

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 26, 1993 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 Iden-
tification 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 4, 1994 was in excess of \$7,925,792,318.

The number of shares outstanding of the registrant's Common Stock, Par Value \$1.00, as of March 4, 1994 was 147,163,142.

Documents incorporated by reference.

(1) Portions of the registrant's Annual Report to Shareholders for fiscal year ended December 26, 1993 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 3, 1994.

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 1993 Annual Report to Shareholders ("Annual Report") and its definitive Proxy Statement for the Annual Meeting of Shareholders to be held May 3, 1994 ("Proxy Statement") as described below:

Part I

Item 1.	Business.	Business of the Company (Annual Report pp. 51-58).
Item 2.	Properties.	Properties (Annual Report pp. 39, 54, 55, 57, 62 and 63); Corporate Facilities (Annual Report p. 57); Gannett Properties (Annual Report pp. 64-68).
Item 3.	Legal Proceedings.	Note 9 - Commitments and Contingent Liabilities - Litigation (Annual Report p. 46). Regulation (Annual Report pp. 54-55).
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.	Market for the Company's Common Stock (Inside back cover); Approximate Number of Common Stockholders (Annual Report p. 1); Common Stock Prices (Annual Report p. 25); Dividends (Annual Report p. 33).
Item 6.	Selected Financial Data.	Eleven-Year Summary and Notes to Eleven-Year Summary (Annual Report pp. 48-50).
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. 26-33).

- Item 8. Financial Statements and Supplementary Data. Consolidated Financial Statements and Notes to Consolidated Financial Statements (Annual Report pp. 34-46). Effects of inflation and changing prices (Annual Report p. 33). Quarterly Statements of Income (Annual Report pp. 60-61).
- 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:
- Thomas L. Chapple - General Counsel, Vice President, and Secretary.
Susan Clark-Jackson - President, Gannett West Newspaper Group, and President and Publisher, Reno (Nev.) Gazette-Journal.
Michael J. Coleman - 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, Newspaper Division.
Donald W. Davidson - President, Gannett Outdoor Group.
Gerard R. DeFrancesco - President, Gannett Radio.
Thomas J. Farrell - President, Gannett New Media Group.
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.
Peter S. Prichard - Senior Vice President, News/Chief News Executive, Gannett, and Editor, USA TODAY.
W. Curtis Riddle - President, Gannett East Newspaper Group, and President and Publisher, Lansing (Mich.) State Journal.
Carleton F. Rosenburgh - Senior Vice President, Gannett Newspaper Division.
Gary F. Sherlock - Vice President, Gannett Metro Newspaper Group, and President and Publisher, Gannett Suburban Newspapers.
Mary P. Stier - President, Gannett Central Newspaper Group, and President and Publisher, Rockford Register Star
Jimmy L. Thomas - Senior Vice President, Financial Services and Treasurer.
Ronald Townsend - President, Gannett Television.
Frank J. Vega - President and Chief Executive Officer, Detroit Newspaper Agency.
Cecil L. Walker - President, Gannett Broadcasting.
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 22 through 23. 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 Incorporated by reference to the Company's definitive Proxy Statement

Management. 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 34 through 47 of the Company's 1993 Annual Report to Shareholders and are incorporated herein by reference:

Consolidated Balance Sheets as of December 26, 1993 and December 27, 1992.

Consolidated Statements of Income - Fiscal Years Ended December 26, 1993, December 27, 1992, and December 29, 1991.

Consolidated Statements of Cash Flows - Fiscal Years Ended December 26, 1993, December 27, 1992, and December 29, 1991.

Consolidated Statements of Changes in Shareholders' Equity - Fiscal Years Ended December 26, 1993, December 27, 1992, and December 29, 1991.

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 - December 26, 1993, December 27, 1992, and December 29, 1991" appearing on pages 62 through 63 of the Company's 1993 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.

UNDERTAKING (included for purposes of incorporation by reference in the Company's Registration Statements on Form S-8)

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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 27, 1994 appearing on page 47 of the 1993 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

PRICE WATERHOUSE
Washington, D.C.
January 27, 1994

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 22, 1994

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 22, 1994

By s/ John J. Curley

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

Dated: February 22, 1994

By s/ Douglas H. McCorkindale

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

Dated: February 22, 1994

By s/ Larry F. Miller

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

Dated: February 22, 1994

By s/ Andrew F. Brimmer

Andrew F. Brimmer, Director

Dated: February 22, 1994

By s/ Meredith A. Brokaw

Meredith A. Brokaw, Director

Dated: February 22, 1994

By s/ Rosalynn Carter

Rosalynn Carter, Director

Dated: February 22, 1994

By s/ Peter B. Clark

Peter B. Clark, Director

Dated: February 22, 1994

By s/ Stuart T. K. Ho

Stuart T.K. Ho, Director

Dated: February 22, 1994

By s/

John J. Louis, Jr., Director

Dated: February 22, 1994 By s/ Rollan D. Melton

Rollan D. Melton, Director

Dated: February 22, 1994 By s/ Thomas A. Reynolds

Thomas A. Reynolds, Jr., Director

Dated: February 22, 1994 By s/ Carl T. Rowan

Carl T. Rowan, Director

Dated: February 22, 1994 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.	Attached.
	Amendment to Restated Certificate of Incorporation.	Attached.
3-2	By-laws of Gannett Co., Inc.	Attached.
4-1	\$1,000,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named in the Agreement.	Attached.
4-2	\$500,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named in the Agreement.	Attached.
4-3	Indenture dated as of March 1, 1983 with Citibank, N.A. as trustee.	Incorporated by reference to Exhibit 4-2 of Gannett Co., Inc.'s Form 10-K for fiscal year ended December 29, 1985.
4-4	First Supplemental Indenture dated as of November 5, 1986 among Gannett Co., Inc., Citibank, N.A., Trustee and Sovran Bank, N.A., Successor Trustee.	Incorporated by reference to Exhibit 4 of Gannett Co., Inc.'s Form 8-K dated November 6, 1986.
4-5	Rights Plan.	Incorporated by reference to Exhibit 1 of Gannett Co., Inc.'s Form 8-K filed 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 fiscal year ended December 27, 1992.
10-2	Employment Agreement dated December 7, 1992 between Gannett Co., Inc. and Douglas H. McCorkindale. (*)	Incorporated by reference to Gannett Co., Inc.'s Form 10-K for fiscal year ended December 27, 1992.

10-3	Gannett Co., Inc. 1978 Executive Long-Term Incentive Plan. (*)	Incorporated by reference to Exhibit 10-3 of Gannett Co., Inc.'s Form 10-K for fiscal year ended December 28, 1980, SEC file No. 1-6961. Amendment No. 1 incorporated by reference to Exhibit 20-1 of Gannett Co., Inc.'s Form 10-K for fiscal year ended December 27, 1981, SEC file No. 1-6961. Amendment No. 2 incorporated by reference to Exhibit 10-2 of 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 of Gannett Co., Inc.'s Form S-8 Registration Statement No. 33-28413 filed May 1, 1989. Amendments Nos. 5 and 6 incorporated by reference to Exhibit 10-8 of Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 1989.
10-4	Description of supplemental insurance benefits. (*)	Attached.
10-5	Gannett Co., Inc. Supplemental Retirement Plan, as amended. (*)	Incorporated by reference to Exhibit 10-8 of Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 27, 1986 ("1986 Form 10-K")
10-6	Plan for the Deferral of Directors Fees, as amended. (*)	Incorporated by reference to Exhibit 10-9 of the 1986 10-K. 1991 Amendment incorporated by reference to Exhibit 10-1 to Gannett Co., Inc.'s Form 10-Q for the quarter ended September 29, 1991.
10-7	Gannett Co., Inc. Retirement Plan for Directors. (*)	Incorporated by reference to Exhibit 10-10 of the 1986 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. (*)	Attached.
10-9	Gannett Co., Inc. Transitional Compensation Plan. (*)	Incorporated by reference to Exhibit 10-13 of 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 1993 Annual Report to Shareholders incorporated by reference.	Attached.
22	Subsidiaries of Gannett Co., Inc.	Attached.
24	Consent of Independent Accountants.	Attached.
99	Descriptions of graphics presented in the paper copy of Gannett Co., Inc.'s Annual Report for the fiscal year ended December 26, 1993.	Attached.

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

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.

CERTIFICATE OF INCORPORATION

OF

GANNETT CO., INC.

(Incorporated February 28, 1972)

The Restated Certificate of Incorporation of Gannett Co., Inc., as heretofore amended, is hereby restated and integrated, without further amendment and without discrepancy between the provisions of the Certificate of Incorporation as heretofore amended and the provisions of this restated certificate, pursuant to adoption by the Board of Directors of the Corporation in accordance with Section 245 of the General Corporation Law of the State of Delaware, as follows:

FIRST: The name of the Corporation is: GANNETT CO., INC.

SECOND: The registered office of the Corporation in the State of Delaware is located at Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of the Corporation's registered agent at such address is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is Two Hundred Two Million (202,000,000) shares of which Two Hundred Million (200,000,000) shares shall be Common Stock of the par value of One Dollar (\$1.00) per share and Two Million (2,000,000) shares shall be Preferred Stock of the par value of One Dollar (\$1.00) per share. A statement of the designations of the authorized classes of stock or of any series thereof, and the powers, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof, or of the authority by the Board of Directors to fix by resolution or resolutions such designations and other terms, is as follows:

A. Preferred Stock. The shares of the Preferred Stock may be issued from time to time in one or more series. The Board of Directors is hereby vested with authority to fix by resolution or resolutions the designation of each series of Preferred Stock and the powers, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof, including without limiting the generality of the foregoing, such provisions as may be desired concerning the dividend rights, the dividend rate, conversion rate, conversion rights, voting rights, rights in terms of redemption (including sinking fund provisions), the redemption price or prices, and the liquidation preferences and such other subjects or matters as may be fixed by resolution or resolutions of the Board of Directors under the General Corporation Law of Delaware; and to fix the number of shares constituting any such series, and to increase or decrease the number of shares thereof then outstanding). In case the number of shares of any such series shall be so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution or resolutions originally fixing the number of shares of such series.

B. Common Stock. Subject to all of the preferences and rights of the Preferred Stock or a series thereof that may be fixed by a resolution or resolutions of the Board of Directors, (i) dividends may be paid on the Common Stock of the Corporation as and when declared by the Board of Directors, out of funds of the Corporation legally available for the payment of such dividends, and (ii) each share of Common Stock of the Corporation will be entitled to one vote on all matters on which such stock is entitled to vote.

FIFTH:

Section 1. Election of Directors. Election of directors need not be by written ballot unless and to the extent the By-laws of the Corporation so provide.

Section 2. Number, Election and Terms. Except as otherwise fixed pursuant to the provisions of Article FOURTH hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect additional directors under specified circumstances, the number of the directors of the Corporation shall be fixed from time to time by or pursuant to the By-laws. The directors, other than those who may be elected by the holders of any class or series of stock having preference over the Common Stock as to dividends or upon liquidation, shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as shall be provided in the manner specified in the By-laws, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1986, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1987, and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1988, with the members of each class to hold office until their successors are elected and qualified. At each annual meeting of the stockholders of the Corporation, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

Section 3. Stockholder Nomination of Director Candidates. Advance notice of stockholder nominations for the election of directors and of any stockholder proposals to be considered at an annual stockholder meeting shall be given in the manner provided in the By-laws.

Section 4. Newly Created Directorships and Vacancies. Except as otherwise fixed pursuant to the provisions of Article FOURTH hereof relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect additional directors under specified circumstances, newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Section 5. Removal of Directors. Subject to the rights of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director may be removed from office, without cause, only by the affirmative vote of the holders of 80% of the combined voting power of the then outstanding Voting Stock (as defined in Article EIGHTH), voting together as a single class.

Section 6. Amendment or Repeal of this Article FIFTH. Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 80% of the voting power of the then outstanding Voting Stock, voting together as a single class, shall be required to alter, amend, adopt any provision inconsistent with or repeal this Article FIFTH.

SIXTH: The Board of Directors shall have power to make, alter, amend and repeal the By-laws (except so far as the By-laws adopted by the stockholders shall otherwise provide). Any By-laws made by the directors under the powers conferred hereby may be altered, amended or repealed by the directors or by the stockholders. Notwithstanding the foregoing and anything contained in this Certificate of Incorporation to the contrary, Sections 2 and 9 of Article I (as amended), Sections 2, 4, 5, 8, and 9 of Article II (as amended) and Article VI of the By-laws shall not be altered,

amended or repealed and no provision inconsistent therewith shall be adopted without the affirmative vote of the holders of at least 80% of the voting power of the then outstanding Voting Stock, voting together as a single class. Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 80% of the voting power of the outstanding Voting Stock, voting together as a single class, shall be required to alter, amend, adopt any provision inconsistent with or repeal this Article SIXTH.

SEVENTH: Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders. Except as otherwise required by law and subject to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation, special meetings of stockholders of the Corporation may be called only by the Chairman of the Board or the Board of Directors. Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 80% of the voting power of the outstanding Voting Stock, voting together as a single class, shall be required to alter, amend, adopt any provision inconsistent with, or repeal this Article SEVENTH.

EIGHTH:

Section 1. Vote Required for Certain Business Combinations.

A. Higher Vote for Certain Business Combinations. In addition to any affirmative vote required by law or this Certificate of Incorporation, and except as otherwise expressly provided in Section 2 of this Article EIGHTH:

(i) any merger or consolidation of the Corporation or any Subsidiary (as hereinafter defined) with (a) any Interested Shareholder (as hereinafter defined) or (b) any other company (whether or not itself an Interested Shareholder) which is, or after such merger or consolidation would be, an Affiliate (as hereinafter defined) of an Interested Shareholder; or

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Interested Shareholder or any Affiliate of any Interested Shareholder of any assets of the Corporation or any Subsidiary having an aggregate Fair Market Value of \$25 million or more; or

(iii) the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any securities of the Corporation or any Subsidiary to any Interested Shareholder or any Affiliate of any Interested Shareholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value of \$25 million or more; or

(iv) the adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of any Interested Shareholder or any Affiliate of any Interested Shareholder; or

(v) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving any Interested Shareholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of Equity Security (as hereinafter defined) of the Corporation or any Subsidiary which is directly or indirectly owned by any Interested Shareholder or any Affiliate of any Interested Shareholder;

shall require the affirmative vote of the holders of at least 80% of the voting power of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (the

"Voting Stock"), voting together as a single class (it being understood that for the purposes of this Article EIGHTH, each share of the Voting Stock shall have the number of votes granted to it pursuant to Article FOURTH of this Certificate of Incorporation). Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by law or in any agreement with any national securities exchange or otherwise.

B. Definition of "Business Combination". The term "Business Combination" used in this Article EIGHTH shall mean any transaction which is referred to in clauses (i) through (v) of Paragraph A of this Section 1.

Section 2. When Higher Vote Is Not Required. The provisions of Section 1 of this Article EIGHTH shall not be applicable to any particular Business Combination, and the Business Combination shall require only the affirmative vote required by law and any other provision of this Certificate of Incorporation, if all of the conditions specified in either of the following paragraphs A and B are met:

A. Approval by Disinterested Directors. The Business Combination shall have been approved by a majority of the Disinterested Directors (as hereinafter defined).

B. Price and Procedure Requirements. All of the following conditions shall have been met:

(i) The aggregate amount of the cash and the Fair Market Value (as hereinafter defined) as of the date of the consummation of the Business Combination of consideration other than cash to be received per share by holders of Common Stock in the Business Combination shall be at least equal to the higher of the following:

(a) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any shares of Common Stock acquired by it (1) within the two-year period immediately prior to the first public announcement of the terms of the proposed Business Combination (the "Announcement Date") or (2) in the transaction in which it became an Interested Shareholder, whichever is higher; or

(b) the Fair Market Value per share of Common Stock on the Announcement Date or on the date on which the Interested Shareholder became an Interested Shareholder (such latter date is referred to in this Article EIGHTH as the "Determination Date"), whichever is higher.

(ii) The aggregate amount of the cash and the Fair Market Value as of the date of the consummation of the Business Combination of consideration other than cash to be received per share by holders of shares of any other class of outstanding Voting Stock shall be at least equal to the highest of the following (it being intended that the requirements of this paragraph B(ii) shall be required to be met with respect to every class of outstanding Voting Stock, whether or not the Interested Shareholder has previously acquired any shares of a particular class of Voting Stock):

(a) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Interested Shareholder for any shares of such class of Voting Stock acquired by it (1) within the two-year period immediately prior to the Announcement Date or (2) in the transaction in which it became an Interested Shareholder, whichever is higher; or

(b) (if applicable) the highest preferential amount per share to which the holders of shares of such class of Voting Stock are entitled in the event of any voluntary or involuntary liquidation or dissolution of the

Corporation; or

(c) the Fair Market Value per share of such class of Voting Stock on the Announcement Date or on the Determination Date, whichever is higher.

(iii) The consideration to be received by holders of a particular class of outstanding Voting Stock (including Common Stock) shall be in cash or in the same form as the Interested Shareholder has previously paid for shares of such class of Voting Stock. If the Interested Shareholder has paid for shares of any class of Voting Stock with varying forms of consideration, the form of consideration for such class of Voting Stock shall be either cash or the form used to acquire the largest number of shares of the Voting Stock previously acquired by it. The price determined in accordance with paragraphs B(i) and B(ii) of this Section 2 shall be subject to appropriate adjustment in the event of any stock dividend, stock split, combination of shares or similar event.

(iv) After such Interested Shareholder has become an Interested Shareholder and prior to the consummation of such Business Combination: (a) except as approved by a majority of the Disinterested Directors, there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) on the outstanding stock having preference over the Common Stock as to dividends or upon liquidation; (b) there shall have been (1) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), except as approved by a majority of the Disinterested Directors, and (2) an increase in such annual rate of dividends as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of the Common Stock, unless the failure so to increase such annual rate is approved by a majority of the Disinterested Directors; and (c) such Interested Shareholder shall not have become the beneficial owner of any additional shares of Voting Stock subsequent to the transaction which results in it becoming an Interested Shareholder.

(v) After such Interested Shareholder has become an Interested Shareholder, it shall not have received the benefit, directly or indirectly (except proportionately as a stockholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the Corporation, whether in anticipation of or in connection with such Business Combination or otherwise.

(vi) A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to public stockholders of the Corporation at least 30 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions).

Section 3. Certain Definitions. For the purpose of this Article EIGHTH:

A. A "person" shall mean any individual, firm, company or other entity.

B. "Interested Shareholder" shall mean any person (other than the Corporation, any Subsidiary, or the Gannett Foundation, Inc.) who or which:

(i) is the beneficial owner, directly or indirectly, of 10% or more of the voting power of the outstanding Voting Stock; or

(ii) is an Affiliate of the Corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding Voting Stock; or

(iii) is an assignee of or has otherwise succeeded to any shares of Voting Stock which were at any time within the two-year period immediately prior to the date in question beneficially owned by an Interested Shareholder, if such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933.

C. A person shall be a "beneficial owner" of any Voting Stock:

(i) that such person or any of its Affiliates or Associates (as hereinafter defined) beneficially owns directly or indirectly; or

(ii) that such person or any of its Affiliates or Associates has (a) the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise, or (b) the rights to vote pursuant to any agreement, arrangement or understanding; or

(iii) that is beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of Voting Stock.

D. For the purpose of determining whether a person is an Interested Shareholder pursuant to paragraph B of this Section 3, the number of shares of Voting Stock deemed to be outstanding shall include shares deemed owned through application of paragraph C of this Section 3 but shall not include any other shares of Voting Stock that may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

E. "Affiliate" or "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on March 1, 1985.

F. "Subsidiary" means any corporation of which a majority of any class of Equity Security is owned, directly or indirectly, by the Corporation, provided, however, that for the purposes of the definition of Interested Shareholder set forth in paragraph B of this Section 3, the term "Subsidiary" shall mean only a corporation of which a majority of each class of Equity Security is owned, directly or indirectly, by the Corporation.

G. "Disinterested Director" means any member of the Board of Directors who is unaffiliated with the Interested Shareholder and who was a member prior to the time that the Interested Shareholder became an Interested Shareholder, or any successor of a Disinterested Director who is unaffiliated with the Interested Shareholder and is recommended to succeed a Disinterested Director by a majority of Disinterested Directors then on the Board of Directors.

H. "Fair Market Value" means: (i) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange -- Listed Stocks, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange

registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by the Board of Directors in good faith; and (ii) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined by the Board of Directors in good faith.

I. In the event of any Business Combination in which the Corporation survives, the phrase "consideration other than cash to be received" as used in paragraphs B(i) and (ii) of Section 2 of this Article EIGHTH shall include the shares of Common Stock and/or the shares of any other class of outstanding Voting Stock retained by the holders of such shares.

J. "Equity Security" shall have the meaning ascribed to such term in Section 3(a)(11) of the Securities Exchange Act of 1934, as in effect on March 1, 1985.

Section 4. Powers of the Board of Directors. A majority of the directors shall have the power and duty to determine for the purposes of this Article EIGHTH, on the basis of information known to them after reasonable inquiry, (A) whether a person is an Interested Shareholder, (B) the number of shares of Voting Stock beneficially owned by any person, (C) whether a person is an Affiliate or Associate of another, (D) whether the assets which are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by the Corporation or any Subsidiary in any Business Combination has, an aggregate Fair Market Value of \$25 million or more. A majority of the directors shall have the further power to interpret all of the terms and provisions of this Article EIGHTH.

Section 5. No Effect on Fiduciary Obligations of Interested Shareholders. Nothing contained in this Article EIGHTH shall be construed to relieve any Interested Shareholder of any fiduciary obligation imposed by law.

Section 6. Amendment, Repeal, etc. Notwithstanding any other provisions of this Certificate of Incorporation or the By-laws (and notwithstanding the fact that a lesser percentage may be specified by law, this Certificate of Incorporation or the By-laws) the affirmative vote of the holders of 80% or more of the voting power of the outstanding Voting Stock, voting together as a single class, shall be required to amend or repeal, or adopt any provisions inconsistent with, this Article EIGHTH or any provision hereof.

NINTH: The Corporation reserves the right at any time and from time to time to amend, alter or repeal any provision contained in this Certificate of Incorporation in the manner now or as hereafter prescribed by law, and all rights, preferences and privileges conferred upon stockholders, directors and officers by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are subject to the right reserved in this Article.

IN WITNESS WHEREOF, the undersigned have signed this Certificate as of this 30th day of September, 1985.

s/ Douglas H. McCorkindale

Douglas H. McCorkindale
Vice Chairman and Chief
Financial Officer

ATTEST:

s/ Thomas L. Chapple

Thomas L. Chapple
Secretary

CERTIFICATE OF AMENDMENT
OF THE
SECOND RESTATED CERTIFICATE OF INCORPORATION
OF
GANNETT CO., INC.

The undersigned, being the Vice Chairman and Chief Financial and Administrative Officer of Gannett Co., Inc. (the "Corporation"), a corporation organized and existing under the laws of the State of Delaware, hereby certifies that an amendment of the Second Restated Certificate of Incorporation of the Corporation has been duly adopted by the Board of Directors and the Stockholders of the Corporation, in accordance with Section 242 of the Delaware General Corporation Law, as follows:

1. Article "FOURTH" is amended to read in its entirety as follows:

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is Four Hundred Two Million (402,000,000) shares of which Four Hundred Million (400,000,000) shares shall be Common Stock of the par value of One Dollar (\$1.00) per share and Two Million (2,000,000) shares shall be Preferred Stock of the par value of One Dollar (\$1.00) per share. A statement of the designations of the authorized classes of stock or of any series thereof, and the powers, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof, or of the authority of the Board of Directors to fix by resolution or resolutions such designations and other terms, is as follows:

A. Preferred Stock. The shares of Preferred Stock may be issued from time to time in one or more series. The Board of Directors is hereby vested with authority to fix by resolution or resolutions the designation of each series of Preferred Stock and the powers, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof, including without limiting the generality of the foregoing, such provisions as may be desired concerning the dividend rights, the dividend rate, conversion rate, conversion rights, voting rights, rights in terms of redemption (including sinking fund provisions), the redemption price or prices, and the liquidation preferences and such other subjects or matters as may be fixed by resolution or resolutions of the Board of Directors under the General Corporation Law of Delaware; and to fix the number of shares constituting any such series, and to increase or decrease the number of shares of any such series (but not below the number of shares thereof then outstanding). In case the number of shares of any such series shall be so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution or resolutions originally fixing the number of shares of such series.

B. Common Stock. Subject to all of the preferences and rights of the Preferred Stock or a series thereof that may be fixed by a resolution or resolutions of the Board of Directors, (i) dividends may be paid on the Common Stock of the Corporation as and when declared by the Board of Directors, out of funds of the Corporation legally available for the payment of such dividends, and (ii) each share of Common Stock of the Corporation will be entitled to one vote on all matters on which such stock is entitled to vote.

2. Old Article "NINTH" shall be renumbered Article "TENTH" and the new Article "NINTH" shall read in its entirety as follows:

NINTH: A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit.

IN WITNESS WHEREOF, the undersigned has subscribed this Certificate by order of the Board of Directors of the Corporation and hereby affirms under penalties of perjury that the facts stated herein are true this 7th day of May, 1987.

s/ Douglas H. McCorkindale
Douglas H. McCorkindale
Vice Chairman and Chief
Financial and Administrative
Officer

ATTEST:

s/ Thomas L. Chapple
Thomas L. Chapple
Secretary

BY-LAWS
OF
GANNETT CO., INC.

ARTICLE I.

Meetings of Stockholders

Section 1. Annual Meetings: The annual meeting of the stockholders for the election of directors and for the transaction of such other business as may come before the meeting shall be held on such date and at such hour as shall each year be fixed by the Board of Directors.

Section 2. Special Meetings: Except as otherwise required by law and subject to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation, special meetings of the stockholders may be called only by the Chairman of the Board or by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors.

Section 3. Place of Meeting: Meetings of stockholders of the Corporation shall be held at such place, either within or without the State of Delaware, as shall be fixed by the Board of Directors in the case of meetings called by the Board, or by the Chairman of the Board in the case of meetings called by the Chairman, and specified in the notice of said meeting.

Section 4. Notice of Meetings: Except as otherwise permitted or provided by law or these By-laws, written notice of each meeting of the stockholders shall be given to each stockholder of record entitled to vote at such meeting, whether annual or special, not less than ten (10) nor more than sixty (60) days before the day on which the meeting is to be held. A written waiver of notice of any meeting of stockholders, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Notice of any adjourned meeting of stockholders shall not be required to be given, except where expressly required by law.

Section 5. Organization: At each meeting of the stockholders, the Chairman of the Board, or in his absence, the Vice Chairman, or in the absence of both officers, an officer selected by the Chairman of the Board, or if the Chairman of the Board has made no selection, an officer selected by the Board, shall act as chairman of the meeting and the Secretary or, in his absence, an Assistant Secretary, if one be appointed, shall act as secretary of the meeting. In case at any meeting none of the officers who have been designated to act as chairman or secretary of the meeting, respectively, shall be present, a chairman or secretary of the meeting, as the case may be, shall be chosen by the vote of a majority in interest of the stockholders of the Corporation present in person or by proxy and entitled to vote at such meeting.

Section 6. Quorum: At each meeting of the stockholders, except where otherwise provided by law, the holders of a majority of the issued and outstanding shares of each class of stock of the Corporation entitled to vote at such meeting shall constitute a quorum for the transaction of business and a majority in amount of such quorum shall decide any questions that may come before the meeting. In the absence of a quorum, a majority in interest of the stockholders of the Corporation present in person or by proxy and entitled to vote, or, if no stockholder entitled to vote is present, any officer entitled to preside at, or act as secretary of, such meeting, shall have the power to adjourn the meeting from time to time until stockholders holding the

requisite amount of stock shall be present or represented. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 7. Voting.

(a) At each meeting of stockholders every stockholder of record of the Corporation entitled to vote at such meeting shall be entitled to one vote for each share of stock of the Corporation registered in his name on the books of the Corporation on the record date for such meeting. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy. Such proxy shall be appointed by an instrument in writing, subscribed by such stockholder or by his attorney thereunto authorized and delivered to the secretary of the meeting, or shall otherwise be executed and transmitted as may be permissible under applicable law; provided, however, that no proxy shall be voted on after three years from its date unless said proxy provides for a longer period. At all meetings of the stockholders, all matters (except where other provision is made by statute, by the Certificate of Incorporation or by these By-laws) shall be decided by the vote of a majority of the stock present in person or by proxy and entitled to vote at the meeting. At each meeting of stockholders for the election of Directors, the voting for Directors need not be by ballot unless the chairman of the meeting or the holders, present in person or by proxy, of a majority of the stock of the Corporation entitled to vote at such meeting shall so determine.

(b) The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting. No ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the inspectors after the closing of the polls unless a proper court upon application by a stockholder shall determine otherwise.

(c) The Corporation shall, in advance of any meeting of stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability.

(d) The inspectors shall (i) ascertain the number of shares outstanding and the voting power of each, (ii) determine the shares represented at a meeting and the validity of proxies and ballots, (iii) count all votes and ballots, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, (v) certify their determination of the number of shares represented at the meeting and their count of all votes and ballots, and (vi) perform such other duties as may be required by law or designated by the Secretary of the Corporation. In performing their duties, the inspectors of election shall follow applicable law and the instructions of the Secretary.

Section 8. List of Stockholders: It shall be the duty of the Secretary or other officer of the Corporation who shall have charge of its stock ledger, either directly or through another officer of the Corporation designated by him or through a transfer agent or transfer clerk appointed by the Board of Directors, to prepare and make, at least ten (10) days before every meeting of the stockholders, a complete list of the stockholders entitled to vote thereat, arranged in alphabetical order and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for said ten (10) days, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of meeting, or, if not so specified, at the place where said meeting is to be held. The list shall be produced and kept at the time and place of said meeting during the whole time thereof and subject to the inspection of any stockholder who shall be present thereat. The original or duplicate stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, such list or the books of the Corporation, or to vote in person or by proxy at such meeting.

Section 9. Stockholder Action: Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders.

ARTICLE II.

Board of Directors

Section 1. General Power: The property, business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

Section 2. Number and Terms: Except as otherwise fixed pursuant to the provisions of Article FOURTH of the Certificate of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect additional directors under specified circumstances, the number of the directors of the Corporation shall be fixed from time to time by majority vote of the entire Board of Directors. The directors, other than those who may be elected by the holders of any class or series of stock having preference over the Common Stock as to dividends or upon liquidation, shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as determined by the Board of Directors, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1986, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1987, and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1988, with the members of each class to hold office until their successors are elected and qualified. At each annual meeting of the stockholders of the Corporation, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

Section 3. Qualifications of Directors: No one shall be eligible to serve as a member of the Board of Directors after the first annual meeting of shareholders following his or her seventieth birthday, or, in the case of anyone who has at any time served as an executive of this Corporation, after the first annual meeting of shareholders following his or her sixty-fifth birthday or the date on which he or she retires under the Corporation's retirement plan, whichever occurs first. Every

person who is elected a director of this Corporation at the 1989 annual meeting of shareholders of this Corporation or thereafter shall at the time of his or her election to the Board, and at all times during his or her tenure as a director, own, directly or beneficially (beneficial ownership to be determined in accordance with the Securities Exchange Act of 1934), at least one thousand shares of the common stock of this Corporation.

Section 4. Nominations: Subject to the rights of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, nominations for the election of directors may be made by the Board of Directors or a committee appointed by the Board of Directors or by any stockholder entitled to vote in the election of directors generally. However, any stockholder entitled to vote in the election of directors generally may nominate one or more persons for election as director at a meeting only if written notice of such stockholder's intent to make such nomination or nominations has been given, either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Corporation not later than (i) with respect to an election to be held at an annual meeting of stockholders, 90 days in advance of such meeting, and (ii) with respect to an election to be held at a special meeting of stockholders for the election of directors, the close of business on the tenth day following the date on which notice of such meeting is first given to stockholders. Each such notice shall set forth: (a) the name and address of the stockholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder; (d) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, had the nominee been nominated, or intended to be nominated, by the Board of Directors; and (e) the consent of each nominee to serve as a director of the Corporation if so elected. The chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.

Section 5. Notice of Stockholder Business: At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly brought before the meeting by a stockholder. For business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation, not less than 90 days prior to the meeting. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business, (c) the class and number of shares of the Corporation which are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business. Notwithstanding anything in the By-laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 5. The chairman of an annual meeting shall, if the facts warrant,

determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 5 and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

Section 6. Election: At each annual meeting of stockholders, Directors shall, except as otherwise required or provided by law or by the Certificate of Incorporation, be elected by a plurality of the votes cast at such meeting by the holders of stock entitled to vote in the election. Each Director shall hold office until his successor shall be elected and qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided, or until he shall cease to qualify.

Section 7. Resignation: Any Director of the Corporation may resign at any time by giving written notice to the Corporation. The resignation of any Director shall take effect at the time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 8. Removal of Directors: Any Director may be removed from office, with cause, by the affirmative vote of the holders of record of a majority of the combined voting power of the outstanding shares of Stock entitled to vote generally in the election of directors, voting together as a single class and without cause, only by the affirmative vote of the holders of 80% of the combined voting power of the then outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class.

Section 9. Newly Created Directorships and Vacancies: Except as otherwise fixed pursuant to the provisions of Article FOURTH of the Certificate of Incorporation relating to the rights of the holders of any class or series of stock having preference over the Common Stock as to dividends or upon liquidation to elect additional directors under specified circumstances, newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor shall have been elected and qualified. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Section 10. First Meeting: After each annual election of Directors and on the same day, the Board of Directors may meet for the purpose of organization, the election of officers and the transaction of other business at the place where regular meetings of the Board of Directors are held. Notice of such meeting need not be given. Such meeting may be held at any other time or place which shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors or in a consent and waiver of notice thereof signed by all the Directors.

Section 11. Regular Meetings: Regular meetings of the Board of Directors shall be held at such places and at such times as may from time to time be fixed by the Board. Notice of regular meetings need not be given.

Section 12. Special Meetings: Special meetings of the Board of Directors shall be held at any time upon the call of the Chairman of the Board or any two of the Directors. Notice of each such meeting shall be mailed to each Director, addressed to him at his residence or usual place of business, at least three days before the day on which the meeting is to be held, or shall be sent to him by telegraph, cable or wireless so addressed or

shall be delivered personally or by telephone at least 24 hours before the time the meeting is to be held. Each notice shall state the time and place of the meeting but need not state the purposes thereof, except as otherwise herein expressly provided. Notice of any meeting of the Board of Directors need not, however, be given to any Director, if waived by him in writing or by telegraph, cable, wireless or other form of recorded communication or if he shall be present at such meeting; and any meeting of the Board shall be a legal meeting without any notice thereof having been given if all of the Directors of the Corporation then in office shall be present thereat.

Members of the Board of Directors, or any committee designated by such Board, may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

Section 13. Quorum and Manner of Acting: Except as otherwise provided by statute or by these By-laws, a majority of the authorized number of Directors shall be required to constitute a quorum for the transaction of business at any meeting, and the affirmative vote of a majority of the Directors present at the meeting shall be necessary for the adoption of any resolution or the taking of any other action. In the absence of a quorum, the Director or Directors present may adjourn any meeting from time to time until a quorum be had. Notice of any adjourned meeting need not be given.

Section 14. Written Consent: Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board consent thereto in writing and such writing or writings are filed with the minutes of proceedings of the Board.

Section 15. Compensation: The Board of Directors shall have the authority to fix the compensation of Directors for services in any capacity and to provide that the Corporation shall reimburse each Director for any expenses paid to him on account of his attendance at any regular or special meeting of the Board. Nothing herein contained shall be construed so as to preclude any Director from serving the Corporation in any other capacity, or from serving any of its stockholders, subsidiaries or affiliated corporations in any capacity and receiving proper compensation therefor.

Section 16. Executive and Other Committees: The Board of Directors may in its discretion by resolution passed by a majority of the whole Board designate an Executive Committee and one or more other committees, each consisting of one or more of the Directors of the Corporation, and each of which, to the extent provided in the resolution and the laws of the State of Delaware, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers which may require it; provided, however, that no such committee shall have power or authority as to the following matters:

- (1) The amendment of the Certificate of Incorporation of the Corporation (except as provided under applicable Delaware law).
- (2) The adoption of an agreement of merger or consolidation.
- (3) Recommending to the stockholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets.
- (4) Recommending to the stockholders a dissolution of the Corporation or a revocation of a dissolution.

(5) The amendment of the By-laws of the Corporation.

Unless a greater proportion is required by the resolution designating a committee of the Board of Directors, a majority of the entire authorized number of members of such committee shall constitute a quorum for the transaction of business, and the act of a majority of the members voting on any item of business, if a quorum votes, shall be the act of such committee. Any action required, or permitted to be taken at any meeting of a committee of the Board of Directors, may be taken without a meeting if all members of such committee consent thereto in writing and the writing or writings are filed with the minutes of proceedings of such committee.

