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

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): September 6, 2016**

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**TEGNA INC.**

(Exact name of Registrant as Specified in its Charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation or organization)

**1-6961**  
(Commission  
File Number)

**16-0442930**  
(I.R.S. Employer  
Identification No.)

**7950 Jones Branch Drive**  
**McLean, Virginia**  
(Address of Principal Executive Offices)

**22107-0150**  
(Zip Code)

**(703) 854-7000**  
Registrant's telephone number, including area code

**Not Applicable**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2-(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## **Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

On September 6, 2016, Gracia C. Martore officially informed the board of directors of TEGNA Inc. (“TEGNA” or the “Company”) that she plans to retire as president, chief executive officer and a member of the board of directors upon the closing of the proposed spin-off of Cars.com, discussed below.

### **Item 7.01 Regulation FD Disclosure**

On September 7, 2016, the Company issued a press release relating to the proposed spin-off and certain other matters. The Company also will make a presentation to investors relating to the proposed spin-off and certain other matters. Copies of the press release and investor presentation are furnished herewith as Exhibits 99.1 and 99.2, respectively. The press release and investor presentation are furnished under this Item 7.01 and shall not be deemed filed with the U.S. Securities and Exchange Commission (“SEC”) for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. The information contained in the press release and investor presentation shall not be incorporated by reference into any filing of the Company regardless of general incorporation language in such filing, unless expressly incorporated by reference in such filing.

### **Item 8.01 Other Events**

On September 7, 2016 the Company announced that its board of directors has authorized senior management to pursue the spin-off of Cars.com from TEGNA, creating two independent publicly-traded companies: TEGNA, the largest independent broadcast station group among major network affiliates in the top 25 markets, and Cars.com, a top online destination in the digital automotive marketplace. The spin-off is expected to be completed during the first half of 2017, subject to the satisfaction of a number of conditions, including final approval of the Company’s board of directors, receipt of an opinion from tax counsel, the effectiveness of a Form 10 registration statement to be filed with the SEC, and other customary matters. There can be no assurance regarding the ultimate timing of the proposed spin-off or that it will be completed.

The Company also announced that it is evaluating strategic alternatives for CareerBuilder, including a possible sale. The Company owns a 53% controlling interest in CareerBuilder. At this time, there can be no guarantee that any of the options under review will result in a transaction.

Upon Ms. Martore’s retirement as described above, David T. Lougee, who currently serves as the President of TEGNA Media, is expected to assume the role of chief executive officer and president of TEGNA. Following the closing of the spin-off, the current chief executive officer and president of Cars.com, Alex Vetter, is expected to continue in his role, and Messrs. Lougee and Vetter are expected to be appointed to the boards of directors of TEGNA and Cars.com, respectively.

Mr. Lougee, 57, has served as president of TEGNA Media since 2015. Mr. Lougee previously served as president of Gannett Broadcasting from 2007 to 2015. Prior to joining Gannett in 2007, Mr. Lougee served as executive vice president, media operations for Belo Corp. Mr. Lougee is the joint board chairman of the National Association of Broadcasters and also serves on the boards of BMI and the Broadcasters Foundation of America.

Mr. Vetter, 46, has served as president and chief executive officer of Cars.com since 2014. Mr. Vetter previously served as senior vice president and chief operating officer of Cars.com from 2006 to 2014. Prior to that, Mr. Vetter served Cars.com in various other management capacities since it was launched in 1998. Mr. Vetter is a director of RepairPal, Inc.

### **Safe Harbor for Forward-Looking Statements**

Any statements contained in this communication that do not describe historical facts may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward looking statements may include statements with respect to TEGNA’s potential separation of Cars.com from TEGNA and the distribution of Cars.com shares to TEGNA’s shareholders, the expected financial and operational results of TEGNA and Cars.com after the separation and distribution, the evaluation of strategic alternatives for CareerBuilder, and changes to TEGNA’s management. Any forward-looking statements contained herein are based on Company management’s current beliefs and expectations, but are subject to a number of risks, uncertainties and changes in circumstances, which may cause actual results or company actions to differ materially from what is expressed or implied by these statements. Such risks, uncertainties and changes in circumstances include, but are not limited to: uncertainties as to the timing of the spin-off or whether it will be completed, the failure to satisfy any conditions to complete the spin-off, the expected tax treatment of the spin-off, the impact of the spin-off on the businesses of TEGNA and Cars.com, and uncertainties as to the results of the evaluation of strategic alternatives for CareerBuilder, whether such evaluation will result in a transaction, and the failure to achieve anticipated benefits of any such potential transaction. Economic, competitive, governmental, technological and other factors and risks that may affect TEGNA’s operations or financial results are discussed in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and in subsequent filings with the U.S. Securities and Exchange Commission. The Company disclaims any obligation to update these forward-looking statements other than as required by law.

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**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release issued by TEGNA Inc. on September 7, 2016.
99.2	Investor Presentation made by TEGNA Inc. on September 7, 2016.

**Signature**

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 hereunto duly authorized.

TEGNA INC.

By: /s/ Todd A. Mayman  
Todd A. Mayman  
Executive Vice President, Chief Legal and Administrative  
Officer

Date: September 7, 2016

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**EXHIBIT INDEX**

<b>Exhibit</b>	<b>Exhibit</b>
99.1	Press Release issued by TEGNA Inc. on September 7, 2016.
99.2	Investor Presentation made by TEGNA Inc. on September 7, 2016.



