SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

X Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended September 26, 1999 or

_ Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _______ to _________

Commission file number 1-6961

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

Delaware	16-0442930
(state or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1100 Wilson Boulevard, Arlington, Virginia 22234
(Address of principal executive offices) (Zip Code)

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

(Former name, former address and former fiscal year, if changed since last report)

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 __

The number of shares outstanding of the issuer's Common Stock, Par Value $1.00, as of September 26, 1999 was 278,771,355.

PART I. FINANCIAL INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATIONS

ACQUISITIONS/DISPOSITIONS/EXCHANGES

On June 24, 1999, Gannett U.K. Limited ("Gannett UK"), a wholly-owned subsidiary of Gannett Co., Inc. ("the company"), made a cash offer to acquire the entire issued and to be issued share capital of Newsquest plc ("Newsquest"). Pursuant to the Offer, Newsquest shareholders elected to receive 460 pence (U.S. $7.26) in cash or Loan Notes for each of 200.4 million fully diluted shares, for a total price of approximately 922 million pounds sterling (U.S. $1.5 billion). Gannett UK also financed the repayment of Newsquest's existing debt. Share purchases commenced in the third quarter of 1999 and were financed principally by commercial paper borrowings and operating cash flow. On July 26, 1999, pursuant to the Offer Document, Gannett UK declared the Offer unconditional in all respects and shortly thereafter, Gannett UK effectively owned 100% of Newsquest shares. The acquisition was recorded under the purchase method of accounting and Newsquest's results of operations are included in the company's third quarter financial statements from July 26, 1999 onward.

On July 27, 1999, the company announced an agreement to sell the assets of its cable division to Cox Communications, Inc. for approximately $2.7 billion in cash. Closing is expected to occur after regulatory approvals are obtained in early 2000. Upon closing, a gain will be recognized which, along with the cable and security segment operating results, will be reported as discontinued operations in the company's financial statements.

EARNINGS SUMMARY

Quarter

Operating income for the third quarter of 1999 rose $57.3 million or 18%. Newspaper publishing earnings were up $55.9 million or 23% for the quarter, reflecting continued strong advertising demand, very strong operating results at USA TODAY and USA WEEKEND, a 9% decline in newsprint expense and the positive impact of the recently acquired Newsquest properties. Television earnings declined $0.7 million or 1% for the quarter. The television segment results were impacted by recent transactions, including the exchange of the company's station in Austin, TX for a station in Sacramento, CA, plus other consideration. Cable earnings rose $2.8 million or 20% for the quarter.

Net income for the third quarter rose $31.0 million or 18%. Net income per share was $.74 (diluted), up 19%.

Year-to-Date

Operating income for the first nine months of 1999 rose $110.4 million or 11%. Non-operating income for the first nine months of 1999 included a second quarter net pre-tax gain of $55 million ($33 million after-tax) principally from the exchange of the television stations discussed above. Non-operating income for the first nine months of 1998 included a first quarter net pre-tax gain of $306.5 million ($183.6 million after-tax) primarily from the disposition of the company's five remaining radio stations and its alarm security business. Net income for the first nine months of 1999, excluding the 1999 and 1998 gains referred to above, advanced $72.0 million or 13%.

A presentation of year-to-date earnings excluding the net non-operating gains follows:

Earnings Summary Excluding
1999 and 1998 Net Non-operating Gains

(dollars in thousands,
except per share amounts)

	Year-to-date Ended Sept. 26, 1999	Year-to-date Ended Sept. 27, 1998	% Inc (Dec)
Operating income	$1,101,149	$990,768	11.1
Non-operating income (expense):			
Interest expense	(56,918)	(60,767)	(6.3)
Other	4,731	2,450	93.1
Total	(52,187)	(58,317)	(10.5)
Income before income taxes	1,048,962	932,451	12.5
Provision for income taxes	418,400	373,880	11.9
Net income	$ 630,562	$558,571	12.9
Net income per share-basic	$2.26	$1.96	15.3
Net income per share-diluted	$2.24	$1.95	14.9

Certain pro forma operating results for each business segment are discussed in the following sections of this report.

NEWSPAPERS

As discussed above, the company completed the acquisition of Newsquest on July 26, 1999. Newsquest's principal activities are publishing and printing regional and local newspapers in the United Kingdom with a portfolio that includes 11 daily newspapers and a variety of non-daily publications. Reported results include the operating results from the Newsquest properties from July 26, 1999 onward and were translated from pounds sterling to U.S. dollars at a weighted average rate of $1.61.

Reported newspaper publishing revenues rose $118.1 million or 12% in the third quarter of 1999 and $204.7 million or 7% for the year-to-date, reflecting the impact of revenues from the Newsquest properties. This included a $110.5 million or 16% gain in advertising revenues for the quarter and $202.7 million or 10% increase for the year-to-date.

The tables below provide, on a pro forma basis, details of newspaper ad revenue, including the newly acquired Newsquest properties, for the third quarter and year-to-date periods of 1999 and 1998. Advertising linage and preprint distribution details are also provided below; however, linage and preprint distribution for Newsquest publications are not included.

Advertising revenue, in thousands of dollars (pro forma)

Third Quarter

	1999	1998	% Change
Local	$234,251	$234,678	0
National	139,265	124,348	12
Classified	355,791	336,469	6
Total Run-of-Press	729,307	695,495	5
Preprint and other advertising	112,991	107,312	5
Total ad revenue	$842,298	$802,807	5

Advertising linage, in thousands of inches, and preprint distribution, in millions (pro forma)

Third Quarter

	1999	1998	% Change
Local	8,207	8,201	0
National	811	723	12
Classified	11,653	10,706	9
Total Run-of-Press linage	20,671	19,630	5
Preprint distribution	1,762	1,704	3

Advertising revenue, in thousands of dollars (pro forma)

Year-to-Date

	1999	1998	% Change
Local	$716,958	$715,544	0
National	449,185	393,176	14
Classified	1,062,952	1,002,126	6
Total Run-of-Press	2,229,095	2,110,846	6
Preprint and other advertising	338,443	320,671	6
Total ad revenue	$2,567,538	$2,431,517	6

Advertising linage, in thousands of inches, and preprint distribution, in millions (pro forma)

Year-to-Date

	1999	1998	% Change
Local	24,843	24,639	1
National	2,463	2,153	14
Classified	33,818	31,259	8
Total Run-of-Press linage	61,124	58,051	5
Preprint distribution	5,265	5,126	3

Pro forma newspaper advertising revenues rose 5% for the quarter and 6% for the year-to-date. Local ad revenues and volume were flat for the quarter. Year-to-date, local ad revenues were flat with volume up 1%. National ad revenues rose 12% for the quarter and 14% for the year-to-date on a volume increase of 12% for the quarter and 14% for the year-to-date. Classified ad revenues increased 6% for the quarter and the year-to-date on a volume increase of 9% for the quarter and 8% for the year-to-date. Most of the company's newspapers, including USA TODAY and USA WEEKEND, recorded solid gains in advertising revenue. Classified gains were strongest in the employment and automotive categories.

