

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

- Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended April 1, 2001 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  
(State or other jurisdiction of  
incorporation or organization)

16-0442930  
(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  No

The number of shares outstanding of the issuer's Common Stock, Par Value \$1.00, as of April 1, 2001 was 264,552,317.

PART I. FINANCIAL INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATIONS

OPERATING SUMMARY

Recent acquisitions had a significant impact on operating results comparisons for the first three months of 2001 versus the first three months of 2000. The company completed the Newscom acquisition in June 2000; the Thomson acquisition in July 2000; and the Central acquisition in August 2000.

Operating income from continuing operations for the first quarter of 2001 rose \$10.5 million or 3%. Newspaper publishing earnings were up \$21.4 million or 7% for the quarter reflecting the positive impact from the recently acquired Newscom, Thomson and Central operations, tempered by lower ad revenues in U.S. markets and higher newsprint prices. Television earnings were down \$11.9 million or 18% for the quarter largely due to a 14% decline in national advertising revenues.

Income from continuing operations for the first quarter decreased \$28.5 million or 14%, and earnings per share from continuing operations (diluted) were \$0.66, down 11%. Income from continuing operations was adversely impacted by increased goodwill amortization and interest expense on borrowings related to the 2000 acquisitions.

NEWSPAPERS

Reported newspaper publishing revenues rose \$264.8 million or 23% for the quarter, reflecting increased revenues due to the newly acquired properties, tempered by softer domestic advertising demand. Newspaper advertising revenues increased \$190.7 million or 23% for the quarter. Refer to Note 5 for Business Segment Information.

The tables below provide, on a pro forma basis, details of newspaper ad revenue, including revenues from the Newscom, Thomson and Central properties, for the first quarter of 2001 and 2000. Advertising linage and preprint distribution details are also provided below; however, linage and preprint distribution for the U.K. publications are not included.

Advertising revenue, in thousands of dollars (pro forma)

	2001 -----	2000 -----	% Change -----
Local	\$ 436,197	\$ 436,646	(0)
National	175,449	196,584	(11)
Classified	459,248	475,835	(3)
	-----	-----	-----
Total ad revenue	\$1,070,894	\$1,109,065	(3)
	=====	=====	=====

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

	2001 -----	2000 -----	% Change -----
Local	9,287	9,882	(6)
National	911	1,068	(15)
Classified	13,307	13,647	(2)
	-----	-----	-----
Total Run-of-Press linage	23,505	24,597	(4)
	=====	=====	=====
Preprint distribution	2,422	2,392	1
	=====	=====	=====

Pro forma newspaper advertising revenues decreased 3% for the quarter. Local ad revenues were flat on a 6% decline in ad volume. National ad revenues decreased 11% on a volume decrease of 15%, while classified ad revenues decreased 3% on a volume decrease of 2%. These results reflect advertiser reluctance to spend in a softening and uncertain economic environment at our domestic newspapers, particularly in the classified employment category. These results also reflect the absence of millennium-related ad spending and significantly lower advertising spending by dot-com businesses, especially at USA TODAY. Reported revenues from the company's U.K. operations benefited from strong advertising demand, but were unfavorably impacted by a decline in the exchange rate for Sterling. If the exchange rate had remained constant year-over-year, total company pro forma advertising revenues would have declined 2% for the quarter.

Reported newspaper circulation revenues increased \$58.9 million or 23% for the quarter reflecting the impact of acquisitions. On a pro forma basis, newspaper circulation revenues decreased 1%. Pro forma net paid daily circulation for the company's local newspapers decreased 1% for the quarter. Sunday circulation was lower by 2% for the quarter. USA TODAY reported an average daily paid circulation of 2,291,297 in the ABC Publisher's statement for the 27 weeks ended April 1, 2001, a 0.4% increase over the comparable period a year ago.

Operating costs for the newspaper segment increased \$243.4 million or 29% for the quarter, largely due to the added costs from the new properties. In total, newsprint expense increased by 35% for the quarter reflecting a 12% increase in consumption from higher usage by new properties and substantially higher year-over-year prices. The company expects newsprint prices to remain higher for the rest of 2001 as compared to the prior year.

Newspaper operating income increased \$21.4 million or 7% for the quarter, reflecting the positive impact of earnings from recently acquired properties, partially offset by softer domestic advertising demand and higher newsprint prices.

