

GANNETT

Q1 2021 Earnings

May 7, 2021

Disclaimer and Notes

In General. This disclaimer applies to this document and the verbal or written comments of any person presenting it. This document, taken together with any such verbal or written comments, is referred to herein as the "Presentation." Prior to November 19, 2019, our corporate name was New Media Investment Group Inc. ("New Media" or "Legacy New Media"), and Gannett Co., Inc. ("Legacy Gannett") was a separate publicly traded company. On November 19, 2019, New Media acquired Legacy Gannett (the "Acquisition"). In connection with the Acquisition, Legacy Gannett became a wholly owned subsidiary of New Media, and New Media's name was changed to Gannett Co., Inc. (also referred to as "Gannett," "we," "us," "our" or the "Company").

Cautionary Statement Regarding Forward-Looking Statements. Certain statements in this Presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding our operating priorities, our ability to grow Adjusted EBITDA, measures expected to result in annualized cash interest savings, our ability to achieve our operating priorities, our digital revenue performance, shifts in our revenue mix and the timing of realizing such shifts, the potential sales of non-core assets, including the anticipated use of any proceeds from such sales, integration of our acquisitions, our ability, in terms of both amount and timing, to surpass \$300 million of annualized synergies, our expectations, in terms of both amount and timing, with respect to debt repayment, real estate sales and debt refinancing, growth of and demand for our digital-only subscriptions and digital marketing and advertising services, our strategy, and future revenue trends, and our ability to influence trends. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. Many of these risks and uncertainties are beyond our control. The Company can give no assurance its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements contained in this Presentation. For a discussion of some of the risks and important factors that could cause actual results to differ from such forward-looking statements, see the risks and other factors detailed from time to time in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the Securities and Exchange Commission. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this Presentation. The Company expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or change in events, conditions or circumstances on which any statement is based, except as required by law.

Past Performance. In all cases where historical performance is presented, please note that past performance is not a reliable indicator of future results and should not be relied upon as the basis for making an investment decision. This Presentation is not an offer to sell, nor a solicitation of an offer to buy any securities.

Non-GAAP Measures. This Presentation includes non-GAAP measures, such as Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow and same store revenue. Year-over-year same store revenue changes are calculated based on GAAP revenue for Gannett for the current period, excluding (1) exited operations, (2) currency impacts, and (3) deferred revenue impacts related to the Acquisition. See the "Appendix" in this presentation for information regarding these non-GAAP measures, including reconciliations to the most directly comparable GAAP financial measure.

Gannett is a **subscription-led** and **digitally focused** media and marketing solutions company committed to empowering communities to thrive.

Our strategy is focused on driving **audience growth and engagement** by delivering **deeper content experiences** to our consumers, while offering the products and **marketing expertise** our business partners desire.

Key Operating Pillars

strong opportunity for creating stakeholder value

Accelerate digital subscriber growth

- + Expect to reach 10 million digital-only subscriptions in the next 5 years, inclusive of new offerings tailored to specific users
- + Anchored on high-quality, original, impactful journalism and premium content experiences

Drive digital marketing services (DMS) growth

- + Significant digital scale
- + Leverage integrated sales structure and lead generation strategy to grow client base
- + Data and insights inform new and dynamic marketing products and services

Optimize traditional print business

- + Optimizing our pricing and improving customer service for our print subscribers
- + Print advertising continues to offer a compelling branding opportunity across our U.S. and U.K. operations

Prioritize investments in growth businesses

- + Identify, test, and invest in opportunities for growth
- + Examples include:
 - USA TODAY NETWORK Ventures (Events + Promotions)
 - Reviewed.com
 - USA TODAY Sports Media Group
 - Online sports betting / gaming

Build on inclusive & diverse culture

- + Progress toward stated 2025 workforce diversity goals
- + Align our culture around empowering our communities to thrive and putting our customers at the center of everything we do

Topline Stats: **Community Engagement**

local reach across U.S. and U.K.⁽¹⁾

187M

Average Monthly Audience (UVs)

5.5B

Total Pageviews

369M

Total Video Views (on platform)

38K+

Event Attendees

13.0M

U.S. Daily & U.K. Weekly Print Readership

1. For the quarter ending March 31, 2021.

Topline Stats: Growth Drivers

local reach across U.S. and U.K.⁽¹⁾

Accelerate digital subscriber growth

Drive digital marketing services (DMS) growth

Optimize traditional print business

Prioritize investments in growth businesses

Build on inclusive & diverse culture

1.2M

Digital-only
Subscribers

20K

DMS Customers

2.4M

Total Print
Subscribers

1st

Live Event Held
Since Onset of
Pandemic
Safely welcomed 18,000+
attendees over 3 days



Recognized as Top
Employer for Diversity
& LGBTQ Equality

1. As of May 7, 2021.

Performance Highlights: **Financial Performance**

Q1 2021 and subsequent events ⁽¹⁾

- + Revenue of **\$777.1 million** for the quarter, down 16.5% on a same store basis to the prior year quarter due to COVID-19 pandemic
 - + Same store revenue trend negatively impacted by termination of an industry-wide marketing incentive; on a comparable basis, same store revenue improved slightly versus Q4 trend
 - + Digital-only circulation revenue up 46.7% to the prior year quarter

- + Total digital revenue of **\$229.2 million** in Q1 2021, or **29.5%** of Q1 2021 revenue