FOR IMMEDIATE RELEASE

September 7, 2016

**TEGNA TO CREATE STRONG, MARKET-LEADING BROADCAST AND DIGITAL COMPANIES;  
PLANS TO SPIN OFF CARS.COM TO TEGNA SHAREHOLDERS**

**WILL ALSO EVALUATE STRATEGIC ALTERNATIVES FOR CAREERBUILDER**

**GRACIA MARTORE TO RETIRE AS TEGNA PRESIDENT AND CEO UPON CLOSE OF SPIN-OFF;  
DAVE LOUGEE TO BECOME CEO & PRESIDENT OF TEGNA;  
ALEX VETTER TO SERVE AS CEO & PRESIDENT OF CARS.COM**

McLean, VA, September 7, 2016 – TEGNA Inc. (NYSE: TGNA) today announced it intends to spin-off Cars.com from TEGNA, creating two independent publicly traded companies: TEGNA, the largest independent broadcast station group among major network affiliates in the top 25 markets, and Cars.com, a top online destination in the digital automotive marketplace. TEGNA also announced that it is evaluating strategic alternatives for CareerBuilder, a global leader in human capital solutions.

Additionally, TEGNA announced that Gracia C. Martore, president, chief executive officer and a member of the Board of Directors of TEGNA, will retire upon the closing of the spin-off, which is expected to take place in the first half of 2017.

#### **Spin-off Transaction**

As a result of the planned spin-off, which is expected to be tax-free to TEGNA shareholders, TEGNA and Cars.com will be positioned to take advantage of differentiated opportunities in the rapidly evolving broadcast and digital landscapes. Both will have balance sheets and capital return policies tailored to their specific business characteristics, which are expected to result in increased growth opportunities and appropriate market valuations. The spin-off of Cars.com from TEGNA is also expected to improve management fit and focus at both companies.

Gracia Martore, TEGNA president and chief executive officer, said, “Over the last four and a half years, we’ve taken a series of important strategic steps to increase the value of our businesses, including the acquisition of broadcast stations from Belo Corp. and London Broadcasting, the acquisition of full ownership of Cars.com, and the spin-off of the Gannett publishing business. The spin-off we are announcing today is the next logical step in our ongoing transformation to best position our market-leading businesses and continues our strong track record of creating value for shareholders.”

Martore continued, “Spinning off Cars.com from TEGNA will establish two strong, industry-leading companies that are well positioned to compete and to continue to profitably grow in their targeted markets. Each business will have increased strategic, operating, and financial flexibility at a time when the broadcast and digital sectors are both rapidly evolving – presenting both companies with a wealth of opportunities. Cars.com will have the flexibility to invest in further organic growth and to participate in the active digital automotive M&A market, and TEGNA will have a strong balance sheet and cash flow to continue to pursue investment in organic growth and opportunistic acquisitions and to provide an optimal mix of capital returns to shareholders. We are fortunate to have strong CEOs for both companies, and we believe this is the right time to separate in order to unlock potential shareholder value both in the near

term and over time as they develop independently as two separate pure-play companies. Additionally, while our 53% majority interest in CareerBuilder will remain with TEGNA, we, along with our partners Tribune Media and McClatchy, believe it also makes sense to evaluate strategic alternatives for this business given its recent evolution.”

Marge Magner, chairman of the Board, said, “We have created this opportunity by executing on a strategy to build scaled TEGNA businesses, and we are in an excellent position to take the next steps to maximize value for our shareholders. We believe that by providing these two strong companies, Cars.com and TEGNA, with a greater ability as separate companies to focus on their unique characteristics and opportunities, both companies will be poised to accelerate their growth strategies, allowing us to continue our value-enhancing evolution.”

TEGNA’s management team will develop detailed separation plans for consideration by the Board of Directors over the coming months. Completion of the spin-off will be subject to certain conditions, including receipt of final Board approval, receipt of an opinion from tax counsel regarding the tax-free nature of the distribution, and the effectiveness of a Form 10 registration statement, which is expected to be filed with the Securities and Exchange Commission later today. The distribution to TEGNA shareholders of shares of a new entity holding the Cars.com business is expected to be completed in the first half of 2017. TEGNA will temporarily suspend its share repurchase program pending completion of the spin-off. There can be no assurance regarding the ultimate timing of the proposed transaction or that it will be completed.

### **Cars.com**

Following the spin-off, Cars.com will remain headquartered in Chicago, Illinois and will trade under the ticker symbol CARS.

The automotive sector is the single largest and most important vertical for local advertising revenue, and Cars.com is one of the few proven and established digital solutions of scale in this market. TEGNA anticipates that the planned spin-off would result in a trading multiple for Cars.com that is commensurate with other pure-play digital companies, greater flexibility to pursue merger and acquisition opportunities, and benefits associated with aligning capital structure and allocation with specific business needs and opportunities. As an independent company, Cars.com will be able to focus more sharply on its key strategic priorities, including rapid innovation within a growing marketplace and active evaluation and pursuit of acquisitions to open up new, adjacent opportunities.

### **TEGNA**

TEGNA will remain headquartered in McLean, Virginia, and will continue to trade on the NYSE under the symbol TGNA.