TELEVISION

Reported television revenues decreased \$11.2 million or 7% for the quarter mainly due to the reluctance of advertisers, principally national advertisers, to spend in this uncertain economic environment. National advertising revenues decreased 14% for the quarter while local advertising revenues decreased 4%. Operating costs for the quarter increased \$0.7 million or less than 1%. As a result, reported television operating income declined \$11.9 million or 18% for the quarter.

#### NON-OPERATING INCOME AND EXPENSE/PROVISION FOR INCOME TAXES

Interest expense increased to \$80.4 million from \$20.2 million in the quarter due to increased commercial paper borrowings for the 2000 acquisitions and share repurchases. The daily average commercial paper outstanding balance was \$5.4 billion during the first quarter of 2001 and \$1.1 billion during the first quarter of 2000. The weighted average interest rate was 5.9% for the first quarter of 2001 and 5.8% for the first quarter of 2000.

The company's effective income tax rate was 39.4% for the first quarter 2001 versus 39.6% for the same period last year, reflecting lower state taxes and lower taxes on foreign operations.

#### NET INCOME

Income from continuing operations was down \$28.5 million or 14% for the quarter. Diluted earnings per share from continuing operations decreased to \$0.66 from \$0.74 for the first quarter last year, an 11% decline.

In the first quarter of 2000, after-tax income from the operation of the discontinued cable business of \$2.4 million, and an after-tax gain from the sale of the cable business of \$744.7 million contributed \$2.70 per share (diluted).

The weighted average number of diluted shares outstanding in the first quarter of 2001 totaled 266,415,000, compared to 276,207,000 for the first quarter of 2000.

In February 2000, the company announced authorizations to repurchase up to \$1 billion of its common stock and during the first six months of 2000, the company repurchased approximately 14.7 million shares of common stock at a cost of approximately \$967.2 million. There were no stock repurchases during the first quarter of 2001. 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 \$480.7 million for the first quarter of 2001, compared with \$437.9 million for the same period of 2000, a 10% increase. The increase in cash flows reflects the solid operating cash flow contributions made from the recently acquired properties.

Capital expenditures totaled \$64.1 million for the first quarter of 2001, compared to \$44.2 million for the first quarter of 2000. The company's debt decreased by \$217.0 million during the first three months of 2001, reflecting the pay-down of commercial paper borrowings from operating cash flows.

The company's foreign currency translation adjustment, included in accumulated other comprehensive income and reported as part of shareholders' equity, totaled (\$134.2 million) at the end of the first quarter versus (\$66.4 million) at the end of 2000, reflecting a weakening of Sterling against the U.S. dollar since the end of the year 2000. Newsquest's assets and liabilities at April 1, 2001 were translated from Sterling to U.S. dollars at an exchange rate of \$1.42 versus \$1.49 at the end of 2000. Newsquest's financial results were translated at an average rate of \$1.46 for the first quarter of 2001 versus \$1.60 for the first quarter of 2000.

The company's regular quarterly dividend of \$0.22 per share was declared in the first quarter of 2001, totaling \$58.2 million. In May 2001, the company also declared a quarterly dividend of \$0.22 per share payable on July 2, 2001.

In May 2001, the company's shareholders approved the Gannett Co., Inc. 2001 Omnibus Incentive Compensation Plan ("Plan"), which replaces the company's 1978 Executive Long-Term Incentive Plan and its 1968 Executive Incentive Bonus Plan and is effective January 1, 2001. The Plan permits the grant of Nonqualified Stock Options, Stock Appreciation Rights, Restricted Stock, Performance Shares, Performance Units, and Cash-Based Awards (refer to the S-8 filed by the company on May 8, 2001 for additional information).

#### CERTAIN FACTORS AFFECTING FORWARD-LOOKING STATEMENTS

Certain statements in the company's 2000 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 that 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) a continued economic downturn in some or all of the company's principal newspaper or television markets leading to decreased circulation or local, national or classified 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; (i) an increase in interest rates; (j) a weakening in the Sterling to U.S. dollar exchange rate; and (k) general economic and business conditions.

