

GANNETT

# Q2 2021 Earnings

August 6, 2021

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**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.”

**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 assets, including the anticipated use of any proceeds from such sales, integration of our acquisitions, 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. Words such as “expect(s),” “plan(s),” “believe(s),” “will,” and similar expressions are intended to identify such forward-looking statements. 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, Adjusted Net Income (loss) attributable to Gannett 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 our acquisition of Gannett Co. Inc. (which was renamed Gannett Media Corp. and is referred to as “Legacy Gannett”) in the fourth quarter of 2019. See the “Appendix” in this presentation for information regarding these non-GAAP measures, including reconciliations to the most directly comparable GAAP financial measure.

Gannett operates a **scalable, data-driven** digital media platform that is fully aligned with consumer and digital marketing trends.

We are a **subscription-led** and **digitally focused** media and marketing solutions company that is 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.

# Topline Stats: Growth Drivers

local and national reach across U.S. and U.K.

**Accelerate digital subscriber growth**

**Drive digital marketing services (DMS) growth**

**Optimize traditional print business**

**Prioritize investments in growth businesses**

**Build on inclusive & diverse culture**

≈1.4M

Digital-only  
Subscribers

+41% YOY

20K

DMS Customers

2.4M

Total Print  
Subscribers

\$90M

Exclusive sports betting Agreement with Tipico U.S. <sup>(1)</sup>  
5-year agreement with \$90M in media spend



Published bi-annual workforce demographics

1. Signed subsequent to the end of the second quarter

## Topline Stats: **Community Engagement**

local and national reach across U.S. and U.K.<sup>(1)</sup>

**174M**

Average Monthly  
Audience (UVs)

**4.8B**

Total Pageviews

**312M**

Total Video Views  
(on platform)

**176K**

Event Attendees

**12.5M**

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

1. For the quarter ending June 30, 2021.

## Q2 2021 Results and Non-GAAP Highlights<sup>(1)</sup>

### GAAP Results

**\$804.3M**

#### Total Operating Revenue

Same store total revenues increased 6.8%

**\$15.1M**

#### Net Income attributable to Gannett

**\$31.3M**

#### Net Cash Flow Provided by Operating Activities

### Non-GAAP Results<sup>(1)</sup>

**\$115.8M**

#### Adjusted EBITDA

AEBTIDA grew \$37.8M or 48.4% to prior year quarter

**\$30.1M**

#### Adjusted Net Income attributable to Gannett

**\$23.1M**

#### Free Cash Flow

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

## Performance Highlights: **Financial Performance**

### Q2 2021

- + Revenue of **\$804.3 million** for the quarter, up 6.8% year over year on a same store basis
  - + Same store revenue trend growth impacted by cycling of second quarter 2020, the quarter most negatively impacted by the COVID-19 pandemic
  - + Digital-only circulation revenue up 40% to the prior year quarter
- + Total digital revenue<sup>(1)</sup> of **\$259.3 million** in Q2 2021, or **32.2%** of Q2 2021 revenue
  - + Digital revenue up 33% year over year on a same store basis
- + Adjusted EBITDA<sup>(2)</sup> of **\$115.8 million**, representing a **14.4%** margin
  - + **Adjusted EBITDA grew \$37.8M** to prior year quarter and margin grew 420 basis points
- + Net income attributable to Gannett of **\$15.1 million**
  - + Adjusted net income attributable to Gannett<sup>(2)</sup> of \$30.1 million

1. Digital revenue includes Digital advertising and marketing services revenues, Digital-only circulation revenues, and Digital syndication and affiliate revenues.