- + Adjusted EBITDA of **\$100.5 million**, representing a **12.9%** margin
 - + **Adjusted EBITDA margin expansion of 250 basis points** to prior year quarter reflecting significant synergy and cost reductions implemented to date

- + Net loss attributable to Gannett of **\$142.3 million**
 - + Reflecting a **\$126.6 million non-cash loss** on the derivative associated with our convertible notes driven by the increase in the fair value of the derivative liability as a result of the increase in the Company's stock price at the time of February shareholder approval of the conversion feature

1. Reflects subsequent events as of May 7, 2021.

Performance Highlights: **Balance Sheet and Liquidity**

Q1 2021 and subsequent events ⁽¹⁾

Q1 2021

- + Cash on the balance sheet of **\$163.5 million** at the end of Q1
- + Total debt outstanding at March 31, 2021 of **\$1.537 billion**
 - Net leverage ratio of **3.31x**
 - First Lien Net leverage of **2.1x**
- + Real estate and other asset sales expected to continue to accelerate debt paydown
 - Post-refinancing, \$9 million of term loan principal was repaid using proceeds from real estate and asset sales
 - Additional **\$90 –\$115 million** of expected asset sales for the remainder of 2021

Term Loan Refinancing

- + Refinanced remaining 11.5% term loan in February 2021
 - \$1.045 billion 5-year, senior secured term loan facility
 - LIBOR+700, LIBOR floor of 0.75%
 - Current rate: **7.75%**
- + One financial covenant - **\$30 million** of cash on the balance sheet at the close of every quarter
- + Debt repayment remains a key focus
 - Targeting First Lien Net Leverage of **1.0x** by the end of 2022
- + \$100 million in cash interest savings expected in 2021 due to debt paydown, convertible note refinancing, and term loan refinancing

1. Reflects subsequent events as of May 7, 2021.

Q1 2021 Results and Non-GAAP Highlights⁽¹⁾

GAAP Results

\$777.1M

Total Operating Revenue

Same store total revenues decreased 16.5%

\$142.3M

Net loss attributable to Gannett

Reflects \$126.6 million non-cash loss on the derivative associated with our convertible notes

