

FORM 10-Q

(Mark One)

- Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended June 30, 2002 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 (I.R.S. Employer
incorporation or organization) Identification No.)

7950 Jones Branch Drive, McLean, VA 22107
(Address of principal executive offices) (Zip Code)

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

Former address: n/a
(Former name, former address and former fiscal year, if
changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

The number of shares outstanding of the issuer's Common Stock, Par Value \$1.00, as of June 30, 2002, was 266,841,350.

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PART I. FINANCIAL INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATIONS

OPERATING SUMMARY

Earnings per diluted share were \$1.13 for the second quarter of 2002 versus \$1.08 per share on a comparable basis for the second quarter of 2001, a 5% increase, despite continued challenging operating conditions. For the year-to-date, earnings per diluted share were \$2.04 versus \$1.93 per share on a comparable basis.

At the beginning of 2002, the company adopted Statement of Financial Accounting Standards (SFAS) No. 142 ("Statement"), which changed the accounting rules for goodwill and intangible assets. The previously reported diluted earnings per share of 88 cents for the second quarter of 2001 reflected 20 cents per share for goodwill amortization expense, net of tax, that would not have been required had the new Statement been in effect. Similarly, the previously reported earnings per share of \$1.53 for the first six months of 2001 reflected 40 cents for goodwill amortization expense, net of tax. Note 2 to the Condensed Consolidated Financial Statements provides additional information on the impact of this new Statement.

Operating revenues were \$1.62 billion for the second quarter, which was a slight decline of \$2.9 million or less than 1%. For the first six months, operating revenues declined \$53.3 million or 2%. Operating income on a comparable basis for the second quarter was even, and decreased \$22.8 million or 2% for the year-to-date. Newspaper publishing earnings were slightly lower for the quarter, down \$6.0 million or 1%, and decreased \$37.1 million or 5% for the year-to-date. Lower newspaper earnings resulted from a decline in advertising revenues, most notably national advertising and domestic classified

employment, although the rate of decline for many U.S. newspapers narrowed in the second quarter of 2002. These revenue declines were partially offset by cost controls and significantly lower newsprint expense. Television earnings, on a comparable basis, were up \$6.9 million or 8% for the quarter and \$14.9 million or 10% for the year-to-date, benefiting from solid automotive and better than expected political advertising in the second quarter and Winter Olympics-related advertising in the first quarter.

Net income increased \$15.0 million or 5% in the second quarter and \$33.1 million or 6% for the year-to-date, on a comparable basis, reflecting the operating factors mentioned above and significantly lower interest expense.

NEWSPAPERS

Reported newspaper publishing revenues declined \$15.5 million or 1% for the quarter and \$77.5 million or 3% for the year-to-date. Newspaper advertising revenues decreased \$12.0 million or 1% for the quarter and \$63.1 million or 3% for the year-to-date, reflecting generally soft domestic advertising demand. Refer to Note 6 of the Condensed Consolidated Financial Statements for Business Segment Information.

The tables below provide, on a pro forma basis, details of newspaper ad revenue for the second quarter and the first six months of 2002 and 2001. Advertising linage and preprint distribution details are also provided below; however, linage and preprint distribution for U.K. publications are not included. This pro forma presentation reflects operating revenue results as if all properties owned at the end of the second quarter of 2002 were owned throughout all periods presented. These tables and related commentary also include the company's pro rata portion of revenue and linage data for its newspapers participating in joint operating agencies.

Advertising revenue, in thousands of dollars (pro forma)

Second Quarter	2002	2001	% Change
	-----	-----	-----
Local	\$ 461,764	\$ 462,885	(0)
National	180,918	189,186	(4)
Classified	451,459	453,200	(0)
	-----	-----	-----
Total ad revenue	\$ 1,094,141	\$ 1,105,271	(1)
	=====	=====	=====

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

Second Quarter	2002	2001	% Change
	-----	-----	-----
Local	9,717	9,894	(2)
National	1,017	1,036	(2)
Classified	14,813	13,857	7
	-----	-----	-----
Total Run-of-Press linage	25,547	24,787	3
	=====	=====	=====
Preprint distribution	2,553	2,449	4
	=====	=====	=====

Advertising revenue, in thousands of dollars (pro forma)

Year-to-date	2002	2001	% Change
	-----	-----	-----
Local	\$ 889,155	\$ 896,446	(1)
National	347,970	364,612	(5)
Classified	870,509	910,484	(4)
	-----	-----	-----
Total ad revenue	\$ 2,107,634	\$ 2,171,542	(3)
	=====	=====	=====

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

Year-to-date	2002	2001	% Change
	-----	-----	-----
Local	18,767	19,024	(1)
National	1,936	1,942	(0)
Classified	28,145	26,995	4
	-----	-----	-----
Total Run-of-Press linage	48,848	47,961	2
	=====	=====	=====
Preprint distribution	5,028	4,885	3
	=====	=====	=====

Pro forma newspaper advertising revenues decreased 1% for the quarter and 3% for the year-to-date. Local ad revenues were flat on a 2% decrease in volume for the quarter and decreased 1% on a 1% decline in volume for the year-to-date. National ad revenues decreased 4% for the quarter on a volume decrease of 2%, while year-to-date revenues were down by 5% with volume nearly even with last year. Classified ad revenues were flat for the quarter on a volume increase of 7% and down 4% on volume increase of 4% for the year-to-date. Newspaper ad revenue results reflect a continuing challenging domestic advertising environment, particularly in the employment category. The company's U.K. operations also experienced softer employment advertising in the second quarter of 2002; however, overall classified results for U.K. properties continue to be stronger than domestic results for both the second quarter and year-to-date. USA TODAY advertising revenues declined 9% for the quarter and the year-to-date primarily reflecting the continued diminished demand for financial, technology and travel-related advertising.

Reported newspaper circulation revenues decreased \$923,000 or less than 1% for the quarter, with year-to-date revenues down \$3.2 million or less than 1%. Pro forma newspaper circulation revenues increased less than 1% for the quarter and decreased less than 1% for the year-to-date. Pro forma net paid daily circulation for the company's newspapers, excluding USA TODAY, declined 1% for the second quarter and the year-to-date, while Sunday circulation was down less than 1% for both the quarter and the year-to-date. USA TODAY reported an average daily paid circulation of 2,211,370 in the ABC Publisher's Statement for the 26 weeks ended March 31, 2002, a 3% decrease over the comparable period a year ago.

Operating costs for the newspaper segment declined \$9.6 million or 1% for the quarter and \$40.3 million or 2% for the year-to-date (on a comparable accounting basis for goodwill and intangible assets - SFAS 142), largely due to lower newsprint expense and cost controls, partially offset by increased pension and other employee benefit expenses. Reported newsprint expense decreased by 24% for the quarter and 21% for the year-to-date as a result of significantly lower prices. Newsprint consumption increased 1% for the quarter and decreased 1% for the year-to-date. Newsprint prices for the remainder of 2002 are expected to be significantly lower on average than in 2001. Cost savings related to recent employee count reductions will be realized but offset by increased pension and other employee benefit expenses.