As an independent, leading broadcast company, TEGNA will benefit from dedicated focus on opportunities specific to broadcasting, including further innovation around programming and content, investments in adjacent businesses and acquisitions. It will also continue to be well positioned to manage and benefit over time from ongoing developments in connection with sector-specific issues, such as spectrum, retransmission fees and over-the-top opportunities. The Company’s current debt will remain with TEGNA. TEGNA expects to receive from Cars.com a one-time cash dividend immediately prior to the spin-off that will be used to maintain TEGNA’s sound credit rating. Following the spin-off, TEGNA expects to continue to pay shareholders a strong regular dividend, with the initial rate to be determined prior to the completion of the spin-off.

The Broadcasting business, which includes 46 television stations owned or serviced by TEGNA, is the largest independent station group of major network affiliates in the top 25 markets. Its stations reach approximately one-third of all television households nationwide and constitute the #1 NBC affiliate group, #1 CBS affiliate group and #4 ABC affiliate group (excluding owner-operators). G/O Digital, which provides a suite of scalable, localized digital marketing solutions to small and medium-sized businesses, as well as franchises and businesses with multiple locations, will remain with TEGNA following completion of the spin-off.

### **CareerBuilder Strategic Review**

In connection with the planned spin-off of Cars.com, TEGNA will evaluate strategic alternatives for CareerBuilder, including a possible sale. CareerBuilder is a global leader in human capital solutions that provides services ranging from labor market intelligence to talent management software and other recruitment solutions. It is the largest online job site in the U.S., measured both by traffic and revenue, with a presence in more than 60 markets worldwide.

TEGNA owns a 53% controlling interest in CareerBuilder; minority owners are Tribune Media and The McClatchy Company. At this time, there can be no guarantee that any of the options under review will result in a transaction.

### **Martore Retirement and Leadership of TEGNA and Cars.com**

After more than 31 years of service to TEGNA and its predecessor Gannett Co., Inc., Gracia Martore plans to retire as president, chief executive officer and a member of the Board of Directors upon the closing of the spin-off. Upon Martore's retirement, Dave Lougee will assume the role of chief executive officer and president of TEGNA and Alex Vetter will serve as chief executive officer and president of Cars.com. Lougee and Vetter will also serve on the Boards of TEGNA and Cars.com, respectively.

Dave Lougee currently serves as president of TEGNA Media, overseeing the 46 television stations the company owns or services. Lougee was named president of Gannett Broadcasting in July 2007 and previously served as executive vice president, media operations for Belo Corp. At Belo, he also served as senior vice president; president and general manager of TV and cable operations in Seattle/Tacoma; and news director at KING-TV in Seattle/Tacoma. Before that, Lougee was vice president, news at WRC-TV, the NBC station in Washington DC and vice president, news director at KUSA-TV in Denver. In 2015, Lougee was inducted into the Broadcasting & Cable Hall of Fame, and in 2014, was awarded the First Amendment Leadership Award by RTDNF and the Broadcaster of the Year Award by Broadcasting & Cable. He serves on several industry boards: he is the joint board chairman of the National Association of Broadcasters (NAB); serves as vice chair of the NBC Affiliates Board; is a member of the BMI (Broadcast Music Inc.) Board of Directors, the Broadcasters Foundation of America; and is a past chair of the Television Bureau of Advertising (TVB) Board of Directors.

As one of the original members of Cars.com management, Alex Vetter has helped shape the company from its initial concept into a leading online automotive destination, steering the organization's growth strategy while serving in a variety of executive roles. Vetter was named chief executive officer and president of Cars.com in November 2014. Under Vetter's leadership, Cars.com has grown to approximately 1,300 employees, and the company serves every local market in the U.S. In his years with Cars.com, he has operated in nearly every capacity, spanning product development, customer service, training, operations and sales. Vetter has helped establish a vibrant local marketplace for cars, enabling e-commerce activities with approximately 20,000 retailers and every manufacturer, all of whom connect with site users on a daily basis. Vetter serves on the boards of several digital technology companies, including RepairPal.com, a leading marketplace for service and repair.



Commenting on her planned retirement, Martore said, “I am incredibly grateful to have spent more than 30 years serving this outstanding organization and deeply honored to have had the opportunity to lead TEGNA during its inaugural year. TEGNA has a real impact on the day-to-day lives of millions of Americans, and I am so proud to have been a part of this team. I have had the pleasure of working with many incredibly talented people, and together we have generated significant shareholder value and reinvented our business to ensure we will remain highly relevant well into the future. It has been an amazing ride, and both TEGNA and Gannett will always hold a special place in my heart.”

Marge Magner, chairman of TEGNA’s Board of Directors, said, “Gracia has had an immeasurable impact on this company. She has led a profound transformation of Gannett that included last year’s separation into two focused public companies, both of which are well positioned for growth and innovation. I have greatly enjoyed working closely with her over the last decade and, on behalf of the entire Board and leadership team, wish her much happiness in her well-deserved retirement.”

Martore joined Gannett in 1985 as assistant treasurer. She became a vice president in the treasury group in 1993 and added investor relations duties in 1995. She was named treasurer and vice president, investor relations in 1998. She was promoted to senior vice president of finance in addition to her treasurer’s responsibilities in 2001. In 2003, Martore became senior vice president and chief financial officer and was appointed to Gannett’s Management Committee. In 2005, she became executive vice president and CFO. In October 2011, she was named president and chief executive officer. Prior to joining Gannett, she worked for 12 years in the banking industry.