Section 17. Indemnification.

(a) Each person (including, here and hereinafter, the heirs, executors, administrators, or estate of such person) (1) who is or was a Director or officer of the Corporation, (2) who is or was an agent or employee of the Corporation other than an officer and as to whom the Corporation has agreed to grant such indemnity, or (3) who is or was serving at the request of the Corporation as its representative in the position of a director or officer of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation as of right to the full extent permitted or authorized by the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended against any fine, liability, cost or expense asserted against him or incurred by him in his capacity as such director, officer, agent, employee, or representative, or arising out of his status as such director, officer, agent, employee, or representative. The Corporation may maintain insurance, at its expense, to protect itself and any such person against any such fine, liability, cost or expense, whether or not the Corporation would have the power to indemnify him against such liability under the General Corporation Law of the State of Delaware.

(b) The right to indemnification conferred in this Section shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in connection with any matter covered by paragraph (a) of this Section 17 in advance of its final disposition (hereinafter an "advance payment of expenses"). If the Delaware General Corporation Law requires, however, an advance payment of expenses incurred by an indemnitee in his or her capacity as a director or officer shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision that such indemnitee is not entitled to be indemnified for such expenses. Such expenses incurred by other employees, agents, or representatives, or by directors or officers who become the subject of a lawsuit by reason of actions other than in their capacity as a director or officer, may be so paid upon such terms and conditions as the Board of Directors deems appropriate.

(c) If a request for indemnification is not paid in full within sixty days, or if a request for advance payment of expenses is not paid in full within twenty days, after receipt by the Corporation of the written request, the indemnitee may at any time thereafter, prior to such payment, bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in such suit, the indemnitee shall be entitled also to recover from the Corporation the expenses reasonably incurred in

prosecuting the claim. Neither the failure of the Board of Directors, legal counsel, or the stockholders of the Corporation to make a determination that the indemnitee is entitled to indemnification, nor a determination by any of them that the indemnitee is not entitled to indemnification, for whatever reason, shall create a presumption in such a suit that the indemnitee has not met the applicable standard of conduct, nor shall it be a defense to such suit. In any such suit the burden of establishing that the indemnitee is not entitled to indemnification or an advance payment of expenses shall be on the Corporation.

(d) The rights to indemnification and advance payment of expenses hereunder shall be in addition to any other right which any director, officer, employee, agent, or representative may have under any statute, provision of the Certificate of Incorporation, By-law, agreement, vote of stockholders or directors, or otherwise.

ARTICLE III.

Officers

Section 1. Officers Enumerated: The Board of Directors, as soon as may be practicable after the annual election of Directors, shall elect a Chairman of the Board, a President and Chief Executive Officer, a Vice Chairman, one or more Vice Presidents (one or more of whom may be designated Executive Vice President or Senior Vice President), a Secretary, a Treasurer, and a Controller and from time to time may elect or appoint such other officers as it may determine. Any two or more offices may be held by the same person.

Section 2. Term of Office: Each officer shall hold office for the term for which he is elected or appointed and until his successor has been elected or appointed and qualified or until his death or until he shall resign or until he shall have been removed in the manner hereinafter provided.

Section 3. Powers and Duties: The officers of the Corporation shall each have such powers and authority and perform such duties in the management of the property and affairs of the Corporation as from time to time may be prescribed by the Board of Directors and, to the extent not so prescribed, they shall each have such powers and authority and perform such duties in the management of the property and affairs of the Corporation, subject to the control of the Board, as generally pertain to their respective offices.

Without limitation of the foregoing:

- (a) Chairman of the Board: The Chairman of the Board shall preside at all meetings of the Board and of the Executive Committee of the Board and at all meetings of stockholders. He shall be a director of the Corporation. He shall be an ex officio member of all committees of the Board, except the Executive Compensation and the Audit Committees.
- (b) President and Chief Executive Officer: The President shall be the chief executive officer of the Corporation and shall be a director of the Corporation.
- (c) Vice Chairman: The Vice Chairman shall be the chief financial and administrative officer of the Corporation and shall be a director of the Corporation. In the event of the death, resignation, removal, disability or absence of the Chairman or the President, he shall possess the powers and perform the duties of such officer.

- (d) Vice Presidents: The Board of Directors shall determine the powers and duties of the respective Vice Presidents and may, in its discretion, fix such order of seniority among the respective Vice Presidents as it may deem advisable.
- (e) Secretary: The Secretary shall issue notices of all meetings of the stockholders and Directors where notices of such meetings are required by law or these By-laws and shall keep the minutes of such meetings. He shall sign such instruments and attest such documents as require his signature of attestation and affix the corporate seal thereto where appropriate.
- (f) Treasurer: The Treasurer shall have custody of all funds and securities of the Corporation and shall sign all instruments and documents as require his signature. He shall perform all acts incident to the position of Treasurer, subject to the control of the Board of Directors.
- (g) Controller: The Controller shall be in charge of the accounts of the Corporation and he shall have such powers and perform such duties as may be assigned to him by the Board of Directors.
- (h) General Counsel: The General Counsel shall have general control of all matters of legal import concerning the Corporation.

Section 4. Temporary Absence: In case of the temporary absence or disability of any officer of the Corporation, except as otherwise provided in these By-laws, the Chairman of the Board, the President, the Vice Chairman, any Vice President, the Secretary or the Treasurer may perform any of the duties of any such other officer as the Board of Directors or Executive Committee may prescribe.

Section 5. Resignations: Any officer may resign at any time by giving written notice of his resignation to the Corporation. Any such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal: Any officer may be removed, either with or without cause, at any time by action of the Board of Directors.

Section 7. Vacancies: A vacancy in any office because of death, resignation, removal or any other cause may be filled by the Board of Directors.

Section 8. Compensation: The salaries of the officers shall be fixed from time to time by the Board of Directors. Nothing contained herein shall preclude any officer from serving the Corporation in any other capacity, including that of director, or from serving any of its stockholders, subsidiaries or affiliated corporations in any capacity and receiving a proper compensation therefor.

Section 9. Contracts, Checks, etc.: All contracts and agreements authorized by the Board of Directors, and all checks, drafts, bills of exchange or other orders for the payment of money, notes or other evidences of indebtedness, issued in the name of the Corporation, shall be signed by such person or persons and in such manner as may from time to time be designated by the Board of Directors, which designation may be general or confined to specific instances.

Section 10. Proxies in Respect of Securities of Other Corporations: Unless otherwise provided by resolution adopted by the Board of Directors, the Chairman of the Board, the President and Chief Executive Officer, the Vice Chairman, a Vice President, or the Secretary or an Assistant Secretary or the Treasurer or an

Assistant Treasurer, or any one of them, may exercise or appoint an attorney or attorneys, or an agent or agents, to exercise in the name and on behalf of the Corporation the powers and rights which the Corporation may have as the holder of stock or other securities in any other corporation to vote or to consent in respect of such stock or other securities; and the Chairman of the Board, the President and Chief Executive Officer, the Vice Chairman, a Vice President, or the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer may instruct the person or persons so appointed as to the manner of exercising such powers and rights and the Chairman of the Board, the President and Chief Executive Officer, the Vice Chairman, a Vice President, or the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer may execute or cause to be executed in the name and on behalf of the Corporation and under its corporate seal, or otherwise, all such ballots, consents, proxies, powers of attorney or other written instruments as they or either of them may deem necessary in order that the Corporation may exercise such powers and rights. Any stock or other securities in any other corporation which may from time to time be owned by or stand in the name of the Corporation may, without further action, be endorsed for sale or transfer or sold or transferred by the Chairman of the Board, the President and Chief Executive Officer, the Vice Chairman, or a Vice President, or the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer of the Corporation or any proxy appointed in writing by any of them.

ARTICLE IV.

Shares and Their Transfer

Section 1. Certificates of Stock: Every stockholder shall be entitled to have a certificate certifying the number of shares of stock of the Corporation owned by him signed by, or in the name of, the Corporation by the Chairman of the Board, or the President and Chief Executive Officer, the Vice Chairman, or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation. Any of or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar.

Section 2. Transfers: Certificates shall be registered for transfer on the stock books of the Corporation in person or by attorney, but, except as hereinafter provided in the case of loss, destruction or mutilation of certificates, no transfer of stock shall be entered until the previous certificate, if any, given for the same shall have been surrendered and canceled.

Section 3. Lost, Destroyed or Mutilated Certificates: The Corporation may issue a new certificate of stock of the same tenor and same number of shares in place of a certificate theretofore issued by it which is alleged to have been lost, stolen or destroyed; provided, however, the Board of Directors or the Executive Committee or the Secretary of the Corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the Corporation a bond of indemnity, in form and with one or more sureties satisfactory to the Board or the Executive Committee, sufficient to indemnify it against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 4. Record Date: The Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the board of directors, and which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor

more than sixty (60) days prior to any other action, as a record date for the determination of the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights or entitled to exercise any rights with respect to any change, conversion or exchange of stock or for the purpose of any other lawful action. If no record date is fixed, (a) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day upon which the meeting is held, and (b) the date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 5. Books and Records: The books and records of the Corporation may be kept at such places within or without the State of Delaware as the Board of Directors may from time to time determine.

ARTICLE V.

Seal

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall bear the name of the Corporation, the year in which the Corporation was incorporated (1971) and the words "Corporate Seal - Delaware" and such other words or figures as the Board of Directors may approve and adopt.

ARTICLE VI.

Amendments

Except as otherwise provided by these By-laws, the Certificate of Incorporation, or by operation of law, the By-laws of the Corporation may be made, altered or repealed by vote of the stockholders at any annual or special meeting of stockholders called for that purpose or by the affirmative vote of a majority of the directors then in office given at any regular or special meeting of the Board of Directors.

\$1,000,000,000

REVOLVING CREDIT AGREEMENT

dated as of December 1, 1993

Between

GANNETT CO., INC.

and

CHEMICAL BANK, FIRST INTERSTATE BANK OF CALIFORNIA,
MARINE MIDLAND BANK, MORGAN GUARANTY TRUST COMPANY,
J.P. MORGAN DELAWARE, NATIONSBANK OF NORTH CAROLINA, N.A.,
TORONTO DOMINION (TEXAS), INC.,
THE FIRST NATIONAL BANK OF CHICAGO, BANK OF AMERICA, N.T. & S.A.,
BANK OF HAWAII, THE BANK OF NOVA SCOTIA, CRESTAR BANK,
NBD BANK, N.A., ROYAL BANK OF CANADA, SOCIETE GENERALE,
CITIBANK, N.A., CREDIT LYONNAIS CAYMAN ISLAND BRANCH, THE SANWA BANK,
LIMITED, WACHOVIA BANK OF GEORGIA, N.A.,
CHASE MANHATTAN BANK, N.A., THE FIRST NATIONAL BANK OF MARYLAND,
THE FUJI BANK, LIMITED and THE NORTHERN TRUST COMPANY

TABLE OF CONTENTS

	Page
SECTION 1:Definitions	1
SECTION 2:Facility Fee; Termination of Commitments	7
SECTION 3:Revolving Credit - Domestic Borrowings and Eurodollar Borrowings	8
SECTION 4:Change in Circumstances	14
SECTION 5:Representations and Warranties of Gannett	17
SECTION 6:Representations, Warranties and Covenants of the Banks	19
SECTION 7:Conditions of Lending	20
SECTION 8:Affirmative Covenants	20
SECTION 9:Negative Covenants	22
SECTION 10:Events of Default	24
SECTION 11:Amendments	26
SECTION 12:Servicing Bank	26
SECTION 13:Miscellaneous	27

GANNETT CO., INC.
REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT is made as of December 1, 1993
between Gannett Co., Inc., a Delaware corporation ("Gannett"), and each of the
banks that is or may become a party to this Agreement from time to time

(each called a "Bank" and collectively called the "Banks").

The parties agree as follows:

SECTION 1. Definitions. The following words and terms shall have the following meanings in this Agreement:

"Advance" shall mean a Money Market Advance, a Competitive Bid Rate Advance, an Alternate Rate Advance or a Eurodollar Advance, as the case may be.

"Agreement" shall mean this Revolving Credit Agreement, as amended from time to time.

"Applicable Margin" for an Advance shall be the appropriate rate per annum set forth below opposite the interest rate applicable to such Advance:

Interest Rate	Prior to Credit Adjustment	After Credit Adjustment A	After Credit Adjustment B
Alternate Rate	0%	0%	0%
Eurodollar Rate	16.5 Basis Points	26.25 Basis Points	40 Basis Points
Money Market Rate	29 Basis Points	38.75 Basis Points	52.5 Basis Points
Competitive Bid Rate	0%	0%	0%

"Alternate Rate" means, with respect to an Alternate Rate Advance an interest rate equal to the Prime Rate.

"Alternate Rate Advance" shall mean any Revolving Credit Loan with respect to which interest is computed at the Alternate Rate.

"Basis Point" means 1/100th of one percent.

"Board" means the Board of Governors of the Federal Reserve System, or any successor thereto.

"Borrowing" shall mean the outstanding principal amount of any Revolving Credit Loans made to Gannett by any Bank or Banks in response to each borrowing notice delivered by Gannett pursuant to this Agreement. A Borrowing is referred to as a "Domestic Borrowing" if it is comprised of Revolving Credit Loans made pursuant to Section 3(b) or accepted by Gannett pursuant to Section 3(d) or a "Eurodollar Borrowing" if it is comprised of Revolving Credit Loans made pursuant to Section 3(c). A Competitive Bid Rate Borrowing may be either a Eurodollar Borrowing or a Domestic Borrowing depending on the type of interest rate at which such Competitive Bid Rate Borrowing is made.

"Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a legal holiday for banks in the State of New York.

"Commitment" shall mean, with respect to each Bank, the amount set forth opposite such Bank's name on Schedule 1 hereto or in such lesser amount as shall be established from time to time pursuant to Sections 2(b) or 3(d) hereof, and subject to any adjustments resulting from Sections 3(f) or 13(i) hereof.

"Competitive Bid Rate" means the rate of interest offered by a Bank in response to a Request for Offer and accepted by Gannett pursuant to Section 3(d).

"Competitive Bid Rate Advance" shall mean any Revolving Credit Loan with respect to which interest is computed at the Competitive Bid Rate.

"Credit Rating Adjustment A" shall occur if Standard & Poor's Corporation adjusts Gannett's credit rating on long-term debt below A or Moody's Investors Service, Inc. adjusts Gannett's credit rating on long-term debt below A2.

"Credit Rating Adjustment B" shall occur if Standard & Poor's Corporation adjusts Gannett's credit rating on long-term debt below BBB, Moody's Investors Service, Inc. adjusts Gannett's credit rating on long-term debt below Baa2 or Moody's Investor Service and Standard and Poor's Corporation or any similar rating agency ceases to provide a credit rating for Gannett.

"Designated Banks" shall mean Morgan Guaranty Trust Company of New York, The Toronto Dominion Bank and First Interstate Bank of California.

"Effective Date" shall mean the date of this Agreement.

"Environmental Laws" means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, ground water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the clean-up or other remediation thereof.

"Eurodollar Advance" shall mean any Revolving Credit Loan with respect to which interest is computed at the Eurodollar Rate.

"Eurodollar Business Day" means any day on which commercial banks are open for domestic and international business (including dealings in dollar deposits) in London and New York City.

"Eurodollar Interest Period" means, with respect to any Eurodollar Borrowing:

(i) initially, the period commencing on the date of such Eurodollar Borrowing and ending one month, two months, three months or six months thereafter, as Gannett may elect; and

(ii) thereafter, each period commencing on the last day of the immediately preceding Eurodollar Interest Period for such Loans and ending one month, two months, three months or six months thereafter, as Gannett may elect;

provided that:

- (A) any Eurodollar Interest Period which would otherwise end on a day which is not a Eurodollar Business Day shall be extended to the next succeeding Eurodollar Business Day unless such Eurodollar Business Day falls in another calendar month in which case such Eurodollar Interest Period shall end on the immediately preceding Eurodollar Business Day;
- (B) any Eurodollar Interest Period which begins on a day for which there is no numerically corresponding day in the calendar month during which such Eurodollar Interest Period is to end shall, subject to clause (A) above, end on the last Eurodollar Business Day of such calendar month;
- (C) if any Eurodollar Interest Period determined as set forth above would otherwise end after the Maturity Date of such Eurodollar Borrowing such Eurodollar Interest Period shall end on such Maturity Date.

"Eurodollar Rate" means, with respect to Eurodollar Borrowings,

the rate of interest in effect from time to time with respect to such Eurodollar Borrowings, as determined pursuant to Section 3(c) (iii).

"Eurodollar Lending Office" means, as to each Bank, its office or branch located at its address set forth in Schedule 1 hereof or such other branch (or affiliate) of such Bank as it may hereafter designate as its Eurodollar Lending Office by notice to Gannett and the Servicing Bank.

"Event of Default" shall mean any of the Events of Default specified in Section 10(a) of this Agreement.

"Expiration Date" shall mean December 1, 1998.

"Facility Fee" shall have the meaning assigned to such term in Section 2(a).

"LIBOR Reserve Adjustment" means an adjustment to the London Interbank Offered Rate determined by dividing the London Interbank Offered Rate determined by the Reference Bank by a percentage equal to 100% minus the applicable Statutory Rate then in effect, determined by the Reference Bank.

"London Interbank Offered Rate or LIBOR" shall mean the average of the rates per annum at which deposits in dollars are offered in immediately available funds to the Designated Banks in the London interbank market at approximately 11:00 A.M. (London time) two Eurodollar Business Days prior to the first day of the Eurodollar Interest Period to which such rate applies on amounts of \$5,000,000 or more for a period of time comparable to such Eurodollar Interest Period and adjusted for by the LIBOR Reserve Adjustment applicable to the Reference Bank.

"Material" or "Materially" when used to describe an adverse effect of an event on Gannett or its subsidiaries shall mean a condition, event or act which with the giving of notice or the lapse of time or both, will constitute an Event of Default.

"Maturity Date" means, with respect to the loans comprising any Borrowing, the maturity date of such Borrowing specified by Gannett pursuant to Sections 3(b) (i), 3(c) (i) or 3(d) but in no event a date extending beyond the Expiration Date.

"Money Market Rate" means, with respect to Money Market Advances, the interest rate for a specified N.Y. Interest Period determined to be the sum of the Applicable Margin plus the rate of interest determined by the Reference Bank to be the average of prevailing secondary market morning bid rates in the U.S. at 9:00 A.M. (New York, New York time) (or as soon thereafter as practicable) on the first day of the N.Y. Interest Period of three New York certificate of deposit dealers of recognized standing for the purchase at face value from each Designated Bank of its certificates of deposit in an amount comparable to the unpaid principal amount of the Money Market Advances from such Designated Bank to which such N.Y. Interest Period applies and having a maturity comparable to such N.Y. Interest Period, adjusted to the nearest 1/100 of 1% or, if there is no nearest 1/100 of 1%, then to the next higher 1/100 of 1% and further adjusted for by the Reserve and Assessment Adjustment applicable to the Reference Bank.

"Money Market Advance" shall mean any Revolving Credit Loan with respect to which interest is computed at the Money Market Rate.

"Net Property, Plant and Equipment" shall mean the amount under that heading on the consolidated balance sheet of Gannett and its Subsidiaries prepared in accordance with generally accepted accounting principles.

"N.Y. Interest Period" means one or more successive periods, commencing the date of a Money Market Advance or Alternate Rate Advance and continuing until such Money Market Advance or Alternate Rate Advance is repaid or is converted to an Alternate Rate Advance, Money Market Advance, or Eurodollar Advance, with each successive period beginning the day after the last day of the immediately preceding period. The duration of each N.Y. Interest Period with respect to each Money Market Advance shall be 30, 60, 90 or 180 days, as Gannett shall, by notice delivered to the Servicing Bank no later than 10:00 A.M. (New York time) one Business Day prior to the first day of such N.Y. Interest Period, select, provided that (i) if Gannett fails to select the duration of any N.Y. Interest Period, the duration shall be 30

days, and (ii) whenever the last day of any N.Y. Interest Period falls on a date which is not a Business Day then the last day of such N.Y. Interest Period shall be extended automatically to the next succeeding Business Day. The N.Y. Interest Period with respect to each Alternate Rate Advance shall be the period specified by Gannett in the borrowing notice relating to such Alternate Rate Advance.

"Prime Rate" means the fluctuating rate of interest as announced publicly in New York City from time to time by the Reference Bank as its prime rate.

"Reference Bank" shall mean Morgan Guaranty Trust Company of New York.

"Request for Offer" shall have the meaning assigned to that term in Section 3(d).

"Required Banks" shall mean the Banks which are the holders of at least 51% of the Commitments and, if there are any Borrowings then outstanding, the holders of 51% of the unpaid principal amount of the Borrowings then outstanding.

"Reserve and Assessment Adjustment" means an adjustment to the certificate of deposit rate component of the Money Market Rate determined by (i) dividing the certificate of deposit rate determined by the Reference Bank (excluding the Applicable Margin) by a percentage equal to 100% minus the Statutory Rate then in effect, as determined by the Reference Bank, (ii) adding to the result determined pursuant to clause (i) the Assessment Rate for such Bank then in effect and adjusting the result to the nearest 1/100 of 1% or, if there is no nearest 1/100 of 1%, then to the next higher 1/100 of 1%.

For purposes of this definition, the "Statutory Rate" of the Reference Bank at any time is the percentage then specified by the Board for determining the reserve requirements for such Bank for domestic non-personal time deposits of \$100,000 or more having a maturity equal to the maturity of the applicable N.Y. Interest Period or for determining the Eurodollar reserve requirements for such Bank in amounts of \$5,000,000 or more for the Eurodollar Interest Period selected by Gannett. It shall be assumed that the Statutory Rate in each case on the Effective Date is 0%. The Statutory Rate shall be adjusted automatically on and as of the effective date for any change in such rate specified by the Board. The "Assessment Rate" for the Reference Bank is the net annual assessment rate (rounded upward to the nearest 1/100 of 1%) actually paid by the Reference Bank to the Federal Deposit Insurance Corporation (or its successor) for insurance by such corporation (or such successor) of certificates of deposit made in dollars at the Reference Bank's domestic offices during the immediately preceding calendar year. The Assessment Rate for the period from the Effective Date through January 31, 1994 shall be 22.77 Basis Points. The Assessment Rate for any subsequent year shall be that rate in effect on February 1st of such year and shall remain in effect through January 31st of the immediately following year or such other period as may be publicly announced by the Federal Deposit Insurance Corporation (or any successor).

"Revolving Credit Loan" shall have the meaning assigned to such term in Section 3(a).

"Servicing Bank" shall mean Chase Manhattan Bank, N.A. (Rochester Division), so long as it shall act as Servicing Bank as provided in this Agreement, and thereafter any successor appointed as Servicing Bank as provided in Section 12 hereof.

"Subsidiary" shall mean any corporation the majority of the shares of voting stock of which at any time outstanding is owned directly or indirectly by Gannett or by one or more of its other subsidiaries or by Gannett in conjunction with one or more of its other subsidiaries.

"Total Shareholders' Equity" shall mean the amount appearing under that heading on the consolidated balance sheet of Gannett and its Subsidiaries, prepared in accordance with generally accepted accounting principles.

SECTION 2. Facility Fee; Termination of Commitments.

2(a). Facility Fee. Gannett will pay to each Bank pro rata, as consideration for the Bank's Commitment hereunder, a facility fee (the

"Facility Fee") consisting of:

(i) a fee calculated at the rate of 12.5 Basis Points per annum or after Credit Rating Adjustment A, a fee calculated at the rate of 18.75 Basis Points per annum or after Credit Rating Adjustment B, a fee calculated at the rate of 25 Basis Points per annum, computed pursuant to Section 3(g) from (and including) the Effective Date on the Bank's Commitment hereunder, payable quarterly on each June 1, September 1, December 1 and March 1, after the date hereof, commencing with the first payment due on March 1, 1994, and on (but excluding for purposes of calculating the Facility Fee) the Expiration Date, for the preceding period for which such Facility Fee has not been paid.

2(b). Termination of Commitments. Gannett may from time to time terminate in whole or in part the unborrowed Commitments of the Banks hereunder by giving not less than two Business Days prior notice to such effect to the Servicing Bank. Any partial termination shall be in the aggregate amount of \$100,000 or a multiple thereof. After each termination, the facility fee shall be calculated based upon the Commitment of the Banks as so reduced.

SECTION 3. Revolving Credit - Domestic Borrowings
and Eurodollar Borrowings.

3(a). Subject to the terms and conditions and relying upon the representations and warranties herein set forth, each Bank severally agrees to make one or more loans (each a "Revolving Credit Loan" and, collectively, the "Revolving Credit Loans") to Gannett, at any time and from time to time on or after the Effective Date to and excluding the Expiration Date, in an aggregate principal amount not exceeding at any one time outstanding the amounts set forth opposite each Bank's name on Schedule 1 hereto under the heading "Commitment Amount."

Within such limits, Gannett may borrow, prepay under Section 3(e), and reborrow on and after the Effective Date to and excluding the Expiration Date. The first Borrowing hereunder shall not be less than \$50,000,000 and each Borrowing thereafter shall be at least \$1,000,000 or a multiple thereof. Such Borrowings may be used for any of Gannett's or its Subsidiaries' general corporate purposes, including but not limited to, general operating expenses, repurchases of securities, dividends, costs of construction, acquisitions, and refunding or purchase of its commercial paper issued or any other of Gannett's or its Subsidiaries' obligations or securities.

Except as provided in Section 3(d) hereof, each Borrowing shall be made ratably from the Banks in accordance with their respective Commitments; provided, however, that the failure of any Bank to make its Advance shall not relieve any other Bank of its obligations to lend.

3(b). Money Market and Alternate Rate Advances

(i) For each Money Market Advance and Alternate Rate Advance, Gannett shall deliver to the Servicing Bank notice at least one Business Day before such proposed Borrowing specifying the total amount of such Borrowing, whether it is to be comprised of Money Market Advances or Alternate Rate Advances, the applicable N.Y. Interest Period, the amount thereof which is to be loaned by each Bank, the date of such proposed Borrowing and the Maturity Date, which shall not be later than the Expiration Date. Upon its receipt of Gannett's notice, the Servicing Bank shall promptly notify each Bank by telecopy of the date of the proposed borrowing, the amount to be loaned by such Bank, whether it is to be a Money Market Advance or an Alternate Rate Advance, the N.Y. Interest Period and the Maturity Date, which shall be the last day of the N.Y. Interest Period. Thereafter, the Servicing Bank shall forward a xerographic copy of Gannett's notice to each other Bank. On the date specified in such notice and prior to 11:00 A.M. (New York, New York time), each Bank shall make its share of the Borrowing available in immediately available funds to Gannett at the principal office of the Servicing Bank.

(ii) Gannett will pay to each Bank on or, as set forth in

Section 3(e), before the Maturity Date the principal amount of each Money Market or Alternate Rate Advance from such Bank incurred pursuant to this Agreement, and accrued and unpaid interest on the unpaid principal amount thereof from time to time outstanding payable on the last day of the N.Y. Interest Period at the Money Market Rate for Money Market Advances, and payable on the last day of the N.Y. Interest Period at the Alternate Rate for Alternate Rate Advances. Accrued and unpaid interest on a Money Market Advance for a N.Y. Interest Period of 180 days shall be due and payable on the 90th day succeeding such Domestic Borrowing and on the last day of the N.Y. Interest Period. Gannett shall have the right, at its sole option, provided that the conditions specified in Section 7(a) are satisfied as of that date, to extend the Maturity Date of such Borrowings by giving notice to the Servicing Bank one Business Day before such Maturity Date, specifying another Maturity Date, not later than the Expiration Date, whether the Borrowing is to be a Money Market Advance or an Alternate Rate Advance and the N.Y. Interest Period.

(iii) Gannett may at its option, subject to compliance with Section 3(e) (i), convert Alternate Rate Advances to Money Market Advances or, subject to compliance with Section 3(e) (ii), convert Money Market Advances to Alternate Rate Advances, by giving the Servicing Bank at least two Business Days prior notice meeting the requirements of Section 3(b) (i) hereof, and, in addition, specifying in such notice that, instead of a new borrowing, Gannett will convert an existing Alternate Rate Advance to a Money Market Advance or an existing Money Market Advance to an Alternate Rate Advance, as the case may be.

(iv) If on or before the date on which a Money Market Rate is to be determined hereunder, a Money Market Rate cannot be determined, the Servicing Bank shall forthwith give notice to Gannett and, unless Gannett and the Banks agree to alternative action, the Money Market Advance shall become an Alternate Rate Advance on the first day of the N.Y. Interest Period specified in Gannett's notice.

3(c). Eurodollar Borrowings.

(i) For each Eurodollar Borrowing Gannett shall deliver to the Servicing Bank at least three Eurodollar Business Days prior notice specifying (A) the total amount of such Borrowing; (B) the amount thereof which is to be loaned by each Bank; (C) the date of such proposed Borrowing which shall be a Eurodollar Business Day; (D) the Maturity Date of the Borrowing, which shall be the last Eurodollar Business Day of the Eurodollar Interest Period, and no later than the Expiration Date; and (E) the duration of the first Eurodollar Interest Period, which shall be either one month, two months, three months or six months. Upon receipt of such notice, the Servicing Bank shall promptly notify each Bank by telecopy of the contents thereof and of such Bank's ratable share of such Borrowing. Thereafter, the Servicing Bank shall forward a xerographic copy of Gannett's notice to each other Bank. Not later than 11:00 A.M. (New York, New York time) on the date so specified, each Bank shall make available its ratable share of such Borrowing, in immediately available funds to Gannett at the principal office of the Servicing Bank.

(ii) Gannett will pay to each Bank each Eurodollar Advance made by it on the date specified as its Maturity Date in the notice given by Gannett pursuant to Section 3(c) (i) with respect to such Borrowing. Gannett shall have the right, at its sole option, provided that the conditions specified in Section 7(a) are satisfied as of that date, to extend the Maturity Date of such Borrowings by giving notice to the Servicing Bank at least three Eurodollar Business Days before such Maturity Date, specifying another date ending one month, two months, three months or six months thereafter, but not later than the Expiration Date as the Maturity Date for such Borrowings.

(iii) Each Eurodollar Advance shall bear interest on the unpaid principal amount thereof from time to time outstanding

and Gannett will pay accrued and unpaid interest for each applicable Eurodollar Interest Period on the last day of such Eurodollar Interest Period, at an interest rate equal to the sum of the Applicable Margin plus the applicable London Interbank Offered Rate; provided, however, that accrued and unpaid interest for a six-month Eurodollar Interest Period will be paid on the first three-month anniversary of that Eurodollar Borrowing and on the last day of such Eurodollar Interest Period.

(iv) Any overdue principal of the Eurodollar Borrowings shall bear interest payable on demand, for each day from the date payment thereof was due to the date of actual payment, at the "Eurodollar Overdue Interest Rate" determined as set forth below. The Eurodollar Overdue Interest Rate shall be calculated by the Servicing Bank, whose determination shall be conclusive absent manifest error, on a daily basis, and shall be a rate per annum equal to the sum of the Applicable Margin plus the interest rate per annum at which one day deposits in an amount equal to the aggregate sum of such overdue payments due the Banks are offered to the Reference Bank in the London interbank market for the applicable period determined as provided above.

(v) Subject to the provisions of the definition of Eurodollar Interest Period, Gannett shall have the option to elect a length of one month, two months, three months or six months for each Eurodollar Interest Period. Such option shall be exercised as provided in Section 3(c)(i) with respect to the first Eurodollar Interest Period applicable to the loans comprising each Eurodollar Borrowing and may be exercised as to each subsequent Eurodollar Interest Period applicable to such loans by giving notice to the Servicing Bank three Eurodollar Business Days prior to the first day of the relevant Eurodollar Interest Period. If no such notice is received by the Servicing Bank within the prescribed time, Gannett shall be deemed to have elected a Eurodollar Interest Period of three months.

3(d). Competitive Bid Rate Borrowings. At any time and from time to time Gannett may request that some or all of the Banks submit in writing to Gannett an offer to make a Revolving Credit Loan in the amount and for the duration specified in Gannett's request for offer ("Request for Offer"), at an interest rate not otherwise available under the terms of this Agreement to be specified by such Bank. Each Bank shall, on the Business Day following the date of receipt of such Request for Offer deliver a written offer to Gannett specifying an interest rate on the terms otherwise set forth in the Request for Offer. Any Bank that does not deliver an offer on the next Business Day shall be deemed to have declined to make an offer. To accept any such offer, Gannett shall send notice to such Bank and the Servicing Bank within three Business Days after the date on which all such Requests for Offer shall have been delivered by Gannett, specifying its acceptance of such offer, reconfirming the terms thereof, specifying the date such Borrowing is to be made and the Maturity Date. Each Revolving Credit Loan, together with all other Revolving Credit Loans made pursuant to any individual Request for Offer made by Gannett under this Section 3(d), shall be referred to as a "Competitive Bid Rate Borrowing". Except as specifically set forth in the Request for Offer relating thereto or otherwise agreed to by Gannett and the Bank or Banks making Advances comprising any such Competitive Bid Rate Borrowing, each Competitive Bid Rate Borrowing shall be subject to this Agreement. Notwithstanding any Request for Offer by Gannett, no Bank may make a Competitive Bid Rate Advance in excess of the then unused amount of its Commitment. For so long as any such Competitive Bid Rate Advance shall remain outstanding, each Bank's Commitment shall be deemed automatically reduced by the aggregate amount of any such Competitive Bid Rate Advance made by it for all purposes under this Agreement including, but not limited to, the obligation of such Bank to make additional Revolving Credit Loans and the right of such Bank to receive its pro rata portion of the Facility Fee.

3(e). Prepayment or Conversion. Gannett may prepay or convert Borrowings pursuant to this Section 3 as follows:

(i) Alternate Rate Advances may, upon one Business Day prior notice to the Servicing Bank, be prepaid or, upon two Business Days prior notice to the Servicing Bank, be converted to another type of Advance without premium or penalty in whole

at any time or in part from time to time by paying or converting a principal amount of not less than \$10,000,000 or a multiple thereof, and paying accrued interest thereon to the date of prepayment or conversion and each such prepayment or conversion shall be applied to prepay or convert the Alternate Rate Advances of the several Banks in proportion to their respective Advances; and

(ii) Money Market Advances and Eurodollar Advances may, upon two Business Days prior notice to the Servicing Bank, be prepaid or converted to another type of Borrowing in a principal amount of not less than \$10,000,000 or a multiple thereof with accrued interest thereon to the date of prepayment or conversion, provided that in the event of any prepayment or conversion of Money Market Advances or Eurodollar Advances other than on the last day of a N.Y. Interest Period or Eurodollar Interest Period, Gannett shall reimburse each Bank on demand for the loss, if any, incurred by such Bank as a result of the timing of such prepayment or conversion by paying such Bank a premium (if there is an excess as determined herein) on the principal sum prepaid to such Bank, or converted, computed from the date of the prepayment or conversion to the last day of the N.Y. Interest Period or Eurodollar Interest Period at a rate per annum equal to the excess, if any, of (A) the applicable Eurodollar Rate or Money Market Rate over (B) the interest rate which such Bank is able to obtain for an Advance of the same type made on the day of such prepayment or conversion and maturing on the last day of the N.Y. Interest Period or Eurodollar Interest Period. A certificate as to the amount of such premium submitted to Gannett and the Servicing Bank by such Bank shall be conclusive and binding on Gannett in the absence of manifest error.

3(f). Replacement of Commitments. If any Bank shall fail to make an Advance in accordance with its obligations hereunder, Gannett shall have the right to arrange that the Commitment of such Bank be taken over by any one or more of the Banks or another bank or banks; provided that each such bank shall sign and deliver an agreement, in suitable form, by which it will become a party hereto. Such action by Gannett shall not constitute a waiver or release of any right that it may have against the Bank that has failed to extend credit hereunder.

3(g). Computation of Fees and Interest. Interest on Alternate Rate Advances, Competitive Bid Rate Advances and the Facility Fee shall be computed on the basis of a year of 365 (or 366) days, including any time extended by reason of Saturdays, Sundays and holidays, and paid for the actual number of days for which due, including the date of the Advance or Commitment as the case may be, and excluding the date of repayment of principal. Interest on Money Market Advances and Eurodollar Advances shall be computed on the basis of a year of 360 days and paid for the actual number of days for which due, including the first day of each N.Y. Interest Period or Eurodollar Interest Period to but excluding the last day thereof.

3(h). Payments. All payments of principal or interest on the Borrowings and the Facility Fee shall be made by Gannett when due in immediately available funds at the principal office of the Servicing Bank in lawful money of the United States of America.