Reported newspaper circulation revenues declined 2% for the quarter and 1% for the year-to-date. Pro forma net paid daily circulation for the company's local newspapers was lower by 2% for the quarter and 1% for the year-to-date. Sunday circulation was lower by 2% for the quarter and for the year-to-date. USA TODAY reported an average daily paid circulation of 2,235,808 in the ABC Publisher's statement for the 26 weeks ended September 26, 1999, a 1% increase over the comparable period a year ago.

Operating costs for the newspaper segment increased $62.2 million or 8% for the quarter and $94.1 million or 4% for the year-to-date, largely due to the added costs from the Newsquest properties. In total, newsprint expense decreased 9% for the quarter and 5% for the year-to-date. Newsprint consumption rose 8% for the quarter and 4% for the year-to-date, while newsprint prices continued to decline. The company expects newsprint prices to be lower for the remainder of the year as compared to the corresponding period of 1998.

Newspaper operating income increased $55.9 million or 23% for the quarter and $110.6 million or 15% for the year-to-date, reflecting strong advertising gains throughout the group particularly in classified and national advertising, very strong operating results at USA TODAY and USA WEEKEND, an overall decrease in newsprint expense and the positive impact of the recently acquired Newsquest properties.

TELEVISION

Reported results include the impact of WLTX-TV (CBS) in Columbia, South Carolina, purchased in late April of 1998 and the impact of the exchange of KVUE-TV (ABC) in Austin, Texas for KXTV-TV (ABC) in Sacramento, California on June 1, 1999. Gannett Television now consists of 21 television stations reaching 17.3 percent of the U.S. television market.

Reported television revenues increased $7.6 million or 5% for the third quarter and $3.8 million or 1% for the year-to-date, while operating costs increased $8.4 million or 9% for the quarter and $10.4 million or 4% for the year-to-date. On a pro forma basis, television station revenues increased 3% for the quarter and declined 1% for the year-to-date. Pro forma local ad revenues increased by 8% for the quarter and 5% for the year-to-date, while national ad revenues decreased by 3% for the quarter and 7% for the year-to-date.

Reported television operating income declined $0.7 million or 1% for the quarter and $6.6 million or 3% for the year-to-date. Recent television station transactions, including the previously mentioned exchange completed in June 1999, unfavorably impacted the operating results of the television group.

CABLE AND SECURITY

Reported operating revenues for the cable and security segment increased $6.4 million or 11% for the third quarter and $11.0 million or 6% for the year-to-date, while operating income rose $2.8 million or 20% for the quarter and $5.7 million or 13% for the year-to-date. In early March 1998, the company sold its alarm security business, previously reported with this segment. On a pro forma basis for the year-to-date, excluding the 1998 alarm security results, cable revenues rose $19.2 million or 11% and operating income increased $6.3 million or 15%.

In late August 1998, the company completed an exchange of its subscribers and certain cable system assets in the Chicago area (93,000 subscribers) for subscribers and certain cable systems assets of TCI Communications, Inc. in Kansas (128,000 subscribers). At the end of the third quarter of 1999, the cable television business served approximately 517,000 subscribers in three states or 62% of homes passed.

The increases in cable operating revenues and operating income for the third quarter and year-to-date reflect the increased subscriber base from the asset exchange, higher subscription rates and significant increases in advertising revenues.

As discussed above in the opening section of this report, the company has announced an agreement to sell the assets of its cable division. Upon closing of this transaction, a gain on the disposal of the cable division assets, along with the cable and security segment operating results, will be reported as discontinued operations in the company's financial statements.

NON-OPERATING INCOME AND EXPENSE/PROVISION FOR INCOME TAXES

Interest expense increased $9.3 million or 54% for the quarter reflecting increased commercial paper borrowings to finance the Newsquest acquisition. Year-to-date interest expense, however, decreased $3.8 million or 6%, reflecting the pay-down of long-term debt in the first half of 1999 from operating cash flow and proceeds from the disposal of certain businesses in 1998 and 1999.

Non-operating income for the year-to-date 1999 included a net pre-tax second quarter gain of $55 million ($33 million after-tax), while non-operating income for the year-to-date 1998 included a net pre-tax first quarter gain of $307 million ($184 million after-tax) as discussed in the Earnings Summary above.

The company's effective income tax rate was 39.9% for the quarter and year-to-date periods of 1999 versus 40.1% for the same periods last year.

NET INCOME

Net income increased $31.0 million or 18% for the quarter. For the year-to-date, excluding the $33 million and $184 million net non-operating after-tax gains in 1999 and 1998, net income rose $72.0 million or 13%. Diluted earnings per share rose to $0.74 from $0.62, an increase of 19% for the quarter, and rose to $2.24 from $1.95, an increase of 15% for the year-to-date (excluding the 1999 and 1998 net non-operating gains).

The weighted average number of diluted shares outstanding in the quarter totaled 282,200,000, compared to 286,923,000 for the third quarter of 1998. Year-to-date, the weighted average number of diluted shares outstanding totaled 282,035,000, compared to 287,073,000 in the same period last year. During the third quarter of 1999, the company repurchased approximately 1.3 million shares of common stock at a cost of approximately $91.3 million. In the last half of 1998, the company repurchased approximately six million shares of common stock at a cost of $329 million. These stock repurchases were partially offset by shares issued upon the exercise of stock options and the settlement of stock incentive rights. Exhibit 11 of this Form 10-Q presents the weighted average number of basic and diluted shares outstanding and the earnings per share for each period.

LIQUIDITY AND CAPITAL RESOURCES

The company's consolidated operating cash flow (defined as operating income plus depreciation and amortization of intangible assets) as reported in the accompanying Business Segment Information totaled $1,345.7 million for the first nine months of 1999, compared with $1,223.9 million for the same period of 1998, a 10% increase, reflecting strong overall operating results and the acquisition of Newsquest.

