

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 1, 2007

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

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.)

7950 Jones Branch Drive, McLean, Virginia
(Address of principal executive offices)

22107-0910
(Zip Code)

Registrant's telephone number, including area code: (703) 854-6000.

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes No

The total number of shares of the registrant's Common Stock, \$1 par value, outstanding as of July 20, 2007, was 232,896,353.

PART I. FINANCIAL INFORMATION

Items 1 and 2. Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations

MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATIONS

Operating Summary and Key Business Transactions

In May 2007, the company completed the sale of the Norwich (CT) Bulletin; the Rockford (IL) Register Star; the Observer-Dispatch in Utica, NY; and The Herald-Dispatch in Huntington, WV to GateHouse Media, Inc. and contributed the Chronicle-Tribune in Marion, IN to the Gannett Foundation. In connection with these transactions, the company recorded a net after-tax gain of \$73.8 million in discontinued operations. For all periods presented, results from these businesses have been reported as discontinued operations.

The company completed the acquisition of KTVD-TV in Denver in June 2006 and the acquisition of WATL-TV in Atlanta in August 2006. These acquisitions created the company's second and third broadcast station duopolies.

Earnings from continuing operations per diluted share for the second quarter were \$1.24 as compared to \$1.28 last year and year-to-date were \$2.11 as compared to \$2.25 last year. Operating revenues decreased 3% to \$1.9 billion in the second quarter and 2% to \$3.8 billion in the first six months, reflecting lower advertising demand at domestic newspaper properties, the absence of over \$22.0 million of Olympics related television ad spending, as well as the absence of politically related advertising demand that benefited the second quarter 2006.

Operating income for the second quarter was \$483.2 million compared to \$528.1 million last year and year-to-date was \$875.4 million as compared to \$940.2 last year. Income from continuing operations for the second quarter was \$289.9 million compared to \$304.5 million last year and year-to-date was \$496.2 million as compared to \$535.4 last year. Results were positively impacted by our Newsquest newspaper operations in the UK, helped by a stronger UK pound, along with positive on-line revenue across the company. Our domestic community newspapers, however, faced softening ad demand, particularly in key classified categories. For broadcasting, the acquisition of the additional television stations in Denver and Atlanta, and strong results for Captivate Network, Inc. and online, partially offset the absence of over \$8.0 million of politically related advertising in the second quarter.

Net income increased 18% to \$365.7 million for the second quarter and 6% to \$576.3 million for the year-to-date as compared to the same periods in 2006. The increase was driven by the second quarter net gain of \$73.8, net of tax, on the disposal of newspaper businesses.

Newspaper Results

Transactions affecting newspaper comparisons include the sale of the Norwich (CT) Bulletin; the Rockford (IL) Register Star; the Observer-Dispatch in Utica, NY; and The Herald-Dispatch in Huntington, WV to GateHouse Media, Inc. and the contribution of the Chronicle-Tribune in Marion, IN to the Gannett Foundation. For all periods presented, results from these businesses have been reported as discontinued operations and are therefore excluded from the discussion which follows.

Reported newspaper publishing revenues decreased 4% to \$1.7 billion from \$1.8 billion in the second quarter and decreased 2% to \$3.4 billion from \$3.5 billion year-to-date. Domestic advertising revenues decreased 8% for the second quarter and 6% for the first six months as compared to the same periods in 2006. In local currency, advertising revenues in the UK decreased 2% for the second quarter and less than 1% for the first six months. On a constant currency basis total newspaper advertising revenue would have decreased 7% for the second quarter and 5% year-to-date. The average exchange rate used to translate UK newspaper results from Sterling to U.S. dollars increased 9% to 1.99 from 1.82 for the second quarter and increased 10% to 1.97 from 1.79 for the year-to-date.

Newspaper operating revenues are derived principally from advertising and circulation sales, which accounted for 74% and 18%, respectively, of total newspaper revenues for the second quarter and 74% and 19% year-to-date 2007. Advertising revenues include amounts derived from advertising placed with newspaper internet web sites as well as print products. Other publishing revenues are mainly from commercial printing operations, PointRoll Inc., and earnings from the company's 50% owned joint operating agency in Tucson, 19.49% equity interest in the California Newspapers Partnership, and 40.6% equity interest in the Texas-New Mexico Newspapers Partnership. The table below presents these components of reported revenues for the second quarter and first six months of 2007 and 2006.

Newspaper publishing revenues, in thousands of dollars

	<u>2007</u>	<u>2006</u>	<u>% Change</u>
Second Quarter			
Newspaper advertising	\$1,281,555	\$1,353,150	(5)
Newspaper circulation	312,506	314,542	(1)
Commercial printing and other	129,498	122,745	6
Total	<u>\$1,723,559</u>	<u>\$1,790,437</u>	<u>(4)</u>
Year-to-date			
Newspaper advertising	\$2,503,182	\$2,598,378	(4)
Newspaper circulation	630,041	631,934	—
Commercial printing and other	249,271	230,171	8
Total	<u>\$3,382,494</u>	<u>\$3,460,483</u>	<u>(2)</u>

The tables below present the principal categories of reported newspaper advertising.

Advertising revenues, in thousands of dollars

	<u>2007</u>	<u>2006</u>	<u>% Change</u>
Second Quarter			
Local	\$ 550,857	\$ 573,812	(4)
National	200,815	206,427	(3)
Classified	529,883	572,911	(8)
Total advertising revenue	<u>\$1,281,555</u>	<u>\$1,353,150</u>	<u>(5)</u>
Year-to-date			
Local	\$1,069,634	\$1,089,042	(2)
National	380,028	395,025	(4)
Classified	1,053,520	1,114,311	(5)
Total advertising revenue	<u>\$2,503,182</u>	<u>\$2,598,378</u>	<u>(4)</u>

The company's growth over the years has been partly through the acquisition of new businesses and strategic partnership investments. To facilitate an analysis of operating results, certain information discussed below is on a pro forma basis, which means that results are presented as if all properties owned at the end of the second quarter of 2007 were owned on the same basis throughout the periods discussed. The company consistently uses, for individual businesses and for aggregated business data, pro forma reporting of operating results in its internal financial reports because it enhances measurement of performance by permitting comparable comparisons with prior period historical data. Likewise, the company uses this same pro forma data in its external reporting of key financial results and benchmarks.

In the tables that follow, newspaper advertising lineage and related revenues are presented on a pro forma basis. Advertising revenues for Newsquest and all non-daily publications are reflected in the amounts below, however, advertising lineage and preprint distribution statistics for these businesses are not included.

The tables below present the components of pro forma newspaper advertising revenues for the second quarter and first six months of 2007 and 2006.

Advertising revenues, in thousands of dollars (pro forma)

	2007	2006	% Change
Second Quarter			
Local	\$ 550,857	\$ 574,079	(4)
National	200,815	206,495	(3)
Classified	529,883	572,911	(8)
Total advertising revenue	\$1,281,555	\$1,353,485	(5)
Year-to-date			
Local	\$1,069,634	\$1,088,792	(2)
National	380,028	394,692	(4)
Classified	1,053,520	1,114,061	(5)
Total advertising revenue	\$2,503,182	\$2,597,545	(4)

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

	2007	2006	% Change
Second Quarter			
Local	7,604	8,154	(7)
National	684	726	(6)
Classified	12,505	13,792	(9)
Total Run-of-Press linage	20,793	22,672	(8)
Preprint distribution	2,705	2,823	(4)
Year-to-date			
Local	15,424	16,178	(5)
National	1,536	1,684	(9)
Classified	24,962	27,075	(8)
Total Run-of-Press linage	41,922	44,937	(7)
Preprint distribution	5,556	5,731	(3)

The tables below reconcile advertising revenues on a pro forma basis to advertising revenues on a GAAP basis, in thousands of dollars.

	2007	2006
Second Quarter		
Pro forma advertising revenues	\$1,281,555	\$1,353,485
Net effect of transactions	—	(335)
As reported advertising revenues	\$1,281,555	\$1,353,150

	2007	2006
Year-to-date		
Pro forma advertising revenues	\$ 2,503,182	\$ 2,597,545
Net effect of transactions	—	833
As reported advertising revenues	<u>\$ 2,503,182</u>	<u>\$ 2,598,378</u>

The trends discussed below for the newspaper segment are for both reported and pro forma results.

Newspaper advertising revenues decreased 5% from \$1.4 billion to \$1.3 billion for the second quarter. UK newspaper advertising increased 6% reflecting a stronger currency exchange rate, while US domestic newspaper advertising decreased 8%. For the year-to-date period, pro forma newspaper advertising revenues declined 4%. On a constant currency basis newspaper ad revenues decreased 7% for the quarter and 5% year-to-date.

For the second quarter local advertising revenues were 4% lower and year-to-date declined 2%. On a pro forma constant currency basis, local advertising decreased 5% for the quarter and 3% year-to-date. Local advertising in the U.S. was down 5% for the quarter and 3% year-to-date. These results reflect lower department store advertising, and declines in furniture and home improvement categories as the cyclical slowdown in real estate and housing impacted these retailers.

National advertising revenues for the second quarter were down 3% due primarily to softness in entertainment, telecommunications and automotive categories. USA TODAY advertising revenues decreased 1% for the quarter, however ad revenue rose 7% in June. Year-to-date national advertising revenues were down 4% including a 4% decline at USA TODAY. Paid advertising pages at USA TODAY were 1,034 for the second quarter compared to 1,098 for the same period last year and 1,937 year-to-date compared to 2,110 last year.

Classified advertising revenues decreased 8% for the quarter and 5% year-to-date due primarily to lower ad demand as a result of the softening domestic real estate market in the west and southeast, specifically Florida, Arizona, California and Nevada. Classified real estate revenues were down 10% for the quarter and 6% year-to-date, employment revenues were down 7% for the quarter and 5% year-to-date, and auto revenues decreased 14% for the quarter and year-to-date. On a constant currency basis, classified advertising revenues were down 10% for the quarter and 8% year-to-date. Classified results in our UK newspapers, which were stronger than in the U.S., decreased 2% for the quarter and increased slightly year-to-date on a constant currency basis. While the real estate category was the weakest domestically, on a constant currency basis this category increased 3% for the quarter and 6% year-to-date in the UK.

Total domestic newspaper online revenues were strong during the second quarter and year-to-date 2007, increasing 12% and 11% respectively. UK online revenues increased 49% and 52% on a constant currency basis for the quarter and year-to-date, respectively.

Circulation revenues decreased less than 1% for the second quarter and remained unchanged for the first six months of 2007. Net paid daily circulation for the company's newspapers, excluding USA TODAY, declined 3% in the second quarter and the first six months of 2007. Sunday net paid circulation was down 4% from the comparable quarter and year-to-date periods of last year. USA TODAY circulation increased 1% in the second quarter and the first six months of 2007. In the March Publishers Statement submitted to ABC, circulation for USA TODAY for the previous six months increased 0.2% from 2,272,815 in 2006 to 2,278,022 in 2007.

Commercial printing and other revenue increased 6% for the second quarter and 8% year-to-date primarily due to an increase in commercial printing business and revenues associated with PointRoll.

Reported newspaper operating expenses were down 2% for the second quarter and 1% year-to-date. This reflects strong cost controls and a decline in newsprint expense which more than offset approximately \$9.0 million of second quarter severance and other business consolidation costs. Newsprint expense decreased 8% for the quarter with a 9% decline in usage offset by a 1% increase in price. Year-to-date, newsprint expense declined 4% on an 8% decline in usage offset by a 4% increase in price. On a pro forma constant currency basis, excluding depreciation and amortization, operating expenses decreased 4% for the quarter and 3% year-to-date 2007. For the remainder of 2007, newsprint prices are expected to be below prior year levels and consumption is also expected to be lower.

Newspaper operating income decreased \$40.6 million or 9% for the quarter and \$50.4 million or 6% for the year-to-date, reflecting the challenging advertising environment discussed above.

Broadcasting Results

The company completed the acquisitions of KTVD-TV in Denver in late June 2006 and WATL-TV in Atlanta in early August 2006, which created the company's second and third duopolies.

Broadcasting includes results from the company's 23 television stations and Captivate Network, Inc. Reported broadcasting revenues were \$204.7 million in the second quarter compared to \$205.4 million in 2006. Year-to-date revenues remained even at approximately \$388.0 million, reflecting the absence of politically related advertising offset by the addition of KTVD-TV and WATL-TV and increased revenue at Captivate. On a pro forma basis, broadcasting revenues would have decreased 7% from \$219.0 million to \$204.7 million for the second quarter. The year-to-date pro forma decline in revenues was 6% from \$414.3 million to \$387.7 million. The second quarter results reflect a decrease of approximately \$8.0 million in political advertising revenue, and lower automotive advertising, partially offset by an increase in online revenues and strong revenue growth at Captivate.

Reported television revenues, excluding Captivate, were down slightly in the second quarter, with local revenues up 2% and national revenues down 8%. On a pro forma basis, television revenues decreased 7% for the quarter with local revenues down 7% and national revenues down 12%. For the first six months of 2007, reported television revenues decreased 1% with local revenues up 3% and national revenues down 8%. For the first six months of 2007, on a pro forma basis, television revenues decreased 7% with local revenues down 6% and national revenues down 13%.

Reported broadcasting operating expenses increased 5% for the second quarter and 6% for the first six months of 2007, to \$117.3 million and \$236.2 million, respectively, primarily due to the acquisition of the two broadcast stations. Assuming the company had owned the same properties as of July 1, 2007 for all periods presented, broadcasting operating expenses would have decreased 2% for the second quarter and 1% for the first six months of 2007.

Reported operating income from broadcasting was down \$5.9 million or 6% in the second quarter and \$13.5 million or 8% year-to-date.

Corporate Expense

Corporate expenses in the second quarter were \$18.7 million as compared to \$20.3 million due to lower stock compensation expense, reflecting fewer options granted at a lower fair value. Year-to-date corporate expenses were \$41.8 million as compared to \$40.8 million due to the timing of certain stock based compensation awards in the first quarter. The company anticipates total stock based compensation expense for the full year will be below the annual 2006 amount.

Non-Operating Income and Expense

The company's interest expense decreased \$1.0 million or 1% for the quarter primarily due to lower outstanding debt levels, but increased \$7.3 million or 6% year-to-date, reflecting higher short-term interest rates. The daily average outstanding balance of commercial paper was \$2.36 billion during the second quarter of 2007 and \$2.95 billion during the second quarter of 2006. The daily average outstanding balance of commercial paper was \$2.24 billion during the first six months of 2007 and \$3.25 billion during the first six months of 2006. The weighted average interest rate on commercial paper was 5.4% and 4.9% for the second quarter of 2007 and 2006, respectively. For the year-to-date periods of 2007 and 2006, the weighted average interest rate on commercial paper was 5.4% and 4.6%, respectively. For average outstanding total debt, the weighted average interest rate was 5.4% for the quarter as compared to 5.1% last year and 5.4% year-to-date as compared to 4.9% last year.

Because the company has \$1.25 billion in commercial paper obligations that have relatively short-term maturity dates, \$750 million of floating-rate term debt, and \$1.00 billion of floating rate convertible notes at July 1, 2007, the company is subject to changes in the amount of interest expense it might incur. Assuming the current level of commercial paper borrowings of \$1.25 billion and \$1.75 billion of floating rate notes, a 1/2% increase or decrease in the average interest rate for commercial paper and floating rate notes would result in an increase or decrease in annual interest expense of \$15.0 million.

Non-operating income and expense includes a gain from the sale of real estate, investment income and gains, and equity income or losses associated with certain minority interest investments in online/new technology businesses. Net non-operating income in 2007 results from the land sale gain in the second quarter, improved performance from our internet investments, and higher investment income.

Provision for Income Taxes

The company's effective income tax rate for continuing operations was 32.5% for the second quarter and 32.6% for the first six months of 2007 compared to 33.5% for the same periods last year. The lower tax rate for 2007 is primarily due to the settlement of certain state tax issues and additional benefit from the American Jobs Creation Act for certain domestic production activities.

Income from Continuing Operations

The company's income from continuing operations was \$289.9 million for the second quarter 2007 and \$496.2 million for the year-to-date 2007 compared to \$304.5 million for the second quarter 2006 and \$535.4 million for the year-to-date 2006. Earnings from continuing operations per diluted share for the second quarter of 2007 were \$1.24 versus \$1.28 for the second quarter 2006, and were \$2.11 for the first six months of 2007 versus \$2.25 for the first six months of 2006.

Discontinued Operations

Earnings from discontinued operations represent the combined operating results (net of income taxes) of the Norwich (CT) Bulletin, the Rockford (IL) Register Star, the Observer-Dispatch in Utica, NY and The Herald-Dispatch in Huntington, WV that were sold to GateHouse Media, Inc. on May 7, 2007 and the Chronicle-Tribune in Marion, IN that was contributed to the Gannett Foundation on May 21, 2007. The revenues and expenses from each of these properties have, along with associated income taxes, been removed from continuing operations and netted into a single amount on the Statement of Income titled "Income from the operation of discontinued operations, net of tax" for each period presented.

Taxes provided on the earnings from discontinued operations totaled \$1.3 million and \$3.8 million for the second quarters of 2007 and 2006, respectively, and \$4.1 million and \$6.6 million for year-to-date 2007 and 2006, respectively. This includes U.S. federal and state income taxes and represents an effective rate of approximately 39%. Also included in discontinued operations is the \$73.8 million net after tax gain recognized in the second quarter of 2007 on the disposal of these properties. Taxes provided on the gain totaled approximately \$139.8 million, covering U.S. federal and state income taxes and represent an effective rate of 65%. The excess of this effective rate over the U.S. statutory rate of 35% is due principally to the non-deductibility of goodwill associated with the properties disposed.

Earnings from discontinued operations, excluding the gain, per diluted share were \$0.01 and \$0.03 for the second quarters of 2007 and 2006, respectively. On a year-to-date basis earnings were \$0.03 and \$0.04 for 2007 and 2006, respectively. Second quarter earnings per diluted share for the gain on the disposition of these properties were \$0.31.

Net Income

The company's net income was \$365.7 million for the second quarter and \$576.3 million for the year-to-date compared to \$310.5 million and \$545.8 million for the same periods in 2006. Net income per diluted share was \$1.56 versus \$1.31 for the second quarter and for the year-to-date it was \$2.45 versus \$2.29. Higher results for 2007 reflect the gain on the disposal of newspaper businesses.

The weighted average number of diluted shares outstanding for the second quarter of 2007 totaled 234,605,000 compared to 237,767,000 for the second quarter of 2006. For the first six months of 2007 and 2006, the weighted average number of diluted shares outstanding totaled 234,814,000 and 238,084,000, respectively. The decline in outstanding shares is the result of the company's share repurchase program under which approximately 4.0 million shares were repurchased during 2006 as well as 1.6 million shares repurchased year-to-date 2007. See Part II, Item 2 for information on share repurchases.

Liquidity, Capital Resources, Financial Position, and Statements of Cash Flows

The company's cash flow from operating activities was \$648.9 million for the first six months of 2007, lower than the \$680.1 million in the first six months of 2006. The decrease reflects lower newspaper and broadcast earnings and cash flow from continuing operations.

Cash flows from the company's investing activities totaled \$252.5 million for the six months of 2007, reflecting \$438.9 million of proceeds from the sale of assets and \$20.3 million of proceeds from investments. These cash inflows were partially offset by a \$58.5 million increase in marketable securities, \$60.0 million of capital spending, \$21.0 million of payments for acquisitions (discussed in Note 4 to the financial statements), and \$67.1 million for investments.

Cash flows used in financing activities totaled \$879.0 million for the first six months of 2007 reflecting net debt repayments of \$653.7 million, the payment of dividends totaling \$145.6 million and the repurchase of common stock of \$90.4 million. The company's regular quarterly dividend of \$0.31 per share, which was declared in the second quarter of 2007, totaled \$72.7 million and was paid in July 2007. On July 24, 2007, the Board of Directors approved a 29% increase in the company's quarterly dividend to \$0.40 per share. The new quarterly dividend is payable October 1, 2007 to shareholders of record on September 14, 2007.

On July 25, 2006, the Board of Directors authorized the repurchase of an additional \$1 billion of the company's common stock. The shares will be repurchased at management's discretion, either in the open market or in privately negotiated block transactions. Management's decision to repurchase shares will depend on price, availability and other corporate developments. Purchases will occur from time to time and no maximum purchase price has been set. As of July 1, 2007, the company had remaining authority to repurchase up to \$1 billion of the company's common stock. For more information on the share repurchase program, refer to Item 2 of Part II of this Form 10-Q.

In June 2007, the company issued \$1.0 billion aggregate principal amount of unsecured senior convertible notes due 2037 in an underwritten public offering. Proceeds from the notes were used to repay commercial paper obligations. The convertible notes bear interest at a floating rate equal to one month LIBOR, reset monthly, minus twenty-three basis points. At issuance, the conversion rate of these notes was 10.853 shares of Gannett common stock per \$1,000 principal amount of the convertible notes, resulting in an initial conversion price per share of \$92.14. The holder can convert these notes into cash and shares of the company's common stock, if any, prior to maturity, subject to the company's option to deliver cash in lieu of shares. The company may redeem all or some of the convertible notes for cash at any time on or after July 15, 2008 at 100% of their principal amount plus any accrued and unpaid interest. On July 15, 2008, 2009, 2012, 2017, 2022, 2027 and 2032, or upon the occurrence of a change in control, the holders of the convertible notes may require the company to repurchase the convertible notes for cash at a price equal to 100% of the principal amount of the notes submitted for repurchase, plus any accrued and unpaid interest.

On April 2, 2007, the first day of the second quarter, the company paid \$700 million aggregate principal amount of 5.50% notes and accrued interest that was due. This payment was funded by borrowings at the end of the first quarter in the commercial paper market and from investment proceeds of \$525 million in marketable securities.

Other receivables in the Condensed Consolidated Balance Sheets reflect refunds receivable from the Internal Revenue Service for tax years 1995 to 2005, as well as refunds from various U.S. state tax jurisdictions.

The company adopted the provisions of FASB Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" (FIN No. 48) on January 1, 2007. As a result of the implementation of FIN No. 48, the company reclassified \$197 million of estimated income taxes payable from short-term to long-term. At this time, the timing of these future cash outflows is not certain.

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

The company regularly issues commercial paper for cash requirements and maintains revolving credit agreements equal to or in excess of any commercial paper outstanding. The company's commercial paper has been rated A-2 and P-2 by Standard & Poor's (S&P) and Moody's Investors Service, respectively. The company's senior unsecured long-term debt is rated A- by Standard & Poor's and A3 by Moody's Investors Service. Subsequent to the end of the quarter, S&P affirmed its A-2 short-term rating for the company but announced that the long-term debt rating was on CreditWatch with negative implications. S&P stated that a downgrade, if any, would be limited to one notch.

The company has an effective universal shelf registration statement with the Securities and Exchange Commission under which an unspecified amount of securities may be issued. Proceeds from any takedowns off the shelf will be used for general corporate purposes, including capital expenditures, working capital, securities repurchase programs, repayment of debt and the financing of acquisitions.

The company's foreign currency translation adjustment, included in accumulated other comprehensive income and reported as part of shareholders' equity, totaled \$790.9 million at the end of the second quarter 2007 versus \$698.9 million at the end of 2006. This reflects an increase in the exchange rate for British Pound Sterling. Newsquest's assets and liabilities at July 1, 2007 were translated from Sterling to U.S. dollars at an exchange rate of 2.01 versus 1.96 at the end of 2006. For the second quarter and first six months of 2007, Newsquest's financial results were translated at an average rate of 1.99 and 1.97, respectively, compared to 1.82 and 1.79 last year.

The company is exposed to foreign exchange rate risk primarily due to its operations in the United Kingdom, for which Sterling is the functional currency. Translation gains or losses affecting the Condensed Consolidated Statements of Income have not been significant in the past. If the price of Sterling against the U.S. dollar had been

10% more or less than the actual price, reported net income for 2007 would have increased or decreased approximately 4% for the second quarter and 2% for the first six months.

Certain Factors Affecting Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q 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. The company is not responsible for updating or revising any forward-looking statements, whether the result of new information, future events or otherwise, except as required by law.

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 broadcasting markets leading to decreased circulation or local, national or classified advertising; (c) a decline in general newspaper readership and/or advertiser 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, political and business conditions.

CONDENSED CONSOLIDATED BALANCE SHEETS**Gannett Co., Inc. and Subsidiaries**

Unaudited, in thousands of dollars

	<u>Jul. 1, 2007</u>	<u>Dec. 31, 2006</u>
ASSETS		
<i>Current assets</i>		
Cash and cash equivalents	\$ 118,323	\$ 94,256
Marketable securities	58,508	—
Trade receivables, less allowance (2007 - \$37,527; 2006 - \$38,123)	974,738	1,023,006
Other Receivables	236,026	192,964
Inventories	117,066	120,802
Prepaid expenses and other current assets	79,965	100,991
<i>Total current assets</i>	<u>1,584,626</u>	<u>1,532,019</u>
<i>Property, plant and equipment Cost</i>	4,938,862	5,010,110
Less accumulated depreciation	(2,292,068)	(2,234,688)
<i>Net property, plant and equipment</i>	<u>2,646,794</u>	<u>2,775,422</u>
<i>Intangible and other assets</i>		
Goodwill	10,013,234	10,060,440
Indefinite-lived and other amortized intangible assets, less accumulated amortization	823,374	836,568
Investments and other assets	1,073,890	1,019,355
<i>Total intangible and other assets</i>	<u>11,910,498</u>	<u>11,916,363</u>
Total assets	<u>\$16,141,918</u>	<u>\$16,223,804</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED BALANCE SHEETS

Gannett Co., Inc. and Subsidiaries

Unaudited, in thousands of dollars

	<u>Jul. 1, 2007</u>	<u>Dec. 31, 2006</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
<i>Current liabilities</i>		
Accounts payable and current portion of film Contracts payable	\$ 246,854	\$ 292,644
Compensation, interest and other accruals	362,760	395,932
Dividends payable	72,897	72,984
Income taxes	188,488	190,430
Deferred income	195,681	164,958
<i>Total current liabilities</i>	<u>1,066,680</u>	<u>1,116,948</u>
Income taxes	187,229	—
Deferred income taxes	723,947	702,123
Long-term debt	4,557,564	5,210,021
Postretirement medical and life insurance Liabilities	225,200	229,930
Other long-term liabilities	545,458	558,208
<i>Total liabilities</i>	<u>7,306,078</u>	<u>7,817,230</u>
<i>Minority interests in consolidated subsidiaries</i>	<u>21,919</u>	<u>24,311</u>
<i>Shareholders' equity</i>		
Preferred stock of \$1 par value per share.		
Authorized: 2,000,000 shares; Issued: none	—	—
Common stock of \$1 par value per share.		
Authorized: 800,000,000 shares;		
Issued: 324,418,632 shares	324,419	324,419
Additional paid-in-capital	713,511	685,900
Retained earnings	12,725,444	12,337,041
Accumulated other comprehensive income	406,108	306,298
	<u>14,169,482</u>	<u>13,653,658</u>
Less treasury stock, 90,168,679 shares and 89,674,730 shares, respectively, at cost	<u>(5,355,561)</u>	<u>(5,271,395)</u>
<i>Total shareholders' equity</i>	<u>8,813,921</u>	<u>8,382,263</u>
Total liabilities and shareholders' equity	<u><u>\$16,141,918</u></u>	<u><u>\$16,223,804</u></u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

Gannett Co., Inc. and Subsidiaries

Unaudited, in thousands of dollars (except per share amounts)

	Thirteen Weeks Ended		% Inc (Dec)
	July 1, 2007	June 25, 2006	
Net Operating Revenues:			
Newspaper advertising	\$1,281,555	\$1,353,150	(5.3)
Newspaper circulation	312,506	314,542	(0.6)
Broadcasting	204,666	205,420	(0.4)
Other	129,498	122,745	5.5
Total	<u>1,928,225</u>	<u>1,995,857</u>	<u>(3.4)</u>
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	1,052,476	1,079,525	(2.5)
Selling, general and administrative expenses, exclusive of depreciation	320,636	320,768	—
Depreciation	63,012	59,708	5.5
Amortization of intangible assets	8,855	7,764	14.1
Total	<u>1,444,979</u>	<u>1,467,765</u>	<u>(1.6)</u>
Operating income	<u>483,246</u>	<u>528,092</u>	<u>(8.5)</u>
Non-operating income (expense):			
Interest expense	(66,400)	(67,374)	(1.4)
Other	12,539	(3,112)	***
Total	<u>(53,861)</u>	<u>(70,486)</u>	<u>(23.6)</u>
Income before income taxes	429,385	457,606	(6.2)
Provision for income taxes	139,500	153,100	(8.9)
Income from continuing operations	<u>289,885</u>	<u>304,506</u>	<u>(4.8)</u>
Discontinued Operations			
Income from the operation of discontinued operations, net of tax	1,963	5,991	(67.2)
Gain on disposal of newspaper businesses, net of tax	73,814	—	***
Net Income	<u>\$ 365,662</u>	<u>\$ 310,497</u>	<u>17.8</u>
Earnings from continuing operations per share - basic	<u>\$ 1.24</u>	<u>\$ 1.28</u>	<u>(3.1)</u>
<i>Earnings from discontinued operations</i>			
Discontinued operations per share - basic	0.01	0.03	(66.7)
Gain on disposal of newspaper businesses per share - basic	0.32	—	***
Net Income per share - basic	<u>\$ 1.56</u>	<u>\$ 1.31</u>	<u>19.1</u>
Earnings from continuing operations per share - diluted	<u>\$ 1.24</u>	<u>\$ 1.28</u>	<u>(3.1)</u>
<i>Earnings from discontinued operations</i>			
Discontinued operations per share - diluted	0.01	0.03	(66.7)
Gain on disposal of newspaper businesses per share - diluted	0.31	—	***
Net Income per share - diluted	<u>\$ 1.56</u>	<u>\$ 1.31</u>	<u>19.1</u>
Dividends per share	<u>\$ 0.31</u>	<u>\$ 0.29</u>	<u>6.9</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

Gannett Co., Inc. and Subsidiaries

Unaudited, in thousands of dollars (except per share amounts)

	Twenty-six Weeks Ended		% Inc (Dec)
	July 1, 2007	June 25, 2006	
Net Operating Revenues:			
Newspaper advertising	\$2,503,182	\$2,598,378	(3.7)
Newspaper circulation	630,041	631,934	(0.3)
Broadcasting	387,725	387,995	(0.1)
Other	249,271	230,171	8.3
Total	<u>3,770,219</u>	<u>3,848,478</u>	<u>(2.0)</u>
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	2,110,412	2,137,532	(1.3)
Selling, general and administrative expenses, exclusive of depreciation	641,157	635,345	0.9
Depreciation	125,548	119,851	4.8
Amortization of intangible assets	17,710	15,528	14.1
Total	<u>2,894,827</u>	<u>2,908,256</u>	<u>(0.5)</u>
Operating income	<u>875,392</u>	<u>940,222</u>	<u>(6.9)</u>
Non-operating income (expense):			
Interest expense	(139,345)	(132,095)	5.5
Other	592	(3,288)	***
Total	<u>(138,753)</u>	<u>(135,383)</u>	<u>2.5</u>
Income before income taxes	<u>736,639</u>	<u>804,839</u>	<u>(8.5)</u>
Provision for income taxes	240,400	269,400	(10.8)
Income from continuing operations	<u>496,239</u>	<u>535,439</u>	<u>(7.3)</u>
Discontinued Operations			
Income from the operation of discontinued operations, net of tax	6,221	10,367	(40.0)
Gain on disposal of newspaper businesses, net of tax	73,814	—	***
Net Income	<u>\$ 576,274</u>	<u>\$ 545,806</u>	<u>5.6</u>
Earnings from continuing operations per share - basic	<u>\$ 2.12</u>	<u>\$ 2.25</u>	<u>(5.8)</u>
<i>Earnings from discontinued operations</i>			
Discontinued operations per share - basic	0.03	0.04	(25.0)
Gain on disposal of newspaper businesses per share - basic	0.31	—	***
Net Income per share - basic	<u>\$ 2.46</u>	<u>\$ 2.30</u>	<u>7.0</u>
Earnings from continuing operations per share - diluted	<u>\$ 2.11</u>	<u>\$ 2.25</u>	<u>(6.2)</u>
<i>Earnings from discontinued operations</i>			
Discontinued operations per share - diluted	0.03	0.04	(25.0)
Gain on disposal of newspaper businesses per share - diluted	0.31	—	***
Net Income per share - diluted	<u>\$ 2.45</u>	<u>\$ 2.29</u>	<u>7.0</u>
Dividends per share	<u>\$ 0.62</u>	<u>\$ 0.58</u>	<u>6.9</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Gannett Co., Inc. and Subsidiaries

Unaudited, in thousands of dollars

	Twenty-six weeks ended	
	July 1, 2007	June 25, 2006
Cash flows from operating activities:		
Net Income	\$ 576,274	\$ 545,806
Adjustments to reconcile net income to operating cash flows:		
Gain on sale of discontinued operations, net of tax	(73,814)	—
Depreciation	126,969	121,883
Amortization of intangibles	17,710	15,528
Minority interest	781	840
Stock-based compensation	20,521	24,076
Pension expense, net of pension contributions	30,037	51,585
Change in other assets and liabilities, net	(49,595)	(79,643)
Net cash flow from operating activities	648,883	680,075
Cash flows from investing activities:		
Purchase of property, plant and equipment	(59,974)	(90,807)
Payments for acquisitions, net of cash acquired	(20,972)	(57,086)
Payments for investments	(67,144)	(19,783)
Proceeds from investments	20,266	20,147
Proceeds from sale of assets	438,869	21,301
(Increase) decrease in marketable securities	(58,508)	93,803
Net cash from (used for) investing activities	252,537	(32,425)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt, net of debt issuance fees	1,000,000	—
Payments of unsecured promissory notes and other indebtedness	(953,663)	(391,709)
Payments of unsecured global notes	(700,000)	—
Dividends paid	(145,598)	(138,081)
Cost of common shares repurchased	(90,354)	(64,168)
Proceeds from issuance of common stock	12,065	9,227
Distributions to minority interest in consolidated partnerships	(1,487)	(1,351)
Net cash used for financing activities	(879,037)	(586,082)
Effect of currency rate change	1,684	3,198
Net increase in cash and cash equivalents	24,067	64,766
Balance of cash and cash equivalents at beginning of period	94,256	68,803
Balance of cash and cash equivalents at end of period	\$ 118,323	\$ 133,569

The accompanying notes are an integral part of these condensed consolidated financial statements.

July 1, 2007

NOTE 1 – Basis of presentation

The accompanying unaudited Condensed Consolidated 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 thirteen week period and year-to-date ended July 1, 2007, and the comparable periods of 2006, 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.

In connection with the May 2007 sale of the Norwich (CT) Bulletin; the Rockford (IL) Register Star; the Observer-Dispatch in Utica, NY; and The Herald-Dispatch in Huntington, WV to GateHouse Media, Inc. and the contribution of the Chronicle-Tribune in Marion, IN to the Gannett Foundation, the results for these newspaper businesses are presented in the Condensed Consolidated Statements of Income as discontinued operations. At July 1, 2007, there were no net assets related to these discontinued operations in the Condensed Consolidated Balance Sheets. Amounts applicable to the discontinued operations, which have been reclassified in the Statements of Income for the thirteen week and twenty-six week periods ended July 1, 2007 and June 25, 2006, are as follows:

<u>(in millions of dollars)</u>	<u>Thirteen Weeks ended July 1, 2007</u>	<u>Thirteen Weeks ended June 25, 2006</u>
Revenues	\$ 11.8	\$ 32.1
Pretax income	\$ 3.3	\$ 9.8
Net income	\$ 2.0	\$ 6.0
Gain (after tax)	\$ 73.8	—

<u>(in millions of dollars)</u>	<u>Twenty-six Weeks ended July 1, 2007</u>	<u>Twenty-six Weeks ended June 25, 2006</u>
Revenues	\$ 41.0	\$ 62.0
Pretax income	\$ 10.3	\$ 17.0
Net income	\$ 6.2	\$ 10.4
Gain (after tax)	\$ 73.8	—

NOTE 2 – Recently issued accounting standards

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157 “Fair Value Measurements” (SFAS No. 157). SFAS No. 157 establishes a common definition for fair value, creates a framework for measuring fair value, and expands disclosure requirements about such fair value measurements. SFAS No. 157 is effective for the company's first quarter of 2008. Management is in the process of studying the impact of this standard on the company's financial accounting and reporting.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159 “The Fair Value Option for Financial Assets and Financial Liabilities” (SFAS No. 159). This statement is effective for the company at the beginning of fiscal year 2008. SFAS No. 159 provides companies with an option to report selected financial assets and liabilities at fair value. Additionally, SFAS No. 159 also established presentation and disclosure requirements designed to facilitate comparisons between companies that choose different measurement attributes for similar types of assets and liabilities. Management is currently evaluating this standard and the impact on its financial accounting and reporting.

