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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 September 28, 2008

OR

o **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	**16-0442930**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
7950 Jones Branch Drive, McLean, Virginia	**22107-0910**
(Address of principal executive offices)	(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 o

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

Large Accelerated Filer ☑ Accelerated Filer o Non-Accelerated Filer o Smaller Reporting Company o

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

The total number of shares of the registrant’s Common Stock, $1.00 par value, outstanding as of September 28, 2008, was 228,116,392.

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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

Results from Continuing Operations

Gannett Co, Inc. (the Company) reported income from continuing operations for the third quarter of 2008 of $158.1 million or $0.69 per diluted share The results for the quarter include $23.0 million in pre-tax severance expenses ($14.4 million after-tax or $0.07 per share) related to reductions in force and efficiency efforts in the U.S. and the UK. For the same period a year ago, income from continuing operations was $234.0 million or $1.01 per diluted share.

For the year-to-date, the 2008 loss from continuing operations was $1,940.9 million or $8.49 per diluted share compared to income in 2007 from continuing operations of $730.3 million or $3.12 per diluted share. During the second quarter of 2008, the Company recorded certain non-cash impairment charges totaling approximately $2.8 billion on a pre-tax basis and $2.5 billion on an after-tax basis or $11.07 per diluted share. These charges are more fully described in Note 3 to the Condensed Consolidated Financial Statements in this report.

Business Acquisitions and Establishment of New Business Segment

On September 3, 2008, the Company increased its ownership in CareerBuilder LLC (CareerBuilder) to 50.8% from 40.8%, obtaining a controlling interest. Accordingly, the results of CareerBuilder, beginning with September, are now fully consolidated. On June 30, 2008, the Company increased its ownership in ShopLocal LLC (ShopLocal) to 100% from 42.5%, and the results of ShopLocal, from that date, are now fully consolidated. Prior to these acquisitions, the equity share of CareerBuilder and ShopLocal results were reported as equity earnings in the non-operating section of the Statements of Income.

Beginning with the third quarter, a new "Digital" business segment is being reported, which includes CareerBuilder and ShopLocal results from the date of full consolidation, as well as PointRoll, Planet Discover and Schedule Star. Prior period results for PointRoll, Planet Discover and Schedule Star have been reclassified from the publishing segment to the new digital segment. Operating results from the operation of web sites that are associated with publishing operations and broadcast stations continue to be reported in the publishing and broadcast segments.

Operating Revenue and Expense Discussion

The narrative which follows provides background on key revenue and expense areas and principal factors affecting amounts and comparisons.

Operating Revenues

Operating revenues declined 9.0% to $1.6 billion for the third quarter of 2008 and 9.2% to $5.0 billion for the first nine months of the year. The decline was principally due to softer publishing advertising demand resulting from weak economic conditions in the U.S. and the UK. Publishing revenue declines were offset partially by Olympic and political ad spending in broadcasting and revenues from the consolidation of CareerBuilder and ShopLocal. On a pro forma basis, assuming Gannett consolidated CareerBuilder and ShopLocal in the third quarters of 2008 and 2007, operating revenues would have been 10.2% lower. A more detailed discussion of revenues by business segment is included in following sections of this report.

Operating Expenses

Operating expenses declined 2.2% for the third quarter, while for the year-to-date period they increased substantially, as a result of the second quarter non-cash impairment charges (refer to Note 3 to the Condensed Consolidated Financial Statements in this report for information regarding these charges). The reduction in operating expenses for the quarter reflects continued cost control and efficiency efforts, including lower newsprint expense from significantly reduced consumption, as well as lower pension and other employee benefit costs. Savings in these areas were partially offset by pre-tax severance expense of $23.0 million, and by incremental operating costs resulting from the consolidation of CareerBuilder and ShopLocal. On a pro forma basis and excluding severance costs, operating expenses declined 5.3% for the quarter.

Excluding severance costs, payroll expenses were down 2% for the quarter and 3% for the first nine months, reflecting headcount reductions across the Company.

Newsprint expenses were down 3% for the third quarter of 2008 and 12% for the first nine months. Newsprint usage prices for the third quarter rose 16% but consumption was down 17%. For the nine month period, prices were 4% higher and consumption was 16% lower.

During the second quarter of 2008, the Company made changes to its domestic benefit plans, improving its 401(k) plan employer matching contribution while freezing benefits under certain Company sponsored defined benefit pension plans. As a result, the Company recognized a pre-tax curtailment gain for its domestic pension plans of approximately $46.5 million ($28.9 million after-tax or $0.13 per share).

The Company's continued aggressive cost control efforts at nearly all business properties throughout 2008 mitigated to a significant degree the effects of lower revenue results. The Company has plans to implement further cost control measures in the fourth quarter, including additional headcount reductions.

The Company has increased strategic spending for online/digital operations, including costs for new personnel and technology.

Publishing Results

Publishing revenues declined 14% to $1.4 billion from $1.6 billion in the third quarter and 11% to $4.4 billion from $4.9 billion year-to-date.

Publishing operating revenues are derived principally from advertising and circulation sales, which accounted for 72% and 22% of total publishing revenues for the third quarter and 73% and 21% of total publishing revenues for the year-to-date period. Advertising revenues include amounts derived from advertising placed with print products as well as publishing internet web sites. “All other” publishing revenues are mainly from commercial printing operations. The table below presents the components of publishing revenues.

Publishing revenues, in thousands of dollars

Third Quarter	2008	2007	% Change
Advertising	$ 977,111	$ 1,187,744	(17.7)
Circulation	298,978	309,143	(3.3)
All other	86,627	95,085	(8.9)
Total	$ 1,362,716	$ 1,591,972	(14.4)

Year-to-date	2008	2007	% Change
Advertising	$ 3,182,194	$ 3,690,926	(13.8)
Circulation	914,150	939,184	(2.7)
All other	264,581	288,553	(8.3)
Total	$ 4,360,925	$ 4,918,663	(11.3)

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The table below presents the principal categories of advertising revenues for the publishing segment.

Advertising revenues, in thousands of dollars

Third Quarter	2008	2007	% Change
Retail	$ 457,789	$ 509,746	(10.2)
National	155,528	168,830	(7.9)
Classified	363,794	509,168	(28.6)
Total publishing advertising revenue	$ 977,111	$ 1,187,744	(17.7)
Year-to-date	**2008**	**2007**	**% Change**
Retail	$ 1,444,600	$ 1,581,974	(8.7)
National	499,959	540,196	(7.4)
Classified	1,237,635	1,568,756	(21.1)
Total publishing advertising revenue	$ 3,182,194	$ 3,690,926	(13.8)

Publishing advertising revenues decreased 18% to $977 million from $1.2 billion for the third quarter as the Company experienced significant declines in all three revenue categories. For U.S. publishing, advertising decreased 15%, while in the UK, advertising revenues fell 28%. In British pounds, advertising revenues in the UK declined 24% for the third quarter and 14% for the first nine months. The average exchange rate used to translate UK publishing results from the British pound to U.S. dollars decreased 6% to 1.90 from 2.02 for the third quarter and decreased slightly less than 2% to 1.95 from 1.99 for the year-to-date period. On a constant currency basis total publishing advertising revenue would have been 17% lower for the third quarter and 13% lower for the year-to-date period.

For the third quarter and year-to-date periods, retail advertising revenues declined 10% and 9%, respectively. Retail advertising in the U.S. was down 10% for the quarter and 9% year-to-date. In the UK retail revenues were down 14% for the quarter and 8% year-to-date. Revenues were lower in most principal retail categories, with the most significant declines in the furniture, department store, and telecommunications categories. Certain of these category losses are tied to the troubled real estate sector in the U.S. and the UK.

National advertising revenues declined 8% for the third quarter and 7% year-to-date. National ad revenue results reflect soft advertising demand at USA TODAY, down 7% for the third quarter and 8% year-to-date. Paid ad pages at USA TODAY were 713 for the third quarter compared to 803 for the same period last year and were 2,370 year-to-date compared to 2,741 last year. Growth in the advocacy, financial, and home and building categories was more than offset by losses in the entertainment, travel, automotive and technology categories.

Classified advertising revenues declined 29% for the quarter and 21% year-to-date. Domestically, classified revenues were 27% lower for the third quarter and 23% lower year-to-date. For the quarter, employment was down 36%, real estate was 33% lower and automotive was 19% below last year. On a year-to-date basis employment was down 30%, real estate was down 31% and automotive was 14% lower. Increasingly, classified results in all principal categories were adversely affected by the troubled real estate sector and a deterioration in general economic conditions. The Company’s properties in the states of Arizona, California, Nevada and Florida have been most adversely affected by these economic developments.

UK classified revenues were 33% lower for the quarter and 19% lower for the year-to-date. On a constant currency basis, UK classified revenues were down 29% for the quarter and 17% year-to-date. General economic conditions in the UK have also significantly worsened since the beginning of the year. Home mortgage lending is down substantially and the unemployment rate has risen. Real estate revenues were 54% lower for the quarter and were down 32% for the year-to-date. Employment revenue declined 30% for the quarter and 14% year-to-date, and automotive was off 30% for the quarter and 23% year-to-date.

The Company's publishing operations, including its U.S. Community Publishing Group, the USA TODAY Group and the Newsquest Group, generate a portion of advertising revenues from the operation of web sites that are associated with their traditional print businesses. These revenues are reflected within the retail, national and classified categories presented and discussed above, and they are separate and distinct from revenue generated by businesses included in the Company's new digital segment. These online/digital advertising revenues declined 4% and rose 1% for the quarter and year-to-date periods, respectively.

Circulation revenues declined 3% for the third quarter and the first nine months of 2008. Net paid daily circulation for publishing operations, excluding USA TODAY, declined 6% for the third quarter and the year-to-date periods, while Sunday net paid circulation was down 5% for the third quarter and year-to-date periods. In the September Publishers Statement submitted to ABC, circulation for USA TODAY for the previous six months increased .01% from 2,293,137 in 2007 to 2,293,310 in 2008.

The decrease in "All other" revenues for the third quarter and year-to-date periods is primarily due to lower commercial printing activity.

Publishing operating expenses were down 7% for the third quarter. However, these expenses included approximately $20.4 million of severance costs related to reductions in force and efficiency efforts. These severance costs were more than offset by savings related to employee benefit programs, reduced newsprint consumption and the effect of other aggressive costs controls. Excluding the 2008 severance expenses, publishing expenses were 8% lower for the quarter.

Newsprint expense was 3% lower for the quarter, reflecting a 17% decline in usage, including savings from web width reductions and greater use of light weight newsprint, partially offset by a 16% increase in price. Year-to-date, newsprint expense declined 12% on a 16% decline in usage and a 4% increase in price. For the remainder of 2008, newsprint prices are expected to be above prior year levels, while consumption will continue to be significantly below last year.

Publishing expense comparisons for the year to date periods are affected by the second quarter non-cash impairment charges (refer to Note 3 to the Condensed Consolidated Financial Statements in this report for more information regarding these charges) totaling approximately $2.5 billion. Cost comparisons for the year-to-date are also affected by an allocation to the publishing segment of a portion of the pension plan curtailment gain recognized in the second quarter of 2008. The curtailment gain, however, was more than offset by year to date severance expenses of $59.3 million related to reductions in force and efficiency efforts for domestic and UK publishing.

Excluding the impact of the non-cash charges, newsprint costs, the pension curtailment gain and severance costs, publishing expenses declined 6% for the year-to-date period. This reflects aggressive cost controls at most properties, partially offset by increased spending for the Company's online/digital operations at its publishing sites, including costs for personnel additions and technology to support new revenue initiatives.

Publishing segment operating income declined $145.9 million or 44% for the quarter, reflecting the challenging advertising environment, partially mitigated by cost savings throughout the group. Excluding the 2008 severance expenses, segment operating income would have declined $125.5 million or 38%. The weakening of the British pound also contributed to the decline in operating income by approximately $5 million. The publishing segment reported a loss of $1.7 billion for the year-to-date period of 2008, reflecting the non-cash impairment charges discussed in Note 3 to the Condensed Consolidated Financial Statements in this report. Absent non-cash impairment charges and the 2008 severance expenses, publishing operating income would have declined $242.4 million or 23% for the year-to-date period.

Broadcasting Results

Broadcasting includes results from the Company's 23 television stations and Captivate. Reported broadcasting revenues were $197.0 million in the third quarter, a 4% increase compared to $189.5 million in 2007. The increase reflects nearly $24 million in ad spending related to the Olympics on the Company's NBC affiliates and approximately $26 million in politically related advertising. However, the weakening economy had a negative impact on certain core advertising categories, including auto, which partially offset the incremental Olympic and political revenues. Year-to-date revenues were $559.7 million compared to $577.3 million in 2007, a decline of $17.6 million or 3%. The year-to-date decline reflects reduced core category ad demand amid the soft economic environment and the absence in 2008 of Super Bowl ad spending on the Company's CBS affiliates. These factors were partially offset by the incremental Olympic and political ad revenues.

Broadcasting revenues include ad revenues generated from the operation of web sites that are associated with its television stations. These revenues are separate and distinct from revenue generated by businesses included in the Company's new digital segment. The broadcasting online/digital revenues rose 15% for the quarter and year-to-date period.

Broadcasting operating expenses for the third quarter totaled $113.0 million, down 4% from $118.1 million a year ago, reflecting continued cost controls, offset in part by severance expense. On a year-to-date basis, operating costs were down 4%.

Reported operating income from broadcasting rose $12.5 million or 17% in the third quarter but was $2.1 million or 1% lower for the year-to-date period.

Based on current pacings, television revenues for the fourth quarter of 2008 will be slightly higher than last year's fourth quarter in the low single digits due to political spending this year.

Digital Results

On September 3, 2008, the Company increased its ownership in CareerBuilder to 50.8% from 40.8%, obtaining a controlling interest, and therefore, the results of CareerBuilder beginning in September are now fully consolidated. On June 30, 2008, the Company increased its ownership in ShopLocal to 100% from 42.5%, and from that date the results of ShopLocal are now fully consolidated. Prior to these acquisitions, the Company's equity share of CareerBuilder and ShopLocal results were reported as equity earnings. Subsequent to the CareerBuilder acquisition, the Company reflects a minority interest charge on its Statements of Income (Expense) related to the other partners' ownership interest.

Beginning with the third quarter, a new digital business segment is being reported, which includes CareerBuilder and ShopLocal from the dates of their full consolidation, as well as PointRoll, Planet Discover and Schedule Star. Prior period results for PointRoll, Planet Discover and Schedule Star have been reclassified from the publishing segment to the new digital segment.

The principal reason for the significant increase in the quarter and, to a lesser extent, year-to-date digital revenues and expenses is the consolidation of CareerBuilder and ShopLocal. Digital revenues increased from $17.2 million to $77.6 million for the third quarter and increased from $46.6 million to $111.5 million year-to-date. Digital expenses increased similarly, from $11.1 million to $71.5 million for the third quarter, and from $34.6 million to $101.7 million for the year-to-date period.

Operating income for the digital segment reflects positive results in the quarter and year-to-date periods for CareerBuilder, PointRoll and ShopLocal, which are partially offset by continued investment in Schedule Star and expenses associated with the development of our digital infrastructure.

Corporate Expense

Corporate expenses in the third quarter were $14.3 million compared to $17.8 million a year ago. Year-to-date corporate expenses were $40.0 million compared to $59.5 million a year ago. The decline reflects tight cost controls, including lower compensation and benefit costs for the quarter and year-to-date periods. The year-to-date period decline also reflects an allocation of part of the pension curtailment gain recorded in the second quarter.

Consolidated Operating Expenses

For the third quarter, operating expenses declined by $31.4 million or 2%. Costs for the quarter include $23 million of severance expense, and the inclusion of operating costs from the initial consolidation of CareerBuilder and ShopLocal. However, these incremental costs were more than offset by newsprint savings (higher prices more than offset by lower consumption), lower payroll and benefit expenses due to headcount reductions and benefit plan changes, a lower currency exchange rate for Newsquest expenses and aggressive cost controls throughout publishing, broadcast and corporate operations. On a pro forma basis and excluding severance expenses, consolidated operating expenses for the quarter declined 5%.

On a year-to-date basis, total consolidated operating expenses increased substantially due to the inclusion of the non-cash charges related to goodwill, other intangible assets and property, plant and equipment discussed in Note 3 to the Condensed Consolidated Financial Statements in this report. Year-to-date costs include $63 million in severance, and costs from the initial consolidation of CareerBuilder and ShopLocal. However, these incremental costs were more than offset by the pension plan curtailment gain ($46.5 million) recorded in the second quarter, newsprint expense savings, lower compensation and benefit costs and generally strong cost controls. On a pro forma basis and excluding the non-cash impairment charges, the severance expenses and the pension plan curtailment gain, consolidated operating expenses declined 4% for the year-to-date period.

Non-Operating Income and Expense

Equity Earnings

At the end of 2007, the Company's equity share of operating results from its newspaper partnerships, including Tucson, which participates in a joint operating agency, the California Newspapers Partnership and Texas-New Mexico Newspapers Partnership, were reclassified from "All other" revenue and reflected as "Equity income (losses) in unconsolidated investees, net" in the non-operating section of the Consolidated Statements of Income. These amounts include the Company's equity share of results from CareerBuilder and ShopLocal for periods prior to when the Company began consolidating their results of operations.

The Company's net equity loss in unconsolidated investees for the year-to-date period of 2008 includes $261 million of second quarter impairment charges related to equity investments in newspaper partnerships and certain other businesses (discussed in Note 3 to the Condensed Consolidated Financial Statements in this report). The company's net equity income in unconsolidated investees declined $9.6 million for the third quarter reflecting lower operating results from newspaper partnership investments, continuing investment in digital assets including Metromix, and the absence of the Company's share of CareerBuilder's September 2008 results (now consolidated).

Interest Expense

The Company's interest expense decreased $16.2 million or 25.7% for the quarter and $63.0 million or 31.2% year-to-date, reflecting lower interest rates and lower average borrowings.

The daily average outstanding balance of commercial paper was $1.81 billion during the third quarter of 2008 and $1.14 billion during the third quarter of 2007. The daily average outstanding balance of commercial paper was $1.13 billion during the first nine months of 2008 and $1.87 billion during the first nine months of 2007. The weighted average interest rate on commercial paper was 3.4% and 5.7% for the third quarter of 2008 and 2007, respectively. For the year-to-date periods of 2008 and 2007, the weighted average interest rate on commercial paper was 3.4% and 5.4%, respectively.

Total average outstanding debt for the third quarter was $4.11 billion in 2008 and $4.45 billion in 2007. For the year-to-date periods of 2008 and 2007, total average outstanding debt was $4.04 billion and $4.77 billion, respectively. The weighted average interest rate for total outstanding debt was 4.4% for the quarter compared to 5.5% last year and 4.4% year-to-date compared to 5.4% last year.

At the end of the third quarter of 2008, the Company had approximately $2.2 billion in floating rate obligations outstanding. A 1/2% increase or decrease in the average interest rate for these obligations would result in an increase or decrease in annual interest expense of $10.8 million.

Other Non-Operating Items

The decrease in "Other non-operating items" for the third quarter reflects the inclusion of minority interest expense related to CareerBuilder, beginning in September of 2008, a reduced level of investment income and foreign currency charges associated with UK pound-denominated transactions. For the year-to-date periods, "Other non-operating items" is above last year due principally to the first quarter 2008 gain of $25.5 million on the sale of excess land adjacent to the Company's headquarters in McLean, VA.

Provision (Benefit) for Income Taxes

The Company's effective income tax rate for continuing operations was 26.4% for the third quarter compared to 32.3% for the comparable period of 2007. The lower tax rate for the third quarter 2008 reflects incremental benefits from the release of prior years U.S. state tax reserves upon the favorable settlement of contested issues. In addition, the tax rate reflects a benefit from a lower statutory rate on UK earnings beginning in 2008.

The Company reported a pre-tax loss of $1,918.7 million for the first nine months of 2008. These pre-tax losses include impairment charges taken in the second quarter, the majority of which are not deductible for income tax purposes. Therefore, the effective tax benefit rate on these pre-tax losses, including the impairment charges, are at the very low levels of (1.2)% for the year-to-date period. Excluding the pre-tax and tax effects of all impairment charges recorded in the second quarter, the Company's effective tax rate on such earnings would have been 30.1% for the year-to-date period. This rate reflects the third quarter factors discussed above plus the benefits from favorable renegotiation of prior year tax positions with UK tax authorities. The Company expects further release of U.S. state tax reserves in the fourth quarter of 2008.

