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MDC CORP INC
Form 6-K
November 06, 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, October 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

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

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

DOCUMENT INDEX

Document	Page No.
1. News Release dated October 9, 2003	3
2. News Release dated October 30, 2003	6

[GRAPHIC OMITTED]

PRESS RELEASE
FOR IMMEDIATE RELEASE

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

CONTACTS:

MILES S. NADAL
Chairman, President and
Chief Executive Officer
Tel: (416) 960-9000 ex. 223

PETER M. LEWIS
Executive Vice President and CFO
Tel: 416-960-9000 ex. 272

TSX STOCK SYMBOL: MDZ.A
NASDAQ STOCK SYMBOL: MDCA
WEBSITE: WWW.MDCCORP.COM

MDC CORPORATION INC.
ACQUIRES REMAINING 15% OF METACA CORPORATION

TORONTO - October 9, 2003 - MDC Corporation Inc. ("MDC") announced today the acquisition of a 15% interest in Metaca Corporation ("Metaca") held by Symcor Inc. with the result that MDC now owns 100% of the shares of Metaca. The transaction is valued at approximately \$4 million. Metaca is a leading global CardProgram™ Management Company with a blue-chip customer portfolio, which includes financial services, telecommunications, loyalty, retail, insurance and utility industries. Metaca supports this customer portfolio from operations in Canada and Australia.

"We are pleased to obtain 100% of Metaca as it provides MDC with greater flexibility with respect to capital and operational decisions," said Miles S. Nadal, Chairman, President and CEO of MDC. "We see good growth prospects for Metaca, especially in the smart card sector," added Nadal.

Metaca is one of only a few remaining non-core businesses of MDC, whose primary focus is once again marketing communications. MDC is one of the world's leading

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marketing communications companies, providing services in advertising, public relations, research, direct marketing, and customer relationship management.

ABOUT MDC CORPORATION INC.

MDC Corporation Inc. is one of the world's leading marketing communications firm, providing services in the United States, Canada, and the United Kingdom. Through its network of entrepreneurial firms, MDC services include advertising and media, customer relationship management, and marketing services. MDC also offers security-sensitive transaction products and services through its Secure Transactions Division. MDC Class A shares are publicly traded on the Toronto Stock Exchange under the symbol MDZ.A and on the NASDAQ under the symbol MDCA.

Document 2

PRESS RELEASE FOR IMMEDIATE RELEASE

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

CONTACTS:	Miles S. Nadal Chairman, President & CEO (416) 960-9000 Ext.223	Peter M. Lewis Executive Vice-President & CFO (416) 960-9000 Ext. 272
	Walter Campbell Senior Vice-President Finance (416) 960-9000 Ext.336	Trevor Maunder Director, Investor Relations (416) 960-9000 Ext.226

TSE Stock Symbol: MDZ.A
NASDAQ Stock Symbol: MDCA
Website: www.mdccorp.com

MDC CORPORATION INC. ANNOUNCES FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2003

TORONTO, Ontario (October 30, 2003) - MDC Corporation Inc. operating as MDC Partners ("MDC") of Toronto today announced its financial results for the third quarter and nine months ended September 30, 2003. Consolidated revenues were US\$68.1 million for the quarter, representing a 23% decrease from the US\$88.5 million reported for the same three-month period of the prior year. Operating income before other charges, at US\$7.8 million, declined US\$3.5 million or 31% compared to the US\$11.3 million achieved during the third

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quarter of 2002. Net income for the three months ended September 30, 2003 was US\$3.3 million compared to US\$4.2 million for 2002. Diluted earnings per share for the quarter was US\$0.15 compared to US\$0.16 last year. Diluted cashflow per share was US\$0.26 this quarter versus US\$0.29 in the previous year. The inclusion in the 2002 results of the divested operations of Custom Direct, Spectron Security Print and Questa together with the increased focus on Marketing Communications makes the periods' results less comparable.