The company adopted the provisions of FASB Interpretation No. 48 “Accounting for Uncertainty in Income Taxes” (FIN No. 48) on January 1, 2007. Refer to Note 9 – Income taxes for additional information.

NOTE 3 – Equity based awards**Stock-based compensation**

For the quarter ended July 1, 2007 and June 25, 2006, options were granted for 32,625 and 92,832 shares, respectively. The following assumptions were used to estimate the fair value of those options.

	Year-to-date	
	2007	2006
Average expected term	4.5	6.0
Expected volatility	17.80%	11.46% - 22.00%
Risk-free interest rates	4.52%	4.32% - 4.84%
Expected dividend yield	2.07%	1.30% - 1.40%

For the second quarter 2007, the company recorded stock-based compensation expense of \$6.9 million, consisting of \$4.0 million for nonqualified stock options and \$2.9 million for restricted shares (including shares issuable under the company's long-term incentive program). For the year-to-date 2007, the company recorded stock-based compensation expense of \$20.5 million, consisting of \$13.9 million for nonqualified stock options and \$6.6 million for restricted shares (including shares issuable under the long-term incentive program). The related tax benefit for stock compensation was \$2.6 million for the second quarter and \$7.8 million for the year-to-date period. On an after tax basis, total stock compensation expense was \$4.3 million or \$0.02 per share for the second quarter and \$12.7 million or \$0.05 per share year-to-date.

For the second quarter of 2006, the company recorded stock-based compensation expense of \$12.4 million, consisting of \$10.3 million for nonqualified stock options and \$2.1 million for restricted shares (including shares issuable under the long-term incentive program). For the year-to-date 2006, the company recorded stock based compensation expense of \$24.1 million, consisting of \$20.6 million for nonqualified stock options and \$3.5 million for restricted shares (including shares issuable under the long-term incentive program). The related tax benefit for stock compensation expense was \$4.7 million for the second quarter and \$9.1 million for the year-to-date period. On an after tax basis, total stock compensation expense was \$7.7 million or \$0.03 per share for the second quarter and \$14.9 million or \$0.06 per share year-to-date.

During the quarter and year-to-date ended July 1, 2007, options for 91,538 and 216,864 shares, respectively, of common stock were exercised. The company received \$5.1 million and \$12.1 million of cash, respectively, from the exercise of these options. The intrinsic value of the options exercised was approximately \$0.3 million for the quarter and \$1.1 million for the year-to-date. The actual tax benefit realized from the tax deductions from the option exercises was \$0.1 million for the quarter and \$0.4 million for the year-to-date.

During the quarter and year-to-date ended June 25, 2006, options for 160,583 and 210,398 shares, respectively, of common stock were exercised. The company received \$6.6 million and \$9.2 million of cash, respectively, from the exercise of these options. The intrinsic value of the options exercised was approximately \$2.5 million for the second quarter and \$3.0 million for year-to-date. The actual tax benefit realized from the tax deductions from the options exercised was \$1.0 million for the second quarter and \$1.1 million for the year-to-date.

Option exercises are satisfied through the issuance of shares from treasury stock.

A summary of the status of the company's stock option awards as of July 1, 2007 and changes thereto during the year is presented below:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding at beginning of year	28,920,680	\$ 71.68		
Granted	807,376	\$ 61.08		
Exercised	(216,864)	\$ 55.58		
Canceled	(778,755)	\$ 73.64		
Outstanding at quarter end	<u>28,732,437</u>	<u>\$ 71.45</u>	5.2	\$874,000
Options exercisable at quarter end	23,779,061	\$ 73.59	4.8	\$843,000

Restricted Stock

In addition to stock options, the company issues stock-based compensation in the form of restricted stock. Restricted stock is an award of common stock that is subject to restrictions and such other terms and conditions as the Executive Compensation Committee determines. These awards entitle an employee to receive shares of common stock at the end of a four-year incentive period conditioned on continued employment. Compensation expense for restricted stock is recognized for the awards that are expected to vest. The expense is based on the fair value of the awards on the date of grant and is generally recognized on a straight-line basis over the four-year incentive period.

The company has also issued restricted stock to its Board of Directors. Upon each annual meeting of shareholders, each director receives a long-term award of 1,250 shares of restricted stock or options to purchase 5,000 shares of stock. The restricted stock awards generally vest over three years and expense is recognized on a straight-line basis over the vesting period based on the fair value of the restricted stock on the date of grant. The options generally vest at 25% per quarter after the grant date and expense is recognized over that period.

Additionally, Directors may elect to receive their annual fees in restricted stock or options in lieu of cash. These shares or options generally vest at 25% per quarter after the grant date. Expense is recognized on a straight-line basis over the twelve-month board year for which the fees are paid based on the fair value of the stock award on the date of grant.

Directors may also elect to receive their meeting fees in restricted stock in lieu of cash. Restricted stock issued as compensation for meeting fees is issued at the end of the board year during which the fees were earned and fully vests on the date of grant. Expense is recognized on a straight-line basis over the course of the board year.

All shares of restricted stock in which the Directors vest are held by the company for the benefit of the Directors until their retirement, at which time vested shares are delivered to the Directors.

For the second quarter and year-to-date 2007, the company recorded compensation expense for restricted stock of \$2.0 million and \$4.8 million, respectively (excluding shares issuable under the company's long-term incentive program - see "Long-term incentive program" below). The related tax benefit for the quarter and year-to-date was \$0.8 million and \$1.8 million, respectively. For the second quarter and year-to-date 2006, the company recorded compensation expense for restricted stock of \$1.2 million and \$2.3 million, respectively (excluding shares issuable under the company's long-term incentive program). The related tax benefit for the quarter and year-to-date was \$0.4 million and \$0.9 million respectively.

A summary of the status of the restricted stock awards as of July 1, 2007 and changes during the year is presented below:

	Shares	Weighted Average Fair Value
Restricted stock outstanding and unvested at beginning of year	586,900	\$ 60.49
<i>Granted</i>	16,783	\$ 58.41
<i>Vested and issued</i>	(1,650)	\$ 60.01
<i>Canceled</i>	(28,434)	\$ 60.44
Restricted stock outstanding and unvested at quarter end	<u>573,599</u>	<u>\$ 60.44</u>

Long-term incentive program

In February 2006, the company adopted a three-year strategic long-term incentive program, or LTIP. Through the use of the LTIP, the company desires to motivate its key executives to drive success in new businesses while continuing to achieve success in our core businesses. Approximately 23 senior executives have been designated to participate in the LTIP. The company recorded expense of \$0.9 million for equity awards and \$0.9 million cash compensation in the second quarters of 2007 and 2006 based upon its expectations of program target achievement. The company recorded expense of \$1.8 million and \$1.2 million year-to-date 2007 and 2006, respectively, for equity awards and equal amounts for cash compensation based upon its expectations of program target achievement.

NOTE 4 – Acquisitions, investments and dispositions

In February 2007, the company completed the acquisition of Central Florida Future, the independent student newspaper of the University of Central Florida. This acquisition was not material to operations or financial position.

In June 2007, the company acquired the Central Ohio Advertiser Network, a network of eight weekly shoppers with the Advertiser brand and a commercial print operation in Ohio. This acquisition was not material to operations or financial position.

On May 8, 2007 the company's percentage equity stake in CareerBuilder was lowered slightly, as were the equity interests of Tribune Company and The McClatchy Company, upon the sale by CareerBuilder of a minority interest to Microsoft Corp.

In April 2007, the company disposed of a parcel of real estate located adjacent to its corporate headquarters. In accordance with the installment method of accounting under SFAS No. 66, *Accounting for Sales of Real Estate*, a portion of the gain was recognized in other non-operating income during the second quarter. The remaining gain has been deferred pending completion of the transaction, which is expected to occur within one year.

The financial statements reflect an allocation of purchase price that is preliminary for acquisitions subsequent to June 25, 2006. See Note 1 for additional discussion on acquisitions, investments and dispositions.

NOTE 5 – Goodwill and other intangible assets

The following table displays goodwill, indefinite-lived intangible assets, and amortized intangible assets at July 1, 2007 and December 31, 2006. Indefinite-lived intangible assets include mastheads, television station FCC licenses and trade names. Amortized intangible assets primarily include customer relationships, and real estate access rights and patents.

(in thousands of dollars)	July 1, 2007		December 31, 2006	
	Gross	Accumulated Amortization	Gross	Accumulated Amortization
Goodwill	\$10,013,234	—	\$10,060,440	—
Indefinite-lived intangibles	533,582	—	594,551	—
Amortized intangible assets:				
Customer relationships	304,681	95,073	303,827	80,174
Other	90,415	10,231	25,784	7,420

Goodwill decreased primarily due to the disposition of five newspapers (see Note 1 for additional discussion). This decrease was partially offset by the impact of an increase in the foreign exchange rate at July 1, 2007 as compared to December 31, 2006.

Amortization expense was \$8.9 million in the quarter ended July 1, 2007 and \$17.7 million year-to-date. For the second quarter and year-to-date of 2006, amortization expense was \$7.8 million \$15.5 million respectively. The increase in amortization expense is primarily related to the acquisition of broadcast stations in the second quarter of 2006 and the finalization of purchase accounting for prior acquisitions. Customer relationships, which include subscriber and advertiser relationships, are amortized on a straight-line basis over three to twenty-five years. Other intangibles, which are amortized on a straight-line basis over three to twenty years, include advertiser archives, continuing education training modules, real estate access rights and patents, and commercial printing relationships.

(in thousands of dollars)	Newspaper Publishing	Broadcasting	Total
Goodwill			
Balance at Dec. 31, 2006	\$8,437,051	\$1,623,389	\$10,060,440
Acquisitions and adjustments	14,217	(646)	13,571
Dispositions	(138,345)	—	(138,345)
Foreign currency exchange rate changes	77,290	278	77,568
Balance at July 1, 2007	<u>\$8,390,213</u>	<u>\$1,623,021</u>	<u>\$10,013,234</u>

NOTE 6 – Long-term debt

In June 2007, the company issued \$1.0 billion aggregate principal amount of unsecured senior convertible notes due 2037 in an underwritten public offering. Proceeds from the notes were used to repay commercial paper obligations. The convertible notes bear interest at a floating rate equal to one month LIBOR, reset monthly, minus twenty-three basis points. At issuance, the conversion rate of these notes was 10.853 shares of Gannett common stock per \$1,000 principal amount of the convertible notes, resulting in an initial conversion price per share of \$92.14. The holder can convert these notes into cash and shares of the company's common stock, if any, prior to maturity, subject to the company's option to deliver cash in lieu of shares. The company may redeem all or some of the convertible notes for cash at any time on or after July 15, 2008 at 100% of their principal amount plus any accrued and unpaid interest. On July 15, 2008, 2009, 2012, 2017, 2022, 2027 and 2032, or upon the occurrence of a change in control, the holders of the convertible notes may require the company to repurchase the convertible notes for cash at a price equal to 100% of the principal amount of the notes submitted for repurchase, plus any accrued and unpaid interest.

On April 2, 2007, the first day of the second quarter, the company paid \$700 million aggregate principal amount of 5.50% notes and accrued interest that were due. This payment was funded by borrowings at the end of the first quarter in the commercial paper market and from investment proceeds of \$525 million in marketable securities.

In February 2007, the company amended its existing three multi-year credit agreements. The amended facilities mature in March 2012 and total \$3.934 billion. These revolving credit agreements provide back-up for commercial

paper and for general corporate purposes. As a result, commercial paper is carried on the balance sheet as long-term debt.

Approximate annual maturities of long-term debt, assuming that the company used the \$3.9 billion credit available under the revolving credit agreements to refinance, on a long-term basis, existing unsecured promissory notes, unsecured global notes, the loan notes issued in the UK to the former shareholders of Newsquest, the unsecured senior convertible notes and two industrial revenue bonds, and assuming the company's other indebtedness was paid on its scheduled pay dates, are as follows:

<i>(in thousands)</i>	<u>July 1, 2007</u>
2008	—
2009	—
2010	—
2011	497,516
2012	4,060,048
Later years	—
Total	<u>\$4,557,564</u>

The fair value of the company's total long-term debt, determined based on quoted market prices for similar issues of debt with the same remaining maturities and similar terms, totaled \$4.56 billion at July 1, 2007.

NOTE 7 – Retirement plans

The company and its subsidiaries have various retirement plans, including plans established under collective bargaining agreements, under which most full-time employees are covered. The Gannett Retirement Plan is the company's principal retirement plan and covers most U.S. employees of the company and its subsidiaries.

On Dec. 31, 2006, the company adopted the recognition and disclosure provisions of SFAS No. 158. This statement required the company to recognize the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its retirement plans in the Dec. 31, 2006, balance sheet, with a corresponding adjustment to accumulated other comprehensive income, net of tax. The adjustment to accumulated other comprehensive income at adoption represents the net unrecognized actuarial losses and unrecognized prior service costs, all of which were previously netted against the retirement plans' funded status in the company's balance sheet pursuant to the provisions of SFAS No. 87. These amounts continue to be recognized as net periodic pension costs pursuant to the company's historical accounting policy for amortizing such amounts.

The company's pension costs, which include costs for qualified, nonqualified and union plans, for the second quarter and first six months of 2007 and 2006, are presented in the following table:

<i>(in thousands of dollars)</i>	<u>Second Quarter</u>		<u>Year-to-date</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Service cost-benefits earned during the period	\$ 24,571	\$ 26,450	\$ 51,167	\$ 52,950
Interest cost on benefit obligation	49,650	45,700	98,850	91,400
Expected return on plan assets	(68,149)	(61,125)	(135,938)	(122,225)
Amortization of prior service credit	(5,497)	(5,125)	(10,269)	(10,250)
Amortization of actuarial loss	11,325	16,450	22,190	32,900
Pension expense for company-sponsored retirement plans	11,900	22,350	26,000	44,775
Union and other pension cost	2,018	3,405	4,037	6,810
Pension cost	<u>\$ 13,918</u>	<u>\$ 25,755</u>	<u>\$ 30,037</u>	<u>\$ 51,585</u>

NOTE 8 – Postretirement benefits other than pension

The company provides health care and life insurance benefits to certain retired employees who meet age and service requirements. Most of the company's retirees contribute to the cost of these benefits and retiree contributions are increased as actual benefit costs increase. The company's policy is to fund benefits as claims and premiums are paid. Postretirement benefit costs for health care and life insurance for the second quarter and first six months of 2007 and 2006 are presented in the following table:

<i>(in thousands of dollars)</i>	<i>Second Quarter</i>		<i>Year-to-date</i>	
	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>
Service cost-benefits earned during the period	\$ 518	\$ 750	\$ 1,043	\$ 1,500
Interest cost on benefit obligation	3,349	3,525	6,750	7,050
Amortization of prior service credit	(1,760)	(3,225)	(5,650)	(6,450)
Amortization of actuarial loss	75	1,200	1,400	2,400
Net periodic postretirement cost	<u>\$ 2,182</u>	<u>\$ 2,250</u>	<u>\$ 3,543</u>	<u>\$ 4,500</u>

On Dec. 31, 2006, the company adopted the recognition and disclosure provisions of SFAS No. 158. SFAS No. 158 required the company to recognize the funded status of its retirement plans in the Dec. 31, 2006 balance sheet, with a corresponding adjustment to accumulated other comprehensive income, net of tax.

NOTE 9 – Income taxes

The company adopted the provisions of FASB Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" (FIN No. 48) on January 1, 2007. As a result of the implementation of FIN No. 48, the company recognized a \$43 million increase in liabilities for unrecognized tax benefits with a corresponding reduction in the January 1, 2007 balance of retained earnings.

The total amount of unrecognized tax benefits and the amount that, if recognized, would impact the effective tax rate was approximately \$162 million as of January 1, 2007 and \$155 million as of the end of the second quarter. This amount includes the federal tax benefit of state tax deductions. Excluding the federal tax benefit, the total amount of unrecognized tax benefits at January 1, 2007 was \$239 million and at July 1, 2007 was \$228 million. The \$11 million decrease reflects a reduction for prior year tax positions of \$22 million, settlements of \$3 million, and additions in the current year of \$14 million.

The company recognizes interest and penalties related to unrecognized tax benefits as a component of income tax expense. The company also recognizes interest income attributable to overpayment of income taxes as a component of income tax expense. The amount of accrued interest and penalties related to uncertain tax benefits as of the date of adoption was approximately \$46 million and as of July 1, 2007, was \$38 million.

The company files income tax returns in the U.S. and various state and foreign jurisdictions. Examination of the company's U.S. income tax returns by the Internal Revenue Service (IRS) for 1995 through 2003 is expected to be completed and settled in the coming year. As of July 1, 2007, the company has recorded aggregate refunds of tax and interest of approximately \$171 million in connection with this settlement. The IRS commenced an examination of the company's U.S. income tax return for 2004 in the first quarter of 2006 which is also expected to be completed and settled in the coming year. This examination is not expected to result in any material change to the financial position of the company.

It is reasonably possible that the amount of the unrecognized benefit with respect to certain of our unrecognized tax positions will significantly increase or decrease within the next 12 months. These changes may be the result of settlement of ongoing audits or other regulatory developments. At this time, an estimate of the range of reasonably possible outcomes cannot be made.

NOTE 10 – Comprehensive income

Comprehensive income for the company includes net income, foreign currency translation adjustments, and adjustment of certain pension amounts in accordance with SFAS No. 158.

The table below presents the components of comprehensive income for the second quarter and year-to-date of 2007 and 2006.

<i>(in thousands of dollars)</i>	<i>Second Quarter</i>		<i>Year-to-date</i>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Net income	\$ 365,662	\$ 310,497	\$ 576,274	\$ 545,806
Other comprehensive (loss) income	78,484	139,915	99,810	150,326
Comprehensive income	<u>\$ 444,146</u>	<u>\$ 450,412</u>	<u>\$ 676,084</u>	<u>\$ 696,132</u>

Other comprehensive income consists primarily of foreign currency translation adjustments.

NOTE 11 – Outstanding shares

The weighted average number of common shares outstanding (basic) for the second quarter of 2007 totaled 234,196,000 compared to 237,407,000 for the second quarter of 2006. The weighted average number of diluted shares outstanding for the second quarter of 2007 totaled 234,605,000 compared to 237,767,000 for the second quarter of 2006.

The weighted average number of common shares outstanding (basic) for the first six months of 2007 totaled 234,391,000 compared to 237,595,000 for the first six months of 2006. The weighted average number of diluted shares outstanding for the first six months of 2007 totaled 234,814,000 compared to 238,084,000 for the first six months of 2006.

The decline in shares outstanding is the result of the company's share repurchase program. See Part II, Item 2 for information on share repurchases.

NOTE 12 – Business segment information

The company has determined that its reportable segments based on its management and internal reporting structure are newspaper publishing, which is the largest segment of its operations, and broadcasting.

Broadcasting includes results from the company's 23 television stations and Captivate Network, Inc. Captivate is a national news and entertainment network that delivers programming and full motion video advertising through wireless digital video screens in elevators of premier office towers and in select hotels across North America.

<i>Excluding discontinued operations (unaudited, in thousands of dollars)</i>	<i>Thirteen weeks ended</i>		<i>% Inc (Dec)</i>
	<i>July 1, 2007</i>	<i>June 25, 2006</i>	
Net Operating Revenues:			
Newspaper publishing	\$1,723,559	\$1,790,437	(3.7)
Broadcasting	204,666	205,420	(0.4)
Total	\$1,928,225	\$1,995,857	(3.4)
Operating Income (net of depreciation and amortization):			
Newspaper publishing	\$ 414,534	\$ 455,144	(8.9)
Broadcasting	87,412	93,288	(6.3)
Corporate	(18,700)	(20,340)	8.1
Total	\$ 483,246	\$ 528,092	(8.5)
Depreciation and Amortization:			
Newspaper publishing	\$ 59,498	\$ 55,197	7.8
Broadcasting	8,459	8,088	4.6
Corporate	3,910	4,187	(6.6)
Total	\$ 71,867	\$ 67,472	6.5
<i>Excluding discontinued operations (unaudited, in thousands of dollars)</i>	<i>Twenty-six weeks ended</i>		<i>% Inc (Dec)</i>
	<i>July 1, 2007</i>	<i>June 25, 2006</i>	
Net Operating Revenues:			
Newspaper publishing	\$3,382,494	\$3,460,483	(2.3)
Broadcasting	387,725	387,995	(0.1)
Total	\$3,770,219	\$3,848,478	(2.0)
Operating Income (net of depreciation and amortization):			
Newspaper publishing	\$ 765,571	\$ 815,937	(6.2)
Broadcasting	151,574	165,093	(8.2)
Corporate	(41,753)	(40,808)	(2.3)
Total	\$ 875,392	\$ 940,222	(6.9)
Depreciation and Amortization:			
Newspaper publishing	\$ 118,160	\$ 110,898	6.5
Broadcasting	17,182	16,114	6.6
Corporate	7,916	8,367	(5.4)
Total	\$ 143,258	\$ 135,379	5.8

NOTE 13 – Earnings per share

The company's earnings per share (basic and diluted) for the quarter and six months ended July 1, 2007 and June 25, 2006 are presented below:

(in thousands except per share amounts)

	<u>Thirteen weeks ended</u>		<u>Twenty-six weeks ended</u>	
	<u>Jul. 1, 2007</u>	<u>Jun. 25, 2006</u>	<u>Jul. 1, 2007</u>	<u>Jun. 25, 2006</u>
Income from continuing operations	\$ 289,885	\$ 304,506	\$ 496,239	\$ 535,439
Income from the operation of discontinued operations, net of tax	1,963	5,991	6,221	10,367
Gain on disposal of newspaper businesses, net of tax	73,814	—	73,814	—
Net income	<u>\$ 365,662</u>	<u>\$ 310,497</u>	<u>\$ 576,274</u>	<u>\$ 545,806</u>
Earnings from continuing operations per share - basic	\$ 1.24	\$ 1.28	\$ 2.12	\$ 2.25
<i>Earnings from discontinued operations</i>				
Discontinued operations per share - basic	0.01	0.03	0.03	0.04
Gain on disposal of newspaper businesses per share - basic	0.32	—	0.31	—
Net income per share - basic	<u>\$ 1.56</u>	<u>\$ 1.31</u>	<u>\$ 2.46</u>	<u>\$ 2.30</u>
Earnings from continuing operations per share - diluted	\$ 1.24	\$ 1.28	\$ 2.11	\$ 2.25
<i>Earnings from discontinued operations</i>				
Discontinued operations per share - diluted	0.01	0.03	0.03	0.04
Gain on disposal of newspaper businesses per share - diluted	0.31	—	0.31	—
Net income per share - diluted	<u>\$ 1.56</u>	<u>\$ 1.31</u>	<u>\$ 2.45</u>	<u>\$ 2.29</u>

NOTE 14 – Litigation

On Dec. 31, 2003, two employees of the company's television station KUSA in Denver filed a class action lawsuit in the U.S. District Court for the District of Colorado against Gannett and the Gannett Retirement Plan (Plan) on behalf of themselves and other similarly situated individuals who participated in the Plan after January 1, 1998, the date that certain amendments to the Plan took effect. The plaintiffs allege, among other things, that the current pension plan formula adopted in that amendment violated the age discrimination accrual provisions of the Employee Retirement Income Security Act. The plaintiffs seek to have their post-1997 benefits recalculated and seek other equitable relief. Gannett believes that it has valid defenses to the issues raised in the complaint and will defend itself vigorously. The court has granted the plaintiffs' motion to certify a class. Due to the uncertainties of judicial determinations, however, it is not possible at this time to predict the outcome of this matter with respect to liability or damages, if any.

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

Item 3. Quantitative and Qualitative Disclosures about Market Risk

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, for which Sterling is the functional currency, which is then translated into U.S. dollars. Translation gains or losses affecting the Condensed Consolidated Statements of Income have not been significant in the past. If the price of Sterling against the U.S. dollar had been 10% more or less than the actual price, reported net income would have increased or decreased approximately 4% for the second quarter and 2% for the first six months of 2007. Because the company has \$1.25 billion in commercial paper obligations that have relatively short-term maturity dates, \$750 million in floating-rate term debt and \$1.00 billion of floating rate convertible notes outstanding at July 1, 2007, the company is subject to changes in the amount of interest expense it might incur. Assuming the current level of commercial paper borrowings of \$1.25 billion and \$1.75 billion of floating rate notes, a 1/2% increase or decrease in the average interest rate for commercial paper and floating rate notes would result in an increase or decrease in annual interest expense of \$15.0 million.

The fair value of the company's total long-term debt, determined based on quoted market prices for similar issues of debt with the same remaining maturities and similar terms, totaled \$4.56 billion at July 1, 2007.

Item 4. Controls and Procedures

Based on their evaluation, the company's Chairman, President and Chief Executive Officer and Executive Vice President and Chief Financial Officer have concluded the company's disclosure controls and procedures are effective as of July 1, 2007, to ensure that information required to be disclosed in the reports that the company files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. There have been no significant changes in the company's internal controls or in other factors that have materially affected, or are reasonably likely to materially affect, the company's internal controls over financial reporting.

PART II. OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On February 9, 2004, the company announced the reactivation of its existing share repurchase program that was last implemented in February 2000.

<u>Period</u>	<u>(a) Total Number of Shares Purchased</u>	<u>(b) Average Price Paid per Share</u>	<u>(c) Total Number of Shares Purchased as Part of Publicly Announced Program</u>	<u>(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program</u>
4/02/07 - 05/06/07	307,000	\$ 56.73	307,000	\$ 1,072,268,221
05/07/07 - 06/03/07	—	—	—	\$ 1,072,268,221
06/04/07 - 07/01/07	1,186,500	\$ 55.38	1,186,500	\$ 1,006,555,725
Total Second Quarter 2007	1,493,500	\$ 55.66	1,493,500	\$ 1,006,555,725

All of the shares included in column (c) of the table above were repurchased under the remaining \$1 billion authorization announced on April 14, 2005. An additional \$1 billion was authorized on July 25, 2006. There is no expiration date for the repurchase program. No repurchase program expired during the periods presented above and management does not intend to terminate the repurchase program. All shares repurchased were part of the publicly announced repurchase program.

* In addition to the above, as of July 1, 2007, 100,300 shares were repurchased as part of the publicly announced repurchase program at an average price of \$54.93, but were settled subsequent to the end of the quarter. The effect of these repurchases decreased the maximum dollar value available under the program to \$1,001,046,489.

Item 4. Submission of Matters to a Vote of Securityholders

The Annual Meeting of Shareholders of Gannett Co., Inc. was held on April 24, 2007. The following describes the actions taken at the Annual Meeting.

Three nominees were re-elected to the Board of Directors. Tabulation of votes for each of the nominees was as follows:

	<u>For</u>	<u>Withhold Authority</u>
Charles B. Fruit	204,870,245	4,059,512
Arthur H. Harper	205,176,990	3,752,767
John Jeffrey Louis	205,209,066	3,720,690

The proposal to ratify Ernst & Young LLP as the company's independent registered public accounting firm was approved. Tabulation of the votes for the proposal was as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Vote</u>
Ratification of independent auditors	207,352,255	280,819	1,296,713	- 0 -

The proposal to amend the Certificate of Incorporation and By-laws to declassify the Company's board of directors was approved. Tabulation of the votes for the proposal was as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Vote</u>
Proposal to amend	205,265,588	2,099,176	1,564,992	- 0 -

The shareholder proposal concerning independent board chairman was not approved. Tabulation of the votes for the proposal was as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>	<u>Broker Non-Vote</u>
Shareholder proposal	54,060,214	135,204,323	1,733,670	17,931,550

Item 5. Other Information

Director Retirement

On August 6, 2007, director Louis D. Boccardi informed the company that he will retire from the Board of Directors following his 70th birthday, effective August 27, 2007. Management is grateful to Mr. Boccardi for his dedicated service to the company and its shareholders.

Bylaw Amendments

On August 7, 2007, the company's Board of Directors amended Article II, Sections 3, 4 and 5, and Article IV, Sections 1 and 2 of the company's bylaws. Amended Article II, Section 3 eliminates language relating to the phase-in of directors' stock ownership requirements that took place between 2003 and 2005. Amended Article II, Sections 4 and 5 change the advance notice for stockholder business and director nominations. Previously, the applicable provisions provided that notice of stockholder business and director nominations had to be given to the company's Secretary not later than 90 days in advance of the annual meeting of stockholders or, in the case of a special meeting of stockholders, the close of business on the tenth day following the date on which notice of such meeting is first given to stockholders. The new provisions provide that notice of stockholder business and director nominations must be delivered to the company's Secretary not earlier than the close of business on the 120th day and not later than the close of business on the 100th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 100th day prior to such annual meeting and the 10th day following the day on which public announcement of the date of such meeting is first made by the company. Director nominations may be made at a special meeting of stockholders at which directors are to be elected if notice of such nomination is delivered to the Secretary of the company not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 100th day prior to such special meeting and the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. Under the new provisions, if the notice relates to a director nomination, then the notice must set forth, in addition to the information that was previously required by the bylaws, a description of all direct and indirect compensation and other material agreements and relationships that would be required to be disclosed pursuant to Item 404 of Regulation S-K, and be accompanied by (i) a completed and signed questionnaire, with respect to the background, qualification and experience of such nominee and the background of any other person or entity on whose behalf the nomination is being made, and (ii) a written representation and agreement, each in the form provided by the Secretary of the company upon request. Amended Article IV, Sections 1 and 2 allow for uncertificated shares of the company's stock. The amended bylaws are attached as Exhibit 3-2 to this Form 10-Q.

Benefit Plan and Employment Agreement Amendments

On August 7, 2007, the company's Board of Directors authorized and approved amendments to each of (i) the Gannett Co., Inc. Transitional Compensation Plan, (ii) the Gannett Supplemental Retirement Plan Restatement ("SERP"), (iii) the Gannett Co., Inc. Deferred Compensation Plan Restatement ("DCP"), (iv) the Omnibus Incentive Compensation Plan, as amended, (v) the Employment Agreement dated February 27, 2007, between Gannett Co., Inc. and Craig A. Dubow and (vi) the Employment Agreement dated February 27, 2007, between Gannett Co., Inc. and Gracia C. Martore. The plans and agreements were amended to comply with the requirements of Section 409A of the Internal Revenue Code and the regulations promulgated thereunder. The plans and agreements were also amended, among other things, to clarify the definition of change in control by specifying the ownership level at which employees would not be deemed to be participating in a management buyout; provide for the payment of accrued amounts to participants in the SERP and DCP (for post-2004 deferrals) in a lump sum following a change in control; provide for accelerated vesting of benefits for active participants in the SERP upon a change in control; and prohibit a termination of the SERP and amendments to the SERP that would reduce benefits to participants, if

adopted in anticipation of a change in control or within 24 months thereafter. Copies of the amended plans and the amended employment agreements are filed as Exhibits 10-1, 10-2, 10-3, 10-4, 10-5 and 10-6 to this Form 10-Q. An updated description of compensation provided to non-employee directors is filed as Exhibit 10.7 hereto.

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.

Date: August 8, 2007

GANNETT CO., INC.

/s/ George R. Gavagan

Vice President and Controller

(on behalf of Registrant and as Chief Accounting Officer)

EXHIBIT INDEX

Exhibit Number	Exhibit	Location
3-1	Third Restated Certificate of Incorporation of Gannett Co., Inc.	Incorporated by reference to Exhibit 3.1 to Gannett Co., Inc.'s Form 10-Q filed on May 11, 2007.
3-2	By-laws of Gannett Co., Inc.	Attached.
3-3	Form of Certificate of Designation, Preferences and Rights setting forth the terms of the Series A Junior Participating Preferred Stock, par value \$1.00 per share, of Gannett Co., Inc.	Incorporated by reference to Exhibit 1 to Gannett Co., Inc.'s Form 8-A filed on May 23, 1990.
4-1	Rights Agreement, dated as of May 21, 1990, between Gannett Co., Inc. and First Chicago Trust Company of New York, as Rights Agent.	Incorporated by reference to Exhibit 1 to Gannett Co., Inc.'s Form 8-A filed on May 23, 1990.
4-2	Amendment No. 1 to Rights Agreement, dated as of May 2, 2000, between Gannett Co., Inc. and Norwest Bank Minnesota, N.A., as successor rights agent to First Chicago Trust Company of New York.	Incorporated by reference to Exhibit 2 to Gannett Co., Inc.'s Form 8-A/A filed on May 2, 2000.
4-3	Form of Rights Certificate.	Incorporated by reference to Exhibit 1 to Gannett Co., Inc.'s Form 8-A filed on May 23, 1990.
4-4	Specimen Certificate for Gannett Co., Inc.'s common stock, par value \$1.00 per share.	Incorporated by reference to Exhibit 2 to Gannett Co., Inc.'s Form 8-B filed on June 14, 1972.
4-5	Sixth Supplemental Indenture, dated as of June 29, 2007, between the Company and Wells Fargo Bank, National Association, as Successor Trustee.	Attached.
10-1	Gannett Co., Inc. Transitional Compensation Plan Restatement.*	Attached.
10-2	Gannett Supplemental Retirement Plan Restatement.*	Attached.
10-3	Gannett Co., Inc. Deferred Compensation Plan Rules for Post-2004 Deferrals.*	Attached.
10-4	Amendment to Employment Agreement dated February 27, 2007, between Gannett Co., Inc. and Craig A. Dubow.*	Attached.
10-5	Amendment to Employment Agreement dated February 27, 2007, between Gannett Co., Inc. and Gracia C. Martore.*	Attached.
10-6	Amendment to Omnibus Incentive Compensation Plan, as amended.*	Attached.
10-7	Summary of Non-Employee Director Compensation.*	Attached.

31-1	Rule 13a-14(a) Certification of CEO.	Attached.
31-2	Rule 13a-14(a) Certification of CFO.	Attached.
32-1	Section 1350 Certification of CEO.	Attached.
32-2	Section 1350 Certification of CFO.	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.

[Reflects all amendments through August 7, 2007]

BY-LAWS

OF

GANNETT CO., INC.

ARTICLE I.

Meetings of Stockholders

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

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

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

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

Section 5. Organization: At each meeting of the stockholders, the Chairman of the Board, or in his absence, the Vice Chairman, or in the absence of both officers, an officer selected by the Chairman of the Board, or if the Chairman of the Board has made no selection, an officer selected by the Board, shall act as chairman of the meeting and the Secretary or, in his absence, an Assistant Secretary, if one be

appointed, shall act as secretary of the meeting. In case at any meeting none of the officers who have been designated to act as chairman or secretary of the meeting, respectively, shall be present, a chairman or secretary of the meeting, as the case may be, shall be chosen by the vote of a majority in interest of the stockholders of the Corporation present in person or by proxy and entitled to vote at such meeting.

Section 6. Quorum and Conduct of Meetings.

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

(b) The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the chairman of the meeting. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be conducted in accordance with the rules of parliamentary procedure.

Section 7. Voting.

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

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

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

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

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

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

ARTICLE II.

Board of Directors

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

Section 2. Number and Terms: Except as otherwise fixed pursuant to the provisions of Article FOURTH of the Certificate of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Common Stock

as to dividends or upon liquidation to elect additional directors under specified circumstances, the number of the directors of the Corporation shall be fixed from time to time by majority vote of the entire Board of Directors. Without limiting the term of any director previously elected, directors elected to the board of directors after the annual meeting of stockholders to be held in 2007 shall hold office until the first annual meeting of stockholders following their election and until his or her successor shall have been duly elected and qualified or until the director's prior death, resignation or removal.

Section 3. Qualifications of Directors: A director who has not served as an executive of the Corporation shall be eligible to serve as a member of the Board of Directors until the first annual meeting of shareholders following his or her seventieth birthday.

A director who has served as an executive of the Corporation shall be eligible to serve as a member of the Board of Directors until the first annual meeting of shareholders following his or her sixty-fifth birthday, and if such officer has served or is serving as the chief executive officer of the Corporation, the age of eligibility for his or her Board service may be extended past age 65 if the Board of Directors, in its sole discretion, deems it advisable under the circumstances.

Notwithstanding the foregoing, no one who has at any time served as an executive of this Corporation, whether or not as the chief executive officer, shall be eligible to serve as a member of the Board of Directors after the first annual meeting of shareholders following the date on which he or she retires under the Corporation's retirement plan.

^Every person who is elected a director of this Corporation shall own, directly or beneficially (beneficial ownership to be determined in accordance with the Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder (the "Exchange Act")), at least three thousand shares of the common stock of this Corporation (subject to adjustment for any stock splits or stock dividends occurring after August 10, 2007). Shares of common stock issuable upon vesting of restricted stock units or in a director's account in the Corporation's deferred compensation plan shall be counted for purposes of this ownership requirement.

