

# Newfoundland Capital Corporation Limited - Second Quarter 2015 - Period Ended June 30 (unaudited)

DARTMOUTH, NS, Aug. 13, 2015 /CNW/ - Newfoundland Capital Corporation Limited ("Company") today announces its financial results for the second quarter ending June 30, 2015.

## Highlights

- **Revenue** for the second quarter of \$42.6 million was \$0.3 million or 1% higher than the same quarter last year and year-to-date revenue of \$78.1 million was \$7.3 million or 10% higher. The increase year-to-date was primarily attributable to the revenue generated by the stations in Toronto, Ontario and Vancouver, British Columbia, which were acquired March 31, 2014.
- **Earnings before interest, taxes, depreciation and amortization ("EBITDA"<sup>(1)</sup>)** of \$12.5 million in the second quarter were \$0.3 million or 3% higher than the second quarter last year and year-to-date EBITDA of \$19.6 million was \$2.9 million or 17% higher than 2014. The significant increase in year-to-date EBITDA was due primarily to the acquired stations. Organic EBITDA growth was 3% in the quarter and 6% year-to-date.
- **Profit for the period** of \$6.0 million was \$1.5 million or 20% lower than the same quarter last year because this quarter there was an increase in income tax expense due to changes in future corporate income tax rates while the prior year had gains in marketable securities. Year-to-date profit of \$8.5 million was \$4.2 million higher than last year due primarily to the fact that last year's profit was impacted by acquisition-related costs of \$8.8 million related to the Toronto and Vancouver business acquisition.
- **The Board of Directors declared a dividend** of \$0.06 per share on each of the Company's Class A Subordinate Voting Shares and Class B Common Shares on August 13, 2015, payable on September 15, 2015 to all shareholders of record as at August 31, 2015.

## Significant events

- During the second quarter, the Company repurchased 405,000 of its outstanding shares for cash consideration of \$3.6 million. Subsequent to quarter end, in July, an additional 1,164,800 shares were repurchased for \$10.3 million.

"Financial results were positive in the second quarter with both revenue and EBITDA exceeding the prior year", commented Rob Steele, President and Chief Executive Officer. "Recent listener ratings have been very encouraging in most markets. With these positive ratings, along with the continued efforts to increase revenue and reduce discretionary spending, the Company should achieve a successful second half of the year."

<b>Financial Highlights – Second Quarter</b>		
<i>(thousands of Canadian dollars except share information)</i>	<b>2015</b>	<b>2014</b>
Revenue	\$ <b>42,598</b>	42,298
EBITDA <sup>(1)</sup>	<b>12,474</b>	12,162
Profit for the period	<b>6,034</b>	7,541
Earnings per share – basic	<b>0.22</b>	0.27
Earnings per share – diluted	<b>0.21</b>	0.26
Share price, NCC.A (closing)	<b>9.04</b>	8.50
Weighted average number of shares outstanding <i>(in thousands)</i>	<b>27,915</b>	28,155
Total assets	<b>358,715</b>	362,526
Long-term debt, including current portion	<b>141,885</b>	150,962
Shareholders' equity	<b>145,438</b>	138,091

The Company's complete Second 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](http://www.ncc.ca) and [www.sedar.com](http://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 Second 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 95 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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