3(i). Gannett's Borrowing Notices. Each notice given by Gannett pursuant to Section 3 hereof concerning a Borrowing (including acceptance by Gannett of any offer by a Bank made pursuant to Section 3(d) hereof, but not including a Request for Offer), selection of an interest period or an extension of a Maturity Date, shall be executed by any two of the Chairman, the Chief Financial Officer, the Treasurer, an Assistant Treasurer, the Controller, the Assistant Controller or the Vice President/Treasury Services of Gannett. The giving of each such notice by Gannett shall be deemed to be a representation and warranty by Gannett that the conditions specified in Section 7(a) are satisfied on and as of the date of such notice. Any notice of a proposed Borrowing may be withdrawn at any time prior to the date of Borrowing specified in such notice, provided that if a notice concerning a Borrowing at the Money Market Rate is withdrawn on the date of the proposed Borrowing or, in the case of a Eurodollar Borrowing, two Eurodollar Business Days or less prior to the date of the proposed Borrowing, Gannett will indemnify each Bank against any loss or expense incurred by such Bank in anticipation of the Borrowing, including, without

limitation, any loss (excluding loss of anticipated profits) or expense incurred in the liquidation or reemployment of deposits or other funds acquired by such Bank to fund the Bank's share of the anticipated Borrowing. A certificate as to the amount of such loss or expense submitted to Gannett and the Servicing Bank by such Bank shall be conclusive and binding on Gannett in the absence of manifest error.

3(k). Rate Quotations. The Reference Bank agrees to use its best efforts to furnish quotations of rates applicable to this Agreement to the Servicing Bank promptly upon request from time to time by the Servicing Bank, and the Servicing Bank shall give notice of such rates by 12:00 Noon (New York, New York time) to Gannett and the Banks.

3(l). Notice. Any notice under this Section 3 after 12:00 noon on a particular Business Day or Eurodollar Business Day constitutes notice on the morning of the next Business Day or Eurodollar Business Day, as the case may be.

SECTION 4. Change in Circumstances.

4(a). Reduction in Rate of Return. If after the date hereof, any Bank shall have determined that the adoption of any applicable law, rule or regulation regarding capital adequacy, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Bank with any request or directive regarding capital adequacy (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on such Bank's capital as a consequence of its obligations hereunder to a level below that which such Bank could have achieved but for such adoption, change or compliance (taking into consideration such Bank's policies with respect to capital adequacy) by an amount deemed by such Bank to be material, then from time to time, within 15 days after demand by such Bank (with a copy to the Servicing Bank), Gannett shall pay to such Bank such additional amount or amounts as will compensate such Bank for such reduction. Gannett shall not be liable in respect of any increased cost to, or reduced amount of any sum received or receivable by, any Bank pursuant to this Section 4(a) with respect to any interest or fees accrued by such Bank more than 15 days prior to the date of the notice required by the first sentence of Section 4(c), regardless of when such interest or fees are payable.

4(b). Increased Cost. If after the date hereof, the adoption of any applicable law, rule or regulation or any change therein or change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof or compliance by any Bank (or its Eurodollar Lending office) with any request or directive of any such authority, central bank or comparable agency (whether or not having the force of law):

(i) shall subject any Bank (or its Eurodollar Lending Office) to any tax, duty or other charge with respect to a Money Market Advance or a Eurodollar Advance or its obligation to make Money Market Advances or Eurodollar Advances available, or shall change the basis of taxation of payments to any Bank (or its Eurodollar Lending office) of the principal of or interest on its Money Market Advances or Eurodollar Advances or any other amounts due under this Agreement in respect of its Money Market Advances or Eurodollar Advances or its obligation to make Money Market Advances or Eurodollar Advances (except for changes in the rate of tax on the overall net income of a Bank or its Eurodollar Lending Office imposed by the jurisdiction in which such Bank's principal executive office or Eurodollar Lending Office is located); or

(ii) shall impose, modify or deem applicable any reserve, special deposit or similar requirement (including, without limitation, any such requirement imposed by the Board, but excluding (A) with respect to any Money Market Advance any such requirement included in an applicable domestic reserve percentage and (B) with respect to any Eurodollar Advance, any such requirement included in an applicable Eurodollar reserve percentage) against assets of, deposits with or for the account of, or credit extended by, any Bank (or its Eurodollar Lending

Office) or shall impose on any Bank (or its Eurodollar Lending Office) or on the United States market for certificates of deposit or the London Interbank market any other condition affecting its Money Market Advances, its Eurodollar Advances or its obligation to make Money Market Advances or Eurodollar Advances available;

and the result of any of the foregoing is to increase the cost to the Bank (or its Eurodollar Lending Office) of making or maintaining its Money Market Advances or its Eurodollar Advances, or its obligation to make Money Market Advances or Eurodollar Advances, or to reduce the amount of any sum received or receivable by any Bank (or its Eurodollar Lending Office) under this Agreement, by an amount deemed by such Bank to be material, then, within 15 days after demand by such Bank (with a copy to the Servicing Bank), Gannett agrees to pay for the account of such Bank such additional amount or amounts as will compensate such Bank for such increased cost or reduction. Gannett shall not be liable in respect of any such increased costs to, or reduced amount of any sum received or receivable by, any Bank pursuant to this Section 4(b) with respect to any interest or fees accrued by such Bank more than 15 days prior to the date of the notice required by the first sentence of Section 4(c) regardless of when such interest or fees are payable.

4(c). Notice. Each Bank will promptly notify Gannett and the Servicing Bank of any event of which it has knowledge, occurring after the date hereof, which will entitle such Bank to compensation pursuant to Section 4(a) or 4(b) and will designate a different lending office if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the reasonable judgment of such Bank, be otherwise disadvantageous to such Bank or in the reasonable judgment of Gannett be disadvantageous to Gannett. A certificate of any Bank claiming compensation under this Section and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive in the absence of manifest error. In determining such amount, such Bank may use any reasonable averaging and attribution methods.

4(d). Basis for Determining Interest Rate Inadequate or Unfair. If before the beginning of any Eurodollar Interest Period:

(i) The Servicing Bank is advised by the Reference Bank that, by reason of circumstances affecting the London Interbank market generally, deposits in dollars (in the applicable amounts) are not being offered to the Reference Bank in the London interbank market for such Eurodollar Interest Period, or

(ii) Banks that have made Revolving Credit Loans representing at least 51% in the aggregate of the unpaid principal amount of all Eurodollar Borrowings then outstanding (or the Commitments, if no Eurodollar Borrowings are then outstanding) advise the Servicing Bank that the London Interbank Offered Rate as determined by the Servicing Bank will not adequately and fairly reflect the cost to such Banks of maintaining or funding, for such Eurodollar Interest Period, their Eurodollar Advances to which such Eurodollar Interest Period applies;

The Servicing Bank shall forthwith give notice thereof to Gannett and the Banks, whereupon until the Servicing Bank notifies Gannett that the circumstances giving rise to such suspension no longer exist (A) the obligations of the Banks to make Eurodollar Advances shall be suspended and (B) Gannett shall prepay in full, without premium or penalty, the then outstanding principal and interest of each Eurodollar Advance. Gannett shall concurrently with prepaying each Eurodollar Advance pursuant to this Section 4(d), draw a Domestic Borrowing in equal principal amount from such Bank, and such Bank shall make such Domestic Borrowing notwithstanding any provision herein to the contrary.

4(e). Illegality. If, after the date of this Agreement, the introduction of or any change in any applicable law, rule or regulation or in the interpretation or administration thereof by any governmental authority, central bank or comparable agency, charged with the interpretation or administration thereof or compliance by any Bank (or its Eurodollar Lending Office) with any request or directive (whether or not having the force of law) of any such authority shall make it unlawful or impossible for any Bank (or its Eurodollar Lending Office) to make, maintain or fund its Eurodollar

Advances and such Bank shall so notify the Servicing Bank, the Servicing Bank shall forthwith give notice thereof to the other Banks and Gannett. Before giving any such notice to the Servicing Bank pursuant to this Section, such Bank shall designate a different Eurodollar Lending office if such designation will avoid the need for giving such notice and will not be otherwise disadvantageous to such Bank. Upon receipt of such notice Gannett shall prepay in full, without premium or penalty, the then outstanding principal amount of each Eurodollar Borrowing of such Bank, together with accrued interest thereon, on either (A) the last day of the then current Eurodollar Interest Period applicable to such Eurodollar Advance if such Bank may lawfully continue to maintain and fund such Eurodollar Advance to such day or (B) immediately if such Bank may not lawfully continue to fund and maintain such Eurodollar Advance to such day.

SECTION 5. Representations and Warranties of Gannett.

Gannett represents and warrants that:

5(a). Gannett and each of its Subsidiaries are corporations duly organized, validly existing and in good standing under the laws of their respective jurisdictions of incorporation and each is duly qualified to do business as a foreign corporation and is in good standing in all states in which it owns substantial properties or in which it conducts a substantial business and its activities make such qualifications necessary in order that the business activities or financial conditions of Gannett and its Subsidiaries, taken as a whole, are not Materially adversely affected.

5(b). Gannett has furnished to each of the Banks copies of its Annual Report for 1992, containing copies of its consolidated balance sheet as of December 27, 1992 and the related statements of consolidated income and changes in shareholders' equity and cash flows for 1992, all reported on by Price Waterhouse, independent public accountants and copies of its Quarterly Report on Form 10-Q for the period ending September 26, 1993. The financial statements contained in such Annual and Quarterly Reports (including the related notes) fairly present Gannett's consolidated financial condition as of their respective dates and the consolidated results of the operations of Gannett and its Subsidiaries for the periods then ended, and have been prepared in accordance with generally accepted accounting principles. Gannett and its Subsidiaries have no Material liabilities as of September 26, 1993 not reflected in the consolidated balance sheet as of September 26, 1993 or the related notes as of said date, and from that date to the Effective Date there has been no Material change in the business or financial condition of Gannett and its Subsidiaries taken as a whole.

5(c). As of the Effective Date, Gannett and its Subsidiaries owned absolutely, free and clear of all liens or encumbrances, all of the real or personal property reflected in the consolidated balance sheet dated as of September 26, 1993 referred to in Section 5(b) and all other property acquired by them, respectively after September 26, 1993 except such property as has been disposed of in the ordinary course of business, and except for (i) easements, restrictions, exceptions, reservations or defects which, in the aggregate, do not materially interfere with the continued use of such property or materially affect the value thereof to Gannett or its Subsidiaries, (ii) liens, if any, for current taxes not delinquent, and (iii) mortgages, pledges, encumbrances, liens or charges reflected on such consolidated balance sheet or not otherwise prohibited by Section 9(a). As of the Effective Date Gannett and its Subsidiaries enjoy peaceful and undisturbed possession of their properties which are held under lease and all such leases are in good standing and valid and binding obligations of the lessors in full force and effect, except for exceptions, reservations or defects which in the aggregate do not materially interfere with the continued use of such property or materially affect the value thereof to Gannett or its Subsidiaries.

5(d). Except as indicated in the opinion of counsel delivered pursuant to Section 7(b) (as supplemented from time to time by the reports required pursuant to Section 8(e) hereof) there are no actions, suits, or proceedings pending or, to Gannett's knowledge, threatened against or affecting it or any Subsidiary in or before any court or foreign or domestic governmental instrumentality, and neither Gannett nor any Subsidiary is in default in respect of any order of any such court or instrumentality which, in Gannett's opinion, are Material.

5(e). Neither the execution and delivery of this Agreement, the

consummation of the transactions herein contemplated, nor compliance with the terms and provisions hereof will conflict with or result in a breach of any of the provisions of Gannett's restated certificate of incorporation, as amended, or by-laws, as amended, or any law or regulation, or any order of any court or governmental instrumentality, or any agreement or instrument by which Gannett is bound, or constitute a default thereunder, or result in the imposition of any lien not permitted under this Agreement upon any of Gannett's property.

5(f). To the best of Gannett's knowledge, Gannett and its Subsidiaries have filed all tax returns which are required to be filed by any jurisdiction, and have paid all taxes which have become due pursuant to said returns or pursuant to any assessments against it or its Subsidiaries except to the extent only that such taxes are not material or are being contested in good faith by appropriate proceedings.

5(g). The execution and delivery of this Agreement and the making of all Borrowings permitted by the provisions hereof have been duly authorized by all necessary corporate action on the part of Gannett; this Agreement has been duly and validly executed and delivered by Gannett and constitutes Gannett's valid and legally binding agreement enforceable in accordance with its terms; and the Borrowings when made, will constitute valid and binding obligations of Gannett enforceable in accordance with the terms of this Agreement except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors rights or contractual obligations generally.

5(h). Environmental Matters. In the ordinary course of its business, Gannett becomes aware from time to time of the effect of Environmental Laws on its business, operations and properties and the business, operations and properties of its Subsidiaries, and it identifies and evaluates associated liabilities and costs (including, without limitation, any capital or operating expenditures required for clean-up or closure of properties then owned or operated by Gannett or its Subsidiaries, any capital or operating expenditures required to achieve or maintain compliance with environmental protection standards imposed by law or as a condition of any license, permit or contract, any related constraints on operating activities, including any periodic or permanent shutdown of any facility or reduction in the level of or change in the nature of operations conducted at such properties, and any actual or potential liabilities to third parties, including employees, and any related costs and expenses). On the basis of these evaluations, Gannett has reasonably concluded that Environmental Laws are unlikely to have a Material adverse effect on the business, financial condition, results of operations or prospects of Gannett and its Subsidiaries, considered as a whole.

SECTION 6. Representations, Warranties and Covenants of the Banks.

Each Bank severally represents and warrants that: (i) the execution and delivery of this Agreement and the extending of all Borrowings permitted by the provisions hereof have been duly authorized by all corporate action on its part and will not conflict with or result in a breach of any provision of its certificate of incorporation or by-laws, or of any law or any regulation or order of any governmental instrumentality or of any material agreement or instrument by which it is bound or constitute a default thereunder, and (ii) this Agreement has been duly and validly executed and delivered by such Bank and constitutes the valid and legally binding agreement of such Bank enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights or contractual obligations generally.

SECTION 7. Conditions of Lending. The obligation of each Bank to make loans hereunder is subject to the accuracy, as of the date hereof, of the representations and warranties herein contained; and to the satisfaction of the following further conditions:

7(a). On the date of each Borrowing (i) no Event of Default and no noncompliance with any covenant contained in Section 9 hereof or Section 8(a) shall have occurred and be continuing and (ii) the representations and warranties contained in Sections 5(a), 5(e), 5(g) and 5(h) shall be true and correct in all Material respects on and as of such date;

7(b). On or prior to the date of the first Borrowing hereunder, there shall have been delivered to each Bank an opinion from Nixon, Hargrave, Devans and Doyle, counsel to Gannett, in substantially the form of Exhibit A hereto. In rendering the foregoing opinion, such counsel may rely upon certificates of officers of Gannett and its Subsidiaries as to (i) the nature and location of the property of Gannett and of its Subsidiaries, (ii) agreements and instruments to which Gannett and/or its Subsidiaries are a party, and (iii) the conduct of the business of Gannett and its Subsidiaries.

7(c). On or prior to the date of the first Borrowing hereunder, there shall have been delivered to each Bank a certificate of the Secretary or an Assistant Secretary of Gannett certifying, as of the date of the Agreement, to resolutions duly adopted by the Board of Directors of Gannett or a duly authorized committee thereof authorizing Gannett's execution and delivery of this Agreement and the making of the Borrowings.

SECTION 8. Affirmative Covenants.

Gannett covenants that, so long as it may borrow hereunder and until payment in full of all Borrowings, it will:

8(a). Punctually pay or cause to be paid the principal and interest due in respect of the Borrowings according to the terms hereof and the Facility Fee provided in Section 2(a) hereof.

8(b). Furnish to the Banks:

(i) within 60 days after the end of each of the first three quarterly periods in each fiscal year, its consolidated statements of income for such quarterly period and for the period from the beginning of the fiscal year to the end of such quarterly period and its consolidated balance sheet at the end of that period, all in reasonable detail, subject, however, to year-end audit adjustments, together with a certificate of compliance and no default in substantially the form of Exhibit B hereto certified by an appropriate financial officer of Gannett;

(ii) within 120 days after and as of the close of each fiscal year, Gannett's Annual Report to shareholders for such fiscal year, containing copies of its consolidated income statement, consolidated balance sheet and changes in shareholders' equity and cash flows for such fiscal year accompanied by a report by Price Waterhouse or some other accounting firm of national reputation selected by Gannett, based on their examination of such financial statements, which examination shall have been conducted in accordance with generally accepted auditing standards and which report shall indicate that the financial statements have been prepared in accordance with generally accepted accounting principles, together with a certificate of compliance and no default in substantially the form of Exhibit B hereto, certified by an appropriate financial officer of Gannett.

(iii) promptly upon their becoming available, copies of all regular and periodic financial reports, if any, which Gannett or any of its Subsidiaries shall file with the Securities and Exchange Commission or with any securities exchange.

(iv) promptly upon their becoming available, copies of all prospectuses of Gannett and all reports, proxy statements and financial statements mailed by Gannett to its shareholders generally; and

(v) such other information respecting the financial condition and affairs of Gannett and its subsidiaries as any of the Banks may from time to time reasonably request.

The financial statements of Gannett and its Subsidiaries hereafter delivered to the Banks pursuant to this Section 8(b) will fairly set forth the financial condition of Gannett and its Subsidiaries as of the dates thereof, and the results of Gannett's and its Subsidiaries' operations for the respective periods stated therein, all in accordance with generally accepted accounting principles.

8(c). Duly pay and discharge all (i) material obligations when due and (ii) taxes, assessments and governmental charges of which Gannett has knowledge assessed against it or against its properties prior to the date on which penalties are attached thereto, unless and only to the extent that such obligations, taxes, assessments or charters are not material or shall be contested in good faith by appropriate proceedings initiated by Gannett.

8(d). Permit and cause its Subsidiaries to permit any Bank, upon reasonable request, to inspect at all reasonable times its and its Subsidiaries, properties, operations and books of account.

8(e). Notify the Servicing Bank promptly in writing in the event that any proceeding is instituted or threatened against it or any Subsidiary of which Gannett has knowledge and which in its opinion is Material.

SECTION 9. Negative Covenants.

Gannett covenants that, so long as it may borrow hereunder and until payment in full of all Borrowings, it will not, without prior written consent of the Required Banks:

9(a). Allow any lien to exist on any of its or its Subsidiaries' assets, without making provision satisfactory to the Banks whereby the Banks obtain an equal and ratable or prior lien as security for the payment of the Borrowings; or transfer any of its assets for the purpose of subjecting them to the payment of obligations prior in payment to any of its general creditors; or allow any liability of, or claims, or demands against it, or any of its Subsidiaries, to exist for more than 30 days if the liability, claim or demand might by law be given any priority over those of its general creditors; provided, however, that none of the above shall prohibit Gannett or any Subsidiary from creating or allowing any of the following to exist:

(i) liens of any type other than those described in Section 9(a)(v), incurred after the date hereof covering any of Gannett's or its Subsidiaries' properties provided that the total principal amount of indebtedness of Gannett and its Subsidiaries (on a consolidated basis) secured by all such liens permitted under this Section 9(a)(i) at any time outstanding shall not exceed 50% of Net Property, Plant and Equipment;

(ii) leases of all types, whether or not such leases constitute leasebacks of property sold or transferred by Gannett or any Subsidiary;

(iii) pledges and deposits securing the payment of workmen's compensation or insurance premiums, good-faith deposits in connection with tenders, contracts (other than contracts for the payment of borrowed money) or leases, deposits to secure surety or appeal bonds, liens, pledges or deposits in connection with contracts made with or at the request of the United States Government or any agency thereof, or pledges or deposits for similar purposes made in the ordinary course of business;

(iv) liens securing taxes, assessments or governmental or other charges or claims for labor, materials or supplies which are not delinquent or which are being contested in good faith by appropriate proceedings and liens, restrictions, easements, licenses on the use of property or minor irregularities in the title thereof, which do not, in Gannett's opinion, in the aggregate materially impair their use in Gannett's and its Subsidiaries' business; and

(v) liens on the assets of any corporation which becomes a Subsidiary of Gannett after the date of this Agreement to the extent that such liens existed prior to the date of acquisition of such corporation by Gannett.

9(b). Merge, consolidate, sell, lease, transfer or otherwise dispose of all or substantially all of its assets or permit any of its Subsidiaries to merge, consolidate, sell, lease, transfer or otherwise dispose of all or substantially all of its assets, unless immediately after giving effect to such transaction, Gannett shall be the survivor corporation and shall be in compliance with Sections 9(a), 9(c) and 9(d) hereof.

9(c). Permit Gannett's Total Shareholders' Equity at any time to be less than \$1,200,000,000.

9(d). Permit Gannett's "consolidated net earnings available for interest charges," aggregated for the four fiscal quarters immediately preceding the date of determination, at any time to be less than 200% of the "adjusted consolidated total interest expense." "Consolidated net earnings available for interest charges" shall mean Gannett's consolidated net income for the four fiscal quarters, excluding extraordinary income or loss, plus the sum of all Federal and state income taxes, and total interest charges, including amortization of debt discount or premium and interest charges attributable to capitalized leases, but only to the extent that such charges exceed \$10,000,000 for the four-quarter period. "Adjusted consolidated total interest expense" shall mean Gannett's total interest expense plus amortization of debt discount for the four fiscal quarters, plus interest charges in excess of \$10,000,000 attributable to capitalized leases for the four-quarter period. For purposes of this Section 9(d), Gannett's consolidated financial statements shall not include any Subsidiary which has defaulted in the payment of principal or interest on \$50,000,000 or more of the Subsidiary's obligations for borrowed money if such default has resulted in acceleration of the obligation.

SECTION 10. Events of Default.

10(a). The following are Events of Default:

(i) Gannett shall default in the payment of principal of or interest on any Borrowings when due and such default shall have continued for a period of 15 Business Days;

(ii) Gannett shall (A) default in any payment of principal or of interest on any other obligation for borrowed money in excess of \$25,000,000 beyond any grace period provided with respect thereto, or (B) default in the performance of any other agreement, term or condition contained in any agreement under which any such obligation is created, if the effect of such default is to cause such obligation to be accelerated or become due prior to its stated maturity;

(iii) Any representation or warranty herein made by Gannett, or any certificate or financial statement furnished by Gannett pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished and Gannett shall fail to take corrective measures satisfactory to the Required Banks within 30 days after notice thereof to Gannett from any Bank.

(iv) Gannett shall default in the performance of any other covenant, condition or provision hereof and such default shall not be remedied to the satisfaction of the Required Banks within a period of 30 days after notice thereof to Gannett from any Bank or by Gannett to the Servicing Bank. Gannett shall promptly notify the Servicing Bank upon discovery of the existence of a default in the performance of a covenant, condition or provision referred to in this Section 10(a) (iv) and Section 10(a) (iii).

(v) Gannett or any Subsidiary with more than \$100,000,000 in revenue in the preceding fiscal year (other than Gannett Satellite Information Network, Inc.) shall (A) apply for or consent to the appointment of a receiver, trustee, or liquidator of Gannett, (B) make a general assignment for the benefit of creditors, or (C) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or take advantage of any insolvency law or an answer admitting the material allegations of a petition filed against Gannett in any bankruptcy, reorganization or insolvency proceeding, or corporate action shall be taken by Gannett for the purpose of affecting any of the foregoing; or

(vi) An order, judgment or decree shall be entered, without the application, approval or consent of Gannett, by any court of competent jurisdiction, approving a petition seeking

reorganization of Gannett or appointing a receiver, trustee or liquidator of Gannett or of all or a substantial part of the assets of Gannett, and such order, judgment or decree shall continue unstayed and in effect for any period of ninety (90) consecutive days.

10(b). If an Event of Default shall occur and be continuing:

(i) Under Sections 10(a)(i) and 10(a)(ii), any Bank shall be entitled by notice to Gannett to elect to be relieved of its obligation to make further loans hereunder, and the holders of not less than 66-2/3% of the unpaid principal amount of Borrowings then outstanding hereunder shall be entitled by notice to Gannett to declare all Advances then outstanding hereunder and interest accrued thereon and all liabilities of Gannett hereunder to be forthwith due and payable;

(ii) Under Sections 10(a)(iii) and 10(a)(iv): (A) the holders of not less than 66-2/3% of the unpaid principal amount of the Borrowings then outstanding hereunder shall be entitled by notice to Gannett to declare all Borrowings then outstanding hereunder and interest accrued thereon and all liabilities of Gannett hereunder to be forthwith due and payable, and (B) the holders of not less than 66-2/3% of the Commitments and, if there are any Borrowings then outstanding, the holders of 66-2/3% of the unpaid principal amount of the Borrowings shall be entitled by notice to Gannett to relieve the Banks of their obligations to make further Revolving Credit Loans hereunder; or

(iii) Under Sections 10(a)(v) and 10(a)(vi), no Bank shall be under further obligation to make Revolving Credit Loans and all Borrowings then outstanding hereunder and interest accrued thereon and all liabilities of Gannett hereunder to each Bank shall become forthwith due and payable without presentment, demand, protest or notice of any kind, all which are hereby expressly waived.

Any Bank giving any notice to Gannett under this Section 10 shall simultaneously give like notice to all of the other Banks and to the Servicing Bank.

SECTION 11. Amendments.

Any provision of this Agreement may from time to time be modified, waived or amended with the written consent of Gannett and the Banks which are holders of 66-2/3% of the Commitments and, if there are any Borrowings then outstanding, the holders of 66-2/3% of the unpaid principal amount of the Borrowings; provided, that no such modification, waiver, or amendment may be made which will (i) reduce or increase the amount or alter the term of the Commitment of, or the Facility Fee payable to, any Bank hereunder other than as permitted by Sections 2(b), 3(d) and Section 4 hereof, without the written consent of Gannett and of all the Banks, (ii) extend the time for payment of principal of any Borrowing or change the rate of interest on any Borrowing, or otherwise affect the terms of payment of such principal or interest, without the prior written consent of Gannett and the makers of all Advances comprising such Borrowings, (iii) modify, waive or amend any provision of this Section 11 or Section 7, without the written consent of Gannett and the Banks which are holders of 100% of the Commitments and, if there are any Borrowings then outstanding, the holders of 100% of the unpaid principal amount of all Advances or (iv) change the percentage specified in the definition of Required Banks, the definition of Applicable Margin or other percentages specified hereunder as to consents, votes or waivers by the Banks without the prior written consent of Gannett and all of the Banks.

SECTION 12. Servicing Bank.

12(a). By signing this Agreement the Servicing Bank as a Bank agrees to perform as provided in this Section 12. The Servicing Bank agrees to accept for transmission and shall promptly transmit to all of the Banks any notice, statement, report or communication received from any Bank with the request to forward the same to Gannett. Likewise, the Servicing Bank agrees to accept for transmission and shall transmit promptly to the Banks

any funding notice or other notice or information received from Gannett with a request to forward same to the Banks. The Servicing Bank shall have no liability or responsibility for, nor shall it be deemed to make any representation with respect to, the completeness, accuracy or contents of any notice, statement, report or communication transmitted pursuant to this Section 12(a).

12(b).The Servicing Bank agrees to act for and on behalf of the Banks in receiving funds from each Bank for disbursement to Gannett and in receiving payments from Gannett for transmission to the Banks; provided, however, that in so acting the Servicing Bank shall not be authorized, nor shall it be deemed, either to waive or compromise the rights of any Bank under this Agreement or to accept or approve, on behalf of any Bank, any act by Gannett as performance under this Agreement. Any such payment of principal of or interest on the Borrowings, or of the Facility Fee, or any other payment received from Gannett shall be transmitted forthwith upon collection by the Servicing Bank to the Banks in immediately available funds, in accordance with Gannett's written instructions. The Servicing Bank shall not be liable or accountable to any Bank for delays or failures in transmission of payments, instruments, notices or other communications received by it for transmission to any party, except for delays or failures caused by the Servicing Bank's bad faith, willful misconduct or gross negligence.

12(c).The Servicing Bank shall be protected in acting upon any document believed by it to be genuine and to have been signed or sent by a proper person or persons. Any communication from the Servicing Bank to Gannett or any Bank may be sent or given as provided in Section 13(e) hereof.

12(d).The Servicing Bank may resign at anytime by giving 30 days prior notice to the Banks and Gannett. The Servicing Bank shall resign upon 30 days prior written demand for its resignation delivered by Gannett to the Servicing Bank and the Banks. Such resignation shall take effect at the end of the 30 day period or earlier if Gannett appoints a successor with the approval of the Required Banks, which approval shall not be unreasonably withheld, conditioned or delayed.

12(e).The Servicing Bank shall maintain a register (the "Register") on which it will record the Commitments from time to time of each of the Banks, the Advances made by each of the Banks and each repayment in respect of the principal amount of the Advances of each Bank. Any such recordation shall be conclusive, absent manifest error.

12(f).Each Bank will record on its internal records the amount of each Advance made by it and each payment in respect thereof. Failure to make any such recordation, or any error in such recordation, shall not affect Gannett's obligations in respect of such Borrowing. Any such recordation shall be conclusive, absent manifest error.

SECTION 13. Miscellaneous.

13(a).No delay or failure of Gannett, any Bank, or the holder of any Borrowing in exercising any right, power or privilege hereunder shall affect such right, power or privilege, nor shall any single or partial exercise thereof or any abandonment or discontinuance of steps to enforce such right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of Gannett and the Banks hereunder are cumulative and not exclusive of any rights or remedies which they would otherwise have. Any waiver, permit, consent or approval of any kind or character on the part of any Bank of any breach or default under this Agreement must be specifically set forth in writing.

13(b).Nothing in this Agreement shall be deemed a waiver or prohibition of any Bank's right of banker's lien or set-off against Gannett or of Gannett's right of set-off or counterclaim against any Bank, and no set-off by Gannett against any Bank shall be deemed to be a prepayment of any Advances made by that Bank for the purposes of Section 4 hereof.

13(c).Any Bank that shall make recovery against Gannett through the exercise of any banker's lien, right of counterclaim or set-off of the amount of any Borrowing or obligation of Gannett, shall apply such recovery solely to the repayment of Advances made under this Agreement, and shall purchase a ratable proportion of the Advances held by other Banks so that all such recoveries shall be shared pro rata on the basis of each

Bank's ownership interest in the outstanding Borrowings.

13(d).All representations, warranties, covenants and agreements of Gannett and the Banks contained herein or made in writing in connection herewith, shall survive the execution and delivery of this Agreement, and the making of Revolving Credit Loans hereunder.

13(e).Unless otherwise specified herein all notices, requests, demands or other communications to or from the parties hereto shall be deemed to have been duly given and made either by letter or telecopy. In the case of a letter, such notice shall be deemed to have been duly given upon delivery or three days after deposit in the mail if sent by registered first class mail, postage prepaid and, in the case of a telecopy, such notice shall be deemed to have been duly given when a telecopy is sent. Any such notice, request, demand or communication shall be delivered addressed as follows:

(i) if to the Servicing Bank, at its address or telecopy number set forth on Schedule 1 hereof;

(ii) if to another Bank, at its address or telecopy number set forth on Schedule 1 hereof;

(iii) if to Gannett at its principal office, 1100 Wilson Blvd., Arlington, VA 22234 (or telecopy number (703) 558-4638) (Attention: Senior Vice President, Financial Services and Treasurer, and Vice President/Treasury Services).

13(f).Gannett will pay all reasonable costs and expenses in connection with the preparation, execution and delivery of this Agreement or any amendment, consent or waiver requested by Gannett (including the reasonable fees and out-of-pocket expenses of special counsel to the Banks). In addition, Gannett will pay reasonable costs and expenses (including attorneys' fees), if any, in connection with the enforcement or collection of this Agreement and the Borrowings and arising after the occurrence of any event which with notice or lapse of time would constitute an Event of Default, unless such occurrence is cured by Gannett within any applicable grace period or such reimbursement is not required by the terms of any waiver granted by the Banks in respect of such occurrence; provided, however, that (i) Gannett shall have no such obligation for costs and expenses if Gannett prevails or successfully defeats any enforcement or collection proceedings; and (ii) if, by final adjudication in any proceeding not involving Gannett's bankruptcy, reorganization or insolvency, the Banks receive less relief than claimed, Gannett's obligation for costs and expenses shall be limited proportionate to the relief granted to the Banks. If Gannett is required to commence proceedings against any Bank to enforce its Commitment, the Bank will pay Gannett's reasonable costs and expenses (including attorneys' fees) if Gannett succeeds, or a share of such reasonable costs and expenses proportionate to Gannett's recovery if Gannett is only partially successful. In addition, Gannett will pay any and all stamp and other taxes (excluding income taxes now applicable or which may be levied in lieu of stamp or other taxes), and to save each holder of each Advance harmless from any and all liabilities with respect to or resulting from any delay or omission on the part of Gannett to pay such taxes, if any, which may be payable or determined to be payable in connection with the execution and delivery of this Agreement or the making of any of the Borrowings. The obligations of Gannett under this Section 13(f) shall survive the payment of the Borrowings.

13(g).THIS AGREEMENT AND THE BORROWINGS SHALL BE DEEMED TO BE CONTRACTS UNDER THE LAWS OF THE STATE OF NEW YORK AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF SAID STATE.

13(h).This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

13(i).This Agreement may not be assigned by Gannett without the consent of the Banks which are the holders of 100% of the Commitments and, if there are any Borrowings then outstanding, the holders of 100% of the unpaid principal amount of the Borrowings. This Agreement may not be assigned by any Bank, except in whole or part to any other Bank party hereto or with the prior written consent of Gannett in its sole discretion. In the event that any Bank shall so assign all or part of its Commitment to another Bank,

and/or any Advances made by it hereunder (which individual Advances may only be assigned in full), the assignor Bank and the assignee Bank shall, on or before the next Business Day after such assignment shall become effective, deliver a notice to Gannett signed by each of such Banks specifying the relevant details of such assignment and, if appropriate, requesting that the Commitments of the respective Banks be automatically adjusted to reflect such assignment. Notwithstanding the foregoing, no Bank shall be permitted to grant participations in all or any portion of its Commitment or any Advances made by it.

13(j).This Agreement shall be binding upon and inure to the benefit of the Banks and their respective successors and assigns, and Gannett and its successors and assigns.

13(k).No provision of this Agreement is intended to or should be construed as preventing Gannett from entering into loan agreements of any kind or nature with any or all of the Banks or any other financial institution as Gannett may select, the terms and conditions of which shall be wholly separate and apart from the terms of this Agreement.

13(l).This Agreement, together with the \$500,000,000 Revolving Credit Agreement of even date herewith between Gannett and each of the banks parties thereto, replaces in its entirety the Loan Agreement made as of December 1, 1990 between Gannett and certain banks, as amended, which Agreement and the commitments thereunder shall be deemed terminated by the Banks parties thereto and Gannett without further notice upon the Effective Date.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

GANNETT CO., INC.

By s/ Gracia C. Martore
Name: Gracia C. Martore
Title: Vice President/Treasury Services

CHEMICAL BANK

By s/ Laura S. Tingley
Name: Laura S. Tingley
Title: Vice President

FIRST INTERSTATE BANK OF CALIFORNIA

By s/ Clark Wilcox
Name: Clark Wilcox
Title: Vice President

MARINE MIDLAND BANK

By s/ Paul E. Willsey
Name: Paul E. Willsey
Title: Administrative Vice President

MORGAN GUARANTY TRUST COMPANY

By s/ Michael Y. Leder
Name: Michael Y. Leder
Title: Vice President

J.P. MORGAN DELAWARE

By s/ David J. Morris
Name: David J. Morris
Title: Vice President

NATIONSBANK OF NORTH CAROLINA, N.A.

By s/ Lawrence Saunders
Name: Lawrence Saunders
Title: Vice President

TORONTO DOMINION (TEXAS), INC.

By s/ Lisa Allison
Name: Lisa Allison
Title: Manager/Credit Administration

THE FIRST NATIONAL BANK OF CHICAGO

By s/ Ted Wozniak
Name: Ted Wozniak
Title: Vice President

BANK OF AMERICA, N.T. & S.A.

By s/ Nancy L. Sun
Name: Nancy L. Sun
Title: Vice President

BANK OF HAWAII

By s/ Curtis W. Chinn
Name: Curtis W. Chinn
Title: Vice President

THE BANK OF NOVA SCOTIA

By s/ James N. Tryforos
Name: James N. Tryforos
Title: Authorized Signatory

CRESTAR BANK

By s/ Michael A. Hart
Name: Michael A. Hart
Title: Senior Vice President

NBD BANK, N.A.

By s/ L. E. Schuster
Name: L. E. Schuster
Title: Vice President

ROYAL BANK OF CANADA

By s/ Peter D. Steffen
Name: Peter D. Steffen
Title: Senior Manager

SOCIETE GENERALE

By s/ Pascale Hainline
Name: Pascale Hainline
Title: Vice President

CITIBANK, N.A.

By s/ Thomas D. Stott
Name: Thomas D. Stott
Title: Vice President

CREDIT LYONNAIS CAYMAN ISLAND BRANCH

By s/ Silvana Burdick
Name: Silvana Burdick
Title: Authorized Signature

THE SANWA BANK, LIMITED

By s/ Peter J. Pawlak
Name: Peter J. Pawlak
Title: Vice President and Senior Manager

WACHOVIA BANK OF GEORGIA, N.A.

By s/ Tina P. Hayes
Name: Tina P. Hayes
Title: Assistant Vice President

CHASE MANHATTAN BANK, N.A.