Capital expenditures for the year-to-date totaled $166 million, compared to $144 million in 1998. The acquisition of Newsquest during the third quarter resulted in significant increases in the company's excess of acquisition cost over the value of assets acquired and its property, plant and equipment. Although the company's long-term debt was reduced by $358 million in the first half of 1999 from operating cash flow, at the end of the third quarter, the company's long-term debt was up $1.18 billion, reflecting commercial paper borrowings to finance the acquisition of Newsquest. The company's foreign currency translation adjustment, included in accumulated other comprehensive income and reported as part of shareholders' equity, totaled $30.3 million, net of tax, at September 26, 1999, due to the strengthening of the British pound against the U.S. dollar since the Newsquest acquisition date. Newsquest's assets and liabilities at September 26, 1999 were translated from British pounds to U.S. dollars at an exchange rate of $1.64. The company's regular quarterly dividend of $0.20 per share was declared in the first and second quarters and $0.21 per share was declared in the third quarter of 1999. Dividends declared totaled $170.6 million for the first nine months of 1999.

YEAR 2000

In prior filings, the company has included discussion surrounding its Year 2000 plans, which is updated below.

Project

The company developed a plan to ensure that all of its key computer systems would be Year 2000 compliant in advance of December 31, 1999. The plan encompasses all operating properties (including those recently acquired), corporate headquarters and, where necessary, computer applications that directly interface elements of the company's business with business partners, customers, suppliers and service providers.

The plan structure includes several phases: inventory, assessment, detailed analysis, implementation/remediation, audit and contingency planning. The first three phases of inventory, assessment and detailed analysis are complete. The implementation/remediation phase is substantially complete. Audit and contingency planning efforts are also substantially complete, but will continue to be refined up to the Year 2000.

The company's business systems (i.e., marketing, sales support, customer billing and accounts receivable, accounting, accounts payable and payroll) at a majority of its local operating properties and at its headquarters are already Year 2000 compliant. This has been achieved through a systematic roll-out of Year 2000 compliant software where it was necessary. By the end of the third quarter of 1999, more than 99% of these business applications were Year 2000 compliant. For those few properties which still operate business systems that are not Year 2000 compliant, the company has already purchased or developed the necessary software and will be installing it during the fourth quarter of 1999 according to plan.

For newspaper operations, critical systems also include publishing systems (i.e., front-end editorial and classified, networks, press and mailroom/distribution systems) and other facility/administrative systems. At the end of the third quarter of 1999, more than 97% of such newspaper publishing systems were Year 2000 compliant. The company expects to complete installation of compliant publishing systems in the fourth quarter of 1999. All facility/administrative systems for the newspaper group are Year 2000 compliant.

The company's 21 television stations generally use standard purchased software and systems for production and broadcasting. Each station operates these systems independently on separate hardware platforms. Nearly all critical television station systems have been modified or upgraded as necessary for Year 2000 compliance. For the few remaining systems, compliance will be achieved at various points through the fourth quarter of 1999 when the desired technology becomes available for purchase and installation.

For the cable television business, all business applications and other critical systems for production, distribution and administration are now Year 2000 compliant.

The company has requested confirmation of compliance from its third party vendors and, in important cases, has or will run tests in the fourth quarter of 1999 to verify compliance.

Costs

The costs specifically associated with efforts to achieve Year 2000 compliance are expected to be less than $33 million in the aggregate (exclusive of software and hardware that has been or will be replaced or upgraded in the normal course of business), and more than 96% of such costs were incurred and reported through the end of the third quarter of 1999. Year 2000 compliance costs are not material to the company's financial position or to operating results for any of the years involved and compliance efforts have not significantly affected progress of other information technology plans or programs.

Risks

The business risks the company would face if it were unable to achieve Year 2000 compliance for its critical systems could vary significantly in degree of seriousness, depending on the system and the business unit affected. The company may be unable to publish certain of its newspapers, broadcast from certain of its television stations and/or deliver programming in certain cable markets. If this occurred, it would most likely be due to Year 2000 related failure of the company's utility, telecommunications or content service providers, not from internal company system failure. The company continues to work directly with these vendors to evaluate risk levels. If the company's operations were affected in this manner, revenue losses would result which would not be fully recovered when normal operations resumed. Incremental repair and start up costs might also be incurred. Given the present state of its Year 2000 compliance program and its plans to complete it as described above, the company does not expect that a significant portion of its operations would be adversely impacted, and even if certain operations were so impacted, it would be only for a limited time. Consequently, management does not believe possible disruptions of this nature would have a material effect on the company's financial condition or results of operations.

While the company believes its Year 2000 plan will ensure functionality of all key systems, each business unit and corporate headquarters have also prepared contingency plans.

CERTAIN FACTORS AFFECTING FORWARD LOOKING STATEMENTS

Certain statements in the company's 1998 Annual Report to Shareholders, its Annual Report on Form 10-K, and in this Quarterly Report contain forward-looking information. The words "expect," "intend," "believe," "anticipate," "likely," "will," and similar expressions generally identify forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties which could cause actual results and events to differ materially from those anticipated in the forward-looking statements.

Potential risks and uncertainties which could adversely affect the company's ability to obtain these results include, without limitation, the following factors: (a) increased consolidation among major retailers or other events which may adversely affect business operations of major customers and depress the level of local and national advertising; (b) an economic downturn in some or all of the company's principal newspaper or television markets leading to decreased circulation or local or national advertising; (c) a decline in general newspaper readership patterns as a result of competitive alternative media or other factors; (d) an increase in newsprint or syndication programming costs over the levels anticipated; (e) labor disputes which may cause revenue declines or increased labor costs; (f) acquisitions of new businesses or dispositions of existing businesses; (g) a decline in viewership of major networks and local news programming; (h) rapid technological changes and frequent new product introductions prevalent in electronic publishing; and (i) the uncertainty associated with the impact of Year 2000 issues on the company, its customers, its vendors and others with whom it does business.

