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Attention Business and Entertainment Editors:
Newfoundland Capital Corporation Limited Fourth Quarter 2005

Period Ended December 31 (unaudited)

DARTMOUTH, NS, March 10 /CNW/ - Newfoundland Capital Corporation Limited (the Company) today announces its financial results for the fourth quarter and fiscal year ending December 31, 2005.

Rob Steele, President and Chief Executive Officer commented: "2005 has been a year of investment for the Company and we will continue to seek high quality, new licence opportunities that will increase shareholder value. We are committed to our growth strategy, the successful integration of our acquisitions and maximizing the return from our existing assets."

Highlights for the quarter:

- On December 5, 2005, the Canadian Radio-television and Telecommunications Commission (CRTC) approved the Company's first acquisition in Manitoba - CKVN Radiolink System Inc. in Winnipeg. Winnipeg is the 7th largest radio market in the country and an important addition to our portfolio.
- A new FM station in Ottawa, Ontario was launched on December 26, 2005.
- Revenue improved 29%, reaching $24.6 million. Growth is primarily attributed to new licence acquisitions and the positive impact from recent station launches.
- Earnings before interest, taxes, depreciation and amortization (EBITDA(1)) were $5.0 million as compared to $5.3 million last year. The Company increased spending on marketing and promotion in its most competitive markets to increase the rating and market share for 2006.
- Net income was $2.7 million as compared to $3.4 million last year. The Company experienced higher depreciation and interest expense.
- A dividend of $0.15 per share was declared by the Board of Directors in December 2005, the second for the year, bringing the total dividend for 2005 to $0.30 per share.

Highlights for the year:

- The Company completed acquisitions in Lloydminster and Red Deer, Alberta and Thunder Bay, Ontario.
- New stations were launched in Camrose, Brooks, Whitecourt and Wainwright, Alberta and Fredericton, New Brunswick.
- Revenue improved to $80.6 million, a 21% increase.
- EBITDA was $18.2 million, 20% higher than the $15.2 million achieved last year.
- Non-recurring $3.5 million settlement was reached with Halterm Limited.
- Net income was $6.0 million for the year as compared to $10.2 million last year. Excluding the impact of the settlement this year and the one-time $2.5 million gain on disposal of the equity investment last year, net income would have been $0.7 million better than 2004.

On December 16, 2005, the Company announced that it had entered into an agreement to acquire CKJS Limited of Winnipeg which holds the CKJS-AM broadcast licence. CRTC decisions are pending on this acquisition and the Charlottetown FM applications.

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Financial Highlights - Fourth Quarter

(thousands of dollars except share information)	2005	2004
Revenue	$ 24,600	19,069
EBITDA(1)	4,978	5,278

Net income	2,691	3,432
Earnings per share		
- basic	0.24	0.29
- diluted	0.23	0.29
Share price, NCC.SV.A (closing)	16.50	12.50
Weighted average number of shares outstanding (in thousands)	11,365	11,831
Total assets	213,507	155,724
Long-term debt	53,285	15,073
Shareholders' equity	82,925	86,248

(1) Refer to Non-GAAP Measure definition for the reconciliation of EBITDA to net income

The following discussion of financial results should be read in the context of the following significant corporate developments.

- January 31, 2005 - the Company acquired the assets of Shortell's Limited ("Shortell's") and its related companies, in Lloydminster, Alberta including three radio and two television broadcasting licences and an outdoor advertising business.

- May 30, 2005 - the Company acquired the broadcasting assets of Big Pond Communications (2000) Inc. ("Big Pond") in Thunder Bay, Ontario, the primary asset being an FM radio licence.

- September 26, 2005 - the Company acquired 100% of the common shares of 4323041 Canada Inc. ("4323041") entitling it to the property, assets, licences and rights of 4323041 used in connection with the operation of two FM radio licences in Red Deer, Alberta.