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 the period presented.

Taxes provided on the earnings from discontinued operations totaled $4.1 million for 2007. This includes U.S. federal and state income taxes and represents an effective rate of approximately 39%. The excess of this effective rate over the U.S. statutory rate of 35% is due principally to state income taxes. 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 $0.03 for 2007. Earnings per diluted share for the gain on the disposition of these properties were $0.32.

Net Income/Loss

The Company's net income was $158.1 million or $0.69 per diluted share for the third quarter compared to net income of $234.0 million or $1.01 per diluted share for 2007. For the year-to-date period of 2008, the Company's net loss was $1,940.9 million or $8.49 per diluted share compared with net income of $810.3 million or $3.46 per diluted share for the comparable period of 2007. The 2008 year-to-date results include $2.8 billion of non-cash charges ($2.5 billion after-tax) as discussed in Note 3 to the Condensed Consolidated Financial Statements in this report.

The weighted average number of diluted shares outstanding for the third quarter of 2008 totaled 228,331,000 compared to 232,698,000 for the third quarter of 2007. For the first nine months of 2008 and 2007, the weighted average number of diluted shares outstanding totaled 228,488,000 and 234,067,000, respectively. In the first nine months of 2008, 2.1 million shares were repurchased. Shares repurchased in the first nine months of 2007 totaled 2.8 million. See Part II, Item 2 for information on share repurchases.

Certain Matters Affecting Future Operating Results

The Company's results to be reported for its fourth quarter and for 2009 are likely to be adversely affected by the current disruption in world financial markets and by the recessionary and worsening conditions in the U.S. and UK economies.

Advertising revenues may be adversely affected in all key categories and revenue comparisons may be more challenged than that experienced thus far in 2008. Operating results in the UK are also likely to be adversely affected by the decline in the exchange rate of the British pound from that used to translate results through the first nine months of 2008 (1.95). On November 3, 2008, the exchange rate had declined to 1.61.

For 2009, the Company's expenses for its qualified retirement plans may increase substantially as the market value of plan assets has declined as a direct consequence of the recent financial market disruption. The impact of changes in plan asset values will not be precisely known, however, until the end of 2008.

The Company has further plans to significantly reduce Company wide expense levels in the face of these economic factors and the competitive pressures facing its businesses.

Acquisitions, Investments and Asset Dispositions

On December 31, 2007, the Company acquired X.com, Inc. (BNQT.com). X.com, Inc. operates an action sports digital network covering eight different action sports including surfing, snowboarding and skateboarding. X.com will be affiliated with the USA TODAY Sports brand.

In February 2008, the Company formed quadrantONE, a new digital ad sales network, with three other top media companies: Tribune Company, Hearst Corporation and The New York Times Company.

In March 2008, the Company purchased a minority stake in Fantasy Sports Ventures (FSV). FSV owns a set of fantasy sports content sites and manages advertising across a network of affiliated sites.

In May 2008, the Company purchased a minority stake in Cozi Group Inc. (COZI). COZI owns and maintains family organization software aimed at busy families.

In July 2008, the Company purchased a minority stake in Mogulus, LLC, a company that provides internet broadcasting services. Also in July 2008, the Company increased its investment in 4INFO, maintaining its approximate ownership interest.

In August 2008, the Company purchased 100% of the outstanding shares of Pearls Review, Inc., an online nursing certification and continuing education review site.

The above business acquisitions and investments did not materially affect the Company's financial position or results of operations.

On June 30, 2008, the Company acquired from Tribune Company and The McClatchy Company their minority ownership interests in ShopLocal LLC, a leading marketing and database services company for major retailers in the U.S. The Company now owns 100% of ShopLocal and began consolidating its results at the beginning of the third quarter of 2008. The acquisition enables ShopLocal to collaborate with another Gannett company, PointRoll, to create ads that dynamically connect retail advertisers and consumers, online and in the store. Consequently, ShopLocal's operations turned profitable in third quarter.

On September 3, 2008, the Company acquired an additional 10% stake in CareerBuilder from Tribune Company increasing its investment to 50.8% so that it is now the majority and controlling owner. Beginning in September 2008, the operations of CareerBuilder have been consolidated and are reported in the digital segment. The related minority interest charge for CareerBuilder is reflected in "Other non-operating items" in the Statement of Income.

The financial statements reflect an allocation of purchase price that is preliminary for business acquisitions completed subsequent to September 30, 2007.

In April 2007, the Company disposed of a parcel of real estate located adjacent to its corporate headquarters in McLean, Virginia. In accordance with the installment method of accounting under SFAS No. 66, "Accounting for Sales of Real Estate", $6 million of the gain was recognized in other non-operating income during the second quarter of 2007. The remaining gain of $25.5 million was deferred and recognized in the first quarter of 2008.

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

The Company's cash flow from operating activities was $775.7 million for the first nine months of 2008, compared to $861.6 million for the first nine months of 2007. The decrease reflects lower publishing and broadcast earnings and related cash flow from those operations.

Cash flows used in the Company's investing activities totaled $189.4 million for the nine months of 2008, reflecting $104.0 million of capital spending, $137.2 million of payments for acquisitions (discussed in Note 5 to the financial statements), and $41.3 million for investments. These cash inflows were partially offset by $69.5 million of proceeds from the sale of assets and $23.5 million of proceeds from investments.

Cash flows used in financing activities totaled $539.8 million for the first nine months of 2008 reflecting net debt payments of $190.0 million, the payment of dividends totaling $275.5 million and the repurchase of common stock of $72.8 million. The Company's regular quarterly dividend of $0.40 per share, which was declared in the third quarter of 2008, totaled $91.2 million and was paid in October 2008. On October 30, 2008, the Board of Directors declared a dividend of $0.40 per share payable in January 2009 to shareholders of record as of the close of business on December 12, 2008.

On July 25, 2006, the Board of Directors authorized the repurchase of an additional $1 billion of the Company's common stock. The shares may be repurchased at management's discretion, either in the open market or in privately negotiated block transactions. While there is no expiration date for the repurchase program, the Board of Directors reviews the authorization of the program annually. 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 September 28, 2008, the Company had remaining authority to repurchase up to $808.9 million 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.

On June 16, 2008 the Company repaid at scheduled maturity $500 million in aggregate principal amount of 4.125% notes, using borrowings in the commercial paper market.

On April 2, 2007, the Company repaid at scheduled maturity $700 million in aggregate principal amount of 5.50% notes. The repayment was funded with proceeds of commercial paper borrowings, including $525 million

which had been raised prior to the end of the first quarter of 2007 and which were temporarily invested in marketable securities until the repayment date of the notes.

In June 2007, the Company issued $1.0 billion aggregate principal amount of unsecured senior convertible notes in an underwritten public offering. Proceeds from the notes were used to repay commercial paper obligations. The convertible notes bore interest at a floating rate equal to one month LIBOR, reset monthly, minus twenty-three basis points. As anticipated, on July 15, 2008, the holders of all of the convertible notes required the Company to repurchase their notes for cash at a price equal to 100% of the principal amount of the notes submitted for repurchase, plus accrued and unpaid interest.

In July 2008, the Company received proceeds of $280 million from borrowings under a new term loan agreement with certain lenders. The term loan is payable in full on July 14, 2011. The loan carries interest at a floating rate and may be prepaid at any time without penalty.

The proceeds from the term loan, along with proceeds received from commercial paper issuances, approximately $500 million of which had been received from borrowings prior to the end of the second quarter and which were held in interest bearing deposits, were used to repurchase the $1.0 billion convertible notes discussed above.

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. During September 2008, liquidity in the commercial paper market was highly constrained and the Company elected to borrow under its revolving credit agreements to repay commercial paper outstanding as it matured. As of September 28, 2008 the Company had $696 million of borrowings under its revolving credit facilities which were used to reduce commercial paper outstanding to $1.2 billion. On September 30, subsequent to the end of the reporting period, the Company borrowed an additional $1.2 billion under the revolving credit facilities, bringing the total borrowed to $1.9 billion. The additional funds were invested and are being used to repay all outstanding paper as it matures through December 12, 2008, thereby replacing commercial paper borrowings with borrowings under the revolving credit facilities. The Company anticipates reducing the level of these borrowings over time with cash flow from operations and will look to strategically refinance the amounts borrowed under the revolving credit facilities with the issuance of long-term debt.

On October 31, 2008, the Company amended each of its three revolving credit agreements and its term loan agreement. Under each of the amendments, the existing financial covenant requiring that the Company maintain shareholders' equity in excess of $3.5 billion was replaced with a new covenant that requires that the Company maintain a senior leverage ratio of less than 3.5x. The senior leverage ratio is the ratio of the Company's senior unsecured debt outstanding to its EBITDA measured on a trailing four quarters basis. At this time, all of the Company's debt is senior and unsecured. The new covenant also requires the Company to maintain a total leverage ratio of less than 4.0x. Total leverage ratio would also include any subordinated debt the Company may issue in the future.

In addition, the aggregate size of the revolving credit facilities was reduced to $3.1 billion from $3.9 billion. There is a further provision that the aggregate size of the three revolving credit agreements will be reduced on a dollar-for-dollar basis for the first $397 million that the Company raises in the capital markets prior to December 31, 2009. Irrespective of any such interim reductions, the aggregate size of the three revolving credit agreements will be reduced to $2.75 billion on December 31, 2009. The amendments also provide for certain changes to the pricing of the facilities. For the revolving credit facilities, the commitment fees may range from 0.125% to 0.25% depending on credit ratings for the Company's senior unsecured debt from Moody's and Standard & Poor's (S&P). The rate currently in effect is 0.125%.

Under each of the agreements, the Company may borrow at an applicable margin above the Eurodollar base rate or the higher of the Prime Rate or the Federal Funds Effective Rate plus 0.50%. Under the amended revolving credit agreements, the applicable margin for such borrowings ranges from 1.00% to 2.25% depending on credit ratings. Under the term loan agreement, the applicable margin varies from 1.25% to 2.25%. At its current ratings the Company will pay an applicable margin of 1.00% under the revolving credit agreements and 1.25% under the term loan agreement.

Also, in connection with the amendments, the Company agreed to provide future guarantees from its domestic wholly-owned subsidiaries in the event that the Company's credit ratings from either Moody's or S&P fall below investment grade. If the guarantees are triggered, then existing notes and other unsecured debt of the Company will become structurally subordinated to the revolving credit agreements and the term loan. The amended facilities provide the Company with ample liquidity to operate its business and pursue its strategic objectives.

The Company's short-term debt is currently rated A-2 and P-2 by Standard & Poor's (S&P) and Moody's Investors Service (Moody's), respectively. The Company's senior unsecured long-term debt is rated BBB+ by S&P and A3 by Moody's. On July 17, 2008, Moody's announced that it was placing the Company's long-term rating of A3 under review for a possible downgrade, while re-affirming the P-2 short-term rating applicable to its commercial paper. On October 1, 2008 S&P placed the Company's long-term rating of BBB+ and short-term rating A-2 on credit watch with negative implications, effectively precluding the Company from issuing commercial paper pending the outcome of its review of the short-term rating. However, at that time the Company had ceased borrowing through commercial paper issuance.

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 may be used for general corporate purposes, including capital expenditures, working capital, securities repurchase programs, repayment of debt and the financing of acquisitions.

Looking ahead, the Company expects to fund capital expenditures, interest, dividends and other operating requirements through cash flows from operations. The Company expects to fund debt maturities, acquisitions and investments through a combination of cash flows from operations, funds raised in the capital or credit markets, or through borrowing capacity under its credit facilities. The Company's financial and operating performance and its ability to generate sufficient cash flow for these purposes and to maintain compliance with credit facility covenants are subject to certain risk factors as noted in the following section of this report.

The Company's foreign currency translation adjustment, included in accumulated other comprehensive income and reported as part of shareholders' equity, totaled $634 million at the end of the third quarter 2008 versus $777 million at the end of 2007. This change reflects a 7.6% decrease in the exchange rate for the British pound. Newsquest's assets and liabilities at September 28, 2008 and December 30, 2007 were translated from the British pound to U.S. dollars at an exchange rate of approximately 1.84 at September 28, 2008 and 2.00 at the end of 2007, respectively. For the third quarter and first nine months of 2008, Newsquest's financial results were translated at an average rate of 1.90 and 1.95, compared to 2.02 and 1.99 last year.

The Company is exposed to foreign exchange rate risk primarily due to its operations in the United Kingdom, for which British pound is the functional currency. If the price of British pound against the U.S. dollar had been 10% more or less than the actual price, operating income, excluding the non-cash impairment charges recorded in the second quarter, for the third quarter and year-to-date periods of 2008 would have increased or decreased approximately 2%.

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 results include, without limitation, the following factors: (a) increased consolidation among major retailers or other events which may adversely affect business operations of major customers and depress the level of local and national advertising; (b) a further economic downturn in some or all of the Company's principal publishing or broadcasting markets leading to decreased circulation or local, national or classified advertising; (c) a decline in general publishing 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 British pound to U.S. dollar exchange rate; (k) volatility in financial and credit markets which could affect the value of retirement plan assets and the Company's ability to raise funds through debt or equity issuances; (1) changes in the regulatory environment; (m) an other than temporary decline in operating results and enterprise value that could lead to further non-cash goodwill, other intangible asset or property, plant and equipment impairment charges; and (n) general economic, political and business conditions.

CONDENSED CONSOLIDATED BALANCE SHEETS
Gannett Co., Inc. and Subsidiaries
In thousands of dollars (except per share amounts)

	Sept. 28, 2008 (Unaudited)	Dec. 30, 2007
ASSETS		
Current assets		
Cash and cash equivalents	$ 122,777	$ 77,249
Trade receivables, less allowance for doubtful receivables (2008 — $37,672; 2007 — $36,772)	880,364	956,523
Other Receivables	52,583	92,660
Inventories	137,641	97,086
Deferred income taxes	29,970	28,470
Prepaid expenses and other current assets	122,650	91,267
Total current assets	1,345,985	1,343,255
Property, plant and equipment		
Cost	4,840,443	4,921,877
Less accumulated depreciation	(2,479,697)	(2,306,207)
Net property, plant and equipment	2,360,746	2,615,670
Intangible and other assets		
Goodwill	8,477,895	10,034,943
Indefinite-lived and amortizable intangible assets, less accumulated amortization	553,840	735,461
Investments and other assets	680,280	1,158,398
Total intangible and other assets	9,712,015	11,928,802
Total assets	$ 13,418,746	$ 15,887,727

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

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CONDENSED CONSOLIDATED BALANCE SHEETS
Gannett Co., Inc. and Subsidiaries
In thousands of dollars (except per share amounts)

	Sept. 28, 2008 (Unaudited)	Dec. 30, 2007
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and current portion of film contracts payable	$ 305,206	$ 257,393
Compensation, interest and other accruals	464,343	407,245
Dividends payable	91,519	93,050
Income taxes	44,557	24,301
Deferred income	301,725	180,174
Total current liabilities	1,207,350	962,163
Deferred income taxes	508,723	696,112
Income taxes	262,235	319,778
Long-term debt	3,908,319	4,098,338
Postretirement medical and life insurance liabilities	205,114	216,988
Other long-term liabilities	484,963	556,910
Total liabilities	6,576,704	6,850,289
Minority interests in consolidated subsidiaries	236,037	20,279
Shareholders' equity		
Preferred stock of $1 par value per share		
Authorized: 2,000,000 shares; Issued: none	—	—
Common stock of $1 par value per share		
Authorized: 800,000,000 shares;		
Issued: 324,418,632 shares	324,419	324,419
Additional paid-in capital	736,606	721,205
Retained earnings	10,804,544	13,019,143
Accumulated other comprehensive income	289,737	430,891
	12,155,306	14,495,658
Less treasury stock, 96,302,240 shares and 94,216,075 shares, respectively, at cost	(5,549,301)	(5,478,499)
Total shareholders' equity	6,606,005	9,017,159
Total liabilities, minority interests and shareholders' equity	$ 13,418,746	$ 15,887,727

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

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

	Thirteen Weeks Ended		% Inc
	September 28, 2008	September 30, 2007	(Dec)
Net Operating Revenues:			
Publishing advertising	$ 977,111	$ 1,187,744	(17.7)
Publishing circulation	298,978	309,143	(3.3)
Digital	77,594	17,181	***
Broadcasting	197,000	189,540	3.9
All other	86,627	95,085	(8.9)
Total	1,637,310	1,798,693	(9.0)
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	985,004	1,026,041	(4.0)
Selling, general and administrative expenses, exclusive of depreciation	328,320	313,654	4.7
Depreciation	57,682	61,017	(5.5)
Amortization of intangible assets	7,123	8,852	(19.5)
Total	1,378,129	1,409,564	(2.2)
Operating income	259,181	389,129	(33.4)
Non-operating (expense) income:			
Equity income in unconsolidated investees, net	5,711	15,332	(62.8)
Interest expense	(46,802)	(63,010)	(25.7)
Other non-operating items	(3,333)	4,173	***
Total	(44,424)	(43,505)	2.1
Income before income taxes	214,757	345,624	(37.9)
Provision for income taxes	56,700	111,600	(49.2)
Net Income	$ 158,057	$ 234,024	(32.5)
Earnings per share — basic	$ 0.69	$ 1.01	(31.7)
Earnings per share — diluted	$ 0.69	$ 1.01	(31.7)
Dividends per share	$ 0.40	$ 0.40	***

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

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

	Thirty-nine weeks ended		% Inc
	September 28, 2008	September 30, 2007	(Dec)
Net Operating Revenues:			
Publishing advertising	$ 3,182,194	$ 3,690,926	(13.8)
Publishing circulation	914,150	939,184	(2.7)
Digital	111,495	46,614	***
Broadcasting	559,748	577,265	(3.0)
All other	264,581	288,553	(8.3)
Total	5,032,168	5,542,542	(9.2)
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	2,960,042	3,136,453	(5.6)
Selling, general and administrative expenses, exclusive of depreciation	922,755	954,811	(3.4)
Depreciation	182,902	185,879	(1.6)
Amortization of intangible assets	21,838	26,562	(17.8)
Goodwill and other asset impairment charges (see Note 3)	2,491,365	—	***
Total	6,578,902	4,303,705	52.9
Operating income (loss)	(1,546,734)	1,238,837	***
Non-operating (expense) income:			
Equity income (losses) in unconsolidated investees, net (see Note 3)	(258,837)	31,322	***
Interest expense	(139,308)	(202,355)	(31.2)
Other non-operating items	26,158	14,459	80.9
Total	(371,987)	(156,574)	***
Income (loss) before income taxes	(1,918,721)	1,082,263	***
Provision (benefit) for income taxes	22,200	352,000	(93.7)
Income (loss) from continuing operations	(1,940,921)	730,263	***
Income from the operation of discontinued operations, net of tax	—	6,221	***
Gain on disposal of newspaper business net of tax	—	73,814	***
Net Income (Loss)	$ (1,940,921)	$ 810,298	***
Earnings (Loss) from continuing operations per share — basic	$ (8.49)	$ 3.12	***
Discontinued operations per share — basic	—	0.03	***
Gain on disposal of newspaper businesses per share — basic	—	0.32	***
Net Income (Loss) per share — basic	$ (8.49)	$ 3.47	***
Earnings (Loss) from continuing operations per share — diluted	$ (8.49)	$ 3.12	***
Discontinued operations per share — diluted	—	0.03	***
Gain on disposal of newspaper businesses per share — diluted	—	0.32	***
Net Income (Loss) per share — diluted	$ (8.49)	$ 3.46	***
Dividends per share	$ 1.20	$ 1.02	17.6

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

	Thirty-nine weeks ended	
	September 28, 2008	September 30, 2007
Cash flows from operating activities:		
Net income (loss)	$ (1,940,921)	$ 810,298
Adjustments to reconcile net income (loss) to operating cash flows:		
Gain on sale of discontinued operations, net of tax	—	(73,814)
Taxes paid on gain on sale of discontinued operations	—	(134,932)
Depreciation and amortization	204,740	212,441
Goodwill and other asset impairment charges (see Note 3)	2,491,365	—
Provision for deferred income taxes	(198,300)	5,700
Pension (benefit) expense, net of pension contributions	(46,851)	45,054
Equity losses (income) in unconsolidated investees, net (see Note 3)	258,837	(31,322)
Stock-based compensation	17,139	27,507
Other net, including asset sale gains and changes in other assets and liabilities	(10,275)	699
Net cash flow from operating activities	775,734	861,631
Cash flows from investing activities:		
Purchase of property, plant and equipment	(103,979)	(93,711)
Payments for acquisitions, net of cash acquired	(137,157)	(21,113)
Payments for investments	(41,290)	(72,641)
Proceeds from investments	23,518	32,110
Proceeds from sale of assets	69,494	438,276
Net cash (used for) provided by investing activities	(189,414)	282,921
Cash flows from financing activities:		
Proceeds from issuance of long-term debt, net of debt issuance fees	976,000	1,000,000
Proceeds from (payments of) unsecured promissory notes	333,981	(1,093,629)
Payments of unsecured fixed rate notes and other indebtedness	(1,500,000)	(700,000)
Dividends paid	(275,466)	(218,300)
Cost of common shares repurchased	(72,764)	(148,273)
Proceeds from issuance of common stock	—	12,050
Distributions to minority interest in consolidated partnerships	(1,548)	(2,125)
Net cash used for financing activities	(539,797)	(1,150,277)
Effect of currency exchange rate change	(995)	2,136
Net increase (decrease) in cash and cash equivalents	45,528	(3,589)
Balance of cash and cash equivalents at beginning of period	77,249	94,256
Balance of cash and cash equivalents at end of period	$ 122,777	$ 90,667

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 28, 2008

NOTE 1 – Basis of presentation

The accompanying unaudited Condensed Consolidated Financial Statements of Gannett Co., Inc. (the Company) 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 and year-to-date periods ended September 28, 2008, and the comparable periods of 2007, 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 publishing businesses are presented in the Condensed Consolidated Statements of Income (Loss) as discontinued operations. At September 28, 2008, there were no results of operations or net assets related to these discontinued operations. Amounts applicable to the discontinued operations, which have been reclassified in the Statements of Income (Loss) for the thirty-nine week period ended September 30, 2007, are as follows:

(in millions of dollars)	Thirty-nine Weeks ended September 30, 2007
Revenues	$ 41.0
Pre tax income	$ 10.3
Net income	$ 6.2
Gain (after-tax)	$ 73.8

On September 3, 2008, the Company increased its ownership in CareerBuilder LLC (CareerBuilder) to 50.8% from 40.8%, and in connection therewith became the majority and controlling owner of CareerBuilder. Accordingly, the results of CareerBuilder beginning with September 2008 are now fully consolidated. On June 30, 2008, the Company increased its ownership in ShopLocal LLC (ShopLocal) to 100% from 42.5%, and from that date the results of ShopLocal are now fully consolidated. Prior to these acquisitions, the equity share of CareerBuilder and ShopLocal results were reported as equity earnings.