CONSOLIDATED BALANCE SHEETS
Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars

	Sept. 26, 1999	Dec. 27, 1998
ASSETS		
Cash	$ 54,364	$ 60,103
Marketable securities	12	6,084
Trade receivables, less allowance (1999 - $29,843; 1998 - $19,143)	721,402	664,540
Inventories	97,481	87,176
Prepaid expenses and other receivables	108,937	88,482
Total current assets	982,196	906,385
Property, plant and equipment		
Cost	3,890,338	3,666,743
Less accumulated depreciation	(1,700,368)	(1,602,960)
Net property, plant and equipment	2,189,970	2,063,783
Intangible and other assets		
Excess of acquisition cost over the value of assets acquired, less amortization	5,434,108	3,794,601
Investments and other assets	329,023	214,711
Total intangible and other assets	5,763,131	4,009,312
Total assets	$ 8,935,297	$ 6,979,480

LIABILITIES & SHAREHOLDERS' EQUITY		
Current maturities of long-term debt	$	$ 7,812
Accounts payable and current portion of film contracts payable	360,020	312,283
Compensation, interest and other accruals	306,422	228,222
Dividend payable	58,780	55,790
Income taxes	64,205	6,395
Deferred income	127,236	117,465
Total current liabilities	916,663	727,967
Deferred income taxes	500,379	442,359
Long-term debt, less current portion	2,496,911	1,306,859
Postretirement, medical and life insurance liabilities	306,946	308,145
Other long-term liabilities	271,796	214,326
Total liabilities	4,492,695	2,999,656
Shareholders' Equity		
Preferred stock of $1 par value per share. Authorized 2,000,000 shares; issued - none.		
Common stock of $1 par value per share. Authorized 400,000,000; issued, 324,420,732 shares.	324,421	324,421
Additional paid-in capital	128,839	126,045
Retained earnings	5,268,045	4,775,313
Accumulated other comprehensive income	39,928	
Total	5,761,233	5,225,779
Less treasury stock - 45,649,377 shares and 42,816,478 shares respectively, at cost	(1,298,905)	(1,223,077)
Deferred compensation related to ESOP	(19,726)	(22,878)
Total shareholders' equity	4,442,602	3,979,824
Total liabilities and shareholders' equity	$ 8,935,297	$ 6,979,480

CONSOLIDATED STATEMENTS OF INCOME
Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars (except per share amounts)

	Thirteen weeks ended Sept. 26, 1999	Thirteen weeks ended Sept. 27, 1998	% Inc (Dec)
Net Operating Revenues:			
Newspaper advertising	$ 817,844	$ 707,347	15.6
Newspaper circulation	255,754	251,534	1.7
Television	166,770	159,125	4.8
Cable	64,668	58,231	11.1
Other	53,193	49,825	6.8
Total	1,358,229	1,226,062	10.8
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	686,661	648,320	5.9
Selling, general and administrative expenses, exclusive of depreciation	214,436	188,076	14.0
Depreciation	51,726	49,878	3.7
Amortization of intangible assets	35,391	27,122	30.5
Total	988,214	913,396	8.2
Operating income	370,015	312,666	18.3
Non-operating income (expense):			
Interest expense	(26,474)	(17,190)	54.0
Other	1,588	(877)	--
Total	(24,886)	(18,067)	37.7
Income before income taxes	345,129	294,599	17.2
Provision for income taxes	137,650	118,080	16.6
Net income	$ 207,479	$ 176,519	17.5
Net income per share - basic	$0.74	$0.62	19.4
Net income per share - diluted	$0.74	$0.62	19.4
Dividends per share	$0.21	$0.20	5.0

CONSOLIDATED STATEMENTS OF INCOME
Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars (except per share amounts)

	Thirty-nine weeks ended Sept. 26, 1999	Thirty-nine weeks ended Sept. 27, 1998	% Inc (Dec)
Net Operating Revenues:			
Newspaper advertising	$ 2,326,669	$ 2,124,016	9.5
Newspaper circulation	757,923	758,375	(0.1)
Television	522,444	518,616	0.7
Cable and Security	190,521	179,521	6.1
Other	152,082	149,581	1.7
Total	3,949,639	3,730,109	5.9
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	1,994,237	1,938,055	2.9
Selling, general and administrative expenses, exclusive of depreciation	609,668	568,187	7.3
Depreciation	153,327	153,273	0.0
Amortization of intangible assets	91,258	79,826	14.3
Total	2,848,490	2,739,341	4.0
Operating income	1,101,149	990,768	11.1
Non-operating income (expense):			
Interest expense	(56,918)	(60,767)	(6.3)
Other*	59,261	308,977	(80.8)
Total	2,343	248,210	(99.1)
Income before income taxes	1,103,492	1,238,978	(10.9)
Provision for income taxes	440,150	496,800	(11.4)
Net income	$ 663,342	$ 742,178	(10.6)
Net income per share - basic	$2.37	$2.61	(9.2)
Net income per share - diluted	$2.35	$2.59	(9.3)
Dividends per share	$0.61	$0.58	5.2

* 1999 results include a net non-operating gain principally from the exchange of KVUE-TV in Austin, Texas for KXTV-TV in Sacramento, California. 1998 results include a net non-operating gain principally from the disposition of several businesses including Radio and Alarm Security. See Management's Discussion and Analysis of Operations for earnings summary excluding net non-operating gains.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars

	Thirty-nine weeks ended Sept. 26, 1999	Thirty-nine weeks ended Sept. 27, 1998
Cash flows from operating activities		
Net income	$ 663,342	$ 742,178
Adjustments to reconcile net income to operating cash flows:		
Depreciation	153,327	153,273
Amortization of intangibles	91,258	79,826
Deferred income taxes	52,549	62,286
Other, net	(57,342)	(432,208)
Net cash flow from operating activities	903,134	605,355
Cash flows from investing activities		
Purchase of property, plant and equipment	(166,126)	(143,682)
Payments for acquisitions, net of cash acquired	(1,665,182)	(369,804)
Change in other investments	(18,626)	(1,559)
Proceeds from disposal of certain assets	38,450	649,466
Collection of long-term receivables	8,178	14,649
Net cash (used for) provided by investing activities	(1,803,306)	149,070
Cash flows from financing activities		
Proceeds from (payment of) long-term debt	1,130,394	(470,726)
Dividends paid	(167,620)	(162,017)
Cost of common shares repurchased	(91,259)	(137,038)
Proceeds from issuance of common stock	16,644	16,880
Net cash used provided by (used for) financing activities	888,159	(752,901)
Effect of currency exchange rate change	202	
Net (decrease) increase in cash and cash equivalents	(11,811)	1,524
Balance of cash and cash equivalents at beginning of year	66,187	52,778
Balance of cash and cash equivalents at end of third quarter	$ 54,376	$ 54,302