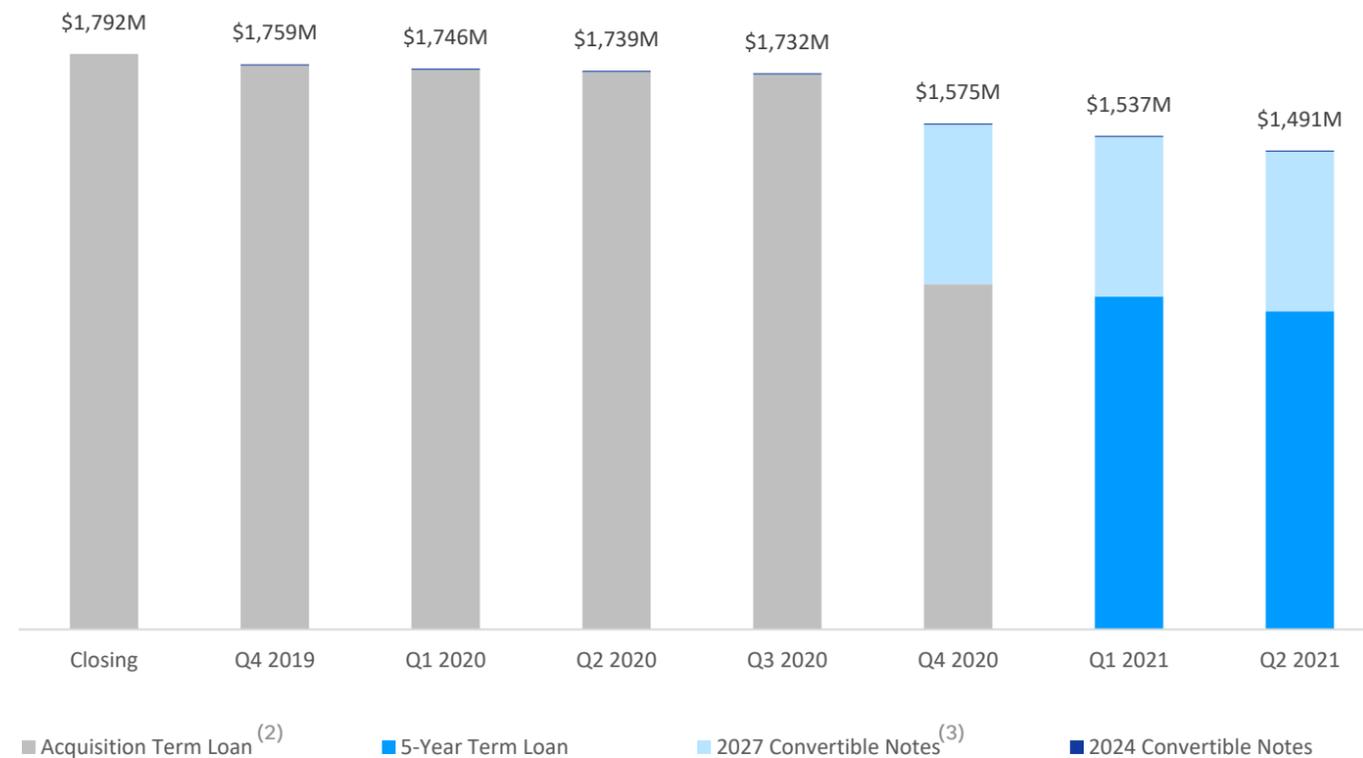
2. A reconciliation of non-GAAP results is located in the appendix of the presentation

# Balance Sheet and Liquidity

Q2 2021 and subsequent events <sup>(1)</sup>

## Significant Debt Repayment

## Q2 2021



- + Cash on the balance sheet of **\$158.6 million** at the end of Q2
- + Total debt principal outstanding at June 30, 2021 of **\$1.491 billion**
  - Net leverage ratio of **2.9x**
  - First Lien Net leverage of **1.8x**
- + Real estate and other asset sales expected to continue to accelerate debt paydown
  - \$45.8 million of term loan principal was repaid using proceeds from real estate and asset sales of \$11.2M and excess cash
  - Additional **\$80 – \$100 million** of expected asset sales for the remainder of 2021 of which \$20 million has been completed in July 2021.

1. Reflects subsequent events as of August 6, 2021

2. 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.