Martore serves on the Boards of Directors of The Associated Press, FM Global and WestRock Company. In October 2014, she was elected to the board of trustees of The Paley Center for Media. Martore is a graduate of Wellesley College where she was a Wellesley Scholar. She is also a member of Wellesley College’s Board of Trustees.

### **Investor Call**

TEGNA will hold an investor conference call to discuss this announcement today at 9:00 a.m. (Eastern Time). To access the call, please use one of the following dial-in numbers: 1 (855) 631-5368 or 1 (330) 863-3283 for international callers and provide the passcode: 74772374.

A live webcast will be accessible through TEGNA’s website, [www.TEGNA.com](http://www.TEGNA.com). Allow at least 10 minutes to access TEGNA’s home page and complete the links before the webcast begins. An investor presentation regarding the announcement can be found on the Investor Relations section of TEGNA’s website.

A telephone replay of the call will be available until September 21, 2016. The replay may be accessed by dialing 1 (855) 859-2056 or 1 (404) 537-3406 for international callers and providing the passcode: 74772374. In addition, the webcast will be archived on TEGNA’s website in the Investor Relations section.

### **Advisors**

Greenhill & Co. is acting as financial advisor on the spin-off and Wachtell, Lipton, Rosen & Katz is acting as legal advisor.

## **About TEGNA**

TEGNA Inc. (NYSE: TGNA) is comprised of a dynamic portfolio of media and digital businesses that provide content that matters and brands that deliver. TEGNA reaches more than 90 million Americans and delivers highly relevant, useful and smart content, when and how people need it, to make the best decisions possible. TEGNA Media includes 46 television stations and is the largest independent station group of major network affiliates in the top 25 markets, reaching approximately one-third of all television households nationwide. TEGNA Digital is comprised of Cars.com, the leading online destination for automotive consumers, CareerBuilder, a global leader in human capital solutions, and other powerful brands such as G/O Digital and Cofactor. For more information, visit [www.TEGNA.com](http://www.TEGNA.com).

## **Forward Looking Statements**

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## **CONTACTS:**

### **Investors**

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### **Media**

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Sard Verbinen & Co.  
212-687-8080

Or

Alison Holder  
Director, Corporate Communications  
703-402-6320  
[aholder@tegna.com](mailto:aholder@tegna.com)

# **TEGNA**

## **Unlocking Shareholder Value Through Creation of Two Leading Companies**

September 7, 2016

# Forward-Looking Statements

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# Summary

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## Transaction Summary



- Spin-off of Cars.com business to TEGNA shareholders (expected to be tax-free)
- Creates two strong, market-leading, publicly traded companies – TEGNA (NYSE: TGNA) and Cars.com (ticker: CARS)

## Strategic Review



- Exploration of strategic alternatives for CareerBuilder; owned by TEGNA (53%), Tribune Media (32%) and The McClatchy Company (15%)

## Capital Allocation



- Both companies will have strong balance sheets
- Existing debt to remain with TEGNA
- TEGNA expects to receive a one-time cash dividend from Cars.com
- TEGNA to continue to pay strong quarterly dividend
- TEGNA anticipates it will resume share repurchases following close of spin-off and will continue to pursue investments in organic growth and opportunistic acquisitions
- Cars.com will have modest leverage and will invest cash flows in strategic growth initiatives, including acquisition opportunities

## Timing/ Approvals of Spin



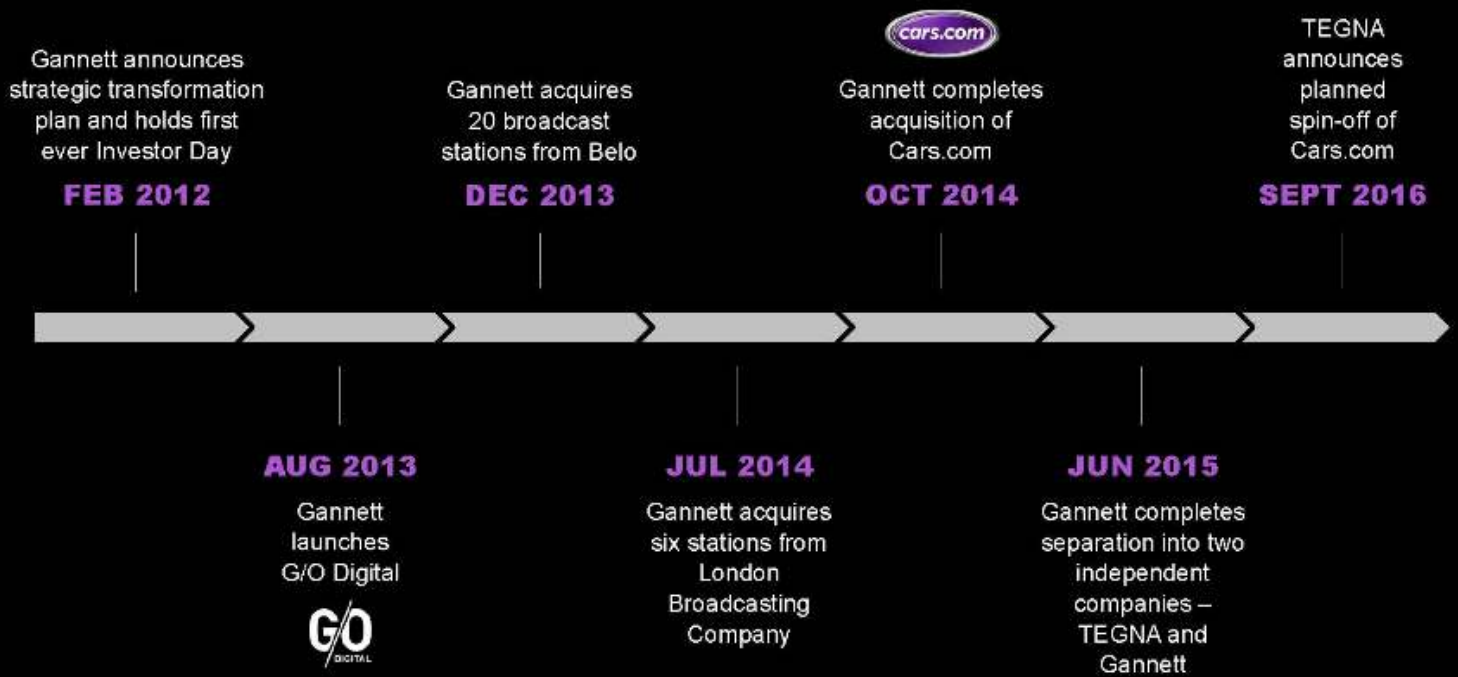
- Transaction expected to be completed in the first half of 2017
- Expect to file Form 10 later today