BUSINESS SEGMENT INFORMATION
Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars

	Thirteen weeks ended Sept. 26, 1999	Thirteen weeks ended Sept. 27, 1998	% Inc (Dec)
Operating Revenues:			
Newspaper publishing	$1,126,791	$1,008,706	11.7
Television	166,770	159,125	4.8
Cable	64,668	58,231	11.1
Total	$1,358,229	$1,226,062	10.8
Operating Income (net of depreciation and amortization):			
Newspaper publishing	$304,676	$248,786	22.5
Television	65,773	66,507	(1.1)
Cable	16,649	13,883	19.9
Corporate	(17,083)	(16,510)	(3.5)
Total	$370,015	$312,666	18.3
Depreciation and Amortization:			
Newspaper publishing	$56,789	$46,386	22.4
Television	15,522	14,643	6.0
Cable	12,293	13,758	(10.6)
Corporate	2,513	2,213	13.6
Total	$87,117	$77,000	13.1
Operating Cash Flow:			
Newspaper publishing	$361,465	$295,172	22.5
Television	81,295	81,150	0.2
Cable	28,942	27,641	4.7
Corporate	(14,570)	(14,297)	(1.9)
Total	$457,132	$389,666	17.3

NOTES:
Operating Cash Flow represents operating income for each of the Company's business segments plus related depreciation and amortization expense.

BUSINESS SEGMENT INFORMATION
Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars

	Thirty-nine weeks ended Sept. 26, 1999	Sept. 27, 1998	% Inc (Dec)
Operating Revenues:			
Newspaper publishing	$3,236,674	$3,031,972	6.8
Television	522,444	518,616	0.7
Cable and Security	190,521	179,521	6.1
Total	$3,949,639	$3,730,109	5.9
Operating Income (net of depreciation and amortization):			
Newspaper publishing	$872,853	$762,276	14.5
Television	230,524	237,104	(2.8)
Cable and Security	48,080	42,362	13.5
Corporate	(50,308)	(50,974)	1.3
Total	$1,101,149	$990,768	11.1
Depreciation and Amortization:			
Newspaper publishing	$151,168	$138,656	9.0
Television	47,298	44,636	6.0
Cable and Security	38,832	43,157	(10.0)
Corporate	7,287	6,650	9.6
Total	$244,585	$233,099	4.9
Operating Cash Flow:			
Newspaper publishing	$1,024,021	$900,932	13.7
Television	277,822	281,740	(1.4)
Cable and Security	86,912	85,519	1.6
Corporate	(43,021)	(44,324)	2.9
Total	$1,345,734	$1,223,867	10.0

NOTES:
Operating Cash Flow represents operating income for each of the Company's business segments plus related depreciation and amortization expense.

In the first quarter of 1998, the Company sold its Alarm Security Business, which had been reported in the Cable and Security business segment. On a pro forma basis for the year-to-date, giving effect to the sale of the Alarm Security Business, cable operations reported gains in revenues of 11%, operating income of 15% and operating cash flow of 6%.

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

September 26, 1999

1. Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with the instructions for Form 10-Q and, therefore, do not include all information and footnotes which are normally included in the Form 10-K and annual report to shareholders. The financial statements covering the 13 and 39-week periods ended September 26, 1999, and the comparative period of 1998, reflect all adjustments which, in the opinion of the company, are necessary for a fair statement of results for the interim periods.

2. Accounting Standards

In June 1998, SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" was issued. This standard is effective for fiscal periods beginning after June 15, 2000. The adoption of this standard is not expected to have a material effect on the company's results of operations or financial position.

3. Comprehensive Income

SFAS No. 130, "Reporting Comprehensive Income" established standards for reporting comprehensive income. Comprehensive income for the company includes net income, foreign currency translation adjustments and unrealized gains on available-for-sale securities, as defined under SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities". Comprehensive income totaled $247.4 million for the third quarter and $703.3 million for the year-to-date ended September 26, 1999, and other comprehensive income in 1999 relates primarily to foreign currency translation adjustments, net of tax. The accumulated other comprehensive income was net of a deferred income tax liability of $26.5 million at September 26, 1999.

4. Pro Forma Information (unaudited)

The following table summarizes, on an unaudited, pro forma basis, the estimated combined results of operations of the company and its subsidiaries as though the Newsquest acquisition was made at the beginning of 1998. However, this pro forma combined statement does not necessarily reflect the results of operations as they would have been if the combined companies had constituted a single entity during those years.

In millions, except per share amounts (pro forma and unaudited)

Year-to-date	1999	1998
Operating revenues	$4,241	$4,119
Income before income taxes	$1,119	$1,245
Net income	$ 673	$ 746
Net income per share - diluted	$ 2.39	$ 2.60

The following table summarizes, on an unaudited, pro forma basis, the estimated combined results of operations of the company and its subsidiaries as though the Newsquest acquisition was made at the beginning of 1998. However, this pro forma combined statement does not necessarily reflect the results of operations as they would have been if the combined companies had constituted a single entity during those years. It also excludes the 1999 and 1998 net non-operating gains discussed in Management's Discussion and Analysis of Operations.

In millions, except per share amounts (pro forma and unaudited)

Year-to-date	1999	1998
Operating revenues	$4,241	$4,119
Income before income taxes	$1,066	$ 939
Net income	$ 641	$ 562
Net income per share - diluted	$ 2.27	$ 1.96

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The company is not subject to market risk associated with derivative financial instruments or derivative commodity instruments, as the company is not a party to any such instruments. The company believes that its market risk from other financial instruments, such as accounts receivable, accounts payable and debt, is not material. The company is exposed to foreign exchange rate risk primarily due to its acquisition of Newsquest, which uses British pounds as its functional currency which is then translated into U.S. dollars.

PART II. OTHER INFORMATION

Item 5. Other Information

In conformity with the requirements of the Integrated Disclosure System, the company has elected to update its current report on 8-K dated July 27, 1999, as amended and updated on Form 8-K/A dated October 5, 1999, by including certain exhibits and certain information required under Rule 3-19 and Article 11 of Regulation S-X in connection with Gannett's Registration Statements on Form S-3 (Nos. 33-63673, 33-58686 and 33-53159).

The following financial statements and pro forma financial information are hereby filed as Exhibits 99-1 and 99-2, respectively.

(a) Financial Statements of Businesses Acquired

(i) Unaudited consolidated balance sheet of Newsquest plc as of July 4, 1999 and unaudited consolidated profit and loss account and cash flows for the twenty-six and twenty-seven weeks ended July 4, 1999 and July 5, 1998.