3. 2027 Convertible Notes are now second lien as of the closing of the 5-Year Term Loan refinancing in February 2021.

# Key Operating Pillars

Second Quarter 2021 Update

# 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

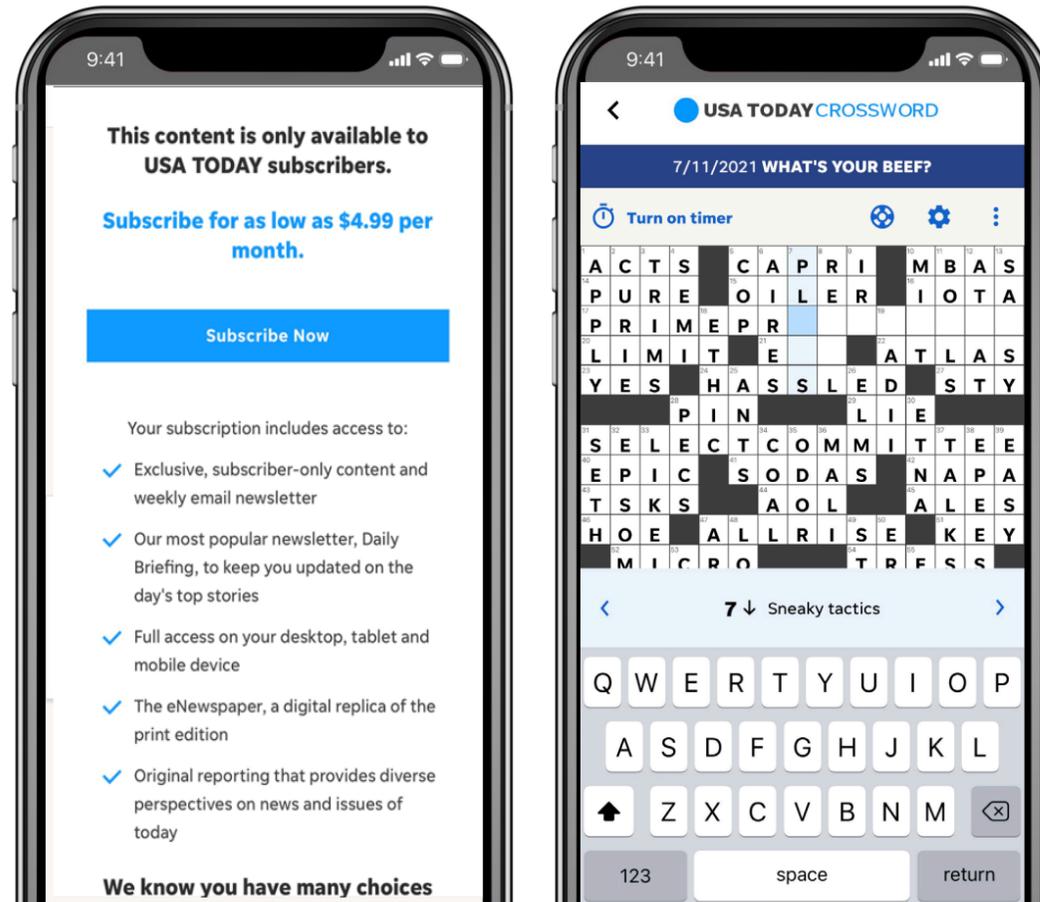
## Prioritize investments in growth businesses