\$61.3M

Net Cash Flow Provided by Operating Activities

Non-GAAP Results⁽¹⁾

\$100.5M

Adjusted EBITDA

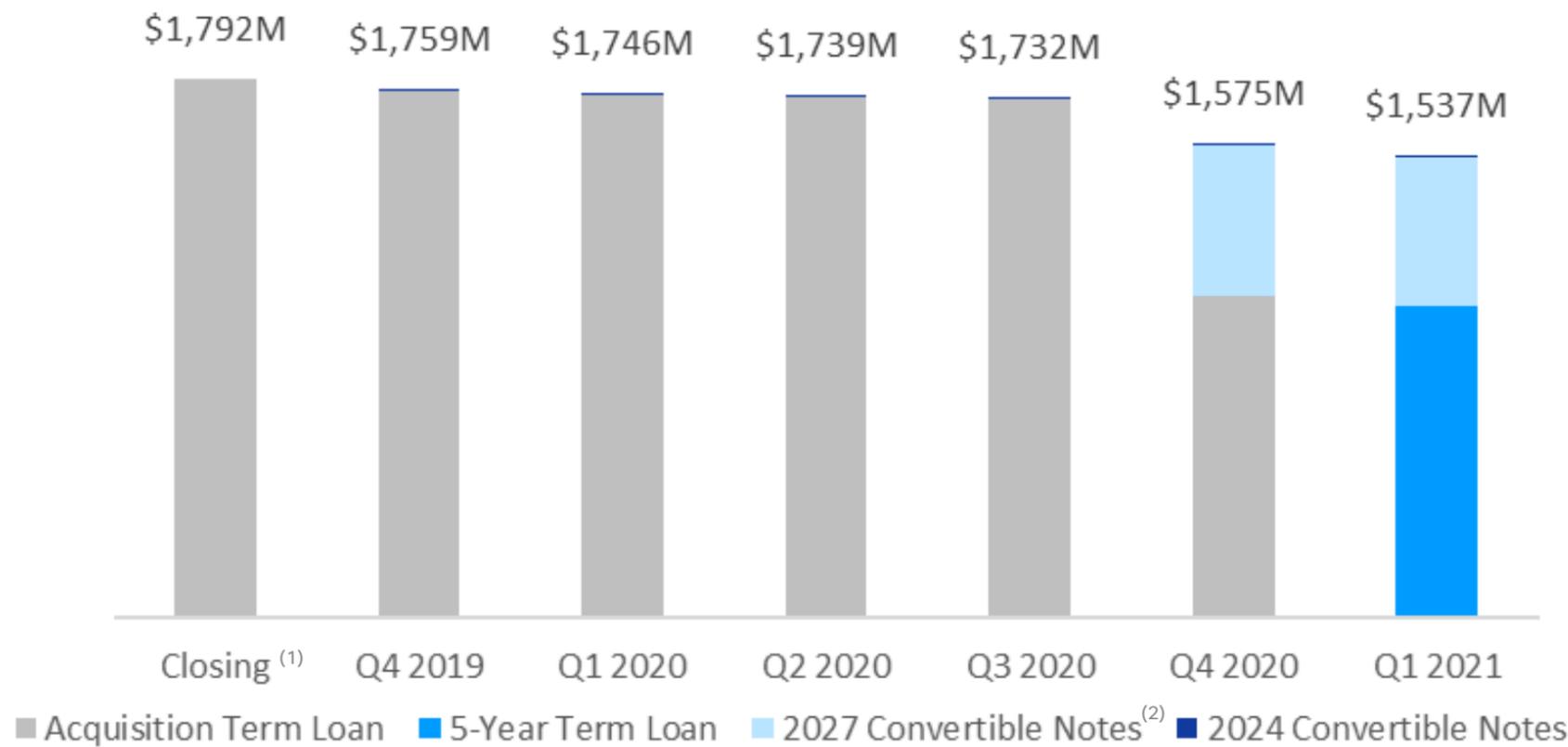
\$53.7M

Free Cash Flow

1. A reconciliation of non-GAAP results is located in the appendix of the presentation.

Balance Sheet and Liquidity

Significant Debt Repayment



\$163.5M

Cash on the balance sheet on March 31, 2021

\$100M

Cash interest savings expected in 2021 as compared to 2020 due to debt repayment and refinancing

1. Acquisition Term Loan included ~\$234 million for settlement of the 2024 Convertible Notes; of which all but \$3.3 million elected for settlement on 12/31/19.

2. 2027 Convertible Notes are now second lien as of the closing of the 5-Year Term Loan refinancing in February 2021.

Integration and Synergy Update

\$300M

Annualized synergies target
committed to achieve by the
end of 2021

Met as of Q1 2021

\$11M

Implemented Q1 2021
synergies

\$25M+

Additional annualized measures
expected above original target

\$182M

In expense savings from synergies
implemented to date

Journalism Update: **Newsroom Highlights**



The wild **weather seasons** have increased intensity, and in late February 2021, journalists at the Austin American-Statesman —despite personal challenges to their own comfort and security — continued to produce story after story, exposing [failures](#) and delivering critically important [push alerts](#), including power updates and where you could find free food, gas and shelter. Similarly, our teams persevered through other flooding, water and tornado crises as they hit [Tennessee](#) and [Jackson, Miss.](#)



Late last year, USA TODAY reported that **Louisiana State University** had a culture of covering up sexual misconduct allegations. In March, the same team uncovered a 2013 internal investigation into then-head football coach Les Miles' alleged sexual harassment of female students. In April, officials responded, including [Kansas parting ways with Miles](#), and Louisiana lawmakers [grilling LSU's interim president for hours](#) and crediting USA TODAY for shining light on problems that had persisted for decades.



Our Network teams nimbly responded over several weeks of **mass shootings** that occurred across the country, including at the [Atlanta-area spas](#), in [South Carolina](#) by a former NFL player, at the [Boulder grocery store](#) and at the [Indianapolis FedEx](#) facility. Whether directly in our markets' impressive footprint or beyond, our Network swarms big breaking coverage as a united front, keeping the public informed on multiple fronts as news develops.



When the judge announced **Derek Chauvin** was found [guilty of murder](#) on April 20, USA TODAY journalists who were there and others across the Network worked to inform and then provide context to a nation that has waited nearly a year to see if the former police officer would be held accountable.

Journalism Update: **Newsroom Highlights**



After a jury found Des Moines Register reporter **Andrea Sahouri not guilty** stemming from her arrest while covering protests last May, she [reflected](#) on how the verdict sends a message about the rights of journalists to do their jobs. From Amnesty International to the ACLU of Iowa, the verdict was praised, while the sense that journalism was under attack remains real. As recently as April 17, journalists covering a protest (including USA TODAY's Jasper Colt) in a Minneapolis suburb were [forced on their stomachs](#) by law enforcement, rounded up and were only released after having their face and press credentials photographed.



The Investigative Reporters and Editors (IRE) organization recognized [“Careless”](#) by **The Indianapolis Star** and **USA TODAY**'s [“Sexual misconduct at LSU”](#) (see previous slide) as winners in its annual contest honoring investigative work. “Careless,” which received one of only [two medals from IRE this year](#), was an 18-month investigation that found that Indiana's nursing home system is profoundly broken.



IndyStar's investigation into police dog bites has [won the Katharine Graham Award](#) for Courage and Accountability by the White House Correspondents' Association. The project, [“Mauled: When Police Dogs are Weapons,”](#) was a collaboration with The Marshall Project, AL.com and Invisible Institute. The investigation, led by reporter Ryan Martin, has prompted changes in the Indianapolis Metropolitan Police Department's policies regarding K-9 units. Also, **The Clarion Ledger** and the **USA TODAY Network** were part of a collaborative team that won the coveted [Goldsmith Prize](#) for Investigative Reporting for a project focused on [Mississippi's dangerous and antiquated penal system](#).

Journalism Update: **Newsroom Highlights** The National Wales



There was great excitement around the launch of The National Wales, a new national title for Wales filling a major void in the media landscape in a country of 3.1 million people.

The need for the title had become clear during the COVID crisis as most people were getting their national news from English-based titles, which gave little coverage to the different rules in Wales.