- December 5, 2005 - the Company acquired the remaining 80.1% of the common shares of CKVN Radiolink System Inc. ("CKVN"), having initially acquired 19.9% in February 2005. This acquisition entitles the Company to the broadcast licence, net assets and rights used in connection with an FM radio licence in Winnipeg, Manitoba. The transactions were accounted for using the purchase method and the results of operations have been included in the consolidated financial statements since the respective acquisition dates.

- The Company launched four FM radio broadcast licences in Alberta throughout 2005, a new FM licence in Fredericton, New Brunswick in July and one in Ottawa, Ontario at the end of December.

The fourth quarter of the year is generally a period of higher retail spending and results in increased advertising revenue.

Consolidated Operating Results

(thousands of dollars, except percentages)	Three months ended December 31				Year ended December 31			
			Growth				Growth	
	2005	2004	Total	Organic	2005	2004	Total	Organic
Revenue								
Broadcasting	$ 23,877	18,317	30%	9%	77,503	63,384	22%	10%
Corporate and other	723	752	(4%)	(4%)	3,060	3,145	(3%)	(3%)

$ 24,600	19,069	29%	8%	80,563	66,529	21%	9%

Consolidated revenue of $24.6 million represented a 29% improvement over 2004 with year-to-date revenue of $80.6 million being 21% better than 2004. For the quarter, organic growth (same-station growth) of 8% contributed to the increase in revenue, while new stations and acquisitions accounted for 21%.

For the year, organic growth of 9% contributed to the revenue increase while 12% came from new launches and acquisitions. Corporate and other revenue was on par with the same periods last year.

Other income improved 20% in the quarter and 53% year-to-date due to increased investments and improved income from these investments.

Incremental expenses from business and licence acquisitions and new station launches accounted for $3.3 million of the increase in operating expenses in the quarter and $6.9 million year-to-date. The Company incurred additional expenses in the third and fourth quarters related to new premises in Charlottetown, Edmonton and Ottawa and in increased promotional activities. The remaining increase in operating expenses relate to the variable costs associated with higher revenue and inflationary increases.

(thousands of dollars, except percentages)	Three months ended December 31 2005	2004	Growth Total	Growth Organic	Year ended December 31 2005	2004	Growth Total	Growth Organic
EBITDA(1)								
Broadcasting	$6,182	6,121	1%	(9%)	22,366	18,975	18%	12%
Corporate and other	(1,204)	(843)	(43%)	(43%)	(4,123)	(3,765)	(10%)	(10%)
	$4,978	5,278	(6%)	(17%)	18,243	15,210	20%	13%
% of Revenue								
Broadcasting	26%	33%	(7%)	(5%)	29%	30%	(1%)	0%
Total	20%	27%	(7%)	(6%)	22%	22%	0%	0%

EBITDA declined 6% in the fourth quarter. Increased promotional spending in the fourth quarter caused the decline in EBITDA as a percentage of revenue.

Year-to-date EBITDA has improved 20% over the prior year primarily due to the upward trend in broadcasting operations. Organic improvements led to 13% of the growth while incremental EBITDA from the business and licence acquisitions and new station launches accounted for the remaining 7% increase.

Depreciation and amortization expense is $0.5 million higher in the quarter, $1.0 million higher than a year ago, due to an increased depreciable asset base from acquisitions and capital.

Interest expense is $0.5 million higher in the quarter and $0.9 million higher than the year ended December 31, 2004 as a result of higher interest rates and higher average debt levels due to the business and licence acquisitions, capital investments and new station launches.

The effective income tax rate of 25% in the quarter was lower than the statutory rate of 36% due to the decreased rate of tax on capital gains. Year-to-date, the effective rate is 37%, on par with the statutory rate.

Non-controlling interest in subsidiaries' earnings were higher in the quarter and year-to-date by $0.1 and $0.2 million respectively, due to better performance of the licences, particularly in Alberta.