- + 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

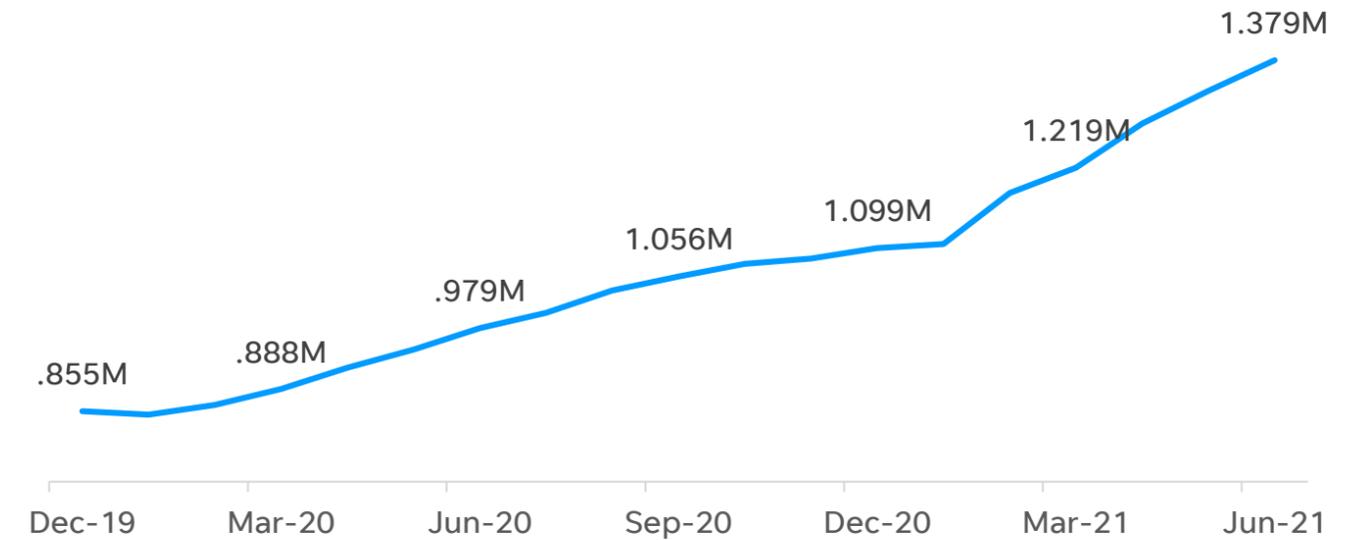
## Build on inclusive & diverse culture

- + 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

# Pillar One: Accelerating Digital Subscriptions



## Digital-only Subscription Growth



**SUBSCRIBER EXCLUSIVE**

### America Reopened

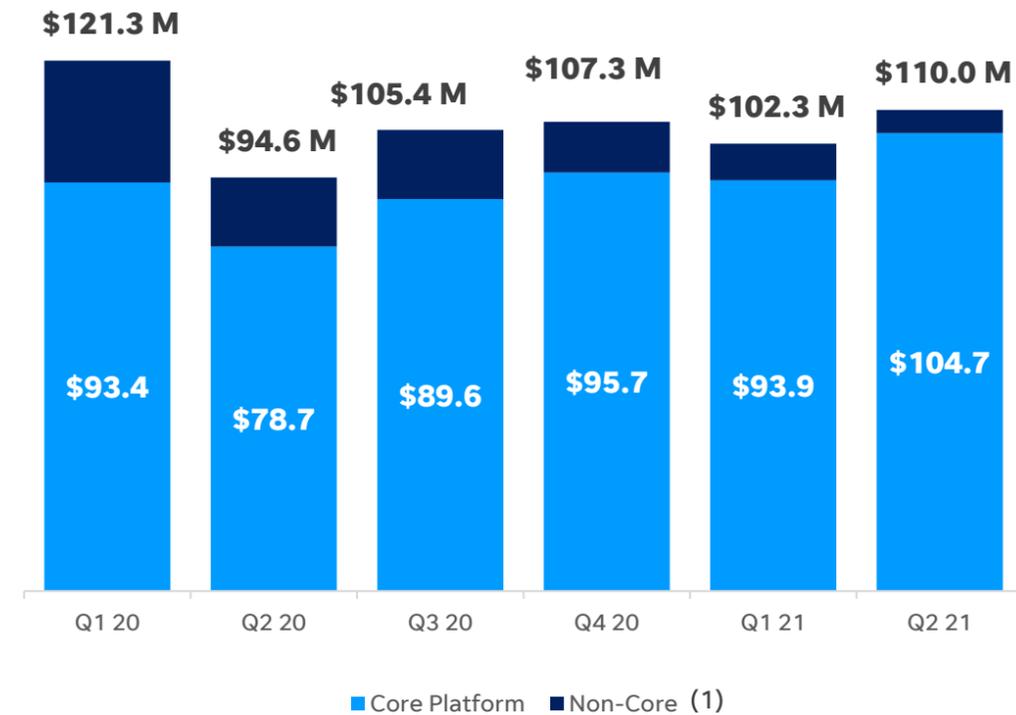
Maskless fans in the stadium stands, schools prepping for students' return: Take a look at our new normal.