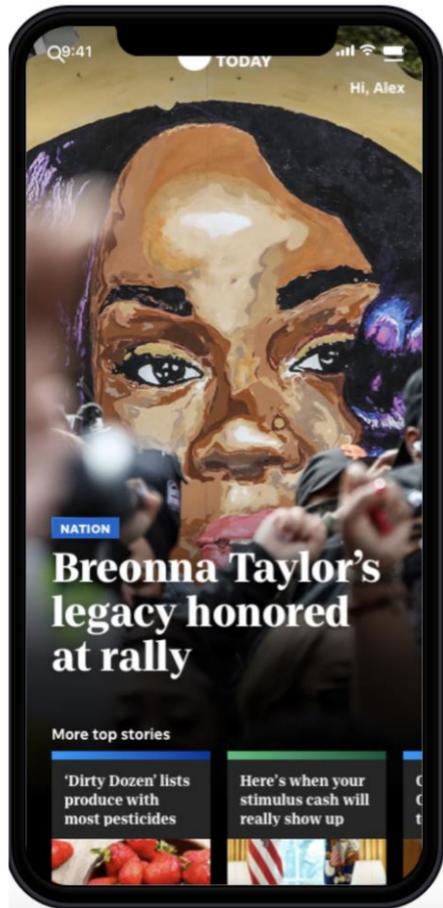
The title launched [online](#) with the slogan 'For all of Wales' on St David's Day, March 1, accompanied by a special print edition. The response was so positive that the title has since become a weekly newspaper in print to supplement the subscriptions-led digital service.

Seven new journalism roles have been created by the launch and the title has quickly grown its following on social media (more than 12,000 Twitter followers already) and paying digital subscribers (more than 550 in the first eight weeks).

Seeing readers posting photos of the paper with comments like 'This is my Saturday newspaper and an excellent read it is' certainly made the hard work of the team worthwhile.

Quarterly Business Update

Quarterly Business Update: Accelerating Digital Subscriptions



TODAY ONLY
ESCAPED MONKEY FLASH SALE
 Subscribe now \$1 for 6 months
 cincinnati.com

azcentral.
23:59:24
Last Chance!
 Only \$39 for 1 year

[VIEW MY OFFER](#)

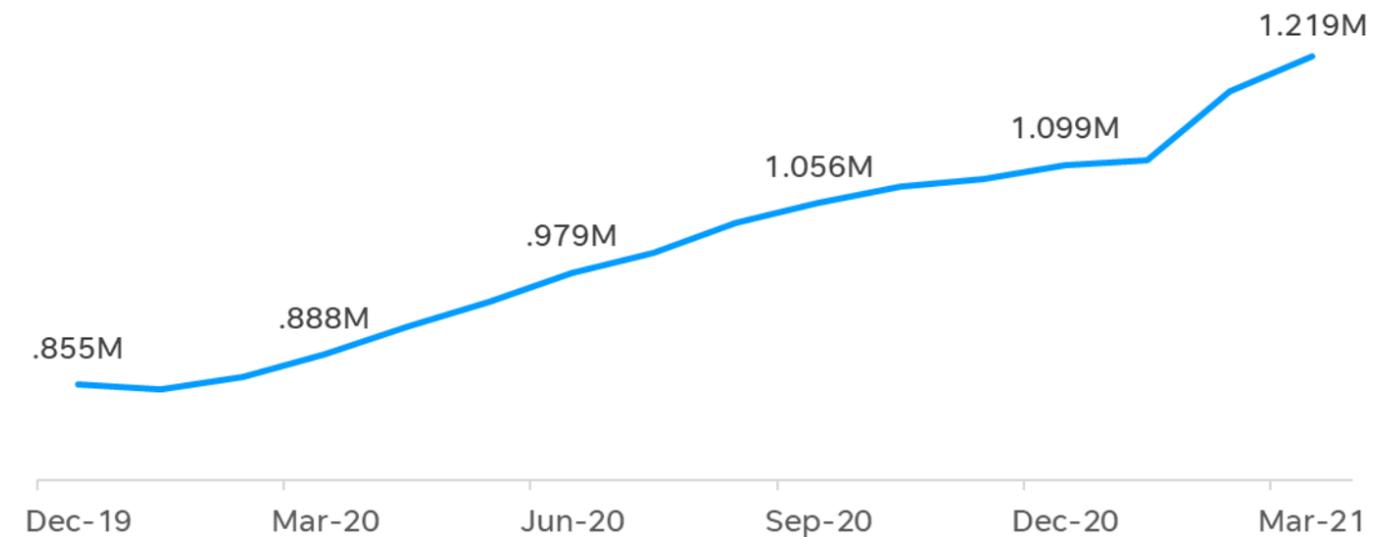
Your subscription includes:

- Award-winning local and national news
- Unlimited digital access

*Music is free.
 It's an excursion,
 it is an adventure,
 it is discovery.*
 CEELO GREEN
 Tennessean.

*Even before there was jazz,
 there was music everywhere,
 dancing everywhere.*
 DAVID KUNIAN,
 CURATOR OF THE NEW ORLEANS JAZZ MUSEUM
 Tennessean.