(b) Pro Forma Financial Information

(i) Unaudited pro forma condensed combined balance sheet of Gannett Co., Inc. and Newsquest plc as of June 27, 1999 and unaudited pro forma condensed combined statement of income for the twenty-six weeks ended June 27, 1999.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.
See Exhibit Index for list of exhibits filed with this report.

(b) (i) Current Report on Form 8-K dated July 2, 1999, in connection with the company's cash offer to acquire shares of Newsquest plc.

(ii) Current Report on Form 8-K dated July 27, 1999, in connection with the company's acquisition of Newsquest plc and the sale of the company's cable business.

(iii) Current Report on Form 8-K/A dated October 5, 1999, in connection with the company's acquisition of Newsquest plc.

SIGNATURES

Pursuant to the requirements 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.

GANNETT CO., INC.

Dated: November 9, 1999

By: /s/ George R. Gavagan

George R. Gavagan
Vice President and Controller

Dated: November 9, 1999

By: /s/ Thomas L. Chapple

Thomas L. Chapple
Senior Vice President, General
Counsel and Secretary

EXHIBIT INDEX

Exhibit Number	Exhibit	Location
3-1	Second Restated Certificate of Incorporation of Gannett Co., Inc.	Incorporated by reference to Exhibit 3-1 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 26, 1993 ("1993 Form 10-K"). Amendment incorporated by reference to Exhibit 3-1 to the 1993 Form 10-K.
3-2	By-laws of Gannett Co., Inc. (reflects all amendments through September 24, 1997)	Incorporated by reference to Exhibit 3-1 to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended September 28, 1997.
4-1	$1,000,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-1 to the 1993 Form 10-K.
4-2	Amendment Number One to $1,000,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-2 to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended June 26, 1994.
4-3	Amendment Number Two to $1,500,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-3 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 1995.
4-4	Amendment Number Three to $3,000,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-4 to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended September 29, 1996.
4-5	Indenture dated as of March 1, 1983 between Gannett Co., Inc. and Citibank, N.A., as Trustee.	Incorporated by reference to Exhibit 4-2 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 29, 1985.
4-6	First Supplemental Indenture dated as of November 5, 1986 among Gannett Co., Inc., Citibank, N.A., as Trustee, and Sovran Bank, N.A., as Successor Trustee.	Incorporated by reference to Exhibit 4 to Gannett Co., Inc.'s Form 8-K filed on November 9, 1986.
4-7	Second Supplemental Indenture dated as of June 1, 1995, among Gannett Co., Inc., NationsBank, N.A., as Trustee, and Crestar Bank, as Trustee.	Incorporated by reference to Exhibit 4 to Gannett Co., Inc.'s Form 8-K filed on June 15, 1995.

4-8	Rights Plan.	Incorporated by reference to Exhibit 1 to Gannett Co., Inc.'s Form 8-K filed on May 23, 1990.
4-9	Amendment Number Four to $3,000,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-9 to Gannett Co., Inc.'s Form 10-Q filed on August 12, 1998.
10-1	Employment Agreement dated December 7, 1992 between Gannett Co., Inc. and John J. Curley.*	Incorporated by reference to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 27, 1992 ("1992 Form 10-K").
10-2	Employment Agreement dated December 7, 1992 between Gannett Co., Inc. and Douglas H. McCorkindale.*	Incorporated by reference to the 1992 Form 10-K.
10-3	Gannett Co., Inc. 1978 Executive Long-Term Incentive Plan*	Incorporated by reference to Exhibit 10-3 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 28, 1980. Amendment No. 1 incorporated by reference to Exhibit 20-1 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 27, 1981. Amendment No. 2 incorporated by reference to Exhibit 10-2 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 25, 1983. Amendments Nos. 3 and 4 incorporated by reference to Exhibit 4-6 to Gannett Co., Inc.'s Form S-8 Registration Statement No. 33-28413 filed on May 1, 1989. Amendments Nos. 5 and 6 incorporated by reference to Exhibit 10-8 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 1989. Amendment No. 7 incorporated by reference to Gannett Co., Inc.'s Form S-8 Registration Statement No. 333-04459 filed on May 24, 1996. Amendment No. 8 incorporated by reference to Exhibit 10-3 to Gannett Co., Inc.'s Form 10-Q for the quarter ended September 28, 1997. Amendment dated December 9, 1997, incorporated by reference to Gannett Co., Inc.'s 1997 Form 10-K. Amendment No. 9 incorporated by reference to Exhibit 10-3 to Gannett Co., Inc.'s Form 10-Q for the quarter ended June 27, 1999.

10-4	Description of supplemental insurance benefits.*	Incorporated by reference to Exhibit 10-4 to the 1993 Form 10-K.
10-5	Gannett Co., Inc. Supplemental Retirement Plan, as amended.*	Incorporated by reference to Exhibit 10-8 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 27, 1986 ("1986 Form 10-K").
10-6	Gannett Co., Inc. Retirement Plan for Directors.*	Incorporated by reference to Exhibit 10-10 to the 1986 Form 10-K. 1991 Amendment incorporated by reference to Exhibit 10-2 to Gannett Co., Inc.'s Form 10-Q for the quarter ended September 29, 1991. Amendment to Gannett Co., Inc. Retirement Plan for Directors dated October 31, 1996, incorporated by reference to Exhibit 10-6 to the 1996 Form 10K.
10-7	Amended and Restated Gannett Co., Inc. 1987 Deferred Compensation Plan.*	Incorporated by reference to Exhibit 10-1 to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended September 29, 1996. Amendment No. 5 incorporated by reference to Exhibit 10-2 to Gannett Co., Inc.'s Form 10-Q for the quarter ended September 28, 1997. Amendment No. 2 to January 1, 1997 Restatement incorporated by reference to Exhibit 10-7 to Gannett Co., Inc.'s Form 10-Q for the quarter ended June 27, 1999.
10-8	Gannett Co., Inc. Transitional Compensation Plan.*	Incorporated by reference to Exhibit 10-13 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 30, 1990.
11	Statement re computation of earnings per share.	Attached.
27	Financial Data Schedules.	Attached.
99-1	Unaudited consolidated balance sheet of Newsquest plc as of July 4, 1999 and unaudited consolidated profit and loss account and cash flows for the twenty-six and twenty-seven weeks ended July 4, 1999 and July 5, 1998.	Attached.