Section 4. Notice of Stockholder Business and Nominations.

(A) Annual Meetings of Stockholders. (1) Subject to the rights of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, nominations of persons for election to the Board of Directors and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders (a) pursuant to the Corporation's notice of meeting, (b) by or at the direction of the Board of Directors or (c) by any stockholder of the Corporation who (i) was a stockholder of record at the time of giving of notice provided for in this By-Law

and at the time of the annual meeting, (ii) is entitled to vote at the meeting and (iii) complies with the notice procedures set forth in this By-Law.

(2) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to Article II, Section 4(A)(1) (c) of this By-Law, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and such other business must otherwise be a proper matter for stockholder action. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day and not later than the close of business on the 100th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 100th day prior to such annual meeting and the 10th day following the day on which public announcement of the date of such meeting is first made by the Corporation. In no event shall the public announcement of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. To be in proper form, a stockholder's notice to the Secretary of the Corporation must: (a) set forth, as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, if any, (ii) the class or series and number of shares of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner, if any, as of the date of such notice (which information shall be supplemented by such stockholder and beneficial owner, if any, not later than 10 days after the record date for the meeting to disclose such ownership as of the record date), and (iii) any other information relating to such stockholder and beneficial owner, if any, that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act; (b) if the notice relates to any business other than the nomination of a director that the stockholder proposes to bring before the meeting, set forth (i) a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest of such stockholder and beneficial owner, if any, in such business and (ii) a description of all agreements, arrangements and understandings between such stockholder and beneficial owner, if any, and any other person or persons (including their names) in connection with the proposal of such business by such stockholder; (c) set forth, as to each person, if any, whom the stockholder proposes to nominate for election or reelection as a director (i) all information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected) and (ii) a description of all direct and indirect compensation and other material monetary agreements, arrangements and

understandings during the past three years, and any other material relationships, between or among such stockholder and beneficial owner, if any, and their respective affiliates and associates, or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Item 404 promulgated under Regulation S-K if the stockholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the "registrant" for purposes of such rule and the nominee were a director or executive officer of such registrant; and (d) with respect to each nominee for election or reelection to the Board of Directors, include the completed and signed questionnaire, representation and agreement required by Article II, Section 5 of these By-Laws. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such nominee.

(3) Notwithstanding anything in the second sentence of Article II, Section 4(A)(2) of this By-Law to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement by the Corporation naming all of the nominees for director or specifying the size of the increased Board of Directors at least 110 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this By-Law shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the Corporation.

(B) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Subject to the rights of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (a) by or at the direction of the Board of Directors or (b) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who (i) is a stockholder of record at the time of giving of notice provided for in this By-Law and at the time of the special meeting, (ii) is entitled to vote at the meeting and (iii) complies with the notice procedures set forth in this By-Law. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by Article II, Section 4(A)(2) of this By-Law (including

the completed and signed questionnaire, representation and agreement required by Article II, Section 5 of these By-Laws) shall be delivered to the Secretary of the Corporation at the principal executive offices of the Corporation not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 100th day prior to such special meeting and the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment of a special meeting commence a new time period for the giving of a stockholder's notice as described above.

(C) General. (1) Only such persons who are nominated in accordance with the procedures set forth in this By-Law shall be eligible to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this By-Law. Except as otherwise provided by law, the Certificate of Incorporation or these By-Laws, the Chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this By-Law and, if any proposed nomination or business is not in compliance with this By-Law, to declare that such defective proposal or nomination shall be disregarded.

(2) For purposes of this By-Law, "public announcement" shall mean disclosure in a press release reported by national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(3) Notwithstanding the foregoing provisions of this By-Law, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this By-Law. Nothing in this By-Law shall be deemed to affect any rights (i) of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or (ii) of the holders of any series of Preferred Stock if and to the extent provided for under law, the Certificate of Incorporation or these By-Laws.

Section 5. Submission of Questionnaire, Representation and Agreement. To be eligible to be a nominee for election or reelection as a director of the Corporation, a person must deliver (in accordance with the time periods prescribed for delivery of notice under Article II, Section 4 of these By-Laws) to the Secretary of the Corporation at the principal executive offices of the Corporation a written questionnaire with respect to the background, qualification and experience of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request) and a written representation and agreement (in the form provided by the Secretary upon written request) that such person (A) will abide by the requirements of Article II, Section 6 of

these By-Laws, (B) is not and will not become a party to (1) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or (2) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law, (C) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed therein, (D) beneficially owns, or agrees to purchase within 90 days if elected as a director of the Corporation, not less than three thousand shares of stock of the Corporation ("Qualifying Shares") (subject to adjustment for any stock splits or stock dividends occurring after August 10, 2007), will not dispose of such minimum number of shares so long as such person is a director, and has disclosed therein whether all or any portion of the Qualifying Shares were purchased with any financial assistance provided by any other person and whether any other person has any interest in the Qualifying Shares (shares of common stock issuable upon vesting of restricted stock units or in a director's account in the Corporation's deferred compensation plan shall be counted for purposes of this ownership requirement), and (E) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation.

Section 6. Election: Except as provided in Section 9 of this Article or as otherwise required by law or by the Certificate of Incorporation, each director shall be elected by the vote of the majority of the votes cast with respect to the director at any meeting for the election of directors at which a quorum is present, provided that if the number of nominees exceeds the number of directors to be elected, the directors shall be elected by the vote of a plurality of the shares represented in person or by proxy at any such meeting and entitled to vote on the election of directors. For purposes of this Section, a majority of the votes cast means that the number of shares voted "for" a director must exceed 50% of the votes cast with respect to that director. If a nominee who is already serving as a director is not elected, the director shall offer to tender his or her resignation to the Board. The Nominating and Public Responsibility Committee will make a recommendation to the Board on whether to accept or reject the resignation, or whether other action should be taken. The Board will act on the Committee's recommendation and publicly disclose its decision and the rationale behind it within 90 days from the date of the certification of the election results. The director who tenders his or her resignation will not participate in the Board's decision. Each Director shall hold office until his or her successor shall be duly elected and qualified, or until death, resignation or removal in the manner hereinafter provided, or until he or she shall cease to qualify.

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

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

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

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

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

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

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

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

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

Section 14. Written or Electronic Consent: Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board consent thereto in writing or by electronic transmission and such writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

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

Section 16. Executive and Other Committees: The Board of Directors may in its discretion by resolution passed by a majority of the Directors present at a meeting at which a quorum is present designate an Executive Committee and one or more other committees, each consisting of one or more of the Directors of the Corporation, and each of which, to the extent provided in the resolution and the laws of the State of Delaware, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation and may

authorize the seal of the Corporation to be affixed to all papers which may require it; provided, however, that no such committee shall have power or authority as to the following matters:

- (1) The amendment of the Certificate of Incorporation of the Corporation (except as provided under the Delaware General Corporation Law);
- (2) The amendment of the By-laws of the Corporation;
- (3) Approval or recommending to stockholders any action which must be submitted to stockholders for approval under the Delaware General Corporation Law.

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

Section 17. Indemnification.

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

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

(c) If a request for indemnification is not paid in full within sixty days, or if a request for advance payment of expenses is not paid in full within twenty days, after receipt by the Corporation of the written request, the indemnitee may at any time thereafter, prior to such payment, bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in such suit, the indemnitee shall be entitled also to recover from the Corporation the expenses reasonably incurred in prosecuting the claim. Neither the failure of the Board of Directors, legal counsel, or the stockholders of the Corporation to make a determination that the indemnitee is entitled to indemnification, nor a determination by any of them that the indemnitee is not entitled to indemnification, for whatever reason, shall create a presumption in such a suit that the indemnitee has not met the applicable standard of conduct, nor shall it be a defense to such suit. In any such suit the burden of establishing that the indemnitee is not entitled to indemnification or an advance payment of expenses shall be on the Corporation.

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

Section 18. Emergency Provisions. Notwithstanding any other provision in the Corporation's restated certificate of incorporation or Bylaws, this emergency Bylaw provision shall be operative (i) during any emergency resulting from an attack on the United States or on a locality in which the Corporation conducts its business or customarily holds meetings of its Board of Directors or its stockholders, or (ii) during any nuclear or atomic disaster, or (iii) during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors or

a standing committee thereof cannot readily be convened for action, or (iv) during any other condition that may be provided under relevant provisions of Delaware Law (each condition described in clauses (i) through (iv) being referred to below as an "Emergency"). Pursuant to this Section 18, during any Emergency:

(a) A meeting of the Board of Directors or a committee thereof may be called by any director or officer by any means feasible under the circumstances.

(b) Unless otherwise provided by the Board during an Emergency, notice of any meeting of the Board of Directors during such an Emergency may be given only to such of the directors as it may be feasible to reach at the time and by such means as may be feasible at the time, including publication, television, radio or any other means.

(c) The officers or other persons designated on a list approved by the board of directors before the Emergency, all in such order of priority and subject to such conditions and for such period of time (not longer than reasonably necessary after the termination of the Emergency) as may be provided in the resolution approving the list, shall, to the extent required to provide a quorum at any meeting of the board of directors, be deemed directors for such meeting.

(d) The Board of Directors, either before or during any such Emergency, may provide, and from time to time modify, lines of succession in the event that during such Emergency any or all officers or agents of the corporation shall for any reason be rendered incapable of discharging their duties.

(e) The Board of Directors, either before or during any such Emergency, may, effective in the Emergency, change the head office or designate several alternative head offices or regional offices, or authorize the officers so to do.

(f) No officer, director or employee acting in accordance with this Section, with any other emergency bylaw provision, or pursuant to DGCL Section 110 or any successor section, shall be liable except for willful misconduct.

(g) To the extent not inconsistent with this Section 18, the Bylaws of the Corporation shall remain in effect during any Emergency and upon its termination these emergency provisions shall cease to be operative.

(h) Nothing contained in this Section 18 shall be deemed exclusive of any other provisions for emergency powers consistent with this section that have been or may be adopted by the Board of Directors.

ARTICLE III.

Officers

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

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

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

Without limitation of the foregoing:

- (a) Chairman of the Board: The Chairman of the Board shall be a director of the Corporation and shall preside at all meetings of the Board and of the Executive Committee of the Board and at all meetings of stockholders. The Chairman of the Board shall undertake such other duties or responsibilities as the Board may assign.
- (b) President and Chief Executive Officer: The President and Chief Executive Officer shall be the chief executive officer of the Corporation and shall be a director of the Corporation. In the absence of the Chairman, the President and Chief Executive Officer shall preside at all meetings of the Board and of the Executive Committee of the Board and at all meetings of stockholders.
- (c) Vice Presidents: The Board of Directors shall determine the powers and duties of the respective Vice Presidents and may, in its discretion, fix such order of seniority among the respective Vice Presidents as it may deem advisable.

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

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

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

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

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

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

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

from time to time be designated by the Board of Directors, which designation may be general or confined to specific instances.

Section 10. Proxies in Respect of Securities of Other Corporations: Unless otherwise provided by resolution adopted by the Board of Directors, the Chairman of the Board, the President and Chief Executive Officer, the Vice Chairman, a Vice President, or the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, or any one of them, may exercise or appoint an attorney or attorneys, or an agent or agents, to exercise in the name and on behalf of the Corporation the powers and rights which the Corporation may have as the holder of stock or other securities in any other corporation to vote or to consent in respect of such stock or other securities; and the Chairman of the Board, the President and Chief Executive Officer, the Vice Chairman, a Vice President, or the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer may instruct the person or persons so appointed as to the manner of exercising such powers and rights and the Chairman of the Board, the President and Chief Executive Officer, the Vice Chairman, a Vice President, or the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer may execute or cause to be executed in the name and on behalf of the Corporation and under its corporate seal, or otherwise, all such ballots, consents, proxies, powers of attorney or other written instruments as they or either of them may deem necessary in order that the Corporation may exercise such powers and rights. Any stock or other securities in any other corporation which may from time to time be owned by or stand in the name of the Corporation may, without further action, be endorsed for sale or transfer or sold or transferred by the Chairman of the Board, the President and Chief Executive Officer, the Vice Chairman, or a Vice President, or the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer of the Corporation or any proxy appointed in writing by any of them.

ARTICLE IV.

Shares and Their Transfer

Section 1. Certificated and Uncertificated Shares. Shares of the Corporation's stock may be certificated or uncertificated, as provided under Delaware law. All certificates of stock of the Corporation shall be numbered and shall be entered in the books of the Corporation as they are issued. They shall exhibit the holder's name and number of shares and shall be signed by the Chairman or a Vice Chairman or the President or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar.

Section 2. Transfers. Transfers of stock shall be made on the books of the Corporation only by the record holder of such stock, or by attorney lawfully constituted in writing, and, in the case of stock represented by a certificate, upon surrender of the certificate. Except as hereinafter provided in the case of loss, destruction or mutilation of certificates, no transfer of stock shall be entered until the previous certificate, if any, given for the same shall have been surrendered and canceled.

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

Section 4. Record Date: The Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the board of directors, and which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action, as a record date for the determination of the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights or entitled to exercise any rights with respect to any change, conversion or exchange of stock or for the purpose of any other lawful action. If no record date is fixed, (a) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day upon which the meeting is held, and (b) the date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

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

ARTICLE V.

Seal

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

ARTICLE VI.

Amendments

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

SIXTH SUPPLEMENTAL INDENTURE

between

GANNETT CO., INC., Issuer

and

WELLS FARGO BANK, NATIONAL ASSOCIATION, Trustee

Dated as of June 29, 2007

SIXTH SUPPLEMENTAL INDENTURE (this "Sixth Supplemental Indenture"), dated as of June 29, 2007, between GANNETT CO., INC., a corporation duly organized and existing under the laws of the State of Delaware (the "Issuer"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee, a national banking association duly organized and existing under the laws of the United States of America ("Wells Fargo").

WITNESSETH :

WHEREAS, certain capitalized terms used in this Sixth Supplemental Indenture which are not defined herein but are defined in the Indenture (as defined below) shall have the meaning ascribed to them in the Indenture;

WHEREAS, the Issuer and Citibank, N.A. ("Citibank") have executed and delivered heretofore an Indenture, dated as of March 1, 1983 (the "Indenture"), as amended and supplemented by a First Supplemental Indenture, dated as of November 5, 1986 (the "First Supplemental Indenture"), among the Issuer, Citibank and Sovran Bank, N.A. (now known as Bank of America, N.A.), a Second Supplemental Indenture dated as of July 1, 1995 (the "Second Supplemental Indenture"), among the Issuer, NationsBank, N.A. (now known as Bank of America, N.A.) and Crestar Bank ("Crestar") (now known as SunTrust Bank), a Third Supplemental Indenture, dated as of March 14, 2002 (the "Third Supplemental Indenture"), between the Issuer and Wells Fargo Bank Minnesota, National Association (now known as Wells Fargo Bank, National Association), a Fourth Supplemental Indenture, dated as of June 16, 2005 (the "Fourth Supplemental Indenture"), between the Issuer and Wells Fargo Bank, National Association, and a Fifth Supplemental Indenture, dated as of May 26, 2006 (the "Fifth Supplemental Indenture"), between the Issuer and Wells Fargo Bank, National Association, pursuant to which the Issuer has issued and may issue, from time to time, one or more series of debt securities. (The term "Indenture" as used hereinafter refers to the Indenture as amended and supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture and the Fifth Supplemental Indenture);

WHEREAS, the Issuer shall issue a new series of convertible debt securities, consisting of \$1,000,000,000 aggregate principal amount of Floating Rate Convertible Senior Notes due 2037 (the "Notes").

WHEREAS, in accordance with Section 6.14 of the Indenture, the Issuer has appointed Wells Fargo as trustee under the Indenture with respect to all such Notes issued pursuant to the Indenture;

WHEREAS, in accordance with Section 6.14 of the Indenture, Wells Fargo has accepted such appointment by the Issuer;

WHEREAS, pursuant to Section 8.4 of the Indenture, the Issuer has furnished Wells Fargo with an Opinion of Counsel and an Officers' Certificate as conclusive evidence that this Sixth Supplemental Indenture complies with the applicable provisions of the Indenture; and

WHEREAS, all things necessary to make this Sixth Supplemental Indenture a valid agreement of the Issuer and Wells Fargo have been done;

NOW THEREFORE, for and in consideration of the premises, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Notes as follows:

SECTION 1. CONFIRMATION OF APPOINTMENT.

(a) The Issuer hereby confirms the appointment, pursuant to Section 6.14 of the Indenture, of Wells Fargo as trustee under the Indenture with respect to the Issuer's \$1,000,000,000 aggregate principal amount of Floating Rate Convertible Senior Notes due 2037.

(b) Wells Fargo hereby confirms its acceptance, pursuant to Section 6.14 of the Indenture, as trustee under the Indenture with respect to the Issuer's \$1,000,000,000 aggregate principal amount of Floating Rate Convertible Senior Notes due 2037.

SECTION 2. CONFIRMATION OF RIGHTS, POWERS, TRUSTS AND DUTIES.

The Issuer and Wells Fargo hereby confirm that:

(a) The rights, powers, trusts and duties of Wells Fargo Bank, National Association (successor to Wells Fargo Bank Minnesota, National Association), as Trustee, with respect to the Issuer's \$500,000,000 aggregate principal amount of 6.375% Notes due April 1, 2012 shall continue to be vested in Wells Fargo.

(b) The rights, powers, trusts and duties of Wells Fargo, as Trustee, with respect to the Issuer's \$500,000,000 aggregate principal amount of 4.125% Notes due June 15, 2008 shall continue to be vested in Wells Fargo.

(c) The rights, powers, trusts and duties of Wells Fargo, as Trustee, with respect to each of the Issuer's \$750,000,000 aggregate principal amount of Floating Rate Notes due 2009 and \$500,000,000 aggregate principal amount of 5.75% Notes due 2011 shall continue to be vested in Wells Fargo.

(d) Wells Fargo is vested with all the rights, powers, trusts and duties of a Trustee under the Indenture with respect to the Issuer's \$1,000,000,000 aggregate principal amount of Notes.

SECTION 3. DEFINITIONS

Solely with respect to the Notes, Section 1.1 of the Indenture is hereby amended as follows:

(a) The definition of "Business Day" is amended to read as follows:

"Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in the City of New York, New York are authorized or obligated by law or executive order to close, *provided* such day is also a London Banking Day.

(b) Clause (b) of the definition of "Outstanding" is amended to read as follows:

“Securities, or portions thereof, for whose payment or redemption of which monies in the necessary amount shall have been deposited with the Trustee or with any paying agent (other than the Issuer) or shall have been set aside, segregated and held in trust by the Issuer for the Holders of such Securities, provided that, if such Securities, or portions thereof, are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as herein provided, or provision satisfactory to the Trustee shall have been made for giving such notice; provided, however, that if a Security is converted in accordance with Article Fourteen, then from and after the Conversion Date, such Security shall cease to be outstanding and interest shall cease to accrue and the rights of the Holders therein shall terminate (other than the right to receive payment upon conversion in accordance with Section 14.14); and”

(c) The following definitions are hereby added and inserted into the proper location:

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.”

“Applicable Procedures” means, with respect to any transfer or transaction involving a Global Security or beneficial interests therein, or involving a Security in definitive form, the rules and procedures of the depositary for such Global Security or such Security in definitive form, as the case may be, in each case to the extent applicable to such transaction as in effect from time to time.”

“Capital Stock” for any corporation, limited liability company or partnership means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by that entity, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.”

“Change in Control” means the occurrence of one or more of the following events: (i) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the Issuer’s properties and assets, to any Person or group of related Persons (other than one of the Issuer’s Subsidiaries), as defined in Section 13(d) of the Exchange Act (a “Group”); (ii) the approval by the holders of Common Stock of a complete liquidation or dissolution of the Issuer, whether or not otherwise in compliance with the provisions of this Indenture; (iii) any Person or Group, other than the Issuer or any of its Subsidiaries or any employee benefit plan of the Issuer or any of its Subsidiaries, becoming the beneficial owner, directly or indirectly, of shares of the Issuer’s voting stock representing more than 50% of the combined voting

power represented by the Issuer's issued and outstanding Voting Shares; or (iv) the first day on which a majority of the members of the Board of Directors are not Continuing Directors."

"Common Stock" means shares of the Issuer's Common Stock, \$1.00 par value per share, as they exist on the date of the Sixth Supplemental Indenture or any other shares of Capital Stock of the Issuer into which such Common Stock shall be reclassified, exchanged, converted or changed, including, subject to Section 14.1(c) and Section 14.11(a), in the event of a merger, consolidation or other similar transaction involving the Issuer that is otherwise permitted hereunder in which the Issuer is not the surviving Person."

"Common Stock Price" on any date means the closing sale price per share, or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices on such date for the Common Stock as reported in composite transactions on The New York Stock Exchange or the principal U.S. securities exchange on which the Common Stock is traded. If the Common Stock is not so traded, the Common Stock Price will be the average of the mid-point of the last bid and asked prices for the Common Stock (or the Public Acquirer Common Stock, as the case may be) on the relevant date quoted by each of at least three nationally recognized independent investment banking firms selected by the Issuer for this purpose."

"Continuing Directors" means, as of any date of determination, any member of the Board of Directors who (a) was a member of such Board of Directors as of the date of the Sixth Supplemental Indenture or (b) was nominated for election or appointed or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, appointment or election, either by specific vote or other action of the Board of Directors or approval of the proxy statement issued by the Issuer in which such member is named as nominee for director."

"Conversion Rate" means 10.8530 shares of Common Stock per \$1,000 principal amount of Securities as of the date of the Sixth Supplemental Indenture, subject to the adjustments provided for in Article Fourteen.

"Current Market Price" of the Common Stock on any day means the average of the Common Stock Prices per share of the Common Stock for each of the ten consecutive Trading Days ending on the earlier of the day in question and the day before the Ex-Dividend Date with respect to the issuance or distribution requiring such computation, subject to adjustment by the Board of Directors if another transaction requiring an adjustment to the Conversion Rate pursuant to this Indenture occurs during such ten Trading Day period."

"Daily Conversion Value" means, for each of the ten consecutive Trading Days during the Observation Period, one-tenth of the product of (i) the Conversion Rate on such Trading Day and (ii) the Common Stock Price of the Common Stock (or

the value of the consideration into which one share of Common Stock has been exchanged in connection with certain corporate transactions contemplated by this Indenture) on such Trading Day.”

“Daily Settlement Amount” for each of the ten Trading Days during the Observation Period consists of: (i) an amount in cash equal to the lesser of \$100 and the Daily Conversion Value relating to such Trading Day; and (ii) to the extent such Daily Conversion Value exceeds \$100, a number of shares of Common Stock (the “Net Shares”), subject to the Issuer’s right to pay cash in lieu of all or a portion of such Net Shares, as described in Section 14.14, equal to (A) the difference between such Daily Conversion Value and \$100, divided by (B) the Common Stock Price of the Common Stock for such Trading Day.”

“Exchange Act” means the Securities Exchange Act of 1934, as amended.”

“Ex-Dividend Date” means the first date upon which a sale of the Common Stock, in the regular way on the relevant exchange or in the relevant market for the Common Stock does not automatically transfer the right to receive the relevant dividend or distribution from the seller of the Common Stock to its buyer.”

“Fair Market Value” means the amount which a willing buyer would pay a willing seller in an arm’s-length transaction.”

“Floating Rate Convertible Senior Notes” means the Issuer’s Floating Rate Convertible Senior Notes due 2037.

“Global Security” means one or more global securities registered in the name of the depository (which initially shall be The Depository Trust Company) or its nominee.

“London Banking Day” means a day on which commercial banks are open for business, including dealings in United States dollars, in London, England.”

“Net Shares” shall have the meaning set forth in the definition of “Daily Settlement Amount.”

“Observation Period” with respect to any Security means the ten consecutive Trading Day period beginning on and including the second Trading Day after delivery of the Conversion Notice to the Conversion Agent pursuant to Section 14.2(a) or the delivery of the appropriate instructions to the Conversion Agent pursuant to the Applicable Procedures as referred to in clause (v) of said Section 14.2(a); provided that, in connection with any Conversion Notice (or appropriate instructions) received after the date of issuance of a notice of redemption of the Securities pursuant to Section 12.2, the Observation Period means the ten consecutive Trading Days beginning on and including the 13th scheduled Trading Day prior to but not including the applicable redemption date.”

“Public Acquirer Change in Control” means any transaction described in clause (iii) of the definition of Change in Control where the acquirer, or any entity that is a direct or indirect “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act) of more than 50% of the aggregate ordinary voting power of all shares of such acquirer’s Capital Stock that are entitled to vote generally in the election of directors, but in each case other than the Issuer, has a class of common stock traded on a U.S. national securities exchange or which will be so traded when issued or exchanged in connection with such Change in Control. Such acquirer’s or other entity’s class of common stock traded on a U.S. national securities exchange or which will be so traded when issued or exchanged in connection with such Change in Control is herein referred to as “Public Acquirer Common Stock.”

“Public Acquirer Common Stock” shall have the meaning set forth in the definition of “Public Acquirer Change in Control.”

“Record Date” means the July 1, October 1, January 1 and April 1, whether or not a Business Day, immediately preceding the related interest payment date.”

“Sixth Supplemental Indenture” means the Sixth Supplemental Indenture dated as of June 29, 2007 between the Issuer and Wells Fargo Bank, National Association, as Trustee.

“Subsidiary” means, with respect to any Person, any other Person at least a majority of the Voting Shares of which at the time are owned directly or indirectly by such first Person or by one or more of such first Person’s other Subsidiaries or by such first Person and one or more of such first Person’s other Subsidiaries.”

“Trading Day” means any regular or abbreviated trading day of The New York Stock Exchange.”

“Voting Shares” means Capital Stock, or other ownership interests, of any class or classes having voting power under ordinary circumstances to elect at least a majority of the board of directors, managers, trustees, or equivalents thereof, of a Person (irrespective of whether at the time Capital Stock of any other class or classes shall have or might have voting power by reason of the failure to pay a dividend or other amount or by reason of the occurrence of any other contingency).”

SECTION 4. AMOUNT UNLIMITED

(a) Solely with respect to the Notes, Section 2.3 of the Indenture is hereby amended by adding the following as a new second sentence at the end of the first paragraph thereof:

“All Securities of any one series need not be issued at the same time, and, unless otherwise provided, a series may be reopened, without the consent of the Holders, for issuance of additional Securities of such series.”

(b) Solely with respect to the Notes, Section 2.7 of the Indenture is hereby amended by adding the following as a new second sentence at the end of the first paragraph thereof:

“The Trustee shall determine 1-month LIBOR (as such term is defined in the Floating Rate Convertible Senior Notes) on each LIBOR Determination Date (as such term is defined in the Floating Rate Convertible Senior Notes).”

SECTION 5. COVENANTS OF THE ISSUER

Solely with respect to the Notes, Section 3.5, Section 3.6 and Section 3.7 of the Indenture are hereby deleted in their entirety.

SECTION 6. EVENTS OF DEFAULT

(a) Solely with respect to the Notes, paragraph (b) of Section 5.1 of the Indenture is hereby amended to read as follows:

“default in the payment of all or any part of the principal on any of the Securities of such series as and when the same shall become due and payable either at maturity, upon acceleration, upon redemption, or otherwise, including the failure to make cash payments or, if applicable, to deliver shares of Common Stock due upon conversion or make a payment to repurchase Securities surrendered pursuant to Section 13.2 or 13.3, whether or not such failure shall be due to compliance with agreements with respect to other indebtedness of the Issuer or its Subsidiaries or for any other cause.”

(b) Solely with respect to the Notes, the occurrence of the phrase “60 days” in paragraph (d) of Section 5.1 of the Indenture is hereby deleted and replaced with the phrase “90 days”.

(c) Solely with respect to the Notes, paragraph (g) of Section 5.1 of the Indenture is hereby deleted and replaced with the following provision:

“failure to provide the Trustee a Change in Control Repurchase Notice upon the occurrence of a Change in Control on a timely basis.”

(d) Solely with respect to the Notes, the following paragraph shall be inserted after the first paragraph immediately following paragraph (g) of Section 5.1 of the Indenture:

“Notwithstanding anything to the contrary in this Indenture, the sole remedy for an Event of Default relating to the failure to comply with Section 4.3 of this Indenture or the failure to comply with Section 314(a)(1) of the Trust Indenture Act of 1939, if applicable, will for the first 270 days after the occurrence of such an Event of Default consist exclusively of the right to receive additional interest (“Additional Interest”) on the Securities at an annual rate of 0.25% of the principal amount of the Outstanding Securities. This Additional Interest shall be payable in the same manner and on the same dates as regular interest payable on the Securities. The Additional Interest shall accrue on all Outstanding Securities

from and including the date on which an Event of Default relating to a failure to comply with Section 4.3 of this Indenture or the failure to comply with Section 314(a)(1) of the Trust Indenture Act of 1939, if applicable, first occurs to but not including the 270th day thereafter (or such earlier date on which the Event of Default relating to a failure to comply with Section 4.3 of this Indenture or the failure to comply with Section 314(a)(1) of the Trust Indenture Act of 1939, if applicable, shall have been cured or waived). On such 270th day (or earlier, if the Event of Default relating to a failure to comply with Section 4.3 of this Indenture or the failure to comply with Section 314(a)(1) of the Trust Indenture Act of 1939, if applicable, is cured or waived prior to such 270th day), such Additional Interest shall cease to accrue and the Securities will be subject to acceleration as provided below if the Event of Default is continuing. The provisions described in this paragraph will not affect the rights of the Holders of Securities in the event of the occurrence of any other Event of Default.”

SECTION 7. AMENDMENTS

(a) Solely with respect to the Notes, clause (a) of the first paragraph of Section 8.2 of the Indenture is hereby amended to replace the phrase “or reduce the rate or extend the time of payment of interest thereon” with the phrase “or reduce the rate or extend the time of payment of interest, including Additional Interest, thereon”.

(b) Solely with respect to the Notes, the following new clause (c) is hereby added to the end of the first paragraph of Section 8.2 of the Indenture:

“or (c) modify the provisions of this Indenture relating to the Issuer’s obligation to repurchase Securities (i) upon the occurrence of a Change in Control, or (ii) on a Repurchase Date.”

SECTION 8. CONSOLIDATION, MERGER, SALE OR CONVEYANCE

Solely with respect to the Notes, Section 9.1 of the Indenture is hereby amended to read as follows:

“The Issuer shall not consolidate with or merge into any other Person or convey or transfer substantially all of its properties and assets, to any Person, unless (i) the Person formed by such consolidation or into which the Issuer is merged or the Person which acquires by conveyance or transfer the properties and assets of the Issuer substantially as an entirety shall be a Person organized and existing under the laws of the United States of America or any State or the District of Columbia, and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of and interest on all the Securities and the performance of every covenant of this Indenture on the part of the Issuer to be performed or observed; (ii) immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and (iii) the

Issuer shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that such consolidation, merger, conveyance or transfer and such supplemental indenture comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with."

SECTION 9. ADDRESS OF THE ISSUER

Solely with respect to the Notes, the first sentence of Section 11.4 of the Indenture is hereby amended to read as follows:

"Any notice or demand which by any provision of this Indenture is required or permitted to be given or served by the Trustee or by the Holders of Securities to or on the Issuer may be given or served by being deposited postage prepaid, first class mail (except as otherwise specifically provided herein) addressed (until another address is filed by the Issuer with the Trustee) to Gannett Co., Inc. at 7950 Jones Branch Drive, McLean, VA 22107, Attention: Chief Financial Officer."

SECTION 10. REPURCHASE OF SECURITIES

(a) Solely with respect to the Notes, the following paragraph is added as new Section 13.1 under new Article Thirteen of the Indenture entitled "REPURCHASES":

"Repurchase at the Option of the Holder on Specified Dates. (a) At the option of the Holder, the Issuer shall repurchase on July 15, 2008, 2009, 2012, 2017, 2022, 2027 and 2032 (each, a "Repurchase Date") all or a portion of the Securities held by such Holder at a price in cash (the "Repurchase Price") equal to 100% of the principal amount of Securities to be repurchased, plus accrued and unpaid interest, up to and including the calendar day immediately preceding the date on which payment of the Repurchase Price is made; provided that the Issuer shall pay the portion of such interest payable with respect to the interest period ending on the Repurchase Date to the Holder of record on the Record Date corresponding to such Repurchase Date, and the Issuer shall pay to the Holder submitting the Security for repurchase a price in cash equal to 100% of the principal amount of the Securities to be repurchased.

(b) In connection with any repurchase of Securities pursuant to this Section 13.1, the Issuer shall give written notice of the Repurchase Date to the Holders of the Securities (the "Issuer Repurchase Notice"). The Issuer Repurchase Notice shall be sent to the Trustee and to each Holder (and each beneficial owner if required by applicable law) not less than 30 days prior to each Repurchase Date. All questions as to the validity, eligibility (including time of receipt) and acceptance of any Security for repurchase pursuant to this Section 13.1 shall be determined by the Issuer, whose determination shall be final and binding. Each Issuer

Repurchase Notice shall include a form of Repurchase Notice to be completed by a Holder and shall state:

- (i) the Repurchase Date, the Repurchase Price and the Conversion Rate;
 - (ii) the name and address of the Trustee or the paying agent and the Conversion Agent;
 - (iii) that Securities as to which a Repurchase Notice has been given may be converted only if the applicable Repurchase Notice has been withdrawn in accordance with the terms of this Indenture;
 - (iv) that Securities must be surrendered to the Trustee or the paying agent (by effecting book entry transfer of the Securities or delivering definitive Securities, together with necessary endorsements, as the case may be) to collect payment of the Repurchase Price;
 - (v) that the Repurchase Price for any Securities as to which a Repurchase Notice has been given and not withdrawn shall be paid promptly following the later of the Repurchase Date and the time of surrender of such Securities as described in clause (iv);
 - (vi) the procedures the Holder must follow under this Section 13.1;
 - (vii) that, unless the Issuer defaults in making payment of such Repurchase Price, interest on Securities covered by any Repurchase Notice will cease to accrue on and after the date so specified in Section 13.1(a) as the date after which interest ceases to accrue;
 - (viii) the CUSIP number of the Securities; and
 - (ix) the procedures for withdrawing a Repurchase Notice (as specified in Section 13.3).
- (c) At the Issuer's request, which shall be made at least five Business Days (unless a shorter period shall be satisfactory to the Trustee) prior to the date by which the Issuer Repurchase Notice is to be given to the Holders in accordance with this Section 13.1, and at the Issuer's expense, the Trustee shall give the Issuer Repurchase Notice in the Issuer's name; provided that, in all cases, the text of the Issuer Repurchase Notice shall be prepared by the Issuer.
- (d) If any of the Securities is in the form of a Global Security, then the Issuer shall modify such notice to the extent necessary to accord with the Applicable Procedures that apply to the repurchase of Global Securities.
- (e) Securities shall be repurchased pursuant to this Section 13.1 at the option of the Holder thereof upon:

(i) delivery to the Issuer and the Trustee by the Holder of a written notice substantially in the form attached to the Security (a “Repurchase Notice”) at any time prior to the close of business on the Repurchase Date stating:

(A) if the Security which the Holder will deliver to be repurchased is a Security in definitive form, the certificate number of such Security, or if such Security is a Global Security, information in accordance with the Applicable Procedures;

(B) the portion of the principal amount of the Security which the Holder will deliver to be repurchased, which portion must be in a principal amount of \$1,000 or any integral multiple thereof; and

(C) that such Security shall be repurchased as of the Repurchase Date pursuant to the terms and conditions specified in this Indenture; and

(ii) delivery or book-entry transfer of such Security to the Trustee or paying agent prior to, on or after the Repurchase Date (together with all necessary endorsements) at the offices of the Trustee or the paying agent, such delivery being a condition to receipt by the Holder of the Repurchase Price therefor; provided that the Repurchase Price shall be so paid pursuant to this Section 13.1 only if the Security so delivered to the Trustee or the paying agent shall conform in all material respects to the description thereof in the related Repurchase Notice.

(f) The Issuer shall repurchase from the Holder thereof, pursuant to this Section 13.1, a portion of a Security if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to the repurchase of all of a Security also apply to the repurchase of a portion of a Security.

(g) Any repurchase by the Issuer contemplated pursuant to the provisions of this Section 13.1 shall be consummated by the delivery to the Trustee or the paying agent of the Repurchase Price to be received by the Holder promptly following the later of the Repurchase Date and the time of delivery or book-entry transfer of the Security (together with all necessary endorsements, if any) to the Trustee or the paying agent in accordance with this Section 13.1.

