SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

X Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended September 29, 1996 or

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

Commission file number 1-6961

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

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

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

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No __

The number of shares outstanding of the issuer's Common Stock, Par Value $1.00, as of September 29, 1996, was 140,956,749.

PART I. FINANCIAL INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATIONS

SALE OF OUTDOOR ADVERTISING BUSINESS

On August 22, 1996, the Company completed the sale of its Outdoor advertising business to Outdoor Systems, Inc. for a purchase price of $713,000,000 in cash. The Company recorded an after-tax gain of $294,580,000 or $2.09 per share on this sale. Operating results for the third quarter and year-to-date exclude this gain as well as earnings from the outdoor division for the period leading up to the sale. The gain, along with Outdoor operating results, are reported as a discontinued operation in the Company's financial statements. Prior year results have been reclassified to conform with the current year presentation.

EXCHANGE OF GANNETT RADIO STATIONS FOR WTSP-TV, TAMPA

On September 26, 1996, the Company entered into an agreement with Jacor Communications, Inc., to exchange the Company's radio stations KIIS-AM/FM, Los Angeles; KSDO-AM/KKBH-FM, San Diego; and WDAE-AM/WUSA-FM, Tampa, for WTSP-TV, the CBS television affiliate in Tampa. Closing is expected to occur in the fourth quarter, as soon as regulatory approvals are obtained.

OPERATING SUMMARY

Operating income for the third quarter of 1996 rose $80.8 million or 51% from the year earlier quarter, reflecting in part earnings from Multimedia properties acquired in December 1995. Earnings from broadcasting rose sharply, up $37.6 million or 98%.

Multimedia television stations contributed to this growth along with significant earnings gains from the Company's other stations as a group. Strong demand for television advertising during the Summer Olympics was a significant factor in the earnings improvement. The Company's new cable business reported operating income of $10.4 million for the quarter.

Newspaper publishing earnings rose $23.1 million or 17% from the year earlier quarter. The improved earnings reflect the results of Multimedia newspapers as well as higher earnings at USA Today, fueled principally by the Olympics. A strike began at The Detroit News on July 13, 1995. The level of losses from the early months of the strike has declined, thus contributing to overall earnings gains. Newspaper earnings gains were tempered by higher newsprint prices and consumption.

Income from the Company's other businesses was $8.6 million, reflecting the results of the alarm security and entertainment businesses acquired with the Multimedia purchase.

Operating income for the first nine months of 1996 rose $174.7 million or 31%.

NEWSPAPERS

Reported newspaper publishing revenues rose $96.7 million or 13% for the third quarter of 1996 and $210.2 million or 9% for the year-to-date, reflecting in part revenues reported by Multimedia newspapers. Newspaper advertising revenue rose $77 million or 15% for the quarter and $155 million or 10% for the first nine months.

The tables below provide, on a pro forma basis, further details of newspaper ad revenue and linage and preprint distribution for the third quarter and year-to-date periods of 1996 and 1995:

Advertising revenue, in thousands of dollars (pro forma)

Third quarter	1996	1995	% Change
Local	$193,516	$185,523	4
National	93,428	73,812	27
Classified	212,956	193,098	10
Total Run-of-Press	499,900	452,433	10
Preprint and other advertising	85,254	83,916	2
Total ad revenue	$585,154	$536,349	9

Advertising linage, in thousands of inches (pro forma)

Third quarter	1996	1995	% Change
Local	7,710	7,916	(3)
National	542	525	3
Classified	9,289	9,014	3
Total Run-of-Press linage	17,541	17,455	0
Preprint distribution (000's)	1,476	1,450	2

Advertising revenue, in thousands of dollars (pro forma)

Year-to-date	1996	1995	% Change
Local	$ 589,652	$ 590,706	0
National	281,997	243,878	16
Classified	615,260	580,401	6
Total Run-of-Press	1,486,909	1,414,985	5
Preprint and other advertising	258,424	261,597	(1)
Total ad revenue	$1,745,333	$1,676,582	4

Advertising linage, in thousands of inches (pro forma)

Year-to-date	1996	1995	% Change
Local	23,179	24,315	(5)
National	1,696	1,685	1
Classified	26,973	26,609	1
Total Run-of-Press linage	51,848	52,609	(1)
Preprint distribution (000's)	4,453	4,548	(2)

In the pro forma presentation above, total advertising revenues for the Company's newspapers rose 9% for the quarter and 4% for the first nine months. Local ad revenues increased 4% for the quarter and were even for the year-to-date. National ad revenue rose 27% for the quarter and 16% year-to-date, reflecting strong advertising revenue gains by USA Today. Classified advertising, up 10% for the quarter and 6% year-to-date, reflects gains across the newspaper group, with continued improvement in the employment, auto and real estate categories. Ad revenues in all categories were bolstered by improvement at The Detroit News.

Reported newspaper circulation revenues rose 9% for the quarter and 8% for the year-to-date. On a pro forma basis, circulation revenues were up 5% for the quarter and 3% for the year-to-date. Net paid daily circulation for the Company's local newspapers was down 2% for the quarter and 3% for the first nine months, while Sunday circulation declined 4% for the quarter and 5% for the year-to-date. The decline in local daily and Sunday circulation was due in part to the effect of the strike in Detroit. USA Today reported an average daily paid circulation of 2,130,847 in the ABC Publisher's statement for the nine months ended September 29, 1996, which, subject to audit, is a 3% increase over the comparable period a year ago.

Operating costs for the newspaper segment rose $73.6 million or 12% for the quarter and $192.4 million or 10% for the year-to-date, reflecting added costs from the Multimedia newspapers.
Higher newsprint prices continued to have a negative effect on cost comparisons. In total, reported newsprint expense rose 14% for the quarter and 31% for the year-to-date. Consumption was above 1995 levels for both the quarter and the year-to-date

periods, including added usage of Multimedia newspapers and greater usage at The Detroit News and at USA Today. Pro forma consumption was up 4% for the quarter and was even for the year-to-date. Newsprint prices have softened in recent months and for the fourth quarter of 1996 will be below prior-year levels. Newspaper cost increases also reflect higher benefit costs, goodwill amortization, and one-time costs associated with a new labor agreement and changes in circulation operations in major newspaper markets.

Reported newspaper operating income increased $23.1 million or 17% for the quarter and $17.8 million or 4% for the first nine months.