Beginning with the third quarter, a new "Digital" business segment is being reported, which includes CareerBuilder and ShopLocal results from the date of full consolidation, as well as PointRoll, Planet Discover and Schedule Star. Prior period results for PointRoll, Planet Discover and Schedule Star have been reclassified from the publishing segment to the digital segment.

At the end of 2007, the Company's equity share of operating results from its newspaper partnerships, including Tucson, which participates in a joint operating agency, the California Newspapers Partnership and Texas-New Mexico Newspapers Partnership, were reclassified from "All other" revenue and reflected as "Equity income (losses) in unconsolidated investees, net" in the non-operating section of the Consolidated Statements of Income (Loss). This line also includes equity income and losses from online/new technology businesses which were previously classified in "Other" non-operating items, including results from CareerBuilder and ShopLocal for the periods prior to their full consolidation in the Company's financial statements.

In the third quarter of 2008, the Company began reporting a new digital segment and a separate digital revenues line in its Statements of Income. This revenue line includes only revenue from the businesses that comprise the new digital segment. It therefore includes all revenues from CareerBuilder and ShopLocal beginning with the full consolidation of these businesses in the third quarter of 2008, and revenues from PointRoll, Schedule Star and Planet Discover. Revenues from PointRoll, Schedule Star and Planet Discover had previously been reported within the publishing segment and were included in the "All Other" revenue line in the Statement of Income. "All other" revenue is now comprised principally of commercial printing revenues. All periods presented reflect these reclassifications. The digital segment and the digital revenues line do not include online/digital revenues generated by web sites that are associated with the Company's publishing and broadcasting operating properties. Such amounts are reflected within these segments and are included as part of publishing advertising revenues and broadcasting revenues in the Statements of Income.

NOTE 2 – Recently issued accounting standards

In October 2008, the Financial Accounting Standards Board (FASB) issued FASB Staff Position (FSP) FAS 157-3, "Determining the Fair Value of a Financial Asset When the Market for That Asset Is Not Active" ("FSP FAS 157-3"). FSP FAS 157-3 clarifies the application of Statement of Financial Accounting Standards No. 157 in a market that is not active and provides an example to illustrate key considerations in determining the fair value of a financial asset when the market for that financial asset is not active. FSP FAS 157-3 is effective upon issuance, including prior periods for which financial statement have not been issued. The Company adopted FSP FAS 157-3 for the period ended September 28, 2008. The adoption did not have a significant impact on the Company's Consolidated Financial Statements.

In June 2008, the FASB issued FSP EITF No. 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities." This FSP provides that unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and shall be included in the computation of earnings per share pursuant to the two-class method. The FSP is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those years. The adoption of FSP No. EITF 03-6-1 will not have a material effect on the Company's Consolidated Financial Statements.

In May 2008, the FASB issued FSP No. APB 14-1, "Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)." This FSP clarifies that convertible debt instruments that may be settled in cash upon conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14, "Accounting for Convertible Debt and Debt Issued with Stock Purchase Warrants." Additionally, this FSP specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity's nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. This FSP is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. The adoption of FSP No. APB 14-1 will not have a material effect on the Company's Consolidated Financial Statements.

In March 2008, the FASB issued Statement of Financial Accounting Standards No. 161, "Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133" (SFAS No. 161). SFAS No. 161 amends and expands the disclosure requirements of SFAS No. 133 with the intent to provide users of financial statements with an enhanced understanding of: (i) How and why an entity uses derivative instruments; (ii) How derivative instruments and related hedged items are accounted for under SFAS No. 133 and its related interpretations and (iii) How derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows. This statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The Company is in the process of evaluating the impact of SFAS No. 161 on its Consolidated Financial Statements.

In December 2007 the FASB issued Statement of Financial Accounting Standards No. 141 (revised 2007), "Business Combinations" (SFAS No. 141(R)) and No. 160, "Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51" (SFAS No. 160). SFAS No. 141(R) and SFAS No. 160 are effective for the beginning of fiscal year 2009. SFAS No. 141(R) will change how business acquisitions are accounted for and will impact financial statements both on the acquisition date and in subsequent periods. SFAS No. 160 will change the accounting and reporting for minority interest, which will be recharacterized as noncontrolling interests and classified as a component of equity. The Company is in the process of studying the impact of these standards on the Company's financial accounting and reporting.

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" (SFAS No. 157) which is effective for fiscal years beginning after November 15, 2007. The Company adopted SFAS No. 157 at the beginning of 2008. SFAS No. 157 defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosures about fair value measurements. Refer to Note 12 for information regarding the Company's fair value measurements. In November 2007, the FASB agreed to a one-year deferral of the effective date for nonfinancial assets and liabilities that are recognized or disclosed at fair value on a nonrecurring basis. The Company is currently assessing the impact of adopting the deferred portion of the pronouncement.

NOTE 3 – Impairment and other non-cash charges

Softening business conditions and a decline in the Company's stock price required the Company to perform an interim impairment test on its goodwill, intangible assets, and other long lived assets as of March 31, 2008, the first day of its fiscal second quarter. As a result, the Company recorded non-cash impairment charges in the second quarter to reduce the book value of publishing goodwill, other publishing intangible assets including mastheads, and certain publishing property, plant and equipment assets. The carrying value of certain of the Company's investments in newspaper publishing partnerships and other businesses, which are accounted for under the equity method, were also written down. The Company also recorded accelerated depreciation expense associated with certain cost reduction initiatives.

A summary of these second quarter charges is presented below:

(in millions except per share amounts)	Pre Tax Amount	After Tax Amount	Per Diluted Share Amount (a)
Publishing segment asset impairments:			
Goodwill	$ 2,138	$ 2,138	$ 9.36
Other intangible assets–principally mastheads	176	113	0.50
Property, plant and equipment	177	110	0.48
Total asset impairments	2,491	2,361	10.33
Accelerated depreciation:			
Publishing	8	5	0.02
Broadcasting	2	1	—
Corporate	1	1	—
Consolidated total included in operating expenses	2,502	2,368	10.36
Newspaper publishing partnerships and other equity method investments	261	162	0.71
Total non-cash charges	$ 2,763	$ 2,530	$ 11.07

(a) Per diluted share amounts are for the year-to-date period ended September 28, 2008 and totals may not sum due to rounding.

The goodwill impairment charge results from the application of the impairment testing provisions of Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" (SFAS No. 142). Impairment testing is customarily performed annually, and last had been performed at the end of 2007, at which time no goodwill impairment charge was indicated. Because of softening business conditions within the Company's publishing segment and the decline in the Company's stock price and market capitalization, this testing was updated as of the beginning of the second quarter of 2008. For one of the reporting units in its publishing segment, an impairment was indicated. The fair value of the reporting unit was determined using discounted cash flow and multiple of earnings techniques. The Company then undertook the next step in the impairment testing process by determining the fair value of assets and liabilities within this reporting unit.

The implied value of goodwill determined by the valuation for this reporting unit was less than the carrying amount by $2.1 billion, and therefore an impairment charge in this amount was taken. There was no tax benefit recognized related to the impairment charge since the recorded goodwill was non-deductible as it arose from stock purchase transactions. Therefore, the after-tax effect of the impairment was $2.1 billion or $9.36 per diluted share for the year-to-date period ended September 28, 2008.

The impairment charge of $176 million for other publishing intangible assets was required because revenue results from the underlying businesses have softened from what was expected at the time they were purchased. In accordance with SFAS No. 142, the carrying values of impaired indefinite lived intangible assets, principally mastheads, were reduced to fair value. Fair value was determined using a relief-from-royalty method. In addition, the carrying values of certain definite lived intangible assets, principally customer relationships, were reduced to fair value in accordance with Statement of Financial Accounting Standard No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" (SFAS No. 144). Deferred tax benefits have been recognized for these intangible asset impairment charges and therefore the after-tax impact was $113 million or $0.50 per diluted share for the year-to-date period ended September 28, 2008.

The carrying value of property, plant and equipment amounts at certain publishing businesses was also evaluated due to softening business conditions. The recoverability of these assets was measured in accordance with SFAS No. 144. This measurement process indicated that expected undiscounted future cash flows to be generated by certain asset groups would be less than the asset carrying values. The carrying values of these asset groups were therefore reduced to fair value and an impairment charge of $177 million was taken. Asset group fair values were determined using a multiple of earnings technique. The Company also recognized accelerated depreciation of $11 million in connection with certain cost reduction initiatives. Deferred tax benefits were recognized for these charges and therefore the after-tax impact was $117 million or $0.50 per diluted share for the year-to-date period ended September 28, 2008.

For certain of the Company's newspaper publishing partnership investments, and for certain other investments in which the Company owns a minority equity interest, carrying values were written down to fair value because the businesses underlying the investments had experienced significant and sustained declines in operating performance, leading the Company to conclude that they were other than temporarily impaired. The adjustment of newspaper publishing partnership carrying values comprise the majority of these investment charges, and these were driven by many of the same factors affecting the Company's wholly owned publishing businesses. These investment carrying value adjustments were $261 million pre-tax and $162 million on an after-tax basis, or $0.71 per diluted share for the year-to-date period ended September 28, 2008. The pre-tax charges for these investments are reflected as "Equity income (losses) in unconsolidated investees, net" in the Statement of Income (Loss).

Consistent with the Company's past practice, and as required under SFAS No. 142, the Company will perform its annual impairment testing of goodwill and other intangible assets in the fourth quarter of 2008.

NOTE 4 – Equity based awards

Stock-based compensation

For the quarters ended September 28, 2008 and September 30, 2007, options were granted for 6,000 and 18,000 shares, respectively. For the year-to-date periods ended September 28, 2008 and September 30, 2007, options were granted for 813,883 and 825,376 shares, respectively. The following weighted average assumptions were used to estimate the fair value of those options.

	Year-to-date	
	2008	2007
Average expected term	4.5 years	4.5 years
Expected volatility	18.48%	17.80%
Risk-free interest rates	2.92%	4.52%
Expected dividend yield	4.23%	2.09%

For the third quarter 2008, the Company recorded stock-based compensation expense of $3.7 million, consisting of $2.9 million for nonqualified stock options and $0.8 million for restricted shares. For the year-to-date 2008, the Company recorded stock-based compensation expense of $17.1 million, consisting of $10.4 million for nonqualified stock options and $6.7 million for restricted shares. The related tax benefit for stock compensation was $1.4 million for the third quarter and $6.5 million for the year-to-date period. On an after-tax basis, total stock compensation expense was $2.3 million or $0.01 per share for the third quarter and $10.6 million or $0.05 per share year-to-date.

For the third quarter of 2007, the Company recorded stock-based compensation expense of $7.0 million, consisting of $3.9 million for nonqualified stock options and $3.1 million for restricted shares (including shares issuable under the long-term incentive program). For the year-to-date 2007, the Company recorded stock-based compensation expense of $27.5 million, consisting of $17.8 million for nonqualified stock options and $9.7 million for restricted shares (including shares issuable under the long-term incentive program). The related tax benefit for stock compensation expense was $2.6 million for the third quarter and $10.4 million for the year-to-date period. On an after-tax basis, total stock compensation expense was $4.4 million or $0.02 per share for the third quarter and $17.1 million or $0.07 per share year-to-date.

During the quarter and year-to-date periods ended September 28, 2008, no options were exercised.

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During the quarter ended September 30, 2007, no options were exercised. During the year-to-date period ended September 30, 2007, options for 216,864 shares of common stock were exercised. The Company received $12.1 million of cash from the exercise of these options. The intrinsic value of the options exercised was approximately $1.1 million for the year-to-date period. The actual tax benefit realized from the tax deductions from the options exercised was $0.4 million for the year-to-date period.

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 September 28, 2008 and changes thereto during 2008 is presented below:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding at beginning of year	27,933,353	$ 70.88		
Granted	813,883	31.74		
Canceled/Expired	(1,051,298)	73.71		
Outstanding at quarter end	27,695,938	$ 69.62	4.11	—
Options exercisable at quarter end	23,077,237	$ 73.03	3.76	—

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 Company's 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 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 year beginning on the first anniversary date of the grant date and expense is recognized over the four-year vesting 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 or options in lieu of cash. Restricted stock or options issued as compensation for meeting fees are 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.

A summary of the status of the restricted stock awards as of September 28, 2008 and changes during 2008 is presented below:

	Shares	Weighted Average Fair Value
Restricted stock outstanding and unvested at beginning of year	1,041,222	$ 47.89
Granted	59,422	28.02
Vested	(18,912)	49.97
Canceled	(51,328)	49.42
Restricted stock outstanding and unvested at quarter end	1,030,404	$ 46.63

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 desired to motivate key executives to drive success in new businesses while continuing to achieve success in our core businesses. Because of softening business conditions, in the second quarter of 2008 the Company determined that program targets would not be achieved, and previously accrued cost at the end of the first quarter of 2008 was reversed in the second quarter.

NOTE 5 – Acquisitions, investments and asset dispositions

On December 31, 2007, the Company acquired X.com, Inc. (BNQT.com). X.com, Inc. operates an action sports digital network covering eight different action sports including surfing, snowboarding and skateboarding. X.com will be affiliated with the USA TODAY Sports brand.

In February 2008, the Company formed quadrantONE, a new digital ad sales network, with three other top media companies: Tribune Company, Hearst Corporation and The New York Times Company.

In March 2008, the Company purchased a minority stake in Fantasy Sports Ventures (FSV). FSV owns a set of fantasy sports content sites and manages advertising across a network of affiliated sites.

In May 2008, the Company purchased a minority stake in Cozi Group Inc. (COZI). COZI owns and maintains family organization software aimed at busy families.

In July 2008, the Company purchased a minority stake in Mogulus, LLC, a company that provides internet broadcasting services. Also in July 2008, the Company increased its investment in 4INFO maintaining its approximate ownership interest.

In August 2008, the Company purchased 100% of the outstanding shares of Pearls Review, Inc., an online nursing certification and continuing education review site.

The above business acquisitions and investments did not materially affect the Company’s financial position or results of operations.

On June 30, 2008, the Company acquired from Tribune Company and The McClatchy Company their minority ownership interests in ShopLocal LLC, a leading marketing and database services company for major retailers in the U.S. The Company now owns 100% of ShopLocal and began consolidating its results at the beginning of the third quarter of 2008. The acquisition enables ShopLocal to collaborate with another Gannett company, PointRoll, to create ads that dynamically connect retail advertisers and consumers, online and in the store. Consequently, ShopLocal’s operations turned profitable in third quarter.

On September 3, 2008, the Company acquired an additional 10% stake in CareerBuilder from Tribune Company increasing its investment to 50.8% so that is it now the majority and controlling owner. Beginning in September 2008, the operations of CareerBuilder have been fully consolidated and are reported in the digital segment. The related minority interest charge for CareerBuilder is reflected in “Other non-operating items” in the Statements of Income.

In April 2007, the Company disposed of a parcel of real estate located adjacent to its corporate headquarters in McLean, Virginia. 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 of 2007. The remaining gain of $25.5 million was deferred and recognized in the first quarter of 2008.

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. For all periods presented, results from these businesses have been reported as discontinued operations.

NOTE 6 – Goodwill and other intangible assets

The following table displays goodwill, indefinite-lived intangible assets, and amortizable intangible assets at September 28, 2008 and December 30, 2007.

	September 28, 2008		December 30, 2007	
(in thousands of dollars)	Gross	Accumulated Amortization	Gross	Accumulated Amortization
Goodwill	$ 8,477,895	$ —	$ 10,034,943	$ —
Indefinite-lived intangibles:				
Mastheads and trade names	109,254	—	248,501	—
Television station FCC licenses	255,304	—	255,304	—
Amortizable intangible assets:				
Customer relationships	259,155	109,902	307,114	110,491
Other	56,221	16,192	48,222	13,189

Amortization expense was $7.1 million in the quarter ended September 28, 2008 and $21.8 million year-to-date. For the third quarter and year-to-date of 2007, amortization expense was $8.9 million and $26.6 million respectively. Amortization expense for the year-to-date period and quarter was reduced due to the impairment of certain amortizable intangible assets discussed in Note 3. Customer relationships, which include subscriber lists and advertiser relationships, are amortized on a straight-line basis over four to 25 years. Other intangibles include commercial printing relationships, internally developed technology and other assets. These assets were assigned lives of between 2.5 and 15 years and are amortized on a straight-line basis.

(in thousands of dollars)

	Publishing	Digital	Broadcasting	Total
Goodwill				
Balance at December 30, 2007	$ 8,309,811	$ 106,080	$ 1,619,052	$ 10,034,943
Acquisitions and adjustments	(566)	686,682	—	686,116
Impairment	(2,138,000)	—	—	(2,138,000)
Dispositions	(137)	—	—	(137)
Foreign currency exchange rate changes	(101,521)	(3,329)	(177)	(105,027)
Balance at September 28, 2008	$ 6,069,587	$ 789,433	$ 1,618,875	$ 8,477,895

Goodwill and other intangible asset values decreased primarily due to the non-cash charges discussed in Note 3.

NOTE 7 – Long-term debt

On June 16, 2008 the Company repaid $500 million in unsecured notes bearing interest at 4.125% that were due using borrowings in the commercial paper market.

On April 2, 2007, the Company repaid at scheduled maturity $700 million in aggregate principal amount of 5.50% notes. The repayment was funded with proceeds of commercial paper borrowings, including $525 million which had been raised prior to the end of the first quarter of 2007 and which were temporarily invested in marketable securities until the repayment date of the notes.