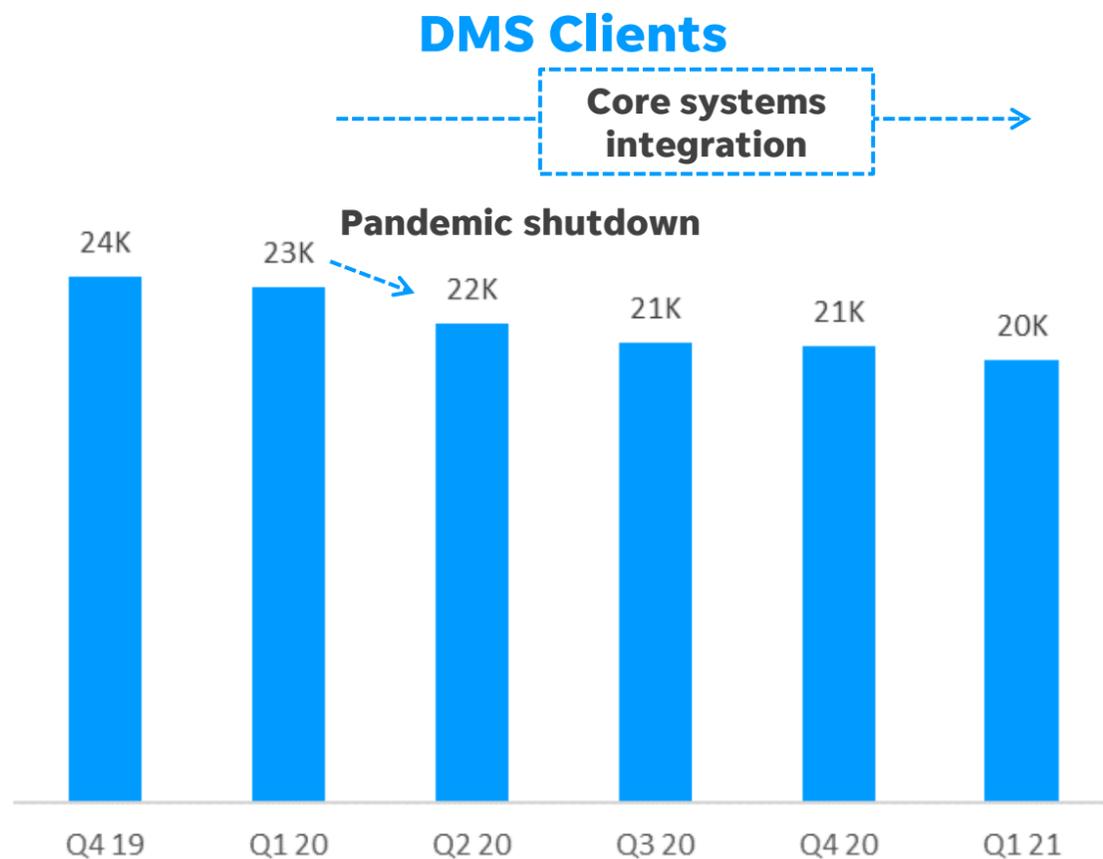
Digital-only Subscription Growth



+ Paid digital-only subscribers grew **37.2%** over the prior year quarter to **1.219M**

Our puzzles double as escape hatches.
 Need a break from the daily grind? Thousands of crosswords are waiting for your brain to hop on in.
[GET OUR FREE APP](#)
 USA TODAY Crossword

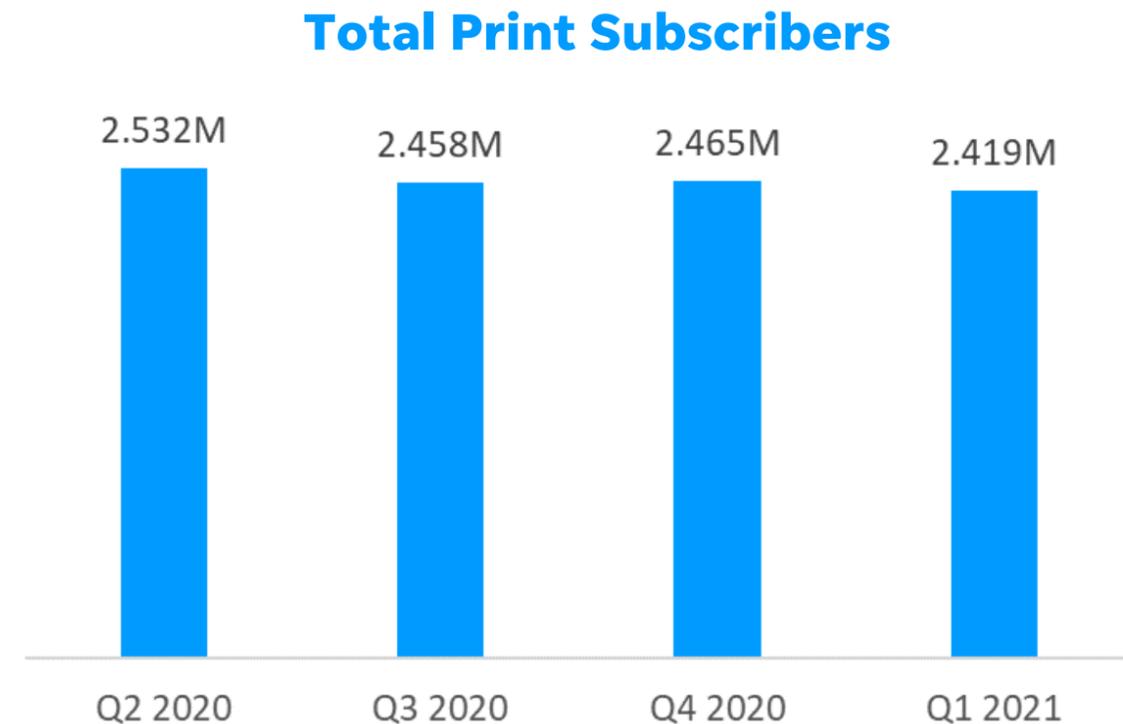
Quarterly Business Update: **Driving DMS Growth**