BROADCASTING

Broadcast revenues increased $74 million or 71% for the third quarter and $174.2 million or 54% for the first nine months, while operating costs were up $36.5 million or 55% for the quarter and $78.1 million or 37% for the year-to-date. Results for the 1996 quarter and year-to-date periods include the Multimedia television stations. On a pro forma basis, broadcast revenues increased 25% for the quarter and 14% for the first nine months, reflecting strong demand for television advertising, particularly during the Summer Olympics.

Pro forma local television ad revenues grew 30% for the quarter and 17% year-to-date, while national revenues increased 35% for the quarter and 17% for the first nine months. Pro forma radio revenues were up slightly for the quarter and for the first nine months.

Broadcasting operating income rose $37.6 million or 98% for the quarter and $96.1 million or 86% for the year-to-date, reflecting earnings from the new Multimedia stations as well as improved results from most of the Company's other television stations. The Company's nine NBC affiliates reported substantial year-over-year gains for the quarter and first nine months of 1996, driven by the Olympics and generally strong ratings for the network's programs. Pro forma operating income for the radio group was up 9% for the quarter and 15% for the first nine months of 1996.

In May, 1996, the Company sold two Macon, Ga., radio stations which were acquired as part of the Multimedia purchase in December, 1995. This transaction does not significantly affect broadcast operating results comparisons for 1996.

CABLE

Cable television revenues were $48 million in the third quarter of 1996 and $143.5 million for the first nine months. On a pro forma basis, cable revenues increased 8% for the quarter and 10% for the year-to-date. Basic subscribers totaled approximately 460,000 at the end of the quarter, equal to 61% of homes passed. Pay subscribers totaled approximately 335,000 at September 30, 1996. Operating income from cable totaled $10.4 million for the quarter and $32.1 million for the year-to-date, and operating cash flow was $23.9 million for the quarter and $72 million for the first nine months.

OTHER BUSINESSES

The principal businesses included in this segment are the television entertainment programming and alarm security businesses acquired in the Multimedia purchase.

The entertainment programming and alarm security businesses were both profitable for the quarter and for the year-to-date. The revenue and earnings for the alarm security business are growing; however, revenue and earnings for the entertainment business have been adversely affected by the cessation of the Donahue show and by competition.

NON-OPERATING INCOME AND EXPENSE

Interest expense rose $25 million or 274% for the quarter and $80.3 million or 253% for the year-to-date, reflecting interest on commercial paper borrowings to finance the Multimedia acquisition in December, 1995. Average rates were lower for both the quarter and the year-to-date periods.

PROVISION FOR INCOME TAXES

The Company's effective income tax rate on earnings from continuing operations was 43% for the quarter and for the year-to-date. The increase in the effective rate from 40.5% in 1995 is attributable to amortization of non-deductible intangible assets recorded in connection with the Multimedia acquisition.

INCOME FROM CONTINUING OPERATIONS AND NET INCOME

Income from continuing operations rose $25 million or 28% for the third quarter and $37.2 million or 12% for the year-to-date. Earnings per share from continuing operations rose to $.82 from $.64 for the quarter, an increase of 28%, and were $2.47 for the first nine months of 1996, an increase of 11% over 1995.

Net income including discontinued operations totaled $414.7 million for the quarter and $654 million for the first nine months. Including discontinued operations, net income per share was $2.94 for the quarter and $4.64 for the year-to-date. Discontinued operations, including the after-tax gain on the sale of Outdoor and the after-tax earnings of Outdoor for the months leading up to the sale, totaled $299.3 million or $2.12 per share for the quarter compared to $5.8 million or $.05 per share for the year-earlier quarter. For the year-to-date, earnings from discontinued operations totaled $305.8 million or $2.17 per share compared to $10.7 million or $.08 per share in 1995.

The weighted average number of shares outstanding totaled 140,944,000 for the third quarter of 1996, compared to 140,181,000 for the third quarter of 1995. Average shares outstanding for the year-to-date totaled 140,823,000 for 1996 and 140,103,000 for 1995. The increase in the number of shares outstanding for the quarter and year-to-date periods is due mainly to the exercise of stock options.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operating activities as reported in the accompanying Consolidated Statements of Cash Flow totaled $556 million for the first nine months of 1996, compared with $396 million a year ago. The increase is due principally to operating cash flow from Multimedia properties acquired in December, 1995. Principal uses of cash flow in 1996 were capital expenditures, reduction of debt and dividends.

Capital expenditures for the year-to-date totaled $195.3 million in 1996, compared to $106.4 million in 1995. The increase reflects capital spending for the newly acquired Multimedia businesses, particularly cable and alarm security, and the purchase of land in Fairfax County, Va., for possible use as a future site for corporate headquarters and perhaps other operations.

The Company's long-term debt was reduced by $928 million in the first nine months of 1996 from the sale of the Outdoor advertising business and from operating cash flow. The Company declared regular quarterly dividends of $0.35 per share in the first and second quarters of 1996 and $0.36 per share in the third quarter. Dividends declared totaled $149.3 million.

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

	Sept. 29, 1996	Dec. 31, 1995
ASSETS		
Cash	$ 49,162	$ 46,962
Marketable securities	3,414	23
Trade receivables, less allowance (1996 - $19,549; 1995 - $22,182)	519,025	587,896
Other receivables	53,523	33,663
Inventories	82,675	111,653
Prepaid expenses	67,886	73,887
Total current assets	775,685	854,084
Property, plant and equipment:		
Cost	3,395,197	3,559,666
Less accumulated depreciation	(1,425,694)	(1,488,979)
Net property, plant and equipment	1,969,503	2,070,687
Intangible and other assets:		
Excess of acquisition cost over the value of assets acquired, less amortization (1996 - $580,562; 1995 - $491,743)	3,287,854	3,386,600
Investments and other assets	212,255	192,429
Total intangible and other assets	3,500,109	3,579,029
Total assets	$ 6,245,297	$ 6,503,800
LIABILITIES & SHAREHOLDERS' EQUITY		
Current maturities of long-term debt	$ 29	$ 90,751
Accounts payable and current portion of film contracts payable	213,871	279,594
Compensation, interest and other accruals	285,424	276,295
Dividend payable	52,105	49,208
Income taxes	261,496	15,071
Deferred income	103,292	101,853
Total current liabilities	916,217	812,772
Deferred income taxes	293,764	327,916
Long-term debt, less current portion	1,930,863	2,767,880
Postretirement medical and life insurance liabilities	308,739	305,700
Other long-term liabilities	127,760	143,884
Total liabilities	3,577,343	4,358,152
Shareholders' Equity:		
Preferred stock of $1 par value per share. Authorized 2,000,000 shares, issued - none		
Common stock of $1 par value per share. Authorized 400,000,000, issued 162,210,366 shares	162,210	162,210
Additional paid-in capital	77,280	76,811
Retained earnings	3,415,971	2,923,752
Foreign currency translation adjustment	0	(12,258)
Total	3,655,461	3,150,515
Less treasury stock - 21,253,617 shares and 21,645,721 shares respectively, at cost	(957,810)	(973,272)
Deferred compensation related to ESOP	(29,697)	(31,595)
Total shareholders' equity	2,667,954	2,145,648
Total liabilities and shareholders' equity	$ 6,245,297	$ 6,503,800