Excluding the positive impact of SFAS 142, newspaper operating income declined \$6.0 million or 1% for the quarter and \$37.1 million or 5% for the year-to-date, reflecting lower advertising revenues partially offset by strong cost controls and significantly lower newsprint expense. The impact of SFAS No. 142 on the newspaper segment was to improve operating income by \$47.0 million and \$94.1 million for the second quarter and year-to-date, respectively.

TELEVISION

Reported television revenues increased \$12.6 million or 7% for the second quarter and \$24.2 million or 7% for the year-to-date. Television revenues benefited from strong automotive and better than expected political advertising in the second quarter and Winter Olympics-related advertising in the first quarter. National advertising revenues increased 12% for the quarter and 10% for the year-to-date, while local advertising revenues increased 4% and 6% for the quarter and year-to-date, respectively. Operating costs increased \$5.7 million or 6% on a comparable basis for the quarter and \$9.2 million or 5% for the year-to-date, reflecting increased selling, pension and other employee benefit costs. Excluding the positive impact of SFAS No. 142, television operating income increased by \$6.9 million or 8% for the quarter and \$14.9 million or 10% for the year-to-date. The impact of SFAS 142 on the television segment was to improve operating income by \$10.6 million and \$21.0 million for the quarter and year-to-date, respectively.

Political advertising is expected to be strong in the second half of 2002, and overall television earnings for that period, on a comparable accounting basis, are expected to be above prior year levels.

NON-OPERATING INCOME AND EXPENSE/PROVISION FOR INCOME TAXES

Interest expense was \$41.1 million in the second quarter of 2002 versus \$61.7 million in the second quarter of 2001 due to significantly lower interest rates and lower debt levels. Interest expense for the first six months of 2002 was \$69.9 million compared to \$142.2 million for the same period in 2001. The daily average commercial paper balance outstanding was \$2.79 billion during the second quarter of 2002 and \$5.31 billion during the second quarter of 2001. The daily average commercial paper balance outstanding was \$3.66 billion during the first half of 2002 and \$5.36 billion during the first half of 2001. The weighted average interest rates on commercial paper were 1.82% for the second quarter of 2002 and 4.43% for the second quarter of 2001. For the first six months of 2002 and 2001, the weighted average interest rates on commercial paper were 1.82% and 5.16%, respectively.

In March 2002, the company issued \$1.8 billion aggregate principal amount of unsecured global notes. These notes consist of \$600 million aggregate principal amount of 4.95% notes due 2005, \$700 million aggregate principal amount of 5.50% notes due 2007 and \$500 million aggregate principal amount of 6.375% notes due 2012. The net proceeds of the offering were used to pay down commercial paper borrowings. The company's average borrowing rates are expected to be higher for the remainder of 2002 over the first half average due to the fixed rate notes. However, overall interest expense for the third quarter of 2002 is expected to be below prior year levels because of the favorable spread in commercial paper borrowing rates and lower debt levels.

The company's effective income tax rate was 34.4% for the second quarter and first half of 2002 versus the reported rate of 39.4% for the same periods last year. The reduction in the effective rate is primarily a result of the adoption of SFAS No. 142. On a comparable basis, the effective tax rate for the second quarter and first half of 2001 would have been 34.8%.

NET INCOME

Net income, on a comparable basis, increased \$15.0 million or 5% for the quarter, and diluted earnings per share increased to \$1.13 from \$1.08, also a 5% increase. For the first six months, net income, on a comparable basis, increased \$33.1 million or 6%, while diluted earnings per share increased 6% to \$2.04 from \$1.93. The 2001 earnings used in these comparisons includes a positive adjustment of \$0.20 and \$0.40 per diluted share for the quarter and the year-to-date, respectively, for goodwill amortization expense, net of tax, that would not have been required had SFAS No. 142 been in effect that year.

The weighted average number of diluted shares outstanding for the second quarter of 2002 totaled 269,473,000, compared to 266,754,000 for the second quarter of 2001. For the first six months of 2002 and 2001, the weighted average number of diluted shares outstanding totaled 269,013,000 and 266,585,000, respectively. Exhibit 11 of this Form 10-Q presents the weighted average number of basic and diluted shares outstanding and the earnings per share for each period.

LIQUIDITY AND CAPITAL RESOURCES

The company's consolidated operating cash flow (defined as operating income plus depreciation and amortization of intangible assets), as reported in the accompanying Business Segment Information, increased less than 1% to \$559.4 million for the second quarter of 2002, compared with \$556.9 million for the same period of 2001. The company's consolidated operating cash flow for the first six months of 2002 and 2001 was \$1.02 billion and \$1.04 billion, respectively, a 2% decrease. The operating cash flow results reflect lower newspaper advertising revenues, partially offset by reduced newspaper expenses and an increase in television segment advertising revenues and earnings. The company's consolidated after-tax cash flow (defined as after-tax income plus depreciation and amortization) increased \$15.1 million or 4% for the quarter and \$26.7 million or 4% for the year-to-date, reflecting the operating factors discussed above, along with significantly lower interest expense.

Working capital declined from the end of the year by \$209.5 million, reflecting lower receivables due to seasonal trends in revenues, lower inventories due to lower newsprint prices, the pay-down of long-term debt with cash and marketable securities, and higher current tax liabilities.

Capital expenditures totaled \$66.8 million for the second quarter of 2002, compared to \$82.3 million for the second quarter of 2001. For the first six months of 2002 and 2001, capital expenditures were \$124.6 million and \$146.4 million, respectively.

In March 2002, as discussed above, the company issued \$1.8 billion aggregate principal amount of unsecured global notes in an underwritten public offering. The net proceeds of the offering were used to repay outstanding commercial paper obligations. In total, the company's long term debt decreased by \$350.5 million during the second quarter of 2002 and \$581.0 million during the first six months of 2002, reflecting the pay-down of commercial paper borrowings from operating cash flows.

Also in March 2002, the company entered into a \$2.775 billion revolving credit agreement providing for up to \$1.41 billion in 364-day revolving credit loans and up to \$1.365 billion in 5-year revolving credit loans. The company terminated its \$3.0 billion revolving credit agreement, and its \$1.53 billion revolving credit facility which was due to expire in July 2002. At June 30, 2002, the Company had \$4.3 billion of credit available under two revolving credit agreements.

Under a shelf registration that became effective with the Securities and Exchange Commission in April 2002, an additional \$2.5 billion of unsecured debt securities can be issued. Any proceeds from the sale of such securities could be used for general corporate purposes, including capital expenditures, working capital, securities repurchase programs, repayment of long term and short term debt and the financing of future acquisitions. The company may also invest funds that are not required immediately in short term marketable securities.