By s/ Diana Lauria
Name: Diana Lauria
Title: Vice President

THE FIRST NATIONAL BANK OF MARYLAND

By s/ Susan E. Pritchett
Name: Susan E. Pritchett
Title: Vice President

THE FUJI BANK, LIMITED

By s/ Takashi Nagao
Name: Takashi Nagao
Title: Vice President and Manager

THE NORTHERN TRUST COMPANY

By s/ David L. Love
Name: David L. Love
Title: Commercial Banking Officer

SCHEDULE 1

COMMITMENTS OF THE BANKS

NAME, ADDRESS AND TELEPHONE NUMBER OF BANK	COMMITMENT AMOUNT
Chemical Bank 270 Park Avenue New York, NY 10017 Telecopy: 212-270-2112	\$66,666,667
First Interstate Bank of California 885 Third Avenue New York, NY 10022-4802 Telecopy: 212-593-5238	\$66,666,667
Marine Midland Bank One Marine Midland Plaza Rochester, New York 14639 Telecopy: 716-238-7140	\$66,666,667

Morgan Guaranty Trust Company \$33,333,334
60 Wall Street, 22nd Floor
New York, NY 10260
Telecopy: 212-648-5018

J.P. Morgan Delaware \$33,333,333
902 North Market Street
Wilmington, DE 19801
Telecopy: 302-654-5336

NationsBank of North Carolina, N.A. \$66,666,667
6610 Rockledge Drive, 1st Floor
Bethesda, MD 20817-1876
Telecopy: 301-571-0719

Toronto Dominion (Texas), Inc. \$66,666,667
909 Fannin, Suite 1700
Houston, TX 77010
Telecopy: 713-951-9921

With a copy to:

The Toronto-Dominion Bank
31 West 52nd Street
New York, NY 10019-6101
Telecopy: 212-262-1926

The First National Bank \$56,666,667
of Chicago
One First National Plaza
Mail Suite 0374
Chicago, IL 60670-0083
Telecopy: 312-732-3885

Bank of America, N.T. & S. A. \$43,333,333
Attn: Nina Lemmer
1850 Gateway Blvd.
Concord, CA 94520
Telecopy: 510-675-7531 or 7532

With a copy to:

Bank of America, N.T. & S.A.
335 Madison Avenue
New York, NY 10017
Telecopy: 212-503-7173

Bank of Hawaii \$43,333,333
130 Merchant Street, 20th Floor
Honolulu, HI 96813
Telecopy: 808-537-8301

The Bank of Nova Scotia \$43,333,333
New York Agency
1 Liberty Plaza, 26th Floor
New York, NY 10006
Telecopy: 212-225-5090 or 5091

Crestar Bank \$43,333,333
1445 New York Avenue, N.W.
Washington, DC 20005
Telecopy: 202-879-6137

NBD Bank, N.A. \$43,333,333
611 Woodward
Detroit, MI 48226
Telecopy: 313-225-2649

Royal Bank of Canada \$43,333,333
c/o Grand Cayman (North America #1)
New York Operations Center
Pierrepont Plaza
300 Cadman Plaza West
Brooklyn, NY 11201-2701
Telecopy: 718-522-6292

Societe Generale 50 Rockefeller Plaza New York, NY 10020 Telecopy: 212-581-8752	\$43,333,333
Citibank, N.A. 399 Park Avenue New York, NY 10043 Telecopy: 212-793-6873	\$33,333,333
Credit Lyonnais Cayman Island Branch 1301 Avenue of the Americas New York, NY 10019 Telecopy: 212-459-3179	\$33,333,333
The Sanwa Bank, Limited Atlanta Agency Georgia-Pacific Center Suite 4750 133 Peachtree Street, N.E. Atlanta, GA 30303 Telecopy: 404-589-1629	\$33,333,333
Wachovia Bank of Georgia, N.A. 191 Peachtree Street, N.E. Atlanta, GA 30303 Telecopy: 404-332-6898	\$33,333,333
Chase Manhattan Bank, N.A. One Chase Square Corp. Industries Dept. Tower 9 Rochester, NY 14643 Telecopy: 716-258-4258	\$26,666,667
The First National Bank of Maryland 1800 K Street, N.W., Suite 1010 Washington, DC 20006 Telecopy: 202-775-4838	\$26,666,667
The Fuji Bank, Limited 2 World Trade Center, 79th Floor New York, NY 10048 Telecopy: 212-912-0516	\$26,666,667
The Northern Trust Company 50 South LaSalle Street - B11 Chicago, IL 60675 Telecopy: 312-444-3508	\$26,666,667
TOTAL	\$1,000,000,000

EXHIBIT A

[Letterhead of Nixon, Hargrave, Devans & Doyle]

December 1, 1993

To the Banks parties to the
Revolving Credit Agreement
dated as of December 1, 1993
between Gannett and the Banks

Ladies and Gentlemen:

We are counsel to Gannett Co., Inc. ("Gannett"), and as such we are familiar with the Revolving Credit Agreement of even date herewith between

each of you and Gannett (the "Credit Agreement") relating to Gannett's borrowing of up to \$1,000,000,000. We are also familiar with Gannett's Restated Certificate of Incorporation, as amended, By-Laws, as amended, agreements and other documents and matters of law as we consider necessary for purposes of this opinion. Capitalized terms defined in the Credit Agreement are used herein with the respective meanings assigned to such terms in the Credit Agreement. Based upon the foregoing, we are of the opinion that:

1. Gannett is a corporation duly organized, validly existing and in good standing under the laws of Delaware and is duly qualified to do business as a foreign corporation, and Gannett is in good standing in all states in which it owns substantial properties or in which it conducts substantial business or in which qualification is necessary in order that the business or financial condition of Gannett and its Subsidiaries, taken as a whole, be not Materially adversely affected.

2. There are no actions, suits or proceedings pending or, to our knowledge, threatened against or affecting Gannett or any of its Subsidiaries in or before any court or foreign or domestic government instrumentality, and neither Gannett nor any of its Subsidiaries are in default in respect of any order of any such court or governmental instrumentality which, in the opinion of Gannett, are Material.

3. Neither the execution and delivery of the Agreement, the consummation of the transactions therein contemplated nor compliance with the terms and provisions thereof will conflict with or result in breach of any of the provisions of the Restated Certificate of Incorporation, as amended, or the By-Laws, as amended, of Gannett or, to our knowledge and based on reasonable inquiries made of corporate officers of any law or of any regulation or order of any court or governmental instrumentality or any material agreement or instrument by which Gannett is bound or constitute a default thereunder or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever not permitted under Section 9(a) of the Agreement upon any of the property of Gannett.

4. The execution and delivery of the Agreement and the making of all Borrowings contemplated or permitted by the provisions thereof have been duly authorized by all necessary corporate action on the part of Gannett; and the Agreement has been duly and validly executed and delivered by Gannett. The Agreement constitutes a valid and legally binding agreement enforceable in accordance with its terms and the Borrowings when duly made, will constitute valid and legally binding obligations of Gannett enforceable in accordance with the terms thereof and of the Agreement, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights or contractual obligations generally.

In rendering the foregoing opinion we have relied upon the certificates of officers of Gannett as to (i) the nature and location of the property of Gannett, (ii) agreements and instruments to which Gannett and/or its Subsidiaries is a party, and (iii) the existence of Material pending or threatened actions, suits or proceedings or orders of any court or governmental instrumentality.

Very truly yours,

EXHIBIT B

CERTIFICATE AS TO COMPLIANCE
PURSUANT TO SECTION 8 (b) OF
\$1,000,000,000 REVOLVING CREDIT AGREEMENT

[Use for Quarterly report]

The undersigned, an officer of Gannett Co., Inc. ("Gannett"), has executed this Certificate pursuant to Section 8(b)(i) of the Revolving Credit Agreement dated as of December 1, 1993 between Gannett and the Banks parties thereto. The undersigned has reviewed Gannett's activities during the preceding fiscal quarter, which has consisted solely of a review of the unaudited consolidated financial

statements of Gannett for said fiscal quarter.

[Use for annual report]

The undersigned, an officer of Gannett Co., Inc. ("Gannett") has executed this Certificate pursuant to Section 8(b)(ii) of the Revolving Credit Agreement dated as of December 1, 1993 between Gannett and the Banks parties thereto. The undersigned has reviewed the activities of Gannett and its Subsidiaries during the preceding fiscal year, which has consisted solely of a review of the audited consolidated financial statements of Gannett for said fiscal year.

The undersigned hereby CERTIFIES THAT, based upon the review described above and a review of the Revolving Credit Agreement, nothing came to his attention which caused him to believe that (i) Gannett has not fulfilled all of its obligations under the Revolving Credit Agreement or (ii) there has occurred an Event of Default as defined in said Agreement, or any condition, event or act, which with notice or lapse of time or both, would constitute an Event of Default, which has not been cured pursuant to the provisions of said Agreement.

GANNETT CO., INC.

By _____
Name:
Title:

\$500,000,000

REVOLVING CREDIT AGREEMENT

dated as of December 1, 1993

Between

GANNETT CO., INC.

and

CHEMICAL BANK, FIRST INTERSTATE BANK OF CALIFORNIA,
MARINE MIDLAND BANK, MORGAN GUARANTY TRUST COMPANY,
J.P. MORGAN DELAWARE, NATIONSBANK OF NORTH CAROLINA, N.A.,
TORONTO DOMINION (TEXAS), INC.,
THE FIRST NATIONAL BANK OF CHICAGO, BANK OF AMERICA, N.T. & S.A.,
BANK OF HAWAII, THE BANK OF NOVA SCOTIA, CRESTAR BANK,
NBD BANK, N.A., ROYAL BANK OF CANADA, SOCIETE GENERALE,
CITIBANK, N.A., CREDIT LYONNAIS CAYMAN ISLAND BRANCH, THE SANWA BANK,
LIMITED, WACHOVIA BANK OF GEORGIA, N.A.,
CHASE MANHATTAN BANK, N.A., THE FIRST NATIONAL BANK OF MARYLAND,
THE FUJI BANK, LIMITED and THE NORTHERN TRUST COMPANY

TABLE OF CONTENTS

	Page
SECTION 1:Definitions	1
SECTION 2:Facility Fee; Commitments	6
SECTION 3:Revolving Credit - Domestic Borrowings and Eurodollar Borrowings	8
SECTION 4:Change in Circumstances	14
SECTION 5:Representations and Warranties of Gannett	17
SECTION 6:Representations, Warranties and Covenants of the Banks	19
SECTION 7:Conditions of Lending	20
SECTION 8:Affirmative Covenants	20
SECTION 9:Negative Covenants	22
SECTION 10:Events of Default	24
SECTION 11:Amendments	26
SECTION 12:Servicing Bank	26
SECTION 13:Miscellaneous	27

GANNETT CO., INC.
REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT is made as of December 1, 1993
between Gannett Co., Inc., a Delaware corporation ("Gannett"), and each of the

banks that is or may become a party to this Agreement from time to time (each called a "Bank" and collectively called the "Banks").

The parties agree as follows:

SECTION 1. Definitions. The following words and terms shall have the following meanings in this Agreement:

"Advance" shall mean a Money Market Advance, a Competitive Bid Rate Advance, an Alternate Rate Advance or a Eurodollar Advance, as the case may be.

"Agreement" shall mean this Revolving Credit Agreement, as amended from time to time.

"Applicable Margin" shall mean, (i) with respect to Alternate Rate Advances and Competitive Bid Rate Advances, 0%, (ii) with respect to Eurodollar Advances, 16.5 Basis Points and (iii) with respect to Money Market Advances, 29 Basis Points.

"Alternate Rate" means, with respect to an Alternate Rate Advance an interest rate equal to the Prime Rate.

"Alternate Rate Advance" shall mean any Revolving Credit Loan with respect to which interest is computed at the Alternate Rate.

"Basis Point" means 1/100th of one percent.

"Board" means the Board of Governors of the Federal Reserve System, or any successor thereto.

"Borrowing" shall mean the outstanding principal amount of any Revolving Credit Loans made to Gannett by any Bank or Banks in response to each borrowing notice delivered by Gannett pursuant to this Agreement. A Borrowing is referred to as a "Domestic Borrowing" if it is comprised of Revolving Credit Loans made pursuant to Section 3(b) or accepted by Gannett pursuant to Section 3(d) or a "Eurodollar Borrowing" if it is comprised of Revolving Credit Loans made pursuant to Section 3(c). A Competitive Bid Rate Borrowing may be either a Eurodollar Borrowing or a Domestic Borrowing depending on the type of interest rate at which such Competitive Bid Rate Borrowing is made.

"Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a legal holiday for banks in the State of New York.

"Commitment" shall mean, with respect to each Bank, the amount set forth opposite such Bank's name on Schedule 1 hereto or in such lesser amount as shall be established from time to time pursuant to Sections 2(b) or 3(d) hereof, and subject to any adjustments resulting from Sections 3(f) or 13(i) hereof.

"Competitive Bid Rate" means the rate of interest offered by a Bank in response to a Request for Offer and accepted by Gannett pursuant to Section 3(d).

"Competitive Bid Rate Advance" shall mean any Revolving Credit Loan with respect to which interest is computed at the Competitive Bid Rate.

"Designated Banks" shall mean Morgan Guaranty Trust Company of New York, The Toronto Dominion Bank and First Interstate Bank of California.

"Effective Date" shall mean the date of this Agreement.

"Environmental Laws" means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, ground water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes

or the clean-up or other remediation thereof.

"Eurodollar Advance" shall mean any Revolving Credit Loan with respect to which interest is computed at the Eurodollar Rate.

"Eurodollar Business Day" means any day on which commercial banks are open for domestic and international business (including dealings in dollar deposits) in London and New York City.

"Eurodollar Interest Period" means, with respect to any Eurodollar Borrowing:

(i) initially, the period commencing on the date of such Eurodollar Borrowing and ending one month, two months, three months or six months thereafter, as Gannett may elect; and

(ii) thereafter, each period commencing on the last day of the immediately preceding Eurodollar Interest Period for such Loans and ending one month, two months, three months or six months thereafter, as Gannett may elect;

provided that:

- (A) any Eurodollar Interest Period which would otherwise end on a day which is not a Eurodollar Business Day shall be extended to the next succeeding Eurodollar Business Day unless such Eurodollar Business Day falls in another calendar month in which case such Eurodollar Interest Period shall end on the immediately preceding Eurodollar Business Day;
- (B) any Eurodollar Interest Period which begins on a day for which there is no numerically corresponding day in the calendar month during which such Eurodollar Interest Period is to end shall, subject to clause (A) above, end on the last Eurodollar Business Day of such calendar month;
- (C) if any Eurodollar Interest Period determined as set forth above would otherwise end after the Maturity Date of such Eurodollar Borrowing such Eurodollar Interest Period shall end on such Maturity Date.

"Eurodollar Rate" means, with respect to Eurodollar Borrowings, the rate of interest in effect from time to time with respect to such Eurodollar Borrowings, as determined pursuant to Section 3(c)(iii).

"Eurodollar Lending Office" means, as to each Bank, its office or branch located at its address set forth in Schedule 1 hereof or such other branch (or affiliate) of such Bank as it may hereafter designate as its Eurodollar Lending Office by notice to Gannett and the Servicing Bank.

"Event of Default" shall mean any of the Events of Default specified in Section 10(a) of this Agreement.

"Expiration Date" shall mean November 30, 1994, or such earlier date as shall be specified in the request delivered by Gannett pursuant to Section 2(c).

"Facility Fee" shall have the meaning assigned to such term in Section 2(a).

"LIBOR Reserve Adjustment" means an adjustment to the London Interbank Offered Rate determined by dividing the London Interbank Offered Rate determined by the Reference Bank by a percentage equal to 100% minus the applicable Statutory Rate then in effect, determined by the Reference Bank.

"London Interbank Offered Rate or LIBOR" shall mean the average of the rates per annum at which deposits in dollars are offered in immediately available funds to the Designated Banks in the London interbank market at approximately 11:00 A.M. (London time) two Eurodollar Business Days

prior to the first day of the Eurodollar Interest Period to which such rate applies on amounts of \$5,000,000 or more for a period of time comparable to such Eurodollar Interest Period and adjusted for by the LIBOR Reserve Adjustment applicable to the Reference Bank.

"Material" or "Materially" when used to describe an adverse effect of an event on Gannett or its subsidiaries shall mean a condition, event or act which with the giving of notice or the lapse of time or both, will constitute an Event of Default.

"Maturity Date" means, with respect to the loans comprising any Borrowing, the maturity date of such Borrowing specified by Gannett pursuant to Sections 3(b)(i), 3(c)(i) or 3(d) but in no event a date extending beyond the Expiration Date.

"Money Market Rate" means, with respect to Money Market Advances, the interest rate for a specified N.Y. Interest Period determined to be the sum of the Applicable Margin plus the rate of interest determined by the Reference Bank to be the average of prevailing secondary market morning bid rates in the U.S. at 9:00 A.M. (New York, New York time) (or as soon thereafter as practicable) on the first day of the N.Y. Interest Period of three New York certificate of deposit dealers of recognized standing for the purchase at face value from each Designated Bank of its certificates of deposit in an amount comparable to the unpaid principal amount of the Money Market Advances from such Designated Bank to which such N.Y. Interest Period applies and having a maturity comparable to such N.Y. Interest Period, adjusted to the nearest 1/100 of 1% or, if there is no nearest 1/100 of 1%, then to the next higher 1/100 of 1% and further adjusted for by the Reserve and Assessment Adjustment applicable to the Reference Bank.

"Money Market Advance" shall mean any Revolving Credit Loan with respect to which interest is computed at the Money Market Rate.

"Net Property, Plant and Equipment" shall mean the amount under that heading on the consolidated balance sheet of Gannett and its Subsidiaries prepared in accordance with generally accepted accounting principles.

"N.Y. Interest Period" means one or more successive periods, commencing the date of a Money Market Advance or Alternate Rate Advance and continuing until such Money Market Advance or Alternate Rate Advance is repaid or is converted to an Alternate Rate Advance, Money Market Advance, or Eurodollar Advance, with each successive period beginning the day after the last day of the immediately preceding period. The duration of each N.Y. Interest Period with respect to each Money Market Advance shall be 30, 60, 90 or 180 days, as Gannett shall, by notice delivered to the Servicing Bank no later than 10:00 A.M. (New York time) one Business Day prior to the first day of such N.Y. Interest Period, select, provided that (i) if Gannett fails to select the duration of any N.Y. Interest Period, the duration shall be 30 days, and (ii) whenever the last day of any N.Y. Interest Period falls on a date which is not a Business Day then the last day of such N.Y. Interest Period shall be extended automatically to the next succeeding Business Day. The N.Y. Interest Period with respect to each Alternate Rate Advance shall be the period specified by Gannett in the borrowing notice relating to such Alternate Rate Advance.

"Prime Rate" means the fluctuating rate of interest as announced publicly in New York City from time to time by the Reference Bank as its prime rate.

"Reference Bank" shall mean Morgan Guaranty Trust Company of New York.

"Request for Offer" shall have the meaning assigned to that term in Section 3(d).

"Required Banks" shall mean the Banks which are the holders of at least 51% of the Commitments and, if there are any Borrowings then outstanding, the holders of 51% of the unpaid principal amount of the Borrowings then outstanding.

"Reserve and Assessment Adjustment" means an adjustment to the certificate of deposit rate component of the Money Market Rate determined by (i) dividing the certificate of deposit rate determined by the Reference Bank (excluding the Applicable Margin) by a percentage equal to 100% minus

the Statutory Rate then in effect, as determined by the Reference Bank, (ii) adding to the result determined pursuant to clause (i) the Assessment Rate for such Bank then in effect and adjusting the result to the nearest 1/100 of 1% or, if there is no nearest 1/100 of 1%, then to the next higher 1/100 of 1%.

For purposes of this definition, the "Statutory Rate" of the Reference Bank at any time is the percentage then specified by the Board for determining the reserve requirements for such Bank for domestic non-personal time deposits of \$100,000 or more having a maturity equal to the maturity of the applicable N.Y. Interest Period or for determining the Eurodollar reserve requirements for such Bank in amounts of \$5,000,000 or more for the Eurodollar Interest Period selected by Gannett. It shall be assumed that the Statutory Rate in each case on the Effective Date is 0%. The Statutory Rate shall be adjusted automatically on and as of the effective date for any change in such rate specified by the Board. The "Assessment Rate" for the Reference Bank is the net annual assessment rate (rounded upward to the nearest 1/100 of 1%) actually paid by the Reference Bank to the Federal Deposit Insurance Corporation (or its successor) for insurance by such corporation (or such successor) of certificates of deposit made in dollars at the Reference Bank's domestic offices during the immediately preceding calendar year. The Assessment Rate for the period from the Effective Date through January 31, 1994 shall be 22.77 Basis Points. The Assessment Rate for any subsequent year shall be that rate in effect on February 1st of such year and shall remain in effect through January 31st of the immediately following year or such other period as may be publicly announced by the Federal Deposit Insurance Corporation (or any successor).

"Revolving Credit Loan" shall have the meaning assigned to such term in Section 3(a).

"Servicing Bank" shall mean Chase Manhattan Bank, N.A. (Rochester Division), so long as it shall act as Servicing Bank as provided in this Agreement, and thereafter any successor appointed as Servicing Bank as provided in Section 12 hereof.

"Subsidiary" shall mean any corporation the majority of the shares of voting stock of which at any time outstanding is owned directly or indirectly by Gannett or by one or more of its other subsidiaries or by Gannett in conjunction with one or more of its other subsidiaries.

"Total Shareholders' Equity" shall mean the amount appearing under that heading on the consolidated balance sheet of Gannett and its Subsidiaries, prepared in accordance with generally accepted accounting principles.

SECTION 2. Facility Fee; Commitment.

2(a). Facility Fee. Gannett will pay to each Bank pro rata, as consideration for the Bank's Commitment hereunder, a facility fee (the "Facility Fee") consisting of:

(i) a fee calculated at the rate of 9 Basis Points per annum, computed pursuant to Section 3(g) from (and including) the Effective Date on the Bank's Commitment hereunder, payable quarterly on each June 1, September 1, December 1 and March 1, after the date hereof, commencing with the first payment due on March 1, 1994, and on (but excluding for purposes of calculating the Facility Fee) the Expiration Date, for the preceding period for which such Facility Fee has not been paid.

2(b). Termination of Commitments. Gannett may from time to time terminate in whole or in part the unborrowed Commitments of the Banks hereunder by giving not less than two Business Days prior notice to such effect to the Servicing Bank. Any partial termination shall be in the aggregate amount of \$100,000 or a multiple thereof. After each termination, the facility fee shall be calculated based upon the Commitment of the Banks as so reduced.

2(c). Extension of Commitments. Gannett may, by written request to each of the Banks not less than 45 days prior to the Expiration Date, request that the term of this Agreement be extended for 364 days following the Expiration Date specified in such written request (the first day of such 364 day period being referred to herein as the "Renewal Date"). Each Bank shall advise Gannett by notice not later than 30 days after receipt of such

notice from Gannett whether it agrees to such extension. If any Bank shall fail to so advise Gannett it shall be deemed to have declined such request, and Gannett shall be free to agree with any of the other Banks or any other institution in the business of providing financing to assume in whole or in part such Bank's obligations hereunder. Any extension hereunder shall become effective as of the Renewal Date with respect to each Bank that shall have agreed to such extension, provided that on or prior to the Renewal Date: (i) Gannett shall have delivered to each such Bank a certificate certifying that as of the date five days prior to the Renewal Date: (A) no Event of Default shall have occurred and be continuing and (B) the representations and warranties made by Gannett in Section 5 hereof are true, correct and complete and have the same force and effect as if made on and as of the Renewal Date; and (ii) Gannett and each of the Banks agreeing to such extension shall have signed an extension agreement in the form of Exhibit A hereto, and the financing institutions, if any, to be made parties to this Agreement as of the Renewal Date shall have executed an agreement with Gannett to such effect in form and substance satisfactory to Gannett and such financing institution. On and after the Renewal Date, and upon the effectiveness of any such agreement between Gannett and such financing institution, such financing institution shall be deemed a Bank for all purposes under this Agreement.

SECTION 3. Revolving Credit - Domestic Borrowings
and Eurodollar Borrowings.

3(a). Subject to the terms and conditions and relying upon the representations and warranties herein set forth, each Bank severally agrees to make one or more loans (each a "Revolving Credit Loan" and, collectively, the "Revolving Credit Loans") to Gannett, at any time and from time to time on or after the Effective Date to and excluding the Expiration Date, in an aggregate principal amount not exceeding at any one time outstanding the amounts set forth opposite each Bank's name on Schedule 1 hereto under the heading "Commitment Amount."

Within such limits, Gannett may borrow, prepay under Section 3(e), and reborrow on and after the Effective Date to and excluding the Expiration Date. The first Borrowing hereunder shall not be less than \$50,000,000 and each Borrowing thereafter shall be at least \$1,000,000 or a multiple thereof. Such Borrowings may be used for any of Gannett's or its Subsidiaries' general corporate purposes, including but not limited to, general operating expenses, repurchases of securities, dividends, costs of construction, acquisitions, and refunding or purchase of its commercial paper issued or any other of Gannett's or its Subsidiaries' obligations or securities.

Except as provided in Section 3(d) hereof, each Borrowing shall be made ratably from the Banks in accordance with their respective Commitments; provided, however, that the failure of any Bank to make its Advance shall not relieve any other Bank of its obligations to lend.

3(b). Money Market and Alternate Rate Advances

(i) For each Money Market Advance and Alternate Rate Advance, Gannett shall deliver to the Servicing Bank notice at least one Business Day before such proposed Borrowing specifying the total amount of such Borrowing, whether it is to be comprised of Money Market Advances or Alternate Rate Advances, the applicable N.Y. Interest Period, the amount thereof which is to be loaned by each Bank, the date of such proposed Borrowing and the Maturity Date, which shall not be later than the Expiration Date. Upon its receipt of Gannett's notice, the Servicing Bank shall promptly notify each Bank by telecopy of the date of the proposed borrowing, the amount to be loaned by such Bank, whether it is to be a Money Market Advance or an Alternate Rate Advance, the N.Y. Interest Period and the Maturity Date, which shall be the last day of the N.Y. Interest Period. Thereafter, the Servicing Bank shall forward a xerographic copy of Gannett's notice to each other Bank. On the date specified in such notice and prior to 11:00 A.M. (New York, New York time), each Bank shall make its share of the Borrowing available in immediately available funds to Gannett at the principal office of the Servicing Bank.

(ii) Gannett will pay to each Bank on or, as set forth in Section 3(e), before the Maturity Date the principal amount of

each Money Market or Alternate Rate Advance from such Bank incurred pursuant to this Agreement, and accrued and unpaid interest on the unpaid principal amount thereof from time to time outstanding payable on the last day of the N.Y. Interest Period at the Money Market Rate for Money Market Advances, and payable on the last day of the N.Y. Interest Period at the Alternate Rate for Alternate Rate Advances. Accrued and unpaid interest on a Money Market Advance for a N.Y. Interest Period of 180 days shall be due and payable on the 90th day succeeding such Domestic Borrowing and on the last day of the N.Y. Interest Period. Gannett shall have the right, at its sole option, provided that the conditions specified in Section 7(a) are satisfied as of that date, to extend the Maturity Date of such Borrowings by giving notice to the Servicing Bank one Business Day before such Maturity Date, specifying another Maturity Date, not later than the Expiration Date, whether the Borrowing is to be a Money Market Advance or an Alternate Rate Advance and the N.Y. Interest Period.

(iii) Gannett may at its option, subject to compliance with Section 3(e)(i), convert Alternate Rate Advances to Money Market Advances or, subject to compliance with Section 3(e)(ii), convert Money Market Advances to Alternate Rate Advances, by giving the Servicing Bank at least two Business Days prior notice meeting the requirements of Section 3(b)(i) hereof, and, in addition, specifying in such notice that, instead of a new borrowing, Gannett will convert an existing Alternate Rate Advance to a Money Market Advance or an existing Money Market Advance to an Alternate Rate Advance, as the case may be.

(iv) If on or before the date on which a Money Market Rate is to be determined hereunder, a Money Market Rate cannot be determined, the Servicing Bank shall forthwith give notice to Gannett and, unless Gannett and the Banks agree to alternative action, the Money Market Advance shall become an Alternate Rate Advance on the first day of the N.Y. Interest Period specified in Gannett's notice.

3(c). Eurodollar Borrowings.

(i) For each Eurodollar Borrowing Gannett shall deliver to the Servicing Bank at least three Eurodollar Business Days prior notice specifying (A) the total amount of such Borrowing; (B) the amount thereof which is to be loaned by each Bank; (C) the date of such proposed Borrowing which shall be a Eurodollar Business Day; (D) the Maturity Date of the Borrowing, which shall be the last Eurodollar Business Day of the Eurodollar Interest Period, and no later than the Expiration Date; and (E) the duration of the first Eurodollar Interest Period, which shall be either one month, two months, three months or six months. Upon receipt of such notice, the Servicing Bank shall promptly notify each Bank by telecopy of the contents thereof and of such Bank's ratable share of such Borrowing. Thereafter, the Servicing Bank shall forward a xerographic copy of Gannett's notice to each other Bank. Not later than 11:00 A.M. (New York, New York time) on the date so specified, each Bank shall make available its ratable share of such Borrowing, in immediately available funds to Gannett at the principal office of the Servicing Bank.

(ii) Gannett will pay to each Bank each Eurodollar Advance made by it on the date specified as its Maturity Date in the notice given by Gannett pursuant to Section 3(c)(i) with respect to such Borrowing. Gannett shall have the right, at its sole option, provided that the conditions specified in Section 7(a) are satisfied as of that date, to extend the Maturity Date of such Borrowings by giving notice to the Servicing Bank at least three Eurodollar Business Days before such Maturity Date, specifying another date ending one month, two months, three months or six months thereafter, but not later than the Expiration Date as the Maturity Date for such Borrowings.

(iii) Each Eurodollar Advance shall bear interest on the unpaid principal amount thereof from time to time outstanding and Gannett will pay accrued and unpaid interest for each

applicable Eurodollar Interest Period on the last day of such Eurodollar Interest Period, at an interest rate equal to the sum of the Applicable Margin plus the applicable London Interbank Offered Rate; provided, however, that accrued and unpaid interest for a six-month Eurodollar Interest Period will be paid on the first three-month anniversary of that Eurodollar Borrowing and on the last day of such Eurodollar Interest Period.

(iv) Any overdue principal of the Eurodollar Borrowings shall bear interest payable on demand, for each day from the date payment thereof was due to the date of actual payment, at the "Eurodollar Overdue Interest Rate" determined as set forth below. The Eurodollar Overdue Interest Rate shall be calculated by the Servicing Bank, whose determination shall be conclusive absent manifest error, on a daily basis, and shall be a rate per annum equal to the sum of the Applicable Margin plus the interest rate per annum at which one day deposits in an amount equal to the aggregate sum of such overdue payments due the Banks are offered to the Reference Bank in the London interbank market for the applicable period determined as provided above.

(v) Subject to the provisions of the definition of Eurodollar Interest Period, Gannett shall have the option to elect a length of one month, two months, three months or six months for each Eurodollar Interest Period. Such option shall be exercised as provided in Section 3(c)(i) with respect to the first Eurodollar Interest Period applicable to the loans comprising each Eurodollar Borrowing and may be exercised as to each subsequent Eurodollar Interest Period applicable to such loans by giving notice to the Servicing Bank three Eurodollar Business Days prior to the first day of the relevant Eurodollar Interest Period. If no such notice is received by the Servicing Bank within the prescribed time, Gannett shall be deemed to have elected a Eurodollar Interest Period of three months.

3(d). Competitive Bid Rate Borrowings. At any time and from time to time Gannett may request that some or all of the Banks submit in writing to Gannett an offer to make a Revolving Credit Loan in the amount and for the duration specified in Gannett's request for offer ("Request for Offer"), at an interest rate not otherwise available under the terms of this Agreement to be specified by such Bank. Each Bank shall, on the Business Day following the date of receipt of such Request for Offer deliver a written offer to Gannett specifying an interest rate on the terms otherwise set forth in the Request for Offer. Any Bank that does not deliver an offer on the next Business Day shall be deemed to have declined to make an offer. To accept any such offer, Gannett shall send notice to such Bank and the Servicing Bank within three Business Days after the date on which all such Requests for Offer shall have been delivered by Gannett, specifying its acceptance of such offer, reconfirming the terms thereof, specifying the date such Borrowing is to be made and the Maturity Date. Each Revolving Credit Loan, together with all other Revolving Credit Loans made pursuant to any individual Request for Offer made by Gannett under this Section 3(d), shall be referred to as a "Competitive Bid Rate Borrowing". Except as specifically set forth in the Request for Offer relating thereto or otherwise agreed to by Gannett and the Bank or Banks making Advances comprising any such Competitive Bid Rate Borrowing, each Competitive Bid Rate Borrowing shall be subject to this Agreement. Notwithstanding any Request for Offer by Gannett, no Bank may make a Competitive Bid Rate Advance in excess of the then unused amount of its Commitment. For so long as any such Competitive Bid Rate Advance shall remain outstanding, each Bank's Commitment shall be deemed automatically reduced by the aggregate amount of any such Competitive Bid Rate Advance made by it for all purposes under this Agreement including, but not limited to, the obligation of such Bank to make additional Revolving Credit Loans and the right of such Bank to receive its pro rata portion of the Facility Fee.

3(e). Prepayment or Conversion. Gannett may prepay or convert Borrowings pursuant to this Section 3 as follows:

(i) Alternate Rate Advances may, upon one Business Day prior notice to the Servicing Bank, be prepaid or, upon two Business Days prior notice to the Servicing Bank, be converted to another type of Advance without premium or penalty in whole at any time or in part from time to time by paying or converting

a principal amount of not less than \$10,000,000 or a multiple thereof, and paying accrued interest thereon to the date of prepayment or conversion and each such prepayment or conversion shall be applied to prepay or convert the Alternate Rate Advances of the several Banks in proportion to their respective Advances; and

(ii) Money Market Advances and Eurodollar Advances may, upon two Business Days prior notice to the Servicing Bank, be prepaid or converted to another type of Borrowing in a principal amount of not less than \$10,000,000 or a multiple thereof with accrued interest thereon to the date of prepayment or conversion, provided that in the event of any prepayment or conversion of Money Market Advances or Eurodollar Advances other than on the last day of a N.Y. Interest Period or Eurodollar Interest Period, Gannett shall reimburse each Bank on demand for the loss, if any, incurred by such Bank as a result of the timing of such prepayment or conversion by paying such Bank a premium (if there is an excess as determined herein) on the principal sum prepaid to such Bank, or converted, computed from the date of the prepayment or conversion to the last day of the N.Y. Interest Period or Eurodollar Interest Period at a rate per annum equal to the excess, if any, of (A) the applicable Eurodollar Rate or Money Market Rate over (B) the interest rate which such Bank is able to obtain for an Advance of the same type made on the day of such prepayment or conversion and maturing on the last day of the N.Y. Interest Period or Eurodollar Interest Period. A certificate as to the amount of such premium submitted to Gannett and the Servicing Bank by such Bank shall be conclusive and binding on Gannett in the absence of manifest error.

3(f). Replacement of Commitments. If any Bank shall fail to make an Advance in accordance with its obligations hereunder, Gannett shall have the right to arrange that the Commitment of such Bank be taken over by any one or more of the Banks or another bank or banks; provided that each such bank shall sign and deliver an agreement, in suitable form, by which it will become a party hereto. Such action by Gannett shall not constitute a waiver or release of any right that it may have against the Bank that has failed to extend credit hereunder.

3(g). Computation of Fees and Interest. Interest on Alternate Rate Advances, Competitive Bid Rate Advances and the Facility Fee shall be computed on the basis of a year of 365 (or 366) days, including any time extended by reason of Saturdays, Sundays and holidays, and paid for the actual number of days for which due, including the date of the Advance or Commitment as the case may be, and excluding the date of repayment of principal. Interest on Money Market Advances and Eurodollar Advances shall be computed on the basis of a year of 360 days and paid for the actual number of days for which due, including the first day of each N.Y. Interest Period or Eurodollar Interest Period to but excluding the last day thereof.

3(h). Payments. All payments of principal or interest on the Borrowings and the Facility Fee shall be made by Gannett when due in immediately available funds at the principal office of the Servicing Bank in lawful money of the United States of America.

