



Nalcor Energy releases its 2010 Business and Financial Report

May 17, 2011 - Nalcor Energy released its Business and Financial Report for the fiscal year ending December 31, 2010. The report was tabled yesterday in the Newfoundland and Labrador House of Assembly by the Minister of Natural Resources, Honourable Shawn Skinner. The consolidated financial statements for Newfoundland and Labrador Hydro, a subsidiary of Nalcor Energy, were also tabled.

The 2010 consolidated net income for Nalcor was \$77.5 million. This is an increase in net income of \$17.5 million over last year and is primarily attributed to higher earnings from export energy sales in addition to an increase in earnings from Churchill Falls operations.

In addition, the company's debt to capital ratio for 2010 was 43 per cent compared to 47 per cent in 2009, representing a continued improvement in the company's balance sheet and financial outlook. Nalcor's improved capital structure is an important factor in facilitating its business objectives including the Lower Churchill Project, oil and gas and other energy investments.

"This past year is highlighted by a number of accomplishments, including first oil at North Amethyst, and a decision to proceed with Phase One of the Lower Churchill Project," said Ed Martin, Nalcor Energy's President and CEO. "We continue to take a leadership role in managing Newfoundland and Labrador's energy resources and we're taking the necessary steps to position Nalcor as a significant driver of economic growth in Newfoundland and Labrador."

For more information, view the backgrounder on key business performance highlights from 2010 and the 2010 Nalcor Energy Business and Financial Report available online at nalcenergy.com. Nalcor Energy will provide an overview of the 2010 Business and Financial Report at its Annual General Meeting (AGM) which will take place on Wednesday, June 22, 2011 from 1:00 p.m. to 3:00 p.m. at the Holiday Inn in St. John's.



About Nalcor Energy

Nalcor Energy's business includes the development, generation, transmission and sale of electricity; the exploration, development, production and sale of oil and gas; industrial fabrication and energy marketing. Focused on sustainable growth, the company is leading the development of the province's energy resources and has a corporate-wide framework which facilitates the prudent management of its assets while continuing an unwavering focus on the safety of its workers and the public. Nalcor has five lines of business: Newfoundland and Labrador Hydro, Churchill Falls, Oil and Gas, Lower Churchill Project and Bull Arm Fabrication.

Media Contact:

Dawn Dalley, Manager, Corporate Communications & Shareholder Relations
t: 709.737.1315 c: 709.727-7715 e: ddalley@nalcorenergy.com