The company's foreign currency translation adjustment, included in accumulated other comprehensive income and reported as part of shareholders' equity, totaled (\$49.3 million) at the end of the second quarter versus (\$104.9 million) at the end of 2001, reflecting an overall strengthening of Sterling against the U.S. dollar since the end of the year 2001. Newsquest's assets and liabilities at June 30, 2002 were translated from Sterling to U.S. dollars at an exchange rate of \$1.53 versus \$1.45 at the end of 2001. Newsquest's financial results were translated at an average rate of \$1.46 for the second quarter of 2002 versus \$1.42 for the second quarter of 2001, and at an average rate of \$1.44 for the first half of both years.

The company's regular quarterly dividend of \$0.23 per share was declared in the second quarter of 2002, totaling \$61.4 million and paid on July 1, 2002.

OTHER MATTERS

Refer to Note 2 of the Condensed Consolidated Financial Statements for further discussion of new accounting standards and their impact on reporting of earnings beginning in 2002.

CERTAIN FACTORS AFFECTING FORWARD-LOOKING STATEMENTS

Certain statements in the company's 2001 Annual Report to Shareholders, its Annual Report on Form 10-K, and in this Quarterly Report contain forward-looking information. The words "expect", "intend", "believe", "anticipate", "likely", "will" and similar expressions generally identify forward-looking statements. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results and events to differ materially from those anticipated in the forward-looking statements.

Potential risks and uncertainties which could adversely affect the company's ability to obtain these results include, without limitation, the following factors: (a) increased consolidation among major retailers or other events which may adversely affect business operations of major customers and depress the level of local and national advertising; (b) a continued economic downturn in some or all of the company's principal newspaper or television markets leading to decreased circulation or local, national or classified advertising; (c) a decline in general newspaper readership patterns as a result of competitive alternative media or other factors; (d) an increase in newsprint or syndication programming costs over the levels anticipated; (e) labor disputes which may cause revenue declines or increased labor costs; (f) acquisitions of new businesses or dispositions of existing businesses; (g) a decline in viewership of major networks and local news programming; (h) rapid technological changes and frequent new product introductions prevalent in electronic publishing; (i) an increase in interest rates; (j) a weakening in the Sterling to U.S. dollar exchange rate; and (k) general economic, political and business conditions.

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

	June 30, 2002	Dec. 30, 2001
	-----	-----
ASSETS		
Cash	\$ 57,204	\$ 73,905
Marketable securities	21,505	66,724
Trade receivables, less allowance — (2002 \$40,928; 2001 \$39,138)	770,276	805,746
Inventories	82,406	104,848
Prepaid expenses and other receivables	106,242	126,975
Total current assets	1,037,633	1,178,198
Property, plant and equipment		
Cost	4,335,145	4,207,074
Less accumulated depreciation	(1,850,326)	(1,741,604)
Net property, plant and equipment	2,484,819	2,465,470
Other assets		
Goodwill, less amortization	8,696,678	8,578,025
Other intangible assets, less amortization	102,667	106,334
Investments and other assets	734,125	768,074
Total other assets	9,533,470	9,452,433
Total assets	\$ 13,055,922	\$ 13,096,101
	=====	=====
LIABILITIES & SHAREHOLDERS' EQUITY		
Accounts payable and current portion of film — contracts payable	\$ 281,964	\$ 354,622
Compensation, interest and other accruals	279,461	235,093
Dividend payable	61,642	60,947
Income taxes	412,320	323,481
Deferred income	161,309	153,594
Total current liabilities	1,196,696	1,127,737
Deferred income taxes	478,164	503,397
Long term debt	4,499,039	5,080,025
Postretirement medical and life insurance liabilities	403,125	409,052
Other long term liabilities	216,237	239,968
Total liabilities	6,793,261	7,360,179
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; issued, 324,420,732 shares.	324,421	324,421
Additional paid in capital	234,992	210,256
Retained earnings	8,013,663	7,589,069
Accumulated other comprehensive loss	(49,609)	(103,287)
Total	8,523,467	8,020,459
Less treasury stock — 57,579,382 shares and — 58,623,520 shares respectively, at cost	(2,254,011)	(2,275,737)
Deferred compensation related to ESOP	(6,795)	(8,800)
Total shareholders' equity	6,262,661	5,735,922
Total liabilities and shareholders' equity	\$ 13,055,922	\$ 13,096,101
	=====	=====

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

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

	Thirteen weeks ended		% Inc (Dec)
	June 30, 2002	July 1, 2001	
Net Operating Revenues:			
Newspaper advertising	\$ 1,045,938	\$ 1,057,899	(1.1)
Newspaper circulation	305,096	306,019	(0.3)
Television	191,299	178,692	7.1
Other	81,963	84,622	(3.1)
Total	1,624,296	1,627,232	(0.2)
Operating Expenses:			
Cost of sales and operating expenses, — exclusive of depreciation	810,361	824,030	(1.7)
Selling, general and administrative — expenses, exclusive of depreciation	254,534	246,324	3.3
Depreciation	53,362	51,059	4.5
Amortization of intangible assets	1,834	59,457	(96.9)
Total	1,120,091	1,180,870	(5.1)
Operating income	504,205	446,362	13.0
Non-operating income (expense):			
Interest expense	(41,101)	(61,728)	(33.4)
Other	(81)	528	(115.3)
Total	(41,182)	(61,200)	(32.7)
Income before income taxes	463,023	385,162	20.2
Provision for income taxes	159,100	151,700	4.9
Net income	\$ 303,923	\$ 233,462	30.2
Net income per share basic	\$1.14	\$0.88	29.5
Net income per share diluted	\$1.13	\$0.88	28.4
Dividends per share	\$0.23	\$0.22	4.5

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

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

	Twenty six weeks ended		% Inc
	June 30, 2002	July 1, 2001	(Dec)
Net Operating Revenues:			
Newspaper advertising	\$ 2,015,741	\$ 2,078,833	(3.0)
Newspaper circulation	615,808	619,028	(0.5)
Television	358,485	334,305	7.2
Other	158,870	170,014	(6.6)
Total	3,148,904	3,202,180	(1.7)
Operating Expenses:			
Cost of sales and operating expenses, — exclusive of depreciation	1,628,927	1,663,577	(2.1)
Selling, general and administrative — expenses, exclusive of depreciation	502,865	501,062	0.4
Depreciation	106,731	104,340	2.3
Amortization of intangible assets	3,667	118,800	(96.9)
Total	2,242,190	2,387,779	(6.1)
Operating income	906,714	814,401	11.3
Non operating income (expense):			
Interest expense	(69,855)	(142,170)	(50.9)
Other	(2,373)	976	(343.1)
Total	(72,228)	(141,194)	(48.8)
Income before income taxes	834,486	673,207	24.0
Provision for income taxes	287,000	265,200	8.2
Net income	\$ 547,486	\$ 408,007	34.2
Net income per share basic	\$2.05	\$1.54	33.1
Net income per share diluted	\$2.04	\$1.53	33.3
Dividends per share	\$0.46	\$0.44	4.5