(h) Notwithstanding anything herein to the contrary, any Holder delivering to the Trustee or the paying agent the Repurchase Notice contemplated by this Section 13.1 shall have the right to withdraw such Repurchase Notice at any time prior to the close of business on the Repurchase Date by delivery of a written notice of withdrawal to the Trustee or the paying agent, as applicable, at the principal office of the Trustee or the paying agent, as applicable, in accordance with Section 13.3. If the Trustee or the paying agent holds money sufficient to pay the Repurchase Price of a Security on the Repurchase Date in accordance with the terms of this Indenture, then, immediately after the Repurchase Date, the Security will cease to be Outstanding, whether or not the Security is delivered to the Trustee or the

paying agent. Thereafter, all other rights of the Holder of a Security shall terminate, other than the right to receive the Repurchase Price upon delivery of the Security.

(i) The Trustee or the paying agent shall promptly notify the Issuer of the receipt by it of any Repurchase Notice or written notice of withdrawal thereof.

(j) No Securities may be repurchased by the Issuer on a Repurchase Date pursuant to this Section 13.1 if the principal amount of the Securities has been accelerated, and such acceleration has not been rescinded, on or prior to the Repurchase Date. The Trustee or the paying agent shall promptly return to the respective Holders thereof any Securities (x) with respect to which a Repurchase Notice has been withdrawn in compliance with this Indenture, or (y) held by it during the continuance of an acceleration of the principal amount of the Securities (other than an acceleration resulting from a default in the payment of the Repurchase Price) in which case, upon such return, the Repurchase Notice with respect thereto shall be deemed to have been withdrawn.”

(b) Solely with respect to the Notes, the following paragraph is added as new Section 13.2 under new Article 13 of the Indenture:

“Repurchase at Option of the Holder Upon a Change in Control. (a) If at any time that Securities remain Outstanding there shall have occurred a Change in Control, Securities shall be repurchased by the Issuer, at the option of the Holder thereof, at a price in cash (the “Change in Control Repurchase Price”) equal to 100% of the principal amount of Securities to be repurchased plus accrued but unpaid interest thereon, up to but not including the date (the “Change in Control Repurchase Date”) fixed by the Issuer that is not less than 30 days nor more than 60 days after the date the Change in Control Repurchase Notice (as defined below) is given and on which the Securities are to be repurchased pursuant to this Section 13.2, subject to satisfaction by or on behalf of the Holder of the requirements set forth in Section 13.2(e); provided that if the relevant Change in Control Repurchase Date is after the close of business on a Record Date and on or prior to the interest payment date for such series to which that Record Date relates, the full amount of accrued and unpaid interest shall be paid to the Holder of record on the relevant Record Date, and the “Change in Control Repurchase Price” shall be equal to 100% of the principal amount of Securities to be repurchased.

(b) In connection with any repurchase of Securities pursuant to this Section 13.2 the Issuer shall give written notice of the occurrence of a Change in Control, the repurchase right arising as a result thereof and the Change in Control Repurchase Date to the Holders and the Trustee (the “Change in Control Repurchase Notice”). The Change in Control Repurchase Notice shall be sent to the Trustee and to each Holder not more than 20 Business Days after the occurrence of a Change in Control (or, in the case of a Change in Control described in clause (iii) of the definition thereof, if later, the date that the Issuer

has notice of such Change in Control). Each Change in Control Repurchase Notice shall include a form of Change in Control Election to be completed by a Holder and shall state:

(i) the Change in Control Repurchase Date;

(ii) the Change in Control Repurchase Price, the Conversion Rate, whether the Change in Control is in connection with a corporate transaction referred to in Section 14.1(b)(i) of this Indenture and the number of Additional Shares, if any, to be received pursuant to Section 14.1(b)(i) of this Indenture;

(iii) the name and address of the paying agent, if any, and the Conversion Agent;

(iv) that the Issuer must receive the Change in Control Election before the close of business on the Change in Control Repurchase Date;

(v) that the Securities must be surrendered to the paying agent to collect payment of the Change in Control Repurchase Price;

(vi) that the Change in Control Repurchase Price for any Securities as to which a Change in Control Election has been given and not withdrawn shall be paid promptly following the later of the Business Day immediately following the Change in Control Repurchase Date and the time of surrender of such Securities as described in clause (v) above;

(vii) the procedures the Holder must follow under this Section 13.1;

(viii) that Securities as to which a Change in Control Election has been given may be converted only if such Change in Control Election has been withdrawn in accordance with the terms of this Indenture;

(ix) that, unless the Issuer defaults in making payment of such Change in Control Repurchase Price, interest on Securities covered by any Change in Control Election will cease to accrue on and after the Change in Control Repurchase Date;

(x) the CUSIP number of the Securities; and

(xi) the procedures for withdrawing a Change in Control Election (as specified in Section 13.3).

(c) At the Issuer's request, which shall be made at least five Business Days (unless a shorter period shall be satisfactory to the Trustee) prior to the date by which the Change in Control Repurchase Notice is to be given to the Holders in accordance with this Section 13.2 and at the Issuer's expense, the Trustee shall give the Change in Control Repurchase Notice in the Issuer's name; provided

that, in all cases, the text of the Change in Control Repurchase Notice shall be prepared by the Issuer.

(d) If any of the Securities is in the form of a Global Security, then the Issuer shall modify such notice to the extent necessary to accord with the Applicable Procedures that apply to the repurchase of Global Securities.

(e) For a Security to be so repurchased at the option of the Holder upon a Change in Control, the Trustee or the paying agent must receive such Security with the form entitled "Option to Elect Repurchase Upon a Change in Control" (a "Change in Control Election") on the reverse thereof duly completed, together with such Security duly endorsed for transfer, before the close of business on the Change in Control Repurchase Date stating:

(A) if the Security which the Holder will deliver to be repurchased is a Security in definitive form, the certificate number of such Security, or if such Security is a Global Security, information in accordance with the Applicable Procedures;

(B) the portion of the principal amount of the Security which the Holder will deliver to be repurchased, which portion must be in a principal amount of \$1,000 or any integral multiple thereof; and

(C) that such Security shall be repurchased as of the Repurchase Date pursuant to the terms and conditions specified in this Indenture.

All questions as to the validity, eligibility (including time of receipt) and acceptance of any Security for repurchase pursuant to this Section 13.2 shall be determined by the Issuer, whose determination shall be final and binding.

(f) The Issuer shall repurchase from the Holder thereof, pursuant to this Section 13.2, a portion of a Security if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to the repurchase of all of a Security also apply to the repurchase of a portion of a Security.

(g) Any repurchase by the Issuer contemplated pursuant to the provisions of this Section 13.2 shall be consummated by the delivery to the Trustee or the paying agent of the Change in Control Repurchase Price to be received by the Holder promptly following the later of the Business Day immediately following the Change in Control Repurchase Date and the time of the delivery or book-entry transfer of the Security (together with all necessary endorsements) to the Trustee or the paying agent in accordance with this Section 13.2.

(h) Notwithstanding anything herein to the contrary, any Holder delivering to the Trustee or the paying agent the Change in Control Election contemplated by this Section 13.2 shall have the right to withdraw such Change in Control Election at any time prior to the close of business on the Change in Control Repurchase Date

by delivery of a written notice of withdrawal to the Trustee or the paying agent, as applicable, at the principal office of the Trustee or the paying agent, as applicable, in accordance with Section 13.3. If the Trustee or the paying agent holds money sufficient to pay the Change in Control Repurchase Price of a Security on the Change in Control Repurchase Date in accordance with the terms of this Indenture, then, on the Change in Control Repurchase Date, the Security will cease to be Outstanding, whether or not the Security is delivered to the Trustee or the paying agent. Thereafter, all other rights of the Holder of a Security shall terminate, other than the right to receive the Change in Control Repurchase Price upon delivery of the Securities.

(i) The Trustee or the paying agent shall promptly notify the Issuer of the receipt by it of any Change in Control Election or written withdrawal thereof.

(j) Notwithstanding anything herein to the contrary, the Issuer's obligations pursuant to this Section 13.2 shall be satisfied if a third party makes an offer to repurchase Outstanding Securities after a Change in Control in the manner and at the times and otherwise in compliance in all material respects with the requirements of this Section 13.2, and such third party purchases all Securities properly tendered and not withdrawn pursuant to the requirements of this Section 13.2.

(k) No Securities may be repurchased by the Issuer on a Change in Control Repurchase Date pursuant to this Section 13.2 if the principal amount of the Securities has been accelerated, and such acceleration has not been rescinded, on or prior to the Change in Control Repurchase Date. The Trustee or the paying agent shall promptly return to the respective Holders thereof any Securities (x) with respect to which a Change in Control Election has been withdrawn in compliance with this Indenture, or (y) held by it during the continuance of an acceleration of the principal amount of the Securities (other than an acceleration resulting from a default in the payment of the Change in Control Repurchase Price) in which case, upon such return, the Change in Control Election with respect thereto shall be deemed to have been withdrawn."

(c) Solely with respect to the Notes, the following paragraph is added as new Section 13.3 under new Article 13 of the Indenture:

"Effect of Repurchase Notice or Change in Control Election. (a) Upon receipt by the Trustee or the paying agent of a Repurchase Notice or Change in Control Election, the Holder of the Security in respect of which such Repurchase Notice or Change in Control Election, as the case may be, was given shall (unless such Repurchase Notice or Change in Control Election is withdrawn as specified in the following paragraph) thereafter be entitled to receive solely the Repurchase Price or Change in Control Repurchase Price, as the case may be, with respect to such Security. Such Repurchase Price or Change in Control Repurchase Price, as the case may be, shall be paid to such Holder, subject to receipt of funds by the Trustee or the paying agent, promptly following the later of (x) the Business Day

immediately following the Repurchase Date or the Change in Control Repurchase Date, as the case may be, with respect to such Security (provided that the conditions in Section 13.1 or Section 13.2, as applicable, have been satisfied) and (y) the time of delivery or book-entry transfer of such Security to the Trustee or the paying agent by the Holder thereof in the manner required by Section 13.1 or Section 13.2, as applicable. Securities in respect of which a Repurchase Notice or Change in Control Election, as the case may be, has been given by the Holder thereof may not be converted pursuant to Article 14 of this Indenture on or after the date of the delivery of such Repurchase Notice or Change in Control Election, as the case may be, unless such Repurchase Notice or Change in Control Election, as the case may be, has first been validly withdrawn as specified in the following paragraph.

(b) A Repurchase Notice or Change in Control Election, as the case may be, may be withdrawn by means of a written notice of withdrawal delivered to the office of the Trustee or the paying agent, as applicable, in accordance with the Repurchase Notice or Change in Control Election, as the case may be, at any time prior to the close of business on the Repurchase Date or the Change in Control Repurchase Date, as the case may be, specifying:

(i) if the Security with respect to which such notice of withdrawal is being submitted is a Security in definitive form, the certificate number of such Security, or if such Security is a Global Security, information in accordance with the Applicable Procedures;

(ii) the principal amount of the Security with respect to which such notice of withdrawal is being submitted; and

(iii) the principal amount, if any, of such Security which remains subject to the original Repurchase Notice or Change in Control Election, as the case may be, and that has been or will be delivered for repurchase by the Issuer.”

(d) Solely with respect to the Notes, the following paragraph is added as new Section 13.4 under new Article 13 of the Indenture:

“Deposit of Repurchase Price or Change in Control Repurchase Price. Prior to 10:00 a.m. (New York City time) on or prior to (x) the Business Day immediately following the Repurchase Date or (y) the Change in Control Repurchase Date, as the case may be, the Issuer shall deposit with the Trustee or the paying agent an amount of money (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Repurchase Price or Change in Control Repurchase Price, as the case may be, of all the Securities or portions thereof which are to be repurchased pursuant to Section 13.1 or Section 13.2, as the case may be.”

(e) Solely with respect to the Notes, the following paragraph is added as new Section 13.5 under new Article 13 of the Indenture:

“Securities Repurchased in Part. Any Security that is to be repurchased only in part shall be surrendered at the office of the Trustee (with, if the Company or the Trustee so requests, due endorsement by, or a written instrument of transfer in form satisfactory to the Trustee and the Company, duly executed by the Holder thereof or such Holder’s attorney duly authorized in writing), and the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge, one or more new Securities, of any authorized denomination as requested by such Holder in aggregate principal amount equal to, and in exchange for, the portion of the principal amount of the Security so surrendered which is not repurchased.”

(f) Solely with respect to the Notes, the following paragraph is added as new Section 13.6 under new Article 13 of the Indenture:

“Covenant to Comply with Securities Laws Upon Repurchase of Securities. When complying with the provisions of Section 13.1 or 13.2 of this Indenture (if and so long as such offer or repurchase constitutes an “issuer tender offer” for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the Exchange Act, as amended, at the time of such offer or repurchase), the Issuer shall (i) comply in all material respects with Rule 13e-4 and Rule 14e-1 under the Exchange Act, (ii) file the related Schedule TO (or any successor schedule, form or report) under the Exchange Act and (iii) otherwise comply in all material respects with all Federal and state securities laws so as to permit the rights and obligations under Section 13.1 or 13.2 to be exercised in the time and in the manner specified in Section 13.1 or 13.2.”

(g) Solely with respect to the Notes, the following paragraph is added as new Section 13.7 under new Article 13 of the Indenture:

“Repayment to the Issuer. To the extent that the aggregate amount of cash deposited by the Issuer pursuant to Section 13.4 exceeds the aggregate Repurchase Price or Change in Control Repurchase Price, as the case may be, of the Securities or portions thereof which the Issuer is obligated to repurchase as of the Repurchase Date or Change in Control Repurchase Date, as the case may be, then, unless otherwise agreed in writing with the Issuer, promptly after the Business Day following the date on which the Repurchase Price or the Change in Control Purchase Price, as the case may be, is made, the Trustee or the paying agent, as applicable, shall return any such excess to the Issuer together with interest, if any, thereon.”

SECTION 11. CONVERSION.

With respect to the Notes, the following Article is added as new Article 14 of the Indenture:

“SECTION 14.1. Conversion Privilege. (a) Prior to the close of business on the Business Day immediately preceding July 15, 2037, and subject to the provisions

of this Article Fourteen, a Holder of a Security may convert such Security into cash and Common Stock, if any (subject to the Issuer's right to elect to pay cash in lieu of any shares of Common Stock to be issued and delivered upon conversion of such Security pursuant to Section 14.14(b)), at the then-current Conversion Rate.

(b) (i) If a Change in Control (other than relating to the composition of the Board of Directors as described in clause (iv) of the definition of Change in Control in Section 1.1) occurs on or prior to July 15, 2008 and, in the case of any such Change in Control pursuant to which shares of Common Stock are exchanged for or converted into cash, securities, or other property, 10% or more of the Fair Market Value of the consideration for the Common Stock (as determined by the Board of Directors, whose determination shall be conclusive evidence of such Fair Market Value) in such Change in Control consists of (i) cash, (ii) other property or (iii) securities that are not traded or scheduled to be traded immediately following such transaction on a U.S. national securities exchange, then the Conversion Rate of the Securities converted in connection with such Change in Control shall be increased by a number of additional shares of Common Stock (the "Additional Shares") determined in the manner set forth below; provided that if the Share Price in such transaction is greater than \$150.00, or less than \$54.20 (such prices subject in each case to adjustment in the same manner as the Share Prices set forth in Schedule A hereto, as described in Section 14.1(b)(iii) below), the number of Additional Shares shall be zero; provided further that in no event will the Conversion Rate exceed 18.4502 shares of Common Stock per \$1,000 principal amount of Securities, subject to adjustments in the same manner as the Conversion Rate as set forth in this Indenture. For the avoidance of doubt, the adjustment provided for in this Section 14.1(b) shall only be made with respect to the Securities being converted in connection with such Change in Control and shall not be effective as to any Securities not so converted (it being understood that a Holder of Securities electing to convert the Securities pursuant to this Section 14.1(b) shall provide the Conversion Agent with a notice as contemplated by Section 14.2).

(ii) The number of Additional Shares will be determined by reference to the table attached as Schedule A hereto, based on the date such Change in Control becomes effective (the "Effective Date") and the Share Price. In the case of any Change in Control pursuant to which the Common Stock is exchanged for or converted into cash, securities, or other property, if holders of Common Stock receive only cash in the relevant Change in Control, the "Share Price" shall be the cash amount paid per share of Common Stock. Otherwise, the "Share Price" shall be the average of the Common Stock prices of the Common Stock on the five Trading Days prior to but not including the Effective Date of the relevant Change in Control. If the Share Price is between two Share Prices in the table, or the Effective Date is between two Effective Dates in the table, the Issuer shall determine the number of Additional Shares by a straight-line interpolation between the number of Additional Shares set forth for the higher and lower Share

Prices and the earlier and later Effective Dates, as applicable, based on a 365-day year.

(iii) The Share Prices set forth in the first row of the table (i.e., column headers) in Schedule A hereto will be adjusted as of any date on which the Conversion Rate of the Securities is adjusted pursuant to this Indenture. The adjusted Share Prices will equal the Share Prices applicable immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the Conversion Rate immediately prior to the adjustment giving rise to the Share Price adjustment, and the denominator of which is the Conversion Rate as so adjusted. The number of Additional Shares will be adjusted in the same manner as the Conversion Rate as set forth in this Indenture.

(iv) Conversion “in connection with a Change in Control”, for purposes of this Section 14.1, means any conversion in respect of which the Conversion Notice is delivered at any time during the period from and including the Effective Date until, and including, the close of business on the Business Day immediately preceding the Change in Control Repurchase Date corresponding to such Change in Control.

(c) Notwithstanding the foregoing, and in lieu of adjusting the Conversion Rate as set forth in Section 14.1(b), in the case of a Public Acquirer Change in Control, the Issuer may elect (with advance notice thereof to the Trustee and the Conversion Agent and each Holder of Securities, and in any event, prior to the 20th day immediately preceding the proposed Effective Date of the Public Acquirer Change in Control) that, from and after the Effective Date of such Public Acquirer Change in Control, the right to convert a Security into cash and shares of Common Stock (or the consideration into which the Common Stock has been converted into, exchanged for or constitutes solely the right to receive, as the case may be), if any (subject to the Issuer’s right to elect to pay cash in lieu of any shares of Common Stock or such consideration to be issued or delivered upon conversion of such Security pursuant to Section 14.14(b)), will be changed into a right to convert a Security solely into shares of Public Acquirer Common Stock based on the Conversion Rate as adjusted below. If the Issuer makes the election referred to in the immediately preceding sentence, the Issuer may irrevocably elect, at any time prior to the 20th day immediately preceding the proposed Effective Date of the Public Acquirer Change in Control, to adjust the terms of the Holder’s conversion privilege, such that following such adjustment, the provisions of Section 14.14 shall apply, *mutatis mutandis*; provided, however, that references to the “Common Stock” in Section 14.14 and in the definitions Daily Conversion Value, Daily Settlement Amount and Common Stock Price shall be deemed instead to be references to the Public Acquirer Common Stock. If the Issuer makes the election described in the first sentence or the second sentence of this Section 14.1(c), from and after the Effective Date of the relevant Public Acquirer Change in Control, the Conversion Rate in effect immediately before such Effective Date shall be adjusted by a fraction:

(i) the numerator of which will be (a) in the case of a share exchange, consolidation or merger pursuant to which the Common Stock is exchanged for cash, securities or other property, the Fair Market Value of all cash and any other consideration (as determined by the Board of Directors) paid or payable per share of Common Stock or (b) in the case of any other Public Acquirer Change in Control, the average of the Common Stock Price of the Common Stock for the five consecutive Trading Days prior to but excluding the Effective Date of such Public Acquirer Change in Control, and

(ii) the denominator of which will be the average of the Common Stock Prices of the Public Acquirer Common Stock for the five consecutive Trading Days prior to but excluding the Effective Date of such Public Acquirer Change in Control.

(d) A Holder may convert a portion of a Security equal to \$1,000 or any integral multiple thereof. Provisions of this Indenture that apply to conversion of all of a Security also apply to conversion of a portion of a Security.

(e) If a Security is called for redemption pursuant to the terms of the Floating Rate Convertible Senior Notes, in order to convert such Security, the Holder must deliver the Security to the Conversion Agent (or, if the Security is held in book-entry form, complete and deliver to the depository appropriate instructions in accordance with the Applicable Procedures) at any time prior to the close of business on the Business Day immediately prior to the applicable redemption date for such Security (unless the Issuer shall default in paying the redemption price when due, in which case the conversion right shall terminate on the date such Event of Default is cured and such Security is redeemed). A Security in respect of which a Holder has delivered a Repurchase Notice pursuant to Section 13.1 or a Change in Control Election pursuant to Section 13.2 exercising the option of such Holder to require the Issuer to repurchase such Security, may be converted only if such Repurchase Notice or Change in Control Election, as the case may be, is withdrawn by a written notice of withdrawal delivered to the Trustee or the paying agent prior to the Repurchase Date or the Change in Control Repurchase Date, as the case may be, in accordance with Section 13.1 or Section 13.2, and Section 13.3, as applicable.

(f) A Holder of Securities is not entitled to any rights of a holder of Common Stock until such Holder has converted its Securities into Common Stock as set forth in Section 14.2(b).

SECTION 14.2. Conversion Procedure. (a) To convert a Security, a Holder must (i) if the Security is in definitive form, complete and manually sign the irrevocable conversion notice on the back of the Security (a "Conversion Notice", which term, for the avoidance of doubt, shall include the instructions referred to in clause (v) of this Section 14.2(a), if applicable) and deliver such notice to the Conversion Agent, (ii) if the Security is in definitive form, surrender the Security to the Conversion Agent, (iii) if the Security is in definitive form, furnish

appropriate endorsements and transfer documents if required by the registrar or the Conversion Agent, (iv) pay any transfer or other tax, if required by Section 14.3 and (v) if the Security is held in book-entry form, complete and deliver to the depositary appropriate conversion instructions pursuant to the Applicable Procedures. The date on which the Holder satisfies all of the foregoing requirements is the “Conversion Date”. If a Holder of Securities converts such Securities, then on the third Trading Day immediately following the last day of the related Observation Period, the Issuer shall deliver to the Holder through the Conversion Agent cash and shares of Common Stock, if any, in the amounts calculated in accordance with Section 14.14.

(b) The Person in whose name the Security is registered shall be deemed, with respect to any shares of Common Stock due upon conversion of such Security in accordance with Section 14.14, to be a stockholder of record at the close of business on the last Trading Day of the Observation Period; provided that if such date is a date on which the stock transfer books of the Issuer shall be closed, the Person in whose name the certificates are to be delivered as the record holder thereof for all purposes shall be the next succeeding day on which such stock transfer books are open.

(c) No payment or adjustment will be made for accrued but unpaid interest on any converted Security or for dividends or distributions on shares of Common Stock issued upon conversion of a Security. The Issuer shall not adjust the Conversion Rate to account for the accrued but unpaid interest. Any accrued but unpaid interest on a Security shall be deemed to be paid in full upon conversion of such Security, rather than cancelled, extinguished or forfeited. Notwithstanding the foregoing, if Securities are converted after the close of business on a Record Date and prior to the open of business on the next interest payment date, Holders of such Securities at the close of business on such Record Date shall receive the accrued but unpaid interest payable on such Securities on the corresponding interest payment date notwithstanding the conversion. In such event, such Security, when surrendered for conversion, must be accompanied by delivery of a check payable to the Conversion Agent in an amount equal to the accrued but unpaid interest payable on such Interest Payment Date on the portion so converted. If such payment does not accompany such Security, the Security shall not be converted; provided that no such payment shall be required (1) if such Security has been called for redemption on a redemption date that is after a Record Date but on or prior to the corresponding Interest Payment Date, (2) if the Issuer has specified a Change in Control Repurchase Date that is after a Record Date but on or prior to the corresponding Interest Payment Date, or (3) to the extent of overdue interest (including any overdue Additional Interest), if any such overdue interest exists at the time of conversion with respect to the Securities converted. If the Issuer defaults in the payment of interest payable on the Interest Payment Date, the Conversion Agent shall promptly repay such funds to the Holder.

(d) Upon surrender of a Security that is converted in part, the Issuer shall execute, and the Trustee shall, upon receipt of a Issuer Order, authenticate and deliver to the Holder, a new Security equal in principal amount to the unconverted portion of the Security surrendered.

SECTION 14.3. Taxes on Conversion. If a Holder converts a Security, the Issuer shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon such conversion. However, the Holder shall pay any tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Conversion Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Conversion Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name.

SECTION 14.4. Issuer to Provide Stock. (a) The Issuer shall, prior to issuance of any Securities hereunder, and from time to time as may be necessary, reserve, out of its authorized but unissued Common Stock, a sufficient number of shares of Common Stock to permit the conversion of all outstanding Securities into shares of Common Stock.

(b) The Issuer covenants that all shares of Common Stock delivered upon conversion of the Securities shall be newly issued shares or treasury shares, shall be duly authorized, validly issued, fully paid and non-assessable and shall be free from preemptive rights and free of any lien or adverse claim.

(c) The Issuer will endeavor promptly to comply with all Federal and state securities laws regulating the offer and delivery of shares of Common Stock upon conversion of Securities, if any, and will list or cause to have quoted such shares of Common Stock on each U.S. national securities exchange or in the over-the-counter market or such other market on which the Common Stock is then listed or quoted.

SECTION 14.5. Adjustment of Conversion Rate. The Conversion Rate shall be adjusted without duplication from time to time by the Issuer as follows:

(a) If the Issuer shall pay a dividend or make a distribution to all holders of the outstanding Common Stock in shares of Common Stock, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect at the open of business on the Ex-Dividend Date for such dividend or other distribution by a fraction,

(i) the numerator of which shall be the sum of (A) the number of shares of Common Stock outstanding immediately prior to the open of business on the Ex-Dividend Date for such dividend or distribution, plus (B) the total number of shares of Common Stock constituting the dividend or distribution; and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to the open of business on the Ex-Dividend Date for such dividend or distribution,

such increase to become effective immediately after the open of business on the Ex-Dividend Date for such dividend or distribution. If any dividend or distribution of the type described in this Section 14.5(a) is declared but not so paid or made, the Conversion Rate shall again be adjusted to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(b) If the Issuer shall issue rights, warrants or options to all holders of its outstanding shares of Common Stock (other than pursuant to any dividend reinvestment plan or share repurchase plan) entitling them (for a period expiring not more than 60 days after the date of distribution for such rights, warrants or options) to subscribe for or purchase shares of Common Stock at a price per share less than the average Common Stock Price of the Common Stock for the five Trading Days ending on the earlier of the record date for such distribution and the Trading Day immediately prior to the Ex-Dividend Date for such distribution, the Conversion Rate shall be adjusted so that the same shall equal the rate determined by multiplying the Conversion Rate in effect at the open of business on the Ex-Dividend Date for such distribution by a fraction,

(i) the numerator of which shall be the sum of (A) the number of shares of Common Stock outstanding immediately prior to the open of business on the Ex-Dividend Date for such distribution, plus (B) the total number of shares of Common Stock issuable pursuant to such rights, warrants or options; and

(ii) the denominator of which shall be (1) the number of shares of Common Stock outstanding immediately prior to the open of business on the Ex-Dividend Date for such distribution, plus (2)(a) the number of shares of Common Stock equal to the aggregate price payable to exercise such rights, warrants or options, divided by (b) the Current Market Price as of the Trading Day immediately preceding the Ex-Dividend Date for the distribution of such rights, warrants or options.

Such adjustment shall be successively made whenever any such rights, warrants or options are issued, and shall become effective immediately after the open of business on the Ex-Dividend Date for such distribution. To the extent that shares of Common Stock are not delivered after the expiration of such rights or warrants, the Conversion Rate shall be readjusted to the Conversion Rate that would then be in effect had the adjustments made upon the issuance of such rights, warrants or options been made on the basis of delivery of only the number of shares of Common Stock actually delivered. In the event that such rights or warrants are not so issued, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if the Ex-Dividend Date for such distribution had not occurred. In determining whether any rights, options or warrants entitle the holders to subscribe for or purchase shares of Common Stock at less than the

average Common Stock Price of the Common Stock for the five Trading Days ending on the earlier of the record date for such distribution and the Trading Day immediately prior to the Ex-Dividend Date for such distribution, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account any consideration received by the Issuer for such rights or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors (whose determination shall be conclusive evidence of such value). Notwithstanding the foregoing, no adjustment to the Conversion Rate will be made pursuant to this Section 14.5(b) if Holders of the Securities are entitled to participate in the relevant distribution triggering an adjustment at the same time and otherwise on substantially the same terms as holders of the Common Stock as if such Holders of Securities had converted their Securities into solely Common Stock immediately prior to such distribution at the then-applicable Conversion Rate. In no event shall the Conversion Rate be decreased pursuant to this Section 14.5(b).

(c) If outstanding shares of Common Stock shall be subdivided into a greater number of shares of Common Stock, the Conversion Rate in effect at the open of business on the day that such subdivision becomes effective shall be proportionately increased, and conversely, if outstanding shares of Common Stock shall be combined into a smaller number of shares of Common Stock, the Conversion Rate in effect at the open of business on the day that such combination becomes effective shall be proportionately reduced, such increase or reduction, as the case may be, to become effective immediately after the open of business on the day that such subdivision or combination becomes effective.

(d) If the Issuer shall, by dividend or otherwise, distribute to all holders of its Common Stock evidences of its indebtedness, shares of any class of Capital Stock of the Issuer or other securities or other assets (excluding (x) any dividend or distribution described in Section 14.5(a), (y) any rights, options or warrants described in Section 14.5(b) and (z) any dividend or distribution described in Section 14.5(e)) (any of the foregoing hereinafter in this section 14.4(d) called the “Distributed Assets”), then, in each such case, subject to the immediately succeeding paragraph, the Conversion Rate shall be increased so that the same shall be equal to the rate determined by multiplying the Conversion Rate in effect at the open of business on the Ex-Dividend Date for such dividend or distribution by a fraction,

(i) the numerator of which shall be the Current Market Price per share of the Common Stock on the Ex-Dividend Date for such dividend or distribution; and

(ii) the denominator of which shall be the Current Market Price per share of the Common Stock on such Ex-Dividend Date less the Fair Market Value (as determined by the Board of Directors (whose determination shall be conclusive evidence of such Fair Market Value) and described in a resolution of the Board of

Directors) on the Ex-Dividend Date for such dividend or distribution of the portion of the Distributed Assets so distributed applicable to one share of Common Stock,

such adjustment to become effective immediately after the open of business on the Ex-Dividend Date for such dividend or distribution; provided, however, that if the Fair Market Value (as so determined) of the portion of the Distributed Assets so distributed applicable to one share of Common Stock is equal to or greater than such Current Market Price per share of the Common Stock, in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder shall have the right to receive on the date on which the Distributed Assets are distributed to holders of Common Stock, for each \$1,000 principal amount of Securities, the amount of Distributed Assets such Holder would have received had such Holder owned a number of shares of Common Stock equal to the Conversion Rate on the Ex-Dividend Date for such dividend or distribution. In the event that such dividend or distribution is not so paid or made, the Conversion Rate shall be adjusted to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared. If the Board of Directors determines the Fair Market Value of any distribution for purposes of this Section 14.5(d) by reference to the actual or when issued trading market for any securities, it must in doing so consider the prices in such market over the same period used in computing the Current Market Price of the Common Stock.

If any Distributed Assets requiring any adjustment pursuant to this Section 14.5(d) consist solely of the Capital Stock, or similar equity interests in, a Subsidiary or other business unit of the Issuer that are or in connection with such distribution will be listed or quoted for trading on a U.S. national or regional securities exchange, then in lieu of the adjustment provided for in the immediately preceding paragraph, the Conversion Rate in effect at the close of business on the tenth Trading Day immediately following, and including, the effective date of such distribution shall be increased by multiplying the Conversion Rate then in effect by a fraction,

(A) the numerator of which is the sum of (1) the average of the Common Stock Prices (determined, for purposes of such definition, as if the amount of Distributed Assets per share of Common Stock were a share of Common Stock) of such Distributed Assets for the 10 Trading Days commencing on, and including, the effective date of such distribution on the New York Stock Exchange or such other national or regional exchange or market on which such Distributed Assets are then listed or quoted, plus (2) the average of the Common Stock Prices of the Common Stock for the 10 Trading Days commencing on and including the effective date of such distribution on the New York Stock Exchange or such other national or regional exchange or market on which such Distributed Assets are then listed or quoted, and

(B) the denominator of which is the average of the Common Stock Prices of the Common Stock for the 10 Trading Days commencing on and

including the effective date of such distribution on the New York Stock Exchange or such other national or regional exchange or market on which the Distributed Assets are then listed or quoted,

such adjustment to become effective immediately after the close of business on the tenth Trading Day immediately following, and including, the effective date of such distribution.

Rights or warrants distributed by the Issuer to all holders of Common Stock entitling the Holders thereof to subscribe for or purchase shares of the Issuer's Capital Stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Trigger Event"): (i) are deemed to be transferred with such shares of Common Stock; (ii) are not exercisable; and (iii) are also issued in respect of future issuances of Common Stock, shall be deemed not to have been distributed for purposes of this Section 14.5(d) (and no adjustment to the Conversion Rate under this Section 14.5(d) shall be required) until the occurrence of the earliest Trigger Event, whereupon such rights and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Conversion Rate shall be made under this Section 14.5(d). If any such right or warrant, including any such existing rights or warrants distributed prior to the date of this Indenture, are subject to events, upon the occurrence of which such rights or warrants become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and Ex-Dividend Date with respect to new rights or warrants with such rights (and a termination or expiration of the existing rights or warrants without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event (of the type described in the preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Conversion Rate under this Section 14.5(d) was made, (1) in the case of any such rights or warrants that shall all have been redeemed or repurchased without exercise by any holders thereof, the Conversion Rate shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or repurchase price received by a holder or holders of Common Stock with respect to such rights or warrants (assuming such holder had retained such rights or warrants), made to all holders of Common Stock as of the date of such redemption or repurchase, and (2) in the case of such rights or warrants that shall have expired or been terminated without exercise by any holders thereof, the Conversion Rate shall be readjusted as if such rights and warrants had not been issued.

For purposes of this Section 14.5(d), Section 14.5(a) and Section 14.5(b), any dividend or distribution to which this Section 14.5(d) is applicable that also includes shares of Common Stock, or rights or warrants to subscribe for or purchase shares of Common Stock (or both), shall be deemed instead to be (1) a

dividend or distribution of the evidences of indebtedness, assets or shares of Capital Stock other than such shares of Common Stock or rights or warrants (and any Conversion Rate adjustment required by this Section 14.5(d) with respect to such dividend or distribution shall then be made) immediately followed by (2) a dividend or distribution of such shares of Common Stock or such rights or warrants (and any further Conversion Rate adjustment required by Section 14.5(a) and (b) with respect to such dividend or distribution shall then be made), except (A) the Ex-Dividend Date for such dividend or distribution shall be substituted for “the Ex-Dividend Date for such dividend or distribution” within the meaning of Section 14.5(a), Section 14.5(b) and Section 14.5(d) and (B) any shares of Common Stock included in such dividend or distribution shall not be deemed “outstanding immediately prior to the open of business on the Ex-Dividend Date for such dividend or distribution” within the meaning of Section 14.5(a).

Notwithstanding the foregoing, no adjustment to the Conversion Rate will be made pursuant to this Section 14.5(d) if Holders of the Securities are entitled to participate in the relevant distribution triggering an adjustment at the same time and otherwise on substantially the same terms as holders of the Common Stock as if such Holders of Securities had converted their Securities into solely Common Stock immediately prior to such distribution at the then-applicable Conversion Rate. In no event shall the Conversion Rate be decreased pursuant to this Section 14.5(d).

(e) In case the Issuer shall, by dividend or otherwise, distribute to all holders of its Common Stock cash (an “Extraordinary Cash Dividend”) (excluding any dividend or distribution in connection with the liquidation, dissolution or winding up of the Issuer, whether voluntary or involuntary, or any regular quarterly cash dividend on the Common Stock to the extent that the aggregate amount of such cash dividend per share of Common Stock does not exceed \$0.31 for any quarterly period (\$0.31 being the “Quarterly Dividend Threshold Amount”), then, in such case, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for such Extraordinary Cash Dividend by a fraction,

(i) the numerator of which shall be the Current Market Price of the Common Stock on the Record Date for such Extraordinary Cash Dividend, minus the Quarterly Dividend Threshold Amount, and

(ii) the denominator of which shall be such Current Market Price of the Common Stock on such Record Date, minus the amount per share of Common Stock of the portion of such Extraordinary Cash Dividend applicable to one share of Common Stock; provided that if an adjustment is required to be made under this clause (e) as a result of an Extraordinary Cash Dividend that is not a regular quarterly cash dividend, the Quarterly Dividend Threshold Amount will be deemed to be zero,

such adjustment to be effective immediately after the open of business on the Ex-Dividend Date for such Extraordinary Cash Dividend; provided that if the portion of such Extraordinary Cash Dividend applicable to one share of the Common Stock is equal to or greater than the Current Market Price of the Common Stock on the relevant Record Date, in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder shall have the right to receive on the date on which the relevant Extraordinary Cash Dividend is distributed to holders of Common Stock, for each \$1,000 principal amount of Securities, the amount of cash such Holder would have received had such Holder owned a number of shares of Common Stock equal to the Conversion Rate on the Ex-Dividend Date for such Extraordinary Cash Dividend. In the event that such dividend or distribution is not so paid or made, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared. In no event shall the Conversion Rate be decreased pursuant to this Section 14.5(e). The Quarterly Dividend Threshold Amount is subject to adjustment in a manner inversely proportional to adjustments to the Conversion Rate; provided that no adjustment will be made to the Quarterly Dividend Threshold Amount for any adjustment made to the Conversion Rate pursuant to this Section 14.5(e).