In June 2007, the Company issued $1.0 billion aggregate principal amount of unsecured senior convertible notes in an underwritten public offering. Proceeds from the notes were used to repay commercial paper obligations. The convertible notes bore interest at a floating rate equal to one month LIBOR, reset monthly, minus twenty-three basis points. As anticipated, on July 15, 2008, the holders of the convertible notes required 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 accrued and unpaid interest.

In July 2008, the Company received proceeds of $280 million from borrowings under a new term loan agreement with certain bank lenders. The term loan is payable in full on July 14, 2011. The loan carries interest at a floating rate and may be prepaid at any time without penalty.

The proceeds from the term loan, along with proceeds received from commercial paper issuances, approximately $500 million of which had been received from borrowings prior to the end of the second quarter and which were held in interest bearing deposits, were used to repurchase the $1.0 billion convertible notes discussed above.

As of September 28, 2008 the Company had $696 million of borrowings under its revolving credit facilities which were used to reduce commercial paper outstanding to $1.2 billion. On September 30, subsequent to the end of the reporting period, the Company borrowed an additional $1.2 billion under the revolving credit facilities, bringing the total borrowed to $1.9 billion. The additional funds were invested and are being used to repay all outstanding paper as it matures through December 12, 2008, thereby replacing commercial paper borrowings with borrowings under the revolving credit facilities.

The following schedule of annual maturities of long-term debt assumes the Company had used its $3.9 billion of revolving credit agreements to refinance remaining unsecured promissory notes, the unsecured fixed rate notes, the unsecured floating rate notes, the unsecured senior convertible notes and other indebtedness due in 2008, 2009 and 2011. Based on this refinancing assumption, all of these obligations are reflected in the maturities for 2012.

(in thousands)	September 28, 2008
2009	$ —
2010	—
2011	—
2012	3,908,319
2013	—
Later years	—
Total	$ 3,908,319

On October 31, 2008, the Company amended each of its three revolving credit agreements and its term loan agreement. Under each of the amendments, the existing financial covenant requiring that the Company maintain shareholders' equity in excess of $3.5 billion was replaced with a new covenant that requires that the Company maintain a senior leverage ratio of less than 3.5x. The senior leverage ratio is the ratio of the Company's senior unsecured debt outstanding to its EBITDA measured on a trailing four quarters basis. At this time, all of the Company's debt is senior and unsecured. The new covenant also requires the Company to maintain a total leverage ratio of less than 4.0x. Total leverage ratio would also include any subordinated debt the Company may issue in the future.

In addition, the aggregate size of the revolving credit facilities was reduced to $3.1 billion from $3.9 billion. There is a further provision that the aggregate size of the three revolving credit agreements will be reduced on a dollar-for-dollar basis for the first $397 million that the Company raises in the capital markets prior to December 31, 2009. Irrespective of any such interim reductions, the aggregate size of the three revolving credit agreements will be reduced to $2.75 billion on December 31, 2009. The amendments also provide for certain changes to the pricing of the facilities. For the revolving credit facilities, the commitment fees may range from 0.125% to 0.25% depending on credit ratings for the Company’s senior unsecured debt from Moody’s and Standard & Poor’s (S&P). The rate currently in effect is 0.125%.

Under each of the agreements, the Company may borrow at an applicable margin above the Eurodollar base rate or the higher of the Prime Rate or the Federal Funds Effective Rate plus 0.50%. Under the amended revolving credit agreements, the applicable margin for such borrowings ranges from 1.00% to 2.25% depending on credit ratings. Under the term loan agreement, the applicable margin varies from 1.25% to 2.25%. At its current ratings the Company will pay an applicable margin of 1.00% under the revolving credit agreements and 1.25% under the term loan agreement.

Also, in connection with the amendments, the Company agreed to provide future guarantees from its domestic wholly-owned subsidiaries in the event that the Company’s credit ratings from either Moody’s or S&P fall below investment grade. If the guarantees are triggered, then existing notes and other unsecured debt of the Company will become structurally subordinated to the revolving credit agreements and the term loan. The amended facilities provide the Company with ample liquidity to operate its business and pursue its strategic objectives.

NOTE 8 – 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 June 10, 2008, the Company’s Board of Directors authorized and approved amendments to each of (i) the Gannett Retirement Plan; (ii) the Gannett Supplemental Retirement Plan (SERP); (iii) the Gannett 401(k) Savings Plan (401(k) Plan); and (iv) the Gannett Deferred Compensation Plan (DCP). The amendments are designed to improve the 401(k) Plan while reducing the amount and volatility of future pension expense. As a result of the amendments to the Gannett Retirement Plan and SERP, most participants in these plans had their benefits frozen as of August 1, 2008, meaning that their service and earnings on and after that date will not be considered for purposes of calculating their retirement benefits. Participants whose Gannett Retirement Plan and, if applicable, SERP benefits were frozen will have their frozen benefits periodically increased by a cost of living adjustment until benefits commence.

Effective August 1, 2008, most participants whose benefits were frozen under the Gannett Retirement Plan and, if applicable, the SERP began receiving higher matching contributions under the 401(k) Plan. Under the new formula, the matching contribution rate generally increased from 50% of the first 6% of compensation that an employee elects to contribute to the plan to 100% of the first 5% of compensation. The Company will also make additional employer contributions to the 401(k) Plan on behalf of certain employees. The DCP was amended to provide for Gannett contributions on behalf of certain employees whose benefits under the 401(k) Plan are capped by IRS rules that limit the amount of compensation that can be taken into account when calculating benefits under a qualified plan. Generally, Gannett’s contributions to the DCP will be calculated by applying the same formula that applies to an employee’s matching and additional employer contributions under the 401(k) Plan to the employee’s compensation in excess of the IRS compensation limit.

As a result of the amendments to freeze most benefit accruals in the Gannett Retirement Plan and the SERP, the Company recognized a net pre-tax pension curtailment gain of $46.5 million in the second quarter of 2008 in accordance with Statement of Financial Accounting Standards No. 88, “Employers’ Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits.

The Company's pension costs, which include costs for qualified, nonqualified and union plans are presented in the following table:

(in millions of dollars)	***Third Quarter***		***Year-to-date***	
	2008	2007	2008	2007
Service cost-benefits earned during the period	$ 12.8	$ 25.6	$ 56.0	$ 76.7
Interest cost on benefit obligation	52.8	49.4	159.5	148.3
Expected return on plan assets	(67.1)	(68.0)	(206.1)	(203.9)
Amortization of prior service credit	(0.7)	(5.1)	(9.7)	(15.4)
Amortization of actuarial loss	3.4	11.1	18.9	33.3
Special termination charge	4.2	—	4.2	—
Pension expense for Company-sponsored retirement plans	5.4	13.0	22.8	39.0
Curtailment gain	—	—	(46.5)	—
Union and other pension cost	1.8	2.0	5.4	6.1
Pension benefit cost	$ 7.2	$ 15.0	$ (18.3)	$ 45.1

NOTE 9 – 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 are presented in the following table:

(in millions of dollars)	***Third Quarter***		***Year-to-date***	
	2008	2007	2008	2007
Service cost-benefits earned during the period	$ 0.4	$ 0.6	$ 1.4	$ 1.6
Interest cost on net benefit obligation	3.5	3.3	10.5	10.1
Amortization of prior service credit	(3.8)	(2.8)	(11.6)	(8.5)
Amortization of actuarial loss	1.1	0.7	3.5	2.1
Special termination charge	1.3	—	1.3	—
Net periodic postretirement benefit cost	$ 2.5	$ 1.8	$ 5.1	$ 5.3

NOTE 10 – 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.

The total amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate was approximately $181.7 million as of December 30, 2007 and $140.7 million as of the end of the third quarter of 2008. This amount reflects the federal tax benefit of state tax deductions. Excluding the federal tax benefit of state tax deductions, the total amount of unrecognized tax benefits as of December 30, 2007 was $264.2 million and as of September 28, 2008 was $216.7 million. The $47.5 million decrease reflects a net reduction for prior year tax positions of $38.2 million, a reduction for cash settlements of $12.9 million, a reduction for lapses of statutes of limitations of $5.7 million, and additions in the current year of $9.3 million. The reduction for prior year tax positions, as well as the reduction for cash settlements, was primarily related to favorable settlements with the UK and with U.S. state tax authorities.

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 Company recognized interest and penalty expense (income) of $(1.8) million and $2.0 million during the third quarter of 2008 and 2007, respectively. The amount of net accrued interest and penalties related to uncertain tax benefits as of December 30, 2007 was approximately $83.2 million and as of September 28, 2008, was approximately $97.9 million.

The Company files income tax returns in the U.S. and various state and foreign jurisdictions. The 2005 through 2007 tax years remain subject to examination by the IRS. The IRS has commenced examination of the Company's 2005 and 2006 U.S. income tax returns, and this examination is expected to be completed in 2009. The 2004 through 2007 tax years generally remain subject to examination by state authorities, and the years 2003-2007 are subject to examination in the UK. In addition, tax years prior to 2004 remain subject to examination by certain states primarily due to the filing of amended tax returns upon settlement of the IRS examination for these years and due to ongoing audits.

It is reasonably possible that the amount of unrecognized benefits with respect to certain of the Company's unrecognized tax positions will significantly increase or decrease within the next 12 months. These changes may be the result of settlement of ongoing audits, lapses of statutes of limitations or other regulatory developments. At this time, the Company estimates that the amount of its gross unrecognized tax positions may decrease by up to approximately $39 million within the next 12 months, primarily due to lapses of statutes of limitations in various jurisdictions and potential settlements of ongoing audits and negotiations.

NOTE 11 – Comprehensive income (loss)

The table below presents the components of comprehensive income (loss) for the third quarter and first nine months of 2008 and 2007.

	Third Quarter		*Year-to-date*	
(in thousands of dollars)	2008	2007	2008	2007
Net income (loss)	$ 158,057	$ 234,024	$ (1,940,921)	$ 810,298
Other comprehensive income (loss)	(108,674)	73,093	(141,154)	172,903
Comprehensive income (loss)	$ 49,383	$ 307,117	$ (2,082,075)	$ 983,201

Other comprehensive income (loss) consists primarily of foreign currency translation and mark-to-market adjustments on the interest rate swaps.

NOTE 12 – Fair value measurement

The Company measures and records in the accompanying condensed consolidated financial statements certain assets and liabilities at fair value. SFAS No. 157 establishes a fair value hierarchy for those instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the company's own assumptions (unobservable inputs). The hierarchy consists of three levels:

Level 1 — Quoted market prices in active markets for identical assets or liabilities;

Level 2 — Inputs other than Level 1 inputs that are either directly or indirectly observable; and

Level 3 — Unobservable inputs developed using estimates and assumptions developed by the company, which reflect those that a market participant would use.

The following table summarizes the financial instruments measured at fair value in the accompanying condensed consolidated balance sheet as of September 28, 2008 (in thousands):

	Fair Value Measurements as of September 28, 2008			
	Level 1	Level 2	Level 3	Total
Assets				
Employee compensation related investments	$ 51,284	$ —	$ —	$ 51,284
Sundry investments	$ 23,925	$ —	$ 27,011	$ 50,936
Liabilities				
Interest rate swaps	$ —	$ 9,990	$ —	$ 9,990

The level 3 sundry investments are financial instruments held by CareerBuilder. As discussed in Note 1 above, the Company began consolidating the financial statements of CareerBuilder in September 2008. No gain or loss was recognized in the Company's condensed consolidated statement of income with respect to these investments since the date of consolidation.

NOTE 13 – Business segment information

The Company has determined that its reportable segments based on its management and internal reporting structures are publishing, digital, and broadcasting. Publishing is the largest component of the Company's business and includes U.S. Community Publishing, Newsquest operations in the UK and the USA TODAY group. The digital segment was established beginning with the third quarter of 2008 and includes CareerBuilder, ShopLocal, Schedule Star, Planet Discover and PointRoll (See Note 1). Prior period results for PointRoll, Planet Discover and Schedule Star have been reclassified from the publishing segment to the digital segment. Broadcasting includes the Company's 23 television stations and Captivate.

Excluding discontinued operations (unaudited, in thousands of dollars)	**Thirteen weeks ended September 28, 2008**	**Thirteen weeks ended September 30, 2007**	**% Inc (Dec)**
Net Operating Revenues:			
Publishing	$ 1,362,716	$ 1,591,972	(14.4)
Digital	77,594	17,181	***
Broadcasting	197,000	189,540	3.9
Total	$ 1,637,310	$ 1,798,693	(9.0)
Operating Income (Loss) (net of depreciation, and amortization):			
Publishing	$ 183,432	$ 329,365	(44.3)
Digital	6,136	6,043	1.5
Broadcasting	83,957	71,479	17.5
Corporate	(14,344)	(17,758)	(19.2)
Total	$ 259,181	$ 389,129	(33.4)
Depreciation and Amortization:			
Publishing	$ 48,224	$ 56,264	(14.3)
Digital	4,094	1,330	***
Broadcasting	8,513	8,270	2.9
Corporate	3,974	4,005	(0.8)
Total	$ 64,805	$ 69,869	(7.2)

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	Thirty-nine weeks ended		% Inc
	September 28, 2008	September 30, 2007	(Dec)
Net Operating Revenues:			
Publishing	$ 4,360,925	$ 4,918,663	(11.3)
Digital	111,495	46,614	***
Broadcasting	559,748	577,265	(3.0)
Total	$ 5,032,168	$ 5,542,542	(9.2)
Operating Income (Loss) (net of depreciation, amortization see Note 3):			
Publishing	$ (1,737,470)	$ 1,063,268	***
Digital	9,784	12,027	(18.6)
Broadcasting	220,996	223,053	(0.9)
Corporate	(40,044)	(59,511)	(32.7)
Total	$ (1,546,734)	$ 1,238,837	***
Depreciation, Amortization and Asset Impairment (see Note 3):			
Publishing	$ 2,648,943	$ 171,116	***
Digital	6,876	3,952	74.0
Broadcasting	27,168	25,452	6.7
Corporate	13,118	11,921	10.0
Total	$ 2,696,105	$ 212,441	***

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NOTE 14 – Earnings (loss) per share

The Company's earnings (loss) per share (basic and diluted) are presented below:

	Thirteen weeks ended		Thirty-nine weeks ended	
(in thousands except per share amounts)	September 28, 2008	September 30, 2007	September 28, 2008	September 30, 2007
Income (loss) from continuing operations (see Note 3)	$ 158,057	$ 234,024	$ (1,940,921)	$ 730,263
Income from the operation of discontinued operations, net of tax	—	—	—	6,221
Gain on disposal of newspaper business, net of tax	—	—	—	73,814
Net income (loss)	$ 158,057	$ 234,024	$ (1,940,921)	$ 810,298
Weighted average number of common shares outstanding — basic	227,920	232,392	228,488	233,724
Effect of dilutive securities				
Stock options	196	202	—	222
Restricted stock	215	104	—	121
Weighted average number of common shares outstanding — diluted (a)	228,331	232,698	228,488	234,067
Earnings (loss) from continuing operations per share — basic	$ 0.69	$ 1.01	$ (8.49)	$ 3.12
Discontinued operations per share — basic	—	—	—	0.03
Gain on disposal of newspaper business net of tax — basic	—	—	—	0.32
Net income (loss) per share — basic	$ 0.69	$ 1.01	$ (8.49)	$ 3.47
Earnings (loss) from continuing operations per share — diluted	$ 0.69	$ 1.01	$ (8.49)	$ 3.12
Discontinued operations per share — diluted	—	—	—	0.03
Gain on disposal of newspaper business per share — diluted	—	—	—	0.32
Net income (loss) per share — diluted	$ 0.69	$ 1.01	$ (8.49)	$ 3.46

(a) Diluted weighted average common shares exclude 411 incremental shares resulting from the application of the treasury stock method to outstanding options and restricted stock for the thirty-nine weeks ended September 28, 2008. Their effect is anti-dilutive as results for this period were a net loss.

NOTE 15 – Litigation

The Company and a number of its subsidiaries are defendants in 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 the British pound is the functional currency. If the price of the British pound against the U.S. dollar had been 10% more or less than the actual price, operating income, excluding the non-cash impairment charges, for the third quarter and year-to-date periods of 2008 would have increased or decreased approximately 2%.

At the end of the third quarter of 2008, the Company had approximately $2.2 billion in floating rate obligations outstanding. A 1/2% increase or decrease in the average interest rate for these obligations would result in an increase or decrease in annual interest expense of $10.8 million.

The estimated fair value of the Company's total long-term debt totaled $3.6 billion at September 28, 2008.

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 September 28, 2008, 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.

On September 3, 2008, the Company acquired an additional 10% stake in CareerBuilder LLC (CareerBuilder) increasing its ownership to 50.8% thereby becoming majority and controlling owner. In connection with this, the Company began consolidating the results of CareerBuilder and it represented approximately 6% of the Company's total assets. Due to the timing of this acquisition and as permitted by SEC guidance, management will exclude CareerBuilder from its December 28, 2008 assessment of internal control over financial reporting.

There have been no other changes in the Company's internal controls or in other factors during the fiscal quarter 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

There were no share repurchases in the third quarter of 2008. The approximate dollar value of shares that may yet be purchased under the program is $808,936,610. While there is no expiration date for the repurchase program, the Board of Directors reviews the authorization of the program annually.

Item 5. Other Information.

As described more fully in Note 7 to the Condensed Consolidated Financial Statements in this report, the Company amended each of its three credit revolving agreements effective October 31, 2008. The amendments are attached as Exhibit 10-3, 10-4 and 10-5 to this Form 10-Q.

Item 6. Exhibits

Incorporated by reference to the Exhibit Index attached hereto and made a part hereof.

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: November 5, 2008

GANNETT CO., INC.

/s/ George R. Gavagan

George R. Gavagan
Vice President and Controller
(on behalf of Registrant and as Chief Accounting Officer)

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EXHIBIT INDEX

Exhibit Number	Exhibit	Location
2-1	Equity Purchase Agreement, dated as of August 28, 2008, among Cape Publications, Inc., Gannett Satellite Information Network, Inc., Tribune Media Net, Inc. and Tribune National Marketing Company.	Incorporated by reference to Exhibit 2.1 to Gannett Co., Inc.'s Form 8-K dated August 28, 2008 and filed on September 3, 2008.
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 for the fiscal quarter ended April 1, 2007.
3-2	By-laws of Gannett Co., Inc.	Incorporated by reference to Exhibit 3.2 to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended June 29, 2008.
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.
10-1	Amendment No. 1 to the Gannett Co., Inc. Supplemental Retirement Plan dated July 31, 2008 and effective August 1, 2008.	Attached.
10-2	Amendment No. 1 to the Gannett Co., Inc. Deferred Compensation Plan Rules for Post-2004 Deferrals dated July 31, 2008 and effective August 1, 2008.	Attached.
10-3	Second Amendment, dated October 23, 2008, and Effective as of October 31, 2008, to Competitive Advance and Revolving Credit Agreement.	Attached.

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Exhibit Number	Exhibit	Location
10-4	Second Amendment, dated October 23, 2008, and Effective as of October 31, 2008, to Competitive Advance and Revolving Credit Agreement.	Attached.
10-5	Second Amendment, dated October 23, 2008, and Effective as of October 31, 2008, to Amended and Restated Competitive Advance and Revolving Credit Agreement.	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.
99-1	Recast Quarterly Segment Financial Data	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.

Exhibit 10-1

GANNETT CO., INC.
SUPPLEMENTAL RETIREMENT PLAN

Restated as of August 7, 2007

Amendment No. 1

Effective August 1, 2008, Gannett Co., Inc. hereby amends the Gannett Supplemental Retirement Plan, restated as of August 7, 2007 (the "Plan"), as follows:

1. Section 1.8 is amended by adding the following provision to the end thereof:

Except for Grandfathered Participants, effective August 1, 2008, the Monthly Benefits of all Employees participating in this Plan are frozen in that such Employees' benefits as of August 1, 2008 shall not be increased for earnings or credited service earned on or after that date. Grandfathered Participants shall continue to accrue benefits under this Plan under the following rules:

(a) A Grandfathered Participant's Monthly Benefit shall be calculated as follows:

(i) For a Grandfathered Participant's credited service earned up to July 31, 2008, the Grandfathered Participant's Monthly Benefit shall be calculated using the formula set forth in Article VI of the Funded Plan or the CNI formula set forth in Exhibit A, whichever is applicable to the Grandfathered Participant (but ignoring provisions that freeze benefits under such formulas as of August 1, 2008); and

(ii) For a Grandfathered Participant's credited service earned on or after August 1, 2008, the Grandfathered Participant's Monthly Benefit shall be calculated as two-thirds of the benefit that would be earned under the formula set forth in Article VI of the Funded Plan or the CNI formula set forth in Exhibit A, whichever is applicable to the Grandfathered Participant (but ignoring provisions that freeze benefits under such formulas as of August 1, 2008).