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

	April 1, 2001	Dec. 31, 2000
	-----	-----
ASSETS		
Cash	\$ 70,568	\$ 69,954
Marketable securities	74,350	123,242
Trade receivables, less allowance (2001 - \$33,828; 2000 - \$37,465)	767,153	875,363
Inventories	147,247	128,321
Prepaid expenses and other receivables	95,021	105,456
	-----	-----
Total current assets	1,154,339	1,302,336
	-----	-----
Property, plant and equipment		
Cost	4,187,901	4,135,201
Less accumulated depreciation	(1,725,201)	(1,673,802)
	-----	-----
Net property, plant and equipment	2,462,700	2,461,399
	-----	-----
Intangible and other assets		
Excess of acquisition cost over the value of assets acquired, less amortization	8,607,095	8,740,804
Investments and other assets	487,626	475,872
	-----	-----
Total intangible and other assets	9,094,721	9,216,676
	-----	-----
Total assets	\$ 12,711,760	\$ 12,980,411
	=====	=====

LIABILITIES & SHAREHOLDERS' EQUITY

Accounts payable and current portion of film contracts payable	\$ 377,810	\$ 493,243
Compensation, interest and other accruals	275,400	325,904
Dividend payable	58,256	58,118
Income taxes	214,878	144,599
Deferred income	154,338	152,137
	-----	-----
Total current liabilities	1,080,682	1,174,001
	-----	-----
Deferred income taxes	257,953	274,829
Long-term debt	5,530,826	5,747,856
Postretirement medical and life insurance liabilities	403,225	403,528
Other long-term liabilities	276,963	276,787
	-----	-----
Total liabilities	7,549,649	7,877,001
	-----	-----
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	173,622	170,715
Retained earnings	7,112,309	6,995,965
Accumulated other comprehensive income	(133,857)	(66,274)
	-----	-----
Total	7,476,495	7,424,827
	-----	-----
Less treasury stock - 59,868,415 shares and 60,148,871 shares respectively, at cost	(2,301,898)	(2,307,793)
Deferred compensation related to ESOP	(12,486)	(13,624)
	-----	-----
Total shareholders' equity	5,162,111	5,103,410
	-----	-----
Total liabilities and shareholders' equity	\$ 12,711,760	\$ 12,980,411
	=====	=====

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

	Thirteen weeks ended		% Inc
	April 1, 2001	March 26, 2000	(Dec)
	-----	-----	-----
Net Operating Revenues:			
Newspaper advertising	\$ 1,020,934	\$ 830,250	23.0
Newspaper circulation	313,009	254,146	23.2
Television	155,613	166,789	(6.7)
Other	85,392	70,135	21.8
	-----	-----	-----
Total	1,574,948	1,321,320	19.2
	-----	-----	-----
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	839,547	667,486	25.8
Selling, general and administrative expenses, exclusive of depreciation	254,738	215,942	18.0
Depreciation	53,281	46,608	14.3
Amortization of intangible assets	59,343	33,766	75.7
	-----	-----	-----
Total	1,206,909	963,802	25.2
	-----	-----	-----
Operating income	368,039	357,518	2.9
	-----	-----	-----
Non-operating income (expense):			
Interest expense	(80,442)	(20,175)	298.7
Other	448	(1,326)	(133.8)
	-----	-----	-----
Total	(79,994)	(21,501)	272.0
	-----	-----	-----
Income before income taxes	288,045	336,017	(14.3)
Provision for income taxes	113,500	133,000	(14.7)
	-----	-----	-----
Income from continuing operations	174,545	203,017	(14.0)
	-----	-----	-----
Discontinued Operations:			
Income from the operation of discontinued cable business, net of tax		2,437	----
Gain on sale of cable business, net of tax		744,700	----
	-----	-----	-----
Net income	\$ 174,545	\$ 950,154	(81.6)
	=====	=====	=====
Earnings from continuing operations per share-basic			
	\$0.66	\$0.74	(10.8)
Earnings from discontinued operations:			
Discontinued operations per share-basic		\$0.01	----
Gain on sale of cable business per share-basic		\$2.72	----
	-----	-----	-----
Net income per share-basic	\$0.66	\$3.47	(81.0)
	=====	=====	=====
Earnings from continuing operations per share-diluted			
	\$0.66	\$0.74	(10.8)

Earnings from discontinued operations:			
Discontinued operations per share-diluted		\$0.01	----
Gain on sale of cable business per share-diluted		\$2.69	----
	-----	-----	-----
Net income per share-diluted	\$0.66	\$3.44	(80.8)
	=====	=====	=====
Dividends per share	\$0.22	\$0.21	4.8
	=====	=====	=====