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

	Thirteen weeks ended Sept. 29, 1996	Thirteen weeks ended Sept. 24, 1995	% Inc (Dec)
Net Operating Revenues:			
Newspaper advertising	$ 585,814	$ 508,821	15.1
Newspaper circulation	229,197	209,445	9.4
Broadcasting	178,879	104,787	70.7
Cable	48,237		
Other	75,614	41,810	80.9
Total	1,117,741	864,863	29.2
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	627,345	510,661	22.8
Selling, general and administrative expenses, exclusive of depreciation	177,004	148,996	18.8
Depreciation	48,876	34,347	42.3
Amortization of intangible assets	24,040	11,168	115.3
Total	877,265	705,172	24.4
Operating income	240,476	159,691	50.6
Non-operating income (expense):			
Interest expense	(34,111)	(9,113)	(274.3)
Other	(3,917)	1,100	(456.1)
Total	(38,028)	(8,013)	(374.6)
Income before income taxes	202,448	151,678	33.5
Provision for income taxes	87,100	61,400	41.9
Income from continuing operations	115,348	90,278	27.8
Discontinued operations:			
Income from outdoor operations, net of taxes of $3,140 and $3,900 respectively	4,723	5,823	(18.9)
Gain on sale of outdoor, net of taxes of $195,000	294,580		
Net income	$ 414,651	$ 96,101	331.5
Earnings per share:			
Earnings from continuing operations	$0.82	$0.64	28.1
Earnings from discontinued operations:			
Outdoor operations, net of tax	$0.03	$0.05	(40.0)
Gain on sale of outdoor business, net of tax	$2.09		
Net income per share	$2.94	$0.69	326.1
Dividends per share	$0.36	$0.35	2.9

(See note on page 2 of Consolidated Statements of Income)

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

	Thirty-nine weeks ended Sept. 29, 1996	Thirty-nine weeks ended Sept. 24, 1995	% Inc (Dec)
Net Operating Revenues:			
Newspaper advertising	$ 1,747,679	$ 1,592,697	9.7
Newspaper circulation	685,874	635,454	7.9
Broadcasting	496,873	322,650	54.0
Cable	143,483		
Other	235,705	122,639	92.2
Total	3,309,614	2,673,440	23.8
Operating Expenses:			
Cost of sales and operating expenses, exclusive of depreciation	1,841,173	1,519,507	21.2
Selling, general and administrative expenses, exclusive of depreciation	519,602	460,880	12.7
Depreciation	146,954	104,543	40.6
Amortization of intangible assets	72,172	33,536	115.2
Total	2,579,901	2,118,466	21.8
Operating income	729,713	554,974	31.5
Non-operating income (expense):			
Interest expense	(112,042)	(31,723)	(253.2)
Other	(6,157)	(627)	(882.0)
Total	(118,199)	(32,350)	(265.4)
Income before income taxes	611,514	522,624	17.0
Provision for income taxes	263,325	211,600	24.4
Income from continuing operations	348,189	311,024	11.9
Discontinued operations:			
Income from outdoor operations, net of taxes of $7,540 and $7,300, respectively	11,248	10,706	5.1
Gain on sale of outdoor, net of taxes of $195,000	294,580		
Net income	$ 654,017	$ 321,730	103.3
Earnings per share:			
Earnings from continuing operations	$2.47	$2.22	11.3
Earnings from discontinued operations:			
Outdoor operations, net of tax	$0.08	$0.08	0.0
Gain on sale of outdoor business, net of tax	$2.09		
Net income per share	$4.64	$2.30	101.7
Dividends per share	$1.06	$1.03	2.9

Note: The Company sold its Outdoor Advertising business in August, 1996 and for financial statement purposes for 1996 and all prior periods is reporting Outdoor Advertising as a discontinued operation. Outdoor results are therefore excluded from the operating results above and instead are reflected separately as discontinued operations one-line, net of tax basis.

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

	Thirty-nine weeks ended Sept. 29, 1996	Sept. 24, 1995
Cash flows from operating activities		
Net income	$ 654,017	$ 321,730
Adjustments to reconcile net income to operating cash flows:		
Discontinued operations	(305,828)	(10,706)
Depreciation	146,954	104,543
Amortization of intangibles	72,172	33,536
Deferred income taxes	(13,351)	(13,168)
Gain on sale of assets	(574)	(123)
Other, net	13,312	21,011
Changes in other assets & liabilities, net	(10,669)	(60,824)
Net cash flow from operating activities	556,033	395,999
Cash flows from investing activities		
Purchase of property, plant & equipment	(195,322)	(106,376)
Change in other investments	(18,341)	(2,320)
Proceeds from sale of certain assets	720,928	1,622
Collection of long-term receivables	1,205	4,711
Net cash provided by (used for) investing activities	508,470	(102,363)
Cash flow from financing activities		
Payments of long-term debt	(927,739)	(166,936)
Dividends paid	(146,407)	(142,915)
Cost of common shares repurchased	(1,436)	
Proceeds from issuance of common stock	16,906	7,227
Net cash used for financing activities	(1,058,676)	(302,624)
Effect of currency exchange rate change	(236)	273
Net increase (decrease) in cash and cash equivalents	5,591	(8,715)
Balance of cash & cash equivalents at beginning of year	46,985	44,252
Balance of cash and cash equivalents at end of third quarter	$ 52,576	$ 35,537