(f) If the Issuer or one of its Subsidiaries makes a payment in respect of a tender offer or exchange offer, other than an odd-lot offer, for the Common Stock that shall require the payment to shareholders of consideration per share of Common Stock having a Fair Market Value (as determined by the Board of Directors, whose determination shall be conclusive and described in a resolution of the Board of Directors) that exceeds the Common Stock Price of the Common Stock on the Trading Day next succeeding the last time (the “Expiration Time”) at which tenders or exchanges may be made pursuant to such tender or exchange offer (as it shall have been amended), the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the open of business on the day immediately following the Trading Day next succeeding the Expiration Time by a fraction,

(i) the numerator of which shall be the sum of (i) the Fair Market Value, as determined by the Board of Directors (determined as aforesaid), of the aggregate consideration payable for all shares of Common Stock that the Issuer or such Subsidiary purchased in such tender or exchange offer (the “Purchased Shares”) and (ii) the product of (x) the number of shares of Common Stock outstanding as of the Trading Day next succeeding the Expiration Time, less the number of Purchased Shares and (y) the Common Stock Price of the Common Stock on the Trading Day next succeeding the Expiration Time; and

(ii) the denominator of which will be the product of the (x) number of shares of Common Stock outstanding as of the Trading Day next succeeding the Expiration Time, including any Purchased Shares, and (y) the Common Stock Price of the Common Stock on the Trading Day next succeeding the Expiration Time, such adjustment to become effective immediately after the open of business

on the day immediately following the Trading Day next succeeding the Expiration Time. In the event that the Issuer is obligated to purchase shares pursuant to any such tender or exchange offer, but the Issuer is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such tender or exchange offer had not been made. In no event shall the Conversion Rate be decreased pursuant to this Section 14.5(f).

(g) In case of a tender or exchange offer made by a Person other than the Issuer or any Subsidiary of the Issuer for an amount that increases the offeror's ownership of Common Stock to more than 25% of the Common Stock outstanding and shall involve the payment by such Person of consideration per share of Common Stock having a Fair Market Value (as determined by the Board of Directors, whose determination shall be conclusive, and described in a Board Resolution) that as of the as of the last time (the "Offer Expiration Time") tenders or exchanges may be made pursuant to such tender or exchange offer (as it shall have been amended) exceeds the Common Stock Price of the Common Stock on the Trading Day next succeeding the Offer Expiration Time, and in which, as of the Offer Expiration Time, the Board of Directors is not recommending rejection of the offer, the Conversion Rate shall be increased so that the same shall equal the price determined by multiplying the Conversion Rate in effect immediately at the close of business on the Trading Day next succeeding the Offer Expiration Time by a fraction,

(i) the numerator of which shall be the sum of (x) the Fair Market Value (determined as aforesaid) of the aggregate consideration payable to holders of Common Stock based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares of Common Stock validly tendered or exchanged and not withdrawn as of the Offer Expiration Time (the shares of Common Stock deemed so accepted up to any such maximum being referred to as the "Accepted Purchased Shares") and (y) the product of the number of shares of Common Stock outstanding (less any Accepted Purchased Shares) at the Offer Expiration Time and the Common Stock Price of the Common Stock on the Trading Day next succeeding the Offer Expiration Time, and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding (including the Accepted Purchased Shares) at the Offer Expiration Time, multiplied by the Common Stock Price of the Common Stock on the Trading Day next succeeding the Offer Expiration Time, such adjustment to become effective immediately after the close of business on the Trading Day next succeeding the Offer Expiration Time. If such Person is obligated to purchase shares pursuant to any such tender or exchange offer, but such Person is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such tender or exchange offer

had not been made. Notwithstanding the foregoing, the adjustment described in this Section 14.5(g) shall not be made if, as of the Offer Expiration Time, the offering documents with respect to such offer disclose a plan or intention to cause the Issuer to engage in a consolidation, merger or sale of all or substantially all of the properties and assets of the Issuer.

(h) The Board of Directors shall make appropriate adjustments to the Conversion Rate, and the amount of cash or number of shares of Common Stock, as the case may be, due upon conversion, in its good faith judgment, to account for any adjustment to the Conversion Rate that becomes effective, or any event requiring an adjustment to the Conversion Rate where the Ex-Dividend Date of the event occurs, during the period beginning on the Conversion Date and ending on close of business on the last Trading Day of the relevant Observation Period.

(i) Before taking any action which would cause an adjustment increasing the Conversion Rate so that the shares of Common Stock issuable upon conversion of the Securities would be issued for less than the par value of such Common Stock, the Issuer will take all corporate action which may be necessary in order that the Issuer may validly and legally issue fully paid and nonassessable shares of such Common Stock at such adjusted Conversion Rate.

(j) To the extent that any rights plan or "poison pill" adopted by the Issuer is in effect upon conversion of the Securities into cash and shares of Common Stock, a converting Holder shall receive, in addition to such cash and shares of Common Stock, the rights under such rights plan or "poison pill", only if such rights have not separated from the Common Stock at the time of conversion, and no adjustment to the Conversion Rate shall be made in connection with any distribution of rights thereunder. If, however, the rights have separated from the Common Stock, converting Holders shall not receive the rights. Rather, an adjustment to the Conversion Rate will be made in accordance with Section 14.5(d).

SECTION 14.6. No Adjustment. (a) No adjustment in the Conversion Rate shall be required unless the adjustment would require an increase or decrease of at least 1% in the Conversion Rate as last adjusted; provided that any adjustments which by reason of this Section 14.6 are not required to be made shall be carried forward and taken into account in any subsequent adjustment.

(b) All calculations under this Article Fourteen shall be made to the nearest cent, with one-half cent rounded up, or to the nearest ten-thousandth (0.0001) of a share, with each five hundred-thousandth (0.00005) of a share being rounded up, as the case may be.

(c) Notwithstanding the foregoing, no adjustment need be made for:

(i) the issuance of any shares of Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on

the Issuer's securities and the investment of additional optional amounts in shares of Common Stock under any plan,

(ii) the issuance of any shares of Common Stock or options or rights to purchase those shares pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by the Issuer or any of its Subsidiaries,

(iii) the issuance of any shares of Common Stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security, not described in Section 14.6(c)(ii) and outstanding as of the date of this Indenture,

(iv) a change in the par value of the Common Stock, or

(v) accrued and unpaid interest, including contingent interest, if any.

SECTION 14.7. Equivalent Adjustments. If, as a result of an adjustment made pursuant to Section 14.5 above, the Holder of any Security thereafter surrendered for conversion shall become entitled to receive any shares of Capital Stock of the Issuer other than shares of Common Stock, thereafter the Conversion Rate of such other shares so receivable upon conversion of any Securities shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Stock contained in this Article Fourteen.

SECTION 14.8. Adjustment for Tax Purposes. The Issuer shall be entitled to make such increases in the Conversion Rate, in addition to those required by Section 14.5, as the Board of Directors in its discretion shall determine to be advisable in order that any stock dividends, subdivisions of shares, distributions of rights to purchase stock or other securities, or distributions of securities convertible into or exchangeable for stock hereafter made by the Issuer to its holders of Common Stock shall not be taxable to such holders.

SECTION 14.9. Notice of Adjustment. Whenever a Change in Control (including a Public Acquirer Change in Control) occurs, or the Conversion Rate is adjusted (whether pursuant to Section 14.1(b), 14.1(c), 14.5, 14.11 or otherwise) or Holders become entitled to other securities or due bills, the Issuer shall promptly mail to Holders a notice of such occurrence or the adjustment and file with the Trustee and the Conversion Agent an Officers' Certificate briefly stating the facts of such occurrence or the facts requiring the adjustment and the manner of computing it. In the case of an adjustment, the certificate shall be conclusive evidence of the correctness of such adjustment, absent manifest error, and the Trustee and the Conversion Agent may conclusively assume that, unless and until such certificate is received by it, no such adjustment is required.

SECTION 14.10. Notice of Certain Transactions. In case:

(a) the Issuer shall declare a dividend (or any other distribution) on the Common Stock that would require an adjustment to the Conversion Rate pursuant to Section 14.5; or

(b) the Issuer shall authorize the granting to the holders of Common Stock of rights, warrants or options to subscribe for or purchase any share of any class or any other rights, warrants or options that would require an adjustment to the Conversion Rate pursuant to Section 14.5; or

(c) of any reclassification of the Common Stock of the Issuer (other than a change in par value, or from par value to no par value, or from no par value to par value), or of any consolidation, merger, or share exchange to which the Issuer is a party and for which approval of any holders of Common Stock is required, or of the sale or transfer of all or substantially all of the properties and assets of the Issuer; or

(d) of the voluntary or involuntary dissolution, liquidation or winding-up of the Issuer;

the Issuer shall cause to be filed with the Trustee and the Conversion Agent and to be mailed to each Holder of Securities at its address appearing in the register for the Securities, as promptly as possible but in any event at least ten days prior to the applicable date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution or rights, warrants or options, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution or rights are to be determined, or (y) the date on which such reclassification, consolidation, merger, share exchange, sale, transfer, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Common Stock of record shall be entitled to convert their Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, share exchange, sale, transfer, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such dividend, distribution, reclassification, consolidation, merger, sale, share exchange, transfer, dissolution, liquidation or winding-up.

SECTION 14.11. Effect of Reclassification, Consolidation, Merger, Share Exchange or Sale on Conversion Privilege. (a) Subject to the Issuer's rights as set forth in Section 14.1(c) with respect to a Public Acquirer Change in Control, if any of the following shall occur, namely: (i) any reclassification or change of outstanding shares of Common Stock (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination); (ii) any consolidation, combination, merger or share exchange to which the Issuer is a party; (iii) any sale or conveyance of all or substantially all of the properties and assets of the Issuer, in each case pursuant to which the shares of the Common Stock are exchanged for or converted into cash,

securities or other property, then the Issuer or such successor or purchasing Person, as the case may be, shall, as a condition precedent to such reclassification, change, consolidation, merger, share exchange, sale or conveyance, execute and deliver to the Trustee a supplemental indenture providing that the Holder of each Security then outstanding shall have the right to convert such Security into, and as of the effective time of such transaction, Holders shall have the right to convert their Securities into, cash, and (if applicable) securities, or other property, that Holders would have been entitled to receive had Holders owned a number of shares of Common Stock equal to the Conversion Rate immediately prior to the effective time of the relevant transaction, multiplied by the principal amount (expressed in thousands) of the Securities converted, and the amount and type of consideration received in settlement of any such conversion shall be determined pursuant to Section 14.14, *mutatis mutandis*; provided, however, that references to the "Common Stock" in Section 14.14 and in the definitions of Daily Conversion Value, Daily Settlement Amount and Common Stock Price shall be deemed instead to be references to a unit of amount and type of consideration that the holder of one share of Common Stock would have received or been entitled to receive in such transaction. Such supplemental indenture shall provide for adjustments of the Conversion Rate which shall be as nearly equivalent as may be practicable to the adjustments of the Conversion Rate provided for in this Article Fourteen. If, in the case of any such consolidation, merger, share exchange, sale or conveyance, the stock or other securities and property (including cash) receivable thereupon by a holder of Common Stock includes shares of Capital Stock or other securities and property of a Person other than the successor or purchasing Person, as the case may be, in such consolidation, merger, share exchange, sale or conveyance, then such supplemental indenture shall also be executed by such other Person and shall contain such additional provisions to protect the interests of the Holders of the Securities as the Board of Directors shall reasonably consider necessary by reason of the foregoing. The provisions of this Section 14.11 shall similarly apply to successive consolidations, mergers, share exchanges, sales or conveyances. Notwithstanding the foregoing, a distribution by the Issuer to all or substantially all holders of Common Stock for which an adjustment to the Conversion Rate or provision for conversion of the Securities may be made pursuant to Section 14.5 shall not be deemed to be a sale or conveyance of all or substantially all of the properties and assets of the Issuer for purposes of this Section 14.11.

(b) In the event the Issuer or any other Person shall execute a supplemental indenture pursuant to this Section 14.11, the Issuer shall promptly file with the Trustee an Opinion of Counsel stating that such supplemental indenture is authorized or permitted by this Indenture, and an Officers' Certificate briefly stating the reasons therefor, the kind or amount of cash, securities and/or other property receivable by Holders of the Securities upon the conversion of their Securities after any such reclassification, change, consolidation, merger, share exchange, sale or conveyance, any adjustment to be made with respect thereto and that all conditions precedent have been complied with.

(c) For purposes of this Section 14.11, the type and amount of consideration that a Holder of Securities would have been entitled to receive as a holder of the Common Stock in the case of a transaction described in Article Fourteen that causes the Common Stock to be exchanged into the right to receive more than a single type of consideration, determined based in part upon any form of stockholder election, will be deemed to be the weighted average of the types and amounts of consideration received by the holders of Common Stock that affirmatively make such an election.

SECTION 14.12. Trustee's and Agent's Disclaimer. (a) The Issuer shall make all calculations and determinations under this Article Fourteen. The Trustee has no duty to determine when an adjustment to the Conversion Rate under this Article Fourteen (whether pursuant to Section 14.1(b), 14.1(c), 14.5, 14.11 or otherwise) should be made, how it should be made or what such adjustment should be, but may accept as conclusive evidence of the correctness of any such adjustment, and shall be fully protected in relying upon, the Officers' Certificate with respect thereto which the Issuer is obligated to file with the Trustee pursuant to Section 14.9. The Trustee shall have no duty to confirm, review or verify, any calculations or determinations made under this Article Fourteen. The Trustee shall not be accountable for, and makes no representation as to the validity or value of any securities or assets issued upon conversion of Securities, and the Trustee shall not be responsible for the Issuer's failure to comply with any provisions of this Article Fourteen. Each Conversion Agent (other than the Issuer or an Affiliate of the Issuer) shall have the same protection under this Section 14.12 as the Trustee.

(b) The Trustee shall not be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture executed pursuant to Section 14.11, but may accept as conclusive evidence of the correctness thereof, and shall be protected in relying upon, the Officers' Certificate with respect thereto which the Issuer is obligated to file with the Trustee pursuant to Section 14.11.

SECTION 14.13. Voluntary Increase. The Issuer from time to time may increase the Conversion Rate by any amount for any period of time if such period is at least 20 Trading Days or such longer period as may be required by law and if the increase is irrevocable during such period, if the Board of Directors determines, in good faith, that such increase would be in the best interests of the Issuer or if the Board of Directors deems it advisable to avoid or diminish any income tax to holders of Common Stock resulting from any dividend or stock or rights distribution on the Issuer's Common Stock or from any event treated as such for income tax purposes; provided that in no event may the resulting price per share of Common Stock equal to \$1,000 divided by the applicable Conversion Rate be less than the par value of a share of Common Stock. Any such determination by the Board of Directors shall be conclusive.

SECTION 14.14. Payment Upon Conversion; Daily Conversion Value of Securities Surrendered. (a) Holders tendering the Securities for conversion shall be entitled to receive upon conversion of each \$1,000 principal amount of Securities, on the third Trading Day immediately following the last day of the related Observation Period, cash and shares of Common Stock, if any, subject to clause (b) below with respect to all or any portion of Common Stock which the Issuer elects to settle in cash, equal to the sum of the Daily Settlement Amounts for each of the 10 Trading Days during the related Observation Period. Cash will be delivered in lieu of fractional shares of Common Stock issuable in connection with payment of the foregoing amounts (based on the Common Stock Price of the Common Stock on the last Trading Day of the related Observation Period).

(b) By the close of business on the Business Day prior to the first scheduled Trading Day of the Observation Period, the Issuer may specify a percentage of the Net Shares that will be settled in cash (the "Cash Percentage") and will notify the Holder of such Cash Percentage through written notice to the Trustee (the "Cash Percentage Notice"). If the Issuer elects to specify a Cash Percentage, (x) the amount of cash that the Issuer will deliver in lieu of all or an applicable portion of the Net Shares in respect of each Trading Day in the Observation Period will equal the product of: (i) the Cash Percentage, (ii) the number of Net Shares for such Trading Day (assuming for this purpose that the Issuer had not specified a Cash Percentage) and (iii) the Common Stock Price of the Common Stock on such Trading Day, and (y) the number of shares of Common Stock deliverable in respect of each Trading Day in the Observation Period (in lieu of the full number of Net Shares for such Trading Day) will be a percentage of the number of Net Shares (assuming that the Issuer has not specified a Cash Percentage) equal to 100% minus the Cash Percentage.

(c) If the Issuer does not specify a Cash Percentage by the close of business on the Business Day prior to the first scheduled Trading Day of the Observation Period, the Issuer shall settle 100% of the Net Shares for each Trading Day in the Observation Period with shares of Common Stock; provided, however, that the Issuer shall pay cash in lieu of fractional shares otherwise issuable upon conversion of such Security based on the Common Stock Price of the Common Stock on the last Trading Day of the related Observation Period. The Issuer may, at its option, revoke any Cash Percentage Notice through written notice to the Trustee, which must be given by the close of business on the Business Day prior to the first Scheduled Trading Day of the Observation Period.

(d) Neither the Trustee nor the Conversion Agent has any duty to determine or calculate the Conversion Rate, the Daily Conversion Value, the Daily Settlement Amounts, the cash amounts payable upon conversion or the number of shares, if any, of Common Stock issuable upon conversion, or any other computation required under this Article Fourteen, all of which shall be determined by the Issuer in accordance with the provisions of this Indenture, and the Trustee and the Conversion Agent shall not be under any responsibility to determine the

correctness of any such determinations and/or calculations, and may conclusively rely on the correctness thereof.

SECTION 14.15. Simultaneous Adjustments. If more than one event requiring adjustment pursuant to Section 14.5 shall occur before completing the determination of the Conversion Rate for the first event requiring such adjustment, then the Board of Directors (whose determination shall, if made in good faith, be conclusive) shall make such adjustments to the Conversion Rate (and the calculation thereof) after giving effect to all such events as shall preserve for Holders the Conversion Rate protection provided in Section 14.5.

SECTION 14.16. Conversion Agent. The Issuer shall maintain an office or agency where Securities may be presented for conversion (the "Conversion Agent"). If the Issuer fails to maintain a Conversion Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 6.6. The Issuer or any of its Subsidiaries or an Affiliate of the Issuer or any of its Subsidiaries may act as Conversion Agent. The Issuer initially appoints the Trustee as Conversion Agent in connection with the Securities."

SECTION 12. NO UNDERTAKINGS OR REPRESENTATIONS.

Wells Fargo makes no undertakings or representations in respect of, and shall not be responsible in any manner whatsoever for and in respect of the validity or sufficiency of this Sixth Supplemental Indenture as an obligation of the Issuer or the proper authorization or the due execution hereof by the Issuer or for or in respect of the recitals and statements contained herein, all of which recitals and statements are made solely by the Issuer.

SECTION 13. CONFIRMATION OF INDENTURE.

Except as expressly supplemented hereby, the Indenture shall continue in full force and effect in accordance with the provisions thereof, and the Indenture is in all respects hereby ratified and confirmed. This Sixth Supplemental Indenture and all its provisions shall be deemed a part of the Indenture in the manner and to the extent herein and therein provided.

SECTION 14. GOVERNING LAW.

This Sixth Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 15. COUNTERPARTS.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 16. HEADINGS.

The headings contained herein are inserted for convenience only and shall not be used to construe or otherwise interpret the provisions hereof.

[Remainder of the page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Supplemental Indenture to be duly executed, and the Issuer has caused its corporate seal to be hereunto affixed and attested, all as of the date first above written.

GANNETT CO., INC.

By: /s/ Michael A. Hart

Name: Michael A. Hart

Title: Vice President and Treasurer

[CORPORATE SEAL]

Attest:

By: /s/ Todd A. Mayman

Name: Todd A. Mayman

Title: Vice President, Associate General Counsel,
Secretary and Chief Governance Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as
Trustee

By: /s/ Curtis H. Clicquennoi

Name: Curtis H. Clicquennoi

Title: Vice President

Schedule A

Share Price

Effective Date of Change in Control	Stock Price										
	\$ 54.20	\$ 60.00	\$ 70.00	\$ 80.00	\$ 90.00	\$ 100.00	\$ 110.00	\$ 120.00	\$ 130.00	\$ 140.00	\$ 150.00
June 29, 2007	7.5972	5.8137	3.4327	1.7758	0.8507	0.4442	0.3001	0.2495	0.2251	0.2081	0.1941
October 15, 2007	7.5972	5.8137	3.4327	1.7063	0.7100	0.3026	0.1862	0.1550	0.1410	0.1308	0.1220
January 15, 2008	7.5972	5.8137	3.4327	1.6596	0.5776	0.1727	0.0912	0.0772	0.0709	0.0658	0.0614
April 15, 2008	7.5972	5.8137	3.4327	1.6470	0.4240	0.0301	0.0004	0.0000	0.0000	0.0000	0.0000
July 15, 2008	7.5972	5.8137	3.4327	1.6470	0.2581	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

GANNETT CO., INC.

TRANSITIONAL COMPENSATION PLAN

As Amended and Restated August 7, 2007

TRANSITIONAL COMPENSATION PLAN

As Amended and Restated August 7, 2007

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TRANSITIONAL COMPENSATION PLAN

As Amended and Restated August 7, 2007

1. Purpose of the Plan. The Board of Directors (the "Board") of Gannett Co., Inc. (the "Company") considers the establishment and maintenance of a strong and vital management to be essential to protecting and enhancing the best interests of the Company and its stockholders.

As is the case with most publicly held corporations, the possibility of a Change in Control (as defined below) of the Company exists, and that possibility, and the uncertainty and questions which it may raise among key executives concerning future employment, may result in the departure or distraction of key executives, to the detriment of the Company and its stockholders.

The purpose of the Plan (as defined below) is to assure the Company that it will have the continued dedication of, and the availability of objective advice and counsel from, key executives of the Company and its affiliates (as defined below) notwithstanding the possibility, threat or occurrence of a Change in Control.

In the event that the Company or its stockholders receive any proposal from a third party concerning a possible business combination with the Company or an acquisition of the Company's equity securities, the Board believes it imperative that the Company and the Board be able to rely upon key executives to continue in their positions and be available for advice, if requested, without concern that those individuals might be distracted by the personal uncertainties and risks created by such a proposal.

Should the Company receive any such proposal, in addition to their regular duties, such key executives may be called upon to assist in the assessment of such proposal, advise management and the Board as to whether such proposal would be in the best interest of the Company and its stockholders, and to take such other actions as the Board might determine to be appropriate.

Therefore, in order to accomplish these objectives, the Board has adopted the Plan.

2. Effective Date. The Transitional Compensation Plan, as amended and restated (the "Plan"), shall become effective on August 7, 2007.

3. Administration of the Plan.

(a) The Committee. The Plan shall be administered (i) by such committee of non-employee directors as the Board shall appoint (the "Committee"), or (ii) in the absence of such Committee or if the Committee is unable to act, by the Board. The members of the Committee shall be entitled to all of the rights to indemnification and payment of expenses and costs set forth in Article II, Section 17 (or its successor provision) of the Bylaws of the Company. In no event may the protection afforded the Committee members in this Section 3(a) be reduced in anticipation of or following a Change in Control.

(b) Determinations by the Committee. Subject to the express provisions of the Plan and to the rights of the Participants (as defined below) pursuant to such provisions, the Committee shall have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall, from time to time, deem advisable; to designate persons to be covered by the Plan; to revoke such

designations; to interpret the terms and provisions of the Plan (and any notices or agreements relating thereto); and otherwise to supervise the administration of the Plan in accordance with the terms hereof. Prior to a Change in Control, all decisions made by the Committee pursuant to the Plan shall be made in its sole discretion and shall be final and binding on all persons, including the Company and Participants. The Committee's determinations need not be uniform, and may be made selectively among eligible employees and among Participants, whether or not they are similarly situated. Notwithstanding any provision in the Plan to the contrary, however, following a Change in Control, any act, determination or decision of the Company or the Committee, as applicable, with regard to the administration, interpretation and application of the Plan must be reasonable, as viewed from the perspective of an unrelated party and with no deference paid to the actual act, determination or decision of the Company or the Committee, as applicable. Furthermore, following a Change in Control, any decision by the Company or the Committee, as applicable, shall not be final and binding on a Participant. Instead, following a Change in Control, if a Participant disputes a decision of the Company or the Committee relating to the Plan and pursues legal action, the court shall review the decision under a "de novo" standard of review. In addition, following a Change in Control, in the event that (i) the Company's common stock is no longer publicly traded and (ii) any securities of the Company's Ultimate Parent (as defined below) are publicly traded, then any decisions by the Board with respect to whether a Participant was terminated for "Cause" shall be made by the board of directors of the Ultimate Parent. For purposes of the Plan, "Ultimate Parent" means a publicly traded corporation or entity which, directly or indirectly through one or more

affiliates, beneficially owns at least a plurality of the then-outstanding voting securities of the Company (including any successor to the Company by reason of merger, consolidation, the purchase of all or substantially all of the Company's assets or otherwise).

(c) Delegation of Authority. The Committee may delegate to one or more officers or employees of the Company such duties in connection with the administration of the Plan as it deems necessary, advisable or appropriate.

4. Participation in the Plan.

(a) Designation of Participants. The Committee shall from time to time select the employees who are to participate in the Plan (the "Participants") from among those management or highly compensated employees of the Company and its affiliates it determines to be appropriate to include as Participants, given the purposes of the Plan and the potential effects on the employee of a Change in Control. The Company shall notify each Participant in writing of his or her participation in the Plan. For purposes of the Plan, the term "affiliate" has the meaning set forth in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and includes any partnership or joint venture of which the Company or any of its affiliates are general partners or co-venturers.

(b) Terminating Status as a Participant. A person shall cease to be a Participant upon (i) the termination of his or her employment by the Company and any affiliate for any reason prior to a Change in Control, or (ii) the date that the Company notifies the Participant in writing that such individual's status as a Participant has been revoked. Except as specifically provided herein, the Committee shall have absolute

discretion in the selection of Participants and in revoking their status as Participants. Notwithstanding the foregoing, no revocation by the Committee of any person's designation as a Participant shall be effective if made (i) on the day of, or within 24 months after, a Change in Control, (ii) prior to a Change in Control, but at the request of any third party participating in or causing the Change in Control or (iii) otherwise in connection with, in relation to, or in anticipation of a Change in Control. In any litigation related to this issue, whether it is the plaintiff or the defendant, the Company shall have the burden of proof that the revocation of status as a Participant was not at the request of any third party participating in or causing the Change in Control or otherwise in connection with, in relation to, or in anticipation of a Change in Control.

5. Change in Control. For purposes of the Plan, "Change in Control" means the first to occur of the following:

(a) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d 3 promulgated under the Exchange Act) of 20% or more of either (i) the then-outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that, for purposes of this Section, the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored

or maintained by the Company or one of its affiliates or (D) any acquisition pursuant to a transaction that complies with Sections 5(c)(i), 5(c)(ii) and 5(c)(iii);

(b) individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(c) consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each, a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the

case may be, of the corporation or entity resulting from such Business Combination (including, without limitation, a corporation or entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of the Company or any corporation or entity resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then-outstanding shares of common stock of the corporation or entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation or entity, except to the extent that such ownership existed prior to the Business Combination, and (iii) at least a majority of the members of the board of directors of the corporation or entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(d) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

No Participant in this Plan who participates in any group conducting a management buyout of the Company under the terms of which the Company ceases to be a public company may claim that such buyout is a Change in Control under this Plan and no such Participant shall be entitled to any payments or other benefits under this Plan as a result of such buyout. For purposes of the Plan, no Participant in this Plan shall be

deemed to have participated in a group conducting a management buyout of the Company unless, following the consummation of the transaction, such Participant was the beneficial owner of more than 15% of the then-outstanding voting securities of the Company or any successor corporation or entity resulting from such transaction.

6. Eligibility for Benefits under the Plan.

(a) General. If a Change in Control shall have occurred, each person who is a Participant on the date of the Change in Control shall be entitled to the compensation and benefits provided in Section 7(b) upon the subsequent termination of the Participant's employment, provided that such termination occurs prior to the second anniversary of the Change in Control, unless such termination is (i) because of the Participant's death or disability (as determined under the Company's Long Term Disability Plan in effect immediately prior to the Change in Control), (ii) by the Company or its affiliate for Cause, or (iii) by the Participant other than (A) for Good Reason or (B) during the Window Period. For purposes of the Plan, "Window Period" means the 30-day period immediately following the first anniversary of the Change in Control.

(b) Cause. For purposes of the Plan, "Cause" means:

(i) any material misappropriation of funds or property of the Company or its affiliate by the Participant;

(ii) unreasonable and persistent neglect or refusal by the Participant to perform his or her duties which is demonstrably willful and deliberate on the Participant's part, which is committed in bad faith or without reasonable belief that such breach is in the best interests of the Company and which is not

remedied in a reasonable period of time after receipt of written notice from the Company specifying such breach; or

(iii) conviction of the Participant of a felony involving moral turpitude.

Notwithstanding the foregoing provisions of this Section 6(b), the Participant shall not be deemed to have been terminated for Cause after a Change in Control unless and until there shall have been delivered to the Participant a copy of a resolution duly adopted by the affirmative vote of not less than three quarters of the entire membership of the Board at a meeting of the Board (after reasonable notice to the Participant and an opportunity for Participant, together with his or her counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, the Participant was guilty of conduct set forth above in this Section 6(b) and specifying the particulars thereof in detail.

(c) Good Reason. For purposes of the Plan, "Good Reason" means the occurrence after a Change in Control of any of the following circumstances without the Participant's express written consent, unless such circumstances are fully corrected prior to the Date of Termination (as defined below) specified in the Notice of Termination (as defined below) given in respect thereof:

(i) the assignment to the Participant of any duties inconsistent in any respect with his or her position (including status, offices, titles and reporting requirements), authority or responsibilities immediately prior to the Change in Control, or any other diminution in such position, authority or responsibilities, (whether or not occurring solely as a result of the Company becoming a subsidiary or a division of another entity or ceasing to be a publicly traded entity),

excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and that is remedied by the Company or its affiliate promptly after receipt of notice thereof given by the Participant;

(ii) a reduction by the Company or its affiliate in the Participant's compensation and/or other benefits or perquisites as in effect on the date immediately prior to the Change in Control;

(iii) the relocation of the Participant's office from the location at which the Participant is principally employed immediately prior to the date of the Change in Control to a location 20 or more miles farther from the Participant's residence immediately prior to the Change in Control, or the Company's requiring the Participant to be based anywhere other than the Company's offices at such location, except for required travel on the Company's business to an extent substantially consistent with the Participant's business travel obligations prior to the Change in Control;

(iv) the failure by the Company or its affiliate to pay to the Participant any portion of the Participant's compensation or to pay to the Participant any deferred compensation due under any deferred compensation or similar program of the Company or its affiliate within seven days of the date such payment is due;

(v) the failure by the Company or its affiliate to continue in effect any compensation, benefit or perquisite plan or policy in which the Participant participated immediately prior to the Change in Control, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan or policy) has been made with respect to such plan or policy, or the failure by the Company or

its affiliate to continue the Participant's participation therein (or in such substitute or alternative plan or policy), in each case, on a basis not materially less favorable, both in terms of the amount of benefits provided and the level of the Participant's participation relative to other participants, as existed at the time of the Change in Control;

(vi) (A) the failure of the Company to obtain a satisfactory agreement from any successor to assume and agree to perform the Plan, as contemplated in Section 14, or, (B) if the business of the Company for which the Participant's services are principally performed is sold at any time within 24 months after a Change in Control, the purchaser shall fail to provide the Participant with the same or a comparable position, duties, salary, bonus, benefits and perquisites as provided to the Participant by the Company immediately prior to the Change in Control;

(vii) any refusal by the Company (or its affiliate) to continue to allow the Participant to attend to matters or engage in activities not directly related to the business of the Company that, prior to the Change in Control, the Participant was permitted to attend to or engage in; or

(viii) any purported termination of the Participant's employment that is not effected pursuant to a Notice of Termination satisfying the requirements of the Plan. For purposes of this Section 6(c), and notwithstanding the provisions of Section 3(b), any good faith determination of "Good Reason" made by the Participant shall be conclusive.

(d) Certain Terminations Prior to a Change in Control. Anything in the Plan to the contrary notwithstanding, if a Change in Control occurs and if the Participant's employment with the Company terminated prior to the date on which the Change in Control occurs, and if it is reasonably demonstrated by the Participant that such termination of employment (i) was at the request of any third party participating in or causing the Change in Control or (ii) otherwise arose in connection with, in relation to, or in anticipation of a Change in Control, then the Participant shall be entitled to all payments and benefits under the Plan as though the Participant had terminated his or her employment for Good Reason on the day after the Change in Control. For purposes of this Section 6(d), a Change in Control means a Change in Control that is also a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A(a)(2)(A)(v) of the Internal Revenue Code of 1986, as amended, (the "Code") and the Treasury regulations and guidance issued thereunder ("Section 409A").

(e) No Waiver. The Participant's continued employment shall not constitute consent to, or a waiver of rights with respect to, any circumstance constituting Good Reason hereunder.

(f) Notice of Termination After a Change in Control. Any termination by the Company, or by the Participant without any reason during the Window Period or for Good Reason, shall be communicated by Notice of Termination given in accordance with the Plan. For purposes of the Plan, a "Notice of Termination" means a written notice that (i) indicates the specific termination provision in the Plan relied upon, and (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances

claimed to provide a basis for termination of the Participant's employment under the provision so indicated. The failure by the Participant or the Company to set forth in the Notice of Termination any fact or circumstance that contributes to a showing of Good Reason or Cause shall not waive any right of the Participant or the Company hereunder or preclude the Participant or the Company from asserting such fact or circumstance in enforcing the Participant's or the Company's rights hereunder.

(g) Date of Termination. For purposes of the Plan, "Date of Termination" means (i) if the Participant's employment is terminated by the Company for Cause, or by the Participant during the Window Period, the date on which the Notice of Termination is given or any later date specified therein (which, however, shall not be more than 15 days later), (ii) if the Participant's employment is terminated by the Participant for Good Reason, the date specified therein (which, however, shall not be less than seven days or more than 15 days later), or (iii) if the Participant's employment is terminated by the Company other than for Cause, the date on which the Company notifies the Participant of such termination.

7. Obligations of the Company upon Termination.

(a) Cause; Other than for Good Reason. If the Participant's employment shall be terminated for Cause, or if the Participant terminates his or her employment other than for Good Reason and other than during the Window Period, the Company shall pay the Participant his or her annual salary through the Date of Termination, to the extent not already paid, at the rate in effect at the time Notice of Termination is given, plus all other amounts to which the Participant is entitled under any compensation,

benefit or other plan or policy of the Company at the time such amounts are due, and the Company shall have no further obligations to the Participant under the Plan.

(b) Termination Without Cause; Good Reason or Window Period Terminations. Any Participant who becomes eligible for compensation and benefits pursuant to Section 6(a) shall be paid or provided the following:

(i) to the extent not already paid, the sum of (A) the Participant's annual salary through the Date of Termination at the higher of the rate in effect immediately prior to the Change in Control or on the Date of Termination, (B) the pro rata annual bonus (based upon the portion of the fiscal year elapsed prior to the Date of Termination) under the Company's annual Executive Incentive Compensation Plan (as established under the 2001 Omnibus Incentive Compensation Plan) or successor annual bonus plan (the "Executive Incentive Compensation Plan"), assuming that the bonus amount with respect to the full fiscal year would be equal to the highest bonus he or she earned with respect to the three fiscal years immediately prior to such fiscal year, and (C) all compensation previously deferred by the Participant, accrued and unpaid vacation pay and all other amounts to which the Participant is entitled through the Date of Termination under any compensation or benefit plan (other than amounts under the 1978 Executive Long Term Incentive Plan, the 2001 Omnibus Incentive Compensation Plan or any comparable or successor plan (collectively, the "Incentive Compensation Plan"), the Deferred Compensation Plan or any comparable or successor plan, the Company's retirement and 401(k) Plans, or any deferred compensation arrangement (or portion thereof) that is subject to

Section 409A, payment under which plans or arrangements shall continue to be made in accordance with their terms) of the Company;

(ii) as severance pay and in lieu of any further salary or bonus for the period following the Date of Termination, the Participant shall receive a lump sum payment equal to his or her "Monthly Compensation" (as defined below) multiplied by the number of months in the Participant's "Severance Period" (as defined below).