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

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

	Twenty six weeks ended	
	June 30, 2002	July 1, 2001
Cash flows from operating activities		
Net income	\$ 547,486	\$ 408,007
Adjustments to reconcile net income to operating cash flows:		
Depreciation	106,731	104,340
Amortization of intangibles	3,667	118,800
Deferred income taxes	(25,234)	(6,783)
Other, net	62,637	56,876
Net cash flow from operating activities	695,287	681,240
Cash flows from investing activities		
Purchase of property, plant and equipment	(124,565)	(146,443)
Payments for acquisitions, net of cash acquired	(3,200)	(133,041)
Change in other investments	27,996	(8,564)
Proceeds from sale of certain assets	3,616	0
Net cash used for investing activities	(96,153)	(288,048)
Cash flows from financing activities		
Payment of long term debt and debt issuance costs	(587,187)	(330,664)
Dividends paid	(122,198)	(116,271)
Proceeds from issuance of common stock	46,720	15,922
Net cash used for financing activities	(662,665)	(431,013)
Effect of currency exchange rate change	1,611	(4,717)
Net decrease in cash and cash equivalents	(61,920)	(42,538)
Balance of cash and cash equivalents at beginning of year	140,629	193,196
Balance of cash and cash equivalents at end of second quarter	\$ 78,709	\$ 150,658
	=====	=====

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2002

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions for Form 10-Q and, therefore, do not include all information and footnotes which are normally included in the Form 10-K and annual report to shareholders. The financial statements covering the 13 week and 26 week periods ended June 30, 2002, and the comparative periods of 2001, reflect all adjustments which, in the opinion of the company, are necessary for a fair statement of results for the interim periods and reflect all normal and recurring adjustments which are necessary for a fair presentation of the company's financial position, results of operations and cash flows as of the dates and for the periods presented.

2. Accounting Standards

On December 31, 2001, the company adopted Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets", which eliminated the amortization of goodwill and other intangibles with indefinite useful lives. The company performed an impairment test of its goodwill and determined that no impairment of the recorded goodwill existed. SFAS No. 142 requires that goodwill be tested for impairment at least annually and more frequently if an event occurs which indicates the goodwill may be impaired. The company will perform its impairment testing during the fourth quarter on an annual basis.

Goodwill and other intangible assets are as follows:

(in thousands of dollars)	June 30, 2002		Dec. 30, 2001	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Amortized intangible assets:				
Subscriber lists	\$ 110,000	\$ 7,333	\$ 110,000	\$ 3,666
Unamortized intangible assets:				
Goodwill	9,883,287	1,186,609	9,758,081	1,180,056
Total	\$9,993,287	\$1,193,942	\$9,868,081	\$1,183,722

As of June 30, 2002, Newspaper goodwill, net of amortization, was \$7.2 billion and Television goodwill, net of amortization, was \$1.5 billion. Goodwill and related amortization increased primarily due to the change in currency rates.

Amortization expense for subscriber lists was \$1.8 million in the quarter ended June 30, 2002. Subscriber lists are amortized on a straight line basis over 15 years. For each of the next five years, amortization expense relating to the identified intangibles is expected to be \$7.3 million.

As required by SFAS 142, the results for the second quarter and first 26 weeks of 2001 have not been restated. A reconciliation of net income for those periods and a comparison to the comparable periods of 2002, as if SFAS 142 had been adopted at the beginning of 2001, is presented below.

Thirteen weeks ended

(dollars in thousands) June 30, 2002 July 1, 2001

Reported net income	\$303,923	\$233,462
Add back: goodwill amortization, — net of tax		55,424
Adjusted net income	\$303,923	\$288,886
	=====	=====

Basic earnings per share:

Reported net income	\$1.14	\$0.88
Add back: goodwill amortization, — net of tax		0.21
Adjusted net income	\$1.14	\$1.09
	=====	=====

Diluted earnings per share:

Reported net income	\$1.13	\$0.88
Add back: goodwill amortization, — net of tax		0.20
Adjusted net income	\$1.13	\$1.08
	=====	=====

Twenty six weeks ended

(dollars in thousands) June 30, 2002 July 1, 2001

Reported net income	\$547,486	\$408,007
Add back: goodwill amortization, — net of tax		106,334
Adjusted net income	\$547,486	\$514,341
	=====	=====

Basic earnings per share:

Reported net income	\$2.05	\$1.54
Add back: goodwill amortization, — net of tax		0.40
Adjusted net income	\$2.05	\$1.94
	=====	=====

Diluted earnings per share:

Reported net income	\$2.04	\$1.53
Add back: goodwill amortization, — net of tax		0.40
Adjusted net income	\$2.04	\$1.93
	=====	=====

~~Also, on the first day of its fiscal year, December 31, 2001, the company adopted SFAS No. 144, "Accounting for the Impairment or Disposal of Long Lived Assets." SFAS No. 144 did not have a material impact on the company's financial position or results of operations.~~

~~In June 2002, SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities", was issued. This standard is effective for exit or disposal activities that are initiated after December 31, 2002. The adoption of this standard is not expected to have a material effect on the company's financial position or results of operations.~~

~~3. Long term debt~~

~~In March 2002, the company issued \$1.8 billion aggregate principal amount of unsecured global notes in an underwritten public offering. These notes consist of \$600 million aggregate principal amount of 4.95% notes due 2005, \$700 million aggregate principal amount of 5.50% notes due 2007 and \$500 million aggregate principal amount of 6.375% notes due 2012. The net proceeds of the offering were used to pay down commercial paper borrowings. The company also entered into a \$2.775 billion revolving credit agreement in March 2002 which consists of a \$1.41 billion 364 day facility which extends to March 2003 and a \$1.365 billion 5 year facility which extends to March 2007. At the end of the 364 day period, any borrowings outstanding under the 364 day credit facility are convertible into a one year term loan at the company's option. During the first quarter of 2002, the company terminated its \$3.0 billion revolving credit agreement. The company also terminated its \$1.53 billion 364 day revolving credit facility which was due to expire in July 2002 and under which any outstanding borrowings were convertible into a two year term loan. At December 30, 2001, the company had \$6.06 billion of credit available under two revolving credit agreements. At June 30, 2002, the company had \$4.3 billion of credit available under two revolving credit agreements.~~

~~Under a shelf registration that became effective with the Securities and Exchange Commission in April 2002, an additional \$2.5 billion of unsecured debt securities can be issued. Any proceeds from the sale of such securities could be used for general corporate purposes, including capital expenditures, working capital, securities repurchase programs, repayment of long term and short term debt and the financing of future acquisitions. The company may also invest funds that are not required immediately in short term marketable securities.~~

~~Approximate annual maturities of long term debt, assuming that the company had used the \$4.3 billion revolving credit agreements to refinance existing unsecured promissory notes on a long term basis and assuming the company's other indebtedness was paid on its scheduled pay dates, are as follows:~~