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

	Quarter ended Sept. 29, 1996	Quarter ended Sept. 24, 1995	% Inc (Dec)
Operating Revenues:			
Newspaper publishing	$ 849,220	$ 752,527	12.8
Broadcasting	178,879	104,787	70.7
Cable	48,237		
Other businesses	41,405	7,549	448.5
Total	$ 1,117,741	$ 864,863	29.2
Operating Income (net of depreciation & amortization):			
Newspaper publishing	$ 159,732	$ 136,603	16.9
Broadcasting	76,116	38,513	97.6
Cable	10,410		-
Other businesses	8,625	(259)	*
Corporate	(14,407)	(15,166)	5.0
Total	$ 240,476	$ 159,691	50.6
Depreciation and Amortization:			
Newspaper publishing	$ 40,013	$ 35,885	11.5
Broadcasting	12,886	6,991	84.3
Cable	13,532		-
Other businesses	4,018	284	*
Corporate	2,467	2,355	4.8
Total	$ 72,916	$ 45,515	60.2
Operating Cash Flow:			
Newspaper publishing	$ 199,745	$ 172,488	15.8
Broadcasting	89,002	45,504	95.6
Cable	23,942		-
Other businesses	12,643	25	*
Corporate	(11,940)	(12,811)	6.8
Total	$ 313,392	$ 205,206	52.7

(See notes on page 2 of business segment information)

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

	Year-to-date Sept. 29, 1996	Year-to-date Sept. 24, 1995	% Inc (Dec)
Operating Revenues:			
Newspaper publishing	$ 2,538,627	$ 2,328,422	9.0
Broadcasting	496,873	322,650	54.0
Cable	143,483		-
Other businesses	130,631	22,368	484.0
Total	$ 3,309,614	$ 2,673,440	23.8
Operating Income net of depreciation and amortization):			
Newspaper publishing	$ 510,394	$ 492,623	3.6
Broadcasting	208,264	112,119	85.8
Cable	32,133		-
Other businesses	26,333	(188)	*
Corporate	(47,411)	(49,580)	4.4
Total	$ 729,713	$ 554,974	31.5
Depreciation and Amortization:			
Newspaper publishing	$ 120,989	$ 108,746	11.3
Broadcasting	38,904	21,061	84.7
Cable	39,883		-
Other businesses	11,771	839	*
Corporate	7,579	7,433	2.0
Total	$ 219,126	$ 138,079	58.7
Operating Cash Flow:			
Newspaper publishing	$ 631,383	$ 601,369	5.0
Broadcasting	247,168	133,180	85.6
Cable	72,016		-
Other businesses	38,104	651	*
Corporate	(39,832)	(42,147)	5.5
Total	$ 948,839	$ 693,053	36.9

NOTES:

(1) The Company sold its Outdoor Advertising business in August, 1996 and for financial statement purposes for 1996 and all prior periods is reporting Outdoor Advertising as a discontinued operation. Outdoor results are therefore excluded from the "Other businesses" segment reflected above.

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

NOTE TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

September 29, 1996

1. Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with the instructions for Form 10-Q and, therefore, do not include all information and footnotes which are normally included in Form 10-K and annual report to shareholders. The financial statements covering the 13 and 39 week periods ended September 29, 1996, and the comparative periods of 1995 reflect all adjustments which, in the opinion of the Company, are necessary for a fair statement of results for the interim periods.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

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

(b) Reports on Form 8-K.

(I) Current Report on Form 8-K dated July 10, 1996 in connection with the sale of the Company's outdoor advertising business.

(ii) Current Report on Form 8-K dated August 22, 1996 in connection with the closing of the sale of the Company's outdoor advertising business.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GANNETT CO., INC.

Dated: November 13, 1996	/s/ -- Larry F. Miller Senior Vice President/Financial Planning and Controller
Dated: November 13, 1996	/s/ -- Thomas L. Chapple Senior Vice President, General Counsel and Secretary

EXHIBIT INDEX

Exhibit Number	Title or Description	Location
4-1	$1,000,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-1 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 26, 1993.
4-2	Amendment Number One to $1,000,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-2 to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended June 26, 1994.
4-3	Amendment Number Two to $1,500,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 1995.
4-4	Amendment Number Three to $3,000,000,000 Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein, dated as of August 20, 1996.	Attached.
4-5	Indenture dated as of March 1, 1983 between Gannett Co., Inc. and Citibank, N.A., as Trustee.	Incorporated by reference to Exhibit 4-2 to Gannett Co., Inc's Form 10-K for the fiscal year ended December 29, 1985.
4-6	First Supplemental Indenture dated as of November 5, 1986 among Gannett Co., Inc., Citibank, N.A., as Trustee, and Sovran Bank, N.A., as Successor Trustee.	Incorporated by reference to Exhibit 4 to Gannett Co., Inc.'s Form 8-K filed on November 9, 1986.
4-7	Second Supplemental Indenture dated as of June 1, 1995 among Gannett Co., Inc., NationsBank, N.A., as Trustee, and Crestar Bank, as Trustee.	Incorporated by reference to Exhibit 4 to Gannett Co., Inc.'s Form 8-K filed June 15, 1995
4-8	Rights Plan.	Incorporated by reference to Exhibit 1 to Gannett Co., Inc.'s Form 8-K filed on May 23, 1990.
10-1	Amended and Restated Gannett Co., Inc. Deferred Compensation Plan.	Attached.
11	Statement re computation of earnings per share.	Attached.
27	Financial Data Schedule	Attached.

Gannett Co., Inc., agrees to furnish to the Securities and Exchange 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 registrant.

AMENDMENT NUMBER THREE

to

$3,000,000,000
REVOLVING CREDIT AGREEMENT

dated as of December 1, 1993
between
GANNETT CO., INC.
and
BANK OF AMERICA NT&SA,
MORGAN GUARANTY TRUST COMPANY,
NATIONSBANK N.A. (CAROLINAS), FIRST CHICAGO NBD,
CITIBANK, N.A.,
THE FUJI BANK, LIMITED, TORONTO DOMINION (TEXAS), INC.,
WACHOVIA BANK OF GEORGIA, N.A., BANK OF HAWAII,
WELLS FARGO BANK, THE BANK OF NOVA SCOTIA,
THE CHASE MANHATTAN BANK, N.A.,
DEUTSCHE BANK AG, MARINE MIDLAND BANK,
PNC BANK, NATIONAL ASSOCIATION,
ROYAL BANK OF CANADA, THE SANWA BANK, LIMITED,
CRESTAR BANK, THE NORTHERN TRUST COMPANY, and
THE FIRST NATIONAL BANK OF MARYLAND,

as amended

GANNETT CO., INC.

Amendment Number Three
to
$3,000,000,000
Revolving Credit Agreement

This Amendment Number Three is made as of August 20, 1996 between Gannett Co., Inc., a Delaware corporation ("Gannett"), and the Banks signatory hereto (each called a "Bank" and collectively the "Banks"). Unless otherwise defined herein, all capitalized terms used herein shall have the meaning ascribed to such terms in the Agreement (as defined below).