Basic Basic

(thousands of dollars, except share data)	Three months ended Dec. 31 2005	2004	Earnings Per Share 2005	2004	Year ended Dec. 31 2005	2004	Earnings Per Share 2005	2004
Net income	$ 2,691	3,432	0.24	0.29	6,032	10,164	0.53	0.85

Net income for the fourth quarter is $0.7 million lower than the same period in 2004 due to the increased depreciation and interest expense. Year-to-date net income has been affected by the $3.5 million settlement. The prior year included a $2.5 million gain on disposal of equity investment. Excluding these two non-recurring items, net income for the year would have been $0.7 million better than 2004.

Liquidity and Capital Resources   The Company's net cash flow from operating activities was negative $3.3 million. This was mainly due to increased short-term investments and other changes in non-cash working capital items. Net borrowings of $7.4 million were used for the $1.7 million in stock repurchases, $1.5 million in Canadian Talent Development commitment payments, property and equipment additions of $2.4 million and the business and licence acquisition in Winnipeg of $1.4 million. For the same period last year, cash flow from operating activities was positive $3.8 million.

For the year, the Company's cash flow from operating activities was $3.9 million, down from last year's $13.1 million due to a $4.1 million decrease in net income combined with the change in non-cash working capital items. Cash flow from operating activities combined with long-term borrowings totalled $42.1 million, $26.3 million of which was used in business and licence acquisitions, $8.7 million in capital assets, $6.5 million for capital stock repurchases and dividend payments of $2.9 million. In the prior year, cash flow from operating activities and the proceeds from the disposition of the equity investment totalling $24.4 million were used primarily to reduce bank debt by $11.6 million, repurchase $4.7 million of capital stock, invest $2.6 million in Halterm Income Fund Trust Units and to purchase $2.5 million of capital assets.

Other Developments   The Company announced that a purchase and sale agreement was entered into on December 16, 2005 to purchase CKJS Limited which holds the CKJS-AM radio broadcast licence in Winnipeg for $1.8 million. The CRTC decision is pending.

Non-GAAP Measure

(1)EBITDA is defined as net income excluding depreciation and amortization expense, interest expense, loss on equity accounted investment, settlement, gain on disposal of long-term investments, provision for income taxes and non-controlling interest in subsidiaries' earnings. A calculation of this measure is as follows:

(thousands of dollars)	Three months ended December 31 2005	2004	Year ended December 31 2005	2004
Net income	$ 2,691	3,432	6,032	10,164
Non-controlling interest in subsidiaries' earnings	267	121	583	361
Provision for income taxes	995	821	3,888	3,827
Gain on disposal of long-term investments	(840)	-	(840)	(2,451)
Settlement	-	-	3,500	-

Loss on equity accounted investment	117	77	181	296
Interest expense	673	220	1,735	840
Depreciation and amortization expense	1,075	607	3,164	2,173
EBITDA	$ 4,978	5,278	18,243	15,210

This measure is not defined by Generally Accepted Accounting Principles 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.

Consolidated Balance Sheets
(unaudited)

(thousands of dollars)	December 31 2005	December 31 2004
ASSETS		
Current assets		
Short-term investments	$ 11,570	2,560
Receivables	20,733	16,148
Note receivable	948	950
Prepaid expenses	1,656	907
Total current assets	34,907	20,565
Property and equipment	30,753	18,045
Other assets	12,668	15,541
Broadcast licences	128,799	99,805
Goodwill	3,610	-
Future income tax assets	2,770	1,768
	$ 213,507	155,724
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Bank indebtedness	$ 1,943	519
Accounts payable and accrued liabilities	22,134	13,944
Dividends payable	1,695	1,173
Income taxes payable	7,451	7,151
Current portion of long-term debt	23	23
Total current liabilities	33,246	22,810
Long-term debt	53,285	15,073
Other liabilities	18,759	11,762
Future income tax liabilities	14,143	8,963

Non-controlling interest in subsidiaries	11,149	10,868
Shareholders' equity	82,925	86,248
	$ 213,507	155,724

Consolidated Statements of Income
(unaudited)

