

SECURITIES AND EXCHANGE COMMISSION

FORM 424B3

Prospectus filed pursuant to Rule 424(b)(3)

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FILER

MCDONNELL DOUGLAS FINANCE CORP /DE

CIK: **711513** | IRS No.: **952564584** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **424B3** | Act: **33** | File No.: **033-31419** | Film No.: **94513782**
SIC: **6172** Finance lessors

Business Address
340 GOLDEN SHORE
LONG BEACH CA 90802-4296
3104913225

The Notes being offered hereby are being offered through PaineWebber Incorporated, as Agent. Net proceeds payable by McDonnell Douglas Finance Corporation (the "Company") will be 99.835% of the aggregate principal amount of the Notes, or \$14,975,250, before deduction of expenses payable by the Company. In connection with the sale of the Notes, PaineWebber Incorporated will receive a commission from the Company in the amount of .165% or \$24,750.

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OTHER INFORMATION

The information in the Prospectus set forth under the caption "RISK FACTORS-Relationship with MDC" is supplemented by the following:

MDC has accepted, with clarifications, a proposal from the Department of Defense on an overall business settlement of a variety of issues concerning the C-17 program. In connection with the settlement, MDC recorded a charge to pre-tax earnings of approximately \$450 million in the fourth quarter of 1993. The settlement is not expected to result in a significant adverse cash impact to MDC. MDC and the U.S. Air Force will be developing plans, contractual modifications and agreements to implement the business arrangement, which is subject to congressional authorization and appropriations.

The United States Court of Federal Claims has issued an order deferring rulings on the merits of the A-12 termination case until July 21, 1994. The court's order is based upon an undertaking by the United States that it would not seek to terminate the A-12 deferment agreement between MDC, General Dynamics Corporation and the Navy in the interim. MDC firmly believes it is entitled to continuation of the deferment agreement in accordance with its terms.

MDC believes it is likely that the weakness of the commercial aircraft market will continue during 1994.

SELECTED CONSOLIDATED FINANCIAL DATA

The following amends and supplements the information set forth under the caption "SELECTED CONSOLIDATED FINANCIAL DATA" on page 9 of the Prospectus:

The following table presents selected consolidated financial information of the Company as of December 31, 1992 and 1993 and for the years ended December 31, 1992 and 1993. The information in the table should be read in conjunction with, and is qualified in its entirety by reference to, the Company's consolidated financial statements included in the Company's Current Report on Form 8-K dated February 3, 1994 and the Company's Annual Report on Form 10-K for the year ended December 31, 1992. Results for the year ended

December 31, 1993 are unaudited, but include all adjustments, consisting of normal accruals, that the Company considers necessary for a fair presentation of such results. See "Selected Consolidated Financial Data" in the accompanying Prospectus.

(DOLLARS IN MILLIONS)	Years Ended December 31,	
	1993	1992
Selected earnings data:	(Unaudited)	
Operating income	\$ 198.5	\$ 254.7
Interest expense	116.4	145.9
Net income	16.8	27.7
 Ratio of income from continuing operations to fixed charges.	 1.34x	 1.32x
 Selected balance sheet data:		
Total assets	\$ 2,076.8	\$ 1,999.0
Total debt	1,385.1	1,330.4
Shareholder's equity	269.4	256.4
 Cash dividends paid	 3.5	 105.8