In thousands	June 30, 2002
2003	\$ 0
2004	0
2005	1,824,121
2006	14,568
2007	2,060,268
Later years	600,082
Total	\$ 4,499,039

~~4. Comprehensive Income~~

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

~~Comprehensive income totaled \$379.5 million for the second quarter of 2002 and \$234.4 million for the second quarter of 2001. Net income totaled \$303.9 million and other comprehensive income totaled \$75.6 million in 2002. Net income totaled \$233.5 million and other comprehensive income totaled \$0.9 million in 2001.~~

~~Comprehensive income totaled \$601.2 million for the first half of 2002 and \$341.3 million for the first half of 2001. Net income totaled \$547.5 million and other comprehensive income totaled \$53.7 million in 2002. Net income totaled \$408.0 million and other comprehensive losses totaled \$66.7 million in 2001.~~

~~5. Outstanding Shares~~

~~The weighted average number of common shares outstanding (basic) in the second quarter totaled 266,785,000 compared to 264,685,000 for the second quarter of 2001. The weighted average number of diluted shares outstanding in the second quarter totaled 269,473,000 compared to 266,754,000 for the second quarter of 2001.~~

~~The weighted average number of common shares outstanding (basic) for the first half of 2002 totaled 266,483,000 compared to 264,576,000 in the first half of 2001. The weighted average number of diluted shares outstanding for the first half of 2002 totaled 269,013,000 compared to 266,585,000 for the first half of 2001.~~

6. Business Segment Information

~~BUSINESS SEGMENT INFORMATION~~

~~Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars~~

	Thirteen weeks ended		% Inc
	June 30, 2002	July 1, 2001	(Dec)
Net Operating Revenues:			
Newspaper publishing	\$ 1,432,997	\$ 1,448,540	(1.1)
Television	191,299	178,692	7.1
Total	\$ 1,624,296	\$ 1,627,232	(0.2)
Operating Income (net of depreciation and amortization):			
Newspaper publishing	\$ 425,225	\$ 384,142	10.7
Television	94,463	77,003	22.7
Corporate	(15,483)	(14,783)	(4.7)
Total	\$ 504,205	\$ 446,362	13.0
Depreciation and Amortization:			
Newspaper publishing	\$ 45,315	\$ 91,925	(50.7)
Television	6,331	17,100	(63.0)
Corporate	3,550	1,491	138.1
Total	\$ 55,196	\$ 110,516	(50.1)
Operating Cash Flow (1):			
Newspaper publishing	\$ 470,540	\$ 476,067	(1.2)
Television	100,794	94,103	7.1
Corporate	(11,933)	(13,292)	10.2
Total	\$ 559,401	\$ 556,878	0.5

~~(1) Operating Cash Flow represents operating income for each of the company's business segments plus related depreciation and amortization expense.~~

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

	Twenty six weeks ended		% Inc
	June 30, 2002	July 1, 2001	(Dec)
Net Operating Revenues:			
Newspaper publishing	\$ 2,790,419	\$ 2,867,875	(2.7)
Television	358,485	334,305	7.2
Total	\$ 3,148,904	\$ 3,202,180	(1.7)
Operating Income			
(net of depreciation and amortization):			
Newspaper publishing	\$ 769,928	\$ 712,927	8.0
Television	167,232	131,269	27.4
Corporate	(30,446)	(29,795)	(2.2)
Total	\$ 906,714	\$ 814,401	11.3
Depreciation and Amortization:			
Newspaper publishing	\$ 90,550	\$ 186,068	(51.3)
Television	12,748	34,083	(62.6)
Corporate	7,100	2,989	137.5
Total	\$ 110,398	\$ 223,140	(50.5)
Operating Cash Flow (1):			
Newspaper publishing	\$ 860,478	\$ 898,995	(4.3)
Television	179,980	165,352	8.8
Corporate	(23,346)	(26,806)	12.9
Total	\$ 1,017,112	\$ 1,037,541	(2.0)

~~(1) Operating Cash Flow represents operating income for each of the company's business segments plus related depreciation and amortization expense.~~

~~PRO FORMA BUSINESS SEGMENT INFORMATION (1)
Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars~~

	Thirteen weeks ended		% Inc (Dec)
	June 30, 2002	July 1, 2001	
Net Operating Revenues:			
Newspaper publishing	\$ 1,432,997	\$ 1,448,540	(1.1)
Television	191,299	178,692	7.1
Total	\$ 1,624,296	\$ 1,627,232	(0.2)

Operating Income (net of depreciation and amortization):			
Newspaper publishing	\$ 425,225	\$ 431,179	(1.4)
Television	94,463	87,590	7.8
Corporate	(15,483)	(14,783)	(4.7)
Total	\$ 504,205	\$ 503,986	0.0

Depreciation and Amortization:			
Newspaper publishing	\$ 45,315	\$ 44,888	1.0
Television	6,331	6,513	(2.8)
Corporate	3,550	1,491	138.1
Total	\$ 55,196	\$ 52,892	4.4

Operating Cash Flow (2):			
Newspaper publishing	\$ 470,540	\$ 476,067	(1.2)
Television	100,794	94,103	7.1
Corporate	(11,933)	(13,292)	10.2
Total	\$ 559,401	\$ 556,878	0.5

~~(1) As if Statement of Financial Accounting Standards No. 142 (SFAS No. 142) had been adopted at the beginning of 2001.~~

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

~~PRO FORMA BUSINESS SEGMENT INFORMATION (1)
Gannett Co., Inc. and Subsidiaries
Unaudited, in thousands of dollars~~

	Twenty six weeks ended		% Inc
	June 30, 2002	July 1, 2001	(Dec)
Net Operating Revenues:-			
Newspaper publishing	\$ 2,790,419	\$ 2,867,875	(2.7)
Television	358,485	334,305	7.2
Total	\$ 3,148,904	\$ 3,202,180	(1.7)
Operating Income (net of depreciation and amortization):-			
Newspaper publishing	\$ 769,928	\$ 807,035	(4.6)
Television	167,232	152,295	9.8
Corporate	(30,446)	(29,795)	(2.2)
Total	\$ 906,714	\$ 929,535	(2.5)
Depreciation and Amortization:-			
Newspaper publishing	\$ 90,550	\$ 91,960	(1.5)
Television	12,748	13,057	(2.4)
Corporate	7,100	2,989	137.5
Total	\$ 110,398	\$ 108,006	2.2
Operating Cash Flow (2):-			
Newspaper publishing	\$ 860,478	\$ 898,995	(4.3)
Television	179,980	165,352	8.8
Corporate	(23,346)	(26,806)	12.9
Total	\$ 1,017,112	\$ 1,037,541	(2.0)

~~(1) As if Statement of Financial Accounting Standards No. 142 (SFAS No. 142) had been adopted at the beginning of 2001.~~