(thousands of dollars except per share data)	Three months ended December 31 2005	2004	Year ended December 31 2005	2004
Revenue	$ 24,600	19,069	80,563	66,529
Other income	684	570	2,701	1,768
	25,284	19,639	83,264	68,297
Operating expenses	20,306	14,361	65,021	53,087
Depreciation	985	508	2,783	1,791
Amortization of deferred charges	90	99	381	382
Operating income	3,903	4,671	15,079	13,037
Interest expense	673	220	1,735	840
Loss on equity accounted investment	117	77	181	296
Settlement	-	-	3,500	-
Gain on disposal of long-term investments	(840)	-	(840)	(2,451)
	3,953	4,374	10,503	14,352
Provision for income taxes	995	821	3,888	3,827
	2,958	3,553	6,615	10,525
Non-controlling interest in subsidiaries' earnings	267	121	583	361
Net income	$ 2,691	3,432	6,032	10,164
Earnings per share				
- basic	$ 0.24	0.29	0.53	0.85
- diluted	0.23	0.29	0.51	0.84

Consolidated Statements of Shareholders' Equity
(unaudited)

(thousands of dollars)	Year ended December 31 2005	2004
Retained earnings, beginning of year	40,446	34,429
Net income	6,032	10,164
Dividends declared	(3,404)	(1,173)

Repurchase of capital stock		(4,633)	(2,974)
Retained earnings, end of year		38,441	40,446
Capital stock		43,635	45,300
Contributed surplus		849	502
Total shareholders' equity	$	82,925	86,248

Consolidated Statements of Cash Flows
(unaudited)

(thousands of dollars)		Three months ended December 31 2005	2004	Year ended December 31 2005	2004
Operating Activities					
Net income	$	2,691	3,432	6,032	10,164
Items not involving cash					
Depreciation and amortization		1,075	607	3,164	2,173
Future income taxes (recovery)		(91)	(518)	648	629
Gain on disposal of long-term investments		(840)	-	(840)	(2,451)
Employee defined benefit plans		143	(202)	107	(539)
Non-controlling interest in subsidiaries' earnings		267	121	583	361
Other		153	68	338	303
		3,398	3,508	10,032	10,640
Change in non-cash working capital relating to operating activities		(6,744)	315	(6,181)	2,439
		(3,346)	3,823	3,851	13,079
Financing Activities					
Change in bank indebtedness		1,200	(2,085)	1,424	(1,391)
Long-term debt borrowings		6,235	6,000	38,235	6,000
Long-term debt repayments		(1)	(6)	(23)	(17,577)
Issuance of capital stock		-	800	180	1,869
Repurchase of capital stock		(1,655)	(3,602)	(6,536)	(4,684)
Dividends paid		-	-	(2,883)	(1,190)
Canadian Talent Development commitment payments		(1,515)	(1,379)	(2,034)	(1,782)
Other		102	(9)	(244)	(188)
		4,366	(281)	28,119	(18,943)
Investing Activities					
Note receivable		-	-	1,000	1,000
Property and equipment additions		(2,412)	(903)	(8,713)	(2,496)
Initial investment in business and licence acquisition		-	-	(356)	-
Deposit for business and					

licence acquisitions	-	-	(200)	(500)
Business and licence acquisitions	(1,437)	-	(25,725)	-
Proceeds from disposition of equity investment	-	-	-	11,295
Investment in Halterm Income Fund Trust Units	-	(1,704)	(268)	(2,631)
Proceeds from disposal of Halterm Income Fund Trust Units	2,327	-	2,327	-
Deferred charges	(343)	83	(903)	(48)
Other	845	(1,018)	868	(756)
	(1,020)	(3,542)	(31,970)	5,864
Cash, beginning and end of period	$ -	-	-	-

The Company's Annual Report, which includes the annual consolidated financial statements along with related notes and the annual Management's Discussion and Analysis, will be available on www.sedar.com and the Company's website by March 31, 2006.

About Newfoundland Capital Corporation Limited

Newfoundland Capital Corporation Limited (TSX: NCC.SV.A, NCC.MV.B) is one of Canada's leading small and medium market radio broadcasters with 71 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. 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. Readers are cautioned not to place undue reliance on these statements. 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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