(b) For purposes of calculating the amounts described in (a), the formula set forth in Article VI of the Funded Plan or the CNI formula set forth in Exhibit A, whichever is applicable to the Grandfathered Participant, shall be applied ignoring the benefit limitations in the Funded Plan required by Code Section 415 or the limitations on a Grandfathered Participant's compensation under Code Section 401(a)(17) and taking into account the Grandfathered Participant's elective deferrals of base salary and annual bonuses into the Gannett Co., Inc. Deferred Compensation Plan.

2. Article I is amended by adding the following new Section 1.15, as follows:

   1.15 “Grandfathered Participant” means an eligible Employee who satisfies both of the following requirements: (i) the eligible Employee is an active participant in this Plan as of August 1, 2008 who is accruing a Plan benefit that is calculated under Article VI of the Funded Plan or the CNI formula set forth in Exhibit A; and (ii) the Eligible Employee was grandfathered in 1998 in his/her right to have his/her benefit under this Plan calculated using the benefit formula set forth under Article VI of the Funded Plan or was grandfathered in 2002 in his/her right to have his/her benefit under this Plan calculated using the benefit formula set forth in Exhibit A.

3. Section 2.1 is amended by adding the following provision to the end thereof:

   Notwithstanding any provision to the contrary, effective August 1, 2008, the benefits of all Employees eligible to participate in this Plan are frozen in that such Employees’ benefits as of August 1, 2008 shall not be increased for earnings or credited service earned on or after that date; provided that Grandfathered Participants shall continue to accrue benefits under this Plan at the reduced rates described in Section 1.8.

4. Section 3.1 is amended by adding the following provision to the end thereof:

   Notwithstanding any provision to the contrary, effective August, 1 2008, there shall be no new participants in the Plan.

5. Section 4.1 is amended by adding the following provision to the end thereof:

   For purposes of determining whether a Grandfathered Participant has terminated employment, if the Grandfathered Participant incurs a bona fide leave of absence due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six months, where such impairment causes the Grandfathered Participant to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, the leave of absence will not be treated as a termination of employment. However, for this rule to apply there must be a reasonable expectation that the Grandfathered Participant will return to perform services for the Company, and the period where such a leave of absence is not treated as a termination of employment may not exceed 29-months. In such instances, the Grandfathered Participant may continue to accrue benefits under the Plan during such 29-month period (but not beyond such period), but only to the extent provided under the Plan and for the time period prior to the date the Grandfathered Participant is deemed to terminate employment.

6. Section 4.2 is amended by amended by replacing the third paragraph of such Section with the following:

> 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 earlier of January 1, 1998 and the date the Employee transfers to the Company's Corporate Payroll.

7. Section 4.2 is amended by adding the following provision to the end thereof:

> Notwithstanding any provision in the Plan or the Funded Plan to the contrary, in the event that an Employee commences benefits after normal retirement age, the suspension of benefits rules under ERISA section 203(a)(3)(B) shall apply. Accordingly, such an Employee's normal retirement benefit under the Plan will not be actuarially increased to reflect the delay resulting from the Employee commencing benefits after the Employee's attaining normal retirement age (although the Employee will continue to accrue benefits for post-normal retirement age service and earnings to the extent provided for under the Plan).

8. The first sentence of the second paragraph of Section 5.1 is amended by substituting: (i) "January 1, 2008" for "January 1, 2007"; (ii) "December 15, 2008" for "December 15, 2007"; and (iii) "July 1, 2009" for "July 1, 2008".

IN WITNESS WHEREOF, Gannett Co., Inc. has caused this Amendment to be executed by its duly authorized officer as of July 31, 2008.

GANNETT CO., INC.

By: /s/ Roxanne V. Horning
Name: Roxanne V. Horning
Title: Senior Vice President/Human Resources

Exhibit 10-2

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

Restated as of January 1, 2005

Amendment No. 1

Effective August 1, 2008, Gannett Co., Inc. hereby amends the Gannett Co., Inc. Deferred Compensation Plan Rules for Post-2005 Deferrals, restated as of January 1, 2005 (the "Plan"), as follows:

1. Section 1.1 of the Plan is amended to add the following provision to the end thereof:

The Plan also permits the Company to credit eligible participants' deferred compensation accounts with additional awards, and such awards shall be subject to such rules that are specified by the Company.

2. The first sentence of Section 2.3 of the Plan is amended by adding "or on behalf of whom the Company makes an award" after "Compensation".

3. The first sentence of Section 2.6(c) of the Plan is amended by adding "or as otherwise specified under the Plan" after "award".

4. The Plan is amended by adding the following new Article 5, as follows:

5.0 GANNETT 401(K) SAVINGS PLAN EXCESS CONTRIBUTIONS

5.1 Introduction

The Company sponsors the Gannett Co., Inc. 401(k) Savings Plan (the "Savings Plan"), which provides for matching and other employer contributions. IRS rules limit the benefits that can be provided to highly compensated participants in the Savings Plan. The purpose of this Article is to provide benefits for certain eligible executives in excess of those that can be provided under the Savings Plan due to IRS limitations that apply to the Savings Plan and to set forth special rules that apply to such benefits.

5.2 Eligible Participants

Employees who satisfy all of the following requirements are eligible to receive benefits under this Article 5: (i) the employee is on corporate payroll; (ii) the employee is an active participant in the Savings Plan for the Plan Year and receives Matching and/or Employer Contributions under the Savings Plan; (iii) the employee's Compensation for the Plan Year exceeds the compensation limit imposed under Code Section 401(a)(17); and (iv) the employee is not accruing benefits under Gannett's Supplemental Retirement Plan after August 1, 2008.

5.3 Definitions applicable to this Article

The following definitions shall apply for purposes of this Article:

"Compensation" shall mean such term as defined in the Savings Plan except that such definition shall be applied ignoring Code Section 401(a)(17) limits and taking into account salary or bonus amounts that an employee elects to defer into this Plan.

"Employer Contribution" means Company contributions made on behalf of certain eligible participants in the Savings Plan pursuant to the formula set forth in that plan.

"Excess Plan Participant" means an employee who satisfies the eligibility requirements set forth in Section 5.2 to participate in the Plan for the Plan Year.

"Matching Contribution" means Company matching contributions made on behalf of certain eligible participants in the Savings Plan pursuant to the formula set forth in that plan.

"Plan Year" means the calendar year.

"Savings Plan" means the Gannett Co., Inc. 401(k) Savings Plan.

"Savings Plan Compensation" shall mean "Compensation" as defined under the Savings Plan.

5.4 Excess Plan Benefit

In the event that an Excess Plan Participant receives an Employer Contribution under the Savings Plan, Gannett shall credit such Excess Plan Participant with an amount under this Plan that is calculated by applying the Employer Contribution formula pursuant to which the Excess Plan Participant receives a benefit under the Savings Plan to the amount of the Participant's Compensation that exceeds his Savings Plan Compensation.

In the event that an Excess Plan Participant receives a Matching Contribution under the Savings Plan, Gannett shall credit such Excess Plan Participant with an amount under this Plan that is calculated by applying the Matching Contribution formula pursuant to which the Excess Plan Participant receives a benefit under the Savings Plan to the Participant's Compensation that exceeds his Savings Plan Compensation; provided that an Excess Plan Participant shall only receive a matching contribution under this Plan for a Plan Year if the Excess Plan Participant makes the maximum elective deferral contribution to the Savings Plan that is permitted under Code Section 402(g). An Excess Plan Participant does not have to make elective deferrals into the Plan to be credited with the benefits described in this paragraph.

5.5 Crediting Benefits

Except for the special Change in Control crediting rule set forth in Section 5.7, Excess Plan Participants shall be credited with benefits under this Article on the first business day of the second month following the Plan Year to which such benefits relate. A special Deferred Compensation Account shall be established for crediting such benefits. An Excess Plan Participant can designate how the amounts in such account are deemed to be invested in accordance with the rules set forth in Sections 2.6(b), 2.7 and 2.8; provided that all Company contributions credited under this Article 5 shall initially deemed to be invested in the Gannett Stock Fund.

5.6 Vesting

The same Employer and Matching Contribution vesting rules under the Savings Plan shall apply to benefits under this Article, except that in the event of a Change in Control, all benefits provided under this Article shall become immediately vested. Any unvested benefits shall be forfeited when an Excess Plan Participant separates from service (within the meaning of Section 409A).

5.7 Payment of Benefits

Vested benefits credited to an Excess Plan Participant under this Article shall be paid in a single lump sum cash distribution to the Participant within sixty (60) days after the Excess Plan Participant's separation from service (within the meaning of Section 409A). If the Excess Plan Participant is entitled to a benefit under this Article for the Plan Year in which the Excess Plan Participant separates from service, such benefit (if vested) shall be paid to the Excess Plan Participant within sixty (60) days after the date the benefit is credited to his Deferred Compensation Account.

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.

No in-service distributions due to an unforeseeable emergency or otherwise shall be permitted for benefits provided for under this Article; except that the special payout rules set forth in Section 3.7(i) shall apply to benefits under this Article in the event of a Change in Control described in that Section. Additionally, in the event of a Change in Control described in Section 3.7(i), any amounts that would have been credited to a Participant's account based on the Participant's year-to-date Compensation as of the date of the Change in Control and ignoring the Savings Plan's last day of the year employment requirement, shall be immediately credited to the Participant's account.

5.8 Other Plan Provisions

Other Plan provisions shall apply to benefits under this Article to the extent that they are not inconsistent with the rules set forth in this Article.

IN WITNESS WHEREOF, Gannett Co., Inc. has caused this Amendment to be executed by its duly authorized officer as of July 31, 2008.

GANNETT CO., INC.

By: /s/ Roxanne V. Horning
Name: Roxanne V. Horning
Title: Senior Vice President/Human Resources

Exhibit 10.3

SECOND AMENDMENT

SECOND AMENDMENT, dated as of October 23, 2008 and effective as of October 31, 2008 (this "Amendment"), to the Competitive Advance and Revolving Credit Agreement, dated as of December 13, 2004 and effective as of January 5, 2005, as amended by the First Amendment thereto, dated as of February 28, 2007 and effective as of March 15, 2007 (as further amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among GANNETT CO., INC., a Delaware corporation ("Gannett"), the several banks and other financial institutions parties to the Credit Agreement (the "Lenders"), BANK OF AMERICA, N.A., as administrative agent (in such capacity, the "Administrative Agent"), JPMORGAN CHASE BANK, N.A., as syndication agent, BARCLAYS BANK PLC, CITIBANK N.A., THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH, MIZUHO CORPORATE BANK LTD, and SUNTRUST BANK, as Documentation Agents, and Banc of America Securities LLC and J.P.Morgan Securities Inc. as joint lead arrangers and joint bookrunners.

W I T N E S S E T H:

WHEREAS, Gannett has requested certain amendments to the Credit Agreement;

WHEREAS, the parties are willing to consent to the requested amendments on the terms and conditions contained herein;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

2. Reduction of Five-Year Commitments. The Five-Year Commitment of each Lender is hereby automatically reduced on the Second Amendment Effective Date to the amount set forth opposite such Lender's name on Schedule 1.1 attached hereto. The Credit agreement is hereby amended by deleting Schedule 1.1 thereto and substituting in lieu thereof Schedule 1.1 attached hereto.

3. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Applicable Margin" and substituting in lieu thereof the following definition:

"Applicable Margin": the appropriate rate per annum set forth in the table below opposite the applicable Facility:

Credit Status	Five-Year Facility
Credit Status 1	100.0 Basis Points
Credit Status 2	125.0 Basis Points
Credit Status 3	150.0 Basis Points
Credit Status 4	175.0 Basis Points
Credit Status 5	225.0 Basis Points

4. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status" and substituting in lieu thereof the following definition:

> "Credit Status": any of Credit Status 1, Credit Status 2, Credit Status 3, Credit Status 4 or Credit Status 5. In determining whether Credit Status 1, Credit Status 2, Credit Status 3, Credit Status 4 or Credit Status 5 shall apply in any circumstance, if the applicable ratings by S&P and Moody's differ, the higher of the two ratings will be determinative, unless the applicable ratings by S&P and Moody's are more than one level apart, in which case the Credit Status one level above the lower rating will be determinative. In the event that Gannett's senior unsecured long-term debt is rated by only one of S&P and Moody's, then that single rating shall be determinative.

5. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 1" and substituting in lieu thereof the following definition:

> "Credit Status 1" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least A- or a rating by Moody's of Gannett's senior unsecured long-term debt of at least A3.

6. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 2" and substituting in lieu thereof the following definition:

> "Credit Status 2" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least BBB+ but lower than A- or a rating by Moody's of Gannett's senior unsecured long-term debt of at least Baa1 but lower than A3.

7. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 3" and substituting in lieu thereof the following definition:

> "Credit Status 3" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least BBB but lower than BBB+ or a rating by Moody's of Gannett's senior unsecured long-term debt of at least Baa2 but lower than Baa1.

8. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 4" and substituting in lieu thereof the following definition:

> "Credit Status 4" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least BBB- but lower than BBB or a rating by Moody's of Gannett's senior unsecured long-term debt of at least Baa3 but lower than Baa2.

9. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 5" and substituting in lieu thereof the following definition:

> "Credit Status 5" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of lower than BBB- or a rating by Moody's of Gannett's senior unsecured long-term debt of lower than Baa3.

10. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 6".

11. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Subsidiary" and substituting in lieu thereof the following definition:

"Subsidiary": any corporation, partnership, limited liability company or other entity the majority of the shares of stock or other ownership interests having ordinary voting power of which at any time outstanding is owned directly or indirectly by Gannett or by one or more of its other subsidiaries or by Gannett in conjunction with one or more of its other subsidiaries.

12. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is further amended by adding the following definitions, in proper alphabetical order, as follows:

"Consolidated EBITDA": for any Test Period, Consolidated Net Income for such Test Period:

plus without duplication and to the extent already deducted (and not added back) in determining Consolidated Net Income for such Test Period, the sum of (a) Consolidated Interest Expense, (b) provisions for federal, state, local and foreign taxes based on income or gains, (c) total depreciation expense, (d) total amortization expense, including, without limitation, amortization of intangibles and Indebtedness issuance costs, (e) earn-out payments pursuant to any acquisitions or investments, (f) any loss (or minus any gain) from early extinguishments of any hedge agreement and (g) all other non-cash charges, expenses and other items including, without limitation, restructuring costs, severance costs, facility closures, stock-based compensation expense, non-cash charges arising from impairments and write-offs of assets (including investments) and foreign currency translation losses pertaining to intercompany activity; *provided* that if any such non-cash charges are reflected in Consolidated EBITDA and represent an accrual of or reserve for potential cash expenditures in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA for the period in which such payment is made;

minus, without duplication and to the extent already included in determining Consolidated Net Income for such Test Period, non-cash gains increasing Consolidated Net Income for such Test Period, excluding any non-cash gains to the extent they represent the reversal of an accrual of or reserve for potential cash items that reduced Consolidated EBITDA in any prior period.

Notwithstanding the foregoing, there shall be excluded from the calculation of Consolidated EBITDA: (i) any extraordinary, unusual or non-recurring gains or losses; (ii) any cumulative effect of changes in accounting principles or policies and (iii) the Consolidated Net Income of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting; *provided* that Consolidated EBITDA shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash) by such Person to Gannett or a Subsidiary thereof.

For the purposes of calculating Consolidated EBITDA for any Test Period (i) if at any time during such Test Period, Gannett or any Subsidiary shall have made any Material Disposition, the Consolidated EBITDA for such Test Period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the property that is the subject of such Material Disposition for such Test Period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such Test Period and (ii) if during such Test Period Gannett or any Subsidiary shall have made a Material Acquisition or Material Investment, Consolidated EBITDA for such Test Period shall be calculated after giving pro forma effect thereto in accordance with Article 11 of Regulation S-X of the Securities and Exchange Commission, other than with reference to those portions thereof relating to whether the transaction would be considered significant, as if such Material Acquisition or Material Investment occurred on the first day of such Test Period. As used in this definition, "Material Acquisition" means any acquisition of property or series of related acquisitions of property that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the voting equity securities of a Person and (b) involves the payment of consideration (including the assumption by Gannett or its Subsidiaries of Indebtedness of the seller) by Gannett and its Subsidiaries in excess of $50,000,000; "Material Investment" means any purchase of voting equity securities of a Person which involves the payment of consideration by Gannett and its Subsidiaries (including contributions of assets) in excess of $50,000,000; and "Material Disposition" means any disposition of property or series of related dispositions of property that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the voting equity securities of a Subsidiary of Gannett and (b) yields gross proceeds (including the discharge by the purchaser of Indebtedness of Gannett or its Subsidiaries) to Gannett or any of its Subsidiaries in excess of $50,000,000. Notwithstanding the foregoing, the parties understand and agree that Gannett's acquisition on September 2, 2008 of a controlling membership interest in CareerBuilder, LLC shall constitute a Material Acquisition for the purposes of this Agreement.

"Consolidated Interest Expense": with respect to all outstanding Indebtedness of a Person and its Subsidiaries for any period, the total interest expense of such Person and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income": for any period, with respect to a Person and its Subsidiaries, the consolidated net income (or loss) of such Person and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

"Domestic Subsidiary": any wholly-owned Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

"Guarantee": a guarantee or similar contingent payment obligation, direct or indirect, in any manner, of all or any part of any Indebtedness; provided, that "Guarantee" shall not include (a) any endorsement of negotiable instruments for collection or deposit in the ordinary course of business or (b) any liability of Gannett or its Subsidiaries as a general partner of a partnership (other than a wholly-owned Subsidiary of Gannett) in respect of the Indebtedness of such partnership.

"Guarantee Agreement": an agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which each Material Domestic Subsidiary party thereto unconditionally guarantees all Obligations.

"Guarantee Trigger Event": the earliest to occur of (a) S&P assigning a rating below BBB- to Gannett's senior unsecured long-term debt, (b) Moody's assigning a rating below Baa3 to Gannett's senior unsecured long-term debt or (c) the provision, on or after the Second Amendment Effective Date, of Guarantees of greater than $500,000 in the aggregate by Gannett or any of its Subsidiaries to any Indebtedness of Gannett or any of its Subsidiaries.

"Guarantor": each Subsidiary that enters into a Guarantee Agreement.

"Indebtedness": as to any Person at any date, without duplication, (a) all indebtedness for borrowed money, (b) all obligations for the deferred purchase price of property and services (but excluding any (i) current accounts payable incurred in the ordinary course of business, (ii) deferred compensation obligations incurred in the ordinary course of business and (iii) earn-out obligation until such earn-out obligation becomes a liability on the balance sheet of such Person in accordance with GAAP), (c) all obligations evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to acquired property, (e) all capital lease obligations, (f) the liquidation value of all mandatorily redeemable preferred stock, (g) all guarantee obligations of the foregoing and (h) all obligations of any kind referenced in (a) through (g) above secured by any lien on property owned by such Person or any of its Subsidiaries, whether or not such Person or any of its Subsidiaries has assumed or become liable for the payment of such obligation; provided, however, that "Indebtedness" does not include (x) letters of credit, except to the extent of unreimbursed amounts owing in respect of drawings thereunder, (y) net obligations under swap agreements or (z) any liability of such Person as a general partner of a partnership (other than a wholly-owned Subsidiary of such Person) in respect of the Indebtedness of such partnership, except to the extent that such liability appears as indebtedness on the balance sheet of Gannett.

"Material Domestic Subsidiary": any Domestic Subsidiary (a) whose total assets at the last day of the most recent Test Period were equal to or greater than 3% of the Total Assets at such date or (b) whose gross revenues for such Test Period were equal to or greater than 3% of the consolidated gross revenues of Gannett and its Subsidiaries for such period, in each case determined in accordance with GAAP; *provided* that "Material Domestic Subsidiary" shall also include any of Gannett's Subsidiaries selected by Gannett that is required to ensure that all Material Domestic Subsidiaries have in the aggregate (i) total assets at the last day of the most recent Test Period that were equal to or greater than 90% of the Total Assets of Gannett's Domestic Subsidiaries at such date and (ii) gross revenues for such Test Period that were equal to or greater than 90% of the consolidated gross revenues of Gannett's Domestic Subsidiaries for such period, in each case determined in accordance with GAAP.