## Post-Spin Leadership



- Gracia Martore retiring as president, chief executive officer and a member of TEGNA's Board of Directors upon completion of the spin-off
- Dave Lougee will serve as TEGNA CEO, president and board member
- Alex Vetter will serve as Cars.com CEO, president and board member

# How We Got Here





# Strategic Rationale

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More accurate  
valuations that reflect  
distinctive business  
characteristics

Tailored capital  
structures  
based on profitability,  
cash flow, and  
growth opportunities

Greater opportunity  
for each independent  
company to pursue  
organic growth  
plans

Improves flexibility for  
each business to pursue  
value-enhancing  
acquisitions appropriate  
for unique strategies

More targeted  
investment  
opportunities for  
shareholders

CARS.COM SPIN-OFF IS THE NEXT LOGICAL  
STEP IN TEGNA'S TRANSFORMATION

# High Valuations For Cars.com Peer Group

## High valuations globally in capital markets and M&A transactions

Digital auto-related companies with business models and market positions similar to Cars.com consistently trade at high multiples

- Market leaders are valued at mid-to-high teens forward EBITDA multiples
- Valuations high across geographic regions
- Rewarded by the market for growth opportunities

## Strong public market valuations have been validated by M&A market

EBITDA multiples paid for companies listed below range from mid-teens to low-twenties

- Thoma Bravo reached an agreement to acquire TRADER Corporation in July 2016 for \$1.2bn
- XIO Group acquired J.D. Power in April 2016 for \$1.1bn
- IHS acquired CarProof in December 2015 for \$460mm
- Cox Enterprises acquired DealerTrack in June 2015 for \$4.5bn





# Creating Two Industry Leaders

## TEGNA



46 TV stations

36M households or ~1/3 of U.S. market

Largest independent owner of



Strongest balance sheet among peers

Strong cash flow generation

Proven M&A track record

**GO DIGITAL** local marketing solutions



Top online automotive marketplace for consumers, dealers and OEMs



35M monthly visits

Highly attractive advertising vertical

A leader in time on-site for automotive mobile and desktop



Strong EBITDA and revenue growth

Rapidly growing, consolidating sector with high valuations

# CareerBuilder Strategic Review

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- 1 Global leader in human capital solutions – industry’s most comprehensive, integrated offering
- 2 Leading online job site in the U.S.
- 3 +14 million unique visitors per month
- 4 Continued successful transition to fast-growing, higher margin SaaS business
- 5 Operates in more than 60 markets worldwide
- 6 Positions TEGNA and Cars.com as pure-plays

ANY TRANSACTION PROCEEDS EXPECTED TO PROVIDE  
FURTHER FINANCIAL FLEXIBILITY FOR TEGNA

## Two Exceptional CEOs

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### Alex Vetter

- One of the original members of Cars.com management
- Named chief executive officer and president in 2014
- Has grown Cars.com to approximately 1,300 employees serving every local market in the U.S.
- On the boards of several digital technology companies, including RepairPal.com, a leading automotive marketplace for service and repair



### Dave Lougee

- Currently serves as president of TEGNA Media
- Joined Gannett as President of Broadcasting in 2007
- 9 years with Belo in various roles
- Inducted into Broadcasting & Cable Hall of Fame in 2015
- Awarded First Amendment Leadership Award by RTDNF
- Serves on a number of industry boards, including Joint board chairman of the National Association of Broadcasters (NAB)

# TEGNA

## Industry Leading Portfolio



## Vision for the Future

Leverage scale and secure foundation to capitalize on future digital TV initiatives

Multiple opportunities to invest in and/or acquire broadcast-specific and adjacent businesses

Dedicated focus on operational initiatives to extend “runway” through performance & innovation

Committed to a disciplined capital allocation policy

## Vision for the Future

Dedicated focus on continued innovation within growing marketplace

Multiple opportunities for growth through new product launches and expansion into new areas