Gannett entered into a $1,000,000,000 Revolving Credit Agreement with the Banks dated December 1, 1993 (the "Agreement"). On August 1, 1994, pursuant to Amendment Number One to the Agreement, the Agreement was amended to increase the aggregate commitment to $1,500,000,000, extend the Expiration Date and modify the Facility Fee.

On November 13, 1995, pursuant to Amendment Number Two to the Agreement, the Agreement was amended to increase the aggregate commitment to $3,000,000,000, extend the Expiration Date, modify the Facility Fee, adjust the Applicable Margin in effect with respect to the Money Market Rate and the Eurodollar Rate, and amend Schedule 1 to the Agreement.

Gannett and the Banks wish to further amend the Agreement to modify the notice requirements with respect to Alternate Rate Advances, to eliminate a certain representation regarding environmental matters as a condition to lending and to reflect a change in certain of the Banks.

The parties hereby agree as follows:

1. The terms "this Agreement," "hereunder," "herein" and similar references in the Agreement shall be deemed to refer to the Agreement as amended hereby.

2. Section 3(b)(i) of the Agreement shall be amended in its entirety to read as follows:

3(b). Money Market and Alternate Rate Advances

(i) For each Money Market Advance and Alternate Rate Advance, Gannett shall deliver to the Servicing Bank notice before such proposed Borrowing specifying the total amount of such Borrowing, whether it is to be comprised of Money Market Advances or Alternate Rate Advances, the applicable N.Y. Interest Period, the amount thereof which is to be loaned by each Bank, the date of such proposed Borrowing and the Maturity Date, which shall not be later than the Expiration Date. Notice with respect to Money Market Advances shall be delivered at least one Business Day prior to the proposed Borrowing. Notice with respect to Alternate Rate Advances may be delivered on or prior to the date of the proposed Borrowing, provided that with respect to same day notice such notice shall have been received by the Servicing Bank by 12:00 p.m. (New York, New York time) on the date of the proposed Borrowing. Upon its receipt of Gannett's notice, the Servicing Bank shall promptly notify each Bank by telecopy of the date of the proposed borrowing, the amount to be loaned by such Bank, whether it is to be a Money Market Advance or an Alternate Rate Advance, the N.Y. Interest Period and the Maturity Date, which shall be the last day of the N.Y. Interest Period. Thereafter, the Servicing Bank shall forward a xerographic copy of Gannett's notice to each other Bank. On the date specified in any such notice with respect to Money Market Advances or Alternate Rate Advances for which longer than same day notice has been provided, each Bank shall make its share of the Borrowing available in immediately available funds to Gannett at the principal office of the Servicing Bank prior to 11:00 a.m. (New York, New York time). With respect to Alternate Rate Advances for which same day notice has been provided, each Bank shall make its share of the Borrowing available in immediately available funds to Gannett at the principal office of the Servicing Bank as promptly as possible following notice from the Servicing Bank as to the proposed Borrowing, and in any event prior to 2:00 p.m. on such day.

3. Section 7(a) shall be amended by deleting from clause (ii) thereof the words "and 5(h)" and inserting before the reference to "5(g)" and in place of the comma preceding the reference to 5(g) the word "and".

4. Schedule 1 of the Agreement shall be amended in its entirety to read as set forth in Schedule 1 to this Amendment, and those financial institutions whose names appear on Schedule 1 hereto shall each be a "Bank" and, collectively, the "Banks" for all purposes under the Agreement and this Amendment No. 3.

5. The terms of this Agreement shall be in addition to and shall in no way impair the full force and effect of the Agreement (except as specifically amended herein).

6. This Amendment may be executed by the parties in as many counterparts as may be deemed necessary and convenient, and by the different parties on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

7. THIS AMENDMENT NUMBER THREE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties have executed this Amendment Number Three as of the date first written above.

GANNETT CO., INC.

/s/
By: ______________________________
Name: Gracia C. Martore
Title: Vice President/Treasury Services

BANK OF AMERICA NT&SA

/s/
By: ______________________________
Name: Amy S. Trapp
Title: Vice President

THE CHASE MANHATTAN BANK, N.A. (as successor by merger with Chemical Bank)

/s/
By: ______________________________
Name: John J. Huber, III

Title: Managing Director

MORGAN GUARANTY TRUST COMPANY

/s/
By: ___________________________________
Name: Eugenia Wilds
Title: Vice President

NATIONSBANK N.A. (CAROLINAS)

/s/
By: ___________________________________
Name: Daniel J. Rabbitt
Title: Officer

FIRST CHICAGO NBD (formerly known as The First National Bank of Chicago)

/s/
By: ___________________________________
Name: Michael P. King
Title: Corporate Banking Officer

CITIBANK, N.A.

/s/
By: ___________________________________
Name: Eric Hattner, Attorney-in-Fact
Title: Vice President

THE FUJI BANK, LIMITED

/s/
By: ___________________________________
Name: Toshiaki Yakura
Title: SVP and Group Head

TORONTO DOMINION (TEXAS), INC.

/s/
By: ___________________________________
Name: Neva Nesbitt
Title: Vice President

WACHOVIA BANK OF GEORGIA, N.A.

/s/
By: ___________________________________
Name: Fitzhugh L. Wickham
Title: Vice President

BANK OF HAWAII

/s/
By: ___________________________________
Name: Bruce Helberg
Title: Officer

WELLS FARGO BANK (as successor by merger with First Interstate Bank of California)

/s/
By: ___________________________________
Name: Daniel H. Ham
Title: Vice President

THE BANK OF NOVA SCOTIA

/s/
By: ___________________________________
Name: Vincent J. Fitzgerald, Jr.