"Obligations": the unpaid principal of and interest on (including interest accruing after the maturity of the Loans and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, of Gannett, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Loans and all other obligations and liabilities of Gannett to the Administrative Agent or to any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any Guarantee Agreement or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, fees, indemnities, costs, expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by Gannett pursuant hereto) or otherwise.

“Second Amendment”: the Second Amendment to the Agreement dated as of October 23, 2008, among Gannett, the Lenders and the Administrative Agent.

“Second Amendment Effective Date”: the date on which the conditions precedent set forth in paragraph 20 of the Second Amendment shall have been satisfied or waived.

“Senior Indebtedness”: as to any Person at any date, all Indebtedness of such Person other than Indebtedness that is expressly subordinated to the prior payment in full in cash of the principal of and interest on each Loan and all fees payable hereunder.

“Senior Leverage Ratio”: as of the time of determination, the ratio of (a) total Senior Indebtedness of Gannett and its Subsidiaries on such date, minus Unrestricted Cash of Gannett and its Subsidiaries, to the extent readily distributable to Gannett, on such date to (b) Consolidated EBITDA for the period of four consecutive fiscal quarters ended on such date.

“Test Period”: a period of four consecutive fiscal quarters ended on the last day of the fourth such fiscal quarter.

“Total Assets”: the total assets of Gannett and its Subsidiaries on a consolidated basis, as shown on the most recent balance sheet of Gannett delivered pursuant to Section 5.1(a) or (b).

“Total Leverage Ratio”: as of the time of determination, the ratio of (a) total Indebtedness of Gannett and its Subsidiaries on such date, minus Unrestricted Cash of Gannett and its Subsidiaries, to the extent readily distributable to Gannett, on such date to (b) Consolidated EBITDA for the period of four consecutive fiscal quarters ended on such date.

“Unrestricted Cash”: unrestricted cash or cash equivalents in an amount up to (x) $750 million for the fiscal quarter ending March 29, 2009 which has been earmarked for payment of Gannett’s $750 million aggregate principal amount of Floating Rate Notes due May 26, 2009 and (y) $500 million for the fiscal quarter ending March 27, 2011 which has been earmarked for payment of Gannett’s $500 million aggregate principal amount of 5.75% Notes due June 1, 2011.

13. Amendment to Section 2.10. Section 2.10 (“Fees”) of the Credit Agreement is hereby amended in its entirety as follows:

(a) [reserved].

(b) Gannett shall pay to the Administrative Agent, for the ratable account of the Five-Year Lenders, a facility fee (the “Five-Year Facility Fee”) at the rate per annum equal to (i) for each day that Gannett has Credit Status 1, .1250% of the aggregate Five-Year Commitments on such day, (ii) for each day that Gannett has Credit Status 2, .1500% of the aggregate Five-Year Commitments on such day, (iii) for each day that Gannett has Credit Status 3, .1750% of the aggregate Five-Year Commitments on such day, (iv) for each day that Gannett has Credit Status 4, .2000% of the aggregate Five-Year Commitments on such day and (v) for each day that Gannett has Credit Status 5, .2500% of the aggregate Five-Year Commitments on such day. On the first Business Day following the last day of each fiscal quarter of Gannett and on the Five-Year Termination Date (or, if earlier, on the date upon which both the Five-Year Commitments are terminated and the Five-Year Loans are paid in full), Gannett shall pay to the Administrative Agent, for the ratable benefit of the Lenders, the portion of the Five-Year Facility Fee which accrued during the fiscal quarter most recently ended (or, in the case of the payment due on the Five-Year Termination Date, the portion thereof ending on such date). Such facility fee shall be based upon the aggregate Five-Year Commitments of the Five-Year Lenders from time to time, regardless of the utilization by Gannett from time to time thereunder.

14. Amendment to Article II. Article II ("Amount and Terms of the Facilities") is amended by adding new Section 2.19 ("Commitment Reductions") as follows:

Section 2.19 Commitment Reductions. (a) If on or prior to December 31, 2009, any capital stock or Indebtedness shall be issued or incurred in a capital markets transaction by Gannett or any of its Subsidiaries (excluding commercial paper issued by Gannett), then the Total Commitments shall be reduced by an amount equal to 100% of the net cash proceeds thereof until the Total Commitments have been reduced to $828,844,931.68.

(b) If, on December 31, 2009, the Total Commitments exceed $828,844,931.68, the Total Commitments shall be automatically reduced on such date to $828,844,931.68.

(c) Any such reduction of the Commitments pursuant to this Section 2.19 shall be accompanied by prepayment of the Loans (except for any then outstanding Competitive Loans, as to which such reduction shall be accompanied by cash collateralization of such Competitive Loans) to the extent, if any, that the aggregate principal amount of the then outstanding Loans exceeds the aggregate amount of the Commitments as so reduced. The application of any prepayment pursuant to this paragraph (c) shall be made, first, to ABR Loans and, second, to Eurodollar Loans. Each prepayment of the Loans under this paragraph (c) (except in the case of Loans that are ABR Loans) shall be accompanied by accrued interest to the date of such prepayment on the amount prepaid.

15. Amendment to Article V. Article V ("Affirmative Covenants") of the Credit Agreement is amended by adding new Section 5.9 ("Guarantee") as follows:

Section 5.9 Guarantee. (a) Upon the occurrence of a Guarantee Trigger Event, cause each Material Domestic Subsidiary to execute and deliver to the Administrative Agent, within 15 days, a Guarantee Agreement; and

(b) With respect to any new Material Domestic Subsidiary created or acquired after a Guarantee Trigger Event (which shall include any existing Subsidiary that becomes a Material Domestic Subsidiary), cause such Material Domestic Subsidiary to execute and deliver to the Administrative Agent, within 15 days after such creation or acquisition, a Guarantee Agreement for such Material Domestic Subsidiary thereafter created or acquired.

16. Amendment to Section 6.1. Clause (a) of Section 6.1 ("Liens") is amended in its entirety as follows:

(a) Liens, so long as the aggregate outstanding principal amount of indebtedness of Gannett and its Subsidiaries secured by all such Liens does not exceed 5% of Total Shareholders' Equity;

17. Amendment to Section 6.3. Section 6.3 ("Shareholders' Equity") of the Credit Agreement is hereby deleted in its entirety and a new Section 6.3 is inserted in lieu thereof as follows:

Section 6.3 Total Leverage Ratio. Permit the Total Leverage Ratio as at the last day of any Test Period to exceed 4.00 to 1.00.

18. Amendment to Article VI. Article VI ("Negative Covenants") of the Credit Agreement is amended by adding thereto new Section 6.4 ("Senior Leverage Ratio") and Section 6.5 ("Indebtedness") as follows:

Section 6.4 Senior Leverage Ratio. Permit the Senior Leverage Ratio as at the last day of any Test Period to exceed 3.50 to 1.00.

Section 6.5 Indebtedness.

(a) Prior to the occurrence of a Guarantee Trigger Event, with respect solely to any wholly-owned Subsidiary of Gannett, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except Indebtedness in an aggregate principal amount not to exceed $100,000,000 at any one time outstanding; and

(b) After the occurrence of a Guarantee Trigger Event and compliance with Section 5.9:

(i) permit any Guarantor to, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except (A) unsecured Indebtedness, the proceeds of which are used to refinance any of Gannett's bonds having a maturity date earlier than the Five-Year Termination Date, (B) Indebtedness among Gannett and one or more Guarantors, or among Guarantors, in each case that is contractually subordinated to the Obligations and (C) Indebtedness other than Indebtedness of a type specified in clauses (A) or (B) of this paragraph (i) in an aggregate principal not to exceed $500,000,000 at any one time outstanding; or

(ii) permit any wholly-owned Subsidiary that is not a Guarantor to, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except (A) Indebtedness among Gannett or any Guarantor and any Subsidiaries that are not Guarantors that is contractually subordinated to the Obligations and (B) other Indebtedness in an aggregate principal amount not to exceed $250,000,000 at any one time outstanding.

Notwithstanding anything to the contrary contained in this Section 6.5, no wholly-owned Subsidiary may, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness of the type described in clauses (a), (c), (e), (f), (g) or (h) of the definition thereof unless (x) Gannett is in compliance, on a pro forma basis for the incurrence of such Indebtedness and the satisfaction or discharge of any such Indebtedness during the Test Period, with each of the Senior Leverage Ratio and the Total Leverage Ratio (with Consolidated EBITDA, for such purposes, being deemed to be Consolidated EBITDA for the fiscal quarter then most recently ended for which financial statements have been delivered pursuant to Section 5.1(a) or (b)) and (y) if the aggregate principal amount of such Indebtedness then being incurred in any transaction or series of related transactions exceeds $100,000,000, Gannett has provided the Administrative Agent with a written certification of such compliance.

19. Amendment to Section 7.1. Section 7.1 ("Events of Default") is amended by adding new clause (h) as follows:

(h) Gannett shall default in the performance of any covenant, condition or provision contained in Section 5.9, Section 6.3, Section 6.4 or Section 6.5 of this Agreement and such default shall have continued for a period of five Business Days.

20. Effectiveness.

(a) This Amendment shall become effective as of the date (the "Effective Date") on which all of the following conditions precedent have been satisfied:

(i) The Administrative Agent shall have received (i) counterparts hereof duly executed by Gannett and the Administrative Agent and (ii) an executed consent letter from Lenders constituting Required Lenders authorizing the Administrative Agent to enter into this Amendment; and

(ii) The Administrative Agent shall have received a compliance certificate from Gannett, in form and substance reasonably satisfactory to the Administrative Agent, showing pro forma compliance with the Senior Leverage Ratio and the Total Leverage Ratio for the Second Amendment Effective Date.

21. Representations and Warranties. Gannett hereby represents and warrants that, on and as of the Second Amendment Effective Date, after giving effect to this Amendment:

(a) No Default or Event of Default has occurred and is continuing; and

(b) Each of the representations and warranties of Gannett in the Credit Agreement and this Amendment is true and correct in all material respects, as if made on and as of the date hereof; and since December 30, 2007 there has been no Material change in the business or financial condition of Gannett and its Subsidiaries taken as a whole that has not been publicly disclosed.

22. Continuing Effect. Except as expressly amended hereby, the Credit Agreement shall continue to be and shall remain in full force and effect in accordance with its terms. From and after the date hereof, all references in the Credit Agreement thereto shall be to the Credit Agreement as amended hereby.

23. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Amendment by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

24. Headings. Section headings used in this Amendment are for convenience of reference only, are not part of this Amendment and are not to affect the constructions of, or to be taken into consideration in interpreting, this Amendment.

25. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

26. Expenses. Gannett agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the reasonable fees and disbursements of counsel to the Administrative Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their duly authorized officers as of the date first written above.

GANNETT CO., INC.

By: /s/ Michael A. Hart
Name: Michael A. Hart
Title: Vice President & Treasurer

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Sheri Starbuck
Name: Sheri Starbuck
Title: Vice President

SCHEDULE 1.1

Lenders	Five-Year Commitment
JPMorgan Chase Bank, N.A.	$ 162,000,000
Bank of America, N.A.	164,000,000
Barclays Bank PLC	80,000,000
Citibank N.A.	79,000,000
Bank of Tokyo-Mitsubishi UFJ Trust Company	37,000,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch	37,000,000
Mizuho Corporate Bank LTD	62,000,000
SunTrust Bank	45,000,000
Lloyds TSB Bank, plc	44,000,000
Comerica Bank	40,000,000
PNC Bank, National Association	40,000,000
Sumitomo Mitsui Banking Corporation	40,000,000
Intesa Sanpaolo Spa — NY	20,000,000
The Northern Trust Company	18,000,000
Wells Fargo Bank, National Association	17,500,000
U.S. Bank National Association	12,500,000
Associated Bank, National Association	12,000,000
First Hawaiian Bank	12,000,000
Fifth Third Bank	11,000,000
Capital One, N.A.	8,000,000
Bank of Hawaii	5,000,000
The Bank of New York Mellon	2,500,000
Total	**$ 948,500,000**

Exhibit 10.4

SECOND AMENDMENT

SECOND AMENDMENT, dated as of October 23, 2008 and effective as of October 31, 2008 (this "Amendment"), to the Competitive Advance and Revolving Credit Agreement, dated as of February 27, 2004 and effective as of March 15, 2004, as amended by the First Amendment thereto, dated as of February 28, 2007 and effective as of March 15, 2007 (as further amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among GANNETT CO., INC., a Delaware corporation ("Gannett"), the several banks and other financial institutions parties to the Credit Agreement (the "Lenders"), BANK OF AMERICA, N.A., as administrative agent (in such capacity, the "Administrative Agent"), JPMORGAN CHASE BANK, N.A., as syndication agent, and BARCLAYS BANK PLC, CITIBANK N.A., THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH, MIZUHO CORPORATE BANK LTD, and SUNTRUST BANK, as Documentation Agents and Banc of America Securities LLC and J.P.Morgan Securities Inc. as joint lead arrangers and joint bookrunners.

W I T N E S S E T H:

WHEREAS, Gannett has requested certain amendments to the Credit Agreement;

WHEREAS, the parties are willing to consent to the requested amendments on the terms and conditions contained herein;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

2. Reduction of Five-Year Commitments. The Five-Year Commitment of each Lender is hereby automatically reduced on the Second Amendment Effective Date to the amount set forth opposite such Lender's name on Schedule 1.1 attached hereto. The Credit agreement is hereby amended by deleting Schedule 1.1 thereto and substituting in lieu thereof Schedule 1.1 attached hereto.

3. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Applicable Margin" and substituting in lieu thereof the following definition:

"Applicable Margin": the appropriate rate per annum set forth in the table below opposite the applicable Facility:

Credit Status	Five-Year Facility
Credit Status 1	100.0 Basis Points
Credit Status 2	125.0 Basis Points
Credit Status 3	150.0 Basis Points
Credit Status 4	175.0 Basis Points
Credit Status 5	225.0 Basis Points

4. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status" and substituting in lieu thereof the following definition:

> "Credit Status": any of Credit Status 1, Credit Status 2, Credit Status 3, Credit Status 4 or Credit Status 5. In determining whether Credit Status 1, Credit Status 2, Credit Status 3, Credit Status 4 or Credit Status 5 shall apply in any circumstance, if the applicable ratings by S&P and Moody's differ, the higher of the two ratings will be determinative, unless the applicable ratings by S&P and Moody's are more than one level apart, in which case the Credit Status one level above the lower rating will be determinative. In the event that Gannett's senior unsecured long-term debt is rated by only one of S&P and Moody's, then that single rating shall be determinative.

5. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 1" and substituting in lieu thereof the following definition:

> "Credit Status 1" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least A- or a rating by Moody's of Gannett's senior unsecured long-term debt of at least A3.

6. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 2" and substituting in lieu thereof the following definition:

> "Credit Status 2" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least BBB+ but lower than A- or a rating by Moody's of Gannett's senior unsecured long-term debt of at least Baa1 but lower than A3.

7. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 3" and substituting in lieu thereof the following definition:

> "Credit Status 3" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least BBB but lower than BBB+ or a rating by Moody's of Gannett's senior unsecured long-term debt of at least Baa2 but lower than Baa1.

8. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 4" and substituting in lieu thereof the following definition:

> "Credit Status 4" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least BBB- but lower than BBB or a rating by Moody's of Gannett's senior unsecured long-term debt of at least Baa3 but lower than Baa2.

9. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 5" and substituting in lieu thereof the following definition:

> "Credit Status 5" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of lower than BBB- or a rating by Moody's of Gannett's senior unsecured long-term debt of lower than Baa3.

10. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 6".

11. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Subsidiary" and substituting in lieu thereof the following definition:

> "Subsidiary": any corporation, partnership, limited liability company or other entity the majority of the shares of stock or other ownership interests having ordinary voting power of which at any time outstanding is owned directly or indirectly by Gannett or by one or more of its other subsidiaries or by Gannett in conjunction with one or more of its other subsidiaries.

12. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is further amended by adding the following definitions, in proper alphabetical order, as follows:

> "Consolidated EBITDA": for any Test Period, Consolidated Net Income for such Test Period:
>
> plus without duplication and to the extent already deducted (and not added back) in determining Consolidated Net Income for such Test Period, the sum of (a) Consolidated Interest Expense, (b) provisions for federal, state, local and foreign taxes based on income or gains, (c) total depreciation expense, (d) total amortization expense, including, without limitation, amortization of intangibles and Indebtedness issuance costs, (e) earn-out payments pursuant to any acquisitions or investments, (f) any loss (or minus any gain) from early extinguishments of any hedge agreement and (g) all other non-cash charges, expenses and other items including, without limitation, restructuring costs, severance costs, facility closures, stock-based compensation expense, non-cash charges arising from impairments and write-offs of assets (including investments) and foreign currency translation losses pertaining to intercompany activity; *provided* that if any such non-cash charges are reflected in Consolidated EBITDA and represent an accrual of or reserve for potential cash expenditures in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA for the period in which such payment is made;
>
> minus, without duplication and to the extent already included in determining Consolidated Net Income for such Test Period, non-cash gains increasing Consolidated Net Income for such Test Period, excluding any non-cash gains to the extent they represent the reversal of an accrual of or reserve for potential cash items that reduced Consolidated EBITDA in any prior period.
>
> Notwithstanding the foregoing, there shall be excluded from the calculation of Consolidated EBITDA: (i) any extraordinary, unusual or non-recurring gains or losses; (ii) any cumulative effect of changes in accounting principles or policies and (iii) the Consolidated Net Income of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting; *provided* that Consolidated EBITDA shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash) by such Person to Gannett or a Subsidiary thereof.

For the purposes of calculating Consolidated EBITDA for any Test Period (i) if at any time during such Test Period, Gannett or any Subsidiary shall have made any Material Disposition, the Consolidated EBITDA for such Test Period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the property that is the subject of such Material Disposition for such Test Period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such Test Period and (ii) if during such Test Period Gannett or any Subsidiary shall have made a Material Acquisition or Material Investment, Consolidated EBITDA for such Test Period shall be calculated after giving pro forma effect thereto in accordance with Article 11 of Regulation S-X of the Securities and Exchange Commission, other than with reference to those portions thereof relating to whether the transaction would be considered significant, as if such Material Acquisition or Material Investment occurred on the first day of such Test Period. As used in this definition, "Material Acquisition" means any acquisition of property or series of related acquisitions of property that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the voting equity securities of a Person and (b) involves the payment of consideration (including the assumption by Gannett or its Subsidiaries of Indebtedness of the seller) by Gannett and its Subsidiaries in excess of $50,000,000; "Material Investment" means any purchase of voting equity securities of a Person which involves the payment of consideration by Gannett and its Subsidiaries (including contributions of assets) in excess of $50,000,000; and "Material Disposition" means any disposition of property or series of related dispositions of property that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the voting equity securities of a Subsidiary of Gannett and (b) yields gross proceeds (including the discharge by the purchaser of Indebtedness of Gannett or its Subsidiaries) to Gannett or any of its Subsidiaries in excess of $50,000,000. Notwithstanding the foregoing, the parties understand and agree that Gannett's acquisition on September 2, 2008 of a controlling membership interest in CareerBuilder, LLC shall constitute a Material Acquisition for the purposes of this Agreement.

"Consolidated Interest Expense": with respect to all outstanding Indebtedness of a Person and its Subsidiaries for any period, the total interest expense of such Person and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income": for any period, with respect to a Person and its Subsidiaries, the consolidated net income (or loss) of such Person and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

"Domestic Subsidiary": any wholly-owned Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

"Guarantee": a guarantee or similar contingent payment obligation, direct or indirect, in any manner, of all or any part of any Indebtedness; provided, that "Guarantee" shall not include (a) any endorsement of negotiable instruments for collection or deposit in the ordinary course of business or (b) any liability of Gannett or its Subsidiaries as a general partner of a partnership (other than a wholly-owned Subsidiary of Gannett) in respect of the Indebtedness of such partnership.