Greater flexibility to pursue M&A and participate in sector consolidation

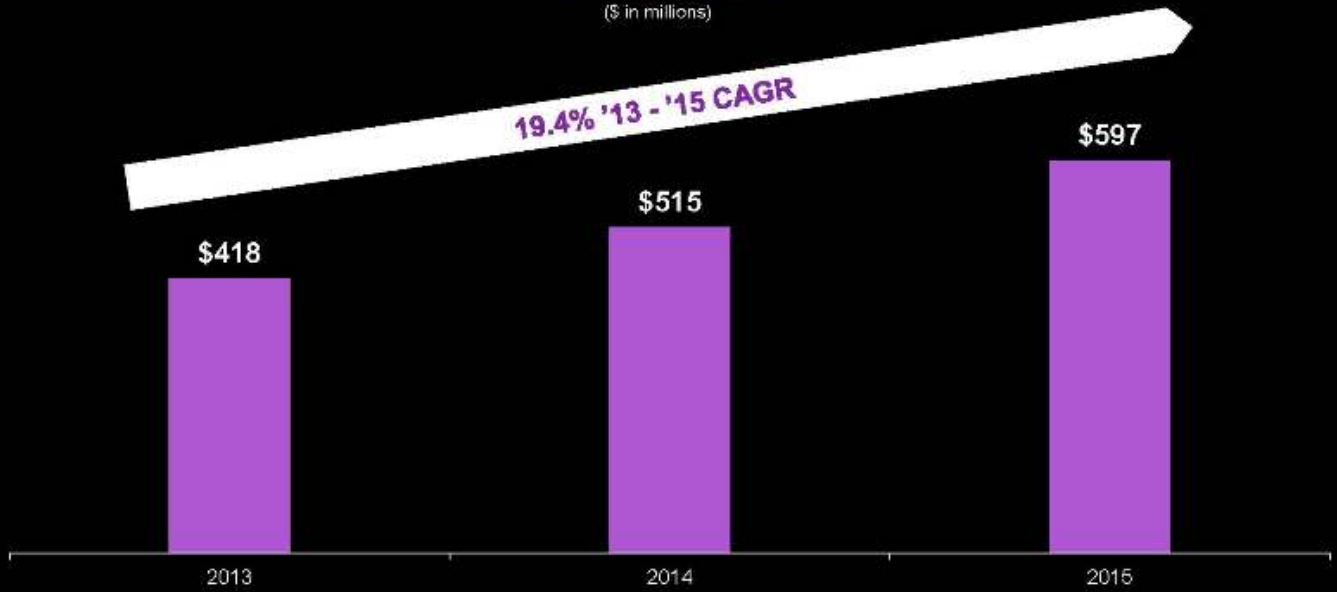
Benefits from capital structure and allocation aligned with business needs and opportunities

Planned spin-off expected to result in trading multiple in line with other digital companies

# A High-Growth Business

## Revenue

(\$ in millions)

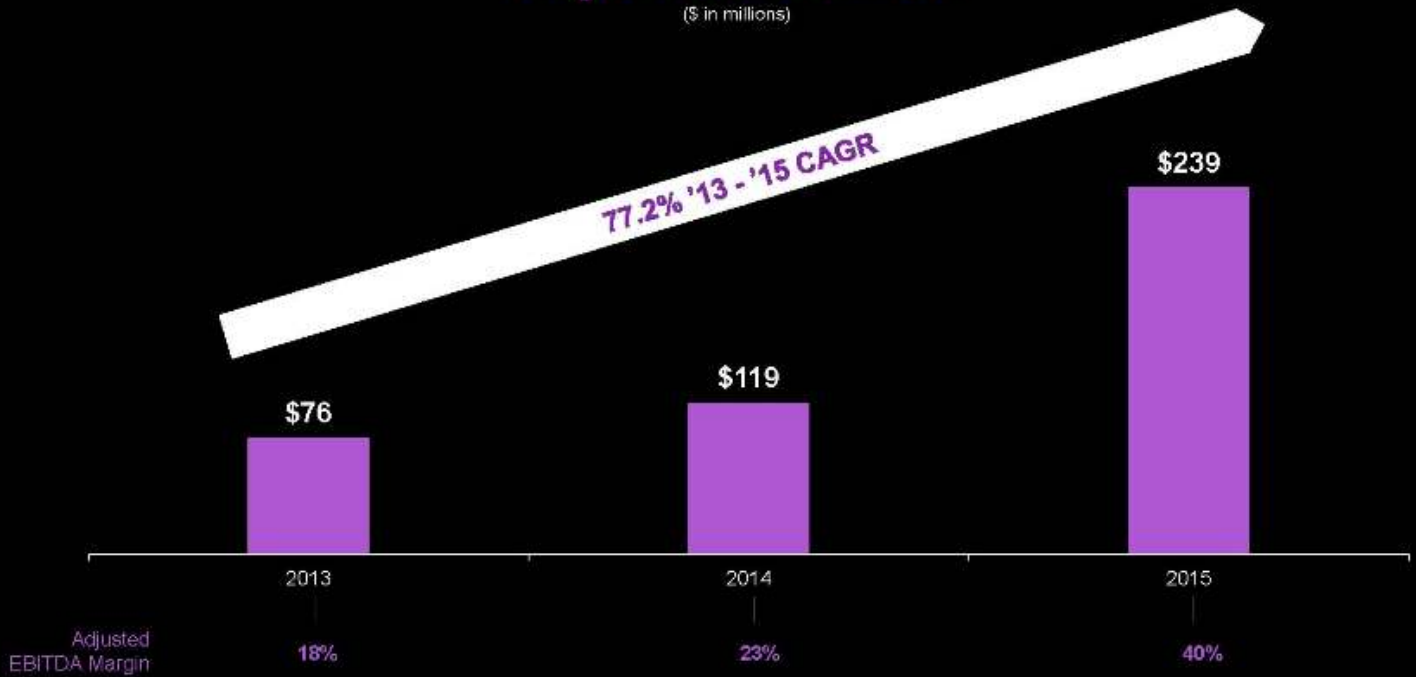




# A High-Margin Business

## Adjusted EBITDA

(\$ in millions)