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

	Thirteen weeks ended	
	April 1, 2001	March 26, 2000
	-----	-----
Cash flows from operating activities		
Net income	\$ 174,545	\$ 950,154
Adjustments to reconcile net income to operating cash flows:		
Discontinued operations	0	(747,137)
Depreciation	53,281	46,608
Amortization of intangibles	59,343	33,766
Deferred income taxes	(16,876)	(116,410)
Other, net	36,913	252,771
	-----	-----
Net cash flow from operating activities	307,206	419,752
	-----	-----
Cash flows from investing activities		
Purchase of property, plant and equipment	(64,076)	(44,224)
Payments for acquisitions, net of cash acquired	(17,775)	(89,384)
Change in other investments	(3,086)	(12,899)
Proceeds from sale of certain assets	0	2,714,362
Collection of long-term receivables	0	1,900
	-----	-----
Net cash (used for) provided by investing activities	(84,937)	2,569,755
	-----	-----
Cash flows from financing activities		
Payment of long-term debt	(217,030)	(1,812,758)
Dividends paid	(58,062)	(58,358)
Cost of common shares repurchased	0	(776,410)
Proceeds from issuance of common stock	8,801	5,378
	-----	-----
Net cash used for financing activities	(266,291)	(2,642,148)
	-----	-----
Effect of currency exchange rate change	(4,256)	(191)
	-----	-----
Net (decrease) increase in cash and cash equivalents	(48,278)	347,168
Balance of cash and cash equivalents at beginning of year	193,196	46,160
	-----	-----
Balance of cash and cash equivalents at end of first quarter	\$ 144,918	\$ 393,328
	=====	=====

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

April 1, 2001

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 week period ended April 1, 2001, and the comparative period of 2000, reflect all adjustments which, in the opinion of the company, are necessary for a fair statement of results for the interim periods and reflect all normal and recurring adjustments which are necessary for a fair presentation of the company's financial position, results of operations and cash flows as of the dates and for the periods presented.

2. Comprehensive Income

Comprehensive income for the company includes net income, foreign currency translation adjustments and unrealized gains or losses on available-for-sale securities, as defined under SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities."

Comprehensive income totaled \$107.0 million for the first quarter of 2001 and \$934.7 million for the first quarter of 2000. Other comprehensive losses relate to foreign currency translation adjustments and unrealized gains or losses on available-for-sale securities, net of tax. The accumulated other comprehensive losses were net of a deferred income tax asset of \$41.4 million for the first quarter of 2001 and \$9.9 million for the first quarter of 2000.

3. Acquisitions and Dispositions

The company completed the Newscom acquisition in June 2000; the Thomson acquisition in July 2000; and the Central acquisition in August 2000. The purchase price allocations for these acquisitions are preliminary. The final allocations will be based on a complete evaluation of assets acquired and liabilities assumed.

The sale of the assets of the company's cable business for \$2.7 billion was completed on January 31, 2000. Upon closing, an after-tax gain of approximately \$745 million or \$2.69 per diluted share was recognized which, along with the cable segment operating results, are reported as discontinued operations in the company's financial statements.

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 2000 acquisitions (Newscom, Thomson and Central) and disposition (cable business) were all made at the beginning of 2000. 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)

Quarter-to-date

- - - - -

	2001 -----	2000 -----
Operating revenues	\$ 1,575	\$ 1,631
Income before income taxes	\$ 288	315
Income from continuing operations	\$ 175	190
Income per share from continuing operations - basic	\$ 0.66	\$ 0.69
Income per share from continuing operations - diluted	\$ 0.66	\$ 0.69

#### 4. Outstanding Shares

The weighted average number of common shares outstanding (basic) in the first quarter totaled 264,468,000 compared to 273,958,000 for the first quarter of 2000. The weighted average number of diluted shares outstanding in the first quarter totaled 266,415,000 compared to 276,207,000 for the first quarter of 2000.