[Read Now in the eNewspaper](#)

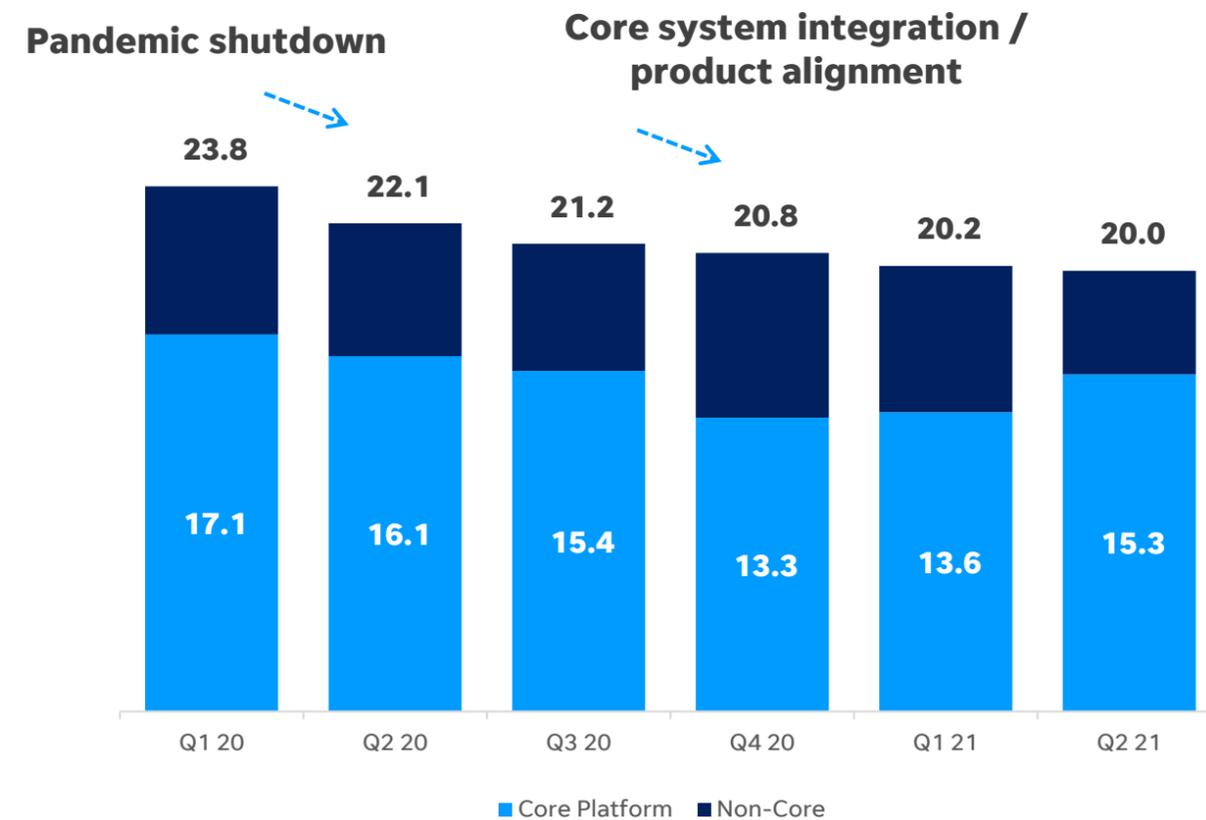
- + Paid digital-only subscribers grew **41%** over the prior year quarter to **1.379M**
- + **160K** net new subscribers quarter over quarter, largest add to date
- + Launched subscription model at USA TODAY