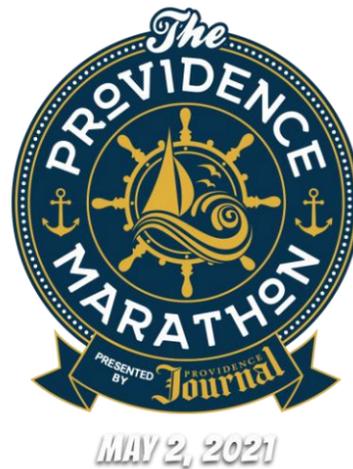
- + ReachLocal's core sales team continued to achieve **year-over-year growth** every month of Q1, with the trend growing into the teens for March 2021
- + ReachLocal's core sales team achieved **highest productivity metrics** since its acquisition in 2016
- + **Client base anticipated to stabilize** going forward due to investments in core product set and progress made on systems integration
 - Historical client declines due to planned conversion to single platform, decisions to sunset certain product offerings, and the COVID-19 pandemic
- + Core product set expected to **drive higher recurring revenue and client retention** while creating stronger performance for our clients

Quarterly Business Update: **Optimizing Traditional Print Business**

- + Meeting improved demand for traditional advertising, driving print advertising revenue trends to improvement of 200 basis points over Q4 20 trend
- + Increased investment in **retaining print subscribers**:
 - **Expanded content** in response to customer feedback
 - **Enhanced customer service** through completed integration to a centralized customer service center
 - Loyalty programs and **subscriber-only offerings**



Quarterly Business Update: **Prioritize Investments in Growth Businesses**



USA TODAY NETWORK Ventures

- + Hosted 38,000+ attendees across in-person and virtual events during Q1 2021
- + Executed first live show since the pandemic began
 - Columbus (OH) Home & Garden Show was executed at 50% capacity restrictions, safely serving 18,000+ attendees over three days
- + Expecting live events to build throughout 2021
 - Race registrations for Q2 already meeting capacity (if in person) or surpassing prior year registrations (if virtual)

Identify - Test - Invest

Sports Betting / Online Gaming

- + Actively in discussions with online gaming partners to leverage our unparalleled assets and footprint in a partnership
- + Announcement pending Q2 2021

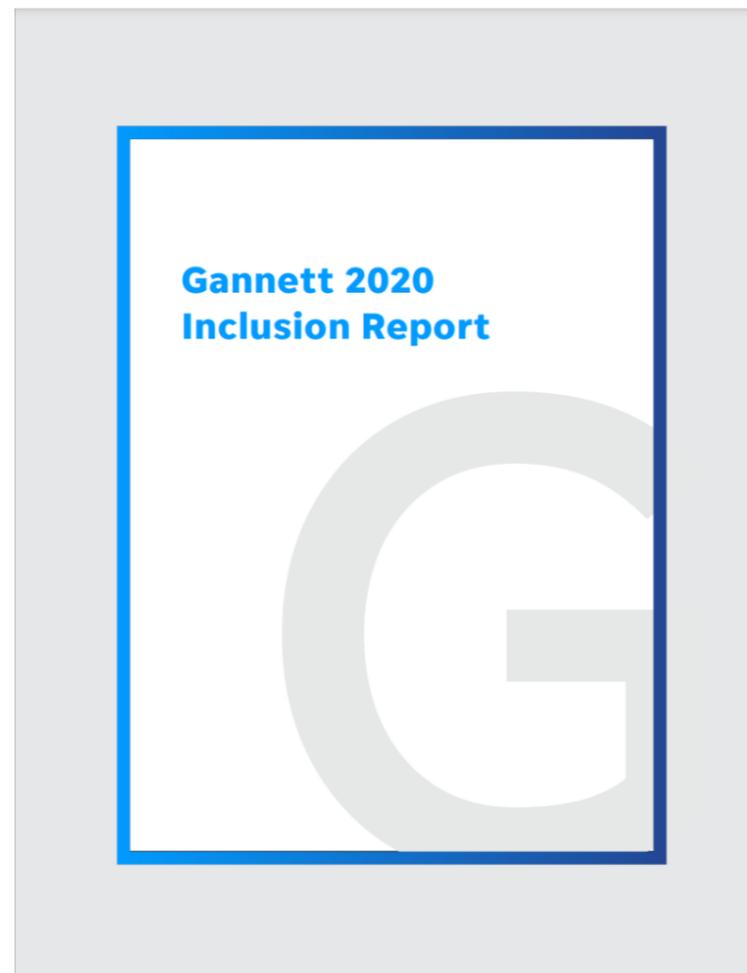
NFTs

- + Testing first auction for Gannett in the coming weeks
- + Large historical news archives offer a potential opportunity

Quarterly Business Update: **Build on Inclusive & Diverse Culture**

Launched First Inclusion Report

- + Represents our first installment of an annual report focused on our inclusion, diversity & equity efforts
- + It outlines current workforce diversity data as well as the steps we are taking to achieve our goals by 2025



