partner firms that provide a comprehensive range of communications services to clients in North America and the United Kingdom. Services include advertising, direct marketing, database management, sales promotion, corporate communications, marketing research, corporate identity and branding, and interactive marketing. Maxxcom shares are traded on the Toronto Stock Exchange under the symbol MXX.

This press release contains forward-looking statements within the meaning of section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve risks and uncertainties which may cause the actual results or objectives to be materially different from those expressed or implied by such forward-looking statements. Such factors include, among other things, the Company's financial performance; changes in the competitive environment; adverse changes in the economy; ability to maintain long-term relationships with customers; financing requirements and other factors set forth in the Company's Form 40-F for its fiscal year ended December 31, 2002 and subsequent SEC filings.

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MDC CORPORATION INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
SECOND QUARTER 2003 AND 2002
(UNAUDITED)

	US\$ EQUIVALENT*		\$CDN 000'S - EXC PER SHARE AMOUNT	
FOR THE THREE MONTHS ENDED JUNE 30,	2003	2002	2003	2002
SALES	134,820	144,219	186,960	222,119
COST OF SALES	69,904	76,279	96,769	111,119
GROSS PROFIT	64,916	67,940	90,191	111,000
OPERATING EXPENSES	58,948	58,716	81,954	99,919
OPERATING INCOME BEFORE OTHER INCOME (CHARGES)	5,968	9,224	8,237	11,081
OTHER INCOME (CHARGES)				
NET GAIN ON ASSET DISPOSITIONS AND OTHER CHARGES	15,267	94,229	21,840	144,229
UNREALIZED FOREIGN EXCHANGE GAIN	-	4,451	-	4,451
AMORTIZATION	(3,496)	(3,368)	(4,848)	(3,368)
INTEREST, NET	(4,108)	(3,901)	(5,759)	(3,901)
	7,663	91,411	11,233	141,811
INCOME BEFORE INCOME TAXES AND MINORITY INTEREST	13,631	100,635	19,470	153,692
INCOME TAXES	6,154	18,436	8,835	26,872
INCOME BEFORE MINORITY INTEREST	7,477	82,199	10,635	126,820
MINORITY INTEREST (RECOVERY)	(1,121)	166	(1,611)	166
NET INCOME FOR THE PERIOD	8,598	82,033	12,246	126,986
CASH FLOW FROM OPERATIONS	2,011	3,669	2,864	3,669
EARNINGS PER SHARE				
o Basic	0.48	4.82	0.70	4.82
o Diluted	0.36	3.86	0.53	3.86
CASH FLOW PER SHARE				
o Basic	0.10	0.20	0.14	0.20
o Diluted	0.09	0.16	0.13	0.16
WEIGHTED AVERAGE SHARES OUTSTANDING DURING THE PERIOD				
o Basic	16,915,341	16,915,341	16,915,341	16,915,341
o Diluted**	23,469,828	23,658,938	23,469,828	23,658,938

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SEGMENTED INFORMATION - BY
OPERATING DIVISION

FOR THE THREE MONTHS ENDED JUNE 30,	US\$ EQUIVALENT*		2003	
	2003	2002		
MAXXCOM				
Sales	102,973	95,033	142,785	14
Operating Income	5,370	3,448	7,530	
SECURE TRANSACTIONS				
Sales	30,469	45,873	42,237	6
Operating Income	1,462	7,048	1,877	1
CORPORATE AND OTHER				
Sales	1,378	3,313	1,938	
Operating Loss	(864)	(1,272)	(1,170)	(

* THE U.S. DOLLAR EQUIVALENT RESULTS PRESENTED ARE CALCULATED USING THE AVERAGE EXCHANGE RATES FOR THE PERIOD.

** THE COMPANY HAS THE OPTION TO SATISFY THE \$50,000 OF 7% CONVERTIBLE NOTES ("NOTES") WITH CASH OR CLASS A SUBORDINATED VOTING SHARES ("SHARES") AT 95% OF THE CURRENT SHARE PRICE. AS A RESULT, THE DILUTED SHARES OUTSTANDING INCLUDE 6,203,474 (2002 - 6,729,475) SHARES FOR THE CONVERSION OF THE NOTES AT 95% OF THE AVERAGE CLOSING PRICE OF THE SHARES DURING THE PERIOD.

MDC CORPORATION INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
SECOND QUARTER 2003 AND 2002
(UNAUDITED)

FOR THE SIX MONTHS ENDED JUNE 30,	US\$ EQUIVALENT*		\$CDN 000'S - EXC PER SHARE AMOUN	
	2003	2002	2003	
SALES	275,493	314,092	396,718	49
COST OF SALES	143,368	163,311	206,311	25
GROSS PROFIT	132,125	150,781	190,407	23
OPERATING EXPENSES	117,416	122,833	169,135	19

