



**FOR IMMEDIATE RELEASE**

**NEWCAP SIGNS AGREEMENT WITH BELL MEDIA  
TO ACQUIRE FIVE RADIO STATIONS IN TORONTO AND VANCOUVER**

**DARTMOUTH, N.S. – August 26, 2013** – Newfoundland Capital Corporation (“NCC” or the “Company”) (TSX: NCC.A, NCC.B) and Bell Media (TSX, NYSE: BCE), are pleased to announce that NCC’s wholly-owned subsidiary, Newcap Inc. (“Newcap”), has entered into an agreement to acquire from Bell Media Inc. the radio broadcasting licences CHBM-FM (Boom 97.3) and CFXJ-FM (93.5 Flow) in Toronto, Ontario and CKZZ-FM (Virgin Radio 95.3), CHHR-FM (Shore 104.3 FM), and CISL-AM (AM 650) in Vancouver, British Columbia, for a price of \$112 million plus the assumption of certain liabilities. The transaction is subject to approval from the Canadian Radio-television and Telecommunications Commission (“CRTC”) and the Competition Bureau.

President and Chief Executive Officer Rob Steele comments: “The acquisition of these stations in Canada’s two largest radio markets is a rare opportunity and is a transformational move for Newcap. This provides an excellent opportunity for us going forward – greatly expanding our listener base and increasing the size of our business. We specialize exclusively in radio and all of our focus and expertise is dedicated to creating successful radio stations which benefits our employees, listeners and advertising clients.”

“Parting with valued and dynamic assets is never easy,” said Jacques Parisien President, National Specialty and Pay TV, Radio, and Out-of-Home, Bell Media. “However, Newcap’s acquisition of CHBM-FM, CFXJ-FM, CKZZ-FM, CHHR-FM, and CISL-AM is tremendous news for the stations’ employees, listeners, and clients, as well as the Canadian radio industry. Newcap is a well-respected company and we know that their strong management team will help these stations grow.”

The transaction is structured as an acquisition of shares and will be paid in cash at closing, subject to certain working capital adjustments as well as other customary conditions. The acquisition will be financed with the Company’s existing \$90 million revolving credit facility along with a newly committed, non-revolving credit facility of \$90 million. Scotiabank is the lead lender with increased participation from TD Bank as well as the addition of the Royal Bank of Canada to the Company’s banking syndicate.

For the twelve month period ending May 31, 2013 the stations had revenues of approximately \$40 million. The Company expects the acquisition to be accretive to earnings per share and the free cash flow generation from the combined business should allow the Company to reduce its debt leverage on a timely basis.

Newcap's acquisition of these radio stations is a result of Bell's acquisition of Astral. Astral and Bell are divesting certain radio stations to comply with the CRTC's Common Ownership Policy, which limits the number of stations a company can own in a single market.

### **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.

### **About Bell Media**

With passion and an unrelenting commitment to excellence, Bell Media creates content and builds brands that entertain, inform, engage, and inspire audiences through the platforms of their choice. Bell Media is Canada's premier multimedia company with leading assets in television, radio, out-of-home advertising, and digital media. Bell Media owns 30 local television stations led by CTV, Canada's #1 television network; 34 specialty channels, including TSN and RDS, Canada's most-watched specialty channels in English and French; four pay TV services, including The Movie Network and Super Écran; and is managing shareholder of premium pay-per-view service Viewers Choice Canada. Bell Media is also Canada's largest radio broadcaster, with 107 licensed radio stations in 55 markets across Canada. Bell Media owns Astral Out-of-Home, one of Canada's most dynamic and innovative out-of-home advertising companies. Bell Media also operates more than 200 websites, delivers TV Everywhere with its innovative GO video streaming services, including TMN GO and Bravo GO, and owns Dome Productions Inc., a multi-platform production company. Bell Media is part of BCE Inc. (TSX, NYSE: BCE), Canada's largest communications company.

This press release contains forward looking statements. These forward-looking statements are based on current expectations and are based upon certain assumptions and other factors. 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. In particular, forward-looking statements in this press release include, but are not limited to, statements regarding: expected cash flows and accretion each of which may be impacted by the ability of the Company to integrate the new stations into its existing business, future results being similar to historical results, achievement of synergies and expectations related to future general economic and market conditions; growth prospects which may be impacted by each market's acceptance of programming and expectations related to future general economic and market conditions; the timing and completion of the proposed acquisition which may be impacted by regulatory approvals and risks relating to the satisfaction of the conditions to closing the transaction; expected deleveraging which may be impacted by future results of operations and general economic and market conditions; and final financing arrangements which remain subject to finalizing credit agreements and fulfillment of customary closing conditions. These assumptions, risks and uncertainties do not represent a complete list of factors which may cause events to be materially different than those expressed or implied by forward-looking statements in this press release. Other factors are described in documents filed by the Company with securities regulatory authorities in Canada.

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For further information:

**Newcap**

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