3(i). Gannett's Borrowing Notices. Each notice given by Gannett pursuant to Section 3 hereof concerning a Borrowing (including acceptance by Gannett of any offer by a Bank made pursuant to Section 3(d) hereof, but not including a Request for Offer), selection of an interest period or an extension of a Maturity Date, shall be executed by any two of the Chairman, the Chief Financial Officer, the Treasurer, an Assistant Treasurer, the Controller, the Assistant Controller or the Vice President/Treasury Services of Gannett. The giving of each such notice by Gannett shall be deemed to be a representation and warranty by Gannett that the conditions specified in Section 7(a) are satisfied on and as of the date of such notice. Any notice of a proposed Borrowing may be withdrawn at any time prior to the date of Borrowing specified in such notice, provided that if a notice concerning a Borrowing at the Money Market Rate is withdrawn on the date of the proposed Borrowing or, in the case of a Eurodollar Borrowing, two Eurodollar Business Days or less prior to the date of the proposed Borrowing, Gannett will indemnify each Bank against any loss or expense incurred by such Bank in anticipation of the Borrowing, including, without limitation, any loss (excluding loss of anticipated profits) or expense

incurred in the liquidation or reemployment of deposits or other funds acquired by such Bank to fund the Bank's share of the anticipated Borrowing. A certificate as to the amount of such loss or expense submitted to Gannett and the Servicing Bank by such Bank shall be conclusive and binding on Gannett in the absence of manifest error.

3(k). Rate Quotations. The Reference Bank agrees to use its best efforts to furnish quotations of rates applicable to this Agreement to the Servicing Bank promptly upon request from time to time by the Servicing Bank, and the Servicing Bank shall give notice of such rates by 12:00 Noon (New York, New York time) to Gannett and the Banks.

3(l). Notice. Any notice under this Section 3 after 12:00 noon on a particular Business Day or Eurodollar Business Day constitutes notice on the morning of the next Business Day or Eurodollar Business Day, as the case may be.

SECTION 4. Change in Circumstances.

4(a). Reduction in Rate of Return. If after the date hereof, any Bank shall have determined that the adoption of any applicable law, rule or regulation regarding capital adequacy, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Bank with any request or directive regarding capital adequacy (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on such Bank's capital as a consequence of its obligations hereunder to a level below that which such Bank could have achieved but for such adoption, change or compliance (taking into consideration such Bank's policies with respect to capital adequacy) by an amount deemed by such Bank to be material, then from time to time, within 15 days after demand by such Bank (with a copy to the Servicing Bank), Gannett shall pay to such Bank such additional amount or amounts as will compensate such Bank for such reduction. Gannett shall not be liable in respect of any increased cost to, or reduced amount of any sum received or receivable by, any Bank pursuant to this Section 4(a) with respect to any interest or fees accrued by such Bank more than 15 days prior to the date of the notice required by the first sentence of Section 4(c), regardless of when such interest or fees are payable.

4(b). Increased Cost. If after the date hereof, the adoption of any applicable law, rule or regulation or any change therein or change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof or compliance by any Bank (or its Eurodollar Lending office) with any request or directive of any such authority, central bank or comparable agency (whether or not having the force of law):

(i) shall subject any Bank (or its Eurodollar Lending Office) to any tax, duty or other charge with respect to a Money Market Advance or a Eurodollar Advance or its obligation to make Money Market Advances or Eurodollar Advances available, or shall change the basis of taxation of payments to any Bank (or its Eurodollar Lending office) of the principal of or interest on its Money Market Advances or Eurodollar Advances or any other amounts due under this Agreement in respect of its Money Market Advances or Eurodollar Advances or its obligation to make Money Market Advances or Eurodollar Advances (except for changes in the rate of tax on the overall net income of a Bank or its Eurodollar Lending Office imposed by the jurisdiction in which such Bank's principal executive office or Eurodollar Lending Office is located); or

(ii) shall impose, modify or deem applicable any reserve, special deposit or similar requirement (including, without limitation, any such requirement imposed by the Board, but excluding (A) with respect to any Money Market Advance any such requirement included in an applicable domestic reserve percentage and (B) with respect to any Eurodollar Advance, any such requirement included in an applicable Eurodollar reserve percentage) against assets of, deposits with or for the account of, or credit extended by, any Bank (or its Eurodollar Lending Office) or shall impose on any Bank (or its Eurodollar Lending

Office) or on the United States market for certificates of deposit or the London Interbank market any other condition affecting its Money Market Advances, its Eurodollar Advances or its obligation to make Money Market Advances or Eurodollar Advances available;

and the result of any of the foregoing is to increase the cost to the Bank (or its Eurodollar Lending Office) of making or maintaining its Money Market Advances or its Eurodollar Advances, or its obligation to make Money Market Advances or Eurodollar Advances, or to reduce the amount of any sum received or receivable by any Bank (or its Eurodollar Lending Office) under this Agreement, by an amount deemed by such Bank to be material, then, within 15 days after demand by such Bank (with a copy to the Servicing Bank), Gannett agrees to pay for the account of such Bank such additional amount or amounts as will compensate such Bank for such increased cost or reduction. Gannett shall not be liable in respect of any such increased costs to, or reduced amount of any sum received or receivable by, any Bank pursuant to this Section 4(b) with respect to any interest or fees accrued by such Bank more than 15 days prior to the date of the notice required by the first sentence of Section 4(c) regardless of when such interest or fees are payable.

4(c). Notice. Each Bank will promptly notify Gannett and the Servicing Bank of any event of which it has knowledge, occurring after the date hereof, which will entitle such Bank to compensation pursuant to Section 4(a) or 4(b) and will designate a different lending office if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the reasonable judgment of such Bank, be otherwise disadvantageous to such Bank or in the reasonable judgment of Gannett be disadvantageous to Gannett. A certificate of any Bank claiming compensation under this Section and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive in the absence of manifest error. In determining such amount, such Bank may use any reasonable averaging and attribution methods.

4(d). Basis for Determining Interest Rate Inadequate or Unfair. If before the beginning of any Eurodollar Interest Period:

(i) The Servicing Bank is advised by the Reference Bank that, by reason of circumstances affecting the London Interbank market generally, deposits in dollars (in the applicable amounts) are not being offered to the Reference Bank in the London interbank market for such Eurodollar Interest Period, or

(ii) Banks that have made Revolving Credit Loans representing at least 51% in the aggregate of the unpaid principal amount of all Eurodollar Borrowings then outstanding (or the Commitments, if no Eurodollar Borrowings are then outstanding) advise the Servicing Bank that the London Interbank Offered Rate as determined by the Servicing Bank will not adequately and fairly reflect the cost to such Banks of maintaining or funding, for such Eurodollar Interest Period, their Eurodollar Advances to which such Eurodollar Interest Period applies;

The Servicing Bank shall forthwith give notice thereof to Gannett and the Banks, whereupon until the Servicing Bank notifies Gannett that the circumstances giving rise to such suspension no longer exist (A) the obligations of the Banks to make Eurodollar Advances shall be suspended and (B) Gannett shall prepay in full, without premium or penalty, the then outstanding principal and interest of each Eurodollar Advance. Gannett shall concurrently with prepaying each Eurodollar Advance pursuant to this Section 4(d), draw a Domestic Borrowing in equal principal amount from such Bank, and such Bank shall make such Domestic Borrowing notwithstanding any provision herein to the contrary.

4(e). Illegality. If, after the date of this Agreement, the introduction of or any change in any applicable law, rule or regulation or in the interpretation or administration thereof by any governmental authority, central bank or comparable agency, charged with the interpretation or administration thereof or compliance by any Bank (or its Eurodollar Lending Office) with any request or directive (whether or not having the force of law) of any such authority shall make it unlawful or impossible for any Bank (or its Eurodollar Lending Office) to make, maintain or fund its Eurodollar Advances and such Bank shall so notify the Servicing Bank, the Servicing

Bank shall forthwith give notice thereof to the other Banks and Gannett. Before giving any such notice to the Servicing Bank pursuant to this Section, such Bank shall designate a different Eurodollar Lending office if such designation will avoid the need for giving such notice and will not be otherwise disadvantageous to such Bank. Upon receipt of such notice Gannett shall prepay in full, without premium or penalty, the then outstanding principal amount of each Eurodollar Borrowing of such Bank, together with accrued interest thereon, on either (A) the last day of the then current Eurodollar Interest Period applicable to such Eurodollar Advance if such Bank may lawfully continue to maintain and fund such Eurodollar Advance to such day or (B) immediately if such Bank may not lawfully continue to fund and maintain such Eurodollar Advance to such day.

SECTION 5. Representations and Warranties of Gannett.

Gannett represents and warrants that:

5(a). Gannett and each of its Subsidiaries are corporations duly organized, validly existing and in good standing under the laws of their respective jurisdictions of incorporation and each is duly qualified to do business as a foreign corporation and is in good standing in all states in which it owns substantial properties or in which it conducts a substantial business and its activities make such qualifications necessary in order that the business activities or financial conditions of Gannett and its Subsidiaries, taken as a whole, are not Materially adversely affected.

5(b). Gannett has furnished to each of the Banks copies of its Annual Report for 1992, containing copies of its consolidated balance sheet as of December 27, 1992 and the related statements of consolidated income and changes in shareholders' equity and cash flows for 1992, all reported on by Price Waterhouse, independent public accountants and copies of its Quarterly Report on Form 10-Q for the period ending September 26, 1993. The financial statements contained in such Annual and Quarterly Reports (including the related notes) fairly present Gannett's consolidated financial condition as of their respective dates and the consolidated results of the operations of Gannett and its Subsidiaries for the periods then ended, and have been prepared in accordance with generally accepted accounting principles. Gannett and its Subsidiaries have no Material liabilities as of September 26, 1993 not reflected in the consolidated balance sheet as of September 26, 1993 or the related notes as of said date, and from that date to the Effective Date there has been no Material change in the business or financial condition of Gannett and its Subsidiaries taken as a whole.

5(c). As of the Effective Date, Gannett and its Subsidiaries owned absolutely, free and clear of all liens or encumbrances, all of the real or personal property reflected in the consolidated balance sheet dated as of September 26, 1993 referred to in Section 5(b) and all other property acquired by them, respectively after September 26, 1993 except such property as has been disposed of in the ordinary course of business, and except for (i) easements, restrictions, exceptions, reservations or defects which, in the aggregate, do not materially interfere with the continued use of such property or materially affect the value thereof to Gannett or its Subsidiaries, (ii) liens, if any, for current taxes not delinquent, and (iii) mortgages, pledges, encumbrances, liens or charges reflected on such consolidated balance sheet or not otherwise prohibited by Section 9(a). As of the Effective Date Gannett and its Subsidiaries enjoy peaceful and undisturbed possession of their properties which are held under lease and all such leases are in good standing and valid and binding obligations of the lessors in full force and effect, except for exceptions, reservations or defects which in the aggregate do not materially interfere with the continued use of such property or materially affect the value thereof to Gannett or its Subsidiaries.

5(d). Except as indicated in the opinion of counsel delivered pursuant to Section 7(b) (as supplemented from time to time by the reports required pursuant to Section 8(e) hereof) there are no actions, suits, or proceedings pending or, to Gannett's knowledge, threatened against or affecting it or any Subsidiary in or before any court or foreign or domestic governmental instrumentality, and neither Gannett nor any Subsidiary is in default in respect of any order of any such court or instrumentality which, in Gannett's opinion, are Material.

5(e). Neither the execution and delivery of this Agreement, the consummation of the transactions herein contemplated, nor compliance with

the terms and provisions hereof will conflict with or result in a breach of any of the provisions of Gannett's restated certificate of incorporation, as amended, or by-laws, as amended, or any law or regulation, or any order of any court or governmental instrumentality, or any agreement or instrument by which Gannett is bound, or constitute a default thereunder, or result in the imposition of any lien not permitted under this Agreement upon any of Gannett's property.

5(f). To the best of Gannett's knowledge, Gannett and its Subsidiaries have filed all tax returns which are required to be filed by any jurisdiction, and have paid all taxes which have become due pursuant to said returns or pursuant to any assessments against it or its Subsidiaries except to the extent only that such taxes are not material or are being contested in good faith by appropriate proceedings.

5(g). The execution and delivery of this Agreement and the making of all Borrowings permitted by the provisions hereof have been duly authorized by all necessary corporate action on the part of Gannett; this Agreement has been duly and validly executed and delivered by Gannett and constitutes Gannett's valid and legally binding agreement enforceable in accordance with its terms; and the Borrowings when made, will constitute valid and binding obligations of Gannett enforceable in accordance with the terms of this Agreement except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors rights or contractual obligations generally.

5(h). Environmental Matters. In the ordinary course of its business, Gannett becomes aware from time to time of the effect of Environmental Laws on its business, operations and properties and the business, operations and properties of its Subsidiaries, and it identifies and evaluates associated liabilities and costs (including, without limitation, any capital or operating expenditures required for clean-up or closure of properties then owned or operated by Gannett or its Subsidiaries, any capital or operating expenditures required to achieve or maintain compliance with environmental protection standards imposed by law or as a condition of any license, permit or contract, any related constraints on operating activities, including any periodic or permanent shutdown of any facility or reduction in the level of or change in the nature of operations conducted at such properties, and any actual or potential liabilities to third parties, including employees, and any related costs and expenses). On the basis of these evaluations, Gannett has reasonably concluded that Environmental Laws are unlikely to have a Material adverse effect on the business, financial condition, results of operations or prospects of Gannett and its Subsidiaries, considered as a whole.

SECTION 6. Representations, Warranties and Covenants of the Banks.

Each Bank severally represents and warrants that: (i) the execution and delivery of this Agreement and the extending of all Borrowings permitted by the provisions hereof have been duly authorized by all corporate action on its part and will not conflict with or result in a breach of any provision of its certificate of incorporation or by-laws, or of any law or any regulation or order of any governmental instrumentality or of any material agreement or instrument by which it is bound or constitute a default thereunder, and (ii) this Agreement has been duly and validly executed and delivered by such Bank and constitutes the valid and legally binding agreement of such Bank enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights or contractual obligations generally.

SECTION 7. Conditions of Lending. The obligation of each Bank to make loans hereunder is subject to the accuracy, as of the date hereof, of the representations and warranties herein contained; and to the satisfaction of the following further conditions:

7(a). On the date of each Borrowing (i) no Event of Default and no noncompliance with any covenant contained in Section 9 hereof or Section 8(a) shall have occurred and be continuing and (ii) the representations and warranties contained in Sections 5(a), 5(e), 5(g) and 5(h) shall be true and correct in all Material respects on and as of such date;

7(b). On or prior to the date of the first Borrowing hereunder,

there shall have been delivered to each Bank an opinion from Nixon, Hargrave, Devans and Doyle, counsel to Gannett, in substantially the form of Exhibit B hereto. In rendering the foregoing opinion, such counsel may rely upon certificates of officers of Gannett and its Subsidiaries as to (i) the nature and location of the property of Gannett and of its Subsidiaries, (ii) agreements and instruments to which Gannett and/or its Subsidiaries are a party, and (iii) the conduct of the business of Gannett and its Subsidiaries.

7(c). On or prior to the date of the first Borrowing hereunder, there shall have been delivered to each Bank a certificate of the Secretary or an Assistant Secretary of Gannett certifying, as of the date of the Agreement, to resolutions duly adopted by the Board of Directors of Gannett or a duly authorized committee thereof authorizing Gannett's execution and delivery of this Agreement and the making of the Borrowings.

SECTION 8. Affirmative Covenants.

Gannett covenants that, so long as it may borrow hereunder and until payment in full of all Borrowings, it will:

8(a). Punctually pay or cause to be paid the principal and interest due in respect of the Borrowings according to the terms hereof and the Facility Fee provided in Section 2(a) hereof.

8(b). Furnish to the Banks:

(i) within 60 days after the end of each of the first three quarterly periods in each fiscal year, its consolidated statements of income for such quarterly period and for the period from the beginning of the fiscal year to the end of such quarterly period and its consolidated balance sheet at the end of that period, all in reasonable detail, subject, however, to year-end audit adjustments, together with a certificate of compliance and no default in substantially the form of Exhibit C hereto certified by an appropriate financial officer of Gannett;

(ii) within 120 days after and as of the close of each fiscal year, Gannett's Annual Report to shareholders for such fiscal year, containing copies of its consolidated income statement, consolidated balance sheet and changes in shareholders' equity and cash flows for such fiscal year accompanied by a report by Price Waterhouse or some other accounting firm of national reputation selected by Gannett, based on their examination of such financial statements, which examination shall have been conducted in accordance with generally accepted auditing standards and which report shall indicate that the financial statements have been prepared in accordance with generally accepted accounting principles, together with a certificate of compliance and no default in substantially the form of Exhibit C, hereto certified by an appropriate financial officer of Gannett.

(iii) promptly upon their becoming available, copies of all regular and periodic financial reports, if any, which Gannett or any of its Subsidiaries shall file with the Securities and Exchange Commission or with any securities exchange.

(iv) promptly upon their becoming available, copies of all prospectuses of Gannett and all reports, proxy statements and financial statements mailed by Gannett to its shareholders generally; and

(v) such other information respecting the financial condition and affairs of Gannett and its subsidiaries as any of the Banks may from time to time reasonably request.

The financial statements of Gannett and its Subsidiaries hereafter delivered to the Banks pursuant to this Section 8(b) will fairly set forth the financial condition of Gannett and its Subsidiaries as of the dates thereof, and the results of Gannett's and its Subsidiaries' operations for the respective periods stated therein, all in accordance with generally accepted accounting principles.

8(c). Duly pay and discharge all (i) material obligations when due

and (ii) taxes, assessments and governmental charges of which Gannett has knowledge assessed against it or against its properties prior to the date on which penalties are attached thereto, unless and only to the extent that such obligations, taxes, assessments or charters are not material or shall be contested in good faith by appropriate proceedings initiated by Gannett.

8(d). Permit and cause its Subsidiaries to permit any Bank, upon reasonable request, to inspect at all reasonable times its and its Subsidiaries, properties, operations and books of account.

8(e). Notify the Servicing Bank promptly in writing in the event that any proceeding is instituted or threatened against it or any Subsidiary of which Gannett has knowledge and which in its opinion is Material.

SECTION 9. Negative Covenants.

Gannett covenants that, so long as it may borrow hereunder and until payment in full of all Borrowings, it will not, without prior written consent of the Required Banks:

9(a). Allow any lien to exist on any of its or its Subsidiaries' assets, without making provision satisfactory to the Banks whereby the Banks obtain an equal and ratable or prior lien as security for the payment of the Borrowings; or transfer any of its assets for the purpose of subjecting them to the payment of obligations prior in payment to any of its general creditors; or allow any liability of, or claims, or demands against it, or any of its Subsidiaries, to exist for more than 30 days if the liability, claim or demand might by law be given any priority over those of its general creditors; provided, however, that none of the above shall prohibit Gannett or any Subsidiary from creating or allowing any of the following to exist:

(i) liens of any type other than those described in Section 9(a)(v), incurred after the date hereof covering any of Gannett's or its Subsidiaries' properties provided that the total principal amount of indebtedness of Gannett and its Subsidiaries (on a consolidated basis) secured by all such liens permitted under this Section 9(a)(i) at any time outstanding shall not exceed 50% of Net Property, Plant and Equipment;

(ii) leases of all types, whether or not such leases constitute leasebacks of property sold or transferred by Gannett or any Subsidiary;

(iii) pledges and deposits securing the payment of workmen's compensation or insurance premiums, good-faith deposits in connection with tenders, contracts (other than contracts for the payment of borrowed money) or leases, deposits to secure surety or appeal bonds, liens, pledges or deposits in connection with contracts made with or at the request of the United States Government or any agency thereof, or pledges or deposits for similar purposes made in the ordinary course of business;

(iv) liens securing taxes, assessments or governmental or other charges or claims for labor, materials or supplies which are not delinquent or which are being contested in good faith by appropriate proceedings and liens, restrictions, easements, licenses on the use of property or minor irregularities in the title thereof, which do not, in Gannett's opinion, in the aggregate materially impair their use in Gannett's and its Subsidiaries' business; and

(v) liens on the assets of any corporation which becomes a Subsidiary of Gannett after the date of this Agreement to the extent that such liens existed prior to the date of acquisition of such corporation by Gannett.

9(b). Merge, consolidate, sell, lease, transfer or otherwise dispose of all or substantially all of its assets or permit any of its Subsidiaries to merge, consolidate, sell, lease, transfer or otherwise dispose of all or substantially all of its assets, unless immediately after giving effect to such transaction, Gannett shall be the survivor corporation and shall be in compliance with Sections 9(a), 9(c) and 9(d) hereof.

9(c). Permit Gannett's Total Shareholders' Equity at any time to be less than \$1,200,000,000.

9(d). Permit Gannett's "consolidated net earnings available for interest charges," aggregated for the four fiscal quarters immediately preceding the date of determination, at any time to be less than 200% of the "adjusted consolidated total interest expense." "Consolidated net earnings available for interest charges" shall mean Gannett's consolidated net income for the four fiscal quarters, excluding extraordinary income or loss, plus the sum of all Federal and state income taxes, and total interest charges, including amortization of debt discount or premium and interest charges attributable to capitalized leases, but only to the extent that such charges exceed \$10,000,000 for the four-quarter period. "Adjusted consolidated total interest expense" shall mean Gannett's total interest expense plus amortization of debt discount for the four fiscal quarters, plus interest charges in excess of \$10,000,000 attributable to capitalized leases for the four-quarter period. For purposes of this Section 9(d), Gannett's consolidated financial statements shall not include any Subsidiary which has defaulted in the payment of principal or interest on \$50,000,000 or more of the Subsidiary's obligations for borrowed money if such default has resulted in acceleration of the obligation.

SECTION 10. Events of Default.

10(a). The following are Events of Default:

(i) Gannett shall default in the payment of principal of or interest on any Borrowings when due and such default shall have continued for a period of 15 Business Days;

(ii) Gannett shall (A) default in any payment of principal or of interest on any other obligation for borrowed money in excess of \$25,000,000 beyond any grace period provided with respect thereto, or (B) default in the performance of any other agreement, term or condition contained in any agreement under which any such obligation is created, if the effect of such default is to cause such obligation to be accelerated or become due prior to its stated maturity;

(iii) Any representation or warranty herein made by Gannett, or any certificate or financial statement furnished by Gannett pursuant to the provisions hereof, shall prove to have been false or misleading in any material respect as of the time made or furnished and Gannett shall fail to take corrective measures satisfactory to the Required Banks within 30 days after notice thereof to Gannett from any Bank.

(iv) Gannett shall default in the performance of any other covenant, condition or provision hereof and such default shall not be remedied to the satisfaction of the Required Banks within a period of 30 days after notice thereof to Gannett from any Bank or by Gannett to the Servicing Bank. Gannett shall promptly notify the Servicing Bank upon discovery of the existence of a default in the performance of a covenant, condition or provision referred to in this Section 10(a)(iv) and Section 10(a)(iii).

(v) Gannett or any Subsidiary with more than \$100,000,000 in revenue in the preceding fiscal year (other than Gannett Satellite Information Network, Inc.) shall (A) apply for or consent to the appointment of a receiver, trustee, or liquidator of Gannett, (B) make a general assignment for the benefit of creditors, or (C) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or take advantage of any insolvency law or an answer admitting the material allegations of a petition filed against Gannett in any bankruptcy, reorganization or insolvency proceeding, or corporate action shall be taken by Gannett for the purpose of affecting any of the foregoing; or

(vi) An order, judgment or decree shall be entered, without the application, approval or consent of Gannett, by any court of competent jurisdiction, approving a petition seeking reorganization of Gannett or appointing a receiver, trustee or

liquidator of Gannett or of all or a substantial part of the assets of Gannett, and such order, judgment or decree shall continue unstayed and in effect for any period of ninety (90) consecutive days.

10(b). If an Event of Default shall occur and be continuing:

(i) Under Sections 10(a)(i) and 10(a)(ii), any Bank shall be entitled by notice to Gannett to elect to be relieved of its obligation to make further loans hereunder, and the holders of not less than 66-2/3% of the unpaid principal amount of Borrowings then outstanding hereunder shall be entitled by notice to Gannett to declare all Advances then outstanding hereunder and interest accrued thereon and all liabilities of Gannett hereunder to be forthwith due and payable;

(ii) Under Sections 10(a)(iii) and 10(a)(iv): (A) the holders of not less than 66-2/3% of the unpaid principal amount of the Borrowings then outstanding hereunder shall be entitled by notice to Gannett to declare all Borrowings then outstanding hereunder and interest accrued thereon and all liabilities of Gannett hereunder to be forthwith due and payable, and (B) the holders of not less than 66-2/3% of the Commitments and, if there are any Borrowings then outstanding, the holders of 66-2/3% of the unpaid principal amount of the Borrowings shall be entitled by notice to Gannett to relieve the Banks of their obligations to make further Revolving Credit Loans hereunder; or

(iii) Under Sections 10(a)(v) and 10(a)(vi), no Bank shall be under further obligation to make Revolving Credit Loans and all Borrowings then outstanding hereunder and interest accrued thereon and all liabilities of Gannett hereunder to each Bank shall become forthwith due and payable without presentment, demand, protest or notice of any kind, all which are hereby expressly waived.

Any Bank giving any notice to Gannett under this Section 10 shall simultaneously give like notice to all of the other Banks and to the Servicing Bank.

SECTION 11. Amendments.

Any provision of this Agreement may from time to time be modified, waived or amended with the written consent of Gannett and the Banks which are holders of 66-2/3% of the Commitments and, if there are any Borrowings then outstanding, the holders of 66-2/3% of the unpaid principal amount of the Borrowings; provided, that no such modification, waiver, or amendment may be made which will (i) reduce or increase the amount or alter the term of the Commitment of, or the Facility Fee payable to, any Bank hereunder other than as permitted by Sections 2(b), 2(c), 3(d) and Section 4 hereof, without the written consent of Gannett and of all the Banks, (ii) extend the time for payment of principal of any Borrowing or change the rate of interest on any Borrowing, or otherwise affect the terms of payment of such principal or interest, without the prior written consent of Gannett and the makers of all Advances comprising such Borrowings, (iii) modify, waive or amend any provision of this Section 11 or Section 7, without the written consent of Gannett and the Banks which are holders of 100% of the Commitments and, if there are any Borrowings then outstanding, the holders of 100% of the unpaid principal amount of the Advances or (iv) change the percentage specified in the definition of Required Banks, the definition of Applicable Margin or other percentages specified hereunder as to consents, votes or waivers by the Banks without the prior written consent of Gannett and all of the Banks.

SECTION 12. Servicing Bank.

12(a). By signing this Agreement the Servicing Bank as a Bank agrees to perform as provided in this Section 12. The Servicing Bank agrees to accept for transmission and shall promptly transmit to all of the Banks any notice, statement, report or communication received from any Bank with the request to forward the same to Gannett. Likewise, the Servicing Bank agrees to accept for transmission and shall transmit promptly to the Banks any funding notice or other notice or information received from Gannett with

a request to forward same to the Banks. The Servicing Bank shall have no liability or responsibility for, nor shall it be deemed to make any representation with respect to, the completeness, accuracy or contents of any notice, statement, report or communication transmitted pursuant to this Section 12(a).

12(b). The Servicing Bank agrees to act for and on behalf of the Banks in receiving funds from each Bank for disbursement to Gannett and in receiving payments from Gannett for transmission to the Banks; provided, however, that in so acting the Servicing Bank shall not be authorized, nor shall it be deemed, either to waive or compromise the rights of any Bank under this Agreement or to accept or approve, on behalf of any Bank, any act by Gannett as performance under this Agreement. Any such payment of principal or of interest on the Borrowings, or of the Facility Fee, or any other payment received from Gannett shall be transmitted forthwith upon collection by the Servicing Bank to the Banks in immediately available funds, in accordance with Gannett's written instructions. The Servicing Bank shall not be liable or accountable to any Bank for delays or failures in transmission of payments, instruments, notices or other communications received by it for transmission to any party, except for delays or failures caused by the Servicing Bank's bad faith, willful misconduct or gross negligence.

12(c). The Servicing Bank shall be protected in acting upon any document believed by it to be genuine and to have been signed or sent by a proper person or persons. Any communication from the Servicing Bank to Gannett or any Bank may be sent or given as provided in Section 13(e) hereof.

12(d). The Servicing Bank may resign at anytime by giving 30 days prior notice to the Banks and Gannett. The Servicing Bank shall resign upon 30 days prior written demand for its resignation delivered by Gannett to the Servicing Bank and the Banks. Such resignation shall take effect at the end of the 30 day period or earlier if Gannett appoints a successor with the approval of the Required Banks, which approval shall not be unreasonably withheld, conditioned or delayed.

12(e). The Servicing Bank shall maintain a register (the "Register") on which it will record the Commitments from time to time of each of the Banks, the Advances made by each of the Banks and each repayment in respect of the principal amount of the Advances of each Bank. Any such recordation shall be conclusive, absent manifest error.

12(f). Each Bank will record on its internal records the amount of each Advance made by it and each payment in respect thereof. Failure to make any such recordation, or any error in such recordation, shall not affect Gannett's obligations in respect of such Borrowing. Any such recordation shall be conclusive, absent manifest error.

SECTION 13. Miscellaneous.

13(a). No delay or failure of Gannett, any Bank, or the holder of any Borrowing in exercising any right, power or privilege hereunder shall affect such right, power or privilege, nor shall any single or partial exercise thereof or any abandonment or discontinuance of steps to enforce such right, power or privilege preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies of Gannett and the Banks hereunder are cumulative and not exclusive of any rights or remedies which they would otherwise have. Any waiver, permit, consent or approval of any kind or character on the part of any Bank of any breach or default under this Agreement must be specifically set forth in writing.

13(b). Nothing in this Agreement shall be deemed a waiver or prohibition of any Bank's right of banker's lien or set-off against Gannett or of Gannett's right of set-off or counterclaim against any Bank, and no set-off by Gannett against any Bank shall be deemed to be a prepayment of any Advances made by that Bank for the purposes of Section 4 hereof.

13(c). Any Bank that shall make recovery against Gannett through the exercise of any banker's lien, right of counterclaim or set-off of the amount of any Borrowing or obligation of Gannett, shall apply such recovery solely to the repayment of Advances made under this Agreement, and shall purchase a ratable proportion of the Advances held by other Banks so that all such recoveries shall be shared pro rata on the basis of each Bank's ownership interest in the outstanding Borrowings.

13(d). All representations, warranties, covenants and agreements of Gannett and the Banks contained herein or made in writing in connection herewith, shall survive the execution and delivery of this Agreement, and the making of Revolving Credit Loans hereunder.

13(e). Unless otherwise specified herein all notices, requests, demands or other communications to or from the parties hereto shall be deemed to have been duly given and made either by letter or telecopy. In the case of a letter, such notice shall be deemed to have been duly given upon delivery or three days after deposit in the mail if sent by registered first class mail, postage prepaid and, in the case of a telecopy, such notice shall be deemed to have been duly given when a telecopy is sent. Any such notice, request, demand or communication shall be delivered addressed as follows:

(i) if to the Servicing Bank, at its address or telecopy number set forth on Schedule 1 hereof;

(ii) if to another Bank, at its address or telecopy number set forth on Schedule 1 hereof;

(iii) if to Gannett at its principal office, 1100 Wilson Blvd., Arlington, VA 22234 (or telecopy number (703) 558-4638) (Attention: Senior Vice President, Financial Services and Treasurer, and Vice President/Treasury Services).

13(f). Gannett will pay all reasonable costs and expenses in connection with the preparation, execution and delivery of this Agreement or any amendment, consent or waiver requested by Gannett (including the reasonable fees and out-of-pocket expenses of special counsel to the Banks). In addition, Gannett will pay reasonable costs and expenses (including attorneys' fees), if any, in connection with the enforcement or collection of this Agreement and the Borrowings and arising after the occurrence of any event which with notice or lapse of time would constitute an Event of Default, unless such occurrence is cured by Gannett within any applicable grace period or such reimbursement is not required by the terms of any waiver granted by the Banks in respect of such occurrence; provided, however, that (i) Gannett shall have no such obligation for costs and expenses if Gannett prevails or successfully defeats any enforcement or collection proceedings; and (ii) if, by final adjudication in any proceeding not involving Gannett's bankruptcy, reorganization or insolvency, the Banks receive less relief than claimed, Gannett's obligation for costs and expenses shall be limited proportionate to the relief granted to the Banks. If Gannett is required to commence proceedings against any Bank to enforce its Commitment, the Bank will pay Gannett's reasonable costs and expenses (including attorneys' fees) if Gannett succeeds, or a share of such reasonable costs and expenses proportionate to Gannett's recovery if Gannett is only partially successful. In addition, Gannett will pay any and all stamp and other taxes (excluding income taxes now applicable or which may be levied in lieu of stamp or other taxes), and to save each holder of each Advance harmless from any and all liabilities with respect to or resulting from any delay or omission on the part of Gannett to pay such taxes, if any, which may be payable or determined to be payable in connection with the execution and delivery of this Agreement or the making of any of the Borrowings. The obligations of Gannett under this Section 13(f) shall survive the payment of the Borrowings.

13(g). THIS AGREEMENT AND THE BORROWINGS SHALL BE DEEMED TO BE CONTRACTS UNDER THE LAWS OF THE STATE OF NEW YORK AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF SAID STATE.

13(h). This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

13(i). This Agreement may not be assigned by Gannett without the consent of the Banks which are the holders of 100% of the Commitments and, if there are any Borrowings then outstanding, the holders of 100% of the unpaid principal amount of the Borrowings. This Agreement may not be assigned by any Bank, except in whole or part to any other Bank party hereto or with the prior written consent of Gannett in its sole discretion. In the event that any Bank shall so assign all or part of its Commitment to another Bank, and/or any Advances made by it hereunder (which individual Advances may

only be assigned in full), the assignor Bank and the assignee Bank shall, on or before the next Business Day after such assignment shall become effective, deliver a notice to Gannett signed by each of such Banks specifying the relevant details of such assignment and, if appropriate, requesting that the Commitments of the respective Banks be automatically adjusted to reflect such assignment. Notwithstanding the foregoing, no Bank shall be permitted to grant participations in all or any portion of its Commitment or any Advances made by it.

13(j). This Agreement shall be binding upon and inure to the benefit of the Banks and their respective successors and assigns, and Gannett and its successors and assigns.

13(k). No provision of this Agreement is intended to or should be construed as preventing Gannett from entering into loan agreements of any kind or nature with any or all of the Banks or any other financial institution as Gannett may select, the terms and conditions of which shall be wholly separate and apart from the terms of this Agreement.

13(l). This Agreement, together with the \$1,000,000,000 Revolving Credit Agreement of even date herewith between Gannett and each of the banks parties thereto, replaces in its entirety the Loan Agreement made as of December 1, 1990 between Gannett and certain banks, as amended, which Agreement and the commitments thereunder shall be deemed terminated by the Banks parties thereto and Gannett without further notice upon the Effective Date.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

GANNETT CO., INC.

By s/ Gracia C. Martore
Name: Gracia C. Martore
Title: Vice President/
Treasury Services

CHEMICAL BANK

By s/ Laura S. Tingley
Name: Laura S. Tingley
Title: Vice President

FIRST INTERSTATE BANK OF CALIFORNIA

By s/ Clark Wilson
Name: Clark Wilson
Title: Vice President

MARINE MIDLAND BANK

By s/ Paul Willsey
Name: Paul Willsey
Title: Administrative Vice
President

MORGAN GUARANTY TRUST COMPANY

By s/ Michael Y. Leder
Name: Michael Y. Leder
Title: Vice President

J.P. MORGAN DELAWARE

By s/ David J. Morris
Name: David J. Morris
Title: Vice President

NATIONSBANK OF NORTH CAROLINA, N.A.

By s/ Lawrence Saunders
Name: Lawrence Saunders
Title: Vice President

TORONTO DOMINION (TEXAS), INC.

By s/ Lisa Allison
Name: Lisa Allison
Title: Manager/Credit
Administration

THE FIRST NATIONAL BANK OF CHICAGO

By s/ Ted Wozniak
Name: Ted Wozniak
Title: Vice President

BANK OF AMERICA, N.T. & S.A.

By s/ Nancy L. Sun
Name: Nancy L. Sun
Title: Vice President

BANK OF HAWAII

By s/ Curtis W. Chinn
Name: Curtis W. Chinn
Title: Vice President

THE BANK OF NOVA SCOTIA

By s/ James N. Tryforos
Name: James N. Tryforos
Title: Authorized Signatory

CRESTAR BANK

By s/ Michael A. Hart
Name: Michael A. Hart
Title: Senior Vice President

NBD BANK, N.A.

By s/ L. E. Schuster
Name: L. E. Schuster
Title: Vice President

ROYAL BANK OF CANADA

By s/ Peter D. Steffen
Name: Peter D. Steffen
Title: Senior Manager

SOCIETE GENERALE

By s/ Pascale Hainline
Name: Pascale Hainline
Title: Vice President

CITIBANK, N.A.

By s/ Thomas D. Stott
Name: Thomas D. Stott
Title: Vice President

CREDIT LYONNAIS

By s/ Silvana Burdick
Name: Silvana Burdick
Title: Authorized Signatory

THE SANWA BANK, LIMITED

By s/ Peter J. Pawlak
Name: Peter J. Pawlak
Title: Vice President and
Senior Manager

THE WACHOVIA BANK OF GEORGIA, N.A.

By s/ Tina P. Hayes
Name: Tina P. Hayes
Title: Assistant Vice President

CHASE MANHATTAN BANK, N.A.

