

Newfoundland Capital Corporation Limited announces its financial results for the third quarter 2011

DARTMOUTH, NS, Nov. 3, 2011 /CNW/ - Newfoundland Capital Corporation Limited ("Company") today announces its financial results for the third quarter ending September 30, 2011.

Highlights

- **Revenue** of \$31.9 million was \$3.5 million or 12% higher than last year. Year-to-date revenue of \$91.9 million was \$7.7 million or 9% higher than 2010. These increases were attributable to organic (same-station) revenue growth.
- **Earnings before interest, taxes, depreciation and amortization ("EBITDA"⁽¹⁾)** of \$8.6 million in the quarter were \$2.1 million or 32% higher than last year and year-to-date EBITDA was \$24.6 million; \$7.2 million or 41% better than 2010. In comparing the year-to-date EBITDA to the prior year, two non-recurring items should be considered. First, to date in 2011 the Company has lower net corporate expenses due to its executive compensation hedge which reduced compensation expense by \$1.1 million (2010 - \$0.3 million). Second, the 2010 results include copyright fee expenses of \$1.8 million which related to prior periods. Excluding these items, EBITDA was still significantly better than the prior year - 24% higher year-to-date, primarily attributable to improved revenue.
- **Profit for the period** of \$4.3 million was \$1.4 million or 48% higher than the same quarter last year. Year-to-date profit of \$13.1 million was \$5.4 million or 70% better than the same period in 2010. These increases were due to improved revenue.

Significant events

- On August 4, 2011, the Board of Directors declared dividends of \$0.06 per share to all shareholders of record on August 31, 2011. The dividends were paid on September 15, 2011.
- In August, the Company announced that it had entered into agreements to acquire two FM stations in the Okanagan Valley region of British Columbia for \$7.0 million, subject to the approval of the Canadian Radio-television and Telecommunications Commission ("CRTC").
- Subsequent to quarter end, the CRTC approved the sale of the Winnipeg, Manitoba radio stations for proceeds of \$5.5 million. The transaction is expected to close prior to year end.

"Double-digit revenue growth continued into the third quarter. This has translated into significant increases in EBITDA", commented Rob Steele, President and Chief Executive Officer. "Maximizing audience share combined with a great sales effort have been the drivers of these results and we expect positive performance to continue into the fourth quarter."

Financial Highlights - Third Quarter

<i>(thousands of Canadian dollars except share information)</i>	2011	2010
Revenue	\$ 31,905	28,378
EBITDA ⁽¹⁾	8,552	6,493
Profit for the period	4,334	2,933
Earnings per share - basic	0.14	0.09
Share price, NCC.A (closing)	7.75	7.75
Weighted average number of shares outstanding <i>(in thousands)</i>	30,328	32,972
Total assets	230,195	232,108
Long-term debt	51,662	49,102
Shareholders' equity	109,908	114,471

The Company's complete Third Quarter Report, which includes the unaudited condensed consolidated interim financial statements along with related notes and the Management's Discussion and Analysis, are available on the Company's website at www.ncc.ca and www.sedar.com.

(1) Non-IFRS Accounting Measure

EBITDA is a measure that is not defined by International Financial Reporting Standards and is not standardized for public issuers. This measure may not be comparable to similar measures presented by other public enterprises. The Company has included this measure because the Company's key decision makers believe certain investors use it as a measure of the Company's financial performance and for valuation purposes. The Company also uses this measure internally to evaluate the performance of management. A calculation of this measure is included in the Company's Third Quarter Report.

About Newfoundland Capital Corporation Limited

Newfoundland Capital Corporation Limited (TSX: NCC.A, NCC.B) is one of Canada's leading radio broadcasters with 79 licences across Canada. The Company reaches millions of listeners each week through a variety of formats and is a recognized industry

leader in radio programming, sales and networking.

This press release contains forward-looking statements. These forward-looking statements are based on current expectations. The use of terminology such as "expect", "intend", "anticipate", "believe", "may", "will", "should", "would", "plan" and other similar terminology relate to, but are not limited to, our objectives, goals, plans, strategies, intentions, outlook and estimates. By their very nature, these statements involve inherent risks and uncertainties, many of which are beyond the Company's control, which could cause actual results to differ materially from those expressed in such forward-looking statements. As a result, there is no guarantee that any forward-looking statements will materialize and readers are cautioned not to place undue reliance on these statements. Unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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For further information:

REF: Robert G. Steele, President and Chief Executive Officer, Scott G.M. Weatherby, Chief Financial Officer and Corporate Secretary, Newfoundland Capital Corporation Limited, 745 Windmill Road, Dartmouth, Nova Scotia B3B 1C2, Tel: (902) 468-7557, Fax: (902) 468-7558, e-mail: investorrelations@ncc.ca, Web: www.ncc.ca

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