"Guarantee Agreement": an agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which each Material Domestic Subsidiary party thereto unconditionally guarantees all Obligations.

"Guarantee Trigger Event": the earliest to occur of (a) S&P assigning a rating below BBB- to Gannett's senior unsecured long-term debt, (b) Moody's assigning a rating below Baa3 to Gannett's senior unsecured long-term debt or (c) the provision, on or after the Second Amendment Effective Date, of Guarantees of greater than $500,000 in the aggregate by Gannett or any of its Subsidiaries to any Indebtedness of Gannett or any of its Subsidiaries.

"Guarantor": each Subsidiary that enters into a Guarantee Agreement.

"Indebtedness": as to any Person at any date, without duplication, (a) all indebtedness for borrowed money, (b) all obligations for the deferred purchase price of property and services (but excluding any (i) current accounts payable incurred in the ordinary course of business, (ii) deferred compensation obligations incurred in the ordinary course of business and (iii) earn-out obligation until such earn-out obligation becomes a liability on the balance sheet of such Person in accordance with GAAP), (c) all obligations evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to acquired property, (e) all capital lease obligations, (f) the liquidation value of all mandatorily redeemable preferred stock, (g) all guarantee obligations of the foregoing and (h) all obligations of any kind referenced in (a) through (g) above secured by any lien on property owned by such Person or any of its Subsidiaries, whether or not such Person or any of its Subsidiaries has assumed or become liable for the payment of such obligation; provided, however, that "Indebtedness" does not include (x) letters of credit, except to the extent of unreimbursed amounts owing in respect of drawings thereunder, (y) net obligations under swap agreements or (z) any liability of such Person as a general partner of a partnership (other than a wholly-owned Subsidiary of such Person) in respect of the Indebtedness of such partnership, except to the extent that such liability appears as indebtedness on the balance sheet of Gannett.

"Material Domestic Subsidiary": any Domestic Subsidiary (a) whose total assets at the last day of the most recent Test Period were equal to or greater than 3% of the Total Assets at such date or (b) whose gross revenues for such Test Period were equal to or greater than 3% of the consolidated gross revenues of Gannett and its Subsidiaries for such period, in each case determined in accordance with GAAP; *provided* that "Material Domestic Subsidiary" shall also include any of Gannett's Subsidiaries selected by Gannett that is required to ensure that all Material Domestic Subsidiaries have in the aggregate (i) total assets at the last day of the most recent Test Period that were equal to or greater than 90% of the Total Assets of Gannett's Domestic Subsidiaries at such date and (ii) gross revenues for such Test Period that were equal to or greater than 90% of the consolidated gross revenues of Gannett's Domestic Subsidiaries for such period, in each case determined in accordance with GAAP.

"Obligations": the unpaid principal of and interest on (including interest accruing after the maturity of the Loans and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, of Gannett, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Loans and all other obligations and liabilities of Gannett to the Administrative Agent or to any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any Guarantee Agreement or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, fees, indemnities, costs, expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by Gannett pursuant hereto) or otherwise.

"Second Amendment": the Second Amendment to the Agreement dated as of October 23, 2008, among Gannett, the Lenders and the Administrative Agent.

"Second Amendment Effective Date": the date on which the conditions precedent set forth in paragraph 20 of the Second Amendment shall have been satisfied or waived.

"Senior Indebtedness": as to any Person at any date, all Indebtedness of such Person other than Indebtedness that is expressly subordinated to the prior payment in full in cash of the principal of and interest on each Loan and all fees payable hereunder.

"Senior Leverage Ratio": as of the time of determination, the ratio of (a) total Senior Indebtedness of Gannett and its Subsidiaries on such date, minus Unrestricted Cash of Gannett and its Subsidiaries, to the extent readily distributable to Gannett, on such date to (b) Consolidated EBITDA for the period of four consecutive fiscal quarters ended on such date.

"Test Period": a period of four consecutive fiscal quarters ended on the last day of the fourth such fiscal quarter.

"Total Assets": the total assets of Gannett and its Subsidiaries on a consolidated basis, as shown on the most recent balance sheet of Gannett delivered pursuant to Section 5.1(a) or (b).

"Total Leverage Ratio": as of the time of determination, the ratio of (a) total Indebtedness of Gannett and its Subsidiaries on such date, minus Unrestricted Cash of Gannett and its Subsidiaries, to the extent readily distributable to Gannett, on such date to (b) Consolidated EBITDA for the period of four consecutive fiscal quarters ended on such date.

"Unrestricted Cash": unrestricted cash or cash equivalents in an amount up to (x) $750 million for the fiscal quarter ending March 29, 2009 which has been earmarked for payment of Gannett's $750 million aggregate principal amount of Floating Rate Notes due May 26, 2009 and (y) $500 million for the fiscal quarter ending March 27, 2011 which has been earmarked for payment of Gannett's $500 million aggregate principal amount of 5.75% Notes due June 1, 2011.

13. Amendment to Section 2.10. Section 2.10 ("Fees") of the Credit Agreement is hereby amended in its entirety as follows:

(a) [reserved].

(b) Gannett shall pay to the Administrative Agent, for the ratable account of the Five-Year Lenders, a facility fee (the "Five-Year Facility Fee") at the rate per annum equal to (i) for each day that Gannett has Credit Status 1, .1250% of the aggregate Five-Year Commitments on such day, (ii) for each day that Gannett has Credit Status 2, .1500% of the aggregate Five-Year Commitments on such day, (iii) for each day that Gannett has Credit Status 3, .1750% of the aggregate Five-Year Commitments on such day, (iv) for each day that Gannett has Credit Status 4, .2000% of the aggregate Five-Year Commitments on such day and (v) for each day that Gannett has Credit Status 5, .2500% of the aggregate Five-Year Commitments on such day. On the first Business Day following the last day of each fiscal quarter of Gannett and on the Five-Year Termination Date (or, if earlier, on the date upon which both the Five-Year Commitments are terminated and the Five-Year Loans are paid in full), Gannett shall pay to the Administrative Agent, for the ratable benefit of the Lenders, the portion of the Five-Year Facility Fee which accrued during the fiscal quarter most recently ended (or, in the case of the payment due on the Five-Year Termination Date, the portion thereof ending on such date). Such facility fee shall be based upon the aggregate Five-Year Commitments of the Five-Year Lenders from time to time, regardless of the utilization by Gannett from time to time thereunder.

14. Amendment to Article II. Article II (“Amount and Terms of the Facilities”) is amended by adding new Section 2.19 (“Commitment Reductions”) as follows:

Section 2.19 Commitment Reductions. (a) If on or prior to December 31, 2009, any capital stock or Indebtedness shall be issued or incurred in a capital markets transaction by Gannett or any of its Subsidiaries (excluding commercial paper issued by Gannett), then the Total Commitments shall be reduced by an amount equal to 100% of the net cash proceeds thereof until the Total Commitments have been reduced to $1,092,310,136.64.

(b) If, on December 31, 2009, the Total Commitments exceed $1,092,310,136.64, the Total Commitments shall be automatically reduced on such date to $1,092,310,136.64.

(c) Any such reduction of the Commitments pursuant to this Section 2.19 shall be accompanied by prepayment of the Loans (except for any then outstanding Competitive Loans, as to which such reduction shall be accompanied by cash collateralization of such Competitive Loans) to the extent, if any, that the aggregate principal amount of the then outstanding Loans exceeds the aggregate amount of the Commitments as so reduced. The application of any prepayment pursuant to this paragraph (c) shall be made, first, to ABR Loans and, second, to Eurodollar Loans. Each prepayment of the Loans under this paragraph (c) (except in the case of Loans that are ABR Loans) shall be accompanied by accrued interest to the date of such prepayment on the amount prepaid.

15. Amendment to Article V. Article V (“Affirmative Covenants”) of the Credit Agreement is amended by adding new Section 5.9 (“Guarantee”) as follows:

Section 5.9 Guarantee. (a) Upon the occurrence of a Guarantee Trigger Event, cause each Material Domestic Subsidiary to execute and deliver to the Administrative Agent, within 15 days, a Guarantee Agreement; and

(b) With respect to any new Material Domestic Subsidiary created or acquired after a Guarantee Trigger Event (which shall include any existing Subsidiary that becomes a Material Domestic Subsidiary), cause such Material Domestic Subsidiary to execute and deliver to the Administrative Agent, within 15 days after such creation or acquisition, a Guarantee Agreement for such Material Domestic Subsidiary thereafter created or acquired.

16. Amendment to Section 6.1. Clause (a) of Section 6.1 (“Liens”) is amended in its entirety as follows:

(a) Liens, so long as the aggregate outstanding principal amount of indebtedness of Gannett and its Subsidiaries secured by all such Liens does not exceed 5% of Total Shareholders’ Equity;

17. Amendment to Section 6.3. Section 6.3 (“Shareholders’ Equity”) of the Credit Agreement is hereby deleted in its entirety and a new Section 6.3 is inserted in lieu thereof as follows:

Section 6.3 Total Leverage Ratio. Permit the Total Leverage Ratio as at the last day of any Test Period to exceed 4.00 to 1.00.

18. Amendment to Article VI. Article VI ("Negative Covenants") of the Credit Agreement is amended by adding thereto new Section 6.4 ("Senior Leverage Ratio") and Section 6.5 ("Indebtedness") as follows:

Section 6.4 Senior Leverage Ratio. Permit the Senior Leverage Ratio as at the last day of any Test Period to exceed 3.50 to 1.00.

Section 6.5 Indebtedness.

(a) Prior to the occurrence of a Guarantee Trigger Event, with respect solely to any wholly-owned Subsidiary of Gannett, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except Indebtedness in an aggregate principal amount not to exceed $100,000,000 at any one time outstanding; and

(b) After the occurrence of a Guarantee Trigger Event and compliance with Section 5.9:

(i) permit any Guarantor to, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except (A) unsecured Indebtedness, the proceeds of which are used to refinance any of Gannett's bonds having a maturity date earlier than the Five-Year Termination Date, (B) Indebtedness among Gannett and one or more Guarantors, or among Guarantors, in each case that is contractually subordinated to the Obligations and (C) Indebtedness other than Indebtedness of a type specified in clauses (A) or (B) of this paragraph (i) in an aggregate principal not to exceed $500,000,000 at any one time outstanding; or

(ii) permit any wholly-owned Subsidiary that is not a Guarantor to, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except (A) Indebtedness among Gannett or any Guarantor and any Subsidiaries that are not Guarantors that is contractually subordinated to the Obligations and (B) other Indebtedness in an aggregate principal amount not to exceed $250,000,000 at any one time outstanding.

Notwithstanding anything to the contrary contained in this Section 6.5, no wholly-owned Subsidiary may, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness of the type described in clauses (a), (c), (e), (f), (g) or (h) of the definition thereof unless (x) Gannett is in compliance, on a pro forma basis for the incurrence of such Indebtedness and the satisfaction or discharge of any such Indebtedness during the Test Period, with each of the Senior Leverage Ratio and the Total Leverage Ratio (with Consolidated EBITDA, for such purposes, being deemed to be Consolidated EBITDA for the fiscal quarter then most recently ended for which financial statements have been delivered pursuant to Section 5.1(a) or (b)) and (y) if the aggregate principal amount of such Indebtedness then being incurred in any transaction or series of related transactions exceeds $100,000,000, Gannett has provided the Administrative Agent with a written certification of such compliance.

19. Amendment to Section 7.1. Section 7.1 ("Events of Default") is amended by adding new clause (h) as follows:

(h) Gannett shall default in the performance of any covenant, condition or provision contained in Section 5.9, Section 6.3, Section 6.4 or Section 6.5 of this Agreement and such default shall have continued for a period of five Business Days.

20. Effectiveness.

(a) This Amendment shall become effective as of the date (the "Effective Date") on which all of the following conditions precedent have been satisfied:

(i) The Administrative Agent shall have received (i) counterparts hereof duly executed by Gannett and the Administrative Agent and (ii) an executed consent letter from Lenders constituting Required Lenders authorizing the Administrative Agent to enter into this Amendment; and

(ii) The Administrative Agent shall have received a compliance certificate from Gannett, in form and substance reasonably satisfactory to the Administrative Agent, showing pro forma compliance with the Senior Leverage Ratio and the Total Leverage Ratio for the Second Amendment Effective Date.

21. Representations and Warranties. Gannett hereby represents and warrants that, on and as of the Second Amendment Effective Date, after giving effect to this Amendment:

(a) No Default or Event of Default has occurred and is continuing; and

(b) Each of the representations and warranties of Gannett in the Credit Agreement and this Amendment is true and correct in all material respects, as if made on and as of the date hereof; and since December 30, 2007 there has been no Material change in the business or financial condition of Gannett and its Subsidiaries taken as a whole that has not been publicly disclosed.

22. Continuing Effect. Except as expressly amended hereby, the Credit Agreement shall continue to be and shall remain in full force and effect in accordance with its terms. From and after the date hereof, all references in the Credit Agreement thereto shall be to the Credit Agreement as amended hereby.

23. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Amendment by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

24. Headings. Section headings used in this Amendment are for convenience of reference only, are not part of this Amendment and are not to affect the constructions of, or to be taken into consideration in interpreting, this Amendment.

25. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

26. Expenses. Gannett agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the reasonable fees and disbursements of counsel to the Administrative Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their duly authorized officers as of the date first written above.

GANNETT CO., INC.

By: /s/ Michael A. Hart
Name: Michael A. Hart
Title: Vice President & Treasurer

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Sheri Starbuck
Name: Sheri Starbuck
Title: Vice President

SCHEDULE 1.1

Lenders	**Five-Year Commitment**
Bank of America, N.A.	$ 163,500,000
JPMorgan Chase Bank, N.A.	135,000,000
Citibank N.A.	118,000,000
Barclays Bank PLC	116,500,000
SunTrust Bank	115,000,000
Mizuho Corporate Bank LTD	112,000,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch	65,000,000
Bank of Tokyo-Mitsubishi UFJ Trust Company	39,000,000
Lloyds TSB Bank, plc	100,000,000
Sumitomo Mitsui Banking Corporation	60,000,000
Wells Fargo Bank, National Association	52,500,000
U.S. Bank National Association	37,500,000
Fifth Third Bank	33,000,000
The Northern Trust Company	30,000,000
First Hawaiian Bank	22,500,000
Bank of Hawaii	15,000,000
The Bank of New York Mellon	35,500,000
Total	**$ 1,250,000,000**

Exhibit 10.5

SECOND AMENDMENT

SECOND AMENDMENT, dated as of October 23, 2008 and effective as of October 31, 2008 (this "Amendment"), to the Amended and Restated Competitive Advance and Revolving Credit Agreement, dated as of March 11, 2002 and effective as of March 18, 2002, as amended and restated as of December 13, 2004 and effective as of January 5, 2005, as amended by the First Amendment thereto, dated as of February 28, 2007 and effective as of March 15, 2007 (as further amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among GANNETT CO., INC., a Delaware corporation ("Gannett"), the several banks and other financial institutions parties to the Credit Agreement (the "Lenders"), BANK OF AMERICA, N.A., as administrative agent (in such capacity, the "Administrative Agent"), JPMORGAN CHASE BANK, N.A., as syndication agent, BARCLAYS BANK PLC, CITIBANK N.A., THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH, MIZUHO CORPORATE BANK LTD, and SUNTRUST BANK, as Documentation Agents, and Banc of America Securities LLC and J.P.Morgan Securities Inc. as joint lead arrangers and joint bookrunners.

W I T N E S S E T H:

WHEREAS, Gannett has requested certain amendments to the Credit Agreement;

WHEREAS, the parties are willing to consent to the requested amendments on the terms and conditions contained herein;

NOW THEREFORE, the parties hereto hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

2. Reduction of Five-Year Commitments. The Five-Year Commitment of each Lender is hereby automatically reduced on the Second Amendment Effective Date to the amount set forth opposite such Lender's name on Schedule 1.1 attached hereto. The Credit agreement is hereby amended by deleting Schedule 1.1 thereto and substituting in lieu thereof Schedule 1.1 attached hereto.

3. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Applicable Margin" and substituting in lieu thereof the following definition:

"Applicable Margin": the appropriate rate per annum set forth in the table below opposite the applicable Facility:

Credit Status	Five-Year Facility
Credit Status 1	100.0 Basis Points
Credit Status 2	125.0 Basis Points
Credit Status 3	150.0 Basis Points
Credit Status 4	175.0 Basis Points
Credit Status 5	225.0 Basis Points

4. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status" and substituting in lieu thereof the following definition:

> "Credit Status": any of Credit Status 1, Credit Status 2, Credit Status 3, Credit Status 4 or Credit Status 5. In determining whether Credit Status 1, Credit Status 2, Credit Status 3, Credit Status 4 or Credit Status 5 shall apply in any circumstance, if the applicable ratings by S&P and Moody's differ, the higher of the two ratings will be determinative, unless the applicable ratings by S&P and Moody's are more than one level apart, in which case the Credit Status one level above the lower rating will be determinative. In the event that Gannett's senior unsecured long-term debt is rated by only one of S&P and Moody's, then that single rating shall be determinative.

5. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 1" and substituting in lieu thereof the following definition:

> "Credit Status 1" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least A- or a rating by Moody's of Gannett's senior unsecured long-term debt of at least A3.

6. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 2" and substituting in lieu thereof the following definition:

> "Credit Status 2" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least BBB+ but lower than A- or a rating by Moody's of Gannett's senior unsecured long-term debt of at least Baa1 but lower than A3.

7. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 3" and substituting in lieu thereof the following definition:

> "Credit Status 3" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least BBB but lower than BBB+ or a rating by Moody's of Gannett's senior unsecured long-term debt of at least Baa2 but lower than Baa1.

8. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 4" and substituting in lieu thereof the following definition:

> "Credit Status 4" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of at least BBB- but lower than BBB or a rating by Moody's of Gannett's senior unsecured long-term debt of at least Baa3 but lower than Baa2.

9. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 5" and substituting in lieu thereof the following definition:

> "Credit Status 5" shall exist upon the occurrence of the higher of a rating by S&P of Gannett's senior unsecured long-term debt of lower than BBB- or a rating by Moody's of Gannett's senior unsecured long-term debt of lower than Baa3.

10. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Credit Status 6".

11. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by deleting therefrom the definition of "Subsidiary" and substituting in lieu thereof the following definition:

"Subsidiary": any corporation, partnership, limited liability company or other entity the majority of the shares of stock or other ownership interests having ordinary voting power of which at any time outstanding is owned directly or indirectly by Gannett or by one or more of its other subsidiaries or by Gannett in conjunction with one or more of its other subsidiaries.

12. Amendment to Section 1.1. Section 1.1 of the Credit Agreement is further amended by adding the following definitions, in proper alphabetical order, as follows:

"Consolidated EBITDA": for any Test Period, Consolidated Net Income for such Test Period:

plus without duplication and to the extent already deducted (and not added back) in determining Consolidated Net Income for such Test Period, the sum of (a) Consolidated Interest Expense, (b) provisions for federal, state, local and foreign taxes based on income or gains, (c) total depreciation expense, (d) total amortization expense, including, without limitation, amortization of intangibles and Indebtedness issuance costs, (e) earn-out payments pursuant to any acquisitions or investments, (f) any loss (or minus any gain) from early extinguishments of any hedge agreement and (g) all other non-cash charges, expenses and other items including, without limitation, restructuring costs, severance costs, facility closures, stock-based compensation expense, non-cash charges arising from impairments and write-offs of assets (including investments) and foreign currency translation losses pertaining to intercompany activity; *provided* that if any such non-cash charges are reflected in Consolidated EBITDA and represent an accrual of or reserve for potential cash expenditures in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA for the period in which such payment is made;

minus, without duplication and to the extent already included in determining Consolidated Net Income for such Test Period, non-cash gains increasing Consolidated Net Income for such Test Period, excluding any non-cash gains to the extent they represent the reversal of an accrual of or reserve for potential cash items that reduced Consolidated EBITDA in any prior period.

Notwithstanding the foregoing, there shall be excluded from the calculation of Consolidated EBITDA: (i) any extraordinary, unusual or non-recurring gains or losses; (ii) any cumulative effect of changes in accounting principles or policies and (iii) the Consolidated Net Income of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting; *provided* that Consolidated EBITDA shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash) by such Person to Gannett or a Subsidiary thereof.