For purposes of the Plan, "Severance Period" means a number of whole months equal to the Participant's months of continuous service with the Company or its affiliates divided by 3.33, provided, however, that in no event shall the Participant's Severance Period be less than 24 months or more than 36 months, regardless of the Participant's actual length of service.

For purposes of the Plan, "Monthly Compensation" means one twelfth of the sum of (A) the Participant's annual salary at the highest rate of salary during the 12-month period immediately prior to the Date of Termination or, if higher, during the 12-month period immediately prior to the Change in Control (in each case, as determined without regard for any reduction for deferred compensation, 401(k) Plan contributions and similar items but by adding the amount of the Company's contribution under the 401(k) Plan, or comparable plan, for the 12 months preceding the Date of Termination and other amounts included in the Participant's income for income tax purposes for the 12 months preceding the Date of Termination, but excluding income attributable to awards made under the Incentive Compensation Plan and income attributable to payments received under any Company deferred compensation plan or arrangement),

and (B) the higher of (1) the highest annual bonus the Participant earned with respect to the three fiscal years immediately prior to the fiscal year in which the Change in Control occurs and (2) the highest annual bonus the Participant earned with respect to any fiscal year during the period between the Change in Control and the Date of Termination under the Company's annual Executive Incentive Compensation Plan;

(iii) for the remainder of the Severance Period the Company shall continue to provide the Participant and/or the Participant's dependents with life insurance and medical benefits that are at least equal to, and at no greater cost to the Participant and the Participant's dependents than, those that would have been provided to them in accordance with those employee benefit programs if the Participant's employment had not been terminated, in accordance with the most favorable programs of the Company and its affiliates as in effect and applicable generally to other peer executives and their dependents during the 90-day period immediately preceding the Change in Control or, if more favorable to the Participant, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliates and their dependents, provided, however, that if the Participant becomes reemployed with another employer and is eligible to receive life insurance or medical benefits under another employer provided plan, the life insurance and medical benefits provided for herein shall be offset by those provided under such other plan. With regard to the continuation of medical benefits during the Severance Period, a Participant shall become entitled to COBRA rights at the end of the Severance Period. If, at the end of the Severance Period, the Participant is not receiving equivalent benefits from a new

employer, the Company shall arrange to enable the Participant to convert the Participant's and/or his or her dependents coverage under such programs to individual policies or programs upon the same terms as peer executives of the Company may apply for such conversions;

(iv) for purposes of determining eligibility of the Participant for retiree benefits pursuant to the life insurance and medical benefit programs, the Participant shall be considered to have attained the age and service credit that the Participant would have attained had the Participant remained employed until the end of the Severance Period and to have retired on the last day of such period. Such retiree benefits shall continue to be available to Participants and the Participant's dependents on a basis at least equal to, and at no greater cost to the Participant and the Participant's dependents than, those retiree benefits provided to peer executives of the Company and its affiliates and their dependents upon such peer executive's retirement in accordance with the most favorable programs of the Company and its affiliates as in effect during the 90-day period immediately preceding the Change in Control or, if more favorable to the Participant, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliates and their dependents. For the avoidance of doubt, a termination of employment by the Participant for Good Reason shall not provide a basis for denying such Participant any retiree benefits, provided that such Participant otherwise qualifies for such benefits.

(v) payment by the Company to Participant of the value of a monthly amount (calculated as a single life annuity) equal to the difference between (A)

the monthly annuity payable under the Company's Retirement Plan and the Company's Supplemental Retirement Plan as of (1) the date of the Change in Control, or (2) the Date of Termination, whichever monthly annuity amount may be higher, and (B) that which would have been paid under such plan(s) had the Participant remained in the employ of the Company through the end of the Severance Period. For purposes of calculating this benefit, the Participant shall be credited with the service that the Participant would have performed if the Participant had remained employed during Severance Period, the Participant will be treated as having the age he would have attained on the last day of the Severance Period, and the Participant will be credited with the compensation that the Participant would have received if the Participant continued to receive the same level of salary and annual bonus which the Participant received with respect to the fiscal year of the Company immediately preceding (1) the date of the Change in Control, or (2) the Date of Termination, whichever level may be higher (assuming that such compensation was paid to the Participant over the Severance Period in equal monthly installments). The Company shall pay such benefit in the form of a lump sum distribution within 15 days after the Date of Termination. Such amount shall be calculated using the same assumptions and methodology used for calculating lump sum distributions to participants who terminate employment after a Change in Control under the Supplemental Retirement Plan. If the Participant is not fully vested under one or more of the Company's qualified retirement plans on the date of Termination and the Participant's benefit thereunder would therefore be forfeited, then the accrued but

unvested benefit shall be paid pursuant to this Plan in the form of a lump sum distribution within 15 days after the Date of Termination; and

(vi) in addition to the amounts or benefits specified elsewhere in the Plan, if any payment or distribution by the Company to or for the benefit of the Participant (whether paid or payable or distributed or distributable pursuant to the Plan or any other plan, arrangement or agreement of the Company, any person whose actions result in a Change in Control, or any person affiliated with the Company or such person, but determined without regard to any payments under this Section 7(b)(vi)) (a "Payment") would be subject to the excise tax imposed by Section 4999 of the Code or any similar federal, state or local tax that may hereafter be imposed, or any interest or penalties are incurred by the Participant with respect to any such excise tax (such excise tax, together with any such interest or penalties, collectively, the "Excise Tax") the Company shall pay to the Participant an amount (the "Gross-Up Payment") such that the net amount retained by the Participant out of the Gross-Up Payment, after payment of all taxes on the Gross-Up Payment (including federal, state and local income taxes, employment taxes, Excise Tax, and interest and penalties imposed on any such taxes), will equal the Excise Tax imposed on the Payment. All determinations required to be made under this Section 7(b)(vi), including whether and when a Gross-Up Payment is required, the amount of such Gross-Up Payment and the assumptions to be utilized in arriving at such determination, shall be made by Ernst & Young LLP, or, if Ernst & Young LLP is not the Company's nationally recognized independent accounting firm immediately prior to the Change in

Control, such other nationally recognized accounting firm serving as the Company's independent accounting firm (the "Accounting Firm"). The Accounting Firm shall provide detailed supporting calculations both to the Company and the Participant within 10 business days of the Company's receipt of notice from the Participant that there has been a Payment or at such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, the Participant may appoint another nationally recognized accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any Gross-Up Payment, as determined pursuant to this Section 7(b)(vi), shall be paid by the Company to the Participant within 5 days of the receipt of the Accounting Firm's determination. Any determination by the Accounting Firm shall be binding upon the Company and the Participant. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments that will not have been made by the Company should have been made (the "Underpayment"), consistent with the calculations required to be made hereunder. In the event the Participant thereafter is required to make a payment of any Excise Tax, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of the Participant. The Company may

withhold from any payments due to the Participant under the Plan such amounts as its independent public accountants may determine are required to be withheld under applicable federal, state and local tax laws. Notwithstanding the foregoing, payments due to the Participant under this subparagraph shall be made no later than the end of the calendar year following the calendar year in which the Participant remits the Excise Tax or such earlier date as required to comply with Section 409A.

(c) Timing of Payments. All payments under Sections 7(b)(i) and 7(b)(ii) shall be due and payable in a lump sum within 15 days after the Date of Termination. Payment under Sections 7(b)(v) and 7(b)(vi) shall be made as provided therein. If the amount of any payment due under the Plan cannot be finally determined on or before its due date, the Company shall pay to the Participant on such due date an estimate, as determined in good faith by the Company (or, in the case of a payment due under Section 7(b)(vi), as determined pursuant to that Section), of the minimum amount of such payment and shall pay the remainder of such payment (together with interest from the due date to the date of actual payment at the rate provided in Section 10(b)) as soon as the amount thereof can be determined (but, in the case of payments due under Sections 7(b)(i) and 7(b)(ii), in no event later than the 30th day after the Date of Termination). If the amount of any payment, whether estimated or not, exceeds the amount subsequently determined to have been due, such excess shall be paid by the Participant on the fifth day after demand by the Company; if the amount of any payment, whether estimated or not, is less than the amount subsequently determined to have been due, the Company shall pay the deficiency (together with interest from the

due date to the date of actual payment at the rate provided in Section 10(b) within five days after demand by the Participant. The timing of all payments and benefits under this Plan shall be made consistent with the requirements of Section 409A, and notwithstanding any provision of the Plan to the contrary, any amount or benefit that is payable to a Participant who is a "specified employee" (as defined in Section 409A) shall be delayed until the date which is first day of the seventh month after the date of such Participant's termination of employment (or, if earlier, the date of such Participant's death), if paying such amount or benefit prior to that date would violate Section 409A.

8. Mitigation. Except as provided in Sections 7(b)(iii) and 13(b), the Participant shall not be required to mitigate the amount of any payment provided for in the Plan by seeking other employment or otherwise, nor shall the amount of any payment or benefit provided for in the Plan be reduced by any compensation earned by the Participant as a result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Participant to the Company, or otherwise.

9. Resolution of Disputes. If there shall be any dispute between the Company and the Participant (a) in the event of any termination of the Participant's employment by the Company, as to whether such termination was for Cause, or (b) in the event of any termination of employment by the Participant, as to whether Good Reason existed, then, unless and until there is a final, nonappealable judgment by a court of competent jurisdiction declaring that such termination by the Company was for Cause or that the determination by the Participant of the existence of Good Reason was not made in good faith, the Company shall pay all amounts, and provide all benefits, to

the Participant and/or the Participant's family or other beneficiaries, as the case may be, that the Company would be required to pay or provide pursuant to the Plan as though such termination were by the Company without Cause or by the Participant with Good Reason; provided, however, that the Company shall not be required to pay any disputed amount pursuant to this Section except upon receipt of a written undertaking by or on behalf of the Participant to repay all such amounts to which the Participant is ultimately adjudged by such court not to be entitled. Notwithstanding the foregoing, the payment of any amount in settlement of a dispute described in this Section shall be made in accordance with the requirements of Section 409A.

10. Legal Expenses and Interest.

(a) If, with respect to any alleged failure by the Company to comply with any of the terms of the Plan or any dispute between the Company and the Participant with respect to the Participant's rights under the Plan, a Participant in good faith hires legal counsel with respect thereto or institutes any negotiations or institutes or responds to legal action to assert or defend the validity of, to interpret, enforce his or her rights under, or recover damages for violation of the terms of the Plan, then (regardless of the outcome) the Company shall pay, as they are incurred, the Participant's actual expenses for attorneys' fees and disbursements, together with such additional payments, if any, as may be necessary so that the net after tax payments to the Participant equal such fees and disbursements. The Company agrees to pay such amounts within 10 days following the Company's receipt of an invoice from the Executive, provided that the Executive shall have submitted an invoice for such

amounts at least 30 days before the end of the calendar year next following the calendar year in which such fees and disbursements were incurred.

(b) To the extent permitted by law, the Company shall pay to the Participant on demand a late charge on any amount not paid in full when due after a Change in Control under the terms of the Plan. Except as otherwise specifically provided in the Plan, the late charge shall be computed by applying to the sum of all delinquent amounts a late charge rate. The late charge rate shall be a fixed rate per year that shall equal the sum of 3% plus the "prime rate" of Morgan Guaranty Trust Company of New York or successor institution ("Morgan") publicly announced by Morgan to be in effect on the Date of Termination, or if Morgan no longer publicly announces a prime rate on such date, any substantially equivalent rate announced by Morgan to be in effect on such date (provided, however, that such rate shall not exceed any applicable legally permissible rate).

11. Funding. The Company may, in its discretion, establish a trust to fund any of the payments which are or may become payable to Participant under the Plan, but nothing included in the Plan shall require that the Company establish such a trust or other funding arrangement. Whether or not the Company sets any assets aside for the purposes of the Plan, such assets shall at all times prior to payment to Participants remain the assets of the Company subject to the claims of its creditors. Neither the Company nor the Board nor the Committee shall be deemed to be a trustee or fiduciary with respect to any amount to be paid under the Plan.

12. No Contract of Employment. The Participant and the Company acknowledge that, except as may otherwise be provided under any written agreement

between the Participant and the Company, the employment of the Participant by the Company is “at will” and, subject to such payments as may become due under the Plan, such employment may be terminated by either the Participant or the Company at any time and for any reason.

13. Non-exclusivity of Rights.

(a) Future Benefits under Company Plans. Nothing in the Plan shall prevent or limit the Participant’s continuing or future participation in any plan, program, policy or practice of the Company or any of its affiliates, nor shall anything herein limit any rights or reduce any benefits the Participant may have under any agreement or arrangement with the Company or any of its affiliates. Amounts that are vested benefits or that the Participant is otherwise entitled to receive under any plan, policy, practice or program of or any agreement or arrangement with the Company or any of its affiliates at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or agreement or arrangement except as explicitly modified by the Plan.

(b) Benefits of Other Plans and Agreements. If the Participant becomes entitled to receive compensation or benefits under the terms of the Plan, such compensation or benefits will be reduced by other severance benefits payable under any plan, program, policy or practice of or agreement or other arrangement between the Participant and the Company (not including payments or distributions under the Incentive Compensation Plan). It is intended that the Plan provide compensation or benefits that are supplemental to severance benefits and that are actually received by the Participant pursuant to any plan, program, policy or practice of or agreement or

arrangement between the Participant and the Company, such that the net effect to the Participant of entitlement to any similar benefits that are contained both in the Plan and in any other existing plan, program, policy or practice of or agreement or arrangement between the Participant and the Company will be to provide the Participant with the greater of the benefits under the Plan or under such other plan, program, policy, practice, or agreement or arrangement. This Plan is not intended to modify, amend, terminate or otherwise affect the Incentive Compensation Plan, which shall remain a fully independent and separate plan.

14. Successors; Binding Agreement. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform the Plan in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such express assumption and agreement at or prior to the effectiveness of any such succession shall be a breach of the Plan and shall entitle the Participant to compensation from the Company in the same amount and on the same terms to which the Participant would be entitled hereunder if the Participant terminated his or her employment for Good Reason following a Change in Control, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination. As used in the Plan, "Company" means the Company as herein defined and any successor to its business and/or assets which assumes and agrees to perform the Plan, by operation of law or otherwise.

15. Transferability and Enforcement.

(a) The rights and benefits of the Company under the Plan shall be transferable, but only to a successor of the Company, and all covenants and agreements hereunder shall inure to the benefit of and be enforceable by or against its successors and assigns. The rights and benefits of Participant under the Plan shall not be transferable other than by the laws of descent and distribution.

(b) The Company intends the Plan to be enforceable by Participants. The rights and benefits under the Plan shall inure to the benefit of and be enforceable by any Participant and the Participant's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Participant should die while any amount would still be payable to the Participant hereunder had the Participant continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of the Plan to the Participant's devisee, legatee or other designee or, if there is no such designee, to the Participant's estate.

16. Notices. Any notices referred to herein shall be in writing and shall be deemed given if delivered in person or by facsimile transmission, telexed or sent by U.S. registered or certified mail to the Participant at his or her address on file with the Company (or to such other address as the Participant shall specify by notice), or to the Company at its principal executive office, Attn: Secretary.

17. Amendment or Termination of the Plan. The Board reserves the right to amend, modify, suspend or terminate the Plan at any time; provided that:

(a) without the written consent of the Participant, no such amendment, modification, suspension or termination shall adversely affect the benefits or

compensation due under the Plan to any Participant whose employment has terminated prior to such amendment, modification, suspension or termination and is entitled to benefits and compensation under Section 7(b);

(b) no such amendment, modification, suspension or termination that has the effect of reducing or diminishing the right of any Participant to receive any payment or benefit under the Plan will become effective prior to the first anniversary of the date on which written notice of such amendment, modification, suspension or termination was provided to the Participant, and if such amendment, modification, suspension or termination was effected (i) on the day of or subsequent to the Change in Control, (ii) prior to the Change in Control, but at the request of any third party participating in or causing a Change in Control or (iii) otherwise in connection with, in relation to, or in anticipation of a Change in Control, such amendment, modification, suspension or termination will not become effective until the second anniversary of the Change in Control. In any litigation related to this issue, whether it is the plaintiff or the defendant, the Company shall have the burden of proof that such amendment, modification, suspension or termination was not at the request of any third party participating in or causing the Change in Control or otherwise in connection with, in relation to, or in anticipation of a Change in Control; and

(c) the Board's right to amend, modify, suspend or terminate the Plan is subject to the requirements of Section 409A to the extent such requirements apply to the Plan.

18. Waivers. The Participant's or the Company's failure to insist upon strict compliance with any provision of the Plan or the failure to assert any right the

Participant or the Company may have hereunder, including, without limitation, the right of the Participant to terminate employment for Good Reason, shall not be deemed to be a waiver of such provision or right or any other provision or right under the Plan.

19. Validity. The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision of the Plan, and such other provisions shall remain in full force and effect to the extent permitted by law.

20. Governing Law. To the extent not preempted by federal law, all questions pertaining to the construction, regulation, validity and effect of the provisions of the Plan shall be determined in accordance with the laws of the State of Delaware without regard to the conflict of laws principles thereof.

21. Section 409A. This Plan is intended to comply with the requirements of Section 409A and shall be interpreted and administered in accordance with that intent. If any provision of the Plan would otherwise conflict with or frustrate this intent, that provision will be interpreted and deemed amended so as to avoid the conflict.

22. Headings. The headings and paragraph designations of the Plan are included solely for convenience of reference and shall in no event be construed to affect or modify any provisions of the Plan.

GANNETT SUPPLEMENTAL RETIREMENT PLAN

Restatement dated August 7, 2007

ARTICLE ONE

Definitions

- 1.1 “Plan” means this Gannett Supplemental Retirement Plan.
- 1.2 “Funded Plan” means the Gannett Retirement Plan as it may pertain to a particular Employee.
- 1.3 “Company” means Gannett Co., Inc. or any successor to its business and/or assets which assumes the Plan by operation of law or otherwise.
- 1.4 “Board” means the Board of Directors of the Company.
- 1.5 “Committee” means the Gannett Benefit Plans Committee.
- 1.6 “Effective Date” means January 1, 1978. The effective date of this restatement is August 7, 2007. However, any provision in this Plan that is required for purposes of Section 409A shall have an effective date that is as of the date such provision is required by Section 409A.
- 1.7 “Employee” means any employee of the Company who (1) is paid through the Company’s headquarters payroll system, operating as of the date of this restatement in McLean, Virginia (“Corporate Payroll”), (2) is within “a select group of management or highly compensated employees” as this term is used in Title I of ERISA and (3) is designated by the Company’s Benefit Plans Committee as being an eligible participant in the Plan and listed on Appendix A, B or C.
- 1.8 “Monthly Benefit” means:
- for an Employee who began participating in the Plan on or before January 1, 1998 and who is listed in Appendix A, the Employee’s monthly benefit, expressed as a single life annuity payable for the Employee’s life, calculated using the formula set forth in Article VI of the Funded Plan but ignoring the benefit limitations in the Funded Plan required by Code Section 415 or the limitations on an Employee’s compensation under Code Section 401(a)(17) and taking into account all amounts deferred under the Gannett Co., Inc. Deferred Compensation Plan.
 - for an Employee who began participating in the Plan after January 1, 1998 and who is listed in Appendix A, the Employee’s monthly benefit, expressed as a

single life annuity payable for the Employee's life, calculated using the formula under Article VI or Article VIA, whichever is used to calculate the Employee's benefit under the Funded Plan, but ignoring the benefit limitations in the Funded Plan required by Code Section 415 or the limitations on an Employee's compensation under Code Section 401(a)(17) and taking into account all amounts deferred under the Gannett Co., Inc. Deferred Compensation Plan.

- for an Employee who began participating in the Plan after January 1, 1998 and who is listed in Appendix B, the Employee's monthly benefit, expressed as a single life annuity payable for the Employee's life, calculated using the formula set forth in Article VI of the Funded Plan but ignoring the benefit limitations in the Funded Plan required by Code Section 415 or the limitations on an Employee's compensation under Code Section 401(a)(17) and taking into account all amounts deferred under the Gannett Co., Inc. Deferred Compensation Plan.
- for an Employee who formerly participated in the Central Newspapers, Inc. Retirement Plan (the "CNI Plan") and who is listed in Appendix C, the Employee's monthly benefit, expressed as a single life annuity payable for the Employee's life, calculated using the pension equity formula applicable to such Employee under the Funded Plan, but ignoring the benefit limitations in the Funded Plan required by Code Section 415 or the limitations on an Employee's compensation under Code Section 401(a)(17) and taking into account salary and bonuses deferred under the Gannett Co., Inc. Deferred Compensation Plan. Notwithstanding the foregoing, if the Employee's benefit under the Funded Plan is calculated using a grandfathered CNI Plan pension formula set forth in the Appendix to the Funded Plan, the Employee's "Monthly Benefit" under this Plan will be calculated in accordance with Exhibit A.

Notwithstanding the foregoing, prior to a Change in Control, for purposes of calculating a particular Employee's Monthly Benefit, the Board, or a committee of the Board acting on its behalf, may adjust an Employee's earnings, years of service or other factor used in calculating the Employee's Monthly Benefit in any manner the Board or such committee deems appropriate, provided such adjustment is memorialized in writing and provided that in no event will any such adjustment result in a reduction of the benefit accrued by the Employee as of the date the adjustment is made. The Board, or a committee of the Board acting on its behalf, may make such adjustment solely for a specified Employee or group of Employees and without regard to how other Employees are treated. No adjustments may be made pursuant to this provision following a Change in Control.

1.9 "Normal Retirement Date" and "Early Retirement Date" mean the relevant dates in the Funded Plan as they apply to a particular Employee.

- 1.10 “Code” means the Internal Revenue Code of 1986, as amended, and regulations thereunder.
- 1.11 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and regulations thereunder.
- 1.12 A “Change in Control” means the first to occur of the following:
- (i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the “Exchange Act”)) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (x) the then-outstanding shares of common stock of the Company (the “Outstanding Company Common Stock”) or (y) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); provided, however, that, for purposes of this Section, the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or one of its affiliates or (D) any acquisition pursuant to a transaction that complies with clauses (x), (y) and (z) of subparagraph (iii) below;
 - (ii) individuals who, as of the date hereof, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to such date whose election or nomination for election by the Company’s stockholders was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;
 - (iii) consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each, a “Business Combination”), in each case, unless, following such Business Combination, (x) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than

50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation or entity resulting from such Business Combination (including, without limitation, a corporation or entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (y) no Person (excluding any employee benefit plan (or related trust) of the Company or any corporation or entity resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then-outstanding shares of common stock of the corporation or entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation or entity, except to the extent that such ownership existed prior to the Business Combination, and (z) at least a majority of the members of the board of directors of the corporation or entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(iv) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

No Employee who participates in any group conducting a management buyout of the Company under the terms of which the Company ceases to be a public company may claim that such buyout is a Change in Control under this Plan for purposes of accelerating such Employee's vesting under this Plan. For purposes of the Plan, no Employee shall be deemed to have participated in a group conducting a management buyout of the Company unless, following the consummation of the transaction, such Employee was the beneficial owner of more than 15% of the then-outstanding voting securities of the Company or any successor corporation or entity resulting from such transaction.

1.13 "Independent Fiduciary" means the person or persons designated as such in Section 6.8 of the Plan.

1.14 "Rabbi Trust" means a trust or sub-trust established pursuant to Section 4.4 of the Plan.

ARTICLE TWO

Purpose of Plan

- 2.1 The purpose of this Plan is to provide supplemental retirement benefits on an unfunded basis to certain highly compensated employees.

ARTICLE THREE

Eligibility and Vesting

- 3.1 All Employees shall be eligible to participate in this Plan. The Benefit Plans Committee has full discretionary authority to add or delete individuals from participation in this Plan by amending Appendix A, B or C. If an individual's name is removed from Appendix A, B or C, such individual shall have no rights to benefits under this Plan except for those benefits that have vested as of the date of removal or that will vest in the future, including benefits that will vest pursuant to the last paragraph of Section 4.2. Subject to the special vesting rules provided in Sections 5.1 and 5.3:
- (a) Plan benefits that a participant has accrued through December 31, 2002 shall vest pursuant to the same vesting schedule and vesting terms and conditions as are in effect from time to time under the Funded Plan.
 - (b) An individual who is a Plan participant as of December 31, 2002 shall not vest in any Plan benefit that is earned after December 31, 2002 until the earliest of the following dates: (i) the date that the participant attains age 55, assuming continued employment by Gannett to such age, and is fully vested under the Funded Plan (i.e., the participant completes 5 years of service under the Funded Plan); or (ii) the date that the participant has completed 25 years of service with Gannett (such service to be calculated pursuant to the terms of the Funded Plan). At the time of such vesting, all benefits that have accrued after December 31, 2002 shall be deemed vested.
 - (c) Additionally, any individual who becomes a Plan participant on or after January 1, 2003 shall not vest in any Plan benefit until the earliest of the following dates: (i) the date that the participant attains age 55, assuming continued employment by Gannett to such age, and is fully vested under the Funded Plan; or (ii) the date that the participant has completed 25 years of service with Gannett (such service to be calculated pursuant to the terms of the Funded Plan). At the time of such vesting, all benefits that have accrued to the participant shall be deemed vested.
 - (d) In applying these rules and for purposes of calculating the Plan benefit that a participant has accrued through December 31, 2002, in the event that a

participant vests in the benefit he has accrued as of December 31, 2002 but does not vest in any further Plan benefit, the maximum Plan benefit payable to the participant shall not exceed his benefit calculated under Article Four as of December 31, 2002, taking into account service and compensation through that date and not thereafter.

ARTICLE FOUR

Benefits

- 4.1 Subject to Section 8.5, and except as provided in Section 5.1, the Company shall pay the vested benefits due under this Plan commencing within 30 days of retirement, death or any other termination of employment. Notwithstanding the foregoing, no benefits shall commence prior to the date an Employee attains or would have attained Early Retirement Age under the Funded Plan, except as provided in Sections 5.1 and 5.4.
- 4.2 The benefit payable under this Plan is determined by (i) calculating the Employee's Monthly Benefit and (ii) subtracting from such monthly amount the actual benefit to which the Employee has accrued under the Funded Plan. For purposes of calculating the offset under subsection (ii), if the Employee's benefit is determined under Article VIA of the Funded Plan, it shall be converted to an actuarially equivalent single life annuity, determined as follows:
- For those Employees who retire directly from active employment on or after their earliest Early Retirement Date, the Employee's benefit under the Funded Plan shall be converted to a single life annuity payable immediately at the Employee's retirement date.
 - For deferred vested Employees, the Employee's benefit under the Funded Plan shall be converted to a single life annuity payable at age 65.

To the extent that the amount of an Employee's monthly benefit under the Funded Plan is increased or decreased (due, e.g., to a change in the Code Section 401(a)(17) or 415 limits or otherwise), the amount payable from this Plan shall increase or decrease accordingly.

Notwithstanding the foregoing, an Employee's monthly benefit calculations under subsections (i) and (ii) above shall not take into account any of his or her service with Army Times, Asbury Park, Multimedia or their related businesses prior to the date that the Employee transfers to the Company's Corporate Payroll.

Except for those Employees who participated in the Central Newspapers, Inc. Unfunded Supplemental Retirement Plan (the "CNI SERP"), an Employee's monthly benefit calculations under subsections (i) and (ii) above shall not take into account any of the Employee's service or compensation earned before

August 1, 2000 with Central Newspapers, Inc., or any entity that was a member of such company's controlled group before such date. For those Employees who participated in the CNI SERP, the monthly benefit calculations under subsections (i) or (ii) above shall not take into account any of the Employee's service or compensation prior to January 1, 1994.

If an Employee leaves the Company's Corporate Payroll, no further benefits shall accrue under this Plan, provided that service within the Company's controlled group will count for purposes of determining the vested portion of the benefit accrued to the date an Employee leaves the Company's Corporate Payroll.

- 4.3 The benefit payable under this Plan shall be payable in the same form as the form in which benefits are payable to the Employee under the Funded Plan, except that benefits under this Plan shall not be payable in the form of a lump sum distribution (other than as set forth in the following paragraph and Sections 5.1 and 5.4). If the Employee elects a lump sum distribution under the Funded Plan and the benefit under this Plan is payable in the form of an annuity, the Employee may elect to receive his Plan benefit under one of the actuarial equivalent forms of annuities available to the Employee under the Funded Plan. If an Employee's Plan benefit is payable in the form of an annuity and the Employee fails to make a form of distribution election under this Plan or the Funded Plan by the date when benefits commence under this Plan, or a timely election is not possible at the time benefits become payable (e.g., due to a change in marital status), the benefit payable to a single Employee will be paid in the form of a single life annuity and the benefit payable to a married Employee will be paid in the form of a joint and 100 percent spousal survivor annuity. In the case of a joint and survivor annuity or any option other than a life-only annuity, the amount of the benefit shall be actuarially reduced to reflect that form of payment.

Notwithstanding the preceding paragraph, Sections 5.1 and 5.4 shall apply in the event of a Change in Control. Also, notwithstanding the preceding paragraph, the following distribution rules shall apply commencing December 6, 2006:

- Employees Commencing Participation after December 6, 2006. Employees first commencing participation in this Plan on or after December 6, 2006, shall receive their Plan benefits in the form of a lump sum distribution.
- Active Employees as of December 6, 2006. Employees who are active employees of the Company as of December 6, 2006, may elect on or before March 31, 2007 to receive their benefit in the form of a lump sum distribution (rather than an annuity in accordance with the first paragraph of this Section); provided that for an Employee who makes such an election in 2006, the election shall not become effective unless the Employee terminates employment or retires on or after July 1, 2007, and for an Employee who makes such an election on or after January 1, 2007 and before April 1, 2007, such election shall not become effective unless

the Employee terminates employment or retires on or after January 1, 2008. Such election shall be irrevocable. If an Employee does not make an election, the Employee's benefit shall be paid in the form of an annuity (in accordance with the first paragraph of this Section).

- Retirees and Inactive Employees as of June 30, 2007. The benefits of Employees who terminate employment or retire before July 1, 2007, shall be paid in the form of an annuity (in accordance with the first paragraph of this Section).

If an Employee's benefit commences prior to his or her Normal Retirement Date, the benefit from this Plan shall be reduced in the same manner as provided for in the Funded Plan. If an Employee dies after becoming vested but before the Employee's benefit commences, a spouse, if surviving, shall be entitled to receive a monthly lifetime benefit equal to the benefit that would have been received had the Employee terminated employment on his or her date of death and retired on the first day of the month on or following the later of the Employee's date of death or the date that would have been the Employee's earliest Early Retirement Date, and elected a 100 percent spousal survivor annuity, and then died. Notwithstanding the foregoing, if the Employee has elected to receive his vested benefit in the form of a lump sum distribution, the vested benefit paid to the surviving spouse shall be a lump sum amount that is equal to the vested amount that would have been paid to the Employee, and such amount shall be paid to the spouse on the same date it would have been paid to the Employee, provided that the spouse is surviving on such date.

Any actuarial adjustments required with respect to benefits payable under this Plan shall be accomplished by reference to the actuarial assumptions used in the Funded Plan.

Effective as of January 1, 2002, the CNI SERP shall be merged into this Plan and the CNI SERP shall have no independent existence apart from this Plan. Any benefit paid under this Plan to an Employee who accrued a benefit under the CNI SERP shall be in lieu of and in complete satisfaction of any benefit under the CNI SERP. Notwithstanding any provision in this Plan to the contrary, the following provisions apply to an Employee who had accrued a benefit under the CNI SERP, but only with respect to such benefit the Participant had accrued as of January 1, 2002 and disregarding all service and compensation earned after that date:

- The benefit that the Employee had accrued under the CNI SERP as of January 1, 2002 shall be paid in the form of a lump sum distribution or such other form that the Employee had elected under the CNI SERP within the first 30 days of becoming eligible to participate in such plan. Such distribution shall commence at the time specified under the terms of the CNI SERP, provided that it shall not commence before the Employee attains Early Retirement Age under the Funded Plan. Such benefit shall offset any benefit payable under this Plan.

- In lieu of the death benefit described in Section 4.3 of this Plan, an Employee shall be entitled to the death benefit provided in Section 3.01 of the CNI SERP with respect to the benefit that the Employee had accrued under the CNI SERP as of January 1, 2002. Such benefit shall be calculated and paid consistent with the terms set forth in the CNI SERP and the grandfathered CNI Plan provisions set forth in the Funded Plan's Appendix. Such benefit shall offset any benefit payable under this Plan.
- 4.4 The benefits payable under this Plan shall be paid by the Company each year out of assets which at all times shall be subject to the claims of the Company's creditors. The Company may in its discretion establish a Rabbi Trust in which to place assets from which such benefits are to be paid on behalf of all or some Employees, as determined by the Committee in its sole discretion, but neither the creation of such trust nor the transfer of funds to such trust shall render such assets unavailable to settle the claims of the Company's creditors. Such Rabbi Trust may be a sub-trust maintained as a separate account within a larger trust meeting the requirements of this provision that is also used to pay benefits under other Company-sponsored unfunded nonqualified plans.
- Notwithstanding the establishment of a Rabbi Trust, the Company intends this Plan to be unfunded for tax purposes and for purposes of Title I of ERISA. In addition, despite the existence of this Plan or an associated Rabbi Trust to pay promised benefits, Employees have the status of general unsecured creditors of the Company and the Plan constitutes a mere promise to make benefit payments in the future.

ARTICLE FIVE

Change in Control Benefits

- 5.1 Upon a Change in Control, each active Employee's accrued Plan benefit shall fully vest and the actuarially equivalent lump sum value of each Employee's accrued Plan benefit as of the date of the Change in Control, whether or not in pay status as of such date, shall be paid within 45 days after the Change in Control, but not before January 1, 2008. For purposes of this calculation, the following assumptions shall apply:
- If the Employee has not reached age 55 as of the date of the Change in Control and the Employee's Plan benefit is not calculated based on the pension formula set forth in Article VIA of the Funded Plan (i.e., a pension equity formula), the Employee's actuarial equivalent lump sum benefit will be calculated based on the Plan benefit that would be paid to the Employee if the Employee terminated employment as of the date of the Change in Control, survived to age 55 and commenced benefits at age 55 in the form selected or otherwise assumed under Section 4.3 (assuming for this purpose that the Employee was vested in his or her benefit under the Funded Plan).

- If the Employee has not reached age 55 as of the date of the Change in Control and the Employee's Plan benefit is calculated based on a pension formula set forth in Article VIA of the Funded Plan (i.e., a pension equity formula), the Employee's lump sum Plan benefit will be calculated based on the Employee's Basic Retirement Amount (as such term is defined in Article VIA of the Funded Plan) under the Plan and the Funded Plan as of the date of the Change in Control (assuming for this purpose that the Employee was vested in his or her benefit under the Funded Plan).
- If the Employee has reached age 55 as of the date of the Change in Control, the Employee's actuarial equivalent lump sum benefit will be calculated based on the Plan benefit that would be paid to the Employee if the Employee terminated employment as of the date of the Change in Control and commenced benefits on the date of the Change in Control (assuming for this purpose that the Employee was vested in his or her benefit under the Funded Plan).
- The "applicable interest rate" and "applicable mortality" set forth in the Funded Plan shall be used for making these calculations.
- The special vesting rule of this Section 5.1 shall not apply to any Employee who is not an active employee of the Company or its affiliates as of the date of the Change in Control, and the benefit paid to such an Employee under this Section shall be calculated based solely on the Employee's vested benefit as of the date of the Change in Control.

All Employees who are covered by the Plan as of January 1, 2007 (including retired Employees receiving benefits, Employees actively participating in the Plan, and Employees who have accrued a benefit under the Plan but have not commenced benefits) may be given an election on or before December 15, 2007 (or such earlier date designated by the Plan Administrator) to not have the distribution rules under the first paragraph of this Section 5.1 and Section 5.4 apply if a Change in Control occurs after July 1, 2008. An Employee making such an election will be paid his or her benefit at the time and form that benefits would be paid to the Employee ignoring the special distribution rules that apply under Section 5.1 and Section 5.4. Once made, the election shall be irrevocable. If an Employee is not given or does not make an election, the Employee's benefit shall be paid in accordance with the special distribution rules that apply under Section 5.1 and Section 5.4.

For purposes of this Section 5.1, a Change in Control means a Change in Control that is also a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A(a)(2)(A)(v) and the Treasury regulations issued thereunder.