By s/ Diana Lauria
Name: Diana Lauria
Title: Vice President

THE FIRST NATIONAL BANK OF MARYLAND

By s/ Susan E. Pritchett
Name: Susan E. Pritchett
Title: Vice President

THE FUJI BANK, LIMITED

By s/ Takashi Nagao
Name: Takashi Nagao
Title: Vice President and
Manager

THE NORTHERN TRUST COMPANY

By s/ David L. Love
Name: David L. Love
Title: Commercial Banking Officer

SCHEDULE 1

COMMITMENTS OF THE BANKS

NAME, ADDRESS AND TELEPHONE NUMBER OF BANK	COMMITMENT AMOUNT
Chemical Bank 270 Park Avenue New York, NY 10017 Telecopy: 212-270-2112	\$33,333,333
First Interstate Bank of California 885 Third Avenue New York, NY 10022-4802 Telecopy: 212-593-5238	\$33,333,333
Marine Midland Bank One Marine Midland Plaza Rochester, New York 14639 Telecopy: 716-238-7140	\$33,333,333

Morgan Guaranty Trust Company \$16,666,666
60 Wall Street, 22nd Floor
New York, NY 10260
Telecopy: 212-648-5018

J.P. Morgan Delaware \$16,666,667
902 North Market Street
Wilmington, DE 19801
Telecopy: 302-654-5336

NationsBank of North Carolina, N.A. \$33,333,333
6610 Rockledge Drive, 1st Floor
Bethesda, MD 20817-1876
Telecopy: 301-571-0719

Toronto Dominion (Texas), Inc. \$33,333,333
909 Fannin, Suite 1700
Houston, TX 77010
Telecopy: 713-951-9921

With a copy to:

The Toronto-Dominion Bank
31 West 52nd Street
New York, NY 10019-6101
Telecopy: 212-262-1926

The First National Bank \$28,333,333
of Chicago
One First National Plaza
Mail Suite 0374
Chicago, IL 60670-0083
Telecopy: 312-732-3885

Bank of America, N.T. & S. A. \$21,666,667
Attn: Nina Lemmer
1850 Gateway Blvd.
Concord, CA 94520
Telecopy: 510-675-7531 or 7532

With a copy to:

Bank of America, N.T. & S.A.
335 Madison Avenue
New York, NY 10017
Telecopy: 212-503-7173

Bank of Hawaii \$21,666,667
130 Merchant Street, 20th Floor
Honolulu, HI 96813
Telecopy: 808-537-8301

The Bank of Nova Scotia \$21,666,667
New York Agency
1 Liberty Plaza, 26th Floor
New York, NY 10006
Telecopy: 212-225-5090 or 5091

Crestar Bank \$21,666,667
1445 New York Avenue, N.W.
Washington, DC 20005
Telecopy: 202-879-6137

NBD Bank, N.A. \$21,666,667
611 Woodward
Detroit, MI 48226
Telecopy: 313-225-2649

Royal Bank of Canada \$21,666,667
c/o New York Branch
New York Operations Center
Pierrepont Plaza
300 Cadman Plaza West
Brooklyn, NY 11201-2701

Telecopy: 718-522-6292

Societe Generale \$21,666,667
50 Rockefeller Plaza
New York, NY 10020
Telecopy: 212-581-8752

Citibank, N.A. \$16,666,667
399 Park Avenue
New York, NY 10043
Telecopy: 212-793-6873

Credit Lyonnais \$16,666,667
Cayman Island Branch
1301 Avenue of the Americas
New York, NY 10019
Telecopy: 212-459-3179

The Sanwa Bank, Limited \$16,666,667
Atlanta Agency
Georgia-Pacific Center
Suite 4750
133 Peachtree Street, N.E.
Atlanta, GA 30303
Telecopy: 404-589-1629

Wachovia Bank of Georgia, N.A. \$16,666,667
191 Peachtree Street, N.E.
Atlanta, GA 30303
Telecopy: 404-332-6898

Chase Manhattan Bank, N.A. \$13,333,333
One Chase Square
Corp. Industries Dept.
Tower 9
Rochester, NY 14643
Telecopy: 716-258-4258

The First National Bank of Maryland \$13,333,333
1800 K Street, N.W., Suite 1010
Washington, DC 20006
Telecopy: 202-775-4838

The Fuji Bank, Limited \$13,333,333
2 World Trade Center, 79th Floor
New York, NY 10048
Telecopy: 212-912-0516

The Northern Trust Company \$13,333,333
50 South LaSalle Street - B11
Chicago, IL 60675
Telecopy: 312-444-3508

TOTAL \$500,000,000

EXHIBIT A

[FORM OF EXTENSION AGREEMENT]
EXTENSION NUMBER ____ OF CREDIT AGREEMENT

Dated as of: _____, 199_

Reference is made to the Revolving Credit Agreement (as amended, modified, supplemented or extended from time to time, the "Credit Agreement") dated as of December 1, 1993 between GANNETT CO., INC. ("Gannett") and each of the banks parties thereto (each a "Bank" and collectively the "Banks"). All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

Gannett and each of the Banks parties hereto hereby agree that as of the date hereof (such date to be the Renewal Date): (i) the Expiration Date shall be extended from _____, 199_ to _____, 199_; (ii) the date set forth in the definition of "Expiration Date" shall be changed

from _____, 199_ to _____, 199_ ; and (iii) as extended hereby, the Credit Agreement remains in full force and effect in accordance with its terms with respect to all of the parties to this Extension Agreement.

This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall together constitute but one and the same original.

GANNETT CO., INC.

By _____
Name:
Title:

CHEMICAL BANK

By _____
Name:
Title:

FIRST INTERSTATE BANK OF CALIFORNIA

By _____
Name:
Title:

MARINE MIDLAND BANK

By _____
Name:
Title:

MORGAN GUARANTY TRUST COMPANY

By _____
Name:
Title:

J.P. MORGAN DELAWARE

By _____
Name:
Title:

NATIONSBANK OF NORTH CAROLINA, N.A.

By _____
Name:
Title:

TORONTO DOMINION (TEXAS), INC.

By _____
Name:
Title:

THE FIRST NATIONAL BANK OF CHICAGO

By _____
Name:
Title:

BANK OF AMERICA, N.T. & S.A.

By _____
Name:
Title:

BANK OF HAWAII

By _____
Name:
Title:

THE BANK OF NOVA SCOTIA

By _____
Name:
Title:

CRESTAR BANK

By _____
Name:
Title:

NBD BANK, N.A.

By _____
Name:
Title:

ROYAL BANK OF CANADA

By _____
Name:
Title:

SOCIETE GENERALE

By _____
Name:

Title:

CITIBANK, N.A.

By _____
Name:
Title:

CREDIT LYONNAIS CAYMAN ISLAND BRANCH

By _____
Name:
Title:

THE SANWA BANK, LIMITED

By _____
Name:
Title:

WACHOVIA BANK OF GEORGIA, N.A.

By _____
Name:
Title:

CHASE MANHATTAN BANK, N.A.

By _____
Name:
Title:

THE FIRST NATIONAL BANK OF MARYLAND

By _____
Name:
Title:

THE FUJI BANK, LIMITED

By _____
Name:
Title:

THE NORTHERN TRUST COMPANY

By _____
Name:
Title:

[Letterhead of Nixon, Hargrave, Devans & Doyle]

December 1, 1993

To the Banks parties to the
Revolving Credit Agreement
dated as of December 1, 1993
between Gannett and the Banks

Ladies and Gentlemen:

We are counsel to Gannett Co., Inc. ("Gannett"), and as such we are familiar with the Revolving Credit Agreement of even date herewith between each of you and Gannett (the "Credit Agreement") relating to Gannett's borrowing of up to \$500,000,000. We are also familiar with Gannett's Restated Certificate of Incorporation, as amended, By-Laws, as amended, agreements and other documents and matters of law as we consider necessary for purposes of this opinion. Capitalized terms defined in the Credit Agreement are used herein with the respective meanings assigned to such terms in the Credit Agreement. Based upon the foregoing, we are of the opinion that:

1. Gannett is a corporation duly organized, validly existing and in good standing under the laws of Delaware and is duly qualified to do business as a foreign corporation, and Gannett is in good standing in all states in which it owns substantial properties or in which it conducts substantial business or in which qualification is necessary in order that the business or financial condition of Gannett and its Subsidiaries, taken as a whole, be not Materially adversely affected.

2. There are no actions, suits or proceedings pending or, to our knowledge, threatened against or affecting Gannett or any of its Subsidiaries in or before any court or foreign or domestic government instrumentality, and neither Gannett nor any of its Subsidiaries are in default in respect of any order of any such court or governmental instrumentality which, in the opinion of Gannett, are Material.

3. Neither the execution and delivery of the Agreement, the consummation of the transactions therein contemplated nor compliance with the terms and provisions thereof will conflict with or result in breach of any of the provisions of the Restated Certificate of Incorporation, as amended, or the By-Laws, as amended, of Gannett or, to our knowledge and based on reasonable inquiries made of corporate officers of any law or of any regulation or order of any court or governmental instrumentality or any material agreement or instrument by which Gannett is bound or constitute a default thereunder or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever not permitted under Section 9(a) of the Agreement upon any of the property of Gannett.

4. The execution and delivery of the Agreement and the making of all Borrowings contemplated or permitted by the provisions thereof have been duly authorized by all necessary corporate action on the part of Gannett; and the Agreement has been duly and validly executed and delivered by Gannett. The Agreement constitutes a valid and legally binding agreement enforceable in accordance with its terms and the Borrowings when duly made, will constitute valid and legally binding obligations of Gannett enforceable in accordance with the terms thereof and of the Agreement, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights or contractual obligations generally.

In rendering the foregoing opinion we have relied upon the certificates of officers of Gannett as to (i) the nature and location of the property of Gannett, (ii) agreements and instruments to which Gannett and/or its Subsidiaries is a party, and (iii) the existence of Material pending or threatened actions, suits or proceedings or orders of any court or governmental instrumentality.

Very truly yours,

EXHIBIT C

CERTIFICATE AS TO COMPLIANCE
PURSUANT TO SECTION 8 (b) OF
\$500,000,000 REVOLVING CREDIT AGREEMENT

[Use for Quarterly report]

The undersigned, an officer of Gannett Co., Inc. ("Gannett"), has executed this Certificate pursuant to Section 8(b)(i) of the Revolving Credit Agreement dated as of December 1, 1993 between Gannett and the Banks parties thereto. The undersigned has reviewed Gannett's activities during the preceding fiscal quarter, which has consisted solely of a review of the unaudited consolidated financial statements of Gannett for said fiscal quarter.

[Use for annual report]

The undersigned, an officer of Gannett Co., Inc. ("Gannett") has executed this Certificate pursuant to Section 8(b)(ii) of the Revolving Credit Agreement dated as of December 1, 1993 between Gannett and the Banks parties thereto. The undersigned has reviewed the activities of Gannett and its Subsidiaries during the preceding fiscal year, which has consisted solely of a review of the audited consolidated financial statements of Gannett for said fiscal year.

The undersigned hereby CERTIFIES THAT, based upon the review described above and a review of the Revolving Credit Agreement, nothing came to his attention which caused him to believe that (i) Gannett has not fulfilled all of its obligations under the Revolving Credit Agreement or (ii) there has occurred an Event of Default as defined in said Agreement, or any condition, event or act, which with notice or lapse of time or both, would constitute an Event of Default, which has not been cured pursuant to the provisions of said Agreement.

GANNETT CO., INC.

By _____
Name:
Title:

Description of Supplemental Insurance Benefits

The Company provides additional life insurance coverage equal to \$200,000 to certain executives and \$300,000 to certain executives of the Company who are also on its Board of Directors. The Company provides additional travel accident insurance equal to three times salary and most recent bonus to certain executives, beyond the coverage provided to other employees.

GANNETT CO., INC.

1987 DEFERRED COMPENSATION PLAN
Restated as of December 1, 1993

1.0 BACKGROUND

1.1 Introduction

The Gannett Co., Inc. 1987 Deferred Compensation Plan ("Plan") provides the opportunity for Directors to defer all or part of their fees and key employees to defer all or part of their salary, bonus and/or shares of Gannett common stock issued pursuant to Stock Incentive Rights under the Gannett Co., Inc. 1978 Long-Term Incentive Plan ("Compensation") payable by Gannett Co., Inc. ("Company") to future years as part of their financial planning.

2.0 EXPLANATION OF PLAN

2.1 Effective Date

The Plan will be effective upon adoption by the Board of Directors and shall cover Compensation earned after July 1, 1987.

2.2 Eligibility

The Plan is available (a) to Directors of the Company and (b) to officers and employees of the Company who reside in the United States and who are designated as eligible by the Deferred Compensation Committee described in Section 3.4 ("Committee").

2.3 Interest in the Plan; Deferred Compensation Account

For each eligible person who elects to defer Compensation earned during a year ("Participant"), separate Deferred Compensation Accounts shall be established for that year for each type of Compensation deferred. A Participant's interest in the Plan shall be the Participant's right to receive payments under the terms of the Plan. A Participant's payments from the Plan shall be based upon the value attributable to the Participant's Deferred Compensation Accounts. The value attributable to a Deferred Compensation Account on a particular date is equal to the value on that date of the hypothetical investments held in that Account.

2.4 Amount of Deferral

- (a) A Participant may elect to defer receipt of all or a part of his or her Compensation provided that the minimum deferral for any type of Compensation being deferred is \$5,000 for the year of deferral. In any year in which the percentage selected defers less than \$5,000 of the type of Compensation being deferred, there shall be no deferral of that type of Compensation for that year.
- (b) Notwithstanding Section 2.4(a), Compensation shall not be deferred to the extent that the deferral would cause the Participant to have insufficient funds available to provide for all withholdings he or she has authorized to be made or are required by law to be made from his or her Compensation.

2.5 Time of Election of Deferral

- (a) An election to defer Compensation must be made before the Compensation is earned. In the case of salary and Directors' fees, with the exception of 1987, the election to defer must be made prior to the year in which the salary or Directors' fees will be earned. In the case of bonuses, the election to defer must be made by November 30th preceding the year in which the bonus will be paid. In the case of SIRs, the election to defer must be made no later than 12 full calendar months before the month in which the SIRs would otherwise be paid. For 1987, an election to defer

salary or Directors' fees must be made prior to July 1 with respect to salary or Directors' fees earned after that date.

- (b) Once made, an election to defer for a particular year is irrevocable.
- (c) A Director may elect to defer Directors' fees payable for services rendered after June 30, 1987, either under the terms of this Plan or under the terms of Gannett Co., Inc. Plan for the Deferral of Directors' fees adopted May 1, 1979 (the "Directors' Plan"). Whenever a Director has an account under the Directors' Plan, he or she may elect to have his or her account balance or any part thereof under the Directors' Plan deemed invested in the fund or funds available under this Plan, as designated by the Director, or under the Directors' Plan. Such elections shall be made by written notice to the Company, and shall be pursuant to Section 2.7 of this Plan. Any amounts allocated to this Plan may be allocated and reallocated as this Plan provides. Except for these changes in computing future account balances, all other terms and conditions of the Directors' Plan shall continue to apply to amounts deferred under the Directors' Plan.

2.6 Accounts and Investments

- (a) The right of any Participant to receive future payments under the provisions of the Plan shall be a contractual obligation of the Company but shall be subject to the claims of the creditors of the Company against the general assets of the Company.
- (b) The amount in a Deferred Compensation Account may, in the Company's discretion, be placed in a trust (the "Rabbi Trust") but will nevertheless continue to be subject to the claims of the Company's creditors. In the Company's discretion, the deferred amounts may (but need not) be invested in the funds selected by Participants.
- (c) The amount of Compensation or Stock deferred will be credited to the Participant's Deferred Compensation Account as soon as practical after the Compensation would have been paid had there been no election to defer. The amounts credited will be deemed invested in the fund or funds designated by the Participant from among funds selected by the Committee, which may include the following:
 - (i) money market funds;
 - (ii) bond funds;
 - (iii) equity funds; and
 - (iv) Gannett stock fund.

In the discretion of the Committee, funds may be added, deleted or substituted from time to time.

- (d) Information on the specific funds permitted under the Plan shall be made available by the Committee to the Participants. If the Committee adds, deletes or substitutes a particular fund, the Committee shall notify Participants in advance of the change and provide Participants with the opportunity to change their allocations among funds in connection with such addition, deletion or substitution.
- (e) A Participant may allocate contributions to his or her Deferred Compensation Accounts among the available funds pursuant to such procedures and requirements as may be specified by the Deferred Compensation Committee from time to time.

2.7 Participant's Option to Reallocate Amounts

A Participant may elect to reallocate amounts in his or her Deferred Compensation Accounts among the available funds pursuant to such procedures and requirements as may be specified by the Deferred Compensation Committee from time to time.

2.8 Reinvestment of Income

Income distributed by a fund that is deemed to be held in a Deferred

Compensation Account shall be deemed reinvested in that fund as soon as practicable under the terms of that fund.

2.9 Payment of Deferred Compensation

- (a) No withdrawal may be made from the Participant's Deferred Compensation Accounts except as provided in this Section.
- (b) At the time the election to defer is made, the Participant shall choose the date on which payment of the resulting value in the Deferred Compensation Account is to commence, which date shall be either April 1 or October 1 of the year specified by the Participant ("Payment Commencement Date"). In the case of Director Participants, the Payment Commencement Date shall be no later than the first day of the month following the participant's retirement from the Board. In the case of key employee Participants, the Payment Commencement Date shall be no later than October 1 of the year following the year during which the key employee becomes 65 years of age.
- (c) At the time the election to defer is made, the Participant may choose to receive payments either (i) in a lump sum, or (ii) if the Payment Commencement Date is during a year during which the Participant could have retired under a retirement plan of the Company, in up to ten annual installments. The method of paying a Deferred Compensation Account of a Participant shall be called the "Method of Payment." The amount of any payment under the Plan shall be the value attributable to the Deferred Compensation Account on the last day of the second month preceding the month of the payment date, divided by the number of payments remaining to be made including the payment for which the amount is being determined.
- (d) In the event of a Participant's death or total disability before the Participant has received all of the Participant's Deferred Compensation Accounts, the value of the Accounts (excluding the amount being paid in installments described in the following sentence) shall be paid either (i) in a lump sum, or (ii) in two to ten annual installments commencing on the first day of April of the year following the Participant's death or total disability, as Participant at the time of deferral may elect. If Participant is receiving installment payments from a Deferred Compensation Account at the time of death or total disability, the balance in that Account shall be paid to Participant's estate or to Participant over the installments remaining to be paid.
- (e) A Participant may not change the Payment Commencement Date or Method of Payment for a Deferred Compensation Account after an election has been made. This shall not prevent the Participant from choosing a different Payment Commencement Date and/or Method of Payment for amounts to be deferred in subsequent years.
- (f) Notwithstanding any Payment Commencement Date or Method of Payment selected by a Participant, if the Participant's employment with the Company terminates other than by reason of (i) retirement pursuant to a retirement plan of the Company, (ii) the Participant's death, or (iii) the Participant's total disability, then payment will be made to the Participant as follows. The Company will have the option to make payment either in a lump sum or in the number of annual installments previously selected by the Participant. In either case, the Payment Commencement Date shall be the first day of April or October of the year of termination or of the year following the year of termination, whichever is selected by the Company.
- (g) If, in the discretion of the Committee, the Participant has a need for funds due to an unforeseeable emergency which is caused by an event beyond the Participant's control and that would result in a financial hardship if the Participant were not permitted to withdraw, a payment may be made to the Participant from his or her Deferred Compensation Accounts at a date earlier than the Payment Commencement Date. A payment based upon financial hardship cannot exceed the amount required to meet the immediate financial need created by the hardship. The Participant

requesting a hardship payment must supply the Committee with a statement indicating the nature of the need created a financial hardship, the fact that all other reasonably available resources are insufficient to meet the need, and any other information which the Committee decides is necessary to evaluate whether a financial hardship exists.

- (h) In the Company's discretion, payments from the Plan may be in cash or in the kind of property represented by the fund or funds selected by the Participant.
- (i) All payments made by the Company or the Trust shall be subject to all taxes required to be withheld under applicable laws and regulations of any governmental authorities.

2.10 Manner of Electing Deferral, Choosing Investments and Choosing Payment Options

- (a) In order to make any elections or choices permitted hereunder, the Participant must give written notice to the Committee. A notice electing to defer Compensation shall specify:
 - (i) the percentage and type of Compensation to be deferred;
 - (ii) the funds chosen by the Participant;
 - (iii) the Method of Payment and the Method of Payment to the Participant or the Participant's estate in the event of the Participant's total disability or death; and
 - (iv) the Payment Commencement Date.
- (b) An election by a Participant to defer Compensation (including the selection of a Payment Commencement Date, choice of fund or funds and Method of Payment) shall apply only to Compensation deferred in the calendar year for which the election is effective.
- (c) Prior to the commencement of each calendar year, the Company will provide election forms to permit Participants to defer Compensation to be earned during that calendar year.
- (d) The last form received by the Company allocating a Deferred Compensation Account among the funds available shall govern until changed by the receipt by the Company of a subsequent allocation form.

3.0 ADMINISTRATION OF THE PLAN

3.1 Statement of Account

Statements setting forth the values of the funds deemed to be held in a Participant's Deferred Compensation Accounts will be sent to each Participant quarterly or more often as the Committee may elect.

3.2 Assignability

No right to receive payments hereunder may be transferred, assigned, or pledged by a Participant, except for transfers by will or by the laws of descent and distribution.

3.3 Business Days

In the event any date specified herein falls on a Saturday, Sunday, or legal holiday, such date shall be deemed to refer to the next business day thereafter.

3.4 Administration

This Plan shall be administered by the Deferred Compensation Committee, which shall consist of three employees of the Company appointed by the Chief Executive Officer. The Committee shall have the authority to adopt rules and regulations for carrying out the Plan, and interpret, construe and implement the provisions of the Plan. The decisions of the Committee shall be final and binding on the

Participants.

3.5 Amendment

This Plan may at any time and from time to time be amended or terminated by the Board of Directors or the Compensation Committee of the Board of Directors of the Company. A change in the number or type of funds available shall not be considered an amendment of the Plan. No amendment or termination shall, without the consent of a Participant, adversely affect such Participant's interest in the Plan.

3.6 Liability

- (a) Except in the case of willful misconduct, no director or employee of the Company shall be personally liable for any act done or omitted to be done by such person with respect to this Plan.
- (b) The Company shall indemnify, to the fullest extent permitted by law, members of the Committee and directors and employees of the Company, both past and present to whom are or were delegated duties, responsibilities and authority with respect to the Plan, against any and all claims, losses, liabilities, fines, penalties and expenses (including, but not limited to, all legal fees relating thereto), reasonably incurred by or imposed upon such persons, arising out of any act or omission in connection with the operation and administration of the Plan, other than willful misconduct.

GANNETT CO., INC.
Calculation of Earnings Per Share

	Fiscal Year Ended		
	December 26, 1993	December 27, 1992	December 29, 1991
Income before cumulative effect of accounting principle changes	\$397,752,000	\$345,680,000	\$301,649,000
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	\$397,752,000	\$199,680,000	\$301,649,000
Earnings per share:			
Before cumulative effect of accounting principle changes	\$2.72	\$2.40	\$2.00
Cumulative effect of accounting principle changes		(1.01)	
Net income per share	\$2.72	\$1.39	\$2.00
Weighted average number of common shares outstanding	146,474,000	144,148,000	150,783,000

Page 1

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, France, Switzerland, Hong Kong and Singapore.

Gannett's is the largest U.S. newspaper group, with 83 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 1993 exceeded 6.3 million, more than any other newspaper group.

Gannett owns and operates 10 television stations, six FM radio stations 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 147 million shares of common stock are held by more than 14,000 shareholders of record in all 50 states and abroad. The company has 36,500 employees. Corporate headquarters is located at Arlington, Va.

Page 20

Board of Directors - 1993

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 and Columbia University Boards of Trustees. Age 55. Term expires in 1996. (b,d,g,h)

Andrew F. Brimmer

President, Brimmer & Company, Inc. Other directorships: BankAmerica Corporation and Bank of America NT&SA; BellSouth Corporation; BlackRock Investment Income Trust, Inc.; Brimmer & Company, Inc.; Connecticut Mutual Life Insurance Company; E.I. duPont de Nemours & Company; Navistar International Corporation; PHH Corporation; UAL Corporation, Inc.; public governor and vice chairman, Commodity Exchange, Inc.; and trustee of the College Retirement Equities Fund. Age 67. Term expires in 1995. (a,f)

Meredith A. Brokaw

President, Penny Whistle Toys, Inc., New York City, and author. Other directorships: National Home Library Board; Coro Foundation, New York City; Conservation International, Washington, D.C. Age 53. Term expires in 1996. (b,d,f)

Rosalynn Carter

Author and businesswoman; distinguished lecturer, Agnes Scott College, Atlanta; fellow, Women's Studies Institute, Emory University, Atlanta. Formerly: First Lady (1977-81). Other directorships: Carter Presidential Center; Friendship Force International; adviser, Habitat for Humanity, Inc.; trustee, The Menninger Foundation. Age 66. Term expires in 1994. (b,e,h)

Page 21

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 65. 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 58. Term

expires in 1995. (a,b,e)

John J. Louis Jr.
Founder of Combined Communications Corporation and chairman (1968-81).
Formerly: U.S. Ambassador to the United Kingdom of Great Britain and
Northern Ireland (1981-83). Other directorships: S.C. Johnson & Son, Inc.
Age 68. Term expires in 1996. (a,b,d)

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: Rochester Telephone Corporation;
Continental Airlines, Inc.; and seven funds which are part of the Prudential
complex of mutual funds. Age 54. 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 61. 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 65. Term
expires in 1994. (a,b,c)

Carl T. Rowan
President, CTR Productions Inc.; author and lecturer; columnist, King
Features and the Chicago Sun-Times; television commentator,
Post-Newsweek Broadcasting; radio commentator, CTR Productions. Age 68.
Term expires in 1994. (d,e)

Dolores D. Wharton
Chairman and CEO, Fund for Corporate Initiatives, Inc. Other directorships:
COMSAT Corporation; Kellogg Company. Age 66. Term expires in 1994. (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.

Page 22

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
20-21.

Christopher W. Baldwin, Vice president, taxes. Formerly: Director, taxes
(1979-1993). Age 50.

Thomas L. Chapple, General counsel and secretary. Formerly: Vice president,
associate general counsel and secretary (1981-1991). Age 46.

Richard L. Clapp, Vice president, compensation and benefits. Age 53.

Susan Clark-Jackson, President, Gannett West Newspaper Group, and
president and publisher, Reno (Nev.) Gazette-Journal. Age 47.

Michael J. Coleman, President, Gannett South Newspaper Group, and president and publisher, FLORIDA TODAY at Brevard County. Formerly: President, Gannett Central Newspaper Group, and president and publisher, Rockford (Ill.) Register Star (1986-1991). Age 50.

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 45.*

Philip R. Currie, Vice president, news, Newspaper Division. Formerly: Vice president, news, Gannett Community Newspapers (1986-89). Age 52.

Donald W. Davidson, President, Gannett Outdoor Group. Age 55.*

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); vice president and general manager, WDAE/WUSA-FM at Tampa, Fla. (1988-1989). Age 39.

Thomas J. Farrell, President, Gannett New Media Group. Formerly: Executive vice president, general manager, USA TODAY (1986-1992); publisher, Baseball Weekly, and chairman, USA TODAY Sky Radio (1991-1992); president, Gannett New Media Group (1990-1992). Age 49.*

Millicent A. Feller, Senior vice president, public affairs and government relations. Formerly: Vice president, public affairs and government relations (1986-1991). Age 46.*

Lawrence P. Gasho, Vice president, financial analysis. Age 51.

George R. Gavagan, Vice president/corporate accounting services. Formerly: Assistant controller (1986-1993). Age 47.

George N. Gill, Vice president, Gannett Metro Newspaper Group, and president and publisher, The Courier-Journal at Louisville, Ky. Formerly: President and publisher, The Courier-Journal. Age 59. He retired August 1, 1993.

Page 23

John B. Jaske, Senior vice president, labor relations and assistant general counsel. Formerly: Vice president, labor relations and assistant general counsel (1980-1991). Age 49.

Madelyn P. Jennings, Senior vice president, personnel. Age 59.*

Kristin H. Kent, Vice president, senior legal counsel. Formerly: Senior legal counsel (1986-1993). Age 43.

Gracia C. Martore, Vice president, treasury services. Formerly: Assistant treasurer (1985-1993). Age 42.

William Metzfield, President, Gannett Supply Corp., and vice president, purchasing, Gannett Co., Inc. Age 52.

Larry F. Miller, Senior vice president, financial planning and controller. Formerly: Vice president, financial planning and controller (1986-1991). Age 55.*

Peter S. Prichard, Senior vice president, news/chief news executive, Gannett, and editor, USA TODAY. Formerly: Senior editor, News, USA TODAY (1988); managing editor, special projects, USA TODAY (1987-1988). Age 49.*

W. Curtis Riddle, President, Gannett East Newspaper Group, and president and publisher, Lansing (Mich.) State Journal. Formerly: President, Gannett Central Newspaper Group (1991-1993), and president and publisher, Lansing (Mich.) State Journal (1990-1993); vice president, Gannett Central Newspaper Group (1989-1991); president and publisher, Lafayette (Ind.) Journal and Courier (1988-1990); assistant to the publisher, The Cincinnati Enquirer (1987-1988). Age 42.

Carleton F. Rosenburgh, Senior vice president, Gannett Newspaper Division.

Formerly: Vice president/circulation (1986-1991). Age 54.

Gary F. Sherlock, Vice president, Gannett Metro Newspaper Group, and president and publisher, Gannett Suburban Newspapers. Formerly: Executive vice president, advertising, Newspaper Division (1988-90); president, Gannett National Newspaper Sales (1986-90). Age 48.

Mary P. Stier, President, Gannett Central Newspaper Group, and president and publisher, Rockford (Ill.) Register Star. Formerly: Vice president, Gannett Central Newspaper Group (1990-1993), and president and publisher, Rockford (Ill.) Register Star (1991-1993); publisher, Iowa City Press-Citizen (1987-1991). Age 36.

Jimmy L. Thomas, Senior vice president, financial services and treasurer. Formerly: Vice president, financial services and treasurer (1980-1991). Age 52.*

Ronald Townsend, President, Gannett Television. Formerly: President and general manager, WUSA-TV at Washington, D.C. (1987-89). Age 52.*

Wendell J. Van Lare, Vice president, labor counsel. Formerly: Director, labor relations (1980-1993). Age 48.

Frank J. Vega, President and chief executive officer, Detroit Newspaper Agency. Formerly: President, Gannett South Newspaper Group, and publisher and CEO, FLORIDA TODAY at Brevard County, Fla. (1985-1991). Age 45.

Cecil L. Walker, President, Gannett Broadcasting Division. Formerly: Acting president, Gannett Television (1986). Age 57.*

Barbara W. Wall, Vice president, senior legal counsel. Formerly: Senior legal counsel (1990-1993); assistant general counsel (1985-1990). Age 39.

Gary L. Watson, President, Gannett Newspaper Division. Formerly: President, Gannett Community Newspaper Group (1985-1990). Age 48.*

Susan V. Watson, Vice president, investor relations. Age 41.

* Member of the Gannett Management Committee.

Page 25

Gannett common stock prices

Restated to reflect the 2-for-1 stock split effective January 6, 1987, and the 3-for-2 stock split effective January 5, 1984. High-low range by quarters based on NYSE-composite closing prices.

Year	Quarter	Low	High
1983	first	\$17.13	\$21.92
	second	\$21.09	\$24.00
	third	\$19.75	\$23.17
	fourth	\$18.75	\$21.59
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	\$54.00	\$58.38	*

* Through February 22, 1994

Page 26

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, 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 report appears on page 47.

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 four non-management directors, and meets regularly 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.

By s/ John J. Curley

 John J. Curley
 Chairman, President and
 Chief Executive Officer

By s/ Douglas H. McCorkindale

 Douglas H. McCorkindale
 Vice Chairman, Chief Financial
 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 1991-1993 encompasses a 52-week period.

Acquisitions and dispositions

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. Consideration for this purchase included the issuance of approximately 1,980,000 shares of the Company's common stock 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.

This acquisition is reflected in the 1993 financial statements under the purchase method of accounting.

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 pending sale of its television station in Boston, which is expected to be completed in early 1994. The Company recognized a minor net gain on these transactions 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.

Page 27

Ongoing operating costs for 1992 under SFAS 106 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. Further information concerning SFAS 106 can be found in Note 6 to the Consolidated Financial Statements.

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. The adoption of SFAS 109 had no effect on the provision for income taxes for 1992.

Results of operations Consolidated summary

In millions of dollars

	1993	Change	1992	Change	1991	Change
	-----	-----	-----	-----	-----	-----
Operating revenues	\$3,642	5%	\$3,469	3%	\$3,382	-2%
Operating income	\$714	16%	\$617	10%	\$559	-18%
Income before cumulative effect of accounting changes	\$398	15%	\$346	15%	\$302	-20%
Net income	\$398	99%	\$200	-34%	\$302	-20%

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 for the last three years were as follows:

In millions of dollars

	1993	Change	1992	Change	1991	Change
--	------	--------	------	--------	------	--------

Revenues	\$3,014	5%	\$2,858	3%	\$2,767	-
Expenses	\$2,337	4%	\$2,250	1%	\$2,222	3%
Operating income	\$677	11%	\$608	12%	\$545	-12%

Newspaper operating revenues: Newspaper operating revenues are derived principally from advertising and circulation sales, which accounted for 67% and 28%, respectively, of total newspaper revenue in 1993. Other newspaper publishing revenues are mainly from commercial printing business.

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

Newspaper publishing revenues, in millions of dollars						
	1993	Change	1992	Change	1991	Change
Advertising	\$2,005	7%	\$1,882	2%	\$1,853	-3%
Circulation	\$839	4%	\$807	4%	\$777	6%
Commercial printing and other	\$170	1%	\$169	23%	\$137	7%
Total	\$3,014	5%	\$2,858	3%	\$2,767	-

In the tables that follow, newspaper advertising lineage, circulation volume statistics and related revenue results are presented on a pro forma basis for newspapers owned at the end of 1993.

Advertising revenue, in millions of dollars (pro forma)						
	1993	Change	1992	Change	1991	Change
Local	\$779	1%	\$770	-	\$774	-
National	\$290	4%	\$279	8%	\$259	-11%
Classified	\$612	6%	\$575	3%	\$561	-9%
Total Run-of-Press	\$1,681	3%	\$1,624	2%	\$1,594	-5%
Preprint and other advertising	\$324	9%	\$299	8%	\$277	6%
Total ad revenue	\$2,005	4%	\$1,923	3%	\$1,871	-4%

Advertising lineage, in millions of inches (pro forma)						
	1993	Change	1992	Change	1991	Change
Local	32.1	-2%	32.6	-2%	33.4	-9%
National	2.0	-1%	2.0	-7%	2.2	-13%
Classified	28.9	5%	27.5	5%	26.3	-6%
Total Run-of-Press	63.0	1%	62.1	-	61.9	-8%
Preprint	64.3	8%	59.4	8%	55.0	2%
Total ad lineage	127.3	5%	121.5	4%	116.9	-4%

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% for 1993. Total advertising lineage rose 5% for the year.

Page 28

"Run-of-press" (ROP) advertising lineage, which appears within the bodies of the Company's newspapers, was 1% higher than 1992. ROP classified lineage increased 5%, while local lineage and national lineage declined 2% and 1%, respectively. Preprint lineage, which includes local and national supplements that are inserted into the Company's newspapers, rose 8% for the year. At USA TODAY, ad revenues and lineage rose 9%.

The growth in newspaper ad revenues in 1993 reflects the improved national economic climate. Business trends for important retail advertisers improved. In classified, improving trends continued in the

automotive and employment categories. The Company remains cautious about the direction of general economic conditions in 1994, but expects a modest increase in overall ad revenue.

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.

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

Average net paid circulation, in thousands						
	1993	Change	1992	Change	1991	Change
	-----	-----	-----	-----	-----	-----
Local Newspaper						
Morning	3,089	0.4%	3,077	0.6%	3,058	0.3%
Evening	1,250	-3.4%	1,295	-3.2%	1,338	-2.6%
	-----	-----	-----	-----	-----	-----
Total daily	4,339	-0.8%	4,372	-0.6%	4,396	-0.6%
Sunday	6,165	0.3%	6,143	0.7%	6,100	0.3%

While overall daily circulation for the Company's local newspapers declined 0.8%, that decline 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. The Company expects further circulation growth for its morning newspapers and plans circulation price increases at certain newspapers in 1994.

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, which, subject to audit, is a 2.5% increase over the year-ago period. 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, which excludes 1991 revenues from the Arkansas Gazette in Little Rock which was sold that year, newspaper advertising revenues rose \$52 million or 3% in 1992. Total advertising linage rose 4% for the year. "Run-of-press" (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%. At USA WEEKEND, ad revenues rose 16%.