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OPERATING INCOME BEFORE OTHER INCOME (CHARGES)	14,709	27,948	21,272	4
OTHER INCOME (CHARGES)				
NET GAIN ON ASSET DISPOSITIONS AND OTHER CHARGES	15,267	100,205	21,840	15
UNREALIZED FOREIGN EXCHANGE GAIN	-	4,276	-	
AMORTIZATION	(7,102)	(8,732)	(10,226)	(1
INTEREST, NET	(7,916)	(10,261)	(11,437)	(1
	249	85,488	177	13
INCOME BEFORE INCOME TAXES AND MINORITY INTEREST	14,958	113,436	21,449	17
INCOME TAXES	6,581	21,335	9,471	3
INCOME BEFORE MINORITY INTEREST	8,377	92,101	11,978	14
MINORITY INTEREST (RECOVERY)	(1,115)	2,469	(1,602)	
NET INCOME FOR THE PERIOD	9,492	89,632	13,580	14
CASH FLOW FROM OPERATIONS	7,443	10,979	10,697	1
EARNINGS PER SHARE				
o Basic	0.52	5.27	0.75	
o Diluted	0.39	3.59	0.56	
CASH FLOW PER SHARE				
o Basic	0.40	0.62	0.58	
o Diluted	0.31	0.45	0.45	
WEIGHTED AVERAGE SHARES OUTSTANDING DURING THE PERIOD				
o Basic	16,915,341	16,915,341	16,915,341	16,91
o Diluted**	24,575,935	25,055,517	24,575,935	25,05

SEGMENTED INFORMATION - BY OPERATING DIVISION

	US\$ EQUIVALENT*			
FOR THE SIX MONTHS ENDED JUNE 30,	2003	2002	2003	
MAXXCOM				
Sales	199,226	182,902	286,307	28
Operating Income	8,830	6,938	12,689	1

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SECURE TRANSACTIONS				
Sales	74,123	123,714	107,329	19
Operating Income	8,096	22,980	11,769	3
CORPORATE AND OTHER				
Sales	2,144	7,476	3,082	1
Operating Loss	(2,217)	(1,970)	(3,186)	(

- * THE U.S. DOLLAR EQUIVALENT RESULTS PRESENTED ARE CALCULATED USING THE AVERAGE EXCHANGE RATES FOR THE PERIOD.
- ** THE COMPANY HAS THE OPTION TO SATISFY THE \$50,000 OF 7% CONVERTIBLE NOTES ("NOTES") WITH CASH OR CLASS A SUBORDINATED VOTING SHARES ("SHARES") AT 95% OF THE CURRENT SHARE PRICE. AS A RESULT, THE DILUTED SHARES OUTSTANDING INCLUDE 7,462,687 (2002 -8,130,081) SHARES FOR THE CONVERSION OF THE NOTES AT 95% OF THE AVERAGE CLOSING PRICE OF THE SHARES DURING THE PERIOD.

MDC CORPORATION INC. CONSOLIDATED BALANCE SHEETS

	US\$ EQUIVALENT**		(\$CDN 000'S)	
	AS AT JUNE 30, 2003 (UNAUDITED)	AS AT DECEMBER 31, 2002* (AUDITED)	AS AT JUNE 30, 2003 (UNAUDITED)	DECEMBER 31, 2002* (UNAUDITED)
ASSETS				
CURRENT				
Cash and cash equivalents	44,887	37,788	60,485	5
Securities held for sale***	20,675	-	27,860	
Accounts receivable	75,930	67,456	102,316	10
Inventory	5,814	7,004	7,834	1
Prepaid expenses and sundry	5,063	6,266	6,823	
	152,369	118,514	205,318	18
PORTFOLIO INVESTMENTS	15,103	103	20,351	
CAPITAL AND OTHER ASSETS	59,374	79,864	80,007	12
GOODWILL	78,315	185,637	105,530	29
	305,161	384,118	411,206	60
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT				
Accounts payable and accrued liabilities	84,698	82,873	114,130	13

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Deferred acquisition consideration	9,311	23,966	12,546	3
Deferred revenue	13,659	11,104	18,405	1
Current portion of long-term indebtedness	4,616	4,088	6,220	
	-----	-----	-----	-----
	112,284	122,031	151,301	19
LONG-TERM INDEBTEDNESS	86,838	155,514	117,014	24
	-----	-----	-----	-----
	199,122	277,545	268,315	43
MINORITY INTEREST	9,554	9,824	12,874	1
	-----	-----	-----	-----
SHAREHOLDERS' EQUITY				
Share capital	107,267	91,621	144,542	14
Other paid-in capital	29,299	24,179	39,480	3
Cumulative translation adjustment	(12,281)	12,766	(16,544)	2
Retained earnings (deficit)	(27,800)	(31,817)	(37,461)	(5)
	-----	-----	-----	-----
	96,485	96,749	130,017	15
	-----	-----	-----	-----
	305,161	384,118	411,206	60
	=====	=====	=====	=====
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- * COMPARATIVE FIGURES HAVE BEEN RECLASSIFIED TO CONFORM WITH THE CURRENT PRESENTATION.
- ** THE U.S. DOLLAR EQUIVALENT RESULTS PRESENTED ARE CALCULATED USING THE CLOSING EXCHANGE RATES FOR THE PERIOD.
- *** SECURITIES HELD FOR SALE WERE SUBSEQUENTLY SOLD ON JULY 31, 2003 FOR GROSS PROCEEDS OF \$29,638 (US\$21,173).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MDC CORPORATION INC.

(Registrant)

Date: August 1, 2003

By: /s/ Walter Campbell

(Signature)

Walter Campbell
Senior Vice President Finance