- 5.2 If a Change in Control occurs, each Employee who is actively participating in the Plan on the date of the Change in Control shall be entitled to continue participating in the Plan following the Change in Control until (i) he or she ceases to be an Employee (without regard to the requirement in clause (3) of Section 1.7 that an Employee be designated by the Committee) or (ii) the Plan is terminated pursuant to Article Seven. Such an Employee may not be deleted from participation in the Plan pursuant to Section 3.1 or any other provision of the Plan. No new persons may be designated as eligible to participate in the Plan on or after a Change in Control.
- 5.3 If a Change in Control occurs, each active Employee who is actively participating in the Plan on the date of the Change in Control shall vest in full in his or her past and future accruals under the Plan.
- 5.4 If an Employee receives a distribution under Section 5.1 and continues participating in the Plan, any subsequent benefit he or she receives shall be determined taking into account credited service and compensation before and after such Change in Control but such benefit shall be reduced by the actuarial equivalent value of the amount distributed to the Employee pursuant to Section 5.1 so that there is no duplication of benefits. The benefits for each Employee who is actively participating in the Plan on the date of the Change in Control that are earned after the Change in Control shall be paid in the form of a lump sum distribution within 30 days of retirement, death or any other termination of employment and there is no requirement that the Employee must first attain age 55 before benefits commence. The assumptions set forth in Section 5.1 shall be used for calculating the benefit (except that such assumptions shall be applied as of the date of the Employee's retirement, death or termination of employment) and the benefit paid to the Employee under this Section 5.4 shall be reduced by the actuarial equivalent value of the amount distributed to the Employee pursuant to Section 5.1 so that there is no duplication of benefits. The actuarial equivalent value shall be determined as the lump sum amount previously distributed pursuant to Section 5.1 increased with interest (at the "applicable interest rate" set forth in the Funded Plan for each year or portion of a year) to the subsequent distribution date. For purposes of this Section 5.4, a Change in Control means a Change in Control that is also a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A(a)(2)(A)(v) and the Treasury regulations issued thereunder.
- 5.5 Anything in the Plan to the contrary notwithstanding, if a Change in Control occurs and if the Employee's employment with the Company terminated prior to the date on which the Change in Control occurs, and if it is reasonably demonstrated by the Employee that such termination of employment (i) was at the request of any third party participating in or causing the Change in Control or (ii) otherwise arose in connection with, in relation to, or in anticipation of a Change in Control, then the Employee shall be entitled to such benefits under the Plan as though the Employee had terminated his or her employment on the day after the

Change in Control. For purposes of this Section 5.5, a Change in Control means a Change in Control that is also a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A(a)(2)(A)(v) and the Treasury regulations issued thereunder.

- 5.6 If, with respect to any alleged failure by the Company to comply with any of the terms of this Plan following a Change in Control, other than any alleged failure relating to a matter within the control of the Independent Fiduciary and with respect to which the Company is acting pursuant to a determination or direction of the Independent Fiduciary, an Employee or beneficiary in good faith hires legal counsel or institutes any negotiations or institutes or responds to legal action to assert or defend the validity of, enforce his or her rights under, obtain benefits promised under or recover damages for breach of the terms of this Plan, then, regardless of the outcome, the Company shall pay, as they are incurred, the Employee's or beneficiary's actual expenses for attorneys' fees and disbursements, together with such additional payments, if any, as may be necessary so that the net after-tax payments to the Employee or beneficiary equal such fees and disbursements. The Company agrees to pay such amounts within 10 days following the Company's receipt of an invoice from the Employee or beneficiary, provided that the Employee or beneficiary shall have submitted an invoice for such amounts at least 30 days before the end of the calendar year next following the calendar year in which such fees and disbursements were incurred.
- 5.7 If a Change in Control occurs, the Company shall make mandatory contributions to a Rabbi Trust established pursuant to Section 4.4, to the extent required by the provisions of such Rabbi Trust.
- 5.8 Notwithstanding Article VII, the Company may not amend or terminate the Plan in a manner that has the effect of reducing or diminishing the right of any Employee to receive any Plan benefit (including the time and form of payment of a Plan benefit) or reduce the rate at which benefits accrue under the Plan for the 24 consecutive month period commencing on the date of a Change in Control (likewise any amendment to the benefit formula under the Funded Plan during such 24 consecutive month period that reduces an Employee's benefit under this Plan will be ignored), but only if such amendment or termination was adopted (i) on the day of or subsequent to the Change in Control, (ii) prior to the Change in Control and at the request of any third party participating in or causing a Change in Control or (iii) otherwise in connection with, in relation to, or in anticipation of a Change in Control. In any litigation related to this issue, whether it is the plaintiff or the defendant, the Company shall have the burden of proof that such amendment or termination was not at the request of any third party participating in or causing the Change in Control or otherwise in connection with, in relation to, or in anticipation of a Change in Control.

ARTICLE SIX

Administration

- 6.1 This Plan shall be administered by the Committee which shall possess all powers necessary to administer the Plan, including but not limited to the sole discretion to interpret the Plan and to determine eligibility for benefits, and the power to delegate its authority to one or more persons.
- 6.2 The Committee shall cause the benefits due each Employee from this Plan to be paid by the Company and/or trustee accordingly.
- 6.3 The Committee shall inform each Employee of any elections which the Employee may possess and shall record such choices along with such other information as may be necessary to administer the Plan.
- 6.4 The decisions made by, and the actions taken by, the Committee in the administration of this Plan shall be final and conclusive on all persons.
- 6.5 Notwithstanding the foregoing, following a Change in Control, the Plan shall be administered by the Independent Fiduciary. The Independent Fiduciary shall assume the following powers and responsibilities from the Committee, the Board and the Company:
- (i) The Independent Fiduciary shall assume all powers and responsibilities assigned to the Committee in the foregoing provisions of this Article Six and any other provisions of the Plan, including, without limitation, the sole power and discretion to:
 - (A) determine all questions arising in the administration and interpretation of the Plan, including factual questions and questions of eligibility to participate and eligibility for benefits;
 - (B) adjudicate disputes and claims for benefits;
 - (C) adopt rules relating to the administration of the Plan;
 - (D) determine the amount, timing and form of benefit payments;
 - (E) direct the Company and the trustee of the Rabbi Trust on matters relating to benefit payments;
 - (F) engage actuaries, attorneys, accountants and other professional advisors (whose fees shall be paid by the Company), to assist it in performing its responsibilities under the Plan; and

- (G) delegate to one or more persons selected by it, including outside vendors, responsibility for fulfilling some or all of its responsibilities under the Plan.
 - (ii) The Independent Fiduciary shall have the sole power and discretion to (A) direct the investment of assets held in the Rabbi Trust, including the authority to appoint one or more investment managers to manage any such assets, and (B) remove the trustee of the Rabbi Trust and appoint a successor trustee in accordance with the terms of the trust agreement.
- 6.6 Notwithstanding any provision of the Plan to the contrary, following a Change of Control:
- (i) Any act, determination or decision of the Company (including its Board or any committee of its Board or the board of directors of the Ultimate Parent, as defined below) with regard to the administration, interpretation and application of the Plan must be reasonable, as viewed from the perspective of an unrelated party and with no deference paid to the actual act, determination or decision of the Company. Furthermore, following a Change in Control, any decision by the Company shall not be final and binding on an Employee. Instead, following a Change in Control, if an Employee disputes a decision of the Company relating to the Plan and pursues legal action, the court shall review the decision under a “de novo” standard of review. For purposes of the Plan, “Ultimate Parent” means a publicly traded corporation or entity which, directly or indirectly through one or more affiliates, beneficially owns at least a plurality of the then-outstanding voting securities of the Company (including any successor to the Company by reason of merger, consolidation, the purchase of all or substantially all of the Company’s assets or otherwise).
 - (ii) Any act, determination or decision of the Independent Fiduciary with regard to the administration, interpretation and application of the Plan shall be final, binding, and conclusive on all parties.
- 6.7 Following a Change in Control, the Company shall cooperate with the Independent Fiduciary as may be necessary to enable the Independent Fiduciary to carry out its powers and responsibilities under the Plan and Rabbi Trust, including, without limitation, by promptly furnishing all information relating to Employees’ benefits as the Independent Fiduciary may reasonably request.
- 6.8 The Independent Fiduciary responsible for the administration of the Plan following a Change in Control shall be a committee composed of the individuals who constituted the Company’s Benefit Plans Committee immediately prior to the Change in Control and the Company’s chief executive officer immediately prior to the Change in Control.

If, following a Change in Control, any individual serving on such committee resigns, dies or becomes disabled, the remaining members of the committee shall continue to serve as the committee without interruption. A successor member shall be required only if there are less than three remaining members on the committee. If a successor member is required, the successor shall be an individual appointed by the remaining member or members of the committee who (i) is eligible to be paid benefits from the assets of the Rabbi Trust or the larger trust of which it is a part and (ii) agrees to serve on such committee.

If at any time there are no remaining members on the committee (including any successor members appointed to the committee following the Change in Control), the Trustee shall promptly submit the appointment of the successor member or members to an arbiter, the costs of which shall be borne fully by the Company, to be decided in accordance with the American Arbitration Association Commercial Arbitration Rules then in effect. The arbiter shall appoint three successor members to the committee who each meet the criteria for membership set forth above. Following such appointments by the arbiter, such successor members shall appoint any future successor members to the committee to the extent required above (i.e., if, at any time, there are less than three remaining members on the committee) and subject to the criteria set forth above.

If one or more successor members are required and there are no individuals remaining who satisfy the criteria for membership on the committee, the remaining committee members or, if none, the Trustee, shall promptly submit the appointment of the successor member or members to an arbiter, and the Company shall bear the costs of arbitration, as provided for in the preceding paragraph.

- 6.9 Except in the case of willful misconduct, no member of the Committee, person acting as the Independent Fiduciary, or employee or director of the Company shall be personally liable for any act done or omitted to be done by such person in connection with the operation and administration of this Plan. The Company shall indemnify, to the fullest extent permitted by law, each member of the Committee, each person acting as the Independent Fiduciary, and each employee and director of the Company, both past and present, to whom are or were delegated duties, responsibilities and authority with respect to the Plan, against any and all claims, losses, liabilities, fines, penalties and expenses (including, but not limited to, all legal fees relating thereto), reasonably incurred by or imposed upon such persons, arising out of any act or omission in connection with the operation and administration of the Plan, other than willful misconduct.
- 6.10 The Committee shall maintain procedures with respect to the filing of claims for benefits under the Plan, which shall provide for the following:
- (i) Any Employee or beneficiary (hereinafter called "claimant") whose claim for benefits under the Plan is denied shall receive written notice of such denial. The notice shall set forth:

- (A) the specific reasons for the denial of the claim;
- (B) a reference to the specific provisions of the Plan on which the denial is based;
- (C) any additional material or information necessary to perfect the claim and an explanation why such material or information is necessary; and
- (D) a description of the procedures for review of the denial of the claim and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under ERISA following a denial on review.

Such notice shall be furnished to the claimant within a reasonable period of time, but no later than 90 days after receipt of the claim by the Plan, unless the Committee determines that special circumstances require an extension of time for processing the claim. In no event shall such an extension exceed a period of 90 days from the end of the initial 90-day period. If such an extension is required, written notice thereof shall be furnished to the claimant before the end of the initial 90-day period, which shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render a decision.

- (ii) Every claimant whose claim for benefits under the Plan is denied in whole or in part by the Committee shall have the right to request a review of the denial. Review shall be granted if it is requested in writing by the claimant no later than 60 days after the claimant receives written notice of the denial. The review shall be conducted by the Committee.
- (iii) At any hearing of the Committee to review the denial of a claim, the claimant, in person or by duly authorized representative, shall have reasonable notice, shall have an opportunity to be present and be heard, may submit written comments, documents, records and other information relating to the claim, and may review documents, records and other information relevant to the claim under the applicable standards under ERISA. The Committee shall render its decision as soon as practicable. Ordinarily decisions shall be rendered within 60 days following receipt of the request for review. If the need to hold a hearing or other special circumstances require additional processing time, the decision shall be rendered as soon as possible, but not later than 120 days following receipt of the request for review. If additional processing time is required, the Committee shall provide the claimant with written notice thereof, which shall indicate the special circumstances requiring the additional time and the date by which the Committee expects to render a decision. If the

Committee denies the claim on review, it shall provide the claimant with written notice of its decision, which shall set forth (i) the specific reasons for the decision, (ii) reference to the specific provisions of the Plan on which the decision is based, (iii) a statement of the claimant's right to reasonable access to, and copies of, all documents, records and other information relevant to the claim under the applicable standards under ERISA, and (iv) a statement of the claimant's right to bring a civil action under ERISA. The Committee's decision shall be final and binding on the claimant, and the claimant's heirs, assigns, administrator, executor, and any other person claiming through the claimant.

Notwithstanding the foregoing, following a Change in Control, the Independent Fiduciary shall be responsible for deciding claims and appeals pursuant to the procedures described above. Any decision on a claim by the Independent Fiduciary shall be final and binding on the claimant, and the claimant's heirs, assigns, administrator, executor, and any other person claiming through the claimant.

ARTICLE SEVEN

Amendment and Termination

- 7.1 While the Company intends to maintain this Plan for as long as necessary, the Board, or a committee of the Board acting on its behalf, reserves the right to amend and/or terminate it at any time for whatever reasons it may deem appropriate (subject to and to the extent permitted by Section 409A of the Code).
- 7.2 Notwithstanding the preceding Section, however, the Company hereby makes a contractual commitment to pay the benefits accrued under this Plan.

ARTICLE EIGHT

Miscellaneous

- 8.1 Nothing contained in this Plan shall be construed as a contract of employment between the Company and an Employee, or as a right of any Employee to be continued in the employment of the Company, or as a limitation of the right of the Company to discharge any of its Employees, with or without cause.
- 8.2 An Employee's rights to benefit payments under the Plan are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Employee or the Employee's beneficiary or contingent annuitant.

- 8.3 The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform the Plan in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.
- 8.4 To the extent not preempted by federal law, all questions pertaining to the construction, regulation, validity and effect of the provisions of the Plan shall be determined in accordance with the laws of the State of Illinois without regard to the conflict of laws principles thereof.
- 8.5 This Plan is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury regulations and other authoritative guidance issued thereunder ("Section 409A"), and shall be interpreted and administered in accordance with that intent. If any provision of the Plan would otherwise conflict with or frustrate this intent, that provision will be interpreted and deemed amended so as to avoid the conflict. Section 409A shall become applicable as of December 6, 2006 to benefits earned and vested as of December 31, 2004.

Notwithstanding the provisions in Article Four to the contrary, an Employee who is a "specified employee" as defined in Section 409A whose benefit payout is triggered by a termination of employment may not receive a distribution under the Plan of any amounts prior to the date which is six months after the date the Employee terminates employment. An Employee who is subject to the restriction described in the previous sentence shall be paid on the first day of the seventh month after his termination of employment an amount equal to the benefit that he would have received during such six month period absent the restriction. For benefits first commencing from January 1, 2005 through December 6, 2006, to an Employee who is a "specified employee" as defined in Section 409A, the six month delay described in the preceding sentences shall not apply to the portion of the Employee's benefit that was earned and vested as of December 31, 2004. The portion of an Employee's benefit that was earned and vested as of December 31, 2004 shall be calculated in accordance with the guidance issued under Section 409A as of the date the benefits commence.

APPENDIX A

List of Participants

Name	Date Participant Commenced Participating in the Plan
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APPENDIX B

List of Participants

Name	Date Participant Commenced Participating in the Plan
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APPENDIX C

List of Participants

Name	Date Participant Commenced Participating in the Plan
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Exhibit A

Benefit Formula for Certain CNI Employees

For an Employee who formerly participated in the CNI Plan and whose benefit under the Funded Plan is calculated using a grandfathered CNI Plan pension formula set forth in the Appendix to the Funded Plan, "Monthly Benefit" shall equal:

the Company-provided monthly benefit that such Participant is entitled to receive under the provisions of the Funded Plan in effect with respect to that Participant on the date of his termination of employment (assuming his benefit payments under the Funded Plan are determined without regard to the limitations contained in Section 401(a)(17) and Section 415 of the Code and, after January 1, 2002, taking into account salary and bonuses the Employee defers under the Gannett Co., Inc. Deferred Compensation Plan) and based solely on his creditable service on and after the January 1, 1994.

When calculating the Funded Plan offset to the Employee's Monthly Benefit as set forth in subsection (ii) of Section 4.2, such offset shall equal:

the Company-provided monthly benefit that such Participant is entitled to receive under the provisions of the Funded Plan in effect with respect to that Participant on the date of his termination of employment (assuming his benefit payments under the Funded Plan commence on the date benefits commence hereunder) and based solely on his creditable service on and after the January 1, 1994.

To the extent applicable, for purposes of calculating an Employee's Company-provided Monthly Benefit and the offset set forth above, the Employee shall be deemed to have made the maximum voluntary non-deductible contributions for periods after January 1, 1994 under the Funded Plan (determined without regard to the limitations contained in Section 401(a)(17) and Section 415 of the Code) for purposes of calculating the Employee's Monthly Benefit) and to have elected to receive as of the date his benefit payments commence a refund of his deemed and actual voluntary non-deductible contributions for periods after January 1, 1994 plus interest, thereby resulting in the cancellation of his deemed and actual supplemental credits earned under the Funded Plan for periods after January 1, 1994.

GANNETT CO., INC.
DEFERRED COMPENSATION PLAN
RULES FOR POST-2004 DEFERRALS

DEFERRED COMPENSATION PLAN

RULES FOR POST-2004 DEFERRALS

Restated as of January 1, 2005

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GANNETT CO., INC.
DEFERRED COMPENSATION PLAN
RULES FOR POST-2004 DEFERRALS

Restated as of January 1, 2005

1.0 BACKGROUND

1.1. Introduction

The Gannett Co., Inc. Deferred Compensation Plan was adopted to provide the opportunity for directors of Gannett Co., Inc. (“Company”) who are not also employees (“Directors”) and designated key employees of the Company to defer certain compensation. The Gannett Co., Inc. Deferred Compensation Plan is comprised of two documents, the Gannett Co., Inc. Deferred Compensation Plan (as amended through July 25, 2006 and as may be subsequently amended) (“the Pre-2005 Plan”) and the Gannett Co., Inc. Deferred Compensation Plan Rules for Post-2004 Deferrals (the “Post-2004 Plan” or, for purposes of this document, the “Plan”).

The Plan was adopted to provide the opportunity for Directors to defer to future years all or part of their fees and designated key employees to defer to future years all or part of their salary and bonuses. The Committee may also allow Directors and key employees to defer such other forms of taxable income derived from the performance of services for the Company as may be designated by the Committee and which may be deferred pursuant to such special terms and conditions as the Committee may establish (including, without limitation awards under the Gannett Co., Inc. 1978 Long-Term Incentive Plan, the Gannett Co., Inc. 2001 Omnibus Incentive Compensation Plan or any successor plans thereto) (amounts that may be deferred under this Plan are collectively referred to as “Compensation”).

1.2. Certain Definitions

The term “SIRs” used in this Plan includes restricted stock awards and restricted stock units issued under the 1978 Long-Term Incentive Plan, the 2001 Omnibus Incentive Compensation Plan or any successor plans. The term “Committee” used in this Plan means the Benefit Plans Committee. The term “Company” means the Company as defined above in Section 1.1 and any successor to its business and/or assets which assumes the Plan by operation of law or otherwise. The term “Board” means the Board of Directors of the Company.

2.0 EXPLANATION OF PLAN

2.1. Effective Date

The Gannett Co., Inc. Deferred Compensation Plan was initially effective July 1, 1987. The Company intends that the Post-2004 Plan satisfies the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") to avoid the imposition of the taxes imposed under Section 409A. Accordingly, the requirements of Code Section 409A and the regulations and guidance issued thereunder (collectively, "Section 409A") are incorporated by reference to the extent necessary to avoid any tax being imposed on a participant under Section 409A. The terms of the Post-2004 Plan apply to amounts that are subject to Section 409A, which generally means amounts that are deferred, earned or vested on or after January 1, 2005 (and earnings on such amounts). The terms of the Pre-2005 Plan apply to amounts that are not subject to Section 409A, which generally means amounts that were deferred, earned and vested before January 1, 2005 (and earnings on such amounts). The Committee shall keep separate records for amounts that are and are not subject to Section 409A.

2.2. Eligibility

The Plan is available to (a) Directors of the Company and (b) officers and employees of the Company who reside in the United States and who are designated as eligible by the Committee. No employee may be designated as eligible unless the employee belongs to "a select group of management or highly compensated employees" as defined in Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

2.3. Interest in the Plan; Deferred Compensation Account

For each eligible person who elects to defer Compensation ("Participant"), one or more Deferred Compensation Accounts shall be established in accordance with Section 2.6(a). A Participant's interest in the Plan shall be the Participant's right to receive payments under the terms of the Plan. A Participant's payments from the Plan shall be based upon the value attributable to the Participant's Deferred Compensation Accounts.

2.4. Amount of Deferral

A Participant may elect to defer receipt of all or a part of his or her Compensation provided that the minimum deferral for any type of Compensation that is expected to be deferred must be \$5,000 for the year of deferral or, in the case of deferred SIRs, such minimum number of shares as the Committee may determine.

2.5. Time of Election of Deferral

(a) Deferral elections are subject to the requirements of Section 409A and must be made at such time and pursuant to such terms and conditions as are established by the Committee. This means that, other than for the special circumstances set forth below (each of which is subject to the requirements of Section 409A), all elections to defer Compensation must be made before the last day of the calendar

year preceding the calendar year in which the services giving rise to the compensation are performed.

- (i) In the case of Compensation that qualifies as performance-based compensation within the meaning of Section 409A and is based on services performed over a performance period of at least 12 months, the employee or Director may be permitted to defer the performance-based Compensation no later than 6 months before the end of the performance period; provided that the employee or Director performs services continuously from the later of the beginning of the performance period or the date the performance criteria are established through the date an election is made under this provision, and that in no event may an election to defer performance-based Compensation be made after such Compensation has become readily ascertainable.
 - (ii) In the year that an employee or Director first becomes eligible to make elective deferrals under the Plan (or any elective deferral plan aggregated with this Plan under Section 409A), the employee or Director may be permitted to make a deferral election within 30 days of first becoming eligible. This initial deferral may relate only to Compensation attributable to services to be performed following the deferral election.
 - (iii) If an employee or Director has a legally binding right to a payment in a subsequent year that is subject to a condition requiring the employee or Director to continue to provide services for a period of at least 12 months from the date the employee or Director obtains the legally binding right, to avoid forfeiture of the payment, the employee or Director may be permitted to elect to defer such compensation on or before the 30th day after the employee or Director obtains the legally binding right to the compensation, provided that the election is made at least 12 months in advance of the earliest date at which the forfeiture condition could lapse.
 - (iv) If an employee or Director has a legally binding right to a payment of compensation in a subsequent taxable year that, absent a deferral election, would be treated as a short-term deferral within the meaning of Section 409A, the employee or Director may be permitted to elect to defer such compensation in accordance with the requirements of Section 1.409A-2(b), applied as if the amount were a deferral of compensation and the scheduled payment date for the amount were the date the substantial risk of forfeiture lapses.
- (b) In the case of Director's fees, whether payable in cash, Restricted Stock, or any other form permitted to be deferred under the Plan, deferral elections under the Plan shall relate to one-year terms (each, a "Term") beginning with each annual meeting of shareholders of the Company ("Annual Meeting") and ending immediately prior to the next Annual Meeting. Deferral elections shall be made no later than the date specified by the Committee that is on or prior to the last day

of calendar year preceding the commencement of the applicable Term. The foregoing election requirements shall be subject to the rules set forth in Section 2.5(a) above.

- (c) Once made, an election to defer for a particular time period is irrevocable. No acceleration in a Payment Commencement Date or a change in a Method of Payment may be made except as expressly permitted by the Plan and Section 409A.

2.6. Accounts and Investments

- (a) All Participant records, reports and elections after an initial election shall be maintained on the basis of Payment Commencement Dates (as defined in Section 2.9(b)), i.e., all amounts that have been elected to be paid in full, or to commence payment, in a designated calendar year shall be aggregated in a single Deferred Compensation Account for a Participant for purposes of subsequent recordkeeping and for elections that may be available with respect to the deferred amounts, such as investment elections and payment method elections.
- (b) The amount of Compensation deferred will be credited to the Participant's Deferred Compensation Account or Accounts as soon as practicable after the Compensation would have been paid had there been no election to defer.

The amounts credited in a Deferred Compensation Account will be deemed invested in the fund or funds designated by the Participant from among funds selected by the Committee, which may include the following or any combination of the following:

- (i) money market funds;
- (ii) bond funds;
- (iii) equity funds; and
- (iv) the Gannett stock fund.

Although the Plan is not subject to section 404(c) of ERISA, the funds available to Participants under the Plan shall, at all times, constitute a broad range of investment alternatives that would meet the standards pertaining to the range of investments set forth in regulations promulgated by the Department of Labor under section 404(c) of ERISA, or any successor provision, as if that provision were applicable to the Plan. In the discretion of the Committee, funds may be added, deleted or substituted from time to time, subject to the preceding sentence.

Information on the specific funds permitted under the Plan shall be made available by the Committee to the Participants. If the Committee adds, deletes or substitutes a particular fund, the Committee shall notify Participants in advance of the change and provide Participants with the opportunity to change their

allocations among funds in connection with such addition, deletion or substitution.

A Participant may allocate contributions to his or her Deferred Compensation Accounts among the available funds pursuant to such procedures and requirements as may be specified by the Committee from time to time. Participants shall have the opportunity to give investment directions with respect to their Accounts at least once in any three-month period.

- (c) Unless otherwise specified in an agreement memorializing a particular award, all deferrals under this Plan and the earnings credited to them are fully vested at all times.
- (d) The right of any Participant to receive future payments under the provisions of the Plan shall be a contractual obligation of the Company but shall be subject to the claims of the creditors of the Company in the event of the Company's insolvency or bankruptcy as provided in the trust agreement described below.

Plan assets may, in the Company's discretion, be placed in a trust (the "Rabbi Trust") (which Rabbi Trust may be a sub-trust maintained as a separate account within a larger trust that is also used to pay benefits under other Company- sponsored unfunded nonqualified plans) but will nevertheless continue to be subject to the claims of the Company's creditors in the event of the Company's insolvency or bankruptcy as provided in the trust agreement. In any event, the Plan is intended to be unfunded under Title I of ERISA.

2.7. Participant's Option to Reallocate Amounts

A Participant may elect to reallocate amounts in his or her Deferred Compensation Accounts among the available funds pursuant to such procedures and requirements as may be specified by the Committee from time to time consistent with the final sentence of Section 2.6(b).

2.8. Reinvestment of Income

Income from a hypothetical fund investment in a Deferred Compensation Account shall be deemed to be reinvested in that fund as soon as practicable under the terms of that fund.

2.9. Payment of Deferred Compensation

- (a) No withdrawal may be made from the Participant's Deferred Compensation Accounts except as provided in this Section.
- (b) At the time a deferral election is made, the Participant shall choose the date on which payment of the amount credited to the Deferred Compensation Account is to commence, which date shall be either April 1 or October 1 of the year of the Participant's retirement, the year next following the Participant's retirement, or

any other year specified by the Participant that is after the year for which the Participant is making the deferral (“Payment Commencement Date”). In the case of Director Participants, the Payment Commencement Date shall be no later than October 1 of the year after the Director Participant retires from the Board. In the case of key employee Participants, the Payment Commencement Date shall be no later than October 1 of the year following the year during which the key employee reaches age 65 or actually retires, whichever occurs later. Special timing rules may apply to payout from certain investment funds (provided that such rules must not alter the timing of payout in a manner that violates Section 409A).

- (c) At the time the election to defer is made, the Participant may choose to receive payments either (i) in a lump sum; (ii) if the Payment Commencement Date is during a year in which an employee Participant could have retired under a retirement plan of the Company (i.e., the employee Participant has attained at least age 55 and has at least 5 years of service), in up to fifteen annual installments; or (iii) if the Payment Commencement Date is during a year in which a Director Participant has attained at least age 55 and has at least 5 years of service, in up to fifteen annual installments. The method of paying a Deferred Compensation Account is the “Method of Payment.” The amount of any payment under the Plan shall be the value attributable to the Deferred Compensation Account on the last day of the month preceding the month of the payment date, divided by the number of payments remaining to be made, including the payment for which the amount is being determined.
- (d) In the event of a Participant’s death or Disability before the Participant has received any payments from a Deferred Compensation Account, the value of the Account shall be paid to the Participant’s designated beneficiary, in the case of death, or to the Participant, in the case of Disability, at such time and in such form of payment as is set forth on the applicable deferral form signed by the Participant. In the event of the Participant’s death or Disability after installment payments from a Deferred Compensation Account have commenced, the remaining balance of the Account shall be paid to the Participant or designated beneficiary, as applicable, over the installments remaining to be paid. For purposes of this Plan and consistent with such term’s definition under Section 409A, “Disability” means the Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Company.

Beneficiary designations shall be submitted on the form specified by the Company. If a Participant so chooses, a separate beneficiary designation may be made for each Deferred Compensation Account. The filing of a new beneficiary designation shall automatically revoke any previous beneficiary designation. In

the event a beneficiary designation has not been made, or the beneficiary was not properly designated (in the sole discretion of the Company), has died or cannot be found, all payments after death shall be paid to the Participant's estate. In case of disputes over the proper beneficiary, the Company reserves the right to make any or all payments to the Participant's estate.

- (e) A Participant may not change an initial Payment Commencement Date or Method of Payment for a Deferred Compensation Account after an election has been made except as provided in the following sentence. If an active Participant specifies a particular year as a Payment Commencement Date (rather than retirement) and such date is a date when the Participant is less than age 60, the Participant may elect to select a new Method of Payment or Payment Commencement Date by delivering a written election to the Committee (a "Subsequent Election"); provided that (i) such Subsequent Election may not take effect until at least 12 months after the date on which the Subsequent Election is made, (ii) the payment with respect to which such Subsequent Election is made must be deferred for a period of not less than 5 years from the date such payment would otherwise have been made; and (iii) the election must be made not less than 12 months before the date the payment is scheduled to be paid (or in the case of installment payments 12 months before the date the first amount was scheduled to be paid).

A technical note — if a Participant has elected the year of retirement as the Payment Commencement Date but retires on a date that is after the designated Payment Commencement Date, the payment (or the first annual installment) will begin on the first day of the month after the month in which the Participant retires.

Restrictions on changing Payment Commencement Dates and Methods of Payment shall not prevent the Participant from choosing a different Payment Commencement Date and/or Method of Payment for amounts to be deferred in subsequent years.

- (f) Notwithstanding any Payment Commencement Date or Method of Payment selected by a Participant, the following rules shall apply:
- (i) If an employee Participant's employment with the Company terminates other than (1) at or after early or normal retirement pursuant to a retirement plan of the Company (i.e., the Participant has attained at least age 55 and has at least 5 years of service), (2) by reason of the Participant's death, or (3) by reason of the Participant's Disability, the Committee shall distribute such employee Participant's benefits as soon as administratively practicable following the Participant's termination of employment (but not later than 60 days after such termination).
 - (ii) If a Director Participant's directorship terminates for any reason other than (1) at or after reaching the prescribed mandatory retirement age from the Board, (2) by reason of such Participant's death, or (3) by reason of such Participant's Disability, the Committee shall distribute such Director

Participant's benefits in the form of a lump sum, as soon as administratively practicable following the Participant's termination of employment (but not later than 60 days after such termination).

- (g) If, in the discretion of the Committee and subject to the requirements of Section 409A, the Participant has a need for funds due to an "unforeseeable emergency", benefits may be paid prior to the Participant's Payment Commencement Date. For this purpose, an "unforeseeable emergency" means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, or a dependent (as defined in section 152(a) of the Code) of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. Distributions under this subsection may only be made if, consistent with Section 409A, the amounts distributed with respect to the emergency do not exceed the amounts necessary to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship). The Participant requesting a payment under this subsection must supply the Committee with a statement indicating the nature of the emergency that created the severe financial hardship, the fact that all other reasonably available resources are insufficient to meet the need, and any other information which the Committee decides is necessary to evaluate whether an unforeseeable emergency exists.
- (h) In the Company's discretion, payments from the Plan may be made in cash or in the kind of property represented by the fund or funds selected by the Participant.
- (i) All contributions to the Plan and all payments from the Plan, whether made by the Company or the Trustee, shall be subject to all taxes required to be withheld under applicable laws and regulations of any governmental authorities.
- (j) Notwithstanding any provision to the contrary, a distribution triggered by a specified employee's separation from service (for any reason other than death or Disability) may not commence before the date which is 6 months after the date of the specified employee's separation from service (or if, earlier, the employee's death). For purposes of the Plan, a "specified employee" has the meaning set forth in Section 409A. If this provision is triggered, any amount that would otherwise have been paid during such 6 month period shall be paid on the date that is the first day of the seventh month after such employee's separation from service (or if, earlier, the employee's death). For purposes of this Plan, the date when a Participant is deemed to be separated from service, retired, or terminated shall be determined consistent with the requirements of Section 409A.
- (k) Notwithstanding the foregoing, the Committee, in its sole discretion, may accelerate the time or schedule of a payment, or a payment may be made under

the Plan, to pay the Federal Insurance Contributions Act ("FICA") tax imposed under Code sections 3101, 3121(a), and 3121(v)(2) on compensation deferred under the plan (the "FICA Amount"). Additionally, the Committee may provide for the acceleration of the time or schedule of a payment, or a payment may be made under the Plan, to pay the income tax at source on wages imposed under section 3401 or the corresponding withholding provisions of applicable state, local, or foreign tax laws as a result of the payment of the FICA Amount, and to pay the additional income tax at source on wages attributable to the pyramiding section 3401 wages and taxes. However, the total payment under this acceleration provision must not exceed the aggregate of the FICA Amount, and the income tax withholding related to such FICA Amount.

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

- (a) In order to make any elections or choices permitted hereunder, the Participant must give written notice to the Committee. A notice electing to defer Compensation shall specify:
 - (i) the percentage and type of Compensation to be deferred;
 - (ii) the funds chosen by the Participant;
 - (iii) the Method of Payment to the Participant and the Method of Payment to the Participant's estate in the event of the Participant's death; and
 - (iv) the Payment Commencement Date.
- (b) An election by a Participant to defer Compensation shall apply only to Compensation deferred in the calendar year for which the election is effective. However, the designation of the Payment Commencement Date for this year will require that all deferrals from all years with the same Payment Commencement Date shall constitute a single Deferred Compensation Account and any other Plan elections such as investments, will apply to all assets held in this Deferred Compensation Account regardless of the year of deferral.
- (c) The Committee will provide election forms to permit Participants to defer Compensation to be earned during that calendar year.
- (d) The last form received by the Committee directing an allocation of amounts in a Deferred Compensation Account among the funds available shall govern until changed by the receipt by the Committee of a subsequent allocation form.

2.11. Company Contributions

The Company may, in its sole discretion, make direct awards to the accounts or subaccounts on behalf of any eligible Participant. The amount and timing of such awards shall be subject to the approval of the Executive Compensation Committee of the Board and that Committee may impose vesting or other requirements on such accounts.

Except as otherwise provided in this Section, accounts so established shall be subject to the same terms, conditions, and elections as are applicable to other accounts under the Plan. The Company shall specify the time and method of payment of amounts from such accounts when the award is made.

2.12. Deferrals of Restricted Stock by Directors

A Director who has elected to receive all or some of his or her fees for a Term, including, as applicable, the Director's annual retainer, chair retainer, meeting fees or long-term award, in the form of Restricted Stock, may elect to defer such Restricted Stock in accordance with such guidelines and restrictions as may be established by the Committee and in accordance with the general terms of this Plan and Section 409A, subject to the following:

- (a) An election to defer Restricted Stock must be made at the time the Director elects to receive all or some of his or her fees for the applicable Term, as described above, in the form of Restricted Stock, and in accordance with Section 2.5 of the Plan. If a Director makes such a deferral election, the election must apply to all fees for the applicable Term that the Director has elected to receive in the form of Restricted Stock.
- (b) An election to defer Restricted Stock shall constitute a direction by the Director to have the Company, in lieu of currently issuing shares of Restricted Stock, defer under this Plan an amount equal to the value of the Restricted Stock subject to the election as determined at the time of the award. The Restricted Stock deferred by a Director under this Plan for a Term shall be credited as units of stock to a separate sub-account within the Director's Deferred Compensation Account. Any vesting restrictions applicable to an award of Restricted Stock deferred under the Plan shall apply to the sub-account attributable to such award until such restrictions lapse in accordance with the original terms of the award.
- (c) Restricted Stock deferred under the Plan shall be deemed invested in the Gannett stock fund during the entire deferral period and the Director shall not have the right to reallocate such deemed investment to any of the other investment options otherwise available under the Plan.
- (d) At the time an election to defer Restricted Stock is made, the Director shall elect the time and form of payment of such deferral and earnings thereon in accordance with Section 2.9 of the Plan, provided, however, that payment of such amounts shall commence in the year the Director leaves the Board. Payments shall be made in shares of Company common stock.
- (e) Any portion of a Director's Deferred Compensation Account attributable to deferred Restricted Stock, whether or not vested, shall not be available for early withdrawal pursuant to Section 2.9(g) of the Plan.