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

~~QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK~~

~~The company is not subject to market risk associated with derivative commodity instruments, as the company is not a party to any such instruments. The company believes that its market risk from financial instruments, such as accounts receivable, accounts payable and debt, is not material. The company is exposed to foreign exchange rate risk primarily due to its operations in the United Kingdom, which use Sterling as their functional currency, which is then translated into U.S. dollars.~~

~~PART II. OTHER INFORMATION~~

~~Item 4. Submission of Matters to a Vote of Securityholders~~

~~(a) The Annual Meeting of Shareholders of Gannett Co., Inc. was held on May 7, 2002.~~

~~(b) The following directors were elected at the meeting:~~

~~Meredith A. Brokaw Donna E. Shalala~~

~~The Board of Directors elected Solomon D. Trujillo to fill a board vacancy.~~

~~The following directors' terms of office continued after the meeting:~~

~~H. Jesse Arnelle James A. Johnson
Douglas H. McCorkindale Stephen P. Munn
Karen Hastie Williams~~

~~(c) (i) Two directors were re-elected to the Board of Directors. Tabulation of votes for each of the nominees is as follows:~~

	For	Withhold	Authority
Meredith A. Brokaw	218,772,088	1,613,877	
Donna E. Shalala	217,543,137	2,842,828	

~~(ii) The proposal to elect PricewaterhouseCoopers LLP as the company's independent auditor was approved. Tabulation of votes for the proposal is as follows.~~

	For	Against	Abstain
Election of independent auditors	212,322,912	6,913,806	1,149,247

~~(iii) The shareholder proposal concerning EEO policy and American Indians was defeated. Tabulation of votes for the proposal is as follows:~~

	For	Against	Abstain
Shareholder proposal	12,574,338	182,131,109	4,538,615

~~Item 6. Exhibits and Reports on Form 8-K~~

~~(a) Exhibits.~~

~~See Exhibit Index for list of exhibits filed with this report.~~

~~(b) Form 8-K~~

~~None.~~

~~SIGNATURES~~

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

~~GANNETT CO., INC.~~

~~Dated: August 7, 2002 By: /s/George R. Gavagan~~

~~George R. Gavagan
Vice President and Controller~~

~~Dated: August 7, 2002 By: /s/Thomas L. Chapple~~

~~Thomas L. Chapple
Senior Vice President, General
Counsel and Secretary~~

EXHIBIT INDEX

Exhibit Number	Exhibit	Location
3-1	Second Restated Certificate of Incorporation of Gannett Co., Inc.	Incorporated by reference to Exhibit 3-1 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 26, 1993 ("1993 Form 10-K"). Amendment incorporated by reference to Exhibit 3-1 to the 1993 Form 10-K. Amendment dated May 2, 2000, incorporated by reference to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended March 26, 2000.
3-2	By laws of Gannett Co., Inc. (reflects all amendments through July 23, 2002)	Attached.
4-1	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.
4-2	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.
4-3	Second Supplemental Indenture dated as of June 1, 1995, among Gannett Co., Inc., NationsBank, N.A., as Trustee, and Crestar Bank, as Trustee.	Incorporated by reference to Exhibit 4 to Gannett Co., Inc.'s Form 8-K filed on June 15, 1995.
4-4	Rights Plan.	Incorporated by reference to Exhibit 1 to Gannett Co., Inc.'s Form 8-K filed on May 23, 1990. Amendment incorporated by reference to Gannett Co., Inc.'s Form 8-K filed on May 2, 2000.
4-5	\$3,000,000,000 Competitive Advance and Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-10 to Gannett Co., Inc.'s Form 10-Q filed on August 9, 2000.
4-6	Amendment Number One to \$3,000,000,000 Competitive Advance and Revolving Credit Agreement among Gannett Co., Inc. and the Banks named therein.	Incorporated by reference to Exhibit 4-11 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 2000.

~~4 7 Amendment Number Two Incorporated by reference to
to \$3,000,000,000 Competitive Exhibit 4.12 to Gannett Co., Inc.'s
Advance and Revolving Credit Form 10-Q for the quarter ended
Agreement among Gannett Co., July 1, 2001.
Inc. and the Banks named
therein.~~

~~4 8 Form of 4.950% Note due Incorporated by reference to Exhibit
2005. 4.13 to Gannett Co., Inc.'s Form 8-K
filed on March 14, 2002.~~

~~4 9 Form of 5.500% Note due 2007. Incorporated by reference to Exhibit
4.14 to Gannett Co., Inc.'s Form 8-K
filed on March 14, 2002.~~

~~4 10 Form of 6.375% Note due 2012. Incorporated by reference to Exhibit
4.15 to Gannett Co., Inc.'s Form 8-K
filed on March 14, 2002.~~

~~4 11 Third Supplemental Indenture, Incorporated by reference to Exhibit
dated as of March 14, 2002, 4.16 to Gannett Co., Inc.'s Form 8-K
between Gannett Co., Inc. and filed on March 14, 2002.
Wells Fargo Bank Minnesota, N.A.,
as Trustee.~~

~~4 12 Competitive Advance and Incorporated by reference
Revolving Credit Agreement to Exhibit 10.11 to Gannett
dated as of March 11, 2002 Co., Inc.'s Form 8-K filed on
among Gannett Co., Inc., the March 14, 2002.
several lenders from time to
time parties thereto,
Bank of America, N.A., as
Administrative Agent, JP Morgan
Chase Bank and Bank One NA, as
Co-Syndication Agents, and
Barclays Bank PLC, as
Documentation Agent.~~

10 3	Gannett Co., Inc. 1978 Executive Long Term Incentive Plan*	Incorporated by reference to Exhibit 10 3 to Gannett Co., Inc.'s Form 10 K for the fiscal year ended December 28, 1980. Amendment No. 1 incorporated by reference to Exhibit 20 1 to Gannett Co., Inc.'s Form 10 K for the fiscal year ended December 27, 1981. Amendment No. 2 incorporated by reference to Exhibit 10 2 to Gannett Co., Inc.'s Form 10 K for the fiscal year ended December 25, 1983. Amendments Nos. 3 and 4 incorporated by reference to Exhibit 4 6 to Gannett Co., Inc.'s Form S 8 Registration Statement No. 33 28413 filed on May 1, 1989. Amendments Nos. 5 and 6 incorporated by reference to Exhibit 10 8 to Gannett Co., Inc.'s Form 10 K for the fiscal year ended December 31, 1989. Amendment No. 7 incorporated by reference to Gannett Co., Inc.'s Form S 8 Registration Statement No. 333 04459 filed on May 24, 1996. Amendment No. 8 incorporated by reference to Exhibit 10 3 to Gannett Co., Inc.'s Form 10 Q for the quarter ended September 28, 1997. Amendment dated December 9, 1997, incorporated by reference to Gannett Co., Inc.'s 1997 Form 10 K. Amendment No. 9 incorporated by reference to Exhibit 10 3 to Gannett Co., Inc.'s Form 10 Q for the quarter ended June 27, 1999. Amendment No. 10 incorporated by reference to Exhibit 10 3 to Gannett Co., Inc.'s Form 10 Q for the quarter ended June 25, 2000. Amendment No. 11 incorporated by reference to Exhibit 10 3 to Gannett Co., Inc.'s Form 10 K for the fiscal year ended December 31, 2000.
10 4	Description of supplemental insurance benefits.*	Incorporated by reference to Exhibit 10 4 to the 1993 Form 10 K.
10 5	Gannett Co., Inc. Supplemental Retirement Plan, as amended.*	Incorporated by reference to Exhibit 10 5 to Gannett Co., Inc.'s Form 10 K for the fiscal year ended December 26, 1999. Amendments No. 1 and 2 incorporated by reference to Exhibit 10 5 to Gannett Co., Inc.'s Form 10 K for the fiscal year ended December 30, 2001.
10 6	Gannett Co., Inc. Retirement Plan for Directors.*	Incorporated by reference to Exhibit 10 10 to the 1986 Form 10 K. 1991 Amendment incorporated by reference to Exhibit 10 2 to Gannett Co., Inc.'s Form 10 Q for the quarter ended September 29, 1991. Amendment to Gannett Co., Inc. Retirement Plan for Directors dated October 31, 1996, incorporated by reference to Exhibit 10 6 to the 1996 Form 10K.