The growth in newspaper ad revenues in 1992 reflected slightly improved economic conditions and positive trends for classified ads.

Newspaper circulation revenues rose \$30 million or 4% for 1992. On a pro forma basis, circulation revenues rose 5%. The Company increased circulation at 53% of its local daily newspapers and 66% of its Sunday newspapers.

Excluding The Detroit News, overall daily and Sunday circulation for the Company's local newspapers rose slightly less than 1% in 1992. 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% for the year.

Newspaper advertising revenues declined \$65 million or 3% in 1991. Total advertising linage declined 4% for the year. ROP advertising declined 8% as classified linage was 7% lower, local linage declined 9% and national linage was off 13%. Preprint linage rose 2% for the year. At USA TODAY, ad revenues and linage declined 4% in 1991.

Demand for newspaper advertising in 1991 was affected by the recession in the national economy. Customers in retail businesses curtailed spending on newspaper advertising. Classified ads declined in all important categories. The decline in revenues and linage was most pronounced for newspapers in the Northeast and Mid-Atlantic areas.

Newspaper circulation revenues rose \$47 million or 6% in 1991. Sixty-three percent of the Company's local daily newspapers and 74% of its Sunday newspapers increased average paid circulation for the full year, compared with 1990. Excluding The Detroit News, overall daily and Sunday circulation for the Company's local newspapers rose 1% in 1991.

USA TODAY reported an average daily paid circulation of 1,812,395 in the ABC Publisher's Statement for the six months ended September 29, 1991, a 1% decrease from the comparable period of 1990. USA TODAY's average daily paid circulation for the full year 1991, however, rose nearly 2%. Circulation revenues also rose 2% in 1991.

Newspaper advertising revenues in millions

Year	Newspaper advertising revenues
1984	\$1,064
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

Page 29

Newspaper circulation revenues in millions

Year	Newspaper circulation revenues
1984	\$419
1985	\$465
1986	\$576
1987	\$645
1988	\$686
1989	\$718
1990	\$730
1991	\$777
1992	\$807
1993	\$839

Newspaper operating expenses: 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. The Company expects newsprint prices to rise in 1994.

Payroll costs for the newspaper segment rose 3% for the year. Year-end employment levels declined slightly from 1992. Employment levels are not expected to change significantly in 1994.

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.

Operating cost comparisons for 1992 were favorably affected by the sale of the Arkansas Gazette in 1991, however, costs from new commercial printing business and other new business activities were offsetting.

Newspaper operating costs in 1991 rose \$63 million or 3% from 1990. Operating expenses of new businesses in the newspaper segment were the principal factors for the increase in costs. Newsprint costs declined 4% for the year, reflecting lower prices and consumption. Payroll costs for the newspaper segment rose 4% for the year. Employment levels increased slightly.

Newspaper operating income: Operating income for the newspaper segment rose \$70 million or 11% in 1993. Revenue gains at most of the Company's local newspapers, led by classified advertising, coupled with only 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.

Operating income for the newspaper segment declined \$72 million or 12% for 1991. Soft demand for advertising led to lower results at most of

the Company's newspapers, including USA TODAY.

Other developments: On August 30, 1991, the Company acquired the Times Journal Company located in Springfield, Va., which included a commercial printing operation, The Journal Newspapers and a telephone database service. On December 26, 1991, the Company sold The Journal Newspapers. Consideration for this purchase (net of the proceeds from the sale of The Journal Newspapers) totaled \$35 million and included shares of the Company's common stock and the assumption of certain obligations of the acquired businesses.

On October 18, 1991, the Company sold its newspaper in Little Rock, Ark., for \$69 million in cash. Operating results for 1991 were not materially affected by this sale transaction, however, operating income comparisons for the fourth quarter of 1991 and the first three quarters of 1992 were favorably affected because of losses of this newspaper.

During 1993, 1992 and 1991, the Company also purchased certain other publications which are included in the newspaper publishing segment. These purchases in the aggregate were not material.

In April 1991, the Company successfully launched USA TODAY Baseball Weekly, which in 1993 achieved an average paid circulation of more than 280,000.

Broadcasting

Broadcasting operations at the end of the Company's 1993 fiscal year included 10 television stations and 11 radio stations. The Company's radio stations in Kansas City and St. Louis were sold in the fourth quarter of 1993. Also in 1993, the Company provided for the sale of its television station in Boston, which is expected to close in early 1994.

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

In millions of dollars

	1993	Change	1992	Change	1991	Change
	-----	-----	-----	-----	-----	-----
Revenues	\$397	7%	\$371	4%	\$357	-10%
Expenses	\$310	2%	\$305	3%	\$295	-5%
Operating income	\$87	31%	\$66	7%	\$62	-29%
	=====	=====	=====	=====	=====	=====

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. Both television and radio revenue

Page 30

gains reflect generally improved ratings for the Company's stations and stronger demand for advertising time.

The sharp improvement in operating earnings for broadcasting reflects 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 the year. 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 reflects gains in earnings at most of the Company's television stations, while earnings were lower at most of the Company's radio stations.

Revenues from broadcasting declined \$40 million or 10% in 1991; television and radio revenues were down 9% and 13%, respectively. For television, local revenues declined 7%, while national revenues were 13% below 1990. Operating costs for television declined in 1991. Operating income results from television were significantly lower in 1991, reflecting the difficult revenue environment. Most of the Company's television stations reported lower earnings in 1991. Operating income from radio also declined in 1991, reflecting lower results in both Los Angeles and Chicago, the Company's largest markets.

Broadcasting revenues in millions

Year	Broadcasting revenues
1984	\$233
1985	\$265
1986	\$351
1987	\$357
1988	\$391
1989	\$408
1990	\$397
1991	\$357
1992	\$371
1993	\$397

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

	1993	Change	1992	Change	1991	Change
Revenues	\$231	-4%	\$241	-7%	\$260	-4%
Expenses	\$216	-7%	\$233	-5%	\$244	4%
Operating income	\$15	81%	\$8	-48%	\$16	-57%

Outdoor revenues declined \$11 million or 4% in 1993. U.S. operations again experienced a significant loss in revenues from the tobacco industry, and revenues from Southern California operations were lower because of continuing economic difficulties. Revenue comparisons are also 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 reflects 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.

Outdoor revenues declined \$11 million or 4% in 1991. Revenue losses were centered in Canadian operations, where recessionary conditions were severe and a goods and services tax disrupted advertising spending patterns. Outdoor operating costs rose 4% in 1991. Operating profit for outdoor declined 57% as most of the Company's outdoor businesses reported lower earnings. Sharply lower results in Canada, however, were the principal cause of the earnings decline.

Outdoor advertising revenues in millions

Year	Outdoor advertising revenues
1984	\$200
1985	\$208
1986	\$211
1987	\$202
1988	\$227
1989	\$258
1990	\$271
1991	\$260
1992	\$241
1993	\$231

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 1994.

Consolidated operating expenses

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

In millions of dollars

	1993	Change	1992	Change	1991	Change
	-----	-----	-----	-----	-----	-----
Cost of sales	\$2,067	2%	\$2,025	-	\$2,022	2%
Selling, general and admin. expenses	\$650	3%	\$629	5%	\$601	3%
Depreciation	\$164	5%	\$157	-1%	\$158	3%
Amortization of intangible assets	\$45	11%	\$41	-	\$41	-

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 selling, general and administrative (SG&A) costs in 1993 of \$21 million or 3% relates to generally higher sales activity for newspapers and broadcasting and savings in outdoor from restructuring.

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

At the end of 1993, the Company lowered the discount rate used in the valuation of the Gannett Retirement Plan from 8.5% to 7%. As a result, pension expense will increase significantly in 1994. In early 1994, the Company contributed \$46 million to the Gannett Retirement Plan. Pension matters are discussed further in Note 5 to the financial statements.

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.

For 1991, cost of goods sold and SG&A expenses rose due principally to operating expenses of new businesses.

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.

	1993	1992	1991
	-----	-----	-----
Payroll and employee benefits	44.0%	43.8%	42.0%
Newsprint and other production material	17.4%	17.3%	19.1%

Non-operating income and expense

Interest expense for 1993 was even with last year. Higher average interest rates resulting from new fixed rate debt were offset by lower average borrowings. The Company's financing activities are discussed in further detail in the Financial Position section of this report.

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. Non-operating income was down from 1991 because of a gain recognized that year on the sale of The Culver Studios.

Interest expense declined slightly in 1991. While the Company increased its borrowings to finance the purchase of its shares from the former Gannett Foundation, average interest rates were significantly lower than in 1990.

Provision for income taxes

The Company's effective income tax rate was 40.5% in 1993, 39.8% in 1992 and 40.0% in 1991.

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
1984	\$224
1985	\$253
1986	\$276
1987	\$319
1988	\$364
1989	\$398
1990	\$377
1991	\$302
1992	\$200 *
1993	\$398

* Income before accounting principle changes was \$346

Net income rose \$52 million or 15% in 1993, excluding the cumulative effect of accounting principle changes recognized in 1992 (discussed on page 26). On a per share basis, net income reached \$2.72, up 13% from \$2.40 in 1992 before accounting changes. Solid profit gains from the newspaper, broadcast and outdoor business segments contributed to 1993's record 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

Page 32

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 purchase of shares from the former Gannett Foundation in June 1991.

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.

Net income for 1991 was \$302 million, 20% below the prior year, reflecting lower operating earnings in all three business segments. Net income per share fell 15% to \$2.00 in 1991, down from \$2.36 in 1990. The average number of common shares outstanding for 1991 totaled 150,783,000, down 6% from 1990, reflecting the purchase of shares from the former Gannett Foundation.

In percentages

Year	Return on sales (before cumulative effect of accounting changes)
1984	11.4
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

Financial Position

Liquidity and capital resources

The principal change in the Company's financial position during 1993 was the net pay-down of long-term debt of \$230 million from year-ago levels from operating cash flow.

During the last two years, the Company has reduced its long-term debt by \$485 million.

The increase in property, plant and equipment in 1993 reflects capital spending of \$132 million and the acquisition of the Honolulu Advertiser. The increase in intangible assets also reflects this acquisition.

Cash flow from operating activities totaled \$670 million in 1993 and \$545 million in 1992. Working capital, or the excess of current assets over current liabilities, totaled \$303 million at the end of 1993, compared with \$200 million at the end of 1992. Certain key measurements of the elements of working capital for the last three years are presented in the following chart:

	1993	1992	1991
Current ratio	1.7-to-1	1.5-to-1	1.4-to-1
Accounts receivable turnover	8.0	7.9	7.6
Newsprint inventory turnover	9.9	10.6	9.3

A summary of debt transactions in 1993 follows:

In millions

Long-term debt at end of 1992	\$1,081
Debt assumed in connection with acquisition	142
New fixed-rate borrowings	525
Pay-down of long-term debt	(897)

Long-term debt at end of 1993	\$851
	=====

The fixed-rate borrowings include \$275 million in long-term notes issued in March 1993 at 5.25%, which are repayable in full on March 1, 1998, and \$250 million in long-term notes issued in April 1993 at 5.85%, which are repayable in full on May 1, 2000. These notes were issued under registration statements with the Securities and Exchange Commission. Proceeds were used to repay commercial paper obligations.

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.

Commercial paper obligations were reduced by \$752 million in 1993 and \$253 million in 1992.

During 1991, commercial paper obligations increased by \$695 million mainly to finance the purchase of common shares from the former Gannett Foundation and the retirement of \$200 million of long-term notes.

The Company regularly issues commercial paper for cash requirements and maintains revolving credit agreements 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 41 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 \$150 million planned for 1994, including approximately \$25 million for land and buildings or renovation of existing facilities, \$112 million for machinery and equipment, \$6 million for vehicles and \$7 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 1994 capital program will be funded from operating cash flow.

Capital stock

During 1993, the Company issued 1,980,000 shares of its common stock as partial consideration for the acquisition of the Honolulu Advertiser. During 1991, the Company issued 399,137 shares of common stock in connection with the acquisition of the Times Journal Company. The shares issued for these acquisitions were formerly held as treasury stock.

In June 1991, the Company acquired 15,940,679 shares, or approximately 10% of its common stock, held by the former Gannett Foundation, for \$670 million in cash. These shares were recorded as treasury 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 4,530,200 shares of its common stock under this program at a cost of \$158 million. No purchases were made under this program during 1992 or 1993.

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.

Before cumulative effect of accounting changes, in percentages

Year	Return on shareholders' equity
1984	20.7
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

The Company's common stock outstanding at December 26, 1993 totaled 146,966,857 shares, compared with 144,401,718 shares at December 27, 1992. The increase is due to shares issued for the acquisition of the Honolulu Advertiser, stock options and stock incentive rights.

Dividends

Dividends declared on common stock amounted to \$191 million in 1993, compared with \$182 million in 1992, reflecting increased shares outstanding and an increase in the dividend rate.

Year	Dividends declared per share
1984	\$0.665
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

In October 1993, the quarterly dividend was increased from \$.32 to \$.33 per share.

Cash Dividends	Quarter	Payment date	Per share
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
1992	4th Quarter	Jan. 4, 1993	\$0.32
	3rd Quarter	Oct. 1, 1992	\$0.32
	2nd Quarter	July 1, 1992	\$0.31
	1st Quarter	April 1, 1992	\$0.31

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.

Page 34

CONSOLIDATED BALANCE SHEETS

In thousands of dollars

	Dec., 26, 1993	Dec., 27, 1992
ASSETS		
Current assets:		
Cash	\$32,461	\$31,672
Marketable securities, at cost, which approximates market	43,034	41,657
Trade receivables (less allowance for doubtful receivables of \$13,915 and \$12,241, respectively)	449,063	431,293
Other receivables	135,036	23,008
Inventories	53,094	48,087
Prepaid expenses	45,269	55,730
Total current assets	757,957	631,447
Property, plant and equipment:		
Land	131,676	101,313
Buildings and improvements	689,103	661,337
Advertising display structures	262,145	262,145
Machinery, equipment and fixtures	1,673,237	1,618,776
Construction in progress	38,449	49,771
Total	2,794,610	2,693,342
Less accumulated depreciation	(1,316,341)	(1,218,051)
Net property, plant and equipment	1,478,269	1,475,291
Intangible and other assets:		
Excess of acquisition cost over the value of assets acquired (less amortization of \$396,915 and \$361,204, respectively)	1,501,102	1,364,883
Investments and other assets (Note 5)	86,470	137,388
Total intangible and other assets	1,587,572	1,502,271
Total assets	\$3,823,798	\$3,609,009

Page 35

CONSOLIDATED BALANCE SHEETS

In thousands of dollars

	Dec., 26, 1993	Dec., 27, 1992
	-----	-----
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt (Note 4)	\$164	\$267
Accounts payable		
Trade	169,425	153,484
Other	17,783	30,102
Accrued liabilities		
Compensation	53,922	46,746
Interest	11,774	4,491
Other	74,761	56,681
Dividend payable	48,399	46,221
Income taxes (Note 7)	5,760	25,837
Deferred income	73,151	67,722
	-----	-----
Total current liabilities	455,139	431,551
	-----	-----
Deferred income taxes (Note 7)	205,314	93,439
Long-term debt (Note 4)	850,686	1,080,756
Postretirement medical and life insurance liabilities (Note 6)	308,024	304,863
Other long-term liabilities	96,715	118,299
	-----	-----
Total liabilities	1,915,878	2,028,908
	-----	-----
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	70,938	40,506
Retained earnings	2,366,246	2,158,583
Foreign currency translation adjustment	(9,442)	(6,548)
	-----	-----
	2,589,954	2,354,753
Less Treasury stock, 15,244,733 shares and 17,809,872 shares, respectively, at cost	(643,787)	(733,196)
Deferred compensation related to ESOP (Note 8)	(38,247)	(41,456)
	-----	-----
Total shareholders' equity	1,907,920	1,580,101
	-----	-----
Commitments and contingent liabilities (Note 9)		
	-----	-----
Total liabilities and shareholders' equity	\$3,823,798	\$3,609,009
	=====	=====

Page 36

CONSOLIDATED STATEMENTS OF INCOME

In thousands of dollars

Fiscal year ended

	Dec. 26, 1993	Dec. 27, 1992	Dec. 29, 1991
	-----	-----	-----
Net operating revenues:			
Newspaper advertising	\$2,005,037	\$1,882,114	\$1,852,591
Newspaper circulation	838,706	807,093	777,221
Broadcasting	397,204	370,613	357,383
Outdoor advertising	230,771	241,313	260,120
Other	169,903	167,824	134,720
	-----	-----	-----
Total	3,641,621	3,468,957	3,382,035
	-----	-----	-----
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	2,067,244	2,024,601	2,022,389
Selling, general and administrative expenses, exclusive of depreciation	650,390	629,202	600,946

Depreciation	164,420	157,242	158,389
Amortization of intangible assets	45,215	40,629	41,364
Total	2,927,269	2,851,674	2,823,088
Operating Income	714,352	617,283	558,947
Non-operating income (expense):			
Interest expense	(51,250)	(50,817)	(71,057)
Interest income	4,493	5,430	8,443
Other	857	2,384	6,416
Total	(45,900)	(43,003)	(56,198)
Income before income taxes	668,452	574,280	502,749
Provision for income taxes (Note 7)	270,700	228,600	201,100
Income before cumulative effect of accounting principle changes	397,752	345,680	301,649
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	\$397,752	\$199,680	\$301,649
Earnings per share:			
Before cumulative effect of accounting principle changes	\$2.72	\$2.40	\$2.00
Cumulative effect of accounting principle changes		(1.01)	
Net income per share	\$2.72	\$1.39	\$2.00

Page 37

CONSOLIDATED STATEMENTS OF CASH FLOWS

In thousands of dollars

Fiscal year ended

	Dec. 26, 1993	Dec. 27, 1992	Dec. 29, 1991
Cash flows from operating activities:			
Net income	\$397,752	\$199,680	\$301,649
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	164,420	157,242	158,389
Amortization of intangibles	45,215	40,629	41,364
Deferred income taxes	20,315	(17,227)	(10,800)
Loss (gain) on sale of assets	(8,307)	2,172	(20,035)
Other, net	44,339	23,186	14,762
Changes in assets and liabilities, net of effect of acquisitions:			
Decrease (increase) in receivables	(18,273)	(12,607)	19,548
Decrease (increase) in inventories	(1,709)	3,405	13,858
Decrease in film broadcast rights, net of liabilities	51	12,696	151
Increase (decrease) in accounts payable	(3,270)	(5,418)	5,368
Increase (decrease) in interest and taxes payable	16,117	(23,025)	(59,849)
Change in other assets and liabilities, net	13,610	18,222	(3,201)
Net cash provided by operating activities	670,260	544,955	461,204
Cash flows from investing activities:			
Purchase of property, plant and equipment	(132,122)	(154,072)	(192,392)
Payments for acquisitions, net of cash acquired	(5,291)	(591)	(3,491)
Decrease (increase) in partnership and other investments	(167)	(5,000)	64,806
Proceeds from sale of assets	20,531	28,535	71,236
Collection of long-term receivables	2,998	6,880	793
Net cash used for investing activities	(114,051)	(124,248)	(59,048)

Cash flows from financing activities:			
Proceeds from long-term debt	525,000		737,922
Payments of long-term debt	(897,942)	(254,731)	(271,727)
Dividends paid	(188,425)	(180,029)	(192,530)
Common stock transactions, net	9,899	21,227	(662,368)
Net cash used for financing activities	(551,468)	(413,533)	(388,703)
Effect of currency exchange rate change	(2,575)	(4,518)	982
Net increase in cash and cash equivalents	2,166	2,656	14,435
Cash and cash equivalents at beginning of year	73,329	70,673	56,238
Cash and cash equivalents at end of year	\$75,495	\$73,329	\$70,673

Page 38

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

In thousands of dollars
Fiscal years ended
December 29, 1991,
December 27, 1992,
and December 26, 1993

	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. 30, 1990	\$162,212	\$39,748	\$2,025,503	\$33	(\$116,440)	(\$47,979)	\$2,063,077
Net income, 1991			301,649				301,649
Dividends declared, 1991: \$1.24 per share			(187,088)				(187,088)
Treasury stock acquired					(671,833)		(671,833)
Stock options exercised		(3,964)			8,846		4,882
Stock issued under incentive plan		(473)			5,055		4,582
Stock issued in connection with acquisition		2,274			15,726		18,000
Tax benefit derived from stock incentive plans		2,183					2,183
Compensation expense related to ESOP						3,235	3,235
Tax benefit from ESOP		589					589
Foreign currency translation adjustment				211			211
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

Page 39

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 1991-1993 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 (\$1.82 billion at December 26, 1993) 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 the 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.

Page 40

Note 2

Acquisitions and dispositions

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 pending sale of its television station in Boston, which is expected to be completed in early 1994. The Company recognized a minor net gain on these transactions 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.

1991: On August 30, 1991, the Company acquired the Times Journal Company located in Springfield, Va., which included a commercial printing operation, The Journal Newspapers and a telephone database service. On December 26, 1991, the Company sold The Journal Newspapers. Consideration for this purchase (net of the proceeds from the sale of The Journal Newspapers) totaled \$35 million and included shares of the Company's common stock and the assumption of certain obligations of the acquired businesses.

On October 18, 1991, the Company sold its newspaper in Little Rock, Ark., for \$69 million in cash. Operating results for 1991 were not materially affected by this transaction.

During 1993, 1992 and 1991, 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 1993, 1992 and 1991 for income taxes and for interest (net of amounts capitalized) was as follows:

In thousands of dollars

	1993	1992	1991
Income taxes	\$249,858	\$274,741	\$271,188
Interest	\$43,967	\$50,871	\$73,394

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. Refer to Note 2 for more information on this transaction.

In 1993, 1992 and 1991, the Company issued 146,371 shares, 142,383

shares and 126,789 shares, respectively, in settlement of previously granted stock incentive rights. The compensation liability for these rights of \$7 million for 1993 and 1992 and \$6 million for 1991 was transferred to shareholders' equity at the time the shares were issued.

In 1991, the Company issued 399,137 shares of its common stock with a value of \$18 million in connection with the acquisition of the Times Journal Company. The Company assumed net liabilities totaling \$17 million in connection with this and other acquisitions in 1991. Refer to Note 2 for more information concerning this transaction.

Page 41

Note 4

Long-term debt

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

In thousands of dollars

	Dec. 26, 1993	Dec. 27, 1992
	-----	-----
Unsecured promissory notes	\$239,118	\$991,211
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%	272,836	-
Notes due 5/1/00, interest at 5.85%	249,418	-
Secured obligations due through 2011, interest averaging 6.3% at Dec. 26, 1993 and Dec. 27, 1992, varying annual installments	12,196	12,366
Unsecured obligations	17,427	17,500
Other indebtedness	395	486
	-----	-----
	850,850	1,081,023
Less amount included in current liabilities	(164)	(267)
	-----	-----
Total long-term debt	\$850,686	\$1,080,756
	=====	=====

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 3.23%.

The unsecured promissory notes at December 27, 1992 were due from January 5, 1993 to January 28, 1993 with interest rates varying from 3.35% to 3.75%.

The maximum amount of such promissory notes outstanding at the end of any period during 1993 was \$1.071 billion and during 1992 was \$1.219 billion. The daily average outstanding balance was \$584 million during 1993 and \$1.124 billion during 1992. The weighted average interest rate was 3.17% for 1993 and 3.75% for 1992.

The unsecured obligations are due from 1994 to 2009 and bear interest at varying rates. At December 26, 1993 and December 27, 1992, the weighted average interest rates were 4.5% and 4.6%, respectively.

At December 26, 1993, the Company had a total of \$1.5 billion of credit available under two revolving credit agreements. One agreement for \$1 billion provides for a revolving credit period which permits borrowings up to the maximum commitment from time to time. The revolving credit period extends to December 1, 1998.

The second agreement is a 364-day revolving credit agreement which provides for borrowings up to \$500 million. This agreement extends to December 1, 1994.

Commitment fee rates are 0.125% for the \$1 billion agreement and 0.09% for the \$500 million agreement. At the option of the Company, the interest rate on borrowings under the agreements 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 6.0% at December 26, 1993 and December 27, 1992.

The revolving credit agreements contain restrictive provisions that relate primarily to the maintenance of net worth of \$1.2 billion. At December 26, 1993 and December 27, 1992, net worth was \$1.9 billion and \$1.58 billion, respectively.

At December 26, 1993, the unsecured promissory notes are supported by the \$1 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 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

1994	\$164
1995	91
1996	59,542
1997	90
1998	512,661
Later years	278,302

Total	\$850,850
	=====

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 1993, 1992 and 1991 consists of the following:

In thousands of dollars

	1993	1992	1991
	-----	-----	-----
Service cost-benefits earned during the period	\$33,627	\$31,230	\$24,971
Interest cost on projected benefit obligation	63,067	58,220	48,838
Actual return on plan assets	(98,622)	(25,656)	(147,855)
Net amortization and deferral of actuarial gains	19,473	(54,469)	80,288
	-----	-----	-----
Net pension expense for Company-sponsored retirement plans	17,545	9,325	6,242
Union and other pension cost	7,399	8,582	6,999
	-----	-----	-----
Net pension cost	\$24,944	\$17,907	\$13,241
	=====	=====	=====

Page 42

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. 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)
=====		

In thousands of dollars
Dec. 27, 1992

	Plans for which assets exceed accumulated benefits	Plans for which accumulated benefits exceed assets
	-----	-----
Actuarial present value of benefit obligations:		
Vested benefit obligation	\$494,461	\$19,156
=====		
Accumulated benefit obligation	\$531,655	\$19,776
=====		
Projected benefit obligation	(\$711,906)	(\$26,991)
Plan assets at market value	724,977	-

Projected benefit obligation less than (in excess of) plan assets	13,071	(26,991)
Unrecognized net loss	64,066	1,993
Unrecognized prior service cost	17,565	1,737
Unrecognized net (asset) obligation at year-end	(57,706)	3,579

Pension asset (liability) reflected in consolidated balance sheet	\$36,996	(\$19,682)
=====		

The projected benefit obligation was determined using an assumed discount rate of 7% at the end of 1993 and 8.5% at the end of 1992. The assumed rate of compensation increase was 5% at the end of 1993 and 6% at the end of 1992. The assumed long-term rate of return on plan assets used in determining pension cost was 10%. Pension plan assets include 590,700 shares of the Company's common stock valued at \$34 million at the end of 1993 and 1,090,700 shares valued at \$56 million at the end of 1992.

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. In addition, operating results for 1992 reflect incremental after-tax costs of \$4 million or 3 cents per share for postretirement benefit costs recorded under the new accounting rule.

The following table sets forth the amounts included in the Consolidated Balance Sheet at December 26, 1993 and December 27, 1992 for postretirement medical and life insurance liabilities:

In thousands of dollars Accumulated postretirement benefit obligation	Dec. 26, 1993	Dec. 27, 1992
	-----	-----
Retirees	(\$168,190)	(\$137,383)

Fully eligible active plan participants	(32,553)	(45,777)
Other active plan participants	(70,531)	(57,823)
	-----	-----
	(271,274)	(240,983)
Unrecognized net loss	22,294	-
Unrecognized prior service credit	(59,044)	(63,880)
	-----	-----
Accrued postretirement benefit cost	(\$308,024)	(\$304,863)
	=====	=====

Page 43

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

In thousands of dollars

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

For 1991, the cost of postretirement medical and life insurance benefits recognized on a cash basis was \$7 million.

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 accumulated postretirement benefit obligation at December 27, 1992 was determined using a discount rate of 8.5% and a health care cost trend rate of 14% for pre-age 65 benefits, decreasing to 6.5% in the year 2007 and thereafter. For post-age 65 benefits, the health care cost trend rate used was 13%, declining to 6.5% 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 each year in the health care cost trend rate used would result in increases of approximately \$19 million in the 1993 accumulated postretirement benefit obligation and \$2 million in the aggregate service and interest components of the 1993 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

	1993	1992	1991
	-----	-----	-----
Domestic	\$650,896	\$559,971	\$489,928
Foreign	17,556	14,309	12,821
	-----	-----	-----
Total	\$668,452	\$574,280	\$502,749
	=====	=====	=====

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

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

In thousands of dollars
1991

	Current	Deferred	Total
Federal	\$179,042	(\$8,635)	\$170,407
State	33,342	(2,027)	31,315
Foreign	(484)	(138)	(622)
Total	\$211,900	(\$10,800)	\$201,100

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

Fiscal year	1993	1992	1991
U.S. statutory tax rate	35.0%	34.0%	34.0%
Increase (decrease) in taxes resulting from:			
State income taxes net of federal income tax benefit	3.9%	4.3%	4.2%
Goodwill amortization not deductible for tax purposes	1.6%	2.0%	2.4%
Other, net	0.0%	-0.5%	-0.6%
Effective tax rate	40.5%	39.8%	40.0%

Page 44

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. Prior years' financial statements were not restated; however, previously reported first quarter 1992 results have been restated to reflect this adjustment. The adoption of SFAS 109 had no effect on the provision for income taxes for 1992.

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 comprised of the following at the end of 1993 and 1992:

In thousands of dollars

	Dec. 26, 1993	Dec. 27, 1992
Liabilities:		
Accelerated depreciation	\$223,000	\$239,000
Accelerated amortization of deductible intangibles	88,000	-
Pension	20,000	15,000
Other	39,512	23,100
Total deferred tax liabilities	370,512	277,100
Assets:		
Accrued compensation costs	(18,000)	(26,000)
Postretirement medical and life	(119,000)	(122,000)

Other	(28,198)	(35,661)
	-----	-----
Total deferred tax assets	(165,198)	(183,661)
	-----	-----
Net deferred tax liabilities	\$205,314	\$93,439
	=====	=====

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 4,530,200 shares of its common stock under this program at a cost of \$158 million. No shares were purchased under this program in 1992 or 1993. In June 1991, the Company acquired 15,940,679 shares, or approximately 10% of its common stock, held by the former Gannett Foundation, for \$670 million in cash. These share purchases were recorded as treasury stock.

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. The Company issued 399,137 shares of treasury stock in connection with the acquisition of the Times Journal Company in 1991. (Refer to Note 2 for further information concerning these transactions.)

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 146,474,000 in 1993, 144,148,000 in 1992 and 150,783,000 in 1991.

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, which is determined by the Committee, 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.

Page 45

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:

	1993	1992	1991
	-----	-----	-----
Stock options	761,910	957,675	547,815
Stock incentive rights	163,702	484,295	319,715

Awards reflected above for 1991 relate to the four-year employment period 1991-1994. 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.

At the beginning of the Company's 1994 fiscal year, 131,655 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 \$11 million for 1993, \$10 million for 1992 and \$4 million for 1991. Under the 1978 Plan, the Company has accrued liabilities aggregating \$24 million at December 26, 1993 and \$22 million at December 27, 1992.

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

Stock options	Number of shares	Option price per share
-----	-----	-----
Balance outstanding		
Dec. 30, 1990	2,172,685	\$18.00-54.63
Granted	547,815	36.13-46.13
Exercised	(249,816)	18.00-43.75
Expired or canceled	(63,562)	30.88-54.63
-----	-----	-----
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
=====	=====	=====

Options were exercisable for 1,299,908 shares at December 26, 1993 and 1,133,077 shares at December 27, 1992. Shares available for future grants under the 1978 Plan totaled 2,805,985 at December 26, 1993.

On July 1, 1990, the Company established a 401(k) Savings Plan, 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. Compensation expense related to the ESOP, based on the number of common shares allocated to employee 401(k) accounts and cash contributed for withdrawals, was \$2.2 million in 1993 and 1992, and \$1.8 million in 1991.

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.

Page 46

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	
1994	\$39,170
1995	38,286
1996	37,182
1997	35,272
1998	30,401

Later years	112,012

Total	\$292,323
	=====

Total minimum annual rentals have not been reduced for future minimum sublease rentals aggregating approximately \$4 million. Total rental costs were \$100 million for 1993, \$109 million for 1992 and \$111 million for 1991.

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 \$862 million, compared with the carrying amount of \$851 million.

Statement of Financial Accounting Standards No. 112, "Employer's Accounting for Postemployment Benefits," requires the accrual method of accounting to be adopted for such benefits no later than the Company's 1994 fiscal year. The Company is currently evaluating this Statement and does not believe its adoption will have a material effect on its financial position or results of operations.

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, France, Hong Kong, Singapore and Switzerland. The newspaper segment consists of 83 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, an international 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 1993 the Company owned 10 television stations and 11 radio stations. Refer to Note 2 for a discussion of the sale of certain broadcast stations.

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 51. In that presentation, operating revenues by industry segment include both sales to unaffiliated customers, as reported in the Company's consolidated statements of income, and intersegment sales, which are accounted for at prices charged unaffiliated customers. 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.

Page 47

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, changes in shareholders' equity and cash flows present fairly, in all material respects, the financial

position of Gannett Co., Inc., and its subsidiaries at December 26, 1993 and December 27, 1992, and the results of their operations and their cash flows for each of the three years in the period ended December 26, 1993, 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.

By s/ Price Waterhouse

Price Waterhouse
Washington, D.C.
January 27, 1994

Pages 48 and 49

11-YEAR SUMMARY

In thousands of dollars except per share amounts

	1993	1992	1991	1990	1989	1988
Net operating revenues:						
Newspaper advertising	\$2,005,037	\$1,882,114	\$1,852,591	\$1,917,477	\$2,018,076	\$1,908,566
Newspaper circulation	838,706	807,093	777,221	730,426	718,087	685,663
Broadcasting	397,204	370,613	357,383	396,693	408,363	390,507
Outdoor advertising	230,771	241,313	260,120	271,366	257,890	226,532
Other	169,903	167,824	134,720	125,659	115,773	103,217
Total (Notes a and b, see page 50)	3,641,621	3,468,957	3,382,035	3,441,621	3,518,189	3,314,485
Operating Expenses:						
Costs and expenses	2,717,634	2,653,803	2,623,335	2,568,744	2,571,617	2,449,587
Depreciation	164,420	157,242	158,389	153,211	149,893	136,861
Amortization of intangible assets	45,215	40,629	41,364	40,825	40,168	40,312
Total	2,927,269	2,851,674	2,823,088	2,762,780	2,761,678	2,626,760
Operating Income	714,352	617,283	558,947	678,841	756,511	687,725
Non-operating income (expense):						
Interest expense	(51,250)	(50,817)	(71,057)	(71,567)	(90,638)	(88,557)
Other	5,350	7,814	14,859	10,689	(18,364)	8,292
Income before income taxes	668,452	574,280	502,749	617,963	647,509	607,460
Provision for income taxes	270,700	228,600	201,100	241,000	250,000	243,000
Income before cumulative effect of accounting principle changes	397,752	345,680	301,649	376,963	397,509	364,460
Cumulative effect on prior years of accounting principle changes for:						
Income taxes		34,000				
Retiree health and life insurance benefits		(180,000)				
Net Income	\$397,752	\$199,680	\$301,649	\$376,963	\$397,509	\$364,460
Per share amounts (1)						
Income before cumulative effect of accounting principle changes	\$2.72	\$2.40	\$2.00	\$2.36	\$2.47	\$2.26
Net income	\$2.72	\$1.39	\$2.00	\$2.36	\$2.47	\$2.26
Dividends declared	1.30	1.26	1.24	1.21	1.11	1.02
Shareholders' equity (3)	12.98	10.94	10.71	12.98	12.40	11.09
Weighted average number of common and common equivalent shares outstanding in thousands (2)	146,474	144,148	150,783	160,047	161,253	161,622
Financial position:						
Current assets	\$757,957	\$631,447	\$636,101	\$668,690	\$671,030	\$665,031
Current Liabilities	455,139	431,551	443,835	500,203	477,822	500,835
Working capital	302,818	199,896	192,266	168,487	193,208	164,196
Long-term debt excluding current maturities	850,686	1,080,756	1,335,394	848,633	922,470	1,134,737
Shareholders' equity	1,907,920	1,580,101	1,539,487	2,063,077	1,995,791	1,786,441
Total assets	3,823,798	3,609,009	3,684,080	3,826,145	3,782,848	3,792,820
Selected financial percentages and ratios						
Percentage increase (decrease):						
Earnings after tax (4)	15.1%	14.6%	-20.0%	-5.2%	9.1%	14.1%
Earnings per share (4)	13.3%	20.0%	-15.3%	-4.5%	9.3%	14.1%
Dividends declared per share	3.2%	1.6%	2.5%	9.0%	8.8%	8.5%
Book value per share	18.6%	2.1%	-17.5%	4.7%	11.8%	11.6%

Credit ratios						
Long-term debt to shareholders' equity	44.6%	68.4%	86.7%	41.1%	46.2%	63.5%
Times interest expense earned	14.0X	12.3X	8.1X	9.6X	8.1X	7.9X

	1987	1986	1985	1984	1983
Net operating revenues:					
Newspaper advertising	\$1,787,077	\$1,588,985	\$1,213,577	\$1,064,056	\$933,432
Newspaper circulation	645,356	575,806	464,976	418,552	361,135
Broadcasting	356,815	351,133	265,480	232,748	192,874
Outdoor advertising	201,771	210,572	207,572	199,570	183,795
Other	88,428	75,001	57,816	45,271	32,410
Total (Notes a and b, see page 50)	3,079,447	2,801,497	2,209,421	1,960,197	1,703,646
Operating Expenses:					
Costs and expenses	2,257,304	2,061,789	1,601,372	1,423,088	1,246,554
Depreciation	124,485	111,229	85,512	75,922	67,012
Amortization of intangible assets	36,595	31,980	18,017	14,591	14,392
Total	2,418,384	2,204,998	1,704,901	1,513,601	1,327,958
Operating Income	661,063	596,499	504,520	446,596	375,688
Non-operating income (expense):					
Interest expense	(85,681)	(79,371)	(25,926)	(24,190)	(26,331)
Other	15,013	23,076	6,183	8,428	18,908
Income before income taxes	590,395	540,204	484,777	430,834	368,265
Provision for income taxes	271,000	263,800	231,500	206,900	176,600
Income before cumulative effect of accounting principle changes	319,395	276,404	253,277	223,934	191,665
Cumulative effect on prior years of accounting principle changes for:					
Income taxes					
Retiree health and life insurance benefits					
Net Income	\$319,395	\$276,404	\$253,277	\$223,934	\$191,665
Per share amounts (1)					
Income before cumulative effect of accounting principle changes	\$1.98	\$1.71	\$1.58	\$1.40	\$1.20
Net income	\$1.98	\$1.71	\$1.58	\$1.40	\$1.20
Dividends declared	0.94	0.86	0.765	0.665	0.61
Shareholders' equity (3)	9.94	8.88	7.93	7.13	6.39
Weighted average number of common and common equivalent shares outstanding in thousands (2)	161,704	161,380	160,466	160,224	159,942
Financial position:					
Current assets	\$601,220	\$570,589	\$473,394	\$394,222	\$334,991
Current Liabilities	474,775	432,327	303,142	293,423	231,612
Working capital	126,445	138,262	170,252	100,799	103,379
Long-term debt excluding current maturities	1,094,321	1,201,370	491,565	188,724	294,853
Shareholders' equity	1,609,394	1,433,781	1,275,213	1,141,964	1,022,289
Total assets	3,510,259	3,365,903	2,313,218	1,812,200	1,689,556
Selected financial percentages and ratios					
Percentage increase (decrease):					
Earnings after tax (4)	15.6%	9.1%	13.1%	16.8%	6.2%
Earnings per share (4)	15.8%	8.2%	12.9%	16.7%	6.2%
Dividends declared per share	9.3%	12.4%	15.0%	9.0%	5.2%
Book value per share	11.9%	11.7%	11.5%	11.5%	9.6%
Credit ratios					
Long-term debt to shareholders' equity	68.0%	83.8%	38.6%	16.6%	29.0%
Times interest expense earned	7.9X	7.8X	19.7X	18.8X	15.0X

(1) Per share amounts have been based upon average number of shares outstanding during each year, giving retroactive effect to adjustments 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 and a 3-for-2 stock split effective January 5, 1984.

