

DARTMOUTH, N.S., Oct. 31, 2013 /CNW/ - Newfoundland Capital Corporation Limited ("Company") today announces its financial results for the third quarter ending September 30, 2013

Highlights

- **Revenue** for the third quarter of \$32.7 million was \$0.5 million or 2% lower than last year. While the quarter was lower, year-to-date revenue of \$96.9 million was \$2.8 million

or 3% higher than 2012. The year-to-date growth was due to a combination of organic and incremental revenue increases.

- **Earnings before interest, taxes, depreciation and amortization ("EBITDA"⁽¹⁾)** of \$7.5 million in the quarter were \$1.2 million

or 14% lower than last year due to lower revenue and higher operating expenses. The new station start-ups combined with changing formats in a radio market contributed to the increased operating expenses in the quarter. Year-to-date EBITDA of \$22.9 million was \$0.5 million

or 2% higher than 2012. The prior year-to-date expense included a non-cash amount of \$1.1 million

related to the extension of executive stock option expiry dates. Excluding this amount, EBITDA would have been 2% lower than last year due to the higher operating expenses.

- **Profit for the period** of \$8.7 million was \$9.7 million higher than last year's loss of \$1.1 million

. Year-to-date profit of \$16.7 million

was \$13.2 million

higher than the same period in 2012. Year-to-date profit in 2013 was higher than 2012

because last year's results included a \$7.5 million impairment charge. In addition, the year-to-date provision for income tax expense was net \$2.7 million lower than last year.

Significant events

- In August, the Company announced that it had entered into a purchase and sale agreement with Bell Media Inc. to purchase five broadcasting licences in Toronto, Ontario and Vancouver, British Columbia for \$112.0 million.
 - . The acquisition is subject to approval by the Canadian Radio-television and Telecommunications Commission ("CRTC").
- In July, the Company announced it had entered into an agreement to acquire CHNI-FM in Saint John, New Brunswick. The Company also announced it had entered into an agreement to sell CHFT-FM in Fort McMurray, Alberta. Both transactions are subject to CRTC approval.
- In the third quarter, the Company repurchased a total of 219,500 shares for \$1.9 million pursuant to its Normal Course Issuer Bid. Subsequent to quarter end, the Company repurchased 400,000 shares bringing the total shares repurchased year-to-date to 1,083,890 for a total cost of \$9.9 million.
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 - On August 8, 2013, the Board of Directors declared dividends of \$0.06 per share to all shareholders of record on August 30, 2013. Dividends of \$1.7 million were paid on September 13, 2013.
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"Revenue and EBITDA in the quarter were not up to our expectations; however, we continued to outpace industry results which were negative 8% in the quarter. Future bookings are encouraging and we expect to finish the year on a positive note," commented Rob Steele, President and Chief Executive Officer. "The pending acquisition of five stations in Canada's two largest radio markets is a rare opportunity and is transformational for Newcap. We are

eager to get this transaction completed and look forward to welcoming the employees in those markets to the Newcap team."

Financial Highlights -		Third quarter	
<i>(thousands of dollars except share information)</i>		2013	2012
Revenue	\$	32,749	33,250
EBITDA	(1)		7,482
Profit (loss) for the period		8,656	
Earnings (loss) per share - basic		0.30	(0.04)
Earnings (loss) per share - diluted		0.29	(0.04)
Share price, NCC.A (closing)		9.40	7.50
Weighted average number of shares outstanding			28,528
Total assets		234,777	229,510
Long-term debt		49,825	52,855
Shareholders' equity		128,374	114,0

The Company's complete Third Quarter Report, which includes the unaudited condensed interim consolidated financial statements along with related notes in accordance with International Financial Reporting Standards ("IFRS") 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 believes this is an important measure because the Company's key decision makers use this measure internally to evaluate the performance of management. The Company's key decision makers also believe certain investors use it as a measure of the Company's financial performance and for valuation purposes. 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 88 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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