Title: Authorized Signatory

DEUTSCHE BANK AG

/s/
By: ____
Name: Saead Ahmad
Title: Assistant Vice President

/s/
By: ____
Name: John R. Lilly
Title: Vice President

MARINE MIDLAND BANK

/s/
By: ____
Name: Gay R. Nudd
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION

/s/
By: ____
Name: Daniel E. Hopkins
Title: Vice President

ROYAL BANK OF CANADA

/s/
By: ____
Name: Barbara Meyer
Title: Senior Manager

THE SANWA BANK, LIMITED

/s/
By: ____
Name: William M. Plough
Title: Vice President

CRESTAR BANK

/s/
By: ____
Name: William F. Lindlaw
Title: Vice President

THE NORTHERN TRUST COMPANY

/s/
By: ___________________________________
Name: Joseph Yacullo
Title: Vice President

THE FIRST NATIONAL BANK OF MARYLAND

/s/
By: ___________________________________
Name: Shaun E. Murphy
Title: Vice President

SCHEDULE 1

COMMITMENTS OF THE BANKS

NAME, ADDRESS AND TELECOPY COMMITMENT
AMOUNT
NUMBER OF BANK

CO-ARRANGERS

Bank of America NT&SA $250,000,000
1850 Gateway Blvd.
Concord, CA 94520
Telecopy: 510-675-7531 or 7532

With a copy to:

Bank of America NT&SA
335 Madison Avenue
New York, NY 10017
Telecopy: 212-270-2056

The Chase Manhattan Bank, N.A. $250,000,000
(as successor by merger with Chemical Bank)
270 Park Avenue
New York, NY 10017
Telecopy: 212-270-2056

Morgan Guaranty Trust Company $250,000,000
60 Wall Street, 22nd Floor
New York, NY 10260-0060
Telecopy: 212-648-5018

NationsBank N.A. (Carolinas) $250,000,000
Communications Finance Division
901 Main Street, 64th Floor
Dallas, TX 75202-3748

First Chicago NBD $250,000,000
(formerly known as The First National
Bank of Chicago)
One First National Plaza
Mail Suite 0374
Chicago, Il 60670-0083
Telecopy: 312-732-3885

CO-AGENTS

Citibank, N.A. $150,000,000
399 Park Avenue
New York, NY 10043
Telecopy: 212-793-6873

The Fuji Bank, Limited $150,000,000
Two World Trade Center, 79th Floor
New York, NY 10048
Telecopy: 212-912-9407

Toronto Dominion (Texas), Inc. $150,000,000
909 Fannin, Suite 1700
Houston, TX 77010
Telecopy: 713-951-9921

With a copy to:

The Toronto-Dominion Bank
31 West 52nd Street
New York, NY 10019-6101
Telecopy: 212-262-1926

Wachovia Bank of Georgia, N.A. $150,000,000
191 Peachtree Street, N.E.
Atlanta, GA 30303
Telecopy: 404-332-6898

LEAD MANAGERS

Bank of Hawaii 130 Merchant Street, 20th Floor Honolulu, HI 96813 Telecopy: 602-752-8007 With a copy to: Bank of Hawaii 1839 S. Alma School Board Suite 150 Mesa, Arizona 85210 Telecopy: 602-752-8007	$125,000,000
Wells Fargo Bank (as successor by merger with First Interstate Bank of California) 885 Third Avenue New York, NY 10022-4802 Telecopy: 212-593-5238	$125,000,000
The Bank of Nova Scotia $100,000,000 New York Agency1 Liberty Plaza, 26th Floor New York, NY 10006 Telecopy: 212-225-5090 or 5091	
The Chase Manhattan Bank, N.A. One Chase SquareCorp. Industries Dept. Tower 9 Rochester, NY 14643 Telecopy: 716-258-4258	$100,000,000
Deutsche Bank AG New York Branch and/or Cayman Islands Branch 31 West 52nd Street New York, N.Y. 10019 Telecopy: 212-474-7936	$100,000,000
Marine Midland Bank One Marine Midland Plaza Rochester, New York 14639 Telecopy: 716-238-7140	$100,000,000
PNC Bank, National Association Communications Banking Division MS 12-09-01 Land Title Building 100 South Broad Street Philadelphia, PA 19110 Attn: Scott C. Meves Telecopy: 215-585-6680	$100,000,000
Royal Bank of Canada c/o Grand Cayman (North America #1) Branch Financial Square New York, N.Y. 10005-3531 Telecopy: 212-428-2372	$100,000,000
The Sanwa Bank, Limited $100,000,000 Atlanta AgencyGeorgia-Pacific Center Suite 4750 133 Peachtree Street, N.E. Atlanta, GA 30303 Telecopy: 404-589-1629	

LENDERS

Crestar Bank 1445 New York Avenue, N.W. Corporate Division - Third Floor Washington, DC 20005 Telecopy: 202-879-6137	$ 75,000,000

The Northern Trust Company 50 South LaSalle Street - B11 Chicago, IL 60675 Telecopy: 312-444-3508	$ 75,000,000
The First National Bank of Maryland 1800 K Street, N.W., Suite 1010 Washington, DC 20006 Telecopy: 202-775-4838	$ 50,000,000
TOTAL	$3,000,000,000

GANNETT CO., INC.

DEFERRED COMPENSATION PLAN

[Restatement as of January 1, 1997]

GANNETT CO., INC.

DEFERRED COMPENSATION PLAN

[Restatement as of January 1, 1997]

Table of Contents

GANNETT CO., INC.
DEFERRED COMPENSATION PLAN
[Restatement as of January 1, 1997]

1.0 BACKGROUND

1.1 Introduction

The Gannett Co., Inc. Deferred Compensation Plan ("Plan") was adopted to provide the opportunity for Directors to defer to future years all or part of their fees and key employees to defer to future years all or part of their salary, bonus and/or shares of Gannett common stock issued pursuant to Stock Incentive Rights ("SIRs") under the Gannett Co., Inc. 1978 Long-Term Incentive Plan ("Compensation") payable by Gannett Co., Inc. ("Company") as part of their retirement and financial planning. This restatement is intended to provide additional flexibility in payment terms, to reduce administrative burdens and to reflect legal developments since the Plan's initial adoption.

2.0 EXPLANATION OF PLAN

2.1 Effective Date

The Plan was initially effective July 1, 1987. This amendment and restatement is effective January 1, 1997.

2.2 Eligibility

The Plan is available to (a) Directors of the Company and (b) officers and employees of the Company who reside in the United States and who are designated as eligible by the Deferred Compensation Committee described in Section 3.4 ("Committee"). No employee may be designated as eligible unless the employee belongs to "a select group of management or highly compensated employees" as defined in Title I of ERISA.

2.3 Interest in the Plan; Deferred Compensation Account

For each eligible person who elects to defer Compensation ("Participant"), one or more Deferred Compensation Accounts shall be established in accordance with Section 2.6(a). A Participant's interest in the Plan shall be the Participant's right to receive payments under the terms of the Plan. A Participant's payments from the Plan shall be based upon the value attributable to the Participant's Deferred Compensation Accounts. The value attributable to a Deferred Compensation Account on a particular date is equal to the value on that date of the hypothetical investments (or actual investments if a trust is established) held in that Account.