99-2	Unaudited pro forma condensed combined balance sheet of Gannett Co., Inc. and Newsquest plc as of June 27, 1999 and unaudited pro forma condensed combined statement of income for the twenty-six weeks ended June 27, 1999.	Attached.

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

* Asterisks identify management contracts and compensatory plans or arrangements.

CALCULATION OF EARNINGS PER SHARE
Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars (except per share amounts)

	Thirteen weeks ended		Thirty-nine weeks ended	
	Sept. 26, 1999	Sept. 27 1998	Sept. 26, 1999*	Sept. 27 1998*
Basic earnings:				
Net income	$207,479	$176,519	$663,342	$742,178
Weighted average number of common shares outstanding	279,581	284,366	279,505	284,381
Basic earnings per share	$0.74	$0.62	$2.37	$2.61
Diluted earnings:				
Net income	$207,479	$176,519	$663,342	$742,178
Weighted average number of common shares outstanding	279,581	284,366	279,505	284,381
Dilutive effect of out-standing stock options and stock incentive rights	2,619	2,557	2,530	2,692
Weighted average number of shares outstanding, as adjusted	282,200	286,923	282,035	287,073
Diluted earnings per share	$0.74	$0.62	$2.35	$2.59

* 1999 results include a net non-operating gain principally from the exchange of KVUE-TV in Austin, Texas for KXTV-TV in Sacramento, California. 1998 results include a net non-operating gain principally from the disposition of several businesses including Radio and Alarm Security. See Management's Discussion and Analysis of Operations for earnings summary excluding net non-operating gains.

5

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

1,000

9-MOS
DEC-26-1999
DEC-28-1998
SEP-26-1999
54,364
12
751,245
29,843
97,481
982,196
3,890,338
1,700,368
8,935,297
916,663
0
324,421
0
0
4,118,181
8,935,297
3,949,639
3,949,639
1,994,237
2,848,490
(59,261)
0
56,918
1,103,492
440,150
663,342
0
0
0
663,342
2.37
2.35

Exhibit 99-1

NEWSQUEST PLC
CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the 26 weeks ended 4 July 1999 and the 27 weeks ended 5 July 1998

	1999 British Pounds 000's	1998 British Pounds 000's
Turnover	161,955	157,147
Cost of sales	(37,600)	(34,875)
Gross profit	124,355	122,272
Other operating expenses	(76,271)	(77,724)
Operating profit	48,084	44,548
Net interest payable	(5,268)	(9,262)
Profit before taxation	42,816	35,286
Tax charge on profit	(13,059)	(11,115)
Profit for the period	29,757	24,171
Basic earnings per share (pence)	0.15	0.12
Diluted earnings per share (pence)	0.15	0.12

See accompanying note to the financial statements.

NEWSQUEST PLC
CONSOLIDATED BALANCE SHEET (UNAUDITED)

At 4 July 1999

	1999 British Pounds 000's	1999 British Pounds 000's
Fixed assets		
Intangible assets		330,508
Tangible assets		67,379
Investments		410
		398,297
Current assets		
Stocks	1,654	
Debtors	44,366	
Prepayments and other debtors	4,743	
Pension prepayment due after one year	979	
Cash at bank and in hand	3,386	
	55,128	
Creditors		
Amounts falling due within one year	(75,144)	
Net current liabilities		(20,016)
Total assets less current liabilities		378,281
Creditors		
Amounts falling due after more than one year		(116,731)
Provisions for liabilities and charges		(5,241)
Net assets		256,309

Capital and reserves

Called up share capital	1,965
Share premium	249,986
Capital redemption reserve	831
Profit and loss account	3,527
Equity shareholders' funds	256,309

See accompanying note to the financial statements.

NEWSQUEST PLC
CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the 26 weeks ended 4 July 1999 and the 27 weeks ended 5 July 1998

	1999 British Pounds 000's	1998 British Pounds 000's
Cash flow from operating activities	54,002	49,483
Returns on investments and servicing of finance	(10,591)	(7,675)
Taxation paid	(1,168)	
Capital expenditure and financial investment	(6,515)	(5,421)
Acquisitions and disposals	(907)	(2,060)
Equity dividends paid	(7,821)	-
Net cash inflow before use of liquid resources and financing	27,000	34,327
Management of liquid resources		2,000
Financing	(21,951)	(32,476)
Increase in cash	5,049	3,851

See accompanying note to the financial statements.

NEWSQUEST PLC
NOTE TO THE FINANCIAL STATEMENTS

1. Accounting Policies and Financial Statement Presentation

The consolidated financial statements of Newsquest plc and its subsidiaries have been prepared in accordance with Accounting Standards currently applicable in the United Kingdom (UK GAAP), which differs in certain significant respects from US GAAP. The primary difference relates to accounting for intangible assets.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

On June 24, 1999, Gannett U.K. Limited ("Gannett UK"), a newly formed wholly-owned subsidiary of Gannett Co., Inc. ("Gannett"), made a cash offer to acquire the entire issued and to be issued share capital of Newsquest plc ("Newsquest"). Pursuant to the Offer, Newsquest shareholders were offered 460 pence (US $7.26) in cash or Loan Notes for each of 200.4 million fully diluted shares, for a total price of approximately 922 million pounds sterling (US $1.5 billion). Additionally, Gannett agreed to assume or retire Newsquest's existing debt. On July 26, 1999, pursuant to the Offer Document, Gannett UK declared the Offer unconditional in all respects. Gannett UK effectively owns 100% of Newsquest shares. The acquisition has been recorded under the purchase method of accounting and Newsquest's results of operations are included in the company's financial statements beginning in the third quarter.

The accompanying unaudited pro forma condensed combined balance sheet presents the financial position of Gannett Co., Inc. and Newsquest as of June 27, 1999, assuming that the acquisition of Newsquest occurred as of that date. Such pro forma information is based on the historical balance sheets of Gannett at June 27, 1999 and of Newsquest at July 4, 1999.

As required by Rule 11-02 of Regulation S-X, the unaudited pro forma condensed combined statement of income has been prepared assuming that the acquisition occurred as of the beginning of the fiscal period presented. The unaudited condensed combined statement of income, therefore, reflects the historical results of operations for Gannett and Newsquest for the first half of their respective 1999 fiscal periods.