"MDC has adopted the U.S. dollar as its reporting currency in order to reflect the global nature of the Company's business and shareholder base. In addition, MDC has modified its financial statement presentation to improve investors' ability to compare the Company's results with those of most other publicly traded businesses in the marketing communications industry," said Miles S. Nadal, Chairman, President and Chief Executive Officer.

Consistent with the focus on Marketing Communications, MDC will be renamed MDC Partners Inc. on January 1, 2004, operating as MDC Partners until then. "The evolution of MDC has culminated in our rebranding as a result of our fundamental belief that it is time for a change in the Marketing Communications industry. Our commitment is to do great work for great clients that produces measurable results. MDC Partners is well positioned to lead this paradigm, and we believe that the quality of our Brands and the expertise they demonstrate consistently for their clients has, and will enable them to win significant new business in the future," said Miles S. Nadal.

Marketing Communications reported revenues of US\$47.5 million for the third quarter of 2003, an increase of US\$5.3 million or 12% compared to the third quarter of 2002. Operating income before other charges increased 56% to US\$7.4 million for the quarter from the US\$4.8 million achieved in the same quarter in the previous year. Operating margins improved to 15.7% from 11.3%. These improvements were primarily the result of an increase in the demand for database management, direct marketing services, corporate communication and advertising in the United States. As a result of the privatization of Maxxcom and the merger of head offices, additional divisional cost reductions were achieved in the area of divisional corporate overheads.

"Marketing Communications continued to attract new clients throughout the quarter, including Circuit City, Target, Best Buy, Discovery Channel and Borders, resulting in annualized net new business wins with revenues of approximately US\$2.8 million," said Mr. Nadal. "Our operations remain focused on the generation of new business while maintaining a cost-effective structure. The positive momentum experienced in revenues and earnings is anticipated to continue as we benefit from the recovery expected in the marketing communications industry."

Third quarter revenues of the Secure Transactions Division were US\$18.9 million, a decrease of 58% from the US\$45.5 million recorded for the same period of 2002. Operating income before other charges was US\$1.2 million, down 84% from the US\$7.3 million earned in the prior year. Excluding divested operations, revenues improved slightly compared to 2002, however, operating income decreased US\$1.6 million primarily as a result of costs related to preparation for increased production under the long-term United States Postal Service contract announced last quarter and increased operating costs at Canadian facilities as a result of the strengthening Canadian dollar.

"We remain committed to the profitable operation of our remaining non-core businesses, and are pleased with progress to date on the implementation of state-of-the-art equipment at Ashton Potter. When fully operational, expected by the end of the fourth quarter, revenues and operating income of the operation are expected to improve significantly," said Mr. Nadal.

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On July 31, 2003 MDC completed the privatization of Maxxcom Inc. with the issuance of 2,473,183 Class A subordinated voting shares at Cdn.\$13.25. The share capital issued as a result was US\$23 million.

During the quarter, pursuant to its normal course issuer bid, MDC repurchased 626,916 Class A subordinate voting shares at an average price per share of Cdn. \$13.80 for total consideration of US\$6.3 million.

About MDC Partners

MDC Corporation Inc. is one of the world's leading marketing communications firms. Through its partnership of entrepreneurial firms, MDC provides creative, integrated and specialized communication services to leading brands throughout the United States, Canada and the United Kingdom. MDC also offers security-sensitive transaction products and services through its Secure Transactions Division. MDC Class A shares are publicly traded on the Toronto Stock Exchange under the symbol MDZ.A and on the NASDAQ under the symbol MDCA.

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
THIRD QUARTER 2003 and 2002
(Unaudited)

	\$U.S. 000's - except share amount
For the Three Months Ended September 30,	2003
Gross billings	132,140
Revenues	68,088
Operating costs	60,252
Operating income before other income (charges)	7,836
Other income (charges)	
Net gain on asset dispositions and other charges	445
Amortization	(2,723)