2.4 Amount of Deferral

(a) A Participant may elect to defer receipt of all or a part of his or her Compensation provided that the minimum deferral for any type of Compensation to be deferred must be $5,000 for the year of deferral or, in the case of deferred SIRs, such minimum number of shares as the Committee may determine. In any year in which the percentage selected for deferral amounts to less than $5,000 of the type of Compensation being deferred or fewer than the designated number of SIRs, there shall be no deferral of that type of Compensation for that year.

(b) Notwithstanding the foregoing, Compensation shall not be deferred to the extent that the deferral would cause the Participant to have insufficient funds available to provide for all withholdings he or she has authorized to be made, or are required by law to be made, from his or her Compensation.

2.5 Time of Election of Deferral

(a) An election to defer Compensation must be made before the Compensation is earned. In the case of salary and Directors' fees, the election to defer must be made prior to the year in which the services to which the salary or Directors' fees relate will be performed. In the case of bonuses and SIRs, the election to defer must be made prior to the year in which the bonuses or SIRs will be paid.

(b) Once made, an election to defer for a particular year is irrevocable.

(c) A Director may elect to defer Directors' fees payable for services rendered after June 30, 1987, either under the terms of this Plan or under the terms of the Gannett Co., Inc. Plan for the Deferral of Directors' Fees adopted May 1, 1979 (the "Directors' Plan"). Whenever a Director has an account under the Directors' Plan, he or she may elect to have his or her account balance or any part thereof under the Directors' Plan deemed invested in the fund or funds available under this Plan, as designated by the Director, or under the Directors' Plan. Such elections shall be made by written notice to the Company, and shall be pursuant to Section 2.7 of this Plan. Any amounts allocated to this Plan may be allocated and reallocated as this Plan provides. Except for these changes in computing future account balances, all other terms and conditions of the Directors' Plan and the elections made thereunder shall continue to apply to amounts deferred under the Directors' Plan.

2.6 Accounts and Investments

(a) Effective for deferrals on and after January 1, 1997, all Participant records, reports and elections after an initial election shall be maintained on the basis of Payment Commencement Dates (as defined in Section 2.9(b)), i.e., all amounts that have been elected to be paid in full, or to commence payment, in a designated calendar year shall be aggregated in a single Deferred Compensation Account for a Participant for purposes of subsequent recordkeeping and for elections that may be available with respect to the deferred amounts, such as investment elections and payment method elections. Deferrals prior to January 1, 1997, shall be accounted for in accordance with the accounts in effect on December 31, 1996.

(b) The amount of Compensation deferred will be credited to the Participant's Deferred Compensation Account or Accounts as soon as practicable after the Compensation would have been paid had there been no election to defer.

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

(i) money market funds;

(ii) bond funds;

(iii) equity funds; and

(iv) the Gannett stock fund.

In the discretion of the Committee, funds may be added, deleted or substituted from time to time.

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

A Participant may allocate contributions to his or her Deferred Compensation Accounts among the available funds pursuant to such procedures and requirements as may be specified by the Committee from time to time.

(c) All deferrals under this Plan and the earnings credited to them are fully vested at all times.

(d) The right of any Participant to receive future payments under the provisions of the Plan shall be a contractual obligation of the Company but shall be subject to the claims of the creditors of the Company in the event of the Company's insolvency or bankruptcy as provided in the trust agreement.

Plan assets may, in the Company's discretion, be placed in a trust (the "Rabbi Trust") but will nevertheless continue to be subject to the claims of the Company's creditors in the event of the Company's insolvency or bankruptcy as provided in the trust agreement. In any event, the Plan is intended to be unfunded under Title I of ERISA.

2.7 Participant's Option to Reallocate Amounts

A Participant may elect to reallocate amounts in his or her Deferred Compensation Accounts among the available funds pursuant to such procedures and requirements as may be specified by the Committee from time to time.

2.8 Reinvestment of Income

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

2.9 Payment of Deferred Compensation

(a) No withdrawal may be made from the Participant's Deferred Compensation Accounts except as provided in this Section.

(b) At the time a deferral election is made, the Participant shall choose the date on which payment of the amount credited to the Deferred Compensation Account is to commence, which date shall be either April 1 or October 1 of the year specified by the Participant ("Payment Commencement Date"). In the case of Director Participants, the Payment Commencement Date shall be no later than the first day of the month following the Participant's retirement from the Board. In the case of key employee Participants, the Payment Commencement Date shall be no later than October 1 of the year following the year during which the key employee becomes 65 years of age.

Notwithstanding the foregoing paragraph: (i) for all elections to defer occurring on or after November 1, 1991, (ii) in the event that the Committee adds or substitutes a particular fund or funds, or (iii) if a Participant elects to reallocate amounts in his or her Deferred Compensation Accounts among available funds, the Committee shall have the right to fix Payment Commencement Dates and/or the date or dates upon which the value attributable to a Deferred Compensation Account is to be determined or paid, or modify such previously elected dates (but in no event to a date earlier than the date originally elected by the Participant) in order to comply with the requirements of the added, substituted or available fund or funds, pursuant to such procedures and requirements as may be specified by the Committee from time to time.

(c) At the time the election to defer is made, the Participant may choose to receive payments either (i) in a lump sum, or (ii) if the Payment Commencement Date is during a year in which the Participant could have retired under a retirement plan of the Company, in up to ten annual installments. If a Participant elects to receive benefits in the installment form of payment but terminates employment for any reason, except death or disability as described in (d) below, before reaching his or her early or normal retirement date under the retirement plan, the Committee, in its sole discretion, shall determine whether to distribute such Participant's benefits in the form of five annual installment payments, or as a lump sum. In either case, such payment shall begin as soon as administratively practicable following the Participant's termination of employment. The method of paying a Deferred Compensation Account is the "Method of Payment." The amount of any payment under the Plan shall be the value attributable to the Deferred Compensation Account on the last day of the month preceding the month of the payment date, divided by the number of payments remaining to be made, including the payment for which the amount is being determined.

(d) In the event of a Participant's death or total disability before the Participant has received all of his or her Deferred Compensation Accounts, the value of the Accounts (excluding the amount being paid in installments described in the following sentence) shall be paid either (i) in a lump sum, or (ii) in two to ten annual installments commencing on the first day of April of the year following the Participant's death or total disability, as Participant at the time of deferral may elect. If a Participant is receiving installment payments from a Deferred Compensation Account at the time of death or total disability, the balance in that Account shall be paid to the Participant's estate or to the Participant over the installments remaining to be paid.

(e) A Participant may not change an initial Payment Commencement Date or Method of Payment for a Deferred Compensation Account after an election has been made except as provided in this subsection (e) as follows:

(i) The Method of Payment elected by a Participant may be changed by the Participant's written election to the Committee at any time up to 36 months prior to the earlier of the Payment Commencement Date or the Participant's termination of employment. Any change of an earlier election that is made within 36 months of the earlier of the Payment Commencement Date or the Participant's termination shall be disregarded by the Committee;

(ii) The year initially elected by the Participant as the Payment Commencement Date may never be changed. However, at any time prior to the December 31 preceding such year, the Participant may change the exact date of payment in the payment year to the first day of any month in such year, provided that the Participant gives the Committee notice of such change at least 90 days before the date benefit payments are to commence and provided that if the Participant has elected installment payments the total amount to be paid to the Participant during the payment commencement year shall be the same as the total amount that would have been paid in the absence of such election with each monthly installment in the Payment Commencement Year adjusted accordingly.

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

(f) Notwithstanding any Payment Commencement Date or Method of Payment selected by a Participant, if the Participant's employment with the Company terminates other than (i) at or after early or normal retirement pursuant to a retirement plan of the Company, (ii) by reason of the Participant's death, or (iii) by reason of the Participant's total disability, the Committee, in its sole discretion, shall determine whether to distribute such Participant's benefits in the form of five annual installment payments, or as a lump sum. In either case, such payment shall begin as soon as administratively practicable following the Participant's termination of employment.

(g) If, in the discretion of the Committee, the Participant has a need for funds due to an unforeseeable emergency benefits may be paid prior to the Participant's Payment Commencement Date. For this purpose, an unforeseeable emergency means an unanticipated emergency that is caused by an event beyond the control of the Participant or the Participant's beneficiary and that would result in severe financial hardship if early withdrawal were not permitted. A payment based upon financial hardship cannot exceed the amount required to meet the immediate financial need created by the hardship. The Participant requesting a hardship payment must supply the Committee with a statement indicating the nature of the need that created the financial hardship, the fact that all other reasonably available resources are insufficient to meet the need, and any other information which the Committee decides is necessary to evaluate whether a financial hardship exists.

(h) In the Company's discretion, payments from the Plan may be made in cash or in the kind of property represented by the fund or funds selected by the Participant.

(i) All contributions to the Plan and all payments from the Plan, whether made by the Company or the Trustee, shall be subject to all taxes required to be withheld under applicable laws and regulations of any governmental authorities.

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

(a) In order to make any elections or choices permitted hereunder, the Participant must give written notice to the Committee. A notice electing to defer Compensation shall specify:

(i) the percentage and type of Compensation to be deferred;

(ii) the funds chosen by the Participant;

(iii) the Method of Payment to the Participant and the Method of Payment to the Participant's estate in the event of the Participant's death; and

(iv) the Payment Commencement Date.

(b) An election by a Participant to defer Compensation shall apply only to Compensation deferred in the calendar year for which the election is effective. However, the designation of the Payment Commencement Date for this year will require that all deferrals from all years with the same Payment Commencement Date shall constitute a single Deferred Compensation Account and any other Plan elections such as investments, will apply to all assets held in this Deferred Compensation Account regardless of the year of deferral.

(c) Prior to the commencement of each calendar year, the Committee will provide election forms to permit Participants to defer Compensation to be earned during that calendar year.

(d) The last form received by the Committee directing an allocation of amounts in a Deferred Compensation Account among the funds available shall govern until changed by the receipt by the Committee of a subsequent allocation form.

3.0 ADMINISTRATION OF THE PLAN

3.1 Statement of Account

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

3.2 Assignability

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

3.3 Business Days

In the event any date specified herein falls on a Saturday, Sunday, or legal holiday, such date shall be deemed to refer to the next business day thereafter.

3.4 Administration

This Plan shall be administered by the Deferred Compensation Committee, which shall consist of employees of the Company appointed by the Chief Executive Officer. The Committee has sole discretion to determine eligibility to participate in this Plan, to determine the eligibility for and the amount of benefits, to interpret the Plan, to adopt rules relating to its administration and to take any other action it deems appropriate to administer the Plan. The decisions of the Committee shall be final and binding on the Participants.

3.5 Amendment

This Plan may at any time and from time to time be amended or terminated by the Board of Directors or the Compensation Committee of the Board of Directors of the Company. A change in the number or type of funds available shall not be considered an amendment of the Plan. No amendment or termination shall, without the consent of a Participant, adversely affect such Participant's interest in the Plan.

3.6 Liability

(a) Except in the case of willful misconduct, no Director or employee of the Company shall be personally liable for any act done or omitted to be done by such person with respect to this Plan.

(b) The Company shall indemnify, to the fullest extent permitted by law, members of the Committee and Directors and employees of the Company, both past and present, to whom are or were delegated duties, responsibilities and authority with respect to the Plan, against any and all claims, losses, liabilities, fines, penalties and expenses (including, but not limited to, all legal fees relating thereto), reasonably incurred by or imposed upon such persons, arising out of any act or omission in connection with the operation and administration of the Plan, other than willful misconduct.

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

	Thirteen weeks ended		Thirty-nine weeks ended	
	Sept. 29, 1996	Sept. 24, 1995	Sept. 29, 1996	Sept. 24, 1995
Income from continuing operations	$ 115,348	$ 90,278	$ 348,189	$ 311,024
Income from discontinued operations				
Income from outdoor operations, net of tax	4,723	5,823	11,248	10,706
Gain on sale of outdoor business, net of tax	294,580		294,580	
Net Income	$ 414,651	$ 96,101	$ 654,017	$ 321,730
Weighted average number of common shares outstanding	140,944	140,181	140,823	140,103
Income per share from continuing operations	$0.82	$0.64	$2.47	$2.22
Income per share from discontinued operations				
Income per share from outdoor operations	0.03	0.05	0.08	0.08
Income per share from gain on sale of outdoor	2.09	0.00	2.09	0.00
Net income per share	$2.94	$0.69	$4.64	$2.30

5

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

1,000

9-MOS
DEC-29-1996
JAN-1-1996
SEP-29-1996
49,162
3,414
538,575
19,549
82,675
775,686
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0
2,505,744
6,245,298
3,309,614
3,309,614
1,841,173
2,579,901
6,157
0
112,042
611,514
263,325
348,189
305,828
0
0
654,017
4.64
0