3.0 ADMINISTRATION OF THE PLAN

3.1. Statement of Account

Statements setting forth the values of the funds deemed to be held in a Participant's Deferred Compensation Accounts will be sent to each Participant quarterly or more often as the Committee may elect. A Participant shall have two years from the date a statement has been sent to question the accuracy of the statement. If no objection is made to the statement, it shall be deemed to be accurate and thereafter binding on the Participant for all purposes.

3.2. Assignability

The benefits payable under this Plan shall not revert to the Company or be subject to the Company's creditors prior to the Company's insolvency or bankruptcy, nor, except pursuant to will or the laws of descent and distribution, shall they be subject in any way to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind by the Participant, the Participant's beneficiary or the creditors of either, including such liability as may arise from the Participant's bankruptcy.

3.3. Business Days

In the event any date specified herein falls on a Saturday, Sunday, or legal holiday, such date shall be deemed to refer to the next business day thereafter or such other date as may be determined by the Committee in the reasonable exercise of its discretion.

3.4. Administration

This Plan shall be administered by the Committee. The Committee has sole discretion to interpret the Plan and to determine all questions arising in the administration, interpretation, and application of the Plan. The Committee's powers include the power, in its sole discretion and consistent with the terms of the Plan, to determine who is eligible to participate in this Plan, to determine the eligibility for and the amount of benefits payable under the Plan, to determine when and how amounts are allocated to a Participant's Deferred Compensation Account, to establish rules for determining when and how elections can be made, to adopt any rules relating to administering the Plan and to take any other action it deems appropriate to administer the Plan. The Committee may delegate its authority hereunder to one or more persons. Whenever the value of a Deferred Compensation Account is to be determined under this Plan as of a particular date, the Committee may determine such value using any method that is reasonable, in its discretion. Whenever payments are to be made under this Plan, such payments shall begin on or within a reasonable period of time after the designated date, as determined by the Committee and subject to the limitations under Section 409A, and no interest shall be paid on such amounts for any reasonable delay in making the payments.

This Plan is intended to comply with the requirements of Section 409A, and shall be interpreted and administered in accordance with that intent. If any provision of the Plan

would otherwise conflict with or frustrate this intent, that provision will be interpreted and deemed amended so as to avoid the conflict.

3.5. Amendment

- (a) Subject to the requirements of Section 409A, this Plan may at any time and from time to time be amended or terminated by the Board or the Compensation Committee of the Board. No amendment shall, without the consent of a Participant, adversely affect such Participant's interest in the Plan, i.e., the Participant's benefit accrued to the effective date of the amendment (hereinafter referred to as the "Protected Interest"), as determined by the Committee in its sole discretion.
- (b) An amendment shall be considered to adversely affect a Participant's interest in the Plan if it has the effect of:
 - (i) reducing the Participant's Protected Interest in his or her Deferred Compensation Accounts;
 - (ii) eliminating or restricting a Participant's right to give investment directions with respect to the Participant's Protected Interest in his or her Deferred Compensation Accounts under Sections 2.6 and 2.7 of the Plan, except that a change in the number or type of funds available shall not be considered an amendment of the Plan as long as the funds available to Participants following such change constitute a broad range of investment alternatives under the standards pertaining to the range of investments set forth in regulations promulgated by the Department of Labor under section 404(c) of ERISA or any successor provision;
 - (iii) eliminating or restricting any timing or payment option available with respect to the Participant's Protected Interest in his or her Deferred Compensation Accounts, or the Participant's right to make and change payment elections with respect to such Protected Interest, under Section 2.9, 2.10 or any other provision of the Plan;
 - (iv) reducing or diminishing any of the change in control protections provided to the Participant under Section 3.7 or any other provision of the Plan; or
 - (v) reducing or diminishing the rights of the Participant under this Section 3.5 with respect to any amendment or termination of the Plan.
- (c) Notwithstanding anything in the foregoing to the contrary, any amendment made for the purpose of protecting the favorable tax treatment of amounts deferred under the Plan following a change in applicable law, including for this purpose a change in statute, regulation or other agency guidance, shall not be considered to adversely affect a Participant's interest in the Plan.

- (d) If the Plan is terminated and if permitted by Section 409A, compensation shall prospectively cease to be deferred as of the date of the termination. To the extent permitted by Section 409A, each Participant will be paid the value of his or her Deferred Compensation Accounts, including earnings credited through the payment date based on the Participant's investment allocations, at the time and in the manner provided for in Sections 2.9 and 2.10.

3.6. Liability

- (a) Except in the case of willful misconduct, no Director or employee of the Company, or person acting as the independent fiduciary provided for in Section 3.7, shall be personally liable for any act done or omitted to be done by such person with respect to this Plan.
- (b) The Company shall indemnify, to the fullest extent permitted by law, members of the Committee, persons acting as the independent fiduciary and Directors and employees of the Company, both past and present, to whom are or were delegated duties, responsibilities and authority with respect to the Plan, against any and all claims, losses, liabilities, fines, penalties and expenses (including, but not limited to, all legal fees relating thereto), reasonably incurred by or imposed upon such persons, arising out of any act or omission in connection with the operation and administration of the Plan, other than willful misconduct.

3.7. Change in Control

- (a) Participation. If a change in control occurs, each eligible person who is participating in the Plan on the date of the change in control shall be entitled to continue participating in the Plan and to make additional deferrals under its terms following the change in control, until he or she ceases to meet the criteria for an "eligible person" specified in Section 2.2 hereof (without regard to designation by the Committee) or the Plan is terminated pursuant to Section 3.5. No new persons may be designated as eligible to participate in the Plan on or after a change in control.
- (b) Legal Expense. If, with respect to any alleged failure by the Company to comply with any of the terms of this Plan subsequent to a change in control, other than any alleged failure relating to a matter within the control of the independent fiduciary and with respect to which the Company is acting pursuant to a determination or direction of the independent fiduciary, a Participant or beneficiary hires legal counsel or institutes any negotiations or institutes or responds to legal action to assert or defend the validity of, enforce his rights under, obtain benefits promised under or recover damages for breach of the terms of this Plan, then, regardless of the outcome, the Company shall pay, as they are incurred, a Participant's or beneficiary's actual expenses for attorneys' fees and disbursements, together with such additional payments, if any, as may be necessary so that the net after-tax payments to the Participant or beneficiary equal such fees and disbursements. The Company agrees to pay such amounts within

10 days following the Company's receipt of an invoice from the Participant, provided that the Participant shall have submitted an invoice for such amounts at least 30 days before the end of the calendar year next following the calendar year in which such fees and disbursements were incurred.

- (c) Mandatory Contributions to Rabbi Trust. If a change in control occurs, the Company shall make mandatory contributions to a Rabbi Trust established pursuant to Section 2.6(d), to the extent required by the provisions of such Rabbi Trust.
- (d) Powers of Independent Fiduciary. Following a change in control, the Plan shall be administered by the independent fiduciary. The independent fiduciary shall assume the following powers and responsibilities from the Committee and the Company:
 - (i) The independent fiduciary shall assume all powers and responsibilities assigned to the Committee under Section 3.4 and all other provisions of the Plan, including, without limitation, the sole power and discretion to:
 - (1) determine all questions arising in the administration and interpretation of the Plan, including factual questions and questions of eligibility to participate and eligibility for benefits;
 - (2) adjudicate disputes and claims for benefits;
 - (3) adopt rules relating to the administration of the Plan;
 - (4) select the investment funds available to Participants under Section 2.6 of the Plan (subject to the requirement that, at all times, such funds constitute a broad range of investment alternatives under the standards pertaining to the range of investments set forth in regulations promulgated by the Department of Labor under section 404(c) of ERISA or any successor provision);
 - (5) determine the amount, timing and form of benefit payments;
 - (6) direct the Company and the trustee of the Rabbi Trust on matters relating to benefit payments;
 - (7) engage attorneys, accountants, actuaries and other professional advisors (whose fees shall be paid by the Company), to assist it in performing its responsibilities under the Plan; and

- (8) delegate to one or more persons selected by it, including outside vendors, responsibility for fulfilling some or all of its responsibilities under the Plan.
- (ii) The independent fiduciary shall have the sole power and discretion to (1) direct the investment of assets held in the Rabbi Trust, including the authority to appoint one or more investment managers to manage any such assets and (2) remove the trustee of the Rabbi Trust and appoint a successor trustee in accordance with the terms of the trust agreement.
- (e) Review of Decisions.
 - (i) Notwithstanding any provision in the Plan to the contrary, following a change of control, any act, determination or decision of the Company (including its Board or any committee of its Board) with regard to the administration, interpretation and application of the Plan must be reasonable, as viewed from the perspective of an unrelated party and with no deference paid to the actual act, determination or decision of the Company. Furthermore, following a change in control, any decision by the Company shall not be final and binding on a Participant. Instead, following a change in control, if a Participant disputes a decision of the Company relating to the Plan and pursues legal action, the court shall review the decision under a “de novo” standard of review.
 - (ii) Following a change in control, any act, determination or decision of the independent fiduciary with regard to the administration, interpretation and application of the Plan shall be final, binding, and conclusive on all parties.
- (f) Company’s Duty to Cooperate. Following a change in control, the Company shall cooperate with the independent fiduciary as may be necessary to enable the independent fiduciary to carry out its powers and responsibilities under the Plan and Rabbi Trust, including, without limitation, by promptly furnishing all information relating to Participants’ benefits as the independent fiduciary may reasonably request.
- (g) Appointment of Independent Fiduciary. The independent fiduciary responsible for the administration of the Plan following a change in control shall be a committee composed of the individuals who constituted the Company’s Benefit Plans Committee immediately prior to the change in control and the Company’s chief executive officer immediately prior to the change in control.

If, following a change in control, any individual serving on such committee resigns, dies or becomes disabled, the remaining members of the committee shall continue to serve as the committee without interruption. A successor member shall be required only if there are less than three remaining members on the

committee. If a successor member is required, the successor shall be an individual appointed by the remaining member or members of the committee who (i) is eligible to be paid benefits from the assets of the Rabbi Trust or the larger trust of which it is a part and (ii) agrees to serve on such committee.

If at any time there are no remaining members on the committee (including any successor members appointed to the committee following the change in control), the Trustee shall promptly submit the appointment of the successor members to an arbiter, the costs of which shall be borne fully by the Company, to be decided in accordance with the American Arbitration Association Commercial Arbitration Rules then in effect. The arbiter shall appoint three successor members to the committee who each meet the criteria for membership set forth above. Following such appointments by the arbiter, such successor members shall appoint any future successor members to the committee to the extent required above (i.e., if, at any time, there are less than three remaining members on the committee) and subject to the criteria set forth above.

If one or more successor members are required and there are no individuals remaining who satisfy the criteria for membership on the committee, the remaining committee members or, if none, the Trustee, shall promptly submit the appointment of the successor member or members to an arbiter, and the Company shall bear the costs of arbitration, as provided for in the preceding paragraph.

(h) Change in Control Definition. As used in this Plan, a “change in control” means the first to occur of the following:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the “Exchange Act”)) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (1) the then-outstanding shares of common stock of the Company (the “Outstanding Company Common Stock”) or (2) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); provided, however, that, for purposes of this Section, the following acquisitions shall not constitute a change in control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or one of its affiliates or (D) any acquisition pursuant to a transaction that complies with clauses (1), (2) and (3) of Section 3.7(h)(iii) below;

(ii) Individuals who, as of January 1, 2003, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to such date whose election or nomination for election by the Company’s stockholders was approved by a vote of at least a majority of

the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(iii) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock of another entity by the Company or any of its subsidiaries (each, a "Business Combination"), in each case, unless, following such Business Combination, (1) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation or entity resulting from such Business Combination (including, without limitation, a corporation or entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, (2) no Person (excluding any employee benefit plan (or related trust) of the Company or any corporation or entity resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then-outstanding shares of common stock of the corporation or entity resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation or entity, except to the extent that such ownership existed prior to the Business Combination, and (3) at least a majority of the members of the board of directors of the corporation or entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(iv) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

- (i) Lump Sum Payment. Upon a Change in Control, the amounts credited in the Deferred Compensation Accounts of each Participant (including retired, active and inactive Participants), whether or not in pay status as of the date of the

Change in Control, shall be paid within 45 days after the Change in Control, but not before January 1, 2008.

All Participants who have accrued a benefit under the Plan as of July 1, 2007 (including retired, active and inactive Participants) may be given an election on or before December 15, 2007 (or such earlier date designated by the Plan Administrator) to not have the distribution rules under the preceding paragraph apply if a Change in Control occurs after July 1, 2008. An Employee making such an election will be paid his or her benefit at the time and form that benefits would be paid to the Employee ignoring the special distribution rules that apply under the preceding paragraph. Once made, the election shall be irrevocable. If an Employee is not given or does not make an election, the Employee's benefit shall be paid in accordance with the special distribution rules that apply under the preceding paragraph.

For purposes of this Section 3.7(i), a Change in Control means a Change in Control that is also a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Code Section 409A(a)(2)(A)(v) and the Treasury regulations issued thereunder.

3.8. Claims

(a) Claim Denials. The Committee shall maintain procedures with respect to the filing of claims for benefits under the Plan. Pursuant to such procedures, any Participant or beneficiary (hereinafter called "claimant") whose claim for benefits under the Plan is denied shall receive written notice of such denial. The notice shall set forth:

- (i) the specific reasons for the denial of the claim;
- (ii) a reference to the specific provisions of the Plan on which the denial is based;
- (iii) any additional material or information necessary to perfect the claim and an explanation why such material or information is necessary; and
- (iv) a description of the procedures for review of the denial of the claim and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under ERISA following a denial on review.

Such notice shall be furnished to the claimant within a reasonable period of time, but no later than 90 days after receipt of the claim by the Plan, unless the Committee determines that special circumstances require an extension of time for processing the claim. In no event shall such an extension exceed a period of 90 days from the end of the initial 90-day period. If such an extension is required, written notice thereof shall be furnished to the claimant before the end of the

initial 90-day period, which shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render a decision.

- (b) Right to a Review of the Denial. Every claimant whose claim for benefits under the Plan is denied in whole or in part by the Committee shall have the right to request a review of the denial. Review shall be granted if it is requested in writing by the claimant no later than 60 days after the claimant receives written notice of the denial. The review shall be conducted by the Committee.
- (c) Decision of the Committee on Appeal. At any hearing of the Committee to review the denial of a claim, the claimant, in person or by duly authorized representative, shall have reasonable notice, shall have an opportunity to be present and be heard, may submit written comments, documents, records and other information relating to the claim, and may review documents, records and other information relevant to the claim under the applicable standards under ERISA. The Committee shall render its decision as soon as practicable. Ordinarily decisions shall be rendered within 60 days following receipt of the request for review. If the need to hold a hearing or other special circumstances require additional processing time, the decision shall be rendered as soon as possible, but not later than 120 days following receipt of the request for review. If additional processing time is required, the Committee shall provide the claimant with written notice thereof, which shall indicate the special circumstances requiring the additional time and the date by which the Committee expects to render a decision. If the Committee denies the claim on review, it shall provide the claimant with written notice of its decision, which shall set forth (i) the specific reasons for the decision, (ii) reference to the specific provisions of the Plan on which the decision is based, (iii) a statement of the claimant's right to reasonable access to, and copies of, all documents, records and other information relevant to the claim under the applicable standards under ERISA, and (iv) a statement of the claimant's right to bring a civil action under ERISA. The Committee's decision shall be final and binding on the claimant, and the claimant's heirs, assigns, administrator, executor, and any other person claiming through the claimant.
- (d) Notwithstanding the foregoing, following a change in control, the independent fiduciary shall be responsible for deciding claims and appeals pursuant to the procedures described above. Any decision on a claim by the independent fiduciary shall be final and binding on the claimant, and the claimant's heirs, assigns, administrator, executor, and any other person claiming through the claimant.

3.9. Successors

The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform the Plan in the same manner and to

the same extent that the Company would be required to perform it if no such succession had taken place.

3.10. Governing Law

To the extent not preempted by federal law, all questions pertaining to the construction, regulation, validity and effect of the provisions of the Plan shall be determined in accordance with the laws of the State of Illinois without regard to the conflict of laws principles thereof.

4.0 EMPLOYEES OF PARTICIPATING AFFILIATES

4.1. Eligibility of Employees of Affiliated Companies

If the Committee allows it in any individual case, this Plan is also available to officers or key employees of a corporation, partnership or other entity that is directly or indirectly controlled by the Company, provided that such officer or employee resides in the United States and is specifically designated as eligible by the Committee. An entity that is directly or indirectly controlled by the Company (within the meaning of Section 409A) and employs an individual who is a Participant is hereinafter referred to as a "Participating Affiliate."

4.2. Compensation from Participating Affiliates

With respect to Participants who are employed by Participating Affiliates, "Compensation" as used in this Plan shall include all or part of their salary, bonus and/or shares of Gannett common stock issued pursuant to "SIRs" and such other forms of taxable income derived from the performance of services for the Company or any Participating Affiliate (as defined in Section 4.1) as may be designated by the Committee and which may be deferred pursuant to such special terms and conditions as the Committee may establish.

4.3. Rights Subject to Creditors

The right of any Participant who is employed by a Participating Affiliate to receive future payments under the provisions of the Plan shall be a contractual obligation of the Company and the Participating Affiliate at the time the Participant elects to defer compensation. Such a Participant's right to receive future payments is subject to the claims of the creditors of the Company and the Participating Affiliates in the event of the Company's or any Participating Affiliate's insolvency or bankruptcy as provided in the trust agreement. Plan assets may, in the Committee's discretion, be placed in a trust but will nevertheless continue to be subject to the claims of the Company's and the Participating Affiliate's creditors in the event of the Company's or the Participating Affiliate's insolvency or bankruptcy as provided in the trust agreement. In any event, the Plan is intended to be unfunded under Title I of ERISA. If the Committee so permits, Participating Affiliates may also contribute assets to the Rabbi Trust in connection with their Plan obligations under this Article. If, at the election of the Committee, such contributions are not separately accounted for through subtrusts, segregated accounts, or

similar arrangements, Plan assets held by the Rabbi Trust will be subject to the claims of the Participating Affiliates' creditors in the event of any Participating Affiliate's insolvency or bankruptcy as provided in the trust agreement.

4.4. Certain Distributions

Notwithstanding any Payment Commencement Date or Method of Payment selected by a Participant employed by a Participating Affiliate, if such a Participant ceases to be employed by the Company or a Participating Affiliate other than (i) at or after early or normal retirement pursuant to a retirement plan of the Company (i.e., the Participant has attained at least age 55 and has at least 5 years of service), (ii) by reason of the Participant's death, or (iii) by reason of the Participant's Disability, the Committee shall distribute such Participant's benefits as soon as administratively practicable following the Participant's termination of employment (but not later than 60 days after such termination).

4.5. Assignability

The benefits payable under this Plan to an employee of a Participating Affiliate shall not revert to the Company or Participating Affiliate or be subject to the Company's or Participating Affiliate's creditors prior to the Company's or Participating Affiliate's insolvency or bankruptcy, nor, except pursuant to will or the laws of descent and distribution, shall they be subject in any way to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind by the Participant, the Participant's beneficiary or the creditors of either, including such liability as may arise from the Participant's bankruptcy.

GANNETT CO., INC.
Amendment to Craig A. Dubow
Employment Agreement

Pursuant to Section 18 of the Employment Agreement between Gannett Co., Inc. and Craig A. Dubow, dated February 27, 2007 (the "Agreement"), the parties hereby amend the Agreement as of August 7, 2007 as follows:

1. Section 5(c) is amended by deleting the last sentence in that section and substituting the following in its place:

The cash payment described in clause (c)(1) shall be made in a lump sum subject to the condition that a valid release agreement in such form as Gannett may reasonably require with respect to claims which Dubow or his estate or beneficiaries may have arising out of Dubow's employment (the "Release") is executed by Dubow's estate or beneficiaries and such Release must be effective and non-revocable. The lump sum payment shall be made to Dubow's estate on the seventh day after the date that the Release becomes effective and non-revocable provided that such Release must become effective and non-revocable within 65 days after Dubow's death and no payment is required if the Release does not become effective and non-revocable by the 65th day after Dubow's death.

2. Section 5(d) is amended by deleting the last sentence in that section and substituting the following in its place:

The cash payment described as two times the sum of (a) and (b) in clause (d)(1) shall be made in a lump sum subject to the condition that a Release executed by Dubow or his representative has then become effective and non-revocable. The lump sum payment shall be made on the seventh day after the date that the Release becomes effective and non-revocable provided that such Release must become effective and non-revocable within 65 days after Dubow's Termination Date (the "Payment Date") and no payment is required if the Release does not become effective and non-revocable by the 65th day after Dubow's Termination Date.

3. Section 7 is amended by deleting the second sentence in that section and substituting the following in its place:

If Dubow's employment is terminated by Dubow pursuant to Section 6 hereof, or by Gannett for any reason other than the reasons specified in Section 5(a), or Dubow's term of employment expires by reason of Gannett failing to extend it and Dubow ceases employment upon expiration of the term, and conditioned and

subject to Dubow executing a Release that becomes effective and non-revocable within 65 days after Dubow's Termination Date (and recognizing that Dubow shall not be entitled to the payments, rights and benefits set forth in Section 7(a)-(d) if the Release does not become effective and non-revocable within 65 days after Dubow's Termination Date), the following shall apply:

4. Section 7(b) is amended by deleting the first sentence and substituting the following in its place:

Gannett shall pay to Dubow in a lump sum in cash on the Payment Date a cash severance payment equal to two (2) times the sum of (i) his Base Salary as in effect on the Termination Date and (ii) the greater of (A) his most recent annual bonus as of the Termination Date or (B) the average of his three most recent annual bonuses as of the Termination Date.

5. Section 7(c) is amended by replacing "four years" with "four years." and adding the following sentence to the end of such Section:

To the extent that any restricted stock units or any time-based equity awards are subject to the requirements of Section 409A and accelerating payment of such awards would violate Section 409A, the payment of such awards shall not be accelerated as a result of such vesting. Instead, such awards shall be paid at the time specified under the terms of the award agreement; and

6. Section 7(d) is amended by deleting the first sentence and substituting the following in its place:

Dubow shall receive a payout of his awards under Gannett's Long Term Incentive Plan ("LTIP") or any replacement plan or arrangement on the Payment Date; provided that if the Release does become effective and non-revocable within 65 days after Dubow's Termination Date, Dubow shall forfeit all rights and payments pursuant to his awards under the LTIP or any replacement plan or arrangement.

7. Section 8(b) is amended by adding the following provision to the end thereof:

The reimbursements of expenses and provision of in-kind benefits set forth in Exhibit A shall comply with the requirements of Section 409A, which generally require (i) that the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year; (ii) the reimbursement of an eligible expense is made on or before the last day of the calendar year following the calendar year in which the expense was incurred; and (iii) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

8. Section 11(b) is amended by adding a new provision to the end thereof to read as follows:

This paragraph (b) notwithstanding, payments due to Dubow under this Section 11 shall be made no later than the end of the calendar year following the calendar year in which Dubow remits such excise tax or such earlier date as may be required to comply with Section 409A of the Code.

9. Section 12 is amended by adding the following provision to the end thereof:

Gannett shall pay Dubow such indemnified expenses by the end the calendar year in which such judgment is reached or, if later, by the 15th day of the third month after the date on which such judgment is reached.

10. Section 20 is amended by deleting the last sentence and substituting the following in its place:

Notwithstanding anything to the contrary contained herein, in the event that Gannett determines that payments or benefits under this Agreement would otherwise violate Section 409A of the Code, such payments or benefits shall not commence until six months after the Termination Date (or, if earlier, the date Dubow dies) to the extent that such delay is necessary to comply with Section 409A. If necessary to comply with the requirements of Section 409A, Dubow shall pay the Company for the Company facilities and home office benefits listed on Exhibit A (at fair market value rates) during the six month period after his Termination Date and shall be reimbursed for such payments on the first day of the seventh month after the Termination Date.

IN WITNESS WHEREOF, the parties have executed this Amendment to the Agreement as of the date first set forth above.

GANNETT CO., INC.

By: /s/ Duncan M. McFarland
Duncan M. McFarland
Chairman of Executive Compensation Committee

/s/ Craig A. Dubow
Craig A. Dubow

GANNETT CO., INC.
Amendment to Gracia C. Martore
Employment Agreement

Pursuant to Section 18 of the Employment Agreement between Gannett Co., Inc. and Gracia C. Martore, dated February 27, 2007 (the "Agreement"), the parties hereby amend the Agreement as of August 7, 2007 as follows:

1. Section 5(c) is amended by deleting the last sentence in that section and substituting the following in its place:

The cash payment described in clause (c)(1) shall be made in a lump sum subject to the condition that a valid release agreement in such form as Gannett may reasonably require with respect to claims which Martore or her estate or beneficiaries may have arising out of Martore's employment (the "Release") is executed by Martore's estate or beneficiaries and such Release must be effective and non-revocable. The lump sum payment shall be made to Martore's estate on the seventh day after the date that the Release becomes effective and non-revocable provided that such Release must become effective and non-revocable within 65 days after Martore's death and no payment is required if the Release does not become effective and non-revocable by the 65th day after Martore's death.

2. Section 5(d) is amended by deleting the last sentence in that section and substituting the following in its place:

The cash payment described as two times the sum of (a) and (b) in clause (d)(1) shall be made in a lump sum subject to the condition that a Release executed by Martore or her representative has then become effective and non-revocable. The lump sum payment shall be made on the seventh day after the date that the Release becomes effective and non-revocable provided that such Release must become effective and non-revocable within 65 days after Martore's Termination Date (the "Payment Date") and no payment is required if the Release does not become effective and non-revocable by the 65th day after Martore's Termination Date.

3. Section 7 is amended by deleting the second sentence in that section and substituting the following in its place:

If Martore's employment is terminated by Martore pursuant to Section 6 hereof, or by Gannett for any reason other than the reasons specified in Section 5(a), or

Martore's term of employment expires by reason of Gannett failing to extend it and Martore ceases employment upon expiration of the term, and conditioned and subject to Martore executing a Release that becomes effective and non-revocable within 65 days after Martore's Termination Date (and recognizing that Martore shall not be entitled to the payments, rights and benefits set forth in Section 7(a)-(d) if the Release does not become effective and non-revocable within 65 days after Martore's Termination Date), the following shall apply:

4. Section 7(b) is amended by deleting the first sentence and substituting the following in its place:

Gannett shall pay to Martore in a lump sum in cash on the Payment Date a cash severance payment equal to two (2) times the sum of (i) her Base Salary as in effect on the Termination Date and (ii) the greater of (A) her most recent annual bonus as of the Termination Date or (B) the average of her three most recent annual bonuses as of the Termination Date.

5. Section 7(c) is amended by replacing "three years" with "three years." and adding the following sentence to the end of such Section:

To the extent that any restricted stock units or any time-based equity awards are subject to the requirements of Section 409A and accelerating payment of such awards would violate Section 409A, the payment of such awards shall not be accelerated as a result of such vesting. Instead, such awards shall be paid at the time specified under the terms of the award agreement; and

6. Section 7(d) is amended by deleting the first sentence and substituting the following in its place:

Martore shall receive a payout of her awards under Gannett's Long Term Incentive Plan ("LTIP") or any replacement plan or arrangement on the Payment Date; provided that if the Release does become effective and non-revocable within 65 days after Martore's Termination Date, Martore shall forfeit all rights and payments pursuant to her awards under the LTIP or any replacement plan or arrangement.

7. Section 8(b) is amended by adding the following provision to the end thereof:

The reimbursements of expenses and provision of in-kind benefits set forth in Exhibit A shall comply with the requirements of Section 409A, which generally require (i) that the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year; (ii) the reimbursement of an eligible expense is made on or before the last day of the

calendar year following the calendar year in which the expense was incurred; and (iii) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

8. Section 11(b) is amended by adding a new provision to the end thereof to read as follows:

This paragraph (b) notwithstanding, payments due to Martore under this Section 11 shall be made no later than the end of the calendar year following the calendar year in which Martore remits such excise tax or such earlier date as may be required to comply with Section 409A of the Code.

9. Section 12 is amended by adding the following provision to the end thereof:

Gannett shall pay Martore such indemnified expenses by the end the calendar year in which such judgment is reached or, if later, by the 15th day of the third month after the date on which such judgment is reached.

10. Section 20 is amended by deleting the last sentence and substituting the following in its place:

Notwithstanding anything to the contrary contained herein, in the event that Gannett determines that payments or benefits under this Agreement would otherwise violate Section 409A of the Code, such payments or benefits shall not commence until six months after the Termination Date (or, if earlier, the date Martore dies) to the extent that such delay is necessary to comply with Section 409A.

IN WITNESS WHEREOF, the parties have executed this Amendment to the Agreement as of the date first set forth above.

GANNETT CO., INC.

By: /s/ Duncan M. McFarland

Duncan M. McFarland

Chairman of Executive Compensation Committee

/s/ Gracia C. Martore

Gracia C. Martore

Gannett Co., Inc.
2001 Omnibus Incentive Compensation Plan
Amendment

Pursuant to Section 16 of the Gannett Co., Inc. 2001 Omnibus Incentive Compensation Plan (the “Plan”), Gannett Co., Inc. hereby amends the Plan as follows:

1. The last sentence of Section 2.7 is amended by replacing “Section 5” with “Section 5(a)-(d)”. Consistent with the change being made by the preceding sentence, the “Change in Control” definition set forth in the “Terms and Conditions” of award agreements granted under the Plan on or after December 4, 2001 is hereby amended by deleting the last sentence in such definition.

2. Article 2 is amended by inserting the following new definitions after current Section 2.31 and renumbering the subsequent sections in Article 2 sequentially:

2.32 “**Section 409A**” means Code Section 409A and the regulations and guidance issued thereunder.

2.33 “**Section 409A Award**” means an Award that is subject to the requirements of Section 409A.

3. The first sentence of Section 3.2 is amended by adding “(including, with respect to Section 409A Awards, the requirements of Section 409A)” following “herein”.

4. Section 15.1(c) is amended by adding the following provision to the end thereof:

Notwithstanding the foregoing, the date of payment of a Section 409A Award shall not be accelerated unless the Change in Control also constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A.

5. Section 15.3 is amended by adding the following provision to the end thereof:

(d) **Section 409A Awards:** This Section 15.3 and Section 15.4 shall not affect the timing of payment (including vesting if vesting affects the

timing of payment) of a Section 409A Award and the timing of payment of a Section 409A Award shall be governed by the terms of such Award.

6. Section 15.5 is amended by adding the following provision to the end thereof:

The reimbursements of such expenses and costs shall comply with the requirements of Section 409A, which generally require (i) that the amount of expenses and costs eligible for reimbursement during a calendar year may not affect the expenses and costs eligible for reimbursement in any other taxable year; (ii) the reimbursement of an eligible expense or cost is made on or before the last day of the calendar year following the calendar year in which the expense or cost was incurred; and (iii) the right to reimbursement is not subject to liquidation or exchange for another benefit.

7. Section 16 is amended by adding the following provision to the end thereof:

16.5 Compliance with Section 409A. This Plan is intended to comply with the requirements of Section 409A with respect to Section 409A Awards, and shall be interpreted and administered in accordance with that intent. If any provision of the Plan would otherwise conflict with or frustrate this intent, the provision shall not apply to a Section 409A Award. For Section 409A Awards, all rights to amend, terminate or modify the Plan or any Award are subject to the requirements and limitations of Section 409A.

IN WITNESS WHEREOF, Gannett Co., Inc. has caused this Amendment to be executed by its duly authorized officer as of August 7, 2007.

GANNETT CO., INC.

By: /s/ Roxanne V. Horning

Name: Roxanne V. Horning

Title: Senior Vice President/Human Resources

Gannett Co., Inc.
Compensation for Non-Employee Directors

Annual Fees

Each director is entitled to receive an annual fee of \$45,000. Each committee chair is entitled to receive an additional annual fee of \$15,000.

In lieu of receiving their annual fees in cash, directors may elect to receive their fees in:

- (1) shares of restricted stock worth 110% of the applicable cash fee, based on the market value of Gannett's stock at the time of payment. These restricted shares generally vest at a rate of 1/4th of the shares per quarter after the date of grant, receive dividends and are held by the Company for the benefit of the director until his or her retirement at which time vested shares are delivered to the director.
- (2) options to purchase a number of shares of common stock equal to four times the number of shares that would have been issued if the applicable fee had been paid in shares of restricted stock. These options generally vest at a rate of 1/4th of the shares per quarter after the date of grant, have an exercise price equal to the fair market value of a share of common stock on the date of grant, and are exercisable for a period of eight years from the date of grant.

In addition, upon each annual meeting of shareholders, each director receives a long-term award of either 1,250 shares of restricted stock or options to purchase 5,000 shares of stock. These long-term awards vest as follows:

- (1) restricted shares generally vest at a rate of 1/36th of the shares per month, receive dividends and are held by the Company for the benefit of the director until his or her retirement at which time the vested shares are delivered to the director.
- (2) options generally vest at a rate of 1/4th of the shares on each anniversary of the date of grant, have an exercise price equal to the fair market value of a share of common stock on the date of grant, and are exercisable for a period of eight years from the date of grant.

Meeting Fees

Directors receive \$2,000 for each board meeting attended and \$1,000 for each committee meeting attended.

In lieu of receiving their meeting fees in cash, directors may elect to receive their fees in:

- (1) shares of restricted stock worth 110% of the applicable cash fee, based on the market value of Gannett's stock at the time of payment. These restricted shares are fully vested on the date of grant, receive dividends and are held by the Company for the benefit of the director until his or her retirement at which time the vested shares are delivered to the director.
- (2) options to purchase a number of shares of common stock equal to four times the number of shares that would have been issued if the applicable fee had been paid in shares of restricted stock. These options are fully vested on the date of grant, have an exercise price equal to the fair market value of a share of common stock on the date of grant, and are exercisable for a period of eight years from the date of grant.

Special Vesting Rules

Upon the retirement of a non-employee director due to Gannett's mandatory retirement policy, the director's restricted stock would vest immediately and, for any non-employee director who completed at least three full years of service on the board of directors, the options would vest immediately. Options and restricted stock also automatically vest upon a change of control of Gannett. If a non-employee director ceases to be a director for reasons other than Gannett's mandatory retirement policy, unvested shares of restricted stock and unvested options are forfeited, except that if the director completed at least three full years of service on the board of directors: (i) all vested options as of the termination date may be exercised for a period of years following termination that is equal

to the number of full three year terms the participant has served as a director (e.g., if the director has served two full three year terms, the post-termination exercise period would be two years) up to a maximum of three years, and (ii) all unvested options will continue to vest during such post-termination exercise period in accordance with the option's original vesting schedule.

Deferral

Directors may elect to defer their cash or restricted stock fees under Gannett's Deferred Compensation Plan, which for cash fee deferrals provides for ten deemed investment options, including mutual funds and a Gannett common stock fund. Deferred fees paid as restricted stock must be invested in the Gannett common stock fund of the Deferred Compensation Plan.

Other Compensation

Directors receive travel accident insurance of \$1,000,000 and a match from the Gannett Foundation of charitable gifts made by directors up to a maximum of \$10,000 each year.

Expenses

Directors are reimbursed for their reasonable expenses of attending board and committee meetings.

CERTIFICATIONS

I, Craig A. Dubow, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gannett Co., Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's second fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2007

/s/ Craig A. Dubow

Craig A. Dubow

Chairman, President and Chief Executive Officer

CERTIFICATIONS

I, Gracia C. Martore, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gannett Co., Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's second fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2007

/s/ Gracia C. Martore

Gracia C. Martore

Executive Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Gannett Co., Inc. ("Gannett") on Form 10-Q for the quarter ended July 1, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Craig A. Dubow, Chairman, President and Chief Executive Officer of Gannett, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Gannett.

/s/ Craig A. Dubow

Craig A. Dubow
Chairman, President and Chief Executive Officer

August 7, 2007

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Gannett Co., Inc. ("Gannett") on Form 10-Q for the quarter ended July 1, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gracia C. Martore, Executive Vice President and Chief Financial Officer of Gannett, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Gannett.

/s/ Gracia C. Martore

Gracia C. Martore

Executive Vice President and Chief Financial Officer

August 7, 2007