10-7	Amended and Restated Gannett Co., Inc. 1987 Deferred Compensation Plan.*	Incorporated by reference to Exhibit 10-1 to Gannett Co., Inc.'s Form 10-Q for the fiscal quarter ended September 29, 1996. Amendment No. 5 incorporated by reference to Exhibit 10-2 to Gannett Co., Inc.'s Form 10-Q for the quarter ended September 28, 1997. Amendment No. 2 to January 1, 1997 Restatement incorporated by reference to Exhibit 10-7 to Gannett Co., Inc.'s Form 10-Q for the quarter ended June 27, 1999. Amendments Nos. 3 and 4 incorporated by reference to Exhibit 10-7 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 2000. Amendment No. 5 incorporated by reference to Exhibit 10-7 to Gannett Co., Inc.'s Form 10-Q for the quarter ended July 1, 2001.
10-8	Gannett Co., Inc. Transitional Compensation Plan, as amended and restated October 22, 2001, and as further amended on December 4, 2001.*	Incorporated by reference to Exhibit 10-8 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 30, 2001.
10-9	Employment Agreement dated January 1, 2001 between Gannett Co., Inc. and Douglas H. McCorkindale.*	Incorporated by reference to Exhibit 10-9 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 31, 2000.
10-10	Omnibus Incentive Compensation Plan	Incorporated by reference to Exhibit No. 4 to the Company's Registration Statement on Form S-8 (Registration No. 333-60402). Amendment No. 1 incorporated by reference to Exhibit No. 10-10 to Gannett Co., Inc.'s Form 10-K for the fiscal year ended December 30, 2001.
11	Statement re computation of earnings per share.	Attached.
99-1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes Oxley Act of 2002.	Attached.
99-2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes Oxley Act of 2002.	Attached.

~~The company agrees to furnish to the Commission, upon request, a copy of each agreement with respect to long term debt not filed herewith in reliance upon the exemption from filing applicable to any series of debt which does not exceed 10% of the total consolidated assets of the company.~~

~~* Asterisks identify management contracts and compensatory plans or arrangements.~~

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

	Thirteen weeks ended		Twenty six weeks ended	
	June 30,	July 1,	June 30,	July 1,
	2002	2001	2002	2001

~~Basic earnings:~~

Net income	\$ 303,923	\$ 233,462	\$ 547,486	\$ 408,007
Weighted average number of common shares outstanding	266,785	264,685	266,483	264,576
Basic earnings per share	\$1.14	\$0.88	\$2.05	\$1.54

~~Diluted earnings:~~

Net income	\$ 303,923	\$ 233,462	\$ 547,486	\$ 408,007
Weighted average number of common shares outstanding	266,785	264,685	266,483	264,576
Dilutive effect of outstanding stock options and stock incentive rights	2,688	2,069	2,530	2,009
Weighted average number of shares outstanding, as adjusted	269,473	266,754	269,013	266,585
Diluted earnings per share	\$1.13	\$0.88	\$2.04	\$1.53

~~BY LAWS~~

~~OF~~

~~GANNETT CO., INC.~~

~~ARTICLE I.~~

~~Meetings of Stockholders~~

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

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

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

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

~~Section 5. Organization: At each meeting of the stockholders, the Chairman of the Board, or in his absence, the Vice Chairman, or in the absence of both officers, an officer selected by the Chairman of the Board, or if the Chairman of the Board has made no selection, an officer selected by the Board, shall act as chairman of the meeting and the Secretary or, in his absence, an Assistant Secretary, if one be appointed, shall act as secretary of the meeting. In case at any meeting none of the officers who have been designated to act as chairman or secretary of the meeting, respectively, shall be present, a chairman or secretary of the meeting, as the case may be, shall be chosen by the vote of a majority in interest of the stockholders of the Corporation present in person or by proxy and entitled to vote at such meeting.~~

~~Section 6. Quorum and Conduct of Meetings.~~

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

~~(b) The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the chairman of the meeting. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the~~

~~proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be conducted in accordance with the rules of parliamentary procedure.~~

~~Section 7. Voting.~~

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

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

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

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

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

~~duplicate stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, such list or the books of the Corporation, or to vote in person or by proxy at such meeting.~~

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

~~ARTICLE II.~~

~~Board of Directors~~

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

~~Section 2. Number and Terms: Except as otherwise fixed pursuant to the provisions of Article FOURTH of the Certificate of Incorporation relating to the rights of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect additional directors under specified circumstances, the number of the directors of the Corporation shall be fixed from time to time by majority vote of the entire Board of Directors. The directors, other than those who may be elected by the holders of any class or series of stock having preference over the Common Stock as to dividends or upon liquidation, shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible, as determined by the Board of Directors, one class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1986, another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1987, and another class to be originally elected for a term expiring at the annual meeting of stockholders to be held in 1988, with the members of each class to hold office until their successors are elected and qualified. At each annual meeting of the stockholders of the Corporation, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.~~

~~Section 3. Qualifications of Directors: No one shall be eligible to serve as a member of the Board of Directors after the first annual meeting of shareholders following his or her seventieth birthday, or, in the case of anyone who has at any time served as an executive of this Corporation, after the first annual meeting of shareholders following his or her sixty fifth birthday or the date on which he or she retires under the Corporation's retirement plan, whichever occurs first. Every person who is elected a director of this Corporation at the 1989 annual meeting of shareholders of this Corporation or thereafter shall at the time of his or her election to the Board, and at all times during his or her tenure as a director, own, directly or beneficially (beneficial ownership to be determined in accordance with the Securities Exchange Act of 1934), at least one thousand shares of the common stock of this Corporation.~~