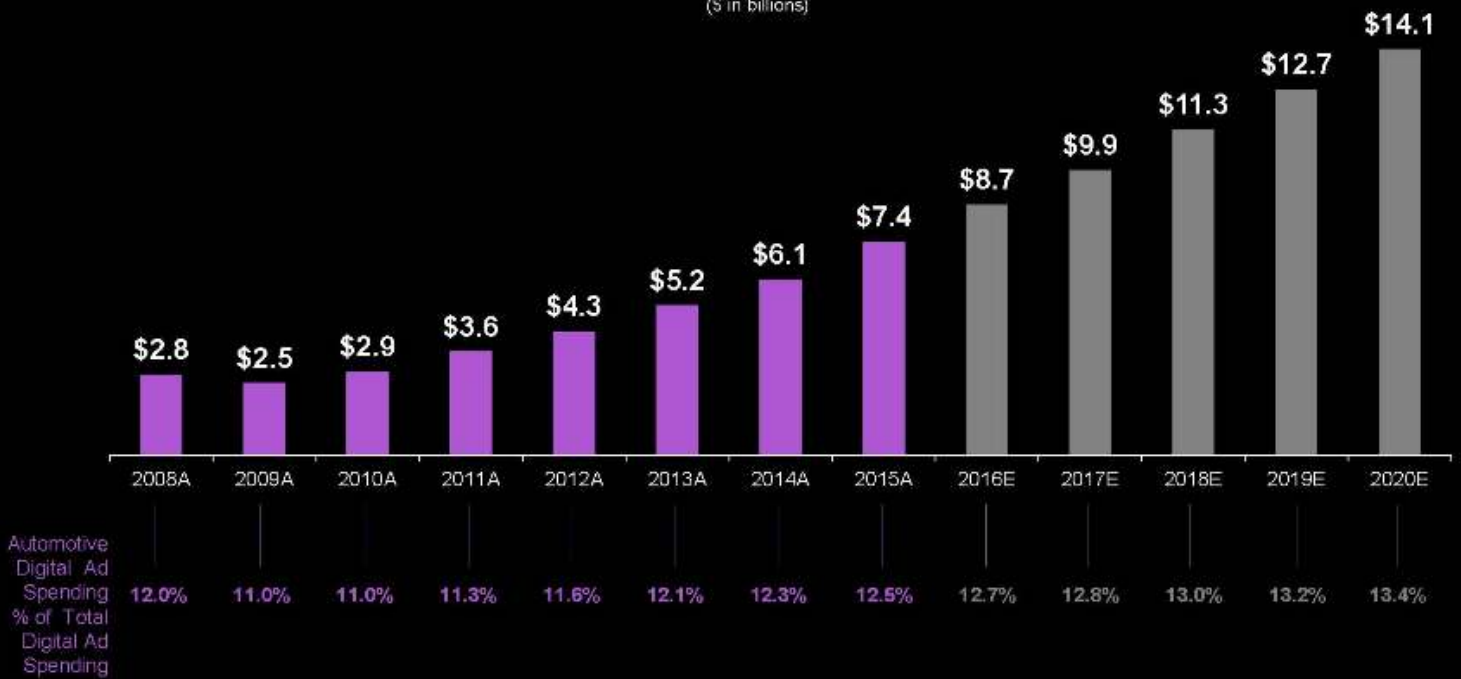
13 Note: 2014 Adjusted EBITDA includes certain share-based compensation expenses related to the sale of Cars.com in 2014 Adjusted EBITDA, which is a non-GAAP term, is defined as net income from continuing operations before (1) interest, (2) income taxes (which Cars.com does not recognize due to its classification as a flow-through entity during the applicable periods), (3) non-operating items, which is a non-GAAP term, are primarily comprised of gains on marketable securities held in trust and interest income, (4) depreciation and (5) amortization. Refer to appendix for more information.



# Strong Growth in Automotive Digital Ad Spending

## U.S. Automotive Industry Digital Ad Spending

(\$ in billions)