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Interest, net	(1,439)	
Income participation of minority partners	(1,455)	
	(5,172)	
Income before income taxes and minority interest	2,664	
Income taxes (recovery)	(818)	
Income before minority interest	3,482	
Minority interest (recovery)	141	
Net income for the period	3,341	
Cash Flow from operations	5,867	
Earnings Per Share		
Net income		
o Basic	0.17	
o Diluted	0.15	
Cash Flow Per Share		
o Basic	0.30	
o Diluted	0.26	
Weighted average shares outstanding during the period		
o Basic	18,361,746	16
o Diluted**	23,249,320	26

SEGMENTED INFORMATION - BY OPERATING DIVISION

For the Three Months Ended September 30,	2003	2002
Marketing Communications		
Revenues	47,476	4
Operating income before other income (charges)	7,444	
Secure Transactions		
Revenues	18,898	4
Operating income before other income (charges)	1,208	
Corporate and Other		
Revenues	1,714	
Operating loss before other income (charges)	(816)	

* Comparative figures have been reclassified to conform with current presentation.

** The Company has the option to satisfy the CDN\$49,000 (US\$36,299) 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 4,013,104 (2002 - 9,633,911) Shares for the conversion of the Notes at 95% of the average closing price of the Shares during the period.

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MDC CORPORATION INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
THIRD QUARTER 2003 and 2002
(Unaudited)

	\$U.S. 000's - excep share amounts	

For the Nine Months Ended September 30,	2003	

Gross billings	410,304	

Revenues	236,928	
Operating costs	211,159	

Operating income before other income (charges)	25,769	

Other income (charges)		
Net gain on asset dispositions and other charges	15,415	
Unrealized foreign exchange gain	-	
Amortization	(9,868)	
Interest, net	(9,654)	
Income participation of minority partners	(4,019)	

	(8,126)	

Income before income taxes and minority interest	17,643	

Income taxes	6,122	

Income before minority interest	11,521	
Minority interest (recovery)	(1,044)	

Net income for the period	12,565	
	=====	
Cash Flow from operations	13,282	
	=====	
Earnings Per Share		
Net income		
o Basic	0.67	
o Diluted	0.55	
Cash Flow Per Share		
o Basic	0.71	
o Diluted	0.58	
Weighted average shares outstanding during the period	17,397,476	16,
o Basic	23,541,571	25,
o Diluted**		

SEGMENTED INFORMATION - BY OPERATING DIVISION

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For the Nine Months Ended September 30,	2003

Marketing Communications	
Revenues	136,869
Operating income before other income (charges)	18,831
Secure Transactions	
Revenues	96,173
Operating income before other income (charges)	9,849
Corporate and Other	
Revenues	3,886
Operating loss before other income (charges)	(2,911)

* Comparative figures have been reclassified to conform with the current presentation.
 ** The Company has the option to satisfy the CDN\$49,000 (US\$36,299) 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 5,751,174 (2002 -8,576,329) 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

	(\$U.S. 000's)	
	As at	Decemb
	September 30,	2003
	(Unaudited)	(Au

ASSETS		
Current		
Cash and cash equivalents	52,700	3
Accounts receivable	78,021	6
Inventory	5,464	
Prepaid expenses and sundry	5,676	

Portfolio investments	141,861	11
	15,834	
Capital and other assets	59,660	7
Goodwill	100,879	18

	318,234	38
	=====	

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LIABILITIES AND SHAREHOLDERS' EQUITY

Current

Accounts payable and accrued liabilities	83,402	8
Deferred acquisition consideration	5,350	2
Deferred revenue	15,011	1
Current portion of long-term indebtedness	11,885	

115,648 12

Long-term indebtedness 79,288 15

194,936 27

Minority interest 2,534

Shareholders' equity

Share capital**	115,025	9
Contributed surplus	1,900	
Other paid-in capital	29,146	2
Cumulative translation adjustment	(5,370)	
Retained earnings (deficit)	(19,937)	(3)

120,764 9

318,234 38

* Comparative figures have been reclassified to conform with the current presentation.

** Includes \$23,327 of share capital issued on the privatization of Maxxcom Inc.

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: November 5, 2003

By: /s/ Walter Campbell

(Signature)

Walter Campbell
Senior Vice President Finance