



## Gannett Executives Present to Media and Entertainment Analysts of New York

June 21, 2012

MCLEAN, Va., June 21, 2012 /PRNewswire/ -- Gannett Co., Inc. (NYSE: GCI) President and Chief Executive Officer Gracia Martore and members of the company's senior management team reported on Gannett's progress in executing the company's strategic growth plan at its annual presentation to the Media and Entertainment Analysts of New York today.

"Gannett has an excellent plan in place to take full advantage of the changes sweeping the industry, and the steps we have taken so far are already being rewarded," Martore said. "Our plans to revitalize community publishing and more deeply engage with consumers are well underway across the more than 100 communities where Gannett has been a trusted source of news and information for decades.

"In addition, our new all-access subscription model has been rolled out in 38 markets and is progressing as anticipated. New ventures like Digital Marketing Services and the USA TODAY Sports Media Group that leverage and extend our brands and assets are gaining traction and delivering results. We are confident in our strategy and our ability to achieve sustainable revenue growth while maintaining a strong balance sheet and generating increasing shareholder value."

In her remarks, Martore reaffirmed the company's expectation of 2%-4% annual revenue growth and greater earnings growth by 2015. She also reconfirmed that the company is on a path to return more than \$1.3 billion to shareholders by 2015 through its previously announced \$0.80 per share dividend and expanded share repurchase commitment of \$300 million over the next two years.

Gannett executives also provided updates on specific businesses and initiatives, including:

- Bob Dickey, president of U.S. Community Publishing ("USCP"), provided an update on second quarter revenue trends and discussed progress in implementing the new all-access subscription model. The model, which was operational in nearly half of USCP markets, reflects the full value consumers place on multi-platform access to Gannett's content. USCP circulation revenue is expected to grow approximately 25% by the end of 2013 and the new model is expected to contribute approximately \$100 million to operating profit in 2013.
- Larry Kramer, president and publisher of USA TODAY, outlined plans to leverage Gannett's scale and resources to reimagine USA TODAY, which celebrates its 30th anniversary in September, as a stronger, more influential news brand. The development and expansion of USA TODAY Sports Media Group and Travel Media Group are two early reflections of this ongoing effort to enhance and reintroduce USA TODAY-branded content and marketing tools to consumers and advertisers on every platform.
- Gannett Digital Ventures President Jack Williams provided an update on Gannett Digital Marketing Services ("DMS"), which offers local clients a comprehensive product suite that includes daily deals, search engine marketing and optimization, social media marketing, website design, and e-mail campaigns. DMS, which thus far has been rolled out in all Gannett Broadcasting markets and 35 USCP markets, is expected to generate revenue of \$75 million-\$100 million in 2012. Williams also reviewed CareerBuilder's strong performance to-date, including its sustained revenue growth in the U.S. in the face of an uneven labor market, as well as growth of its international operations.
- David Lougee, president of Gannett Broadcasting, said Broadcasting has been performing strongly in the second quarter as a result of retransmission and advertising revenue gains. Lougee also indicated that politically related and Olympic spending would provide significant tailwinds for Gannett Broadcasting for the third and fourth quarters of 2012.
- Senior Vice President and Chief Digital Officer David Payne discussed the progress on the work to re-launch Gannett's digital and mobile properties by the end of 2013. He noted that the company's Atlanta-based Video Production Center, an important component of the digital strategy, is now operational and has already served over two million videos across Gannett.

### Guidance:

Gannett reaffirmed that initiative investments being made in the first half of 2012 are expected to positively impact results in the second half and provide an even more significant impact in 2013 and beyond. Despite initiative spending of \$30 million and additional pension expense of \$4 million in the second quarter, and excluding special items, the company expects total second quarter expenses to be in line with the second quarter of 2011. Including the impact of those two factors, and based on second quarter trends and expectations, which include Broadcasting segment revenue growth of 10%-11%, Publishing segment revenue declines of 5%-5.5%, and company-wide digital growth of 12%-13%, the company is comfortable with the current First Call consensus of second quarter earnings per share.

### Webcast:

A replay of today's webcast presentation will be available under "Investor Relations" at [www.gannett.com](http://www.gannett.com). A transcript of the presentation will be archived in the "Investor Relations" section of the company's web site.

*Certain statements in this press release may be forward looking in nature or "forward looking statements" as defined in the Private Securities Litigation Reform Act of 1995. The forward looking statements contained in this press release are subject to a number of risks, trends and uncertainties that*

*could cause actual performance to differ materially from these forward looking statements. A number of those risks, trends and uncertainties are discussed in the company's SEC reports, including the company's annual report on Form 10-K and quarterly reports on Form 10-Q. Any forward looking statements in this press release should be evaluated in light of these important risk factors.*

**About Gannett**

Gannett Co., Inc. (NYSE: GCI) is an international media and marketing solutions company that informs and engages more than 100 million people every month through its powerful network of broadcast, digital, mobile and publishing properties. Our portfolio of trusted brands offers marketers unmatched local-to-national reach and customizable, innovative marketing solutions across any platform. Gannett is committed to connecting people – and the companies who want to reach them – with their interests and communities. For more information, visit [www.gannett.com](http://www.gannett.com).

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