Recognition Received in Q1 2021



Appendix

Gannett Diversified Revenue⁽¹⁾

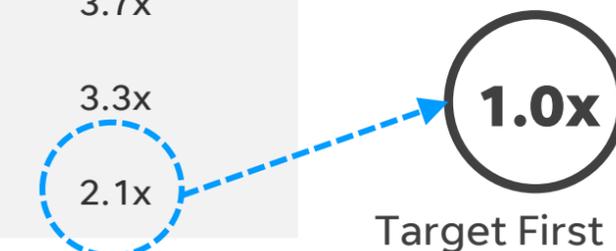
(\$ in millions)	Q1 2021 \$	Q1 2021 % of Total
Print Advertising Revenue ⁽¹⁾	\$191.7	24.66%
Digital Marketing Services	\$101.3	13.03%
Digital Media	\$79.0	10.16%
Digital Classified	\$13.2	1.70%
Total Digital Advertising and Marketing Services Revenue⁽¹⁾	\$193.5	24.90%
Circulation	\$325.4	41.88%
Commercial Print, Distribution and Other	\$60.0	7.73%
Events	\$6.5	0.84%
Total Subscription and other Revenue	\$392.0	50.44%
Total Revenue	\$777.1	100%

Note: Small discrepancies may exist due to rounding of revenue or percentage categories.

1. Events has been removed from all revenue categories.

Debt and Leverage Overview

(\$ in millions)	Rate	Ending Balance as of March 31, 2021
Convertible Senior Notes due 2024	4.75%	\$3.3
Convertible Senior Notes due 2027	6.0%	\$497.1
5-Year Term Loan	7.75% ⁽¹⁾	\$1,036.4
Total Debt Outstanding	7.18% Blended Rate post refinancing	\$1,536.8
Q1 2021 LTM Adjusted EBITDA		\$415.3
Cash on the Balance Sheet		\$163.5
Gross Leverage Ratio ⁽²⁾		3.7x
Net Leverage Ratio ⁽³⁾		3.3x
First Lien Net Leverage ⁽⁴⁾		2.1x



Target First Lien Net Leverage by YE 2022

1. Rate of LIBOR+7.0%, LIBOR floor of 0.75%.
2. Gross leverage ratio is calculated by dividing total debt by Q1 2021 LTM Adjusted EBITDA.
3. Net leverage ratio is calculated by subtracting cash on the balance sheet from total debt and dividing it by Q1 2021 LTM Adjusted EBITDA.
4. First Lien Net Leverage ratio is calculated by subtracting cash on the balance sheet from 5-Year Term Loan and dividing it by Q1 2021 LTM Adjusted EBITDA. Convertible Senior Notes due 2027 are second lien as of the completion of the 5-Year Term Loan refinancing in February 2021.

Same Store Revenue⁽¹⁾ Metrics

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2021
Print Advertising	-17.6%	-16.8%	-17.2%	-18.4%	17.6%	-21.1%	-45%	-31.0%	-26.9%	-31.1%	-24.9%
Digital Advertising and Marketing Services	-5.1%	-4.5%	-1.5%	1.7%	-2.8%	2.1%	-26.2%	-13.8%	-3.2%	-10.5%	-10.5%
Advertising and Marketing Services	-13.0%	-12.3%	-11.0%	-12.1%	-12.0%	-12.1%	-37.4%	-23.6%	-17.1%	-22.7%	-18.3%
Circulation	-5.8%	-5.8%	-5.8%	-9.1%	-6.7%	-7.5%	-13.6%	-13.2%	-13.6%	-11.9%	-12.9%
Commercial Printing and Other	2.8%	1.6%	3.7%	1.8%	1.9%	-9.0%	-31.5%	-23.9%	-22.2%	-21.9%	-21.9%
Total Gannett	-9.1%	-8.8%	-7.8%	-9.9%	-8.9%	-10.0%	-28.0%	-19.6%	-16.3%	-18.5%	-16.5%

1. Same store revenues are based on GAAP revenues for Gannett for the current period, excluding (1) exited operations, (2) currency impacts, and (3) deferred revenue impacts related to the acquisition of Legacy Gannett.

Gannett Same Store Revenue Reconciliation

<i>(in thousands)</i>	3 months ended March 31, 2021	3 months ended March 31, 2020	\$ Variance	% Variance
Total Gannett Revenue	\$777,084	\$948,682	(\$171,598)	-18.1%
Currency Impacts	(4,541)	-		
Exited Operations	(25)	(25,565)		
Deferred Revenue Adjustments	-	1,834		
Same Store Revenue, Total Gannett	\$772,518	\$924,951	(\$152,433)	-16.5%

Non-GAAP Reconciliation

The Company uses non-GAAP financial performance and liquidity measures to supplement the financial information presented on a GAAP basis. These non-GAAP financial measures, which may not be comparable to similarly titled measures reported by other companies, should not be considered in isolation from or as a substitute for the related GAAP measures and should be read together with financial information presented on a GAAP basis.