# Pillar Two: Driving DMS Growth

## Digital Marketing Solutions Revenue



## Digital Marketing Solutions Client Count<sup>(2)</sup>



In Q4 2020, two DMS businesses aligned onto a single platform and product suite. The consolidation of platforms and the intentional realignment of product offerings lowered client count. Core platform client count has returned to pre-conversion levels and at a significantly higher ARPU. Q2 2021 core platform revenue of \$105M is the highest quarterly revenue to date, pushing Digital Marketing Solution segment margins to 11.4%.

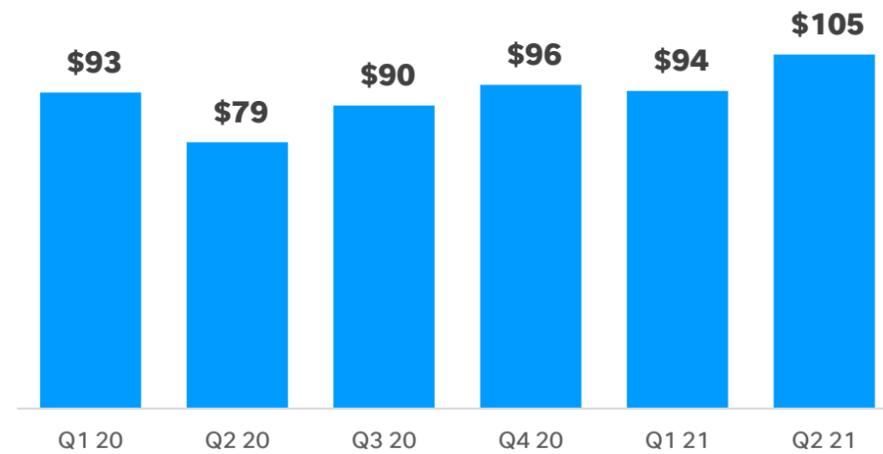
1. Core platform revenue is defined as revenue derived from customers utilizing our proprietary digital marketing services platform that are sold by either our direct or local market teams.

2. Client count is derived from the active number of clients each month averaged over the course of the quarter.

## Pillar Two: Driving DMS Growth

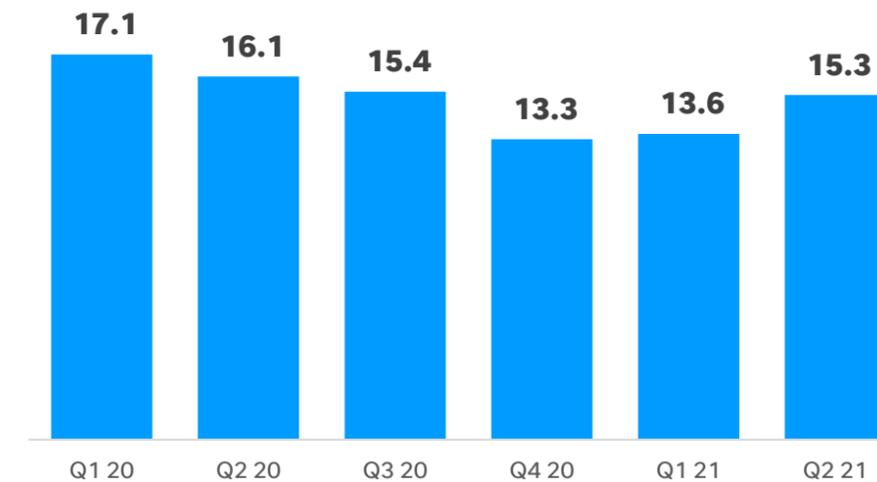
### Digital Marketing Solutions - Core Platform <sup>(1)</sup>