The unaudited pro forma condensed combined financial statements give effect to certain pro forma adjustments which are described in the notes to these statements. The unaudited pro forma condensed combined financial statements do not reflect any operating synergies anticipated by Gannett as a result of the acquisition.

The unaudited pro forma condensed combined results are presented for informational purposes only and are not necessarily indicative of the results of operations or financial position which would have been achieved had the transaction been completed as of the beginning of the period presented, nor is it necessarily indicative of Gannett's future results of operations or financial position.

The unaudited pro forma condensed combined financial statements should be read in conjunction with the historical financial statements of Gannett and Newsquest, including the related notes thereto.

Gannett Co., Inc.
Unaudited Pro Forma Condensed Combined Balance Sheet
June 27, 1999
(in thousands of dollars)

	Gannett	Newsquest	Pro forma adjustments		Pro forma combined
ASSETS					
Current assets					
Cash and marketable securities	$ 81,835	$ 5,343	$		$ 87,178
Accounts receivable, net	664,813	70,011			734,824
Inventories	82,206	2,610			84,816
Prepaid expenses and other current assets	56,879	9,029			65,908
Total current assets	885,733	86,993			972,726
Property, plant and equipment, net	2,047,913	106,326			2,154,239
Excess of acquisition cost over the value of assets acquired, net	3,797,738	521,552	1,094,983	(1)	5,414,273
Other assets	272,604	647			273,251

Total assets	$7,003,988	$ 715,518	$1,094,983	$8,814,489

LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Accounts payable and current portion of film contracts payable	239,193	20,111			259,304
Accrued expenses and other current liabilities	378,522	31,871	70,680	(2)	481,073
Dividends payable	56,000				56,000
Income taxes	32,871	66,598			99,469
Total current liabilities	706,586	118,580	70,680		895,846
Deferred income taxes	467,273	8,270	(1,420)	(3)	474,123
Long-term debt, less current portion	957,152	173,714	1,430,186	(4)	2,561,052
Postretirement medical and life insurance liabilities	307,092				307,092
Other long-term liabilities	222,444	10,491			232,935
Total shareholders' equity	4,343,441	404,463	(404,463)	(5)	4,343,441
Total liabilities and shareholders' equity	$7,003,988	$ 715,518	$1,094,983		$8,814,489

(A) This pro forma balance sheet includes Gannett's historical balances as of June 27, 1999, and Newsquest's historical balances as of July 4, 1999.

(B) For comparability, Newsquest results have been reclassified to conform with Gannett's presentation.

See accompanying notes to Unaudited Pro Forma Condensed Combined Financial Statements.

Gannett Co., Inc.
Unaudited Pro Forma Condensed Combined Statement of Income
Twenty-six weeks ended June 27, 1999
(in thousands of dollars, except per share data)

	Gannett	Newsquest	Pro forma adjustments		Pro forma combined
Revenues					
Newspaper advertising	$1,508,825	$ 225,252	$		$1,734,077
Newspaper circulation	502,169	30,556			532,725
Television	355,674				355,674
Cable and security	125,853				125,853
All other	98,889	6,734			105,623
Total revenues	2,591,410	262,542			2,853,952
Operating expenses					
Cost of sales and operating expenses, exclusive of depreciation	1,307,576	127,475			1,435,051
Selling, general and administrative expenses, exclusive of depreciation	395,232	47,148			442,380
Depreciation	101,601	9,971			111,572
Amortization of intangible assets	55,867		20,630	(1)	76,497
Total operating expenses	1,860,276	184,594	20,630		2,065,500
Operating income	731,134	77,948	(20,630)		788,452
Non-operating income (expense)					
Interest (expense), net of interest income	(30,444)	(7,906)	7,906	(2)	(71,117)
			(40,673)	(3)	
Other	57,673	(634)			57,039
Total	27,229	(8,540)	(32,767)		(14,078)
Income before income taxes	758,363	69,408	(53,397)		774,374
Provision for income taxes	302,500	21,169	(14,694)	(4)	308,975
Net income	$ 455,863	$ 48,239	$ (38,703)		$ 465,399
Net income per share-basic	$1.63				$1.67
Net income per share-diluted	$1.62				$1.65
Average outstanding shares:					
Basic	279,466				279,466
Diluted	281,949				281,949

(A) This pro forma income statement includes Gannett's results for the 26-week period ended June 27, 1999, and Newsquest results for the 26-week period ended July 4, 1999.

(B) For comparability, Newsquest results have been reclassified to conform with Gannett's presentation.

See accompanying notes to Unaudited Pro Forma Condensed Combined Financial Statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

Note 1 - Basis of Presentation

The unaudited pro forma condensed combined balance sheet has been prepared to reflect the acquisition of Newsquest for an aggregate price of approximately $1.5 billion plus the assumption of approximately $250 million of liabilities and transaction-related costs, including $181 million of Newsquest's long-term debt.

The company believes that the assumptions used in preparing the unaudited pro forma condensed combined financial statements provide a reasonable basis for presenting all of the significant effects of the merger (other than any operating synergies anticipated by Gannett) and that the pro forma adjustments give effect to those assumptions in the unaudited pro forma condensed combined financial statements.

Note 2 - Pro Forma Adjustments

A. Pro forma adjustments to the unaudited condensed combined balance sheet are made to reflect the following:

(1) Adjustment to record the excess of acquisition cost over the fair value of net assets acquired (goodwill). For purposes of the unaudited pro forma condensed combined statement of income, goodwill is being amortized over forty years.

(2) Accrual for estimated acquisition-related expenses incurred by Gannett and Newsquest.

(3) Deferred tax adjustments in respect of acquisition expenses (see #2), net of an adjustment in respect of tax deferred on real property sales.

(4) The issuance of commercial paper by Gannett to finance the purchase price.

(5) The elimination of the shareholders' equity accounts of Newsquest.

B. Pro forma adjustments to the June 27, 1999 unaudited condensed combined income statement are made to reflect the following:

(1) Amortization expense on the estimated excess of acquisition cost over fair value of assets, assuming a life of forty years.

(2) The elimination of Newsquest's interest expense. (See (3) below.)

(3) Gannett's pro forma interest expense on the amount assumed borrowed for consideration paid and acquisition-related expenses ($1.51 billion) and Newsquest debt ($0.18 billion). The rate used to calculate interest expense, 4.88%, is based on the weighted average rate paid by Gannett for commercial paper in the first half of 1999.

(4) To adjust consolidated tax provisions for U.S. and U.K. tax effects of acquisition.