#### 5. Business Segment Information

##### BUSINESS SEGMENT INFORMATION

Gannett Co., Inc. and Subsidiaries

Unaudited, in thousands of dollars

	Thirteen weeks ended		% Inc
	April 1, 2001	March 26, 2000	(Dec)
	-----	-----	-----
Operating Revenues:			
Newspaper publishing	\$ 1,419,335	\$ 1,154,531	22.9
Television	155,613	166,789	(6.7)
	-----	-----	-----
Total	\$ 1,574,948	\$ 1,321,320	19.2
	=====	=====	=====
Operating Income (net of depreciation and amortization):			
Newspaper publishing	\$ 328,785	\$ 307,435	6.9
Television	54,266	66,127	(17.9)
Corporate	(15,012)	(16,044)	6.4
	-----	-----	-----
Total	\$ 368,039	\$ 357,518	2.9
	=====	=====	=====
Depreciation and Amortization:			
Newspaper publishing	\$ 94,143	\$ 62,289	51.1
Television	16,983	16,126	5.3
Corporate	1,498	1,959	(23.5)
	-----	-----	-----
Total	\$ 112,624	\$ 80,374	40.1
	=====	=====	=====
Operating Cash Flow:			
Newspaper publishing	\$ 422,928	\$ 369,724	14.4
Television	71,249	82,253	(13.4)
Corporate	(13,514)	(14,085)	4.1
	-----	-----	-----
Total	\$ 480,663	\$ 437,892	9.8
	=====	=====	=====

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

#### QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The company is not subject to market risk associated with derivative commodity instruments, as the company is not a party to any such instruments. The company believes that its market risk from 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 operations in the United Kingdom, which use British pounds as their functional currency, which is then translated into U.S. dollars.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

- (a) Exhibits.  
See Exhibit Index for list of exhibits filed with this report.
- (b) Form 8-K  
None.

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: May 16, 2001

By: /s/George R. Gavagan

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George R. Gavagan  
Vice President and Controller

Dated: May 16, 2001

By: /s/Thomas L. Chapple

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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. Amendment dated May 2, 2000, incorporated by reference to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended March 26, 2000.
3-2	By-laws of Gannett Co., Inc. (reflects all amendments through February 1, 2001)	Incorporated by reference to Exhibit 3-2 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 2000.
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. Amendment incorporated by reference to Gannett Co., Inc.'s Form 8-K filed on May 2, 2000.
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.
4-10	\$3,000,000,000 Competitive Advance and Revolving Credit Agreement among Gannett Co., Inc. and the Banks named	Incorporated by reference to Exhibit 4-10 to Gannett Co., Inc.'s Form 10-Q filed on August 9, 2000.

therein.

4-11	Amendment Number One to \$3,000,000,000 Competitive Advance and Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-11 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 2000.
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. Amendment No. 10 incorporated by reference to Exhibit 10-3 to Gannett Co., Inc.'s Form 10-Q for the quarter ended June 25, 2000. Amendment No. 11 incorporated by reference to Exhibit 10-3 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 2000.
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 10-5 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 26, 1999.
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. Amendments Nos. 3 and 4 incorporated by reference to Exhibit 10-7 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 2000.

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| 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.     |
| 10-9  | Employment Agreement dated January 1, 2001 between Gannett Co., Inc. and Douglas H. McCorkindale.* | Incorporated by reference to Exhibit 10-9 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 2000.      |
| 10-10 | 2001 Omnibus Incentive Compensation Plan*  | Incorporated by reference to Exhibit No. 4 to the Company's Registration Statement on Form S-8 (Registration No. 333-60402). |
| 11    | Statement re computation of earnings per share.  | 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	
	April 1, 2001	March 26, 2000
	-----	-----
<b>Basic earnings:</b>		
Income from continuing operations	\$ 174,545	\$ 203,017
Discontinued operations:		
Earnings from operation of cable business	\$ 0	\$ 2,437
Gain on sale of cable business	\$ 0	\$ 744,700
Net income	\$ 174,545	\$ 950,154
Weighted average number of common shares outstanding	264,468	273,958
Earnings from continuing operations per share-basic	\$0.66	\$0.74
Earnings from the operation of cable business per share-basic	\$0.00	\$0.01
Gains on sale of cable business per share-basic	\$0.00	\$2.72
Basic earnings per share	\$0.66	\$3.47
<b>Diluted earnings:</b>		
Income from continuing operations	\$ 174,545	\$ 203,017
Discontinued operations:		
Earnings from operation of cable business	\$ 0	\$ 2,437
Gain on sale of cable business	\$ 0	\$ 744,700
Net income	\$ 174,545	\$ 950,154
Weighted average number of common shares outstanding	264,468	273,958
Dilutive effect of outstanding stock options and stock incentive rights	1,947	2,249
Weighted average number of shares outstanding, as adjusted	266,415	276,207
Earnings from continuing operations per share-diluted	\$0.66	\$0.74
Earnings from the operation of cable business per share-diluted	\$0.00	\$0.01
Gains on sale of cable business per share-diluted	\$0.00	\$2.69
Diluted earnings per share	\$0.66	\$3.44