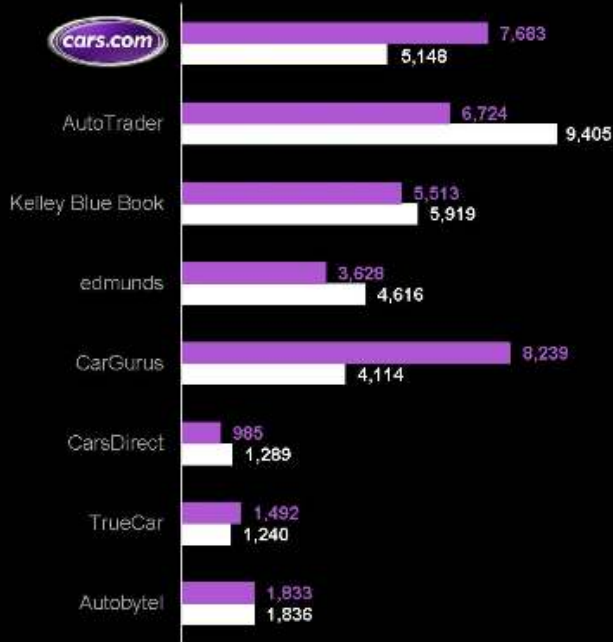


# A Proven Leader in Driving Consumer Engagement

Aug 2015-July 2016 Average

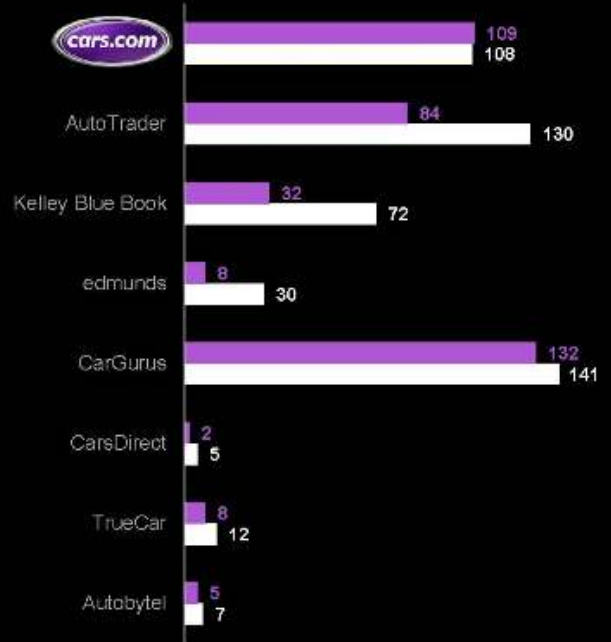
## Unique Visitors

Monthly UVs (000's)



## Time on Site

Minutes (MM)



■ Mobile ■ Desktop

## Financial Highlights – Spin-Off Transaction

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### **Both companies will have strong balance sheets and tailored capital return policies**

Expected to result in increased growth and appropriate market valuations

### **Existing debt to remain with TEGNA**

TEGNA expects to receive a one-time cash dividend from Cars.com immediately prior to the spin-off that will be used to maintain TEGNA's strong credit rating

### **TEGNA to continue to pay strong dividend**

### **TEGNA plans to resume share repurchases following close of spin-off**

### **Cars.com not expected to pay dividend initially – cash flow will be focused on investment in growth initiatives**

### **Spin-off expected to be tax-free to TEGNA shareholders**

# Key Takeaways

1

Logical next step in successful ongoing transformation of TEGNA

2

Creates two industry-leading companies of substantial scale

3

Financially & strategically compelling transactions unlock significant shareholder value

4

Both companies will have strong, flexible balance sheets and capital structures tailored to their individual businesses

5

Cars.com is in an exceptional position in highly valued digital automotive sector – unique investment opportunity for investors

6

Exploration of strategic alternatives for CareerBuilder expected to provide further financial flexibility for TEGNA



**Q&A**





# Appendix

## Non-GAAP Measure

We use Adjusted EBITDA as a non-GAAP financial performance measure to supplement the financial information presented on a GAAP basis. This non-GAAP financial measure should not be considered in isolation from or as a substitute for the related GAAP measure, nor should it be considered superior to the related GAAP measure, and should be read together with financial information presented on a GAAP basis. Also, our non-GAAP measure may not be comparable to similarly titled measures of other companies. We define adjusted EBITDA as net income from continuing operations before (1) income taxes (which Cars.com does not recognize due to its classification as a flow-through entity during the applicable periods), (2) non-operating items (which are primarily comprised of gains on marketable securities held in trust and interest income), (3) depreciation and (4) amortization. When Adjusted EBITDA is discussed in reference to performance, the most directly comparable GAAP financial measure is Net income from continuing operations. We use Adjusted EBITDA, a non-GAAP financial performance measure, for purposes of evaluating our performance. Therefore, we believe that this measure provides useful information to investors by allowing them to view our businesses through the eyes of our management and Parent's Board of Directors, facilitating comparison of results across historical periods, and providing a focus on the underlying ongoing operating performance of our businesses. Users should consider the limitations of using Adjusted EBITDA, including the fact that such measure does not provide a complete measure of our operating performance. Adjusted EBITDA is not intended to be an alternative to net income from continuing operations as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. In particular, Adjusted EBITDA is not intended to be a measure of free cash flow available for management's discretionary use, as Adjusted EBITDA does not consider certain cash requirements, such as working capital needs, capital expenditures, and contractual commitments.

Reconciliations of Adjusted EBITDA to net income from continuing operations presented in accordance with GAAP on our Statements of Income related to Cars.com are presented below:

<i>In thousands of dollars</i>	Year ended December 31		
	2015	2014 (Pro Forma)	2013
Net income from continuing operations	\$157,838	\$36,925	\$69,242
Income taxes	—	—	—
Non-operating items	(105)	(281)	(1,901)
Operating income	157,733	36,646	67,341
Depreciation	8,160	9,482	8,666
Amortization	72,658	72,658	—
Adjusted EBITDA (non-GAAP)	\$238,551	\$118,784	\$76,007