#### Revenue (M)



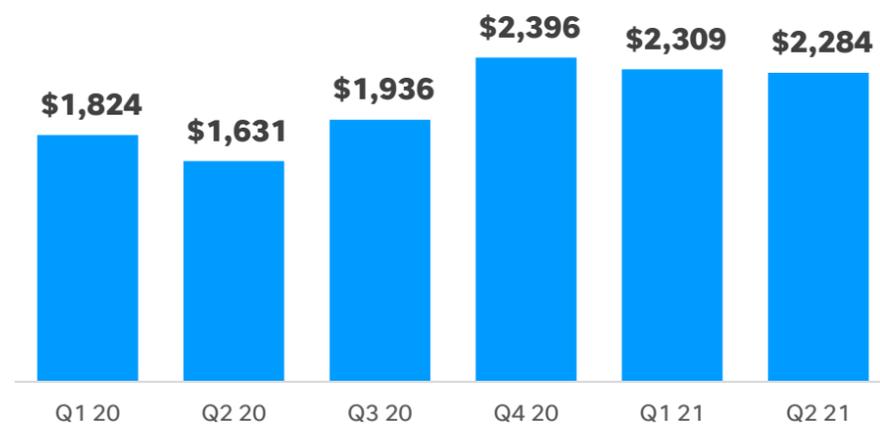
Q2 2021 - 33% growth YOY

#### Client Count (K) <sup>(2)</sup>

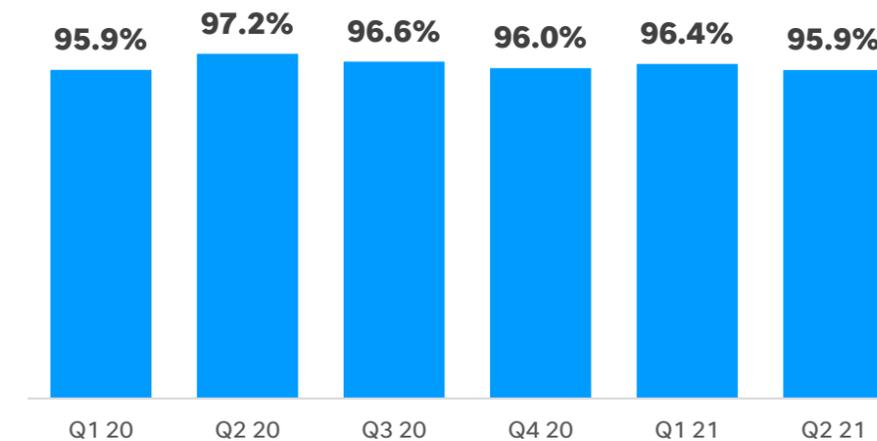


YOY client count reduction result of product suite alignment in Q4 2020, removing low margin products. Increases in client count each subsequent quarter at higher ARPU contributing to growing segment margins.

#### ARPU <sup>(3)</sup>



#### Client Budget Retention <sup>(4)</sup>



1. Core platform revenue is defined as revenue derived from customers utilizing our proprietary digital marketing services platform that are sold by either our direct or local market teams.
2. Client count is derived from the active number of clients each month averaged over the course over the quarter.
3. ARPU is revenue divided by client count within the given period
4. Client Budget Retention is defined as the percentage of client spend under our management that is retained from month to month

## Pillar Three: Optimizing Traditional Print Business

- + Continued to drive profitability of our traditional print operations through economies of scale, growing commercial revenue 18% over Q1
- + Improved print advertising trends, up 7% year over year and 4% over Q1
- + Increased investment in **retaining print subscribers** is improving retention metrics year over year:
  - **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**
  - Leading to 5+% improvement YOY in retention rates



## Pillar Four: Prioritize Investments in Growth Businesses

### USