Exhibit Index
begins on page 11

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

X Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 [Fee Required] for the fiscal year ended December 25, 1994 or
Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 [No Fee Required] for the transition period from _____________ to ____________.

Commission file number 1-6961

GANNETT CO., INC.
(Exact name of registrant as specified in its charter)

Delaware	16-0442930
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1100 Wilson Boulevard, Arlington, Virginia	22234
(Address of principal executive offices)	(Zip Code)

(Registrant's telephone number, including area code)
(703) 284-6000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, Par Value $1.00	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ____

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

The aggregate market value of the voting stock held by non-affiliates of the registrant as of March 3, 1995 was in excess of $7,289,437,477.

The number of shares outstanding of the registrant's Common Stock, Par Value $1.00, as of March 3, 1995 was 140,076,735.

Documents incorporated by reference.

(1) Portions of the registrant's Annual Report to Shareholders for the fiscal year ended December 25, 1994 in Parts I, II and III.

(2) Portions of the registrant's Proxy Statement issued in connection with its Annual Meeting of Shareholders to be held on May 2, 1995.

CROSS REFERENCE SHEET

The information required in Parts I, II and III of the Form 10-K is incorporated by reference to sections of the Company's 1994 Annual Report to Shareholders ("Annual Report") and its definitive Proxy Statement for the Annual Meeting of Shareholders to be held May 2, 1995 ("Proxy Statement") as described below:

Part I

Item 1.	Business.	Form 10-K Information (Annual Report pp. 47-55,58-59); Note 10 - Business Segment Information (Annual Report p. 42).
Item 2.	Properties.	Properties (Annual Report pp. 50, 51 and 53); Corporate Facilities (Annual Report p. 53); Markets We Serve (Annual Report pp. 60-64).
Item 3.	Legal Proceedings.	Note 9 - Commitments, Contingent Liabilities and Other Matters (Annual Report p. 42); Regulation (Annual Report pp. 51, 52 and 53).
Item 4.	Submission of Matters to a Vote of Security Holders.	Not Applicable.

Part II

Item 5.	Market for Registrant's Common Equity and Related Stockholder Matters.	Gannett Shareholder Services (Annual Report inside back cover); Company Profile (Annual Report p. 1); Gannett Common Stock Prices (Annual Report p. 21); Dividends (Annual Report p. 29).
Item 6.	Selected Financial Data.	Eleven-Year Summary and Notes to Eleven-Year Summary (Annual Report pp. 44-46).
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations.	Management's Discussion and Analysis of Results of Operations and Financial Position (Annual Report pp. 22-29).
Item 8.	Financial Statements and Supplementary Data.	Consolidated Financial Statements and Notes to Consolidated Financial Statements (Annual Report pp. 30-42); Effects of Inflation and Changing Prices (Annual Report p. 29); Quarterly Statements of Income (Annual Report pp. 56-57).

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure. None.

Part III

Item 10. Directors and Executive Officers of the Registrant. Executive Officers of the Company are listed below:

Denise H. Bannister - Group President, Gannett Gulf Coast Newspaper Group, and President and Publisher, Pensacola News Journal.
Sara M. Bentley - Group President, Gannett Northwest Newspaper Group, and President and Publisher, Statesman Journal.
Thomas L. Chapple - General Counsel, Vice President, and Secretary.
Susan Clark-Jackson - Senior Group President, Gannett Pacific Newspaper Group, and President and Publisher, Reno Gazette-Journal.
Michael J. Coleman - Senior Group President, Gannett South Newspaper Group, and President and Publisher, FLORIDA TODAY at Brevard County.
John J. Curley - Chairman, President, and Chief Executive Officer.
Thomas Curley - President and Publisher, USA TODAY.
Philip R. Currie - Vice President, News, Gannett Newspaper Division.
Donald W. Davidson - President, Gannett Outdoor Group.
Gerard R. DeFrancesco - President, Gannett Radio.
Millicent A. Feller - Senior Vice President, Public Affairs and Government Relations.
Lawrence P. Gasho - Vice President, Financial Analysis.
George R. Gavagan - Vice President, Corporate Accounting Services.
Madelyn P. Jennings - Senior Vice President, Personnel.
Douglas H. McCorkindale - Vice Chairman, and Chief Financial and Administrative Officer.
Larry F. Miller - Senior Vice President, Financial Planning, and Controller.
W. Curtis Riddle - Senior Group President, Gannett East Newspaper Group, and President and Publisher, The News Journal.
Carleton F. Rosenburgh - Senior Vice President, Gannett Newspaper Division.
Gary F. Sherlock - Group President, Gannett Atlantic Newspaper Group, and President and Publisher, Gannett Suburban Newspapers.
Mary P. Stier - Group President, Gannett Midwest Newspaper Group, and President and Publisher, Rockford Register Star.
Jimmy L. Thomas - Senior Vice President, Financial Services and Treasurer.
Ronald Townsend - President, Gannett Television.
Cecil L. Walker - President, Gannett Broadcasting Division.
Gary L. Watson - President, Gannett Newspaper Division.
Susan V. Watson - Vice President, Investor Relations.

Information concerning the Executive Officers of the Company is included in the Annual Report on pages 18 through 19. Information concerning the Board of Directors of the Company is incorporated by reference to the Company's definitive Proxy Statement pursuant to General Instruction G(3) to Form 10-K.

Item 11.	Executive Compensation.	Incorporated by reference to the Company's definitive Proxy Statement pursuant to General Instruction G(3) to Form 10-K.
Item 12.	Security Ownership of Certain Beneficial Owners and Management.	Incorporated by reference to the Company's definitive Proxy Statement pursuant to General Instruction G(3) to Form 10-K.
Item 13.	Certain Relationships and Related Transactions.	Incorporated by reference to the Company's definitive Proxy Statement pursuant to General Instruction G(3) to Form 10-K.

Part IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.

(a) Financial Statements, Financial Statement Schedules and Exhibits.

(1) Financial Statements.

The following financial statements of the Company and the accountants' report thereon are included on pages 30 through 43 of the Company's 1994 Annual Report to Shareholders and are incorporated herein by reference:

Consolidated Balance Sheets as of December 25, 1994 and December 26, 1993.

Consolidated Statements of Income - Fiscal Years Ended December 25, 1994, December 26, 1993, and December 27, 1992.

Consolidated Statements of Cash Flows - Fiscal Years Ended December 25, 1994, December 26, 1993, and December 27, 1992.

Consolidated Statements of Changes in Shareholders' Equity - Fiscal Years Ended December 25, 1994, December 26, 1993, and December 27, 1992.

Notes to Consolidated Financial Statements.

Report of Independent Accountants.

(2) Financial Statement Schedules.

The following financial statement schedules are incorporated by reference to "Schedules to Form 10-K Information" appearing on pages 58 through 59 of the Company's 1994 Annual Report to Shareholders:

Schedule V - Property, Plant and Equipment.

Schedule VI - Accumulated Depreciation and Amortization of Property, Plant and Equipment.

Schedule VIII - Valuation and Qualifying Accounts.

Schedule X - Supplementary Income Statement Information.

The Report of Independent Accountants on Financial Statement Schedules appears on page 8 of this Annual Report on Form 10-K.

Note: Financial statements of the registrant are omitted as the registrant is primarily an operating company and the aggregate of the minority interest in and the debt of consolidated subsidiaries is not material in relation to total consolidated assets. All other schedules are omitted as the required information is not applicable or the information is presented in the consolidated financial statements or related notes.

(3) Pro Forma Financial Information.

Not Applicable.

(4) Exhibits.

See Exhibit Index for list of exhibits filed with this Annual Report on Form 10-K. Management contracts and compensatory plans or arrangements are identified with asterisks on the Exhibit Index.

(b) Reports on Form 8-K.

None.

REPORT OF INDEPENDENT ACCOUNTANTS ON
FINANCIAL STATEMENT SCHEDULES

To the Board of Directors and Shareholders
of Gannett Co., Inc.

Our audits of the consolidated financial statements referred to in our report dated January 26, 1995 appearing on page 43 of the 1994 Annual Report to Shareholders of Gannett Co., Inc. (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the Financial Statement Schedules listed in Item 14(a) of this Form 10-K. In our opinion, these Financial Statement Schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

s/ Price Waterhouse LLP

PRICE WATERHOUSE LLP

Washington, D.C.
January 26, 1995

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 21, 1995 GANNETT CO., INC.
(Registrant)

By s/ Douglas H. McCorkindale

Douglas H. McCorkindale,
Vice Chairman, and Chief
Financial and
Administrative Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

Dated: February 21, 1995 By s/ John J. Curley

John J. Curley,
Director, and Chairman,
President and Chief Executive
Officer

Dated: February 21, 1995 By s/ Douglas H. McCorkindale

Douglas H. McCorkindale,
Director, and Vice Chairman,
and Chief Financial and
Administrative Officer

Dated: February 21, 1995 By s/ Larry F. Miller

Larry F. Miller,
Senior Vice President,
Financial Planning, and
Controller

Dated: February 21, 1995 By s/ Andrew F. Brimmer

Andrew F. Brimmer, Director

Dated: February 21, 1995 By s/ Meredith A. Brokaw

Meredith A. Brokaw, Director

Dated: February 21, 1995 By s/ Rosalynn Carter

Rosalynn Carter, Director

Dated: February 21, 1995 By s/ Peter B. Clark

Peter B. Clark, Director

Dated: February 21, 1995 By s/ Stuart T. K. Ho

Stuart T.K. Ho, Director

Dated: February 21, 1995 By

Josephine P. Louis, Director

Dated: February 21, 1995 By s/ Rollan D. Melton

Rollan D. Melton, Director

Dated: February 21, 1995 By s/ Thomas A. Reynolds

Thomas A. Reynolds, Jr., Director

Dated: February 21, 1995 By s/ Carl T. Rowan

Carl T. Rowan, Director

Dated: February 21, 1995 By s/ Dolores D. Wharton

Dolores D. Wharton, Director

EXHIBIT INDEX

Exhibit Number	Exhibit	Location
3-1	Second Restated Certificate of Incorporation of Gannett Co., Inc.	Incorporated by reference to Exhibit 3-1 to Gannett Co., Inc's Form 10-K for the fiscal year ended December 26, 1993 ("1993 Form 10-K").
	Amendment to Restated Certificate of Incorporation.	Incorporated by reference to Exhibit 3-1 to the 1993 Form 10-K.
3-2	By-laws of Gannett Co., Inc.	Incorporated by reference to Exhibit 3-2 to the 1993 Form 10-K.
4-1	$1,000,000,000 Revolving Credit Agreement among Gannet Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-1 to the 1993 Form 10-K.
4-2	Amendment Number One to $1,000,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-2 to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended June 26, 1994.
4-3	Indenture dated as of March 1, 1983 between Gannett Co., Inc. and Citibank, N.A., as Trustee.	Incorporated by reference to Exhibit 4-2 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 29, 1985.
4-4	First Supplemental Indenture dated as of November 5, 1986 among Gannett Co., Inc., Citibank, N.A., as Trustee, and Sovran Bank, N.A., as Successor Trustee.	Incorporated by reference to Exhibit 4 to Gannett Co., Inc.'s Form 8-K filed on November 9, 1986.
4-5	Rights Plan.	Incorporated by reference to Exhibit 1 to Gannett Co., Inc.'s Form 8-K filed on May 23, 1990.

10-1	Employment Agreement dated December 7, 1992 between Gannett Co., Inc. and John J. Curley.*	Incorporated by reference to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 27, 1992 ("1992 Form 10-K").
10-2	Employment Agreement dated December 7, 1992 between Gannett Co., Inc. and Douglas H. McCorkindale.*	Incorporated by reference to the 1992 Form 10-K.
10-3	Agreement dated January 3, 1995 between Gannett Television and CTR Productions, Inc.*	Attached.
10-4	Gannett Co., Inc. 1978 Executive Long-Term Incentive Plan.*	Incorporated by reference to Exhibit 10-3 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 28, 1980. Amendment No. 1 incorporated by reference to Exhibit 20-1 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 27, 1981. Amendment No. 2 incorporated by reference to Exhibit 10-2 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 25, 1983. Amendments Nos. 3 and 4 incorporated by reference to Exhibit 4-6 to Gannett Co., Inc.'s Form S-8 Registration Statement No. 33-28413 filed on May 1, 1989. Amendments Nos. 5 and 6 incorporated by reference to Exhibit 10-8 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 1989.
10-5	Description of supplemental insurance benefits.*	Incorporated by reference to Exhibit 10-4 to the 1993 Form 10-K.
10-6	Gannett Co., Inc. Supplemental Retirement Plan, as amended.*	Incorporated by reference to Exhibit 10-8 to Gannett Co., Inc's Form 10-K for the fiscal year ended December 27, 1986 ("1986 Form 10-K").

10-7	Gannett Co., Inc. Retirement Plan for Directors.*	Incorporated by reference to Exhibit 10-10 to the 1986 Form 10-K. 1991 Amendment incorporated by reference to Exhibit 10-2 to Gannett Co., Inc.'s Form 10-Q for the quarter ended September 29, 1991.
10-8	Gannett Co., Inc. 1987 Deferred Compensation Plan, as restated.	Incorporated by reference to Exhibit 10-8 to the 1993 Form 10-K.
10-9	Gannett Co., Inc. Transitional Compensation Plan.*	Incorporated by reference to Exhibit 10-13 to Gannett Co., Inc.'s Form 10-K

		for the fiscal year ended December 30, 1990.
11	Statement re computation of earnings per share.	Attached.
13	Portions of 1994 Annual Report to Shareholders incorporated by reference.	Attached.
21	Subsidiaries of Gannett Co., Inc.	Attached.
23	Consent of Independent Accountants.	Attached.
27	Financial Data Schedule.	Attached.

The Company agrees to furnish to the Commission, upon request, a copy of each agreement with respect to long-term debt not filed herewith in reliance upon the exemption from filing applicable to any series of debt which does not exceed 10% of the total consolidated assets of the Company.

* Asterisks identify management contracts, and compensatory plans or arrangements.

Exhibit 10-3

AGREEMENT BETWEEN
GANNETT TELEVISION and CTR PRODUCTIONS, INC.

AGREEMENT made and entered into as of the third day of January, 1995, by and between Gannett Television, ("Gannett") with its principal office at 1100 Wilson Blvd. Arlington, Virginia, and CTR Productions, Inc. ("Producer"), a corporation organized under the laws of Washington, D.C., with its principal office at 3116 Fessenden Street, NW, Washington, DC 20008.

WITNESSETH:

1. Producer agrees to cause Carl T. Rowan ("Artist") to render the services hereinafter required of Artist in a timely and professional manner in accordance with all terms, provisions and conditions hereof.

2. Producer shall require Artist to appear live, or by Artist's recorded performance, in the weekly news analysis series entitled INSIDE WASHINGTON ("the Series"), or in the same program series under a different title, for a total of 44 appearances a year. Reappearances for retapings or live broadcasts shall not constitute an appearance to be counted against the agreed upon total of 44 appearances.

Artist will provide Gannett with adequate advance notice of the dates which he will not appear on the Series.

3. This Agreement shall be in effect for a consecutive period of two (2) years, commending January 1, 1995 and continuing through December 31, 1996.

4. Gannett agrees to pay to Producer, and Producer agrees to accept as full consideration for all services to be rendered by Producer and Artist hereunder and all rights granted to Gannett hereunder:

a. For the first year of this Agreement, January 1, 1995-December 31, 1995, the sum of Two Thousand Six Hundred Dollars ($2,600) per appearance, for a total of One Hundred Fourteen Thousand Dollars ($114,000), payable in equal monthly installments; and

b. For the second year of this Agreement, January 1, 1996-December 31, 1996, the sum of Two Thousand Eight Hundred Dollars ($2,800) per appearance, for a total of One Hundred Twenty-Three Thousand Two Hundred Dollars ($123,200), payable in equal monthly installments.

c. All checks are to be made payable to CTR Productions, Inc., 3116 Fessenden Street, NW, Washington, DC 20008.

5. If this Agreement is terminated by Gannett, for any reason, before the end date of this Agreement, Producer will be entitled to receive a lump sum severance payment equal to the entirety of the remaining salary due under the terms of this Agreement.

6. In addition to the foregoing payments, Gannett shall disburse to Producer each month during the Term such sum as Gannett would otherwise be required to contribute to the pension and welfare fund of the American Federation of Television and Radio Artists ("AFTRA") on behalf of Artist. Producer hereby expressly assumes the obligation to remit such sum, in turn, to AFTRA, and hereby agrees to indemnify and hold harmless Gannett from any accountability therefor.

7. Producer warrants, represents and agrees that Artist is and will remain a member in good standing of AFTRA throughout the Term.

8. Producer warrants, represents and agrees that Producer and/or Artist shall be responsible for such tax obligations as may arise pursuant hereto, and that Producer and Artist will hold Gannett harmless respecting all such tax obligations.

9. It is understood and agreed that, in consideration of the sums to be remitted by Gannett to Producer, Gannett shall have the right in perpetuity to broadcast or cause to be broadcast and rebroadcast on television, cable and radio any of the appearances and performances rendered by Artist hereunder without payment of any additional sums and without frequency or territorial limitation.

10. Producer and Artist agree that during the Term, or any extension thereof, Artist's services on radio and television will be exclusive to Gannett, provided, however, that Gannett agrees that Artist shall be permitted to appear on competing and other radio and television stations or programs for the purpose for publicizing and promoting books and other publications authored by Artist, or to promote Project Excellence, Artist's scholarship program. Further, this Agreement will in no way limit Artist's ability to continue indefinitely in whatever form Artist desires, the regularly scheduled radio programs Artist currently performs under sponsorship of the K-Mart Corporation, and, further, Artist is in no way prohibited under this Agreement from appearing, as a guest commentator, at Artist's sole discretion, on national network originated news interview programs such as MEET THE PRESS, THIS WEEK WITH DAVID BRINKLEY, and FACE THE NATION.

11. Producer certifies that Artist is entirely familiar with the provisions of Section 317 and 508 of the Federal Communications Act of 1934, as amended, certifies that Artist recognizes Artist's responsibilities and personal liabilities thereunder, and warrants that Artist will fully comply therewith throughout the Term.

12. Neither Producer nor Gannett may assign this Agreement without the prior written consent of the other.

13. This agreement sets forth the entire agreement and understanding of the parties, and supersedes any prior or contemporaneous understandings and agreements, whether written or oral, with respect to the subject matter herein, and may only be modified by a written instrument duly executed by each party.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed and delivered this Agreement as of the date first set forth above.

CTR Productions, Inc.	Gannett Television
By s/ Carl T. Rowan	By s/ Ronald Townsend
Carl T. Rowan President	Ronald Townsend President
1/3/95	1/30/95

CERTIFICATE

In consideration of Gannett Television entering into that certain agreement ("Agreement") of January 3, 1995 with CTR Productions, Inc., I, Carl T. Rowan, do hereby consent, confirm and agree as follows:

1. That CTR Productions, Inc. ("Producer") has full power and authority from me to enter into the Agreement and obligate me to perform the services required of me thereunder, and to grant,

release and assign any rights, property and interest as set forth in the Agreement.

2. That all representations and warranties made by Producer in the Agreement concerning me are true and correct as of the date hereof.

3. That I shall comply with all terms and conditions of the Agreement, and shall faithfully fulfill by responsibilities and obligations thereunder to the best of my ability.

4. That all monies due under the Agreement are to be remitted directly and solely to Producer, and that the remission of such monies to Producer in accordance with the Agreement will relieve and discharge Gannett Television of any obligations it might otherwise have to me, to AFTRA, and/or any other entity by reason of the services to be rendered to me under the Agreement.

s/ Carl T. Rowan

Carl T. Rowan

Date: January 3, 1995

GANNETT CO., INC.
Calculation of Earnings Per Share

	Fiscal Year Ended		
	December 25, 1994	December 26, 1993	December 27, 1992
Income before cumulative effect of accounting principle changes	$465,399,000	$397,752,000	$345,680,000
Cumulative effect on prior years of accounting principle changes for:			
Income taxes			34,000,000
Retiree health and life insurance benefits			(180,000,000)
Total			(146,000,000)
Net Income	$465,399,000	$397,752,000	$199,680,000
Earnings per share:			
Before cumulative effect of accounting principle changes	$3.23	$2.72	$2.40
Cumulative effect of accounting principle changes			(1.01)
Net income per share	$3.23	$2.72	$1.39
Weighted average number of common shares outstanding	144,276,000	146,474,000	144,148,000

Company profile

Gannett Co., Inc. is a diversified news and information company that publishes newspapers, operates broadcasting stations and outdoor advertising businesses, and is engaged in research, marketing, commercial printing, a newswire service, data services and news programming. The company has facilities in 41 states, the District of Columbia, Canada, Guam, the U.S. Virgin Islands, Great Britain, Switzerland and Hong Kong.

Gannett's is the largest U.S. newspaper group, with 82 daily newspapers, including USA TODAY, more than 50 non-daily publications and USA WEEKEND, a weekly newspaper magazine. Total average paid daily circulation of Gannett's daily newspapers in 1994 exceeded 6.3 million, more than any other newspaper group.

Gannett owns and operates 10 television stations and six FM and five AM radio stations in major markets. Gannett Outdoor Group is the largest outdoor advertising group in North America, with operations in 11 states and Canada.

Gannett was founded by Frank E. Gannett in 1906 and incorporated in 1923. The company went public in 1967. Its nearly 140 million shares of common stock are held by more than 14,000 shareholders of record in all 50 states and abroad. The company has 36,000 employees. Corporate headquarters is located at Arlington, Va.

Board of Directors

John J. Curley
Chairman, president and chief executive officer, Gannett Co., Inc. Formerly: President and chief executive officer, Gannett Co., Inc. (1986-89); president and chief operating officer (1984-86). Other directorships: Dickinson College Board of Trustees. Age 56. Term expires in 1996. (b,d,g,h)

Andrew F. Brimmer
President, Brimmer & Company, Inc. Other directorships: Airborne Express; BankAmerica Corporation and Bank of America NT&SA; BellSouth Corporation; BlackRock Investment Income Trust, Inc. (and other Funds); Brimmer & Company, Inc.; Carr Realty Corporation; Connecticut Mutual Life Insurance Company; E.I. duPont de Nemours & Company; Navistar International Corporation; PHH Corporation; and trustee of the College Retirement Equities Fund. Age 68. Term expires in 1995. (a,f)

Meredith A. Brokaw
President, Penny Whistle Toys, Inc., New York City, and author of seven children's books. Other directorships: Conservation International, Washington, D.C. Age 54. Term expires in 1996. (b,d,f)

Rosalynn Carter
Author and businesswoman. Formerly: First Lady (1977-81). Other directorships: Carter Presidential Center; Friendship Force International; adviser, Habitat for Humanity, Inc.; trustee, The Menninger Foundation. Age 67. Term expires in 1997. (b,e,h)

Peter B. Clark
Former chairman, president and chief executive officer, The Evening News Association (1969-86). Formerly: Regents professor, Graduate School of Management, University of California at Los Angeles (1987). Other directorships: Trustee, Harper-Grace Hospital. Age 66. Term expires in 1996. (c,f)

Stuart T.K. Ho
Chairman of the board and president, Capital Investment of Hawaii, Inc., and chairman of the board of Gannett Pacific

Corporation, publisher of the Company's Honolulu Advertiser and the Pacific Daily News at Agana, Guam. Other directorships: Aloha Airgroup, Inc.; Bancorp Hawaii, Inc.; College Retirement Equities Fund; Capital Investment of Hawaii, Inc. Age 59. Term expires in 1995. (a,b,e)

Josephine P. Louis
Chairman and chief executive officer, Eximious Inc., and chairman and chief executive officer, Eximious Ltd. Other directorships: HDO Productions, Inc.; trustee, Chicago Horticultural Society; trustee, Chicago Historical Society. Age 64. Term expires in 1996. (b,f)

Douglas H. McCorkindale
Vice chairman and chief financial and administrative officer, Gannett Co., Inc. Formerly: Vice chairman and chief financial officer, Gannett Co., Inc. (1984-85). Other directorships: Frontier Corporation;

Continental Airlines, Inc.; and seven funds which are part of the Prudential group of mutual funds. Age 55. Term expires in 1995. (b,g,h)

Rollan D. Melton
Chairman and chief executive officer of Speidel Newspapers Inc., and columnist, Reno (Nev.) Gazette-Journal. Other directorships: National Judicial College; John Ben Snow Trust and Foundation. Age 63. Term expires in 1995. (e,h)

Thomas A. Reynolds Jr.
Chairman emeritus of Chicago law firm of Winston & Strawn. Other directorships: Jefferson Smurfit Group; Union Pacific Corp. Age 66. Term expires in 1997. (a,b,c)

Carl T. Rowan
President, CTR Productions Inc.; author and lecturer; columnist, King Features and the Chicago Sun-Times; television and radio commentator. Age 69. Term expires in 1997. (d,e)

Dolores D. Wharton
Chairman and CEO, Fund for Corporate Initiatives, Inc. Other directorships: COMSAT Corporation; Kellogg Company. Age 67. Term expires in 1997. (c,h)

(a) Member of Audit Committee.
(b) Member of Executive Committee.
(c) Member of Executive Compensation Committee.
(d) Member of Management Continuity Committee.
(e) Member of Public Responsibility Committee.
(f) Member of Personnel Practices Committee.
(g) Member of Gannett Management Committee.
(h) Member of Contributions Committee.

Company and Divisional Officers

Gannett's principal management group is the Gannett Management Committee, which coordinates overall management policies for the Company. The members are identified below and on the previous pages.

The managers of the Company's various local operating units enjoy substantial autonomy in local policy, operational details, news content and political endorsements.

The Company's corporate headquarters staff includes specialists who provide advice and assistance to the Company's operating units in various phases of the Company's operations.

Below are brief descriptions of the business experience during the last five years of the officers of the Company and the heads of its national and regional divisions. Officers serve for a term of one year and may be re-elected. Information about the two officers who serve as directors (John J. Curley and Douglas H. McCorkindale) can be found on pages 16-17.

Christopher W. Baldwin, Vice president, taxes. Formerly: Director, taxes (1979-1993). Age 51.

Denise H. Bannister, President, Gannett Gulf Coast Newspaper Group, and president and publisher, Pensacola (Fla.) News Journal. Formerly: Vice president, Gannett South Newspaper Group, and president and publisher, Pensacola News Journal (1991-1994); vice president, Gannett East Newspaper Group (1990-1991), and president and publisher, The Herald-Dispatch, Huntington, W. Va. (1989-1991). Age 44.

Sara M. Bentley, President, Gannett Northwest Newspaper Group, and president and publisher, Statesman Journal, Salem, Ore. Formerly: President and publisher, Statesman Journal (1988-1994). Age 43.

Thomas L. Chapple, General counsel and secretary. Formerly: Vice president, associate general counsel and secretary (1981-1991). Age 47.

Richard L. Clapp, Vice president, compensation and benefits. Age 54.

Susan Clark-Jackson, Senior group president, Gannett Pacific Newspaper Group, and president and publisher, Reno (Nev.) Gazette-Journal. Formerly: President, Gannett West Newspaper Group, and president and publisher, Reno Gazette-Journal (1985-1994). Age 48.

Michael J. Coleman, Senior group president, Gannett South Newspaper Group, and president and publisher, FLORIDA TODAY at Brevard County. Formerly: President, Gannett South Newspaper Group, and president and publisher, FLORIDA TODAY (1991-1994); president, Gannett Central Newspaper Group, and president and publisher, Rockford (Ill.) Register Star (1986-1991). Age 51.

Thomas Curley, President and publisher, USA TODAY. Formerly: President and chief operating officer, USA TODAY (1986-1991). Thomas Curley is the brother of John J. Curley. Age 46.*

Philip R. Currie, Vice president, news, Newspaper Division. Age 53.

Donald W. Davidson, President, Gannett Outdoor Group. Age 56.*

Gerry DeFrancesco, President, Gannett Radio. Formerly: President and general manager, KIIS/KIIS-FM at Los Angeles (1991-1992); executive vice president, Gannett Radio, and vice president and station manager, KIIS/KIIS-FM (1991); vice president and operations manager, Pyramid Broadcasting, Philadelphia, Pa. (1990-1991); vice president and station manager, KIIS/KIIS-FM (1989-1990).
Age 40.

Millicent A. Feller, Senior vice president, public affairs and government relations. Formerly: Vice president, public affairs and government relations (1986-1991). Age 47.*

Lawrence P. Gasho, Vice president, financial analysis. Age 52.

George R. Gavagan, Vice president, corporate accounting services. Formerly: Assistant controller (1986-1993). Age 48.

Dale Henn, Assistant treasurer. Formerly: Director, capital appropriations (1987-1994). Age 43.

John B. Jaske, Senior vice president, labor relations and assistant general counsel. Formerly: Vice president, labor relations and assistant general counsel (1980-1991). Age 50.

Madelyn P. Jennings, Senior vice president, personnel. Age 60.*

Kristin H. Kent, Vice president, senior legal counsel. Formerly: Senior legal counsel (1986-1993). Age 44.

Gracia C. Martore, Vice president, treasury services. Formerly: Assistant treasurer (1985-1993). Age 43.

William Metzfield, President, Gannett Supply Corp., and vice president, purchasing, Gannett Co., Inc. Age 53.

Larry F. Miller, Senior vice president, financial planning and controller. Formerly: Vice president, financial planning and controller (1986-1991). Age 56.*

W. Curtis Riddle, Senior group president, Gannett East Newspaper Group, and president and publisher, The News Journal, Wilmington, Del. Formerly: President, East Newspaper Group, and president and publisher, Lansing (Mich.) State Journal (1993-1994); president, Gannett Central Newspaper Group (1991-1993), and president and publisher, Lansing State Journal (1990-1993); vice president, Gannett Central Newspaper Group (1989-1991); president and publisher, Lafayette (Ind.) Journal and Courier (1988-1990). Age 43.

Carleton F. Rosenburgh, Senior vice president, Gannett Newspaper Division. Formerly: Vice president, circulation (1986-1991). Age 55.

Gary F. Sherlock, President, Gannett Atlantic Newspaper Group, and president and publisher, Gannett Suburban Newspapers. Formerly: Vice president, Gannett Metro Newspaper Group, and president and publisher, Gannett Suburban Newspapers (1990-1994); executive vice president, advertising, Newspaper Division (1988-90); president, Gannett National Newspaper Sales (1986-90). Age 49.

Mary P. Stier, President, Gannett Midwest Newspaper Group, and president and publisher, Rockford (Ill.) Register Star. Formerly: Vice president, Gannett Central Newspaper Group (1990-1993), and president and publisher, Rockford Register Star (1991-1993); publisher, Iowa City Press-Citizen (1987-1991). Age 37.

Jimmy L. Thomas, Senior vice president, financial services and treasurer. Formerly: Vice president, financial services and treasurer (1980-1991). Age 53.*

Ronald Townsend, President, Gannett Television. Age 53.*

Wendell J. Van Lare, Vice president, senior labor counsel. Formerly: Director, labor relations (1980-1993). Age 49.

Cecil L. Walker, President, Gannett Broadcasting Division. Age 58.*

Barbara W. Wall, Vice president, senior legal counsel. Formerly: Senior legal counsel (1990-1993); assistant general counsel (1985-1990). Age 40.

Gary L. Watson, President, Gannett Newspaper Division. Formerly: President, Gannett Community Newspaper Group (1985-1990). Age 49.*

Susan V. Watson, Vice president, investor relations. Age 42.

* Member of the Gannett Management Committee.

Gannett common stock prices

Restated to reflect the 2-for-1 stock split effective January 6, 1987. High-low range by quarters based on the NYSE-composite closing prices.

Year	Quarter	Low	High
1984	first	$16.88	$21.69
	second	$18.13	$21.63
	third	$19.44	$23.69
	fourth	$21.38	$25.25
1985	first	$23.57	$29.38
	second	$27.38	$31.50
	third	$27.25	$32.88
	fourth	$26.63	$31.25
1986	first	$29.63	$37.00
	second	$34.25	$43.56
	third	$33.19	$42.75
	fourth	$33.88	$38.25
1987	first	$35.94	$49.63
	second	$43.75	$54.88
	third	$48.50	$55.25
	fourth	$31.75	$52.75
1988	first	$33.75	$39.50
	second	$29.38	$35.63
	third	$30.50	$34.25
	fourth	$32.38	$35.00
1989	first	$34.63	$38.25
	second	$36.63	$48.50
	third	$43.64	$49.88
	fourth	$39.50	$45.25
1990	first	$39.50	$44.38
	second	$35.50	$42.25
	third	$29.88	$37.50
	fourth	$30.63	$37.75
1991	first	$35.75	$42.63
	second	$39.75	$44.38
	third	$39.38	$46.63
	fourth	$35.88	$42.25
1992	first	$42.25	$47.88
	second	$41.50	$49.13
	third	$43.88	$48.25
	fourth	$46.00	$53.63
1993	first	$50.63	$55.38
	second	$47.50	$54.75
	third	$47.75	$51.38
	fourth	$47.50	$58.13
1994	first	$53.38	$58.38
	second	$50.63	$54.88
	third	$48.38	$51.63
	fourth	$46.75	$53.38
1995	first	$50.13	$55.00 *

* through February 28, 1995

Management's responsibility for financial statements

The management of the Company has prepared and is responsible for the consolidated financial statements and related financial information included in this report. These financial statements were prepared in accordance with generally accepted accounting principles. These financial statements necessarily include amounts determined using management's best judgments and estimates.

The Company's accounting and other control systems provide reasonable assurance that assets are safeguarded and that the books and records reflect the authorized transactions of the Company. Underlying the concept of reasonable assurance is the premise that the cost of control not exceed the benefit derived. Management believes that the Company's accounting and other control systems appropriately recognize this cost/benefit relationship.

The Company's independent accountants, Price Waterhouse LLP, provide an independent assessment of the degree to which management meets its responsibility for fairness in financial reporting. They regularly evaluate the Company's system of internal accounting control and perform such tests and other procedures as they deem necessary to reach and express an opinion on the financial statements. The Price Waterhouse LLP report appears on page 43.

The Audit Committee of the Board of Directors is responsible for reviewing and monitoring the Company's financial reports and accounting practices to ascertain that they are appropriate in the circumstances. The Audit Committee consists of three non-management directors, and meets to discuss audit and financial reporting matters with representatives of financial management, the internal auditors and the independent accountants. The internal auditors and the independent accountants have direct access to the Audit Committee to review the results of their examinations, the adequacy of internal accounting controls and the quality of financial reporting.

John J. Curley	Douglas H. McCorkindale
Chairman, President and	Vice Chairman, Chief Financial
Chief Executive Officer	and Administrative Officer

Management's discussion and analysis of results of operations and financial position

Basis of reporting

Following is a discussion of the key factors which have affected the Company's business over the last three years. This commentary should be read in conjunction with the Company's financial statements, the 11-year summary of operations and the Form 10-K information that appear in the following sections of this report.

The Company's fiscal year ends on the last Sunday of the calendar year. Each of its fiscal years 1992-1994 encompasses a 52-week period.

Acquisitions and dispositions

In May 1994, the Company purchased Nursing Spectrum, which publishes a group of biweekly periodicals specializing in advertising for nursing employment. In December 1994, the Company purchased television station KTHV-TV in Little Rock, a CBS affiliate.

These acquisitions were accounted for under the purchase method of accounting, and consideration paid included cash and shares of the Company's common stock. The acquisitions were not material to the Company's financial position or results of operations.

In November 1994, the Company sold its newspaper in Stockton, Calif., and realized a gain which is reflected in non-operating income.

Changes in accounting principles

In 1992, the Company adopted the provisions of Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (SFAS 106), and Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109).

Under the provisions of SFAS 106, the Company is required to recognize the cost of postretirement medical and life insurance benefits on an accrual basis over the working lives of employees expected to receive such benefits. Prior to the adoption of SFAS 106, the Company recognized the cost of these benefits as payments were made on behalf of retirees.

As permitted under SFAS 106, the Company recognized the Accumulated Postretirement Benefit Obligation as of the beginning of fiscal 1992 of $295 million as a change in accounting principle. On an after-tax basis, this non-cash charge was $180 million or $1.25 per share.

Under the provisions of SFAS 109, the Company adjusted previously recorded deferred taxes to reflect currently enacted statutory tax rates. The Company has reflected the cumulative effect of adopting SFAS 109 as a change in accounting principle at the beginning of fiscal 1992. This adjustment was recorded as a non-cash credit to earnings of $34 million or $.24 per share. Prior years' financial statements were not restated.

Results of operations
Consolidated summary

In millions of dollars

	1994	Change	1993	Change	1992	Change
Operating revenues	$3,825	5%	$3,642	5%	$3,469	3%
Operating income	$813	14%	$714	16%	$617	10%
Income before cumulative effect of accounting changes	$465	17%	$398	15%	$346	15%
Net income	$465	17%	$398	99%	$200	-34%

A discussion of the operating results of each of the Company's principal business segments and other factors affecting financial results follows.

Newspapers
In addition to its local newspapers, the Company's newspaper publishing operations include USA TODAY, USA WEEKEND and Gannett Offset commercial printing. Newspaper publishing operating results were as follows:

In millions of dollars

	1994	Change	1993	Change	1992	Change
Revenues	$3,177	5%	$3,014	5%	$2,858	3%
Expenses	$2,443	5%	$2,337	4%	$2,250	1%
Operating income	$734	8%	$677	11%	$608	12%

Newspaper operating revenues: Newspaper operating revenues are derived principally from advertising and circulation sales, which accounted for 68% and 27%, respectively, of total newspaper revenue in 1994. Other newspaper publishing revenues are mainly from commercial printing business.

The table below presents these components of reported revenue for the last three years:

Newspaper publishing revenues, in millions of dollars

	1994	Change	1993	Change	1992	Change
Advertising	$2,153	7%	$2,005	7%	$1,882	2%
Circulation	$849	1%	$839	4%	$807	4%
Commercial printing and other	$175	3%	$170	1%	$169	23%
Total	$3,177	5%	$3,014	5%	$2,858	3%

In the tables that follow, newspaper advertising linage, circulation volume statistics and related revenue results are presented on a pro forma basis for newspapers owned at the end of 1994.

Advertising revenue, in millions of dollars (pro forma)

	1994	Change	1993	Change	1992	Change
Local	$798	2%	$784	1%	$775	-
National	$320	11%	$289	4%	$278	8%
Classified	$684	13%	$604	7%	$567	3%
Total Run-of-Press	$1,802	7%	$1,677	4%	$1,620	2%

Preprint and other advertising	$336	4%	$325	9%	$298	8%
Total ad revenue	$2,138	7%	$2,002	4%	$1,918	3%

Advertising linage, in millions of inches (pro forma)

	1994	Change	1993	Change	1992	Change
Local	31.5	-	31.7	-1%	32.1	-2%
National	2.1	8%	2.0	-1%	2.0	-7%
Classified	30.9	8%	28.6	6%	27.1	5%
Total Run-of-Press	64.5	4%	62.2	2%	61.1	1%
Preprint	66.8	5%	63.5	9%	58.5	9%
Total ad linage	131.4	4%	125.8	5%	119.6	5%

Reported newspaper advertising revenues rose $148 million or 7% in 1994. On a pro forma basis, ad revenues also reflect a 7% increase.

"Run-of-Press" (ROP) ad linage, which appears within the bodies of the Company's newspapers, was 4% higher than in 1993. Classified linage growth of 8% was broad-based and translated to a 13% increase in revenues. In the classified category, gains in employment advertising were strongest, followed by significant improvement in automotive.

National ROP advertising volume rose 8% and related revenues increased 11%, reflecting gains at USA TODAY, USA WEEKEND and at most of the Company's local newspapers, with particularly strong improvement in the South and Gulf Coast groups, which benefited from advertising related to new casino operations.

For local ROP advertising, linage was even with 1993, while revenues rose 2%. Business conditions for local retail advertisers improved in 1994 in much of the country, offsetting lagging demand in the East and Atlantic groups.

Preprint linage, which includes local and national supplements inserted into the Company's newspapers, rose 5% for the year.

A growing national economy which improved consumer confidence, coupled with the Company's efforts to enhance the value of its advertising services and expand its advertiser base, contributed to the growth in overall ad volume and revenues. At USA TODAY, ad linage rose 1% and ad revenues rose 7%.

Looking to 1995, the Company expects further but slower newspaper ad revenue growth.

In millions, as reported

Year	Newspaper advertising revenues
1985	$1,214
1986	$1,589
1987	$1,787
1988	$1,909
1989	$2,018
1990	$1,917
1991	$1,853
1992	$1,882
1993	$2,005
1994	$2,153

Newspaper circulation revenues rose $11 million or 1% in 1994.

Morning newspaper circulation in total rose 1% for the year, reflecting gains at 28 of 49 newspapers. Evening newspaper circulation continued to decline, reflecting the national trend. In total, evening circulation was off 2% as 19 of 32 newspapers reported lower volume. For the Company's 66 Sunday newspapers, total circulation was 1% lower compared to 1993, as 25 newspapers reported gains and 41 reported lower volume.

For 1995, the Company expects modest circulation growth for its local morning newspapers and its Sunday newspapers. Further declines in afternoon circulation are expected. The Company plans to implement selective circulation price increases again in 1995 where conditions warrant.

USA TODAY reported an average daily paid circulation of 2,009,523 in the ABC Publisher's statement for the six months ended September 25, 1994, which, subject to audit, is a 2% increase over the year-ago period. For the full year, USA TODAY circulation volume and revenue increased 1%.

Pro forma circulation volume for the Company's local newspapers is summarized in the table below:

Average net paid circulation, in thousands

	1994	Change	1993	Change	1992	Change
Local Newspaper						
Morning	3,101	1%	3,083	-	3,072	1%
Evening	1,176	-2%	1,203	-4%	1,247	-3%
Total daily	4,277	-	4,286	-1%	4,319	-
Sunday	6,044	-1%	6,103	-	6,083	1%

Newspaper advertising revenues increased $123 million or 7% in 1993. On a pro forma basis, which reflects the purchase of the Honolulu Advertiser as if it occurred at the beginning of 1992, newspaper ad revenues rose $82 million or 4%. Total advertising linage rose 5% for the year. ROP advertising linage was 1% higher than 1992. ROP classified increased 5%, while local and national linage declined 2% and 1%, respectively. Preprint linage rose 8% for the year. At USA TODAY, ad revenues and linage rose 9%.

Newspaper circulation revenues rose $32 million or 4% for 1993. On a pro forma basis, circulation revenues rose 2%. The Company continued its efforts to increase circulation and household penetration at all of its local daily and Sunday newspapers. Average paid circulation grew at 49% of the Company's daily newspapers and 57% of its Sunday newspapers in 1993.

The decline in overall daily circulation in 1993 was principally among the Company's afternoon newspapers, including The Detroit News, for which circulation declined 7%. The Company increased circulation prices at certain of its local newspapers during 1993.

USA TODAY reported an average daily paid circulation of 1,973,296 in the ABC Publisher's statement for the six months ended September 26, 1993, a 2.5% increase over the prior year. For the full year, USA TODAY circulation volume increased nearly 2% and circulation revenues grew 2%.

Newspaper advertising revenues increased $29 million or 2% in 1992. On a pro forma basis, newspaper advertising revenues rose $52 million or 3% in 1992. Total advertising linage rose 4% for the year. ROP advertising linage was even with 1991. ROP local linage declined 3% and national linage declined 9%, while classified linage increased 4%. Preprint linage rose 9% for the year. At USA TODAY, ad revenues rose 5% and linage rose 4%.

Newspaper circulation revenues rose $30 million or 4% for 1992. On a pro forma basis, circulation revenues rose 5%. The Company increased circulation at most of its local daily and Sunday newspapers. USA TODAY reported an average daily paid circulation of 1,924,958 in the ABC Publisher's Statement for the six months ended September 27, 1992, a 6% increase over the comparable period of 1991. Circulation revenues at USA TODAY rose 6% in 1992.

In millions, as reported

Newspaper

Year	circulation revenues
1985	$465
1986	$576
1987	$645
1988	$686
1989	$718
1990	$730
1991	$777
1992	$807
1993	$839
1994	$849

Newspaper operating expenses: Newspaper operating expenses rose $107 million or 5% in 1994. Newsprint costs rose 1%, which reflects increased consumption and slightly lower average prices. Newsprint suppliers began raising prices in the second half of 1994. At year-end, the cost of newsprint was up 12% from the end of 1993. Suppliers have implemented or announced further increases to take effect at various times in 1995, which will raise prices at least 40% from 1994 year-end price levels.

Payroll costs for newspaper operations rose 3%. Year-end employment levels were down slightly, due in part to the sale of the Company's newspaper in Stockton. Newspaper payroll costs include increased sales costs associated with the growth in advertising revenues. Employment levels are expected to decline slightly in 1995.

Newspaper operating expenses rose $86 million or 4% in 1993. On a pro forma basis, operating expenses rose 3%. Newsprint costs rose 3% for the year, reflecting higher prices and higher consumption. Payroll costs for the newspaper segment rose 3% for the year. Year-end employment levels declined slightly from 1992.

Newspaper operating expenses rose $28 million or 1% in 1992. Newsprint costs declined 15%, reflecting significantly lower average prices for the year, and slightly higher consumption. Payroll costs for the newspaper segment rose 5% for 1992. Year-end employment levels were up slightly.

Newspaper operating income: Operating income for the newspaper segment rose $57 million or 8% in 1994. Advertising revenue gains at virtually all of the Company's newspaper operations, led principally by classified advertising, provided the impetus for the profit gains. Most of the Company's local newspapers reported higher earnings in 1994. USA TODAY earnings rose on an advertising revenue increase of 7%.

For 1995, the Company believes that continued growth in ad revenues along with selective circulation price increases and cost containment and reduction efforts, will more than offset the effect of expected newsprint price increases. Accordingly, further gains in newspaper operating profits are anticipated in 1995.

Operating income for newspapers rose $70 million or 11% in 1993. Revenue gains at most local newspapers, led by classified advertising, coupled with modest growth in costs, anchored the strong performance. Most of the Company's local newspapers reported higher earnings in 1993, with the larger newspapers posting the strongest gains.

USA TODAY recorded its first annual profit in 1993, fueled by a 9% increase in advertising revenues and effective controls over costs, which declined slightly.

Operating income for the newspaper segment for 1992 increased $63 million or 12% over 1991. Lower newsprint costs and the favorable effects of the sale of the Arkansas Gazette in 1991 contributed to the improvement. Many of the Company's local newspapers reported profit gains in 1992. USA TODAY, USA WEEKEND and Gannett Offset also reported improved financial results for the year.

Broadcasting

Broadcasting operations at the end of the Company's 1994 fiscal year included 10 television stations (including KTHV-TV in Little Rock, acquired December 1, 1994) and 11 radio stations.

Over the last three years, the Company's broadcasting revenues, expenses and operating income were as follows:

In millions of dollars

	1994	Change	1993	Change	1992	Change
Revenues	$407	2%	$397	7%	$371	4%
Expenses	$278	-11%	$310	2%	$305	3%
Operating income	$129	49%	$87	31%	$66	7%

Total broadcasting revenues rose $9 million or 2% in 1994, which reflects the sale of four radio stations and the Company's television station in Boston in 1993. On a pro forma basis, broadcasting revenues rose 14%.

For television, pro forma local and national ad revenues rose 12% and 16%, respectively. Television revenues were favorably affected in 1994 by the Winter Olympics, political advertising and renewed confidence in the economy, which translated to stronger demand for TV ad time, particularly for automotive, retail and telecommunications.

Pro forma radio station revenues improved 20%, reflecting generally improved ratings and a stronger economy.

Reported operating costs for broadcast reflect a decline of $33 million or 11%, due to the sale of stations in 1993. On a pro forma basis, costs for broadcasting rose 4%, reflecting higher sales and promotion costs.

The improvement in broadcast operating earnings for 1994 reflects earnings gains at all but one of the Company's smaller broadcast markets, as well as the positive effect of stations sold in 1993. The Company expects continued gains in broadcast revenues and earnings in 1995.

Total broadcasting revenues rose $27 million or 7% for 1993. Television revenues rose 7% and radio revenues rose 8%. On a pro forma basis, radio station revenues rose 15%. For television, local and national ad revenues rose 11% and 3%, respectively. Television revenue results for 1993 were particularly strong in light of 1992's election year and Olympics advertising. The sharp improvement in operating earnings for broadcasting in 1993 reflected gains in nearly all of the Company's television and radio station markets.

Total broadcasting revenues rose $13 million or 4% for 1992. Television revenues rose 6%, while radio revenues declined 5%. For television, local and national revenues grew 7% and 5%, respectively. Political advertising and advertising associated with the Winter and Summer Olympics contributed to television's revenue growth. For radio, continued softness in demand for advertising, along with format changes at certain stations, were the principal factors in the revenue decline. Operating income for broadcast in 1992 reflected gains in earnings at most of the Company's television stations, while earnings were lower at most of the Company's radio stations.

In millions, as reported

Year	Broadcasting revenues
1985	$265
1986	$351
1987	$357
1988	$391
1989	$408
1990	$397
1991	$357
1992	$371
1993	$397
1994	$407

Outdoor advertising

The Company's outdoor advertising business includes operations in 17 major market areas in the U.S. and most major markets in Canada.

Over the last three years, the revenues, expenses and operating income for outdoor advertising were as follows:

In millions of dollars

	1994	Change	1993	Change	1992	Change
Revenues	$241	4%	$231	-4%	$241	-7%
Expenses	$224	4%	$216	-7%	$233	-5%
Operating income	$17	16%	$15	81%	$8	-48%

Outdoor revenues rose $10 million or 4% in 1994. Despite further losses of ad revenues from the tobacco industry and difficult operating conditions in the earthquake-stricken areas of Southern California, domestic revenues rose 5%, reflecting stronger national demand and improved penetration among new customers at the local and national levels. Outdoor operating costs rose $8 million or 4%. Operating profit for outdoor rose $2 million or 16%, as all markets, except Southern California, showed improvement.

Outdoor revenues declined $11 million or 4% in 1993. U.S. operations experienced a loss in revenues from the tobacco industry, and revenues from Southern California operations were lower. Revenue comparisons are affected by the sale in August 1992 of the Company's outdoor business in Phoenix. On a pro forma basis, outdoor ad revenues declined 2%.

Outdoor operating costs were 7% below 1992 levels, reflecting benefits of a restructuring at the end of 1992. For transit operations, certain franchise costs were renegotiated and lowered significantly for 1993. Because of cost reductions, operating profit for outdoor rose $7 million or 81% in 1993. All of the larger outdoor markets reported improved results except Southern California.

Outdoor revenues declined $19 million or 7% in 1992. Revenues from operations in California were lower because of poor economic conditions, and U.S. operations experienced a significant loss in advertising by the tobacco industry. The decline in revenue also reflected the sale of the Phoenix outdoor operation. Operating profit for outdoor declined 48% in 1992 as most major U.S. operations reported lower earnings. Financial results from the Company's Canadian subsidiary improved in 1992.

In millions, as reported

Year	Outdoor advertising revenues
1985	$208
1986	$211
1987	$202
1988	$227
1989	$258
1990	$271
1991	$260
1992	$241
1993	$231
1994	$241

In recent years, outdoor revenues and operating income have been adversely affected by reduced ad expenditures by the tobacco industry, which is among the principal sources of national revenues. The Company expects further, but smaller, reductions in ad spending by this industry in 1995.

Consolidated operating expenses

Over the last three years, the Company's consolidated operating expenses were as follows:

In millions of dollars

	1994	Change	1993	Change	1992	Change
Cost of sales	$2,107	2%	$2,067	2%	$2,025	-
Selling, general and admin. expenses	$696	7%	$650	3%	$629	5%
Depreciation	$163	-1%	$164	5%	$157	-1%
Amortization of intangible assets	$46	1%	$45	11%	$41	-

Cost of sales for 1994 rose $40 million or 2%, reflecting increases in newsprint and payroll expenses for newspapers and lower television programming costs (due principally to the sale at the end of 1993 of the Company's station in Boston). The increase in selling, general and administrative (SG&A) costs of $46 million or 7% is attributed to higher sales and promotion costs in all three business segments. Fourth-quarter selling, general and administrative expenses also include an incremental contribution of $15 million to the Gannett Foundation, formerly the Gannett Communities Fund, which supports local and national charities serving communities where the Company does business.

Cost of sales for 1993 rose $43 million or 2%, reflecting modest increases in newsprint and payroll costs for newspapers, lower television programming costs and broad reductions in outdoor costs. The increase in SG&A costs in 1993 of $21 million or 3% related to generally higher sales activity for newspapers and broadcasting and savings in outdoor from restructuring.

The increase in depreciation and amortization of intangible assets in 1993 reflects the acquisition of the Honolulu Advertiser.

Cost of sales for 1992 was favorably affected by lower newsprint costs and the sale of the Arkansas Gazette in 1991. Greater sales and promotion costs and costs of new businesses contributed to the increase in SG&A expenses for 1992.

Payroll and newsprint costs, the largest elements of the Company's operating expenses, are presented below, expressed as a percentage of total pre-tax operating expenses.

	1994	1993	1992
Payroll and employee benefits	44.2%	44.0%	43.8%
Newsprint and other production material	17.3%	17.4%	17.3%

Non-operating income and expense

Interest expense declined $6 million or 11% in 1994, reflecting lower average borrowings, partially offset by higher average borrowing rates. The Company's financing activities are discussed in further detail in the Financial Position section of this report.

Other non-operating income for 1994 reflects a gain on the sale of the Company's newspaper in Stockton, Calif., partially offset by costs associated with non-operating assets and minority investments in developing businesses.

Interest expense for 1993 was even with 1992 as higher average interest rates resulting from new fixed rate debt were offset by lower average borrowings.

Interest expense was sharply lower for 1992, declining $20 million or 28%. Average borrowings were slightly above 1991 levels, but average interest rates were significantly lower.

Provision for income taxes

The Company's effective income tax rate was 40.5% in 1994 and 1993, and 39.8% in 1992.

In August 1993, the statutory federal corporate income tax rate was raised from 34% to 35%. The provision for income taxes for 1993 includes the effect of this higher rate on pre-tax income for 1993 as well as an adjustment to the Company's deferred tax liabilities.

Net income and income before cumulative effect of accounting principle changes

In millions

Year	Net income
1985	$253
1986	$276
1987	$319
1988	$364
1989	$398
1990	$377
1991	$302
1992	$200 *
1993	$398
1994	$465

* Income before accounting principle changes was $346

Net income rose $68 million or 17% in 1994. On a per share basis, net income reached $3.23, up 19% from $2.72 in 1993. Significant earnings progress from newspaper and outdoor operations and a dramatic improvement in broadcast earnings contributed to the Company's second straight year of record profits.

The average number of shares outstanding for 1994 totaled 144,276,000, 1.5% lower than in 1993, reflecting the purchase of 8 million shares in the third quarter of 1994. Shares outstanding at the end of 1994 totaled 139,767,000.

Net income rose $52 million or 15% in 1993, excluding the cumulative effect of accounting principle changes recognized in 1992 (discussed on page 22). On a per share basis, net income reached $2.72, up 13% from $2.40 in 1992 before accounting changes. Profit gains from the newspaper, broadcast and outdoor business segments contributed to 1993's earnings performance.

The average number of shares outstanding for 1993 totaled 146,474,000, 1.6% higher than in 1992, reflecting the shares issued in connection with the acquisition of the Honolulu Advertiser.

Income before the non-recurring charge for accounting principle changes rose $44 million to $346 million in 1992, a 15% increase, reflecting improved newspaper and broadcast earnings, and lower interest expense. On a per share basis before the cumulative effect of accounting changes, the Company earned $2.40, up 20% from $2.00 in 1991. In addition, ongoing operating costs for 1992 under SFAS 106 for retiree benefits were $6 million greater than under the previous cash basis method. On an after-tax basis, these charges totaled $4 million or $.03 per share.

The average number of shares outstanding for 1992 totaled 144,148,000, down 4% from 1991, reflecting the repurchase of shares.

Net income for 1992 was $200 million or $1.39 per share, which reflected the non-recurring charge of $146 million or $1.01 per share for the aforementioned accounting principle changes.

The table below presents net income expressed as a percent of sales over the last 10 years. The Company's return on sales in 1994 reached a 13-year high.

In percentages

Year	Return on sales (before cumulative effect of accounting changes)
1985	11.5
1986	9.9
1987	10.4
1988	11.0
1989	11.3
1990	11.0
1991	8.9
1992	10.0

1993	10.9
1994	12.2

Financial Position

Liquidity and capital resources

The principal changes in the Company's financial position during 1994 were the net pay-down of long-term debt of $85 million from year-ago levels and the acquisition of 8 million shares of the Company's common stock for $399 million. The increase in property, plant and equipment in 1994 reflects capital spending of $145 million. Also in 1994, the Company made a $46 million contribution to the Gannett Retirement Plan which is reflected in "Other Assets" in the consolidated balance sheet.

Cash flow from operating activities totaled $714 millionin 1994 and $670 million in 1993. Working capital, or the excess of current assets over current liabilities, totaled $124 million at the end of 1994 and $303 million at the end of 1993. Certain key measurements of the elements of working capital for the last three years are presented in the following chart:

	1994	1993	1992
Current ratio	1.2-to-1	1.7-to-1	1.5-to-1
Accounts receivable turnover	7.9	8.0	7.9
Newsprint inventory turnover	9.6	9.9	10.6

During the last two years, the Company has reduced its long-term debt by $313 million.

A summary of debt transactions in 1994 follows:

In millions of dollars

Long-term debt at end of 1993	$851
Debt assumed in connection with acquisition	2
Pay-down of long-term debt	(85)
Long-term debt at end of 1994	$768

The Company's operations have historically generated strong positive cash flow, which, along with the Company's program of issuing commercial paper and maintaining bank revolving credit agreements, has provided adequate liquidity to meet the Company's requirements, including requirements for acquisitions.

The Company regularly issues commercial paper for cash requirements and maintains a revolving credit agreement equal to or in excess of any commercial paper outstanding. The Company's commercial paper has been rated A-1+ and P-1 by Standard and Poor's Corporation and Moody's Investors Service, Inc., respectively. Further, the Company has filed a shelf registration statement with the Securities and Exchange Commission under which up to $500 million of additional debt securities may be issued. The Company's Board of Directors has established a maximum aggregate level of $1.85 billion for amounts which may be raised through borrowings or the issuance of equity securities.

Note 4 to the Company's financial statements on page 37 of this report provides further information concerning commercial paper transactions and the Company's revolving credit agreements.

The Company has a capital expenditure program (not including business acquisitions) of approximately $153 million planned for 1995, including approximately $32 million for land and buildings or renovation of existing facilities, $111 million for machinery and equipment, $6 million for vehicles and $4 million for outdoor advertising structures or improvements to existing structures. Management reviews the capital expenditure program periodically and modifies it as required to meet current business needs. It is expected that the 1995 capital program will be funded from operating cash flow.

Capital stock

In 1988, the Company's Board of Directors authorized the repurchase of up to 7.5 million shares of its outstanding common stock. During the period 1988-1991 the Company purchased 4.5 million shares of its common stock under this program at a cost of $158 million. In 1994, the Company purchased the remaining 3 million shares, and the program was expanded by an additional 5 million shares, which were also purchased. The total cost of the share repurchase program in 1994 was $399 million.

Certain of the shares acquired by the Company have been reissued for acquisitions or in settlement of employee stock awards. The remaining shares are held as treasury stock. The Company may purchase additional shares from time to time.

An employee 401(k) Savings Plan was established in 1990 which includes a Company matching contribution in the form of Gannett stock. To fund the Company's matching contribution, an Employee Stock Ownership Plan (ESOP) was formed which acquired 1,250,000 shares of Gannett stock from the Company for $50 million. The stock purchase was financed with a loan from the Company.

The Company's common stock outstanding at December 25, 1994 totaled 139,767,110 shares, compared with 146,966,857 shares at December 26, 1993.

The Company's return on shareholders' equity, as presented in the table below, reached an all-time high in 1994, reflecting record earnings and the repurchase of shares.

In percentages

Year	Return on shareholders' equity (before cumulative effect of accounting changes)
1985	21.0
1986	20.4
1987	21.0
1988	21.5
1989	21.0
1990	18.6
1991	16.7
1992	21.2
1993	21.9
1994	25.0

Dividends

Dividends declared on common stock amounted to $193 million in 1994, compared with $191 million in 1993, reflecting an increase in the dividend rate partially offset by lower shares outstanding.

Year	Dividends declared per share
1985	$0.765
1986	$0.860
1987	$0.940
1988	$1.020
1989	$1.110
1990	$1.210
1991	$1.240
1992	$1.260
1993	$1.300
1994	$1.340

In October 1994, the quarterly dividend was increased from $.33 to $.34 per share.

Cash Dividends	Quarter	Payment date	Per share
1994	4th Quarter	Jan. 3, 1995	$0.34
	3rd Quarter	Oct. 1, 1994	$0.34

	2nd Quarter	July 1, 1994	$0.33
	1st Quarter	April 1, 1994	$0.33
1993	4th Quarter	Jan. 3, 1994	$0.33
	3rd Quarter	Oct. 1, 1993	$0.33
	2nd Quarter	July 1, 1993	$0.32
	1st Quarter	April 1, 1993	$0.32

Effects of inflation and changing prices
The Company's results of operations and financial condition have not been significantly affected by inflation and changing prices. In all three of its business segments, subject to normal competitive conditions, the Company generally has been able to pass along rising costs through increased selling prices. Further, the effects of inflation and changing prices on the Company's property, plant and equipment and related depreciation expense have been reduced as a result of an ongoing capital expenditure program and because of the availability of replacement assets with improved technology and efficiency.

CONSOLIDATED BALANCE SHEETS
In thousands of dollars

	Dec., 25, 1994	Dec., 26, 1993
ASSETS		
Current assets:		
Cash	$44,229	$32,461
Marketable securities, at cost, which approximates market	23	43,034
Trade receivables (less allowance for doubtful receivables of $15,846 and $13,915, respectively)	487,615	449,063
Other receivables	29,745	135,036
Inventories	53,047	53,094
Prepaid expenses	36,178	45,269
Total current assets	650,837	757,957
Property, plant and equipment:		
Land	130,166	131,676
Buildings and improvements	690,589	689,103
Advertising display structures	259,532	262,145
Machinery, equipment and fixtures	1,669,192	1,673,237
Construction in progress	64,977	38,449
Total	2,814,456	2,794,610
Less accumulated depreciation	(1,386,312)	(1,316,341)
Net property, plant and equipment	1,428,144	1,478,269
Intangible and other assets:		
Excess of acquisition cost over the value of assets acquired (less amortization of $442,166 and $396,915, respectively)	1,472,002	1,501,102
Investments and other assets (Note 5)	156,069	86,470
Total intangible and other assets	1,628,071	1,587,572
Total assets	$3,707,052	$3,823,798

CONSOLIDATED BALANCE SHEETS
In thousands of dollars

	Dec., 25, 1994	Dec., 26, 1993
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt (Note 4)	$1,026	$164
Accounts payable		
Trade	202,550	169,425
Other	13,335	17,783
Accrued liabilities		
Compensation	60,574	53,922
Interest	11,658	11,774
Other	76,274	74,761
Dividend payable	47,739	48,399
Income taxes (Note 7)	37,618	5,760
Deferred income	76,280	73,151
Total current liabilities	527,054	455,139
Deferred income taxes (Note 7)	164,691	205,314
Long-term debt (Note 4)	767,270	850,686
Postretirement medical and life insurance liabilities (Note 6)	306,863	308,024
Other long-term liabilities	118,936	96,715
Total liabilities	1,884,814	1,915,878
Shareholders' equity (Notes 4 and 8):		
Preferred stock, par value $1: Authorized, 2,000,000 shares: Issued, none		
Common stock, par value $1: Authorized, 400,000,000 shares: Issued, 162,211,590 shares	162,212	162,212
Additional paid-in capital	76,604	70,938
Retained earnings	2,639,440	2,366,246
Foreign currency translation adjustment	(12,894)	(9,442)
	2,865,362	2,589,954
Less Treasury stock, 22,444,480 shares and 15,244,733 shares, respectively, at cost	(1,008,199)	(643,787)
Deferred compensation related to ESOP (Note 8)	(34,925)	(38,247)
Total shareholders' equity	1,822,238	1,907,920
Commitments and contingent liabilities (Note 9)		
Total liabilities and shareholders' equity	$3,707,052	$3,823,798

CONSOLIDATED STATEMENTS OF INCOME
In thousands of dollars

Fiscal year ended	Dec. 25, 1994	Dec. 26, 1993	Dec. 27, 1992
Net operating revenues:			
Newspaper advertising	$2,152,671	$2,005,037	$1,882,114
Newspaper circulation	849,461	838,706	807,093
Broadcasting	406,608	397,204	370,613
Outdoor advertising	241,128	230,771	241,313
Other	174,655	169,903	167,824
Total	3,824,523	3,641,621	3,468,957
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	2,106,810	2,067,244	2,024,601
Selling, general and administrative expenses, exclusive of depreciation	696,139	650,390	629,202
Depreciation	163,242	164,420	157,242
Amortization of intangible assets	45,554	45,215	40,629

Total	3,011,745	2,927,269	2,851,674
Operating Income	812,778	714,352	617,283
Non-operating income (expense):			
Interest expense	(45,624)	(51,250)	(50,817)
Interest income	3,239	4,493	5,430
Other	11,706	857	2,384
Total	(30,679)	(45,900)	(43,003)
Income before income taxes	782,099	668,452	574,280
Provision for income taxes (Note 7)	316,700	270,700	228,600
Income before cumulative effect of accounting principle changes	465,399	397,752	345,680
Cumulative effect on prior years of accounting principle changes for:			
Income taxes (Note 7)			34,000
Retiree health and life insurance benefits (Note 6)			(180,000)
Total			(146,000)
Net Income	$465,399	$397,752	$199,680
Earnings per share:			
Before cumulative effect of accounting principle changes	$3.23	$2.72	$2.40
Cumulative effect of accounting principle changes			(1.01)
Net income per share	$3.23	$2.72	$1.39

CONSOLIDATED STATEMENTS OF CASH FLOWS
In thousands of dollars

Fiscal year ended	Dec. 25, 1994	Dec. 26, 1993	Dec. 27, 1992
Cash flows from operating activities:			
Net income	$465,399	$397,752	$199,680
Adjustments to reconcile net income to operating cash flows:			
Cumulative effect on prior years of accounting principle changes (Notes 6 and 7)			146,000
Depreciation	163,242	164,420	157,242
Amortization of intangibles	45,554	45,215	40,629
Deferred income taxes	(40,623)	20,315	(17,227)
Other, net	42,933	36,032	25,358
Changes in assets and liabilities, net of effect of acquisitions:			
Increase in receivables	(49,978)	(18,273)	(12,607)
Decrease (increase) in inventories	(140)	(1,709)	3,405
Decrease (increase) in film broadcast rights, net of liabilities	(1,008)	51	12,696
Increase (decrease) in accounts payable	29,368	(3,270)	(5,418)
Increase (decrease) in interest and taxes payable	35,374	16,117	(23,025)
Change in other assets and liabilities, net	24,176	13,610	18,222
Net cash provided by operating activities	714,297	670,260	544,955
Cash flows from investing activities:			
Purchase of property, plant and equipment	(144,854)	(132,122)	(154,072)
Payments for acquisitions, net of cash acquired	(28,258)	(5,291)	(591)
Increase in partnership and other investments	(23,500)	(167)	(5,000)
Proceeds from sale of assets	130,387	20,531	28,535
Collection of long-term receivables	1,658	2,998	6,880
Net cash used for investing activities	(64,567)	(114,051)	(124,248)
Cash flows from financing activities:			

Proceeds from long-term debt		525,000	
Payments of long-term debt	(85,265)	(897,942)	(254,731)
Dividends paid	(194,465)	(188,425)	(180,029)
Common stock transactions, net	(395,117)	9,899	21,227
Net cash used for financing activities	(674,847)	(551,468)	(413,533)
Effect of currency exchange rate change	(6,126)	(2,575)	(4,518)
Net increase (decrease) in cash and cash equivalents	(31,243)	2,166	2,656
Cash and cash equivalents at beginning of year	75,495	73,329	70,673
Cash and cash equivalents at end of year	$44,252	$75,495	$73,329

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
In thousands of dollars
Fiscal years ended
December 27, 1992,
December 26, 1993
and December 25, 1994

	Common stock $1 par value	Additional paid-in capital	Retained earnings	Foreign currency translation adjustment	Treasury stock	Deferred compensation related to ESOP	Total
Balance: Dec. 29, 1991	162,212	40,357	2,140,064	244	(758,646)	(44,744)	1,539,487
Net income, 1992			199,680				199,680
Dividends declared, 1992: $1.26 per share			(181,697)				(181,697)
Stock options exercised		(3,198)			19,813		16,615
Stock issued under incentive plan		(1,025)			5,637		4,612
Tax benefit derived from stock incentive plans		4,372					4,372
Compensation expense related to ESOP						3,288	3,288
Tax benefit from ESOP			536				536
Foreign currency translation adjustment				(6,792)			(6,792)
Balance: Dec. 27, 1992	162,212	40,506	2,158,583	(6,548)	(733,196)	(41,456)	1,580,101
Net income, 1993			397,752				397,752
Dividends declared, 1993: $1.30 per share			(190,604)				(190,604)
Stock options exercised		(2,967)			15,412		12,445
Stock issued under incentive plan		(1,463)			5,586		4,123
Tax benefit derived from stock incentive plans		3,767					3,767
Stock issued in connection with acquisition		31,095			68,411		99,506
Compensation expense related to ESOP						3,209	3,209
Tax benefit from ESOP			515				515
Foreign currency translation adjustment				(2,894)			(2,894)
Balance: Dec. 26, 1993	$162,212	$70,938	$2,366,246	($9,442)	($643,787)	($38,247)	$1,907,920
Net income, 1994			465,399				465,399
Dividends declared, 1994: $1.34 per share			(192,696)				(192,696)
Treasury stock acquired					(399,336)		(399,336)
Stock options exercised		(924)			8,014		7,090
Stock issued under incentive plan		(692)			5,636		4,944
Tax benefit derived from stock incentive plans		2,996					2,996
Stock issued in connection with acquisition		4,286			21,274		25,560
Compensation expense related to ESOP						3,322	3,322
Tax benefit from ESOP			491				491
Foreign currency translation adjustment				(3,452)			(3,452)
Balance: Dec. 25, 1994	$162,212	$76,604	$2,639,440	($12,894)	($1,008,199)	($34,925)	$1,822,238

Notes to consolidated financial statements

Note 1

Summary of significant accounting policies

Fiscal year: The Company's fiscal year ends on the last Sunday of the calendar year. Each of the fiscal years 1992-1994 encompasses a 52-week period.

Consolidation: The consolidated financial statements include the accounts of the Company and its subsidiaries after elimination of all significant intercompany transactions and profits.

Operating agencies: Six of the Company's subsidiaries are participants in joint operating agencies. Each joint operating agency performs the production, sales and distribution functions for the subsidiary and another newspaper publishing company under a joint operating agreement. The Company includes its appropriate portion of the revenues and expenses generated by the operation of the agencies on a line-by-line basis in its statement of income.

Inventories: Inventories, which consist principally of newsprint, printing ink, plate material and production film for the Company's newspaper publishing operations, are valued at the lower of cost (first-in, first-out) or market.

Property and depreciation: Property, plant and equipment is recorded at cost, and depreciation is provided generally on a straight-line basis over the estimated useful lives of the assets. The principal estimated useful lives are: buildings and improvements, 10 to 40 years; machinery, equipment and fixtures, four to 25 years; outdoor advertising display structures, five to 30 years. Major renewals, improvements, relocation of outdoor advertising structures and interest incurred during the construction period of major additions are capitalized. Expenditures for the removal of outdoor advertising structures, maintenance, repairs and minor renewals are charged to expense as incurred.

Excess of acquisition cost over fair value of assets acquired: The excess of acquisition cost over the fair value of assets acquired represents the cost of intangible assets at the time the subsidiaries were purchased. In accordance with Opinion 17 of the Accounting Principles Board of the American Institute of Certified Public Accountants, the excess acquisition cost of subsidiaries arising from acquisitions accounted for as purchases since October 31, 1970 ($1.84 billion at December 25, 1994) is being amortized over a 40-year period on a straight-line basis. Management continually reviews the appropriateness of the carrying value of the excess acquisition cost of its subsidiaries and the related amortization periods.

Other assets: The Company's television stations are parties to program broadcast contracts. These contracts are recorded at the gross amount of the related liability when the programs are available for telecasting. Program assets are classified as current (as a prepaid expense) or noncurrent (as an other asset) in the consolidated balance sheet, based upon the expected use of the programs in succeeding years. The amount charged to expense appropriately matches the cost of the programs with the revenues associated with them. The liability for these contracts is classified as current or noncurrent in accordance with the payment terms of the contracts. The payment period generally coincides with the period of telecast for the programs, but may be shorter.

Retirement plans: Pension costs under the Company's retirement plans are actuarially computed. It is the policy of the Company to fund costs accrued under its qualified pension plans.

Postretirement benefits other than pensions: In 1992, the Company adopted the provisions of Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (SFAS 106).

Under the provisions of SFAS 106, the Company recognizes the cost of postretirement medical and life insurance benefits on an accrual basis over the working lives of employees expected to receive such benefits. Prior to the adoption of SFAS 106, the Company recognized the cost of these benefits as payments were made on behalf of retirees.

As permitted under SFAS 106, the Company recognized the Accumulated Postretirement Benefit Obligation as of the beginning of fiscal 1992.

Income taxes: The Company accounts for certain income and expense items differently for financial reporting purposes than for income tax reporting purposes. Deferred income taxes are provided in recognition of these temporary differences.

In 1992, the Company adopted the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109), and adjusted previously recorded deferred taxes to reflect then-enacted tax rates. The Company has reflected the effect of adopting SFAS 109 as a change in accounting principle at the beginning of fiscal 1992.

Per share amounts: All income per share amounts are based on the weighted average number of common shares outstanding during the year.

Foreign currency translation: The income statement of Mediacom, the Company's Canadian outdoor advertising operation, has been translated to U.S. dollars using the average currency exchange rates in effect during each year. Mediacom's balance sheet has been translated using the currency exchange rate as of the end of the accounting period. The impact of currency exchange rate changes on the translation of Mediacom's balance sheet has been charged directly to shareholders' equity.

Note 2

Acquisitions and dispositions

1994: In May 1994, the Company purchased Nursing Spectrum, which publishes a group of biweekly periodicals specializing in advertising for nursing employment. In December 1994, the Company purchased television station KTHV-TV in Little Rock, a CBS affiliate.

These acquisitions were accounted for under the purchase method of accounting, and consideration paid included cash and shares of the Company's common stock. The acquisitions were not material to the Company's financial position or results of operations.

In November 1994, the Company sold its newspaper in Stockton, Calif., and realized a gain which is reflected in non-operating income.

1993: In January 1993, the Company completed the acquisition of the Honolulu Advertiser and the sale of the Honolulu Star-Bulletin. Consideration for this purchase was approximately $250 million and included the issuance of 1,980,000 shares of the Company's common stock from treasury valued at approximately $100 million and the assumption of certain liabilities of the acquired business. Concurrent with these transactions, the Honolulu joint operating agreement was amended to provide the Company with a greater share of profits from the operation. Proceeds from the sale of the Honolulu Star-Bulletin in excess of carrying value were accounted for as a reduction in the acquisition cost of the Honolulu Advertiser.

In the fourth quarter of 1993, the Company sold its radio stations in Kansas City and St. Louis, Mo. The Company also provided for the sale of its television station in Boston, which was completed in early 1994. The Company recognized a minor net gain on these transactions in 1993 which is reflected in non-operating income.

1992: In August 1992, the Company sold its outdoor operation in Phoenix, Ariz. Operating results for 1992 were not materially affected by this transaction.

During 1994, 1993 and 1992, the Company also purchased certain other publications which are included in the newspaper publishing segment.

All acquisitions discussed above were accounted for by the purchase method and, accordingly, operations for the purchased companies are included in the financial statements from the dates of acquisition. Pro forma results of operations, assuming these acquisitions were made at the beginning of the year previous to the year in which the transactions were consummated, are not materially different from reported results of operations.

Note 3
Statement of cash flows

For purposes of this statement, the Company considers its marketable securities, which are readily convertible into cash (with original maturity dates of less than 90 days) and consist of short-term investments in government securities, commercial paper and money market funds, as cash equivalents.

Cash paid in 1994, 1993 and 1992 for income taxes and for interest (net of amounts capitalized) was as follows:

In thousands of dollars

	1994	1993	1992
Income taxes	$264,601	$249,858	$274,741
Interest	$45,740	$43,967	$50,871

In 1994, the Company issued 506,000 shares of its common stock from treasury valued at approximately $26 million in connection with the acquisition of KTHV-TV in Little Rock.

In 1993, the Company issued 1,980,000 shares of its common stock from treasury valued at approximately $100 million in connection with the acquisition of the Honolulu Advertiser and assumed net liabilities totaling approximately $150 million.

In 1994, 1993 and 1992, the Company issued 134,243 shares, 146,371 shares and 142,383 shares, respectively, in settlement of previously granted stock incentive rights. The compensation liability for these rights of $8 million in 1994 and $7 million in 1993 and in 1992 was transferred to shareholders' equity at the time the shares were issued.

Note 4
Long-term debt

The long-term debt of the Company is summarized below.

In thousands of dollars

	Dec. 25, 1994	Dec. 26, 1993
Unsecured promissory notes	$156,136	$239,118
Notes due 2/1/96, interest at 9.55%	17,260	17,260
Notes due 3/12/96, interest at 9.5%	42,200	42,200
Notes due 3/1/98, interest at 5.25%	273,354	272,836
Notes due 5/1/00, interest at 5.85%	249,509	249,418
Secured obligations due through 2011, interest averaging 7.6%, varying annual installments	12,062	12,196
Unsecured obligations	17,351	17,427
Other indebtedness	424	395
	768,296	850,850
Less amount included in current liabilities	(1,026)	(164)
Total long-term debt	$767,270	$850,686

The unsecured promissory notes at December 25, 1994 were due from December 27, 1994 to January 13, 1995 with rates varying from 5.8% to 6.0%.

The unsecured promissory notes at December 26, 1993 were due from December 27, 1993 to January 24, 1994 with rates varying from 3.1% to 3.2%.

The maximum amount of such promissory notes outstanding at the end of any period during 1994 was $305 million and during 1993 was $1.07 billion. The daily average outstanding balance was $165 million during 1994 and $584 million during 1993. The weighted average interest rate was 4.2% for 1994 and 3.2% for 1993.

The unsecured obligations are due from 1995 to 2009 and bear interest at varying rates. At December 25, 1994 and December 26, 1993, the weighted average interest rates were 5.9% and 4.5%, respectively.

At December 25, 1994, the Company had $1.5 billion of credit available under a revolving credit agreement. The agreement provides for a revolving credit period which permits borrowings from time to time up to the maximum commitment. The revolving credit period extends to August 1, 1999.

The commitment fee rate is 0.09% for the agreement. At the option of the Company, the interest rate on borrowings under the agreement may be at the prime rate, at 0.165% above the London Interbank Offered Rate or at 0.29% above a certificate of deposit-based rate. The prime rate was 8.5% at December 25, 1994 and 6.0% at December 26, 1993.

The revolving credit agreement contains restrictive provisions that relate primarily to the maintenance of net worth of $1.2 billion. At December 25, 1994 and December 26, 1993, net worth was $1.8 billion and $1.9 billion, respectively.

At December 25, 1994, the unsecured promissory notes are supported by the $1.5 billion revolving credit agreement and, therefore, are classified as long-term debt.

Approximate annual maturities of long-term debt, assuming that the Company had used the $1.5 billion revolving credit agreement as of the balance sheet date to refinance existing unsecured promissory notes on a long-term basis, are:

In thousands of dollars	
1995	$1,026
1996	61,417
1997	1,965
1998	275,937
1999	158,119
Later years	269,832
Total	$768,296

Note 5

Retirement plans

The Company and its subsidiaries have various retirement and profit sharing plans, including plans established under collective bargaining agreements and separate plans for joint operating agencies, under which substantially all full-time employees are covered. The Gannett Retirement Plan is the Company's principal retirement plan and covers most of the employees of the Company and its subsidiaries. Benefits under the Gannett Retirement Plan are based on years of service and final average pay. The Company's pension plan assets include insurance contracts, marketable securities including common stocks, bonds and U.S. government obligations and interest-bearing deposits.

The Company's pension cost for 1994, 1993 and 1992 consists of the following:

In thousands of dollars	1994	1993	1992
Service cost-benefits earned during the period	$42,070	$33,627	$31,230
Interest cost on projected benefit obligation	65,365	63,067	58,220
Actual return on plan assets	41,287	(98,622)	(25,656)
Net amortization and deferral of actuarial gains	(127,176)	19,473	(54,469)
Net pension expense for Company-sponsored retirement plans	21,546	17,545	9,325
Union and other pension cost	7,061	7,399	8,582
Net pension cost	$28,607	$24,944	$17,907

The majority of the Company's pension plans, including the Gannett Retirement Plan, have plan assets that exceed accumulated benefit obligations. There are certain plans, however, with accumulated benefit obligations which exceed plan assets. The following tables summarize the funded status of the Company's pension plans and the related amounts that are recognized in the consolidated balance sheet:

In thousands of dollars Dec. 25, 1994	Plans for which assets exceed accumulated benefits	Plans for which accumulated benefits exceed assets
Actuarial present value of benefit obligations:		
Vested benefit obligation	$575,129	$25,672
Accumulated benefit obligation	$611,023	$26,504
Projected benefit obligation	($753,403)	($42,287)
Plan assets at market value	754,454	-
Projected benefit obligation (in excess of) plan assets	1,051	(42,287)
Unrecognized net (gain) or loss	86,612	(62)
Unrecognized prior service cost	12,829	1,323
Unrecognized net (asset) obligation at year-end	(34,123)	1,585
Pension asset (liability) reflected in consolidated balance sheet	$66,369	($39,441)

In thousands of dollars Dec. 26, 1993	Plans for which assets exceed accumulated benefits	Plans for which accumulated benefits exceed assets
Actuarial present value of benefit obligations:		
Vested benefit obligation	$655,550	$21,616
Accumulated benefit obligation	$706,654	$22,493
Projected benefit obligation	($918,059)	($33,940)
Plan assets at market value	789,534	-
Projected benefit obligation in excess of plan assets	(128,525)	(33,940)
Unrecognized net loss	183,177	7,026
Unrecognized prior service cost	15,197	1,530
Unrecognized net (asset) obligation at year-end	(46,176)	2,844
Pension asset (liability) reflected in consolidated balance sheet	$23,673	($22,540)

The projected benefit obligation was determined using an assumed discount rate of 8.5% and 7% at the end of 1994 and 1993, respectively. The assumed rate of compensation increase was 5% at the end of 1994 and 1993. The assumed long-term rate of return on plan assets used in determining pension cost was 10%. Pension plan assets include 700,700 shares of the Company's common stock valued at $37 million at the end of 1994 and 590,700 shares valued at $34 million at the end of 1993.

Note 6

Postretirement benefits other than pensions
The Company provides health care and life insurance benefits to certain retired employees. Employees become eligible for benefits after meeting certain age and service requirements.

In 1992, the Company adopted the provisions of Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (SFAS 106). Under SFAS 106, the cost of providing retiree health care and life insurance benefits is actuarially determined and accrued over the service period of the active employee group. Prior to 1992, retiree health care and life insurance benefits were expensed as claims and premiums were paid.

As permitted by SFAS 106, the Company elected to fully recognize the Accumulated Postretirement Benefit Obligation as of the beginning of fiscal 1992 of $295 million as a change in accounting principle. On an after-tax basis, this non-cash charge was $180 million, or $1.25 per share.

The following table sets forth the amounts included in the Consolidated Balance Sheet at December 25, 1994 and December 26, 1993 for postretirement medical and life insurance liabilities:

In thousands of dollars

Accumulated postretirement benefit obligation	Dec. 25, 1994	Dec. 26, 1993
Retirees	($156,416)	($168,190)
Fully eligible active plan participants	(11,016)	(32,553)
Other active plan participants	(52,872)	(70,531)
	(220,304)	(271,274)
Unrecognized net loss (gain)	(14,336)	22,294
Unrecognized prior service credit	(72,223)	(59,044)
Accrued postretirement benefit cost	($306,863)	($308,024)

Postretirement benefit cost for health care and life insurance for the years ended December 25, 1994, December 26, 1993 and December 27, 1992 included the following components:

In thousands of dollars

	1994	1993	1992
Service costs-benefits earned during the period	$4,125	$4,055	$4,553
Interest cost on accumulated postretirement benefit obligation	16,133	18,997	17,732
Net amortization and deferral	(4,818)	(4,768)	(4,261)
Net periodic postretirement benefit cost	$15,440	$18,284	$18,024

At December 25, 1994, the accumulated postretirement benefit obligation was determined using a discount rate of 8.5% and a health care cost trend rate of 12% for pre-age 65 benefits, decreasing to 5.5% in the year 2007 and thereafter. For post-age 65 benefits, the health care cost trend rate used was 10%, declining to 5.5% in the year 2003 and thereafter.

At December 26, 1993, the accumulated postretirement benefit obligation was determined using a discount rate of 7% and a health care cost trend rate of 12.9% for pre-age 65 benefits, decreasing to 5.5% in the year 2007 and thereafter. For post-age 65 benefits, the health care cost trend rate used was 12.1%, declining to 5.5% in the year 2003 and thereafter.

The Company's policy is to fund the above-mentioned benefits as claims and premiums are paid.

The effect of a 1% increase in the health care cost trend rate used would result in increases of approximately $15 million in the 1994 accumulated postretirement benefit obligation and $2 million in the aggregate service and interest components of the 1994 expense.

During 1992, the Company amended its retiree medical insurance plan to provide limits on the Company's share of the cost of such benefits it will pay to future retirees. Amendments were also made which related the Company's share of retiree cost to employee retirement age and length of service.

Note 7
Income taxes

The sources of income before income taxes consist of the following:

In thousands of dollars

	1994	1993	1992
Domestic	$765,576	$650,896	$559,971
Foreign	16,523	17,556	14,309
Total	$782,099	$668,452	$574,280

The provision for income taxes on income before the cumulative effects of accounting principle changes consists of the following:

In thousands of dollars

1994	Current	Deferred	Total
Federal	$302,379	($33,652)	$268,727
State	47,578	(6,305)	41,273
Foreign	7,366	(666)	6,700
Total	$357,323	($40,623)	$316,700

In thousands of dollars

1993	Current	Deferred	Total
Federal	$204,733	$19,333	$224,066
State	38,750	1,232	39,982
Foreign	6,902	(250)	6,652
Total	$250,385	$20,315	$270,700

In thousands of dollars

1992	Current	Deferred	Total
Federal	$200,192	($14,381)	$185,811
State	40,343	(2,846)	37,497
Foreign	5,292	-	5,292
Total	$245,827	($17,227)	$228,600

The provision for income taxes exceeds the U.S. federal statutory tax rate as a result of the following differences:

Fiscal year	1994	1993	1992
U.S. statutory tax rate	35.0%	35.0%	34.0%
Increase (decrease) in taxes resulting from:			
State income taxes net of federal income tax benefit	3.4%	3.9%	4.3%
Goodwill amortization not deductible for tax purposes	1.5%	1.6%	2.0%
Other, net	0.6%	0.0%	-0.5%
Effective tax rate	40.5%	40.5%	39.8%

In 1992, the Company adopted the provisions of Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109). Under the provisions of SFAS 109, the Company adjusted previously recorded deferred taxes to reflect then-enacted statutory rates. The Company has reflected the cumulative effect of adopting SFAS 109 as a change in accounting principle at the beginning of 1992. This adjustment was recorded as a non-cash credit to earnings of $34 million or $.24 per share.

Deferred income taxes reflect temporary differences in the recognition of revenue and expense for tax reporting and financial statement purposes.

Deferred tax liabilities and assets were composed of the following at the end of 1994 and 1993:

In thousands of dollars

	Dec. 25, 1994	Dec. 26, 1993
Liabilities:		
Accelerated depreciation	$230,813	$223,000
Accelerated amortization of deductible intangibles	91,991	88,000
Pension	10,783	20,000
Other	21,397	39,512
Total deferred tax liabilities	354,984	370,512
Assets:		
Accrued compensation costs	(23,262)	(18,000)
Postretirement medical and life	(118,965)	(119,000)
Other	(48,066)	(28,198)
Total deferred tax assets	(190,293)	(165,198)
Net deferred tax liabilities	$164,691	$205,314

Note 8

Capital stock, stock options, incentive plans

During 1988, the Company's Board of Directors authorized the repurchase of up to 7.5 million shares of its outstanding common stock. During the period 1988-1991, the Company purchased 4.5 million shares of its common stock under this program at a cost of $158 million. In 1994, the Company purchased the remaining 3 million shares, and the program was expanded by an additional 5 million shares, which were also purchased. The total cost of the share repurchase program in 1994 was $399 million.

In December 1994, the Company issued 506,000 shares of its common stock from treasury as consideration for the purchase of KTHV-TV in Little Rock. In January 1993, the Company issued 1,980,000 shares of its common stock from treasury as partial consideration for the purchase of the Honolulu Advertiser.

Certain of the shares acquired by the Company have been reissued in settlement of employee stock awards or were sold to an Employee Stock Ownership Plan which was established in 1990. The remaining shares are held as treasury stock.

The weighted average number of common shares outstanding used in the computation of earnings per share was 144,276,000 in 1994, 146,474,000 in 1993 and 144,148,000 in 1992.

The Company's 1978 Executive Long-term Incentive Plan (the 1978 Plan) provides for the granting of stock options, stock incentive rights and option surrender rights to executive officers and other key employees.

Stock options are granted to purchase common stock of the Company at not less than 100% of the fair market value on the day the option is granted. The exercise period is eight years with the options becoming exercisable at 25% per year after a one-year waiting period.

Stock incentive rights entitle the employee to receive for each such right, without payment, one share of common stock at the end of an incentive period, conditioned upon the employee's continued employment throughout the incentive period. The incentive period is normally four years. During the incentive period, the employee receives cash payments for each incentive right equivalent to the cash dividend the Company would have paid had the employee owned the shares of common stock issuable under the incentive rights.

In July 1989, the Board of Directors approved an amendment to the 1978 Plan to provide that all outstanding awards will be vested if there is a change in control of the Company. Under the amendment, stock options become 100% exercisable immediately upon a change in control. Option surrender rights related one-for-one to all outstanding stock options have been awarded, which are effective only in the event of a change in control and entitle the employee to receive cash for option surrender rights equal to 100% of the difference between the exercise price of the related stock option and the change-in-control price (which is the highest price paid for a share of stock as part of the change in control). The amendment also provides for the payment in cash of the value of stock incentive rights based on the change-in-control price.

Awards made under the 1978 Plan were as follows:

	1994	1993	1992
Stock options	726,450	761,910	957,675
Stock incentive rights	177,975	163,702	484,295

Awards for 1992 include 505,665 stock options and 244,730 stock incentive rights that relate to the four-year period 1993-1996, and 452,010 stock options and 239,565 stock incentive rights that relate to the four-year period 1992-1995. Awards for 1993 are for the four-year employment period 1994-1997. Awards for 1994 are for the four-year period 1995-1998.

At the beginning of the Company's 1995 fiscal year, 168,150 shares of common stock were issued in settlement of previously granted stock incentive rights.

With respect to awards under the 1978 Plan, the Company has recorded as compensation expense $13 million for 1994, $11 million for 1993 and $10 million for 1992. Under the 1978 Plan, the Company has accrued liabilities aggregating $28 million at December 25, 1994 and $24 million at December 26, 1993.

A summary of the Company's stock option activity appears below:

Stock options	Number of shares	Option price per share
Balance outstanding Dec. 29, 1991	2,407,122	$19.54-47.00
Granted	957,675	43.88-51.38
Exercised	(549,740)	19.54-43.75
Expired or canceled	(40,706)	34.88-44.75
Balance outstanding Dec. 27, 1992	2,774,351	$30.88-51.38
Granted	761,910	49.00-55.50
Exercised	(421,458)	30.88-47.38
Expired or canceled	(73,411)	36.13-51.38
Balance outstanding Dec. 26, 1993	3,041,392	$30.88-55.50
Granted	726,450	49.75-54.75
Exercised	(235,884)	30.88-51.38
Expired or canceled	(10,084)	36.13-55.50
Balance outstanding Dec. 25, 1994	3,521,874	$32.00-55.50

Options were exercisable for 1,690,704 shares at December

25, 1994 and 1,299,908 shares at December 26, 1993. Shares available for future grants under the 1978 Plan totaled 2,261,935 at December 25, 1994.

On July 1, 1990, the Company established a 401(k) Savings Plan. Most employees of the Company (other than those covered by a collective bargaining agreement) who are scheduled to work at least 1,000 hours during each year of employment are eligible to participate in the Plan.

Employees may elect to save up to 10% of compensation on a pre-tax basis subject to certain limits. The Company matches, with Company common stock, 25% of the first 4% of employee contributions. To fund the Company's matching contribution, an Employee Stock Ownership Plan (ESOP) was formed which acquired 1,250,000 shares of Gannett stock from the Company for $50 million. The stock purchase was financed with a loan from the Company and the shares are pledged as collateral for the loan. The Company makes monthly contributions to the ESOP equal to the ESOP's debt service requirements less dividends. All dividends received by the ESOP are used to pay debt service. As the debt is paid, shares are released as collateral and are available for allocation to participants.

The Company follows the shares allocated method in accounting for its ESOP. The cost of shares allocated to match employee contributions or to replace dividends that are used for debt service are accounted for as compensation expense. The cost of unallocated shares is reported as deferred compensation in the financial statements. The Company may, at its option, repurchase shares from employees who leave the Plan. The shares are purchased at fair market value and the difference between the original cost of the shares and fair market value is expensed at the time of purchase. All of the shares initially purchased by the ESOP are considered outstanding for earnings per share calculations. Dividends on allocated and unallocated shares are recorded as reductions of retained earnings.

Compensation expense for the 401(k) match and repurchased shares was $2.6 million in 1994 and $2.2 million in 1993 and in 1992. The ESOP shares as of the end of 1994 and 1993 were as follows:

	1994	1993
Allocated shares	376,680	293,643
Shares released for allocation	7,570	7,052
Unreleased shares	865,750	949,305
Shares distributed to terminated participants	(3,706)	(1,817)
ESOP shares	1,246,294	1,248,183

In May 1990, the Board of Directors declared a dividend distribution of one Preferred Share Purchase Right ("Right") for each common share held, payable to shareholders of record on June 8, 1990. The Rights become exercisable when a person or group of persons acquires or announces an intention to acquire ownership of 15% or more of the Company's common shares. Holders of the Rights may acquire an interest in a new series of junior participating preferred stock, or they may acquire an additional interest in the Company's common shares at 50% of the market value of the shares at the time the Rights are exercised. The Rights are redeemable by the Company at any time prior to the time they become exercisable, at a price of $.01 per Right.

Note 9

Commitments, contingent liabilities and other matters

Litigation: The Company and a number of its subsidiaries are defendants in judicial and administrative proceedings involving matters incidental to their business. The Company's management does not believe that any material liability will be imposed as a result of these matters.

Leases: Approximate future minimum annual rentals payable under non-cancelable operating leases are as follows:

In thousands of dollars

1995	$35,520
1996	33,623
1997	29,180
1998	24,984
1999	22,966
Later years	80,916
Total	$227,189

Total minimum annual rentals have not been reduced for future minimum sublease rentals aggregating approximately $3 million. Total rental costs were $107 million for 1994, $103 million for 1993 and $110 million for 1992.

In December 1990, the Company adopted a Transitional Compensation Plan ("Plan") which provides termination benefits to key executives whose employment is terminated under certain circumstances within two years following a change in control of the Company. Benefits under the Plan include a severance payment of up to three years' compensation and continued life and medical insurance coverage.

Other matters: Statement of Financial Accounting Standards No. 107, "Disclosures About Fair Value of Financial Instruments," requires the Company to disclose the estimated fair value of its financial instruments.

For financial instruments other than long-term debt, including cash and cash equivalents, trade and other receivables, current maturities of long-term debt and other long-term liabilities, the amounts reported on the balance sheet approximate fair value.

The Company estimates the fair value of its long-term debt, based on borrowing rates currently available, to be $731 million, compared with the carrying amount of $767 million.

Note 10
Business segment information

The Company is a diversified information company with three principal business segments in 41 states and the District of Columbia, two U.S. territories, Canada, Great Britain, Hong Kong and Switzerland. The newspaper segment consists of 82 daily newspapers in 34 states and two U.S. territories, including USA TODAY, a national, general-interest daily newspaper; and USA WEEKEND, a magazine supplement for newspapers. The newspaper segment also includes non-daily publications, a survey firm and a nationwide network of offset presses for commercial printing.

The broadcasting segment's principal activities include the operation of television and radio stations. At the end of 1994, the Company owned 10 television stations and 11 radio stations. Refer to Note 2 for a discussion of the acquisition of a TV station in 1994.

The outdoor advertising segment involves the selling of advertising space on outdoor advertising structures and transit and transit shelter advertising operations in 11 states and Canada.

Separate financial data for each of the Company's three business segments is presented on page 47. Operating income represents total revenue less operating expenses, depreciation and amortization of intangibles. In determining operating income by industry segment, general corporate expenses, interest expense and other income and expense items of a non-operating nature are not considered. Corporate assets include cash and marketable securities, certain investments, long-term receivables and plant and equipment primarily used for corporate purposes. Interest capitalized has been included as a corporate capital expenditure for purposes of segment reporting.

Report of independent accountants

To the Board of Directors and

Shareholders of Gannett Co., Inc.

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of cash flows and of changes in shareholders' equity present fairly, in all material respects, the financial position of Gannett Co., Inc. and its subsidiaries at December 25, 1994 and December 26, 1993, and the results of their operations and their cash flows for each of the three years in the period ended December 25, 1994, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

As discussed in Notes 6 and 7 to the financial statements, the Company adopted Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," and Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes," in 1992.

Price Waterhouse LLP
Washington, D.C.
January 26, 1995

11-YEAR SUMMARY
In thousands of dollars except per share amounts

	1994	1993	1992	1991	1990	1989
Net operating revenues:						
Newspaper advertising	$2,152,671	$2,005,037	$1,882,114	$1,852,591	$1,917,477	$2,018,076
Newspaper circulation	849,461	838,706	807,093	777,221	730,426	718,087
Broadcasting	406,608	397,204	370,613	357,383	396,693	408,363
Outdoor advertising	241,128	230,771	241,313	260,120	271,366	257,890
Other	174,655	169,903	167,824	134,720	125,659	115,773
Total (Notes a and b, see page 46)	3,824,523	3,641,621	3,468,957	3,382,035	3,441,621	3,518,189
Operating Expenses:						
Costs and expenses	2,802,949	2,717,634	2,653,803	2,623,335	2,568,744	2,571,617
Depreciation	163,242	164,420	157,242	158,389	153,211	149,893
Amortization of intangible assets	45,554	45,215	40,629	41,364	40,825	40,168
Total	3,011,745	2,927,269	2,851,674	2,823,088	2,762,780	2,761,678
Operating Income	812,778	714,352	617,283	558,947	678,841	756,511
Non-operating income (expense):						
Interest expense	(45,624)	(51,250)	(50,817)	(71,057)	(71,567)	(90,638)
Other	14,945	5,350	7,814	14,859	10,689	(18,364)
Income before income taxes	782,099	668,452	574,280	502,749	617,963	647,509
Provision for income taxes	316,700	270,700	228,600	201,100	241,000	250,000
Income before cumulative effect of accounting principle changes	465,399	397,752	345,680	301,649	376,963	397,509
Cumulative effect on prior years of accounting principle changes for:						
Income taxes			34,000			
Retiree health and life insurance benefits			(180,000)			
Net Income	$465,399	$397,752	$199,680	$301,649	$376,963	$397,509
Per share amounts (1)						
Income before cumulative effect of accounting principle changes	$3.23	$2.72	$2.40	$2.00	$2.36	$2.47
Net income	$3.23	$2.72	$1.39	$2.00	$2.36	$2.47
Dividends declared	1.34	1.30	1.26	1.24	1.21	1.11
Shareholders' equity (3)	13.04	12.98	10.94	10.71	12.98	12.40
Weighted average number of common and common equivalent shares outstanding in thousands (2)	144,276	146,474	144,148	150,783	160,047	161,253
Financial position:						
Current assets	$650,837	$757,957	$631,447	$636,101	$668,690	$671,030
Current Liabilities	527,054	455,139	431,551	443,835	500,203	477,822

Working capital	123,783	302,818	199,896	192,266	168,487	193,208
Long-term debt excluding current maturities	767,270	850,686	1,080,756	1,335,394	848,633	922,470
Shareholders' equity	1,822,238	1,907,920	1,580,101	1,539,487	2,063,077	1,995,791
Total assets	3,707,052	3,823,798	3,609,009	3,684,080	3,826,145	3,782,848
Selected financial percentages and ratios						
Percentage increase (decrease):						
Earnings after tax (4)	17.0%	15.1%	14.6%	-20.0%	-5.2%	9.1%
Earnings per share (4)	18.8%	13.3%	20.0%	-15.3%	-4.5%	9.3%
Dividends declared per share	3.1%	3.2%	1.6%	2.5%	9.0%	8.8%
Book value per share	0.5%	18.6%	2.1%	-17.5%	4.7%	11.8%
Credit ratios						
Long-term debt to shareholders' equity	42.1%	44.6%	68.4%	86.7%	41.1%	46.2%
Times interest expense earned	18.1X	14.0X	12.3X	8.1X	9.6X	8.1X

	1988	1987	1986	1985	1984
Net operating revenues:					
Newspaper advertising	$1,908,566	$1,787,077	$1,588,985	$1,213,577	$1,064,056
Newspaper circulation	685,663	645,356	575,806	464,976	418,552
Broadcasting	390,507	356,815	351,133	265,480	232,748
Outdoor advertising	226,532	201,771	210,572	207,572	199,570
Other	103,217	88,428	75,001	57,816	45,271
Total (Notes a and b, see page 46)	3,314,485	3,079,447	2,801,497	2,209,421	1,960,197
Operating Expenses:					
Costs and expenses	2,449,587	2,257,304	2,061,789	1,601,372	1,423,088
Depreciation	136,861	124,485	111,229	85,512	75,922
Amortization of intangible assets	40,312	36,595	31,980	18,017	14,591
Total	2,626,760	2,418,384	2,204,998	1,704,901	1,513,601
Operating Income	687,725	661,063	596,499	504,520	446,596
Non-operating income (expense):					
Interest expense	(88,557)	(85,681)	(79,371)	(25,926)	(24,190)
Other	8,292	15,013	23,076	6,183	8,428
Income before income taxes	607,460	590,395	540,204	484,777	430,834
Provision for income taxes	243,000	271,000	263,800	231,500	206,900
Income before cumulative effect of accounting principle changes	364,460	319,395	276,404	253,277	223,934
Cumulative effect on prior years of accounting principle changes for:					
Income taxes					
Retiree health and life insurance benefits					
Net Income	$364,460	$319,395	$276,404	$253,277	$223,934
Per share amounts (1)					
Income before cumulative effect of accounting principle changes	$2.26	$1.98	$1.71	$1.58	$1.40
Net income	$2.26	$1.98	$1.71	$1.58	$1.40
Dividends declared	1.02	0.94	0.86	0.765	0.665
Shareholders' equity (3)	11.09	9.94	8.88	7.93	7.13
Weighted average number of common and common equivalent shares outstanding in thousands (2)	161,622	161,704	161,380	160,466	160,224
Financial position:					
Current assets	$665,031	$601,220	$570,589	$473,394	$394,222
Current Liabilities	500,835	474,775	432,327	303,142	293,423
Working capital	164,196	126,445	138,262	170,252	100,799
Long-term debt excluding current maturities	1,134,737	1,094,321	1,201,370	491,565	188,724
Shareholders' equity	1,786,441	1,609,394	1,433,781	1,275,213	1,141,964
Total assets	3,792,820	3,510,259	3,365,903	2,313,218	1,812,200
Selected financial percentages and ratios					
Percentage increase (decrease):					
Earnings after tax (4)	14.1%	15.6%	9.1%	13.1%	16.8%
Earnings per share (4)	14.1%	15.8%	8.2%	12.9%	16.7%
Dividends declared per share	8.5%	9.3%	12.4%	15.0%	9.0%
Book value per share	11.6%	11.9%	11.7%	11.5%	11.5%
Credit ratios					
Long-term debt to shareholders' equity	63.5%	68.0%	83.8%	38.6%	16.6%
Times interest expense earned	7.9X	7.9X	7.8X	19.7X	18.8X

(1) Per share amounts have been based upon average number of shares outstanding during each year, giving retroactive effect to adjustment in (2).
(2) Shares outstanding have been converted to a comparable basis by reflecting retroactively shares issued for a 2-for-1 stock split effective January 6, 1987.
(3) Based upon year-end shareholders' equity and shares outstanding.
(4) Before cumulative effect of accounting principle changes (refer to Notes 6 and 7 to the consolidated financial statements).

Notes to 11-year summary

(a) The Company and its subsidiaries made the acquisitions listed at right during the period. The results of operations of these acquired businesses are included in the accompanying financial information from the date of purchase. Note 2 of the consolidated financial statements on page 36 contains further information concerning certain of these acquisitions.
(b) During the period, the Company sold substantially all of the assets or capital stock of certain other subsidiaries and divisions of other subsidiaries for which the revenues and contributions to consolidated net income were not material. Note 2 of the consolidated financial statements on page 36 contains further information concerning certain of these dispositions.

Acquisitions 1984-1994

1984	
June 27	WDAE-AM, Tampa
Dec. 3	KKBQ/KKBQ-FM, Houston
1985	
March 15	Triangle Sign Company
March 29	Family Weekly magazine, now USA WEEKEND
July 1	The Des Moines Register and The Jackson Sun
Nov. 27	Peekskill Star Corporation
1986	
Jan. 3	KTKS-FM now KHKS-FM, Dallas
Feb. 18	The Evening News Association
July 14	The Courier-Journal and Louisville Times Company
July 29	KCMO-AM and KBKC-FM
Sept. 16	KHIT-FM, Seattle
Dec. 1	Arkansas Gazette Company
1987	
July 15	Gannett Direct Marketing Services, Inc.
1988	
Feb. 1	WFMY-TV, Greensboro, N.C.
	WTLV-TV, Jacksonville, Fla.
July 1	New York Subways Advertising Co., Inc. and related companies
1989	
Oct. 31	Rockford Magazine
Nov. 6	Outdoor advertising displays merged into New
Jersey	Jersey Outdoor
1990	
March 28	Great Falls (Mont.) Tribune
May 17	Ye Olde Fishwrapper
June 18	The Shopper Advertising, Inc.
Sept. 7	Desert Community Newspapers
Dec. 27	North Santiam Newspapers
Dec. 28	Pensacola Engraving Co.
1991	
Feb. 11	The Add Sheet
April 3	New Jersey Publishing Co.
Aug. 30	The Times Journal Co., including The Journal Newspapers, The Journal Printing Co. (now Springfield Offset) and Telematch
Oct. 3	Gulf Breeze Publishing Co.
1992	
April 24	Graphic Publications, Inc.
1993	
Jan. 30	The Honolulu Advertiser
April 24	Tulare Advance-Register
1994	
May 3	Nursing Spectrum

June 9	Altoona Herald-Mitchellville Index and the Eastern ADvantage
Dec. 1	KTHV-TV, Little Rock

Form 10-K information

Business of the Company
Gannett Co., Inc. is a diversified information company that operates primarily in the U.S. Approximately 98% of its revenues are from domestic operations. Its foreign operations are primarily in Canada, but it also conducts business in certain European, Asian and other foreign markets. Its corporate headquarters is in Arlington, Va., near Washington, D.C. It was incorporated in New York in 1923 and was reincorporated in Delaware in 1972.

The Company's principal business segments are newspaper publishing, broadcasting and outdoor advertising.

The Company's newspapers make up the largest newspaper group in the U.S. in circulation. The Company operates 82 daily newspapers, with a total average daily circulation of more than 6.3 million for 1994, including USA TODAY. The Company also publishes USA WEEKEND, a weekend newspaper magazine, and a number of non-daily publications.

On December 25, 1994, the broadcasting division included 10 television stations in markets with almost 10 million households and 11 radio stations in markets with a listening population of more than 36 million.

The outdoor division is the largest in North America, with operations in 11 states and Canada. It includes 12 outdoor advertising companies, transit and transit shelter advertising operations, and a printing division.

The Company also owns the following: Gannett News Service, which provides news services for its newspaper operations; Gannett National Newspaper Sales, which markets the Company's nationwide newspaper advertising resources; Gannett Offset, which coordinates the sale, marketing and production of commercial offset printing done for national and regional customers at many of Gannett's newspapers with offset presses and at the Company's offset printing facilities in Chandler, Ariz., Miramar, Fla., Nashville, Tenn., Atlanta, Ga., St. Louis, Mo., Norwood, Mass., and Springfield, Va.; Louis Harris & Associates, an opinion research firm; electronic information services, including the USA TODAY Information Network; Gannett Media Technologies International, which develops and markets software and other products for the publishing industry; Gannett Direct Marketing Services, a direct marketing company with operations in Louisville, Ky.; Telematch, a telephone database service; Nursing Spectrum, publisher of biweekly periodicals specializing in advertising for nursing employment; Gannett Community Directories of New Jersey, yellow-pages publishing; The Add Sheet, a group of weekly advertising shoppers; and Gannett TeleMarketing, a telephone sales and marketing business.

Business segment financial information
Selected financial information for the Company's three business segments is presented below. For a description of the accounting policies related to this information, see Note 10 to the Company's Consolidated Financial Statements. The Company's business segments have seasonal aspects with peak revenue generally occurring in the fourth and, to a lesser extent, the second fiscal quarters.

In thousands of dollars
Business segment financial information

	1994	1993	1992
Operating revenues:			
Newspaper publishing	$3,176,787	$3,013,646	$2,857,839

Broadcasting	406,608	397,204	370,613
Outdoor advertising	241,128	230,771	241,313
Intersegment items	-	-	(808)
	$3,824,523	$3,641,621	$3,468,957
Operating income:			
Newspaper publishing	$733,925	$677,285	$607,637
Broadcasting	128,863	86,686	66,181
Outdoor advertising	17,103	14,799	8,191
Corporate	(67,113)	(64,418)	(64,726)
	$812,778	$714,352	$617,283
Identifiable assets:			
Newspaper publishing	$2,574,415	$2,548,143	$2,360,546
Broadcasting	643,157	685,230	721,675
Outdoor advertising	233,224	263,286	279,236
Corporate	256,256	327,139	247,552
	$3,707,052	$3,823,798	$3,609,009
Depreciation and amortization:			
Newspaper publishing	$150,676	$147,524	$135,076
Broadcasting	29,089	31,449	31,249
Outdoor advertising	18,632	18,616	19,594
Corporate	10,399	12,046	11,952
	$208,796	$209,635	$197,871
Capital expenditures:			
Newspaper publishing	$109,997	$111,111	$122,684
Broadcasting	11,673	9,144	17,606
Outdoor advertising	5,792	7,528	8,473
Corporate	17,392	4,339	5,309
	$144,854	$132,122	$154,072

Newspaper publishing

On December 25, 1994, the Company operated 82 daily newspapers, including USA TODAY, and a number of non-daily local publications, in 34 states, Guam and the U.S. Virgin Islands. The Newspaper Division is headquartered in Arlington, Va., and on December 25, 1994 it had approximately 31,900 full-time and part-time employees. Newspaper operating revenues accounted for approximately 82% of the Company's net operating revenues in 1992 and 83% in 1993 and 1994.

USA TODAY was introduced on September 15, 1982 as the country's first national, general-interest daily newspaper. It is available in all 50 states and is available to readers on the day of publication in the top 100 metropolitan markets in the U.S.

USA TODAY is produced at facilities in Arlington, Va., and is transmitted via satellite to offset printing plants around the country. It is printed at Gannett plants in 21 U.S. markets and under contract at offset plants in 11 other U.S. markets. It is sold at newsstands and vending machines for 50 cents a copy. Mail subscriptions are available nationwide and abroad, and home and office delivery is offered in many markets. Approximately 61% of its net paid circulation results from single-copy sales at newsstands or vending machines and the remainder is from home and office delivery, mail and other sales.

USA TODAY's financial results improved in 1994, as advertising revenues rose 7% and costs declined slightly.

USA TODAY International, published separately from USA TODAY, is printed from satellite transmission under contract in

London, Zurich and Hong Kong, and operates in Europe, the Middle East, Africa and Asia. It is available in more than 90 foreign countries.

The Gannett News Service is headquartered in Arlington, Va., and has bureaus in nine other states (see page 63 for more information). Gannett News Service provides national and regional news coverage and sports, features, photo and graphic services to Gannett newspapers.

The newspaper publishing segment also includes USA WEEKEND, which is distributed as a weekend newspaper supplement in 428 newspapers throughout the country, with a total circulation of 18.6 million at the end of 1994.

At the end of 1994, 50 of the Company's daily newspapers, including USA TODAY, were published in the morning and 32 were published in the evening.

Individually, Gannett newspapers are the dominant news and information source with strong brand recognition in their market. Their durability lies in the quality of their management, their flexibility, their focus on customer-directed programs like NEWS 2000 and ADvance, and their capacity to invest in new technology. Collectively, they form a network of powerful franchises across the nation.

In 1994, the Company's newspapers continued to refine strategies to improve news-content quality. In keeping with the principles of NEWS 2000, a program launched in 1991, newsrooms significantly expanded or enhanced their local reports as well as their interaction with community groups, improved coverage of diversity, and increased public service journalism.

In 1994, the Company completed ADvance basic training of more than 2,500 advertising and marketing executives and account representatives. Introduced in June 1992, ADvance is a program to develop marketing partnerships with advertisers and enhance the skills of newspaper sales and marketing staffs. The Company will continue to undertake significant training efforts to implement ADvance concepts during 1995.

All of the Company's daily newspapers receive the Gannett News Service. In addition, all subscribe to The Associated Press, and some receive various supplemental news and syndicated features services.

The senior executive of each newspaper is the publisher, and the newspapers have advertising, business, circulation, news, market development and production departments.

Technological advances in recent years have had an impact on the way newspapers are produced. Computer-based text editing systems capture drafts of reporters' stories and are then used to edit and produce type for transfer by a photographic process to printing plates. All of the Company's daily newspapers are produced by this method. "Pagination" enables editors to create a newspaper page by computer, avoiding all or part of the manual "paste-up" of the page before it can be converted into a printing plate. The Company uses pagination systems at 51 newspaper plants.

During 1994, the Mobile Advertising Sales System (MASS), a sales "tool-kit" on laptop personal computers which was developed by the Company in 1993, was introduced at eight newspapers for more than 80 advertising account representatives. Thirty additional newspapers and 400 account representatives are expected to be added in 1995.

AdLink, a computer software application that allows real estate advertisers to track properties and to facilitate the make-up of complex newspaper advertisements, was tested and installed in Cincinnati and will be in other newspapers in 1995. Real estate advertisers have indicated they will increase the number of advertising pages if they have the resources to produce and manage them.

N11 audiotext services were installed in Nashville and Shreveport in 1994 and in Brevard in early 1995. Brevard and Gannett Suburban Newspapers have interactive on-line service arrangements with CompuServe.

Working with Digital Collections Verlagsgesellschaft of Hamburg, Germany, the Company has developed an integrated text and picture archiving system. This system stores, retrieves and distributes text, photos and full-page images of the newspaper in a digital form that can be searched using an easy-to-use interface. Installation and testing began in Rochester during January 1994 with three other newspaper installations completed by the end of 1994. Twenty or more installations are scheduled for 1995.

Fifty-one daily newspaper plants print by the offset process, and 19 plants print using various letterpress processes.

Improved technology for all of the newspapers has resulted in greater speed and accuracy and in a reduction in the number of production hours worked per page. In 1994, the production hours worked per page were reduced by 6%.

The principal sources of newspaper revenues are circulation and advertising.

Circulation: The following table summarizes the circulation volume and revenues of the newspapers owned by the Company at the end of 1994. USA TODAY circulation is included in this table.

This table assumes that all newspapers owned by the Company at the end of 1994 were owned during all years shown:

Circulation: newspapers owned on Dec. 25, 1994

	Circulation revenues in thousands	Daily net paid circulation	Sunday net paid circulation
1994	$844,225	6,303,000	6,044,000
1993	$832,992	6,287,000	6,103,000
1992	$812,326	6,287,000	6,083,000
1991	$776,022	6,220,000	6,039,000
1990	$729,099	6,215,000	6,023,000

The Company emphasized improving customer service and increasing circulation and household penetration at all of its newspaper operations in 1994 and will continue to do so in 1995.

Forty-one of the Company's local newspapers reported gains in daily circulation during 1994, and 25 increased Sunday circulation.

Home delivery prices for the Company's newspapers are established individually for each newspaper and range from $1.25 to $3.60 per week in the case of daily newspapers and from $.57 to $2.05 per copy for Sunday newspapers.

Additional information about the circulation of the Company's newspapers may be found on page 24 and on pages 60-62 of this annual report.

Advertising: Advertising revenues are generated through the sale of retail (local), classified, national and preprint advertising. A detailed analysis of newspaper advertising revenues is presented below and on page 23 of this report.

Retail advertising is display advertising associated with local merchants, such as department and grocery stores. Classified advertising includes the ads listed together in sequence by the nature of the ads, such as automobile sales, real estate sales and "help wanted." National advertising is display advertising principally from advertisers who are promoting products or brand names on a nationwide basis. Retail and national advertising may appear in the newspaper itself or in preprinted sections. Generally there are different rates for each category of advertising, and the rates for each newspaper are set independently, varying from city to city. The newspapers have advertising departments that solicit retail, classified and national advertising.

Gannett National Newspaper Sales also solicits national advertisers and certain national and regional retail advertisers. The newspapers have made continuing efforts to serve their readers and advertisers by introducing total market coverage programs and by targeting specific market segments desired by many advertisers through the use of specially zoned editions and other special publications.

Classified revenue rose for the year, reflecting continued growth in the employment and automotive categories. Real estate advertising was flat. Retail (local) Run-of-Press advertising (ROP) improved 2% for the year. There was consistent growth of medium and small advertisers throughout the year. Preprint revenues grew as well in 1994, as certain multi-market advertisers continued to convert their ad spending from ROP to preprint.

Overall, general economic conditions for newspaper advertising improved. Regionally, local advertising improved in much of the country. Employment advertising was strong throughout the country, followed by automotive. Ad revenues are expected to continue to grow in 1995 but at a slower rate.

The following chart summarizes the advertising linage (in six-column inches) and advertising revenues of the newspapers owned by the Company at the end of 1994. Again, this chart assumes that all of the newspapers owned at the end of 1994 were owned throughout the years shown:

Advertising: newspapers owned on Dec. 25, 1994

	Advertising revenues in thousands	Inches of advertising
1994	$2,137,805	131,375,000
1993	$2,001,625	125,757,000
1992	$1,917,672	119,616,000
1991	$1,863,833	114,216,000
1990	$1,932,430	118,419,000

Competition: The Company's newspapers compete with other media for advertising principally on the basis of their advertising rates and their performance in helping sell the advertisers' products or services. They compete for circulation principally on the basis of their content and their price. While most of the Company's newspapers do not have daily newspaper competitors that are published in the same city, in certain of the Company's larger markets, there is such direct competition. Most of the Company's newspapers compete with other newspapers published in nearby cities and towns and with free distribution and paid advertising weeklies.

At the end of 1994, The Cincinnati Enquirer, The Detroit News, the El Paso (Texas) Times, the Honolulu Advertiser, The Tennessean at Nashville and the Tucson (Ariz.) Citizen were published under joint operating agreements with non-Gannett newspapers located in the same cities. All of these agreements provide for joint business, advertising, production and circulation operations and a contractual division of profits. The editorial and reporting staffs of the Company's newspapers, however, are separate and autonomous from those of the non-Gannett newspapers.

On January 30, 1993, the Company completed the acquisition of the Honolulu Advertiser and the sale of the Honolulu Star-Bulletin. The acquisition of the morning publication Advertiser was for approximately $250 million. Concurrent with these transactions, the Honolulu joint operating agreement was amended to provide the Company with a greater share of profits from the operation.

On March 31, 1991, the Shreveport, La., joint operating agreement was terminated and the Shreveport Journal, the non-Gannett newspaper in the agreement, ceased publication. The partners in this agreement continued their contractual division of profits through December 25, 1994.

Through internal development programs and acquisitions, the Company continues to explore new opportunities in news, information and communications businesses. Recent business developments include USA TODAY Baseball Weekly, which was successfully launched in 1991; Telematch, a telephone database service; Gannett Media Technologies International, a division designed to market products developed by Gannett's Advanced Systems Lab and currently in use at Gannett newspapers; as well as publishing and electronic information services.

At the end of 1994, the Company ceased operating USA TODAY Sky Radio, which distributed news and entertainment programming by satellite to commercial airlines, because of insufficient advertiser interest.

Properties: Generally, the Company owns the plants that house all aspects of the newspaper publication process. In the case of USA TODAY, at December 25, 1994, 11 non-Gannett printers were used to print the newspaper in the U.S. in markets where there are no Company newspapers with appropriate facilities. Three non-Gannett printers in foreign countries are used to print USA TODAY International. USA WEEKEND is also printed under contract with a commercial printing company. Many of the Company's newspapers also have outside news bureaus and sales offices, which generally are leased. In a few cities, two or more of the Company's newspapers share combined facilities; and in two locations, facilities are shared with other newspaper properties under joint operating agreements. The Company's newspaper properties have rail siding facilities or access to main roads for newsprint delivery purposes and are conveniently located for distribution purposes.

During the past five years, new or substantial additions or remodeling of existing newspaper facilities have been completed or are at some stage of construction at 10 of the Company's newspaper operations. During 1994, facility expansion and renovations in Lansing were completed. As part of the Company's annual capital expenditure program, its properties are improved or upgraded on a regular basis. The Company's facilities are adequate for present operations.

Raw materials: Newsprint is the basic raw material used to publish newspapers. During 1994, the Company's newsprint consumption was approximately 837,000 metric tons, including the Company's portion of newsprint consumed at joint operating agencies, consumption by USA WEEKEND, and USA TODAY tonnage consumed at non-Gannett print sites. The Company purchases newsprint from 29 North American and offshore suppliers under contracts which expire at various times through 2010.

During 1994, all of the Company's newspapers used some recycled newsprint. For the year, approximately 83% of the Company's newsprint consumption contained recycled content. The Company expects to further increase its newsprint consumption from recycled sources.

In 1994, newsprint supplies were ample, however, a work stoppage at several West Coast suppliers continues and supplies are tighter than customary. The Company believes, however, that the available sources of newsprint, together with present inventories, will continue to be adequate to supply the needs of its newspapers.

Newsprint prices at the end of 1994 were 12% higher than the previous year-end. Suppliers have enacted or announced further price increases aggregating 40% for 1995 and management believes that price increases beyond this level are possible.

Regulation: Gannett is committed to protecting the environment. Our goal is to ensure that Gannett facilities are in compliance with federal, state and local environmental laws and to incorporate appropriate environmental practices and standards in our newspaper, broadcast and outdoor advertising operations. The Company employs a corporate environmental manager responsible for oversight not only of regulatory compliance but also of preventive measures. The Company is one of the industry leaders in the use of recycled newsprint. From 1989 to 1994, the Company increased usage of newsprint containing recycled content from 42,000 metric tons in 1989 to more than 699,000 metric tons in 1994. The Company's newspapers use inks, photographic chemicals, solvents and fuels. The use and disposal of these substances may be regulated by federal, state and local agencies. Through its Environmental Compliance Plan, the Company believes it is taking effective measures to maintain compliance with environmental laws. Any release into the environment may create obligations to private and governmental entities under a variety of statutes and rules regulating the environment, including the issuance of permits.

Several of the Company's newspaper subsidiaries have been included among the potentially responsible parties in connection with the alleged disposal of ink or other chemical wastes at disposal sites which have been subsequently identified as inactive hazardous waste sites by the U.S. Environmental Protection Agency or comparable state agencies. The Company does not believe that these matters will have any significant impact on its financial condition or results of operations.

Additional information about the Company's newspapers may be found on pages 60-63 of this report.

Broadcasting

On December 25, 1994, the Company's television division, headquartered in Arlington, Va., included 10 television stations, in markets with a total of almost 10 million households. The Company's radio division includes 11 radio stations in six markets with a listening population of more than 36 million.

Exclusive rights to market and distribute USA TODAY Radio, a news and information script service, were licensed to ABC Radio Networks. ABC Radio Networks began broadcast and delivery of the USA TODAY service to approximately 2,000 radio affiliates in 1987.

At the end of 1994, the broadcasting division had approximately 2,000 full-time and part-time employees. Broadcasting revenues accounted for approximately 11% of the Company's net operating revenues in 1992, 1993 and 1994.

The principal sources of the Company's broadcasting revenues are: 1) local advertising focusing on the immediate geographic area of the stations; 2) national advertising; 3) compensation paid by the networks for carrying commercial network programs; and 4) payments by advertisers to television stations for other services, such as the production of advertising material. The advertising revenues derived from a station's local news programs make up a significant part of its total revenues.

Advertising rates charged by a television station are based primarily upon the station's ability to attract viewers, demographics and the number of television households in the area served by the station.

Practically all national advertising is placed through advertising representatives. Local advertising time is sold by each station's own sales force.

Generally, a network provides programs to its affiliated television stations, sells commercial advertising announcements within the network programs and compensates the local stations by paying an amount based on the television station's network affiliation agreement. Each radio station with a network affiliation is paid a flat annual fee under its affiliation agreement. Local programming quality and the geographic coverage of its signal are key factors in a radio station's competitive position within the market. Since most radio programming originates locally, network affiliation has little effect on a radio station's competitive position.

Programming: The costs of locally produced and purchased syndicated programming are a significant portion of television operating expenses. Syndicated programming costs are determined based upon largely uncontrollable market factors, including demand from the independent and affiliated stations within the market and in some cases from cable operations. In recent years, the Company's television stations have increased their locally produced news and entertainment programming in an effort to provide programs that distinguish the stations from the competition and to better control costs.

Properties: The Company's broadcasting facilities are adequately equipped with the necessary television and radio broadcasting equipment. The Company owns transmitter sites in 13 locations and leases sites in 12 others.

During the past five years, new broadcasting facilities have been built in Denver, Los Angeles and Washington, D.C. Substantial additions or improvements were completed in Austin and Dallas, Texas, Greensboro, N.C., and Little Rock. Substantial remodeling is underway in Atlanta and is being planned for

Jacksonville. The Company's broadcast facilities are adequate for present purposes.

Competition: In each of its broadcasting markets, the Company's stations compete for revenues with other network-affiliated and independent television and radio broadcasters and with other advertising media, such as cable television, newspapers, magazines and outdoor advertising. The Company's broadcasting stations compete principally on the basis of their market share, advertising rates and audience composition.

Network programming constitutes a substantial part of the programs broadcast on the Company's television stations, and the Company's competitive position is directly affected by viewer acceptance of network programming. Local news has been most important to a station's success and there is a growing emphasis on other forms of local programming as well as continuing involvement in the local community.

Other sources of present and potential competition for the Company's broadcasting properties include pay cable, home video and audio recorders and video disc players, direct broadcast satellite and low power television. Some of these competing services have the potential of providing improved signal reception or increased home entertainment selection, and they are continuing development and expansion.

Regulation: The Company's television and radio stations are operated under the authority of the Federal Communications Commission (FCC) under the Communications Act of 1934, as amended (Communications Act), and the rules and policies of the FCC (FCC Regulations).

Under the Communications Act, television broadcast licenses are granted for a maximum period of five years and radio licenses are granted for a maximum period of seven years. Television and radio broadcast licenses are renewable upon application to the FCC and in the past usually have been renewed except in rare cases in which a conflicting application, a petition to deny, a complaint or an adverse finding as to the licensee's qualifications has resulted in loss of the license. Petitions to deny license renewal are currently pending against two of the Company's radio facilities and one television station, but in the Company's judgment none of the petitions has merit. No competing applications are pending with respect to any of the Company's stations. The Company believes it is in substantial compliance with all applicable provisions of the Communications Act and FCC Regulations.

FCC Regulations also prohibit concentrations of broadcasting control and regulate network programming and syndication of programs. FCC Regulations governing multiple ownership prohibit the common ownership or control of most communications media serving common market areas (for example, television and radio, except that waivers can be sought for television and radio ownership in the top 25 markets; television and daily newspapers; radio and daily newspapers; or television and cable television) and limit the number of broadcast interests held by any person to a maximum of 12 television stations (subject to certain restrictions with respect to the size of the audience reached by the stations), 18 AM radio stations and 18 FM radio stations.

Other matters:Gannett Broadcasting, along with CBS Radio and Westinghouse Electric subsidiaries Group W Radio and Xetron Corporation, have formed a partnership, USA Digital Radio, to develop in-band on-channel AM and FM digital audio broadcasting (DAB) systems. During 1994, the partnership substantially completed prototypes of AM and FM DAB. USA Digital Radio's systems, along with those of competing developers, have been submitted for testing and evaluation by the National Radio Systems Committee. Additionally, USA Digital Radio's success is dependent on FCC approval of its techniques for broadcasting DAB within the AM and FM radio bands.

Additional information about the Company's television and radio stations may be found on page 64 of this annual report.

Outdoor advertising

At the end of 1994, the Company's outdoor advertising division, headquartered in New York City, included 12 outdoor advertising companies operating in 17 major markets in the U.S. and most major markets in Canada, and a printing division. The outdoor division had approximately 1,500 full-time and part-time employees at the end of 1994. The group accounted for approximately 7% of the Company's net operating revenues in 1992, and 6% in 1993 and 1994.

The Company derives its outdoor advertising revenues from leasing space on its approximately 44,000 advertising displays. These displays fall into four major groups: poster panels, bulletins, transit shelter displays and other displays.

Poster panels (27% of outdoor revenues): Poster panels include standardized posters, which are approximately 12 feet high and 25 feet long, eight-sheet posters, which are 6 feet high and 12 feet long (also known as junior posters) and smaller posters displayed in shopping centers and airports. Posters are sold in packages based on daily exposure opportunities, usually for four-week increments. They feature lithographed or silk-screened advertising copy, posted on the surface of the board.

Bulletins (41% of outdoor revenues): Bulletins typically are 14 feet high and 48 feet long. They are sold on a unit basis, typically for four to 12 months. Most are rotated to a different location every 60 days. "Permanent" bulletins, however, do not rotate. They tend to have more viewers and are higher priced than rotating bulletins. The surface of the board is usually hand painted, computer painted or covered with lithographed paper. The Company pioneered the use of Superflex and Uniface, flexible vinyl faces for bulletins, which provide a more attractive advertising surface. The flexible vinyl faces also are compatible with new computer printing technology. Additionally, the

Company offers backlights, which are rear-illuminated units on major arterial highways with the advertising message air-brushed, computer-painted or silk-screened on translucent plastic. These are available in both the USA and Canada.

Transit shelter displays (19% of outdoor revenues): These primarily include internally illuminated 4-foot-by-5-foot posters displayed on public transit shelters in several major cities in the U.S. and Canada.

Other displays (13% of outdoor revenues): This category includes poster advertising throughout the New York City subway system and on buses in Detroit, Grand Rapids and Rochester, N.Y. Printing division revenues also are categorized here.

Monthly advertising rates for each of these outdoor advertising media are based on such factors as the size of the advertising display, visibility, cost of leasing, construction and maintenance and the number of people who have the opportunity to see the advertising message. The latter is measured by the Traffic Audit Bureau (USA) or the Canadian Outdoor Measurement Bureau.

Revenues: The principal source of national outdoor advertising revenues has been the tobacco industry. In recent years, the tobacco industry has reduced its advertising expenditures significantly. To partially replace this business, the Company has obtained additional advertising from packaged-goods advertisers, as well as the more traditional sources of automotive, supermarkets, media, financial, fashion, entertainment and issue-oriented advertising. Outdoor revenues rose $10 million or 4% in 1994. U.S. operations again experienced a loss in revenues from advertising by the tobacco industry and revenues from Southern California operations were lower because of economic difficulties and business disruption from the earthquake in early 1994.

The Company also formed and operates Outdoor Network, USA, which includes 50 independent outdoor companies operating in 90 of the top 100 markets. Gannett Outdoor develops advertising nationally on behalf of the group, providing a central source to clients for market information and research, and providing single-invoice billing. The network's benefits are simplicity in planning and buying the medium, proof of performance audits, creative assistance and strengthened client service. The objective is to bring these benefits to bear in developing new and lasting sources of national business for network members.

Properties: In the conduct of its outdoor business, the Company constructs advertising display structures on land or buildings owned by the Company or leased from others. These leases are for varying terms and generally have renewal options. At the end of 1994, the Company leased approximately 21,000 sign locations. The Company owns approximately 600 parcels of varying sizes on which it maintains sign structures.

Advertising displays placed in public transit areas are subject to the terms of separate contracts with various municipal authorities. These contracts are for varying periods and require payments to the municipalities which are generally based on a percentage of the Company's revenue from the displays. The Company's outdoor facilities and displays are adequate for present operations.

Competition: The Company encounters direct competition in all of its principal outdoor advertising market areas. In most of its markets, the Company is among the larger competitors in terms of the number of advertising displays. The Company's outdoor operations also compete for revenues with newspapers, magazines, television, radio and other advertising media.

Regulation: Federal agencies from time to time propose restrictions upon the tobacco industry and other businesses that use outdoor advertising, which could affect the outdoor industry. A prohibition of advertising for tobacco products in Canada was phased in over the years 1988-1990. Effective January 1, 1993, New York City regulations prohibit the advertising of tobacco products on the city's subway system.

In many localities in which the Company operates, outdoor advertising is the object of restrictive, and in some cases prohibitive, zoning regulations. Management expects federal, state and local regulations to continue to be a significant factor in the operation of the Company's outdoor advertising business. It is not possible to predict the extent to which such regulations could affect future earnings.

Additional information about the Company's outdoor division can be found on page 64 of this report.

Corporate facilities

The Company leases office space for its headquarters in Arlington, Va., and also owns data processing facilities in nearby Maryland. The capital expenditure program for 1992, 1993 and 1994 included amounts for leasehold improvements, land, building, furniture, equipment and fixtures for headquarters operations. Headquarters facilities are adequate for present operations. In March 1994, the Company signed an agreement to purchase 30 acres of land in Fairfax County, Va., for possible use as a future site for corporate headquarters and perhaps other operations. This transaction has not yet been completed.

Employee relations

On December 25, 1994, the Company and its subsidiaries had 36,000 full-time and part-time employees. On the basis of hours worked, the Company employed the equivalent of 32,300 full-time employees. Six of the Company's newspapers are published together with non-Company newspapers pursuant to joint operating agreements, and the employment numbers above include the Company's pro-rata share of employees at those operations.

Approximately 20% of those employed by the Company and its subsidiaries are represented by labor unions. They are represented by 162 local bargaining units affiliated with 18 international unions under collective bargaining agreements. These agreements conform generally with the pattern of labor agreements in the newspaper, broadcasting and outdoor advertising industries. The Company does not engage in industrywide or companywide bargaining. From time to time, the Company has had strikes involving its operations, but the strikes have not significantly affected its operations. The Company strives to maintain good relationships with its employees and has been successful in doing so.

The Company provides competitive group life and medical insurance programs for full-time employees at each location. The Company pays a substantial portion of these costs. Beginning in 1990, however, most employees began making contributions to cover a portion of the medical insurance cost. Virtually all of the Company's units provide retirement or profit-sharing plans which cover eligible full-time employees.

In 1990, the Company established a 401(k) Savings Plan which is available to most of its employees.

Acquisitions and dispositions 1990-1994

The growth of the Company has resulted from acquisitions of businesses, as well as from internal expansion. Its significant acquisitions since the beginning of 1990 are shown on the next page. The Company has disposed of several businesses during this period, which also are listed on the next page.

Acquisitions 1990-1994

Year acquired	Name	Location	Publication times or business
1990	Great Falls Tribune	Great Falls, Mont.	Daily and Sunday
	Ye Olde Fishwrapper	Port Clinton, Ohio	Monthly
	The Shopper Advertising, Inc.	Port Huron, Mich.	Weekly
	Desert Community Newspapers	Palm Springs, Calif.	Weeklies
	North Santiam Newspapers	Salem, Ore.	Weeklies
	Pensacola Engraving Co.	Pensacola, Fla.	Commercial printing
1991	The Add Sheet	Columbia, Mo.	Weekly advertising shopper
	New Jersey Publishing Co.	Paramus, N.J.	Yellow-page directories
	The Times Journal Co.	Springfield, Va.	Daily newspapers, commercial printing and telephone data service
	Gulf Breeze Publishing	Gulf Breeze, Fla.	Weekly
	USA TODAY Sky Radio (1)	Arlington, Va.	Live news programming for commercial airlines
1992	Graphic Publications, Inc.	Richmond, Ind.	Weekly
1993	Honolulu Advertiser	Honolulu, Hawaii	Daily
	Tulare Advance-Register	Tulare, Calif.	Daily
1994	Nursing Spectrum	Various	Biweekly periodicals
	Altoona Herald-Mitchellville Index and the Eastern ADvantage	Altoona, Iowa	Weekly; Weekly advertising shopper
	KTHV-TV	Little Rock, Ark.	Television station

(1) Business formed in 1991 under a partnership agreement in which Gannett Co., Inc. holds a majority interest. Operations were terminated in December 1994.

Dispositions 1990-1994

Year sold	Name	Location	Publication times or business
1990	KNUA-FM	Seattle, Wash.	Radio station
1991	Arkansas Gazette Company	Little Rock, Ark.	Daily and Sunday
	Journal Newspapers	Springfield, Va.	Daily
1992	Phoenix Outdoor	Phoenix, Ariz.	Outdoor advertising

1993	Honolulu Star-Bulletin	Honolulu, Hawaii	Daily
	KCMO/KCMO-FM	Kansas City, Mo.	Radio stations
	KUSA/KSD-FM	St. Louis, Mo.	Radio stations
	WLVI-TV	Boston, Mass.	Television station
1994	The Stockton Record	Stockton, Calif.	Daily and Sunday

QUARTERLY STATEMENTS OF INCOME
In thousands of dollars

Fiscal year ended December 25, 1994	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Net operating revenues:					
Newspaper advertising	$492,244	$540,150	$521,938	$598,339	$2,152,671
Newspaper circulation	212,140	212,945	210,724	213,652	849,461
Broadcasting	84,007	107,493	95,189	119,919	406,608
Outdoor advertising	46,921	63,181	65,929	65,097	241,128
Other	41,313	43,112	38,647	51,583	174,655
Total	876,625	966,881	932,427	1,048,590	3,824,523
Operating expenses:					
Cost of sales and operating expenses, exclusive of depreciation	516,424	516,083	524,016	550,287	2,106,810
Selling, general and administrative expenses, exclusive of depreciation	165,945	168,458	167,447	194,289	696,139
Depreciation	40,490	40,511	42,203	40,038	163,242
Amortization of intangible assets	11,310	11,145	11,506	11,593	45,554
Total	734,169	736,197	745,172	796,207	3,011,745
Operating Income	142,456	230,684	187,255	252,383	812,778
Non-operating income (expense):					
Interest expense	(11,168)	(10,729)	(10,307)	(13,420)	(45,624)
Other	1,023	1,418	(217)	12,721	14,945
Total	(10,145)	(9,311)	(10,524)	(699)	(30,679)
Income before income taxes	132,311	221,373	176,731	251,684	782,099
Provision for income taxes	53,600	89,600	71,200	102,300	316,700
Net income	$78,711	$131,773	$105,531	$149,384	$465,399
Net income per share (1)	$0.54	$0.90	$0.74	$1.07	$3.23

(1) As a result of rounding, the total of the four quarters' earnings per share does not equal the earnings per share for the year.

QUARTERLY STATEMENTS OF INCOME
In thousands of dollars

Fiscal year ended December 26, 1993	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Net operating revenues:					
Newspaper advertising	$465,072	$513,226	$475,509	$551,230	$2,005,037
Newspaper circulation	210,053	210,124	207,558	210,971	838,706
Broadcasting	82,876	109,017	92,207	113,104	397,204
Outdoor advertising	47,825	63,987	60,063	58,896	230,771
Other	38,904	41,415	41,195	48,389	169,903
Total	844,730	937,769	876,532	982,590	3,641,621
Operating expenses:					
Cost of sales and operating expenses, exclusive of depreciation	509,377	517,941	507,291	532,635	2,067,244
Selling, general and administrative expenses, exclusive of depreciation	163,007	166,242	154,499	166,642	650,390
Depreciation	40,947	41,098	40,687	41,688	164,420
Amortization of intangible assets	11,279	11,404	11,114	11,418	45,215

Total	724,610	736,685	713,591	752,383	2,927,269
Operating Income	120,120	201,084	162,941	230,207	714,352
Non-operating income (expense):					
Interest expense	(11,045)	(13,504)	(13,590)	(13,111)	(51,250)
Other	1,492	1,848	3,429	(1,419)	5,350
Total	(9,553)	(11,656)	(10,161)	(14,530)	(45,900)
Income before income taxes	110,567	189,428	152,780	215,677	668,452
Provision for income taxes	44,225	75,775	64,000	86,700	270,700
Net income	$66,342	$113,653	$88,780	$128,977	$397,752
Net income per share (1)	$0.46	$0.78	$0.61	$0.88	$2.72

(1) As a result of rounding, the total of the four quarters' earnings per share does not equal the earnings per share for the year.

SCHEDULES TO FORM 10-K INFORMATION
In thousands of dollars
Property, plant & equipment

Classification	Balance at beginning of period	Additions at cost	Retirements or sales	Other Changes	Balance at end of period
Dec. 27, 1992					
Land	$94,617	$8,069	$809	($564)	$101,313
Buildings & improvements	613,544	51,631	3,502	(336)	661,337
Advertising display structures	272,127	6,602	12,575	(4,009)	262,145
Machinery, equipment & fixtures	1,513,517	155,442	50,012	(171)	1,618,776
Construction in progress and deposits on contracts	99,713	(49,212)	(384)	(1,114)	49,771
	$2,593,518	$172,532 (A)(E)	$66,514	($6,194) (D)	$2,693,342
Dec. 26, 1993					
Land	$101,313	$31,647	$1,284	$0	$131,676
Buildings & improvements	661,337	34,823	6,778	(279)	689,103
Advertising display structures	262,145	5,454	3,696	(1,758)	262,145
Machinery, equipment & fixtures	1,618,776	118,924	65,651	1,188	1,673,237
Construction in progress and deposits on contracts	49,771	(9,193)	485	(1,644)	38,449
	$2,693,342	$181,655 (B)(E)	$77,894	($2,493) (D)	$2,794,610
Dec. 25, 1994					
Land	$131,676	$878	$687	($1,701)	$130,166
Buildings & improvements	689,103	9,216	7,356	(374)	690,589
Advertising display structures	262,145	3,031	3,067	(2,577)	259,532
Machinery, equipment & fixtures	1,673,237	100,145	105,368	1,178	1,669,192
Construction in progress and deposits on contracts	38,449	37,998	11,457	(13)	64,977
	$2,794,610	$151,268 (C)(E)	$127,935	($3,487) (D)	$2,814,456

Notes
(A) Includes assets at acquisition net of adjustments for prior years' acquisitions $18,460
(B) Includes assets at acquisition net of adjustments for prior years' acquisitions $49,533
(C) Includes assets at acquisition net of adjustments for prior years' acquisitions $6,414
(D) Net effect of current foreign currency translation adjustment.
(E) Includes capitalized interest of $2,440 in 1992, $268 in 1993 and $563 in 1994.
(F) Generally the rates of depreciation range from 2.5% to 10% for buildings and improvements, 3.3% to 20% for advertising display structures and 4% to 25% for machinery, equipment and fixtures.

SCHEDULES TO FORM 10-K INFORMATION
In thousands of dollars
Accumulated depreciation and
amortization of property,
plant and equipment

Classification	Balance at beginning of period	Additions charged to costs and expenses	Retirements or sales	Other Changes	Balance at end of period
Dec. 27, 1992					
Buildings & improvements	$201,070	$25,793	$1,447	$2,104	$227,520

Advertising display structures	123,081	13,404	3,969	(2,043)	130,473
Machinery, equipment & fixtures	784,457	118,045	39,420	(3,024)	860,058
	$1,108,608	$157,242 (F)	$44,836	($2,963) (D)	$1,218,051
Dec. 26, 1993					
Buildings & improvements	$227,520	$26,617	$3,310	$24	$250,851
Advertising display structures	130,473	13,039	3,067	(920)	139,525
Machinery, equipment & fixtures	860,058	124,764	58,474	(383)	925,965
	$1,218,051	$164,420 (F)	$64,851	($1,279) (D)	$1,316,341
Dec. 25, 1994					
Buildings & improvements	$250,851	$26,643	$5,431	($534)	$271,529
Advertising display structures	139,525	13,150	2,273	(1,422)	148,980
Machinery, equipment & fixtures	925,965	123,449	83,748	137	965,803
	$1,316,341	$163,242 (F)	$91,452	($1,819) (D)	$1,386,312

(D)(F) See page 58

Valuation and qualifying accounts
Allowance for doubtful receivables

	Balance at beginning of period	Additions charged to costs and expenses	Additions recorded upon acquisitions	Deductions from reserves	Balance at end of period
Year ended Dec. 27, 1992	$12,469	$22,010		$22,238	$12,241
Year ended Dec. 26, 1993	$12,241	$20,505	$473	$19,304	$13,915
Year ended Dec. 25, 1994	$13,915	$20,139	$33	$18,241	$15,846

Supplementary income statement information

Fiscal year ended	Dec. 25, 1994	Dec. 26, 1993	Dec. 27, 1992
Maintenance and repairs	$55,131	$45,004	$44,555
Taxes other than payroll and income tax:			
Property	$20,522	$20,855	$18,313
Other	10,747	9,157	7,699
	$31,269	$30,012	$26,012

MARKETS WE SERVE

Daily newspapers

State Territory	City	Newspaper	Circulation Morning	Circulation Afternoon	Circulation Sunday	Founded	Joined Gannett	*
Arizona	Tucson	Tucson Citizen		48,275		1870	1976	(46)
California	Marin County	Marin Independent Journal		42,331	43,831	1861	1980	(66)
	Palm Springs	The Desert Sun	48,498		50,260	1927	1986	(77)
	Salinas	The Californian	22,999			1871	1977	(52)
	San Bernardino	The San Bernardino County Sun	84,384		98,973	1894	1969	(23)
	Tulare	Tulare Advance-Register		8,870		1882	1993	(82)
	Visalia	Visalia Times-Delta	22,258			1859	1977	(53)
Colorado	Fort Collins	Fort Collins Coloradoan	27,157		33,609	1873	1977	(54)
Connecticut	Norwich	Norwich Bulletin	33,060		38,016	1791	1981	(69)
Delaware	Wilmington	The News Journal	126,089		149,382	1871	1978	(60)
Florida	Brevard County	FLORIDA TODAY	87,541		113,205	1966	1966	(21)
	Fort Myers	News-Press	94,673		113,630	1884	1971	(37)
	Pensacola	Pensacola News Journal	63,454		83,495	1889	1969	(24)
Georgia	Gainesville	The Times		23,441	27,904	1947	1981	(68)
Guam	Agana	Pacific Daily News	25,152		23,541	1944	1971	(36)
Hawaii	Honolulu	Honolulu Advertiser	105,622		195,342	1856	1993	(81)
Idaho	Boise	The Idaho Statesman	64,852		86,864	1864	1971	(29)
Illinois	Danville	Commercial-News		21,583	24,008	1866	1934	(7)
	Rockford	Rockford Register Star	77,659		89,414	1855	1967	(22)
Indiana	Lafayette	Journal and Courier	38,064		44,846	1829	1971	(30)
	Marion	Chronicle-Tribune	20,646		24,730	1867	1971	(33)
	Richmond	Palladium-Item		19,700	24,743	1831	1976	(45)
Iowa	Des Moines	The Des Moines Register	184,395		316,792	1849	1985	(73)
	Iowa City	Iowa City Press-Citizen		16,211		1860	1977	(56)
Kentucky	Louisville	The Courier-Journal	241,084		330,537	1868	1986	(79)
Louisiana	Monroe	The News-Star	39,285		46,686	1890	1977	(59)
	Shreveport	The Times	82,974		102,691	1871	1977	(58)
Michigan	Battle Creek	Battle Creek Enquirer		28,062	37,094	1900	1971	(31)

	Detroit	The Detroit News		355,329		1873	1986	(76)
		The Detroit News and Free Press			1,139,807			
	Lansing	Lansing State Journal	71,305		94,410	1855	1971	(28)
	Port Huron	Times Herald		31,651	40,160	1900	1970	(25)
Minnesota	St. Cloud	St. Cloud Times		28,958	37,638	1861	1977	(51)
Mississippi	Hattiesburg	Hattiesburg American		26,893	30,329	1897	1982	(71)
	Jackson	The Clarion-Ledger	111,696		130,379	1837	1982	(70)
Missouri	Springfield	Springfield News-Leader	63,453		103,444	1893	1977	(50)
Montana	Great Falls	Great Falls Tribune	34,199		40,835	1885	1990	(80)
Nevada	Reno	Reno Gazette-Journal	68,293		86,412	1870	1977	(47)
New Jersey	Bridgewater	The Courier-News	50,187		53,414	1884	1927	(5)
	Cherry Hill	Courier-Post	87,931		98,093	1875	1959	(11)
	Vineland	The Daily Journal		19,168		1864	1986	(78)
New York	Binghamton	Press & Sun-Bulletin	69,629		90,337	1904	1943	(9)
	Elmira	Star-Gazette	35,246		49,523	1828	1906	(1)
	Ithaca	The Ithaca Journal		19,623		1815	1912	(2)
	Niagara Falls	Niagara Gazette	26,758		28,116	1854	1954	(10)
	Poughkeepsie	Poughkeepsie Journal	44,414		61,286	1785	1977	(49)
	Rochester	Democrat and Chronicle	143,297		256,912	1833	1928	(6)
		Times-Union		61,324		1918	1918	(3)
	Saratoga Springs	The Saratogian	12,859		14,542	1855	1934	(8)
	Utica	Observer-Dispatch	52,043		66,702	1817	1922	(4)
	Gannett Suburban Newspapers:							
	Mamaroneck	The Daily Times		5,472	5,640	1879	1964	(18)
	Mount Vernon	The Daily Argus	7,083		8,821	1892	1964	(17)
	New Rochelle	The Standard-Star	10,839		11,883	1908	1964	(15)
	Ossining	The Citizen-Register		6,079	7,489	1847	1964	(19)
	Peekskill	The Star		6,318	8,812	1922	1985	(75)
	Port Chester	The Daily Item		9,120	10,112	1885	1964	(16)
	Tarrytown	The Daily News		3,500	4,305	1897	1964	(20)
	West Nyack-Rockland	Rockland Journal-News	41,733		52,492	1850	1964	(13)
	White Plains	The Reporter Dispatch		47,030	58,547	1829	1964	(12)
	Yonkers	The Herald Statesman	23,726		31,584	1852	1964	(14)
Ohio	Chillicothe	Chillicothe Gazette		16,688		1800	1977	(57)
	Cincinnati	The Cincinnati Enquirer	204,498		352,656	1841	1979	(62)
	Fremont	The News-Messenger		13,734		1856	1975	(41)
	Marietta	The Marietta Times		13,191		1864	1974	(40)
	Port Clinton	News Herald		6,085		1864	1975	(42)
Oklahoma	Muskogee	Muskogee Daily Phoenix and Times-Democrat	19,006		20,508	1888	1977	(55)
Oregon	Salem	Statesman Journal	62,254		71,961	1851	1974	(39)
Pennsylvania	Chambersburg	Public Opinion		21,646		1869	1971	(27)
	Lansdale	The Reporter		19,378		1870	1980	(67)
	North Hills	North Hills News Record		24,044	23,497	1962	1976	(44)
	Tarentum	Valley News Dispatch		35,187	34,277	1891	1976	(43)
South Dakota	Sioux Falls	Argus Leader	51,845		74,108	1881	1977	(48)
Tennessee	Jackson	The Jackson Sun	40,042		44,983	1848	1985	(74)
	Nashville	The Tennessean	147,379		282,114	1812	1979	(63)
Texas	El Paso	El Paso Times	67,154		101,730	1879	1972	(38)
Vermont	Burlington	The Burlington Free Press	54,207		68,403	1827	1971	(26)
Virgin Islands	St. Thomas	The Virgin Islands Daily News	16,401			1930	1978	(61)
Virginia	Arlington	USA TODAY	2,026,109			1982	1982	(72)
Washington	Bellingham	The Bellingham Herald		26,931	34,297	1890	1971	(34)
	Olympia	The Olympian	36,265		45,818	1889	1971	(32)
West Virginia	Huntington	The Herald-Dispatch	40,961		49,111	1909	1971	(35)
Wisconsin	Green Bay	Green Bay Press-Gazette		60,787	87,622	1915	1980	(64)
	Wausau	Wausau Daily Herald		25,720	31,522	1903	1980	(65)

* Number in parentheses notes chronological order in which existing newspapers joined Gannett.

MARKETS WE SERVE

Operation	Location and other information
Non-daily publications	Weekly, semi-weekly or monthly publications in Arizona, Arkansas, California, Colorado, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Vermont, Virginia, Washington, Washington, D.C., West Virginia and Wisconsin
USA TODAY	Headquarters: Arlington, Va.
Print sites	Arlington, Texas; Atlanta; Batavia, N.Y.; Brevard County, Fla.; Chandler, Ariz.; Chicago; Columbia, S.C.; Fort Collins, Colo.; Fort Myers, Fla.; Gainesville, Ga.; Greensboro, N.C.; Hattiesburg, Miss.; Kankakee, Ill.; Lansdale, Pa.; Lawrence, Kan.; Mansfield, Ohio; Marin County, Calif.; Miramar, Fla.; Nashville, Tenn.; Norwood, Mass.; Olympia, Wash.; Pasadena, Texas; Port Huron, Mich.; Richmond, Ind.; Rockaway, N.J.; St. Cloud, Minn.; St. Louis; Salt Lake City; San Bernardino, Calif.; Springfield, Va.; Tarentum, Pa.; White Plains, N.Y.
International print sites	Hong Kong; London, England; Lucerne, Switzerland
Regional offices	Atlanta; Boston; Buffalo, N.Y.; Charlotte, N.C.; Chicago; Cincinnati; Cleveland; Columbus, Ohio; Dallas; Denver; Detroit; Houston; Indianapolis; Kansas City, Mo.; Los Angeles; Milwaukee; Minneapolis-St. Paul; Miramar, Fla.; Nashville, Tenn.; New Orleans; Orlando, Fla.; Philadelphia; Phoenix, Ariz.; Pittsburgh; Port Washington, N.Y.; St. Louis; San Francisco; Seattle; Springfield, Va.; Union, N.J.
Advertising offices	Arlington, Va.; Atlanta; Boston; Chicago; Dallas; Detroit; Hong Kong; London, England; Los Angeles; New York, N.Y.
USA TODAY Baseball Weekly	Circulation 280,000
Editorial and advertising offices	Arlington, Va.
USA TODAY Information Network	Headquarters: Arlington, VA
USA WEEKEND	Circulation 18.6 million in 428 newspapers
Advertising offices	Chicago; Detroit; Los Angeles; New York, N.Y.
Editorial and production offices	Arlington, Va.

Gannett Direct Marketing Services, Inc.	Headquarters: Louisville, Ky.
Gannett International	Headquarters: New York, N.Y.
International offices	Hong Kong; London, England; Singapore; Zurich, Switzerland
Products	USA TODAY International Edition; USA TODAY International/Gannett News Service
Gannett Media Technologies International	Headquarters: Cincinnati, Ohio
Gannett National Newspaper Sales	Headquarters: New York, N.Y.
Regional offices	Chicago; Detroit; Los Angeles
Gannett New Media	Headquarters: Arlington, Va.
Products	New business and product development; telephonic information services
Gannett News Service	Headquarters: Arlington, Va.
Bureaus	Albany, N.Y.; Baton Rouge, La.; Columbus, Ohio; Harrisburg, Pa.; Indianapolis; Olympia, Wash.; Sacramento, Calif; Springfield, Ill.; Tallahassee, Fla.
Gannett Offset	Headquarters: Springfield, Va.
Offset sites	Atlanta; Chandler, Ariz.; Miramar, Fla.; Nashville, Tenn.; Norwood, Mass.; Olivette, Mo.; Springfield, Va.
Gannett Outdoor Group	Headquarters: New York, N.Y.
Outdoor and Transit operations	Berkeley, Calif.; Chicago; Denver; Detroit; Fairfield, N.J.; Flint, Mich.; Grand Rapids, Mich.; Houston; New Haven, Conn.; Kansas City, Mo.; Lakewood, N.J.; Los Angeles; New York, N.Y.; Philadelphia; Rochester, N.Y.; St. Louis; Sacramento, Calif.; San Diego; San Francisco
Outdoor Network, USA	Headquarters: New York, N.Y.
Sales offices	Chicago; Detroit; Los Angeles; New York, N.Y.; San Francisco
Mediacom, Inc.	Headquarters: Toronto, Ontario
Mediacom operations	Mississauga, Montreal, Quebec City, Toronto, Winnipeg and 26 other Canadian cities
Gannett Satellite Information Network	Headquarters: Arlington, Va.
Gannett TeleMarketing, Inc.	Headquarters: Springfield, Va.
Operations	Cincinnati; Nashville, Tenn.; Silver Spring, Md.
GANNETTWORK	Headquarters: New York, N.Y.
Sales offices	Chicago; New York, N.Y.; San Francisco
Louis Harris & Associates	Headquarters: New York, N.Y.
Telematch	Headquarters: Springfield, Va.

MARKETS WE SERVE

State	City	Television Station	Channel/Network	** Weekly Audience	Founded	Joined Gannett	*
Arizona	Phoenix	KPNX-TV	Channel 12/NBC	985,000	1953	1979	(3)
Arkansas	Little Rock	KTHV-TV	Channel 11/CBS	444,000	1955	1994	(10)
Colorado	Denver	KUSA-TV	Channel 9/ABC	1,360,000	1952	1979	(2)
District of Columbia	Washington	WUSA-TV	Channel 9/CBS	1,966,000	1949	1986	(6)
Florida	Jacksonville	WTLV-TV	Channel 12/NBC	434,000	1957	1988	(8)
Georgia	Atlanta	WXIA-TV	Channel 11/NBC	1,743,000	1948	1979	(1)
Minnesota	Minneapolis-St. Paul	KARE-TV	Channel 11/NBC	1,281,000	1953	1983	(5)
North Carolina	Greensboro	WFMY-TV	Channel 2/CBS	576,000	1949	1988	(9)
Oklahoma	Oklahoma City	KOCO-TV	Channel 5/ABC	551,000	1956	1979	(4)
Texas	Austin	KVUE-TV	Channel 24/ABC	362,000	1971	1986	(7)

State	City	Radio Station	Channel	** Weekly Audience	Founded	Joined Gannett	*
California	Los Angeles	KIIS	1150 Khz	53,300	1927	1979	(3)
		KIIS-FM	102.7 Mhz	1,810,700	1961	1979	(1)
	San Diego	KSDO	1130 Khz	256,100	1947	1979	(5)
		KCLX-FM	102.9 Mhz	193,600	1963	1979	(4)
Florida	Tampa-St. Petersburg	WDAE	1250 Khz	12,400	1922	1984	(8)
		WUSA-FM	100.7 Mhz	233,700	1951	1980	(7)
Illinois	Chicago	WGCI	1390 Khz	223,800	1923	1979	(6)
		WGCI-FM	107.5 Mhz	905,700	1959	1979	(2)
Texas	Dallas	KHKS-FM	106.1 Mhz	602,700	1950	1986	(11)
	Houston	KKBQ	790 Khz	17,300	1944	1984	(10)
		KKBQ-FM	92.9 Mhz	422,500	1962	1984	(9)

*   Number in parentheses notes chronological order in which existing stations joined Gannett.
** Weekly audience for television stations is number of TV households reached, according to the November 1994 Nielsen book.
Weekly audience for radio stations is number of different listeners age 12 and up reached, according to the Fall 1994 Arbitron book.

-Back Cover-

This annual report was written and produced by employees of Gannett.

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Mimi Feller

Director/Public Affairs and Editor/Annual Report
Sheila Gibbons

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Susan Watson

Vice President/Corporate Accounting Services
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Larry McCormick

Make A Difference Day, Page 7
Greg Foster

Employees, Page 8
David Bergeland, The Courier-News at Bridgewater, N.J.

Employees, Page 9
Diane Weiss (top), Donna Terek, The Detroit News

Employees, Page 12
Michael Klein (top); Pete Lacker

Transit shelter, Page 14
Greg Day

Employees, Page 15
Per Matthews (bottom, left); Shawn Spence, Gannett News Service (top, center); Bob Nandell, The Des Moines Register (bottom, center)

Board of Directors, Pages 16, 17
Paul Goldberg, Gannett

Gannett Stock
Gannett Co., Inc. shares are traded on the New York Stock Exchange with the symbol GCI.

The Company's transfer agent and registrar is Norwest Bank Minnesota, N.A. General inquiries and requests for enrollment materials for the programs described below should be directed to Norwest's Stock Transfer Department, P.O. Box 738, South St. Paul, MN 55075-0738 or by telephone at 1-800-778-3299.

Gannett is pleased to offer the following shareholder services:

Dividend Reinvestment Plan
The Dividend Reinvestment Plan (DRP) provides Gannett shareholders the opportunity to purchase additional shares of the Company's common stock free of brokerage fees or service charges through automatic reinvestment of dividends and optional cash payments. Cash payments may range from a minimum of $10 to a maximum of $5,000 per month.

Automatic Cash Investment Service for the DRP
This service provides a convenient, no-cost method of having money automatically withdrawn from your checking or savings account each month and invested in Gannett stock through your DRP account.

Direct Deposit Service
Gannett shareholders may have their quarterly dividends electronically credited to their checking or savings accounts on the payment date and at no additional cost.

Form 10-K
Information provided by Gannett in its Form 10-K annual report to the Securities and Exchange Commission has been incorporated in this report. Copies of the complete Form 10-K annual report may be obtained by writing the Secretary, Gannett Co., Inc., 1100 Wilson Blvd., Arlington, VA 22234.

Annual Meeting
The annual meeting of shareholders will be held at 10 a.m. Tuesday, May 2, 1995 at Gannett headquarters.

For More Information
News and information about Gannett is now available on the Internet's World Wide Web at http://www.gannett.com or at gcishare@info.gannett.com via electronic mail. Quarterly earnings information will be available on or about April 12, July 12 and Oct. 11, 1995, and Feb. 1, 1996.

Shareholders who wish to contact the Company directly about their Gannett stock should call Shareholder Services at Gannett headquarters at 703-284-6960.

Gannett Headquarters
1100 Wilson Boulevard
Arlington, VA 22234
703-284-6000

SUBSIDIARY LIST Exhibit 21

UNIT	STATE OF INCORPORATION/FORMATION
ADVANCED MEDIA SOLUTIONS	DELAWARE
ARKANSAS TELEVISION COMPANY	ARKANSAS
CALIFORNIA NEWSPAPERS, INC.	CALIFORNIA
CAPE PUBLICATIONS, INC.	FLORIDA
CHILDREN'S EDITION, INC.	KENTUCKY
CITIZEN PUBLISHING COMPANY	ARIZONA
COMBINED COMMUNICATIONS CORPORATION	ARIZONA
COMBINED COMMUNICATIONS CORPORATION OF OKLAHOMA, INC.	OKLAHOMA
COURIER BROADWAY CORP.	KENTUCKY
COURIER-JOURNAL AND LOUISVILLE TIMES COMPANY	KENTUCKY
DAILY NEWS PUBLISHING CO., INC.	VIRGIN ISLANDS
DES MOINES REGISTER AND TRIBUNE CO.	IOWA
THE DESERT SUN PUBLISHING COMPANY	CALIFORNIA

THE DETROIT NEWS, INC.	MICHIGAN
DETROIT NEWSPAPER AGENCY	MICHIGAN
EL PASO TIMES, INC.	DELAWARE
ELEVEN-FIFTY CORP.	DELAWARE
FEDERATED PUBLICATIONS, INC.	DELAWARE
FORT COLLINS NEWSPAPERS INC.	COLORADO
GANNETT COLORADO BROADCASTING, INC.	DELAWARE
GANNETT DIRECT MARKETING SERVICES, INC.	KENTUCKY
GANNETT FLORIDA BROADCASTING, INC.	DELAWARE
GANNETT INTERNATIONAL COMMUNICATIONS, INC.	DELAWARE
GANNETT MASSACHUSETTS SUPPLY CORP.	MASSACHUSETTS
GANNETT MINNESOTA BROADCASTING, INC.	DELAWARE
GANNETT NATIONAL NEWSPAPER SALES, INC.	DELAWARE
GANNETT OUTDOOR CO. OF TEXAS	TEXAS
GANNETT PACIFIC CORPORATION	HAWAII

GANNETT RIVER STATES PUBLISHING CORPORATION	ARKANSAS
GANNETT SATELLITE INFORMATION NETWORK, INC.	DELAWARE
GANNETT SUPPLY CORPORATION	DELAWARE
GANNETT T/G SUBSIDIARY, INC.	CALIFORNIA
GANNETT TELEMARKETING, INC.	DELAWARE
GANNETT TEXAS BROADCASTING, INC.	TEXAS
GANNETT TRANSIT, INC.	DELAWARE
GUAM PUBLICATIONS, INCORPORATED	HAWAII
HAWAII NEWSPAPER AGENCY LIMITED PARTNERSHIP	DELAWARE
KPNX BROADCASTING COMPANY	ARIZONA
KVUE-TV, INC.	MICHIGAN
LOUIS HARRIS AND ASSOCIATES, INC.	DELAWARE
LOUIS HARRIS INTERNATIONAL, INC.	DELAWARE
MCCLURE NEWSPAPERS, INC.	DELAWARE
MEDIACOM INC.	CANADA

NEW YORK SUBWAYS ADVERTISING CO., INC.	ARIZONA
NEWS-PRESS PUBLISHING COMPANY	FLORIDA
OKLAHOMA PRESS PUBLISHING COMPANY	OKLAHOMA
PACIFIC MEDIA, INC.	DELAWARE
PACIFIC AND SOUTHERN COMPANY, INC.	DELAWARE
PENSACOLA NEWS-JOURNAL INC.	FLORIDA
PRESS-CITIZEN COMPANY INC.	IOWA
RENO NEWSPAPERS, INC.	NEVADA
ST. CLOUD NEWSPAPERS INC.	MINNESOTA
SALEM COUNTY SAMPLER, INC.	NEW JERSEY
SALINAS NEWSPAPERS INC.	CALIFORNIA
SHELTER MEDIA COMMUNICATIONS, INC.	CALIFORNIA
SHINY ROCK MINING CORPORATION	OREGON
SIOUX FALLS NEWSPAPERS INC.	SOUTH DAKOTA
SOUTHLAND PUBLISHING COMPANY	DELAWARE

SPEIDEL NEWSPAPERS INC.	DELAWARE
THE STATESMAN-JOURNAL COMPANY	OREGON
THE SUN COMPANY OF SAN BERNARDINO, CALIFORNIA	CALIFORNIA
TELEVISION 12 OF JACKSONVILLE, INC.	FLORIDA
THE TIMES HERALD COMPANY	MICHIGAN
TNI PARTNERS	ARIZONA
USA DIGITAL RADIO PARTNERS, L.P.	NEW YORK
USA TODAY INTERNATIONAL CORPORATION	DELAWARE
USA WEEKEND, INC.	DELAWARE
VISALIA NEWSPAPERS INC.	CALIFORNIA
WFMY TELEVISION CORP.	NORTH CAROLINA

Exhibit 23

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Prospectuses constituting part of the Registration Statements on Form S-3 (No. 33-58686 and 33-53159) and in the Registration Statements on Form S-8 (Nos. 2-63038, 2-84088, 33-15319, 33-16790, 33-28413, 33-35305 and 33-50813) of Gannett Co., Inc. of our report dated January 26, 1995 appearing on page 43 of the Annual Report to Shareholders which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report on the Financial Statement Schedules, which appears on page 8 of this Form 10-K.

s/ Price Waterhouse LLP

PRICE WATERHOUSE LLP

Washington, D.C.
March 24, 1995

<ARTICLE> 5
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This schedule contains summary financial information extracted from the consolidated balance sheets and statements of income for Gannett Co., Inc. and is qualified in its entirety by reference to such financial statements.
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