The Company defines its non-GAAP measures as follows:

Adjusted EBITDA is a non-GAAP performance measure the Company believes offers a useful view of the overall operations of our business. The Company defines Adjusted EBITDA as Net income (loss) attributable to Gannett before: (1) Income tax expense (benefit), (2) Interest expense, (3) Gains or losses on the early extinguishment of debt, (4) Non-operating pension income (expense), (5) Loss on Convertible notes derivative, (6) Other non-operating items, including equity income, (7) Depreciation and amortization, (8) Integration and reorganization costs, (9) Asset impairments, (10) Goodwill and intangible impairments, (11) Gains or losses on the sale or disposal of assets, (12) Share-based compensation, (13) Other operating expenses, including third-party debt expenses and acquisition costs, (14) Gains or losses on the sale of investments and (15) certain other non-recurring charges. The most directly comparable GAAP measure is Net income (loss) attributable to Gannett.

Adjusted EBITDA margin is a non-GAAP performance measure the Company believes offers a useful view of the overall operations of our business. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by total Operating revenues.

Free cash flow is a non-GAAP liquidity measure that adjusts our reported GAAP results for items we believe are critical to the ongoing success of our business. The Company defines Free cash flow as Net cash provided by operating activities as reported on the Statement of Cash Flows less capital expenditures, which results in a figure representing Free cash flow available for use in operations, additional investments, debt obligations, and returns to stockholders. The most directly comparable GAAP financial measure is Net cash from operating activities.

Management's Use of Non-GAAP Measures

Adjusted EBITDA, Adjusted EBITDA margin and Free cash flow are not measurements of financial performance under GAAP and should not be considered in isolation or as an alternative to income from operations, net income (loss), margin, cash flow from operating activities, or any other measure of performance or liquidity derived in accordance with GAAP. We believe these non-GAAP financial measures as we have defined them are helpful in identifying trends in our day-to-day performance because these items excluded have little or no significance on our day-to-day operations. These measures provide an assessment of controllable expenses and affords management the ability to make decisions which are expected to facilitate meeting current financial goals as well as achieve optimal financial performance.

Adjusted EBITDA and Adjusted EBITDA margin provide us with measures of financial performance, independent of items that are beyond the control of management in the short-term, such as depreciation and amortization, taxation, non-cash impairments, and interest expense associated with our capital structure. These metrics measure our financial performance based on operational factors that management can impact in the short-term, namely the cost structure or expenses of the organization. Adjusted EBITDA and Adjusted EBITDA margin are metrics we use to review the financial performance of our business on a monthly basis.

We use Adjusted EBITDA and Adjusted EBITDA margin as measures of our day-to-day operating performance, which is evidenced by the publishing and delivery of news and other media and excludes certain expenses that may not be indicative of our day-to-day business operating results.

Limitations of Non-GAAP Measures

Each of our non-GAAP measures have limitations as an analytical tool. They should not be viewed in isolation or as a substitute for GAAP measures of earnings or cash flows. Material limitations in making the adjustments to our earnings to calculate Adjusted EBITDA and using this non-GAAP financial measure as compared to GAAP net income (loss) include: the cash portion of interest / financing expense, income tax (benefit) provision, and charges related to asset impairments, which may significantly affect our financial results.

Management believes these items are important in evaluating our performance, results of operations, and financial position. We use non-GAAP financial measures to supplement our GAAP results in order to provide a more complete understanding of the factors and trends affecting our business.

Adjusted EBITDA, Adjusted EBITDA margin and Free Cash Flow are not alternatives to net income, income from operations, or cash flows provided by or used in operations as calculated and presented in accordance with GAAP. As such, they should not be considered or relied upon as a substitute or alternative for any such GAAP financial measure. We strongly urge you to review the reconciliations of Net income (loss) attributable to Gannett to Adjusted EBITDA and Cash provided by operations to Free Cash Flow along with our condensed consolidated financial statements included elsewhere in this report. We also strongly urge you to not rely on any single financial measure to evaluate our business. In addition, because Adjusted EBITDA, Adjusted EBITDA margin and Free Cash Flow are not measures of financial performance under GAAP and are susceptible to varying calculations, the Adjusted EBITDA, Adjusted EBITDA margin and Free Cash Flow measures as presented in this report may differ from and may not be comparable to similarly titled measures used by other companies.

Gannett Non-GAAP Reconciliation⁽¹⁾

<i>(in thousands)</i>	3 months ended March 31, 2021
Net loss attributable to Gannett	(\$142,316)
Benefit for income taxes	(9,109)
Interest expense	39,503
Loss on early extinguishment of debt	19,401
Non-operating pension income	(23,878)
Loss on Convertible notes derivative	126,600
Other non-operating expense (income), net	(1,875)
Depreciation and amortization	58,103
Integration and reorganization costs	13,404
Other operating expenses ⁽²⁾	10,576
Asset impairments	833
Net loss on sale or disposal of assets	4,745
Share-based compensation expense	3,423
Other items	1,055
Adjusted EBITDA (non-GAAP basis)	\$100,465
Net income (loss) attributable to Gannett margin	(18.3%)
Adjusted EBITDA margin (non-GAAP basis)	12.9%

<i>(in thousands)</i>	3 months ended March 31, 2021
Net cash flow provided by operating activities (GAAP basis)	\$61,316
Capital expenditures	(7,607)
Free cash flow (non-GAAP basis)⁽³⁾	\$53,709

1. Small discrepancies may exist due to rounding.

2. Includes \$10.2 million of third-party fees related to the 5-Year Term Loan

3. Free cash flow for the first quarter was negatively impacted by \$21.1 million of integration and reorganization costs and \$9.7 million of third-party fees related to the 5-Year Term Loan.