~~Section 4. Nominations: Subject to the rights of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, nominations for the election of directors may be made by the Board of Directors or a committee appointed by the Board of Directors or by any stockholder entitled to vote in the election of directors generally. However, any stockholder entitled to vote in the election of directors generally may nominate one or more persons for election as director at a meeting only if written notice of such stockholder's intent to make such nomination or nominations has been given, either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Corporation not later than (i) with respect to an election to be held at an annual meeting of stockholders, 90 days in advance of such meeting, and (ii) with respect to an election to be held at a special meeting of stockholders for the election of directors, the close of business on the tenth day following the date on which notice of such meeting is first given to stockholders. Each such notice shall set forth: (a) the name and address of the stockholder who intends to make the nomination and of the person or persons to be nominated; (b) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder; (d) such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission, had the~~

~~nominee been nominated, or intended to be nominated, by the Board of Directors; and (c) the consent of each nominee to serve as a director of the Corporation if so elected. The chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.~~

~~Section 5. Notice of Stockholder Business: At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise properly brought before the meeting by a stockholder. For business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation, not less than 90 days prior to the meeting. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business, (c) the class and number of shares of the Corporation which are beneficially owned by the stockholder, and (d) any material interest of the stockholder in such business. Notwithstanding anything in the By laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 5. The chairman of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 5 and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.~~

~~Section 6. Election: At each annual meeting of stockholders, Directors shall, except as otherwise required or provided by law or by the Certificate of Incorporation, be elected by a plurality of the votes cast at such meeting by the holders of stock entitled to vote in the election. Each Director shall hold office until his successor shall be elected and qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided, or until he shall cease to qualify.~~

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

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

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

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

~~Section 11. Regular Meetings: Regular meetings of the Board of Directors shall~~

~~be held at such places and at such times as may from time to time be fixed by the Board. Notice of regular meetings need not be given.~~

~~Section 12. Special Meetings: Special meetings of the Board of Directors shall be held at any time upon the call of the Chairman of the Board or any two of the Directors. Notice of each such meeting shall be mailed to each Director, addressed to him at his residence or usual place of business, at least three days before the day on which the meeting is to be held, or shall be sent to him by telegraph, cable, wireless or electronic transmission so addressed or shall be delivered personally or by telephone at least 24 hours before the time the meeting is to be held. Each notice shall state the time and place of the meeting but need not state the purposes thereof, except as otherwise herein expressly provided. Notice of any meeting of the Board of Directors need not, however, be given to any Director, if waived by him in writing or by telegraph, cable, wireless or other form of recorded communication or electronic transmission or if he shall be present at such meeting; and any meeting of the Board shall be a legal meeting without any notice thereof having been given if all of the Directors of the Corporation then in office shall be present thereat. Members of the Board of Directors, or any committee designated by such Board, may participate in a meeting of such Board or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.~~

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

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

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

~~Section 16. Executive and Other Committees: The Board of Directors may in its discretion by resolution passed by a majority of the Directors present at a meeting at which a quorum is present designate an Executive Committee and one or more other committees, each consisting of one or more of the Directors of the Corporation, and each of which, to the extent provided in the resolution and the laws of the State of Delaware, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers which may require it; provided, however, that no such committee shall have power or authority as to the following matters:~~

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

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

~~minutes are maintained in electronic form.~~

~~Section 17. Indemnification.~~

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

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

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

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

~~Section 18. Emergency Provisions. Notwithstanding any other provision in the Corporation's restated certificate of incorporation or Bylaws, this emergency Bylaw provision shall be operative (i) during any emergency resulting from an attack on the United States or on a locality in which the Corporation conducts its business or customarily holds meetings of its Board of Directors or its stockholders, or (ii) during any nuclear or atomic disaster, or (iii) during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors or a standing committee thereof cannot readily be convened for action, or (iv) during any other condition that may be provided under relevant provisions of Delaware Law (each condition described in clauses (i) through (iv) being referred to below as an "Emergency"). Pursuant to this Section 18, during any Emergency:~~

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

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

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

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

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

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

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

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

~~ARTICLE III.~~

~~Officers~~

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

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

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

~~Without limitation of the foregoing:~~

~~(a) Chairman, President and Chief Executive Officer: The Chairman, President and Chief Executive Officer shall be the chief executive officer of the Corporation and shall preside at all meetings of the Board and of the Executive Committee of the Board and at all meetings of stockholders. He shall be a director of the Corporation, and he shall be an ex officio member of all committees of the Board, except the Executive Compensation and the Audit Committees.~~

~~(b) Vice Presidents: The Board of Directors shall determine the powers and duties of the respective Vice Presidents and may, in its discretion, fix such order of seniority among the respective Vice Presidents as it may deem advisable.~~

~~(c) Secretary: The Secretary shall issue notices of all meetings of the stockholders and Directors where notices of such meetings are required by law or these By laws and shall keep the minutes of such meetings. He shall sign such instruments and attest such documents as require his signature of attestation and affix the corporate seal thereto where appropriate.~~

~~(d) Treasurer: The Treasurer shall have custody of all funds and securities of the Corporation and shall sign all instruments and documents as require his signature. He shall perform all acts incident to the position of Treasurer, subject to the control of the Board of Directors.~~

~~(e) Controller: The Controller shall be in charge of the accounts of~~

~~the Corporation and he shall have such powers and perform such duties as may be assigned to him by the Board of Directors.~~

~~(f) General Counsel: The General Counsel shall have general control of all matters of legal import concerning the Corporation.~~

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

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

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

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

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

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

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

~~ARTICLE IV.~~

~~Shares and Their Transfer~~

~~Section 1. Certificates of Stock: Every stockholder shall be entitled to have a certificate certifying the number of shares of stock of the Corporation owned by him signed by, or in the name of, the Corporation by the Chairman of the Board, or the President and Chief Executive Officer, the Vice Chairman, or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation. Any of or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with~~

~~the same effect as if he were such officer, transfer agent or registrar.~~

~~Section 2. Transfers: Certificates shall be registered for transfer on the stock books of the Corporation in person or by attorney, but, except as hereinafter provided in the case of loss, destruction or mutilation of certificates, no transfer of stock shall be entered until the previous certificate, if any, given for the same shall have been surrendered and canceled.~~

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

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

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

~~ARTICLE V.~~

~~Seal~~

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

~~ARTICLE VI.~~

~~Amendments~~

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

~~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 period ending June 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Douglas H. McCorkindale, 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/Douglas H. McCorkindale~~

~~_____
Douglas H. McCorkindale
Chairman, President and
Chief Executive Officer~~

~~August 7, 2002~~

~~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 period ending June 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Larry F. Miller, executive vice president/operations 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/Larry F. Miller~~

~~_____
Larry F. Miller
Executive Vice President/Operations
and Chief Financial Officer~~

~~August 7, 2002~~