For the purposes of calculating Consolidated EBITDA for any Test Period (i) if at any time during such Test Period, Gannett or any Subsidiary shall have made any Material Disposition, the Consolidated EBITDA for such Test Period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the property that is the subject of such Material Disposition for such Test Period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such Test Period and (ii) if during such Test Period Gannett or any Subsidiary shall have made a Material Acquisition or Material Investment, Consolidated EBITDA for such Test Period shall be calculated after giving pro forma effect thereto in accordance with Article 11 of Regulation S-X of the Securities and Exchange Commission, other than with reference to those portions thereof relating to whether the transaction would be considered significant, as if such Material Acquisition or Material Investment occurred on the first day of such Test Period. As used in this definition, "Material Acquisition" means any acquisition of property or series of related acquisitions of property that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the voting equity securities of a Person and (b) involves the payment of consideration (including the assumption by Gannett or its Subsidiaries of Indebtedness of the seller) by Gannett and its Subsidiaries in excess of $50,000,000; "Material Investment" means any purchase of voting equity securities of a Person which involves the payment of consideration by Gannett and its Subsidiaries (including contributions of assets) in excess of $50,000,000; and "Material Disposition" means any disposition of property or series of related dispositions of property that (a) constitutes assets comprising all or substantially all of an operating unit of a business or constitutes all or substantially all of the voting equity securities of a Subsidiary of Gannett and (b) yields gross proceeds (including the discharge by the purchaser of Indebtedness of Gannett or its Subsidiaries) to Gannett or any of its Subsidiaries in excess of $50,000,000. Notwithstanding the foregoing, the parties understand and agree that Gannett's acquisition on September 2, 2008 of a controlling membership interest in CareerBuilder, LLC shall constitute a Material Acquisition for the purposes of this Agreement.

"Consolidated Interest Expense": with respect to all outstanding Indebtedness of a Person and its Subsidiaries for any period, the total interest expense of such Person and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income": for any period, with respect to a Person and its Subsidiaries, the consolidated net income (or loss) of such Person and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

"Domestic Subsidiary": any wholly-owned Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

"Guarantee": a guarantee or similar contingent payment obligation, direct or indirect, in any manner, of all or any part of any Indebtedness; provided, that "Guarantee" shall not include (a) any endorsement of negotiable instruments for collection or deposit in the ordinary course of business or (b) any liability of Gannett or its Subsidiaries as a general partner of a partnership (other than a wholly-owned Subsidiary of Gannett) in respect of the Indebtedness of such partnership.

"Guarantee Agreement": an agreement in form and substance reasonably acceptable to the Administrative Agent pursuant to which each Material Domestic Subsidiary party thereto unconditionally guarantees all Obligations.

"Guarantee Trigger Event": the earliest to occur of (a) S&P assigning a rating below BBB- to Gannett's senior unsecured long-term debt, (b) Moody's assigning a rating below Baa3 to Gannett's senior unsecured long-term debt or (c) the provision, on or after the Second Amendment Effective Date, of Guarantees of greater than $500,000 in the aggregate by Gannett or any of its Subsidiaries to any Indebtedness of Gannett or any of its Subsidiaries.

"Guarantor": each Subsidiary that enters into a Guarantee Agreement.

"Indebtedness": as to any Person at any date, without duplication, (a) all indebtedness for borrowed money, (b) all obligations for the deferred purchase price of property and services (but excluding any (i) current accounts payable incurred in the ordinary course of business, (ii) deferred compensation obligations incurred in the ordinary course of business and (iii) earn-out obligation until such earn-out obligation becomes a liability on the balance sheet of such Person in accordance with GAAP), (c) all obligations evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to acquired property, (e) all capital lease obligations, (f) the liquidation value of all mandatorily redeemable preferred stock, (g) all guarantee obligations of the foregoing and (h) all obligations of any kind referenced in (a) through (g) above secured by any lien on property owned by such Person or any of its Subsidiaries, whether or not such Person or any of its Subsidiaries has assumed or become liable for the payment of such obligation; provided, however, that "Indebtedness" does not include (x) letters of credit, except to the extent of unreimbursed amounts owing in respect of drawings thereunder, (y) net obligations under swap agreements or (z) any liability of such Person as a general partner of a partnership (other than a wholly-owned Subsidiary of such Person) in respect of the Indebtedness of such partnership, except to the extent that such liability appears as indebtedness on the balance sheet of Gannett.

"Material Domestic Subsidiary": any Domestic Subsidiary (a) whose total assets at the last day of the most recent Test Period were equal to or greater than 3% of the Total Assets at such date or (b) whose gross revenues for such Test Period were equal to or greater than 3% of the consolidated gross revenues of Gannett and its Subsidiaries for such period, in each case determined in accordance with GAAP; *provided* that "Material Domestic Subsidiary" shall also include any of Gannett's Subsidiaries selected by Gannett that is required to ensure that all Material Domestic Subsidiaries have in the aggregate (i) total assets at the last day of the most recent Test Period that were equal to or greater than 90% of the Total Assets of Gannett's Domestic Subsidiaries at such date and (ii) gross revenues for such Test Period that were equal to or greater than 90% of the consolidated gross revenues of Gannett's Domestic Subsidiaries for such period, in each case determined in accordance with GAAP.

"Obligations": the unpaid principal of and interest on (including interest accruing after the maturity of the Loans and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, of Gannett, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Loans and all other obligations and liabilities of Gannett to the Administrative Agent or to any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any Guarantee Agreement or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, fees, indemnities, costs, expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by Gannett pursuant hereto) or otherwise.

"Second Amendment": the Second Amendment to the Agreement dated as of October 23, 2008, among Gannett, the Lenders and the Administrative Agent.

"Second Amendment Effective Date": the date on which the conditions precedent set forth in paragraph 20 of the Second Amendment shall have been satisfied or waived.

"Senior Indebtedness": as to any Person at any date, all Indebtedness of such Person other than Indebtedness that is expressly subordinated to the prior payment in full in cash of the principal of and interest on each Loan and all fees payable hereunder.

"Senior Leverage Ratio": as of the time of determination, the ratio of (a) total Senior Indebtedness of Gannett and its Subsidiaries on such date, minus Unrestricted Cash of Gannett and its Subsidiaries, to the extent readily distributable to Gannett, on such date to (b) Consolidated EBITDA for the period of four consecutive fiscal quarters ended on such date.

"Test Period": a period of four consecutive fiscal quarters ended on the last day of the fourth such fiscal quarter.

"Total Assets": the total assets of Gannett and its Subsidiaries on a consolidated basis, as shown on the most recent balance sheet of Gannett delivered pursuant to Section 5.1(a) or (b).

"Total Leverage Ratio": as of the time of determination, the ratio of (a) total Indebtedness of Gannett and its Subsidiaries on such date, minus Unrestricted Cash of Gannett and its Subsidiaries, to the extent readily distributable to Gannett, on such date to (b) Consolidated EBITDA for the period of four consecutive fiscal quarters ended on such date.

"Unrestricted Cash": unrestricted cash or cash equivalents in an amount up to (x) $750 million for the fiscal quarter ending March 29, 2009 which has been earmarked for payment of Gannett's $750 million aggregate principal amount of Floating Rate Notes due May 26, 2009 and (y) $500 million for the fiscal quarter ending March 27, 2011 which has been earmarked for payment of Gannett's $500 million aggregate principal amount of 5.75% Notes due June 1, 2011.

13. Amendment to Section 2.10. Section 2.10 ("Fees") of the Credit Agreement is hereby amended in its entirety as follows:

(a) [reserved].

(b) Gannett shall pay to the Administrative Agent, for the ratable account of the Five-Year Lenders, a facility fee (the "Five-Year Facility Fee") at the rate per annum equal to (i) for each day that Gannett has Credit Status 1, .1250% of the aggregate Five-Year Commitments on such day, (ii) for each day that Gannett has Credit Status 2, .1500% of the aggregate Five-Year Commitments on such day, (iii) for each day that Gannett has Credit Status 3, .1750% of the aggregate Five-Year Commitments on such day, (iv) for each day that Gannett has Credit Status 4, .2000% of the aggregate Five-Year Commitments on such day and (v) for each day that Gannett has Credit Status 5, .2500% of the aggregate Five-Year Commitments on such day. On the first Business Day following the last day of each fiscal quarter of Gannett and on the Five-Year Termination Date (or, if earlier, on the date upon which both the Five-Year Commitments are terminated and the Five-Year Loans are paid in full), Gannett shall pay to the Administrative Agent, for the ratable benefit of the Lenders, the portion of the Five-Year Facility Fee which accrued during the fiscal quarter most recently ended (or, in the case of the payment due on the Five-Year Termination Date, the portion thereof ending on such date). Such facility fee shall be based upon the aggregate Five-Year Commitments of the Five-Year Lenders from time to time, regardless of the utilization by Gannett from time to time thereunder.

14. Amendment to Article II. Article II ("Amount and Terms of the Facilities") is amended by adding new Section 2.19 ("Commitment Reductions") as follows:

Section 2.19 Commitment Reductions. (a) If on or prior to December 31, 2009, any capital stock or Indebtedness shall be issued or incurred in a capital markets transaction by Gannett or any of its Subsidiaries (excluding commercial paper issued by Gannett), then the Total Commitments shall be reduced by an amount equal to 100% of the net cash proceeds thereof until the Total Commitments have been reduced to $828,844,931.68.

(b) If, on December 31, 2009, the Total Commitments exceed $828,844,931.68, the Total Commitments shall be automatically reduced on such date to $828,844,931.68.

(c) Any such reduction of the Commitments pursuant to this Section 2.19 shall be accompanied by prepayment of the Loans (except for any then outstanding Competitive Loans, as to which such reduction shall be accompanied by cash collateralization of such Competitive Loans) to the extent, if any, that the aggregate principal amount of the then outstanding Loans exceeds the aggregate amount of the Commitments as so reduced. The application of any prepayment pursuant to this paragraph (c) shall be made, first, to ABR Loans and, second, to Eurodollar Loans. Each prepayment of the Loans under this paragraph (c) (except in the case of Loans that are ABR Loans) shall be accompanied by accrued interest to the date of such prepayment on the amount prepaid.

15. Amendment to Article V. Article V ("Affirmative Covenants") of the Credit Agreement is amended by adding new Section 5.9 ("Guarantee") as follows:

Section 5.9 Guarantee. (a) Upon the occurrence of a Guarantee Trigger Event, cause each Material Domestic Subsidiary to execute and deliver to the Administrative Agent, within 15 days, a Guarantee Agreement; and

(b) With respect to any new Material Domestic Subsidiary created or acquired after a Guarantee Trigger Event (which shall include any existing Subsidiary that becomes a Material Domestic Subsidiary), cause such Material Domestic Subsidiary to execute and deliver to the Administrative Agent, within 15 days after such creation or acquisition, a Guarantee Agreement for such Material Domestic Subsidiary thereafter created or acquired.

16. Amendment to Section 6.1. Clause (a) of Section 6.1 ("Liens") is amended in its entirety as follows:

(a) Liens, so long as the aggregate outstanding principal amount of indebtedness of Gannett and its Subsidiaries secured by all such Liens does not exceed 5% of Total Shareholders' Equity;

17. Amendment to Section 6.3. Section 6.3 ("Shareholders' Equity") of the Credit Agreement is hereby deleted in its entirety and a new Section 6.3 is inserted in lieu thereof as follows:

Section 6.3 Total Leverage Ratio. Permit the Total Leverage Ratio as at the last day of any Test Period to exceed 4.00 to 1.00.

18. Amendment to Article VI. Article VI ("Negative Covenants") of the Credit Agreement is amended by adding thereto new Section 6.4 ("Senior Leverage Ratio") and Section 6.5 ("Indebtedness") as follows:

Section 6.4 Senior Leverage Ratio. Permit the Senior Leverage Ratio as at the last day of any Test Period to exceed 3.50 to 1.00.

Section 6.5 Indebtedness.

(a) Prior to the occurrence of a Guarantee Trigger Event, with respect solely to any wholly-owned Subsidiary of Gannett, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except Indebtedness in an aggregate principal amount not to exceed $100,000,000 at any one time outstanding; and

(b) After the occurrence of a Guarantee Trigger Event and compliance with Section 5.9:

(i) permit any Guarantor to, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except (A) unsecured Indebtedness, the proceeds of which are used to refinance any of Gannett's bonds having a maturity date earlier than the Five-Year Termination Date, (B) Indebtedness among Gannett and one or more Guarantors, or among Guarantors, in each case that is contractually subordinated to the Obligations and (C) Indebtedness other than Indebtedness of a type specified in clauses (A) or (B) of this paragraph (i) in an aggregate principal not to exceed $500,000,000 at any one time outstanding; or

(ii) permit any wholly-owned Subsidiary that is not a Guarantor to, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness, except (A) Indebtedness among Gannett or any Guarantor and any Subsidiaries that are not Guarantors that is contractually subordinated to the Obligations and (B) other Indebtedness in an aggregate principal amount not to exceed $250,000,000 at any one time outstanding.

Notwithstanding anything to the contrary contained in this Section 6.5, no wholly-owned Subsidiary may, directly or indirectly, create, issue, incur, assume, become liable in respect of or suffer to exist any Indebtedness of the type described in clauses (a), (c), (e), (f), (g) or (h) of the definition thereof unless (x) Gannett is in compliance, on a pro forma basis for the incurrence of such Indebtedness and the satisfaction or discharge of any such Indebtedness during the Test Period, with each of the Senior Leverage Ratio and the Total Leverage Ratio (with Consolidated EBITDA, for such purposes, being deemed to be Consolidated EBITDA for the fiscal quarter then most recently ended for which financial statements have been delivered pursuant to Section 5.1(a) or (b)) and (y) if the aggregate principal amount of such Indebtedness then being incurred in any transaction or series of related transactions exceeds $100,000,000, Gannett has provided the Administrative Agent with a written certification of such compliance.

19. Amendment to Section 7.1. Section 7.1 ("Events of Default") is amended by adding new clause (h) as follows:

(h) Gannett shall default in the performance of any covenant, condition or provision contained in Section 5.9, Section 6.3, Section 6.4 or Section 6.5 of this Agreement and such default shall have continued for a period of five Business Days.

20. Effectiveness.

(a) This Amendment shall become effective as of the date (the “Effective Date”) on which all of the following conditions precedent have been satisfied:

(i) The Administrative Agent shall have received (i) counterparts hereof duly executed by Gannett and the Administrative Agent and (ii) an executed consent letter from Lenders constituting Required Lenders authorizing the Administrative Agent to enter into this Amendment; and

(ii) The Administrative Agent shall have received a compliance certificate from Gannett, in form and substance reasonably satisfactory to the Administrative Agent, showing pro forma compliance with the Senior Leverage Ratio and the Total Leverage Ratio for the Second Amendment Effective Date.

21. Representations and Warranties. Gannett hereby represents and warrants that, on and as of the Second Amendment Effective Date, after giving effect to this Amendment:

(a) No Default or Event of Default has occurred and is continuing; and

(b) Each of the representations and warranties of Gannett in the Credit Agreement and this Amendment is true and correct in all material respects, as if made on and as of the date hereof; and since December 30, 2007 there has been no Material change in the business or financial condition of Gannett and its Subsidiaries taken as a whole that has not been publicly disclosed.

22. Continuing Effect. Except as expressly amended hereby, the Credit Agreement shall continue to be and shall remain in full force and effect in accordance with its terms. From and after the date hereof, all references in the Credit Agreement thereto shall be to the Credit Agreement as amended hereby.

23. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Amendment by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

24. Headings. Section headings used in this Amendment are for convenience of reference only, are not part of this Amendment and are not to affect the constructions of, or to be taken into consideration in interpreting, this Amendment.

25. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

26. Expenses. Gannett agrees to pay or reimburse the Administrative Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Amendment, including, without limitation, the reasonable fees and disbursements of counsel to the Administrative Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their duly authorized officers as of the date first written above.

GANNETT CO., INC.

By: /s/ Michael A. Hart
Name: Michael A. Hart
Title: Vice President & Treasurer

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Sheri Starbuck
Name: Sheri Starbuck
Title: Vice President

SCHEDULE 1.1

Lenders	**Five-Year Commitment**
Bank of America, N.A.	$ 183,000,000
JPMorgan Chase Bank, N.A.	190,000,000
Barclays Bank PLC	76,000,000
Citibank N.A.	75,500,000
Mizuho Corporate Bank LTD	66,000,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch	62,000,000
SunTrust Bank	60,000,000
Lloyds TSB Bank, plc	56,000,000
Wells Fargo Bank, National Association	50,000,000
The Northern Trust Company	32,000,000
U.S. Bank National Association	20,000,000
Fifth Third Bank	20,000,000
Comerica	20,000,000
Bank of Hawaii	20,000,000
The Bank of New York Mellon	10,000,000
First Hawaiian Bank	8,000,000
Total	**$ 948,500,000**

Exhibit 31.1

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 third 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: November 5, 2008

/s/ Craig A. Dubow

Craig A. Dubow
Chairman, President and Chief Executive Officer

Exhibit 31.2

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 third 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: November 5, 2008

/s/ Gracia C. Martore

Gracia C. Martore
Executive Vice President and Chief Financial Officer

Exhibit 32.1

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 September 28, 2008 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

November 5, 2008

Exhibit 32.2

**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 September 28, 2008 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

November 5, 2008

Exhibit 99.1

Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars
Excludes discontinued operations

On September 3, 2008, the Company increased its ownership in CareerBuilder LLC (CareerBuilder) to 50.8% from 40.8%, and in connection therewith became the majority and controlling owner of CareerBuilder. Accordingly, the results of CareerBuilder beginning with September 2008 are now fully consolidated. On June 30, 2008, the Company increased its ownership in ShopLocal LLC (ShopLocal) to 100% from 42.5%, and from that date the results of ShopLocal are now fully consolidated. Prior to these acquisitions, the equity share of CareerBuilder and ShopLocal results were reported as equity earnings.

Beginning with the third quarter of 2008, a new “Digital” business segment is being reported, which includes CareerBuilder and ShopLocal results from the date of full consolidation, as well as PointRoll, Planet Discover and Schedule Star. Prior period results for PointRoll, Planet Discover and Schedule Star have been reclassified from the publishing segment to the digital segment. The table below shows the recast segment results reflecting the new segment.

	First Quarter		Second Quarter		Third Quarter		Year-to-Date	
	2008	2007	2008	2007	2008	2007	2008	2007
Operating Revenues								
Publishing	$1,492,796	$1,635,068	$ 1,505,413	$1,691,623	$1,362,716	$1,591,972	$ 4,360,925	$4,918,663
Digital	13,893	13,087	20,008	16,346	77,594	17,181	111,495	46,614
Broadcasting	170,180	183,059	192,568	204,666	197,000	189,540	559,748	577,265
Total	**$1,676,869**	**$1,831,214**	**$ 1,717,989**	**$1,912,635**	**$1,637,310**	**$1,798,693**	**$ 5,032,168**	**$5,542,542**
Operating Income (Loss)								
Publishing	$ 286,394	$ 338,546	$(2,207,296)	$ 395,357	$ 183,432	$ 329,365	$(1,737,470)	$1,063,268
Digital	(862)	2,062	4,510	3,922	6,136	6,043	9,784	12,027
Broadcasting	57,805	64,162	79,234	87,412	83,957	71,479	220,996	223,053
Corporate	(15,706)	(23,053)	(9,994)	(18,700)	(14,344)	(17,758)	(40,044)	(59,511)
Total	**$ 327,631**	**$ 381,717**	**$(2,133,546)**	**$ 467,991**	**$ 259,181**	**$ 389,129**	**$(1,546,734)**	**$1,238,837**
Depreciation/Amortization/ Intangible Asset Impairment								
Publishing	$ 54,002	$ 57,015	$ 2,546,717	$ 57,837	$ 48,224	$ 56,264	$ 2,648,943	$ 171,116
Digital	1,377	1,296	1,405	1,326	4,094	1,330	6,876	3,952
Broadcasting	8,495	8,723	10,160	8,459	8,513	8,270	27,168	25,452
Corporate	3,968	4,006	5,176	3,910	3,974	4,005	13,118	11,921
Total	**$ 67,842**	**$ 71,040**	**$ 2,563,458**	**$ 71,532**	**$ 64,805**	**$ 69,869**	**$ 2,696,105**	**$ 212,441**