(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).

Page 50

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 40 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 40 contains further information concerning certain of these dispositions.

1983

April 13 WTCN-TV now KARE-TV, Minneapolis-St. Paul
June 23 WLVI-TV, Boston

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 now KCMO-FM, Kansas City
 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 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 Honolulu Advertiser
 April 24 Tulare Advance-Register

Page 51

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 83 daily newspapers, with a total average daily circulation of more than 6.3 million for 1993, including USA TODAY. The Company also publishes USA WEEKEND, a weekend newspaper magazine, and a number of non-daily publications.

On December 26, 1993, the broadcasting division included 10 television stations in markets with more than 11 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, the international opinion research firm; electronic information services, including USA TODAY Hot

Lines and USA TODAY Sports and Information Center; USA TODAY Sky Radio, an audio news and entertainment service for commercial airlines; Gannett Direct Marketing Services, a direct marketing company with operations in Louisville, Ky.; Telematch, a telephone database service; 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

	1993	1992	1991
Operating revenues:			
Newspaper publishing	\$3,013,646	\$2,857,839	\$2,766,564
Broadcasting	397,204	370,613	357,383
Outdoor advertising	230,771	241,313	260,120
Intersegment items	-	(808)	(2,032)
	\$3,641,621	\$3,468,957	\$3,382,035
Operating income:			
Newspaper publishing	\$677,285	\$607,637	\$544,660
Broadcasting	86,686	66,181	61,666
Outdoor advertising	14,799	8,191	15,851
Corporate	(64,418)	(64,726)	(63,230)
	\$714,352	\$617,283	\$558,947
Identifiable assets:			
Newspaper publishing	\$2,548,143	\$2,360,546	\$2,388,965
Broadcasting	685,230	721,675	746,859
Outdoor advertising	263,286	279,236	313,868
Corporate	327,139	247,552	234,388
	\$3,823,798	\$3,609,009	\$3,684,080
Depreciation and amortization:			
Newspaper publishing	\$147,524	\$135,076	\$138,897
Broadcasting	31,449	31,249	28,408
Outdoor advertising	18,616	19,594	20,864
Corporate	12,046	11,952	11,584
	\$209,635	\$197,871	\$199,753
Capital expenditures:			
Newspaper publishing	\$111,111	\$122,684	\$134,507
Broadcasting	9,144	17,606	36,439
Outdoor advertising	7,528	8,473	13,242
Corporate	4,339	5,309	8,204
	\$132,122	\$154,072	\$192,392

Page 52

Newspaper publishing

On December 26, 1993, the Company operated 83 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 26, 1993, it had approximately 32,300 full-time and part-time employees. Newspaper operating revenues accounted for approximately 82% of the Company's net operating revenues in 1991 and 1992, and 83% in 1993.

The Company's newspaper operations include the Metro Group, composed of newspapers serving larger metropolitan areas; four regional groups (East, South, Central and West) made up of newspapers in medium-sized and smaller markets; and USA TODAY.

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.

USA TODAY is sold at newsstands and vending machines, Monday through Friday, at 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 1993, as advertising and circulation revenues rose 9% and 2%, respectively, and costs declined slightly. As a result, the paper reported its first profitable year in 1993.

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 67 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 401 newspapers throughout the country, with a total circulation of 17.9 million at the end of 1993.

At the end of 1993, 50 of the Company's daily newspapers, including USA TODAY, were published in the morning and 33 were published in the evening.

At all of its newspaper operations, the Company is striving to improve customer service and product quality with a view toward better serving readers and advertisers. New products are being developed at several of the Company's newspapers, including zoned community editions, new monthly and weekly editions and special niche publications. Gannett Community Directories of New Jersey published 37 separate yellow-page directories with added features, including coupons, maps and expanded use of color. The yellow-page directories published in Binghamton and Elmira, N.Y., produced increased advertising and market share along with greater popularity among users.

In 1993, the Company's newspapers refined strategies to improve editorial quality and focus content on the needs of the individual communities they serve. They updated their approaches to NEWS 2000, a program launched in 1991 to help each newspaper better address community interests, and increased training for newsroom managers and professionals.

In June 1992, the Company introduced ADvance, a program to develop marketing partnerships with advertisers and enhance the skills of newspaper sales and marketing staffs. ADvance is designed to expand and diversify the base of newspaper advertisers. Its premise is a better understanding of advertisers' businesses and objectives and the development of programs responsive to advertisers' needs. The Company has undertaken significant training efforts to implement ADvance concepts and will continue to do so in 1994.

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, editorial, 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 44 newspaper plants.

system which can substitute for traditional keyboard text entry. Five newsrooms now have 12 systems in use and more are planned. NEWSworks, the newsroom story planning system that is designed to add functionality to existing newsroom systems, is being tested in Poughkeepsie, N.Y. Gannett began to test a multi-media archive system late in 1993 and also an investigative reporting program to help reporters analyze public records. The Mobile Advertising Sales System, a lap-top personal computer for our advertising sales staffs, was successfully tested in Rochester and installation is planned at additional newspapers in 1994.

Fifty-one daily newspaper plants print by the offset process, and 20 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 1993, the production hours worked per page were reduced by 5%.

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 1993. USA TODAY circulation is included in this table.

This table assumes that all newspapers owned by the Company at the end of 1993 were owned during all years shown:

Circulation: newspapers owned on Dec. 26, 1993

	Circulation revenues in thousands	Daily net paid circulation	Sunday net paid circulation
1993	\$838,706	6,338,000	6,165,000
1992	\$818,260	6,339,000	6,143,000
1991	\$782,435	6,272,000	6,100,000
1990	\$735,368	6,267,000	6,082,000
1989	\$725,584	6,340,000	5,583,000

The Company emphasized improving customer service and increasing circulation and household penetration at all of its newspaper operations in 1993 and will continue to do so in 1994.

Forty of the Company's local newspapers reported gains in daily circulation during 1993, and 38 increased Sunday circulation.

Home delivery prices for the Company's newspapers are established individually for each newspaper and range from \$1.25 to \$3.00 per week in the case of daily newspapers and from \$.57 to \$2.00 per copy for Sunday newspapers.

Additional information about the circulation of the Company's newspapers may be found on page 28 and on pages 64-66 of this annual report.

Advertising: Advertising revenues are generated through the sale of retail (local), classified and national advertising. A detailed analysis of newspaper advertising revenues is presented on pages 27 and 54 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 down slightly, reflecting the slow recovery of home sales. Retail (local) run-of-press advertising (ROP) improved slightly for the year. There was consistent growth of medium and small advertisers throughout the year. Preprint revenues grew as well in 1993, as certain multi-market

advertisers continued to convert their ad spending from ROP to preprint.

Overall, general economic conditions for newspaper advertising improved. Metro newspapers, which were hardest hit by the recession, experienced the greatest turnaround in advertising revenues. Regionally, the Central region performed the strongest for the second consecutive year. While overall advertising revenue was up in the West, California newspapers for much of the year lagged the rest of the country because of difficult economic conditions there. For 1994, Gannett anticipates modest overall advertising revenue growth to result from the expected continuation of the national economic recovery.

The following chart summarizes the advertising lineage (in six-column inches) and advertising revenues of the newspapers owned by the Company at the end of 1993. Again, this chart assumes that all of the newspapers owned at the end of 1993 were owned throughout the years shown:

Page 54

Advertising: newspapers owned on Dec. 26, 1993

	Advertising revenues in thousands	Inches of advertising
	-----	-----
1993	\$2,004,939	127,322,000
1992	\$1,923,153	121,578,000
1991	\$1,870,682	116,906,000
1990	\$1,940,440	121,196,000
1989	\$2,032,458	126,299,000

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 1993, 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 will continue 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; USA TODAY Sky Radio, which began satellite distribution of news and entertainment programming to commercial airlines in 1992; Telematch, a telephone database service; as well as publishing and electronic information services.

Properties: Generally, the Company owns the plants that house all aspects of the newspaper publication process. In the case of USA TODAY, at December 26, 1993, 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 12 of the Company's newspaper operations. During 1993, facility expansion and renovations in Detroit, Fort Myers and Gainesville 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 1993, the Company's newsprint consumption was approximately 894,000 short-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 1993, all of the Company's newspapers used some recycled newsprint. For the year, approximately 68% of the Company's newsprint consumption contained recycled content. The Company expects to further increase its newsprint consumption from recycled sources.

In 1993, newsprint supplies were ample and the weighted average newsprint price was slightly higher than in 1992. The Company believes the available sources of newsprint, together with present inventories, will continue to be adequate to supply the needs of its newspapers. The Company expects newsprint prices to rise in 1994.

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 not only for regulatory compli-

Page 55

ance but also for preventive measures. The Company is one of the industry leaders in the use of recycled newsprint. From 1989 to 1993, the Company increased usage of newsprint containing recycled content from 42,000 tons in 1989 to more than 600,000 tons in 1993. 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. The Company believes it is taking effective measures regarding the disposal of these compounds, including returning material to manufacturers for recycling. 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.

Broadcasting

On December 26, 1993, the Company's television division, headquartered in Arlington, Va., included 10 television stations, in markets with a total of more than 11 million households. The Company's radio division now includes 11 radio stations in eight markets with a listening population of more than 36 million.

The Company's radio stations in Kansas City and St. Louis were sold in the fourth quarter of 1993. Also in 1993, the Company provided for the sale of its television station in Boston, which is expected to close in early 1994.

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 1993, 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 1991, 1992 and 1993.

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 nine others.

During the past five years, new broadcasting facilities have been built in Denver and Washington, D.C. Substantial additions or remodelings were completed in Austin, Texas, Greensboro, N.C., and Jacksonville, Fla. 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 network-affiliated 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.

Page 56

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 two television stations, 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 1993, 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 68 of this annual report.

Outdoor advertising

At the end of 1993, 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 1,600 full-time and part-time employees at the end of 1993. The group accounted for approximately 8% of the Company's net operating revenues in 1991, 7% in 1992 and 6% in 1993.

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 (28% 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 30-day 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 by skilled company artists, 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.

Page 57

Other displays (12% of outdoor revenues): This category includes poster advertising throughout the New York City subway system and on buses in Detroit 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 declined \$11 million or 4% in 1993. U.S. operations again experienced a significant loss in revenues from advertising by the tobacco industry and revenues from Southern California operations were lower because of continuing economic difficulties. Revenue comparisons are also 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%.

The Company also formed and operates Outdoor Network, USA, which includes 52 independent outdoor companies operating in 91 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 1993, 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.

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 1991, 1992 and 1993 included amounts for leasehold improvements, land, building, furniture, equipment and fixtures for headquarters operations. Headquarters facilities are adequate for present operations. In early 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.

Page 58

Employee relations

On December 26, 1993, the Company and its subsidiaries had 36,500 full-time and part-time employees. On the basis of hours worked, the Company employed the equivalent of 32,600 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 annual increase in 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 1989-1993

The growth of the Company has resulted from acquisitions of businesses, as well as from internal expansion. Its significant acquisitions since the beginning of 1989 are shown on the next page. The Company has disposed of several businesses during this period, which also are listed on the next page.

Page 59

Acquisitions 1989-1993

Year acquired	Name	Location	Publication times or business
1989	Rockford Magazine Outdoor advertising displays merged into New Jersey Outdoor	Rockford, Ill. New Jersey	Local monthly magazine Outdoor advertising
1990	Great Falls Tribune Ye Olde Fishwrapper The Shopper Advertising, Inc. Desert Community Newspapers North Santiam Newspapers Pensacola Engraving Co.	Great Falls, Mont. Port Clinton, Ohio Port Huron, Mich. Palm Springs, Calif. Salem, Ore. Pensacola, Fla.	Daily and Sunday Monthly Weekly Weeklies Weeklies Commercial printing
1991	The Add Sheet New Jersey Publishing Co. The Times Journal Co. Gulf Breeze Publishing USA TODAY Sky Radio (1)	Columbia, Mo. Paramus, N.J. Springfield, Va. Gulf Breeze, Fla. Arlington, Va.	Weekly advertising shopper Yellow-page directories Daily newspapers, commercial printing and telephone data service Weekly Live news programming for commercial airlines
1992	Graphic Publications, Inc.	Richmond, Ind.	Weekly
1993	Honolulu Advertiser Tulare Advance-Register	Honolulu, Hawaii Tulare, Calif.	Daily Daily

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

Dispositions 1989-1993

Year sold	Name	Location	Publication times or business
1989	Fremont Tribune Sturgis Journal El Diario-La Prensa The New Mexican	Fremont, Neb. Sturgis, Mich. New York, N.Y. Santa Fe, N.M.	Daily Daily Daily and Sunday Daily and Sunday
1990	KNUA-FM	Seattle, Wash.	Radio station
1991	Arkansas Gazette Company Journal Newspapers	Little Rock, Ark. Springfield, Va.	Daily and Sunday Daily
1992	Phoenix Outdoor	Phoenix, Ariz.	Outdoor advertising
1993	Honolulu Star-Bulletin KCMO/KCMO-FM KUSA/KSD-FM WLVI-TV (2)	Honolulu, Hawaii Kansas City, Mo. St. Louis, Mo. Boston, Mass.	Daily Radio stations Radio stations Television station

(2) Sale pending and expected to be completed in early 1994.

Page 60

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.

Page 61

QUARTERLY STATEMENTS OF INCOME

In thousands of dollars

Fiscal year ended December 27, 1992

	1st Quarter(1)	2nd Quarter(1)	3rd Quarter(1)	4th Quarter	Total
Net operating revenues:					
Newspaper advertising	\$426,789	\$487,063	\$453,512	\$514,750	\$1,882,114
Newspaper circulation	199,193	201,296	200,739	205,865	807,093
Broadcasting	78,849	97,528	89,353	104,883	370,613
Outdoor advertising	52,059	66,770	62,485	59,999	241,313
Other	36,231	39,482	42,520	49,591	167,824
Total	793,121	892,139	848,609	935,088	3,468,957
Operating expenses:					
Cost of sales and operating expenses, exclusive of depreciation	488,961	503,876	506,568	525,196	2,024,601
Selling, general and administrative expenses, exclusive of depreciation	149,925	163,108	151,574	164,595	629,202
Depreciation	40,484	39,851	39,940	36,967	157,242
Amortization of intangible assets	10,140	10,138	10,110	10,241	40,629
Total	689,510	716,973	708,192	736,999	2,851,674
Operating Income	103,611	175,166	140,417	198,089	617,283
Non-operating income (expense):					
Interest expense	(14,450)	(14,009)	(11,424)	(10,934)	(50,817)
Other	1,580	1,899	2,513	1,822	7,814
Total	(12,870)	(12,110)	(8,911)	(9,112)	(43,003)
Income before income taxes	90,741	163,056	131,506	188,977	574,280
Provision for income taxes	36,190	65,220	52,390	74,800	228,600
Income before cumulative effect of accounting principle changes	54,551	97,836	79,116	114,177	345,680
Cumulative effect on prior years of accounting principle changes for:					
Income taxes	34,000	-	-	-	34,000
Retiree health and life insurance benefits	(180,000)	-	-	-	(180,000)
Total	(146,000)	-	-	-	(146,000)
Net income (loss)	(\$91,449)	\$97,836	\$79,116	\$114,177	\$199,680
Earnings per share:					
Before cumulative effect of accounting principle changes	\$0.38	\$0.68	\$0.55	\$0.79	\$2.40
Cumulative effect of accounting principle changes	(1.01)	-	-	-	(1.01)
Net income (loss) per share	(\$0.63)	\$0.68	\$0.55	\$0.79	\$1.39

(1) Restated from previously issued quarterly statements to reflect changes in accounting principles retroactive to the first quarter of 1992.
Refer to Notes 6 and 7 of the financial statements for further discussion of these accounting principle changes.

Page 62

SCHEDULES TO FORM 10-K INFORMATION

In thousands of dollars

Property, plant & equipment	Balance at beginning of period	Additions at cost	Retirements or sales	Other Changes	Balance at end of period
Dec. 29, 1991					
Land	\$92,561	\$3,624	\$1,970	\$402	\$94,617
Buildings & improvements	559,642	69,640	14,595	(1,143)	613,544
Advertising display structures	277,380	1,657	7,256	346	272,127
Machinery, equipment & fixtures	1,475,721	106,090	69,162	868	1,513,517
Construction in progress and deposits on contracts	67,659	32,277	3	(220)	99,713
	\$2,472,963	\$213,288 (A) (E)	\$92,986	\$253 (D)	\$2,593,518
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 (B) (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 (C) (E)	\$77,894	(\$2,493) (D)	\$2,794,610

Page 63

Accumulated depreciation and amortization of property, plant and equipment	Balance at beginning of period	Additions charged to costs and expenses	Retirements or sales	Other Changes	Balance at end of period
Dec. 29, 1991					
Buildings & improvements	\$183,155	\$25,640	\$4,198	(\$3,527)	\$201,070
Advertising display structures	112,694	14,282	4,082	187	123,081
Machinery, equipment & fixtures	704,991	118,467	42,424	3,423	784,457
	\$1,000,840	\$158,389 (F)	\$50,704	\$83 (D)	\$1,108,608
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

Notes

- (A) Includes assets at acquisition net of adjustments for prior years' acquisitions \$20,896
- (B) Includes assets at acquisition net of adjustments for prior years' acquisitions \$18,460
- (C) Includes assets at acquisition net of adjustments for prior years' acquisitions \$49,533
- (D) Net effect of current foreign currency translation adjustment.
- (E) Includes capitalized interest of \$4,951 in 1992, \$2,440 in 1992 and \$268 in 1993.
- (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.

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. 29, 1991		\$10,698	\$26,122		\$12,469
Year ended Dec. 27, 1992		\$12,469	\$22,010		\$12,241
Year ended Dec. 26, 1993		\$12,241	\$20,505	\$473	\$13,915

Supplementary income statement information

Fiscal year ended

	Dec. 26, 1993	Dec. 27, 1992	Dec. 29, 1991
Maintenance and repairs	\$45,004	\$44,555	\$38,851
Taxes other than payroll and income tax:			
Property	\$20,855	\$18,313	\$16,365
Other	9,157	7,699	7,961
	\$30,012	\$26,012	\$24,326

Pages 64 - 66

MARKETS WE SERVE - 1993

Daily newspapers

State Territory	City	Newspaper	Circulation Morning	Circulation Afternoon	Circulation Sunday	Joined Founded	Gannett	*	
Arizona	Tucson	Tucson Citizen		49,570	1870	1976		(46)	
California	Marin County	Marin Independent Journal		41,382	43,015	1861	1980	(67)	
	Palm Springs	The Desert Sun	48,237		50,253	1927	1986	(78)	
	Salinas	The Californian	23,333			1871	1977	(53)	
	San Bernardino	The San Bernardino County Sun	85,623		97,961	1894	1969	(23)	
	Stockton	The Stockton Record	54,631		60,207	1895	1977	(48)	
	Tulare	Tulare Advance-Register		8,771		1882	1993	(83)	
	Visalia	Visalia Times-Delta	22,772			1859	1977	(54)	
Colorado	Fort Collins	Fort Collins Coloradoan	26,126		32,437	1873	1977	(55)	
Connecticut	Norwich	Norwich Bulletin	33,478		38,206	1791	1981	(70)	
Delaware	Wilmington	The News Journal	126,540		148,545	1871	1978	(61)	
Florida	Brevard County	FLORIDA TODAY	86,138		113,355	1966	1966	(21)	
	Fort Myers	News-Press	95,400		116,589	1884	1971	(37)	
	Pensacola	Pensacola News Journal	63,117		84,096	1889	1969	(24)	
Georgia	Gainesville	The Times		22,908	27,020	1947	1981	(69)	
Guam	Agana	Pacific Daily News	25,107		22,989	1944	1971	(36)	
Hawaii	Honolulu	Honolulu Advertiser	104,188		195,777	1856	1993	(82)	
Idaho	Boise	The Idaho Statesman	64,291		85,685	1864	1971	(29)	
Illinois	Danville	Commercial-News		22,539	24,997	1866	1934	(7)	
	Rockford	Rockford Register Star	77,679		90,478	1855	1967	(22)	
Indiana	Lafayette	Journal and Courier	38,307		44,901	1829	1971	(30)	
	Marion	Chronicle-Tribune	20,720		25,043	1867	1971	(33)	
	Richmond	Palladium-Item		19,687	24,988	1831	1976	(45)	
Iowa	Des Moines	The Des Moines Register	187,294		323,235	1849	1985	(74)	
	Iowa City	Iowa City Press-Citizen		16,310		1860	1977	(57)	
Kentucky	Louisville	The Courier-Journal	238,079		328,472	1868	1986	(80)	
Louisiana	Monroe	The News-Star	39,148		46,818	1890	1977	(60)	
	Shreveport	The Times	82,244		102,923	1871	1977	(59)	
Michigan	Battle Creek	Battle Creek Enquirer		28,185	38,011	1900	1971	(31)	
	Detroit	The Detroit News		370,184		1873	1986	(77)	
		The Detroit News and Free Press			1,181,213				
	Lansing	Lansing State Journal	70,985		95,034	1855	1971	(28)	
	Port Huron	Times Herald		31,169	39,412	1900	1970	(25)	
Minnesota	St. Cloud	St. Cloud Times		28,531	36,544	1861	1977	(52)	
Mississippi	Hattiesburg	Hattiesburg American		26,254	29,195	1897	1982	(72)	
	Jackson	The Clarion-Ledger	110,364		129,009	1837	1982	(71)	
Missouri	Springfield	Springfield News-Leader	62,139		103,249	1893	1977	(51)	
Montana	Great Falls	Great Falls Tribune	34,275		41,210	1885	1990	(81)	
Nevada	Reno	Reno Gazette-Journal	66,813		84,891	1870	1977	(47)	
New Jersey	Bridgewater	The Courier-News		49,761	54,369	1884	1927	(5)	
	Camden	Courier-Post	87,984		98,626	1875	1959	(11)	
	Vineland	The Daily Journal		19,275		1864	1986	(79)	
New York	Binghamton	Press & Sun-Bulletin	70,815		91,910	1904	1943	(9)	
	Elmira	Star-Gazette	35,654		50,383	1828	1906	(1)	
	Ithaca	The Ithaca Journal		19,444		1815	1912	(2)	
	Niagara Falls	Niagara Gazette	26,686		28,965	1854	1954	(10)	
	Poughkeepsie	Poughkeepsie Journal	44,399		62,082	1785	1977	(50)	
	Rochester	Democrat and Chronicle	137,578		258,389	1833	1928	(6)	
		Times-Union		67,394		1918	1918	(3)	
	Saratoga Springs	The Saratogian	12,651		14,429	1855	1934	(8)	
	Utica	Observer-Dispatch	53,740		67,668	1817	1922	(4)	
		Gannett Suburban Newspapers:							
	Mamaroneck	The Daily Times		5,714	5,759	1879	1964	(18)	
	Mount Vernon	The Daily Argus	7,298		9,535	1892	1964	(17)	
	New Rochelle	The Standard-Star	11,124		12,205	1908	1964	(15)	
	Ossining	The Citizen-Register		6,156	7,614	1847	1964	(19)	
	Peekskill	The Star		6,414	9,117	1922	1985	(76)	
	Port Chester	The Daily Item		9,289	10,370	1885	1964	(16)	
	Tarrytown	The Daily News		3,668	4,399	1897	1964	(20)	
	West Nyack-Rockland	Rockland Journal-News	41,928		53,082	1850	1964	(13)	
	White Plains	The Reporter Dispatch		47,536	59,189	1829	1964	(12)	
	Yonkers	The Herald Statesman	24,847		33,812	1852	1964	(14)	
Ohio	Chillicothe	Chillicothe Gazette		16,394		1800	1977	(58)	
	Cincinnati	The Cincinnati Enquirer	203,222		356,948	1841	1979	(63)	
	Fremont	The News-Messenger		13,620		1856	1975	(41)	
	Marietta	The Marietta Times		13,418		1864	1974	(40)	
	Port Clinton	News Herald		6,183		1864	1975	(42)	
Oklahoma	Muskogee	Muskogee Daily Phoenix and Times-Democrat	19,139		20,686	1888	1977	(56)	
Oregon	Salem	Statesman Journal	61,946		71,310	1851	1974	(39)	
Pennsylvania	Chambersburg	Public Opinion		21,283		1869	1971	(27)	
	Lansdale	The Reporter		19,005		1870	1980	(68)	
	North Hills	North Hills News Record		27,663		27,094	1962	(44)	
	Tarentum	Valley News Dispatch		36,519		35,138	1891	1976	(43)
South Dakota	Sioux Falls	Argus Leader	50,707		74,477	1881	1977	(49)	
Tennessee	Jackson	The Jackson Sun	38,899		44,187	1848	1985	(75)	
	Nashville	The Tennessean	144,067		281,023	1812	1979	(64)	
Texas	El Paso	El Paso Times	67,154		101,643	1879	1972	(38)	
Vermont	Burlington	The Burlington Free Press	53,870		68,012	1827	1971	(26)	

Virgin Islands	St. Thomas	The Virgin Islands Daily News	15,826		1930	1978	(62)
Virginia	Arlington	USA TODAY	2,000,821		1982	1982	(73)
Washington	Bellingham	The Bellingham Herald		26,994	34,484	1890	(34)
	Olympia	The Olympian	35,357		44,248	1889	(32)
West Virginia	Huntington	The Herald-Dispatch	41,796		49,675	1909	(35)
Wisconsin	Green Bay	Green Bay Press-Gazette		60,964	87,265	1915	(65)
	Wausau	Wausau Daily Herald		25,487	30,662	1903	(66)

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

Pages 67 and 68

MARKETS WE SERVE - 1993

Operation	Location and other information
Non-daily publications	Weekly, semi-weekly or monthly publications in Arizona, Arkansas, California, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Vermont, Virginia, Washington, 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 WEEKEND	Circulation 17.9 million in 401 newspapers
Advertising offices	Chicago; Detroit; Los Angeles; New York, N.Y.
Editorial and production offices	Arlington, Va.
USA TODAY Sky Radio	
Broadcast studios, business/operations offices	Arlington, Va.
Advertising offices	Arlington, Va.; Chicago; Los Angeles; New York, N.Y.
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 National Newspaper Sales	Headquarters: New York, N.Y.
Regional offices	Chicago; Dallas; Detroit; Los Angeles; Melbourne, Fla.
Gannett New Business and Product Development	Headquarters: Arlington, Va.
Gannett/USA TODAY Sports and Information Center	Headquarters: Greensboro, N.C.
Products	Radio and on-line computer information services
Gannett/USA TODAY Information Center	Headquarters: Arlington, Va.
Products	Telephonic information services
Gannett News Service Bureaus	Headquarters: Arlington, Va. 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: Arlington, Va.
Operations Cincinnati; Nashville, Tenn.; Silver Spring, Md.
GANNETWORK Headquarters: New York, N.Y.
Sales offices Chicago; New York, N.Y.; San Francisco
Louis Harris & Associates New York, N.Y.; London, England; Paris, France
Offices
Telematch Headquarters: Springfield, Va.

MARKETS WE SERVE - 1993

State	City	Television Station	Channel/Network	**		Joined Gannett	*
				Weekly Audience	Founded		
Arizona	Phoenix	KPNX-TV	Channel 12/NBC	972,000	1953	1979	(3)
Colorado	Denver	KUSA-TV	Channel 9/ABC	1,249,000	1952	1979	(2)
District of Columbia	Washington	WUSA-TV	Channel 9/CBS	1,922,000	1949	1986	(7)
Florida	Jacksonville	WTLV-TV	Channel 12/NBC	466,000	1957	1988	(9)
Georgia	Atlanta	WXIA-TV	Channel 11/NBC	1,630,000	1948	1979	(1)
Massachusetts	Boston	WLVI-TV ***	Channel 56/Ind.	1,565,000	1953	1983	(6)
Minnesota	Minneapolis-St. Paul	KARE-TV	Channel 11/NBC	1,312,000	1953	1983	(5)
North Carolina	Greensboro	WFMY-TV	Channel 2/CBS	594,000	1949	1988	(10)
Oklahoma	Oklahoma City	KOCO-TV	Channel 5/ABC	542,000	1956	1979	(4)
Texas	Austin	KVUE-TV	Channel 24/ABC	348,000	1971	1986	(8)

State	City	Radio Station	Channel/Network	**		Joined Gannett	*
				Weekly Audience	Founded		
California	Los Angeles	KIIS	1150 Khz	30,600	1927	1979	(3)
		KIIS-FM	102.7 Mhz	1,917,600	1961	1979	(1)
	San Diego	KSDO	1130 Khz	308,000	1947	1979	(5)
		KCLX-FM	102.9 Mhz	191,300	1963	1979	(4)
Florida	Tampa-St. Petersburg	WDAE	1250 Khz	27,500	1922	1984	(8)
		WUSA-FM	100.7 Mhz	275,400	1951	1980	(7)
Illinois	Chicago	WGCI	1390 Khz	280,000	1923	1979	(6)
		WGCI-FM	107.5 Mhz	953,100	1959	1979	(2)
Texas	Dallas	KHKS-FM	106.1 Mhz	573,800	1950	1986	(11)
		KKBQ	790 Khz	8,000	1944	1984	(10)
	Houston	KKBQ-FM	92.9 Mhz	411,900	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 1993 Nielsen book.
Weekly audience for radio stations is number of different listeners age 12 and up reached, according to the Fall 1993 Arbitron book.
*** Sale pending.

INFORMATION ON BACK COVER

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

The Annual Meeting
The annual meeting of shareholders will be held at 10 a.m., Tuesday, May 3, 1994, at Gannett headquarters, 1100 Wilson Boulevard, Arlington, Va.

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 1993 Form 10-K annual report may be obtained by writing the Secretary, Gannett Co., Inc., 1100 Wilson Boulevard, Arlington, Va. 22234.

Transfer Agent and Registrar
Norwest Bank Minnesota, N.A.

Gannett Co., Inc. Headquarters
1100 Wilson Boulevard
Arlington, Va. 22234
703-284-6000

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

Senior Vice President/Public Affairs and Government Relations
Mimi Feller

Director/Public Affairs and Editor/Annual Report
Sheila Gibbons

Vice President/Investor Relations
Susan Watson

Vice President/Corporate Accounting Services
George Gavagan

Manager/Consolidation Accounting
Julie Valpey

Manager/Publications
Ashley Weissenburger

Art Director
Michael Abernethy

Printing
Monroe Litho Rochester, N.Y.

LIST OF SUBSIDIARIES

UNIT	STATE OF INCORPORATION
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 DIRECT MARKETING SERVICES, INC.	KENTUCKY
GANNETT INTERNATIONAL COMMUNICATIONS, INC.	DELAWARE
GANNETT MASSACHUSETTS BROADCASTING, INC.	MASSACHUSETTS
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
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 FRANCE S.A.R.L.	FRANCE
LOUIS HARRIS INTERNATIONAL, INC.	DELAWARE
MCCLURE NEWSPAPERS, INC.	DELAWARE
MEDIACOM INC.	CANADA
MEDIACOM INDUSTRIES INC.	CANADA
NEW YORK SUBWAYS ADVERTISING CO., INC.	ARIZONA
NEWS-PRESS PUBLISHING COMPANY	FLORIDA
OKLAHOMA PRESS PUBLISHING COMPANY	OKLAHOMA
OPINION RESEARCH LTD.	UNITED KINGDOM
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
SHELTER MEDIA OF ARIZONA, INC.	ARIZONA
SHINY ROCK MINING CORPORATION	OREGON
SIOUX FALLS NEWSPAPERS INC.	SOUTH DAKOTA
SOUTHLAND PUBLISHING COMPANY	DELAWARE
SPEIDEL NEWSPAPERS INC.	DELAWARE
THE STATESMAN-JOURNAL COMPANY	OREGON
STOCKTON NEWSPAPERS INC.	CALIFORNIA
THE SUN COMPANY OF SAN BERNARDINO, CALIFORNIA	CALIFORNIA
TELEVISION 12 OF JACKSONVILLE, INC.	FLORIDA
THE TIMES HERALD COMPANY	MICHIGAN
TNI PARTNERS	ARIZONA
USA TODAY INTERNATIONAL CORPORATION	DELAWARE
USA WEEKEND, INC.	DELAWARE
VISALIA NEWSPAPERS INC.	CALIFORNIA
WFMY TELEVISION CORP.	NORTH CAROLINA

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Prospectus constituting part of the Registration Statement on Form S-3 (No. 33-58686) 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 27, 1994 appearing on page 47 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
PRICE WATERHOUSE

Washington, D.C.
March 21, 1994

EXHIBIT 99

Descriptions of graphics presented in the paper copy of Gannett Co., Inc.'s Annual Report for fiscal year ended December 26, 1993, are as follows:

Annual Report Page Reference	Table Description (in body of electronic format document)	Representation on Paper Copy
25	common stock prices by quarters for years 1983 through February 22, 1994, based on NYSE-composite closing prices	bar graph
28	newspaper advertising revenues in millions for years 1984 through 1993	bar graph
29	newspaper circulation revenues in millions for years 1984 through 1993	bar graph
30	broadcasting revenues in millions for years 1984 through 1993	bar graph
30	outdoor advertising revenues in millions for years 1984 through 1993	bar graph
31	net income and income before cumulative effect of accounting principle changes in millions for years 1984 through 1993	bar graph
32	return on sales (before cumulative effect of accounting changes) in percentages for years 1984 through 1993	bar graph
33	return on shareholders' equity (before cumulative effect of accounting changes) in percentages for years 1984 through 1993	bar graph
33	dividends declared per share for years 1984 through 1993	bar graph
64	map	

is not in the body of the electronic format document, however, the tables on pages 64 - 68 list Gannett markets served

Markets We Serve - 1993
map of United States (including Alaska and excluding Hawaii) designating locations of daily newspapers, USAT print sites, television stations, radio stations, outdoor operations and GNS bureaus

64 inset box is not in the body of the electronic format document, however, the tables on pages 64 - 68 list Gannett markets served

box inset of additional operations (outside of the continental United States and Alaska)
Newspapers:
Guam, Hawaii, Virgin Islands
Outdoor:
Canada
USAT print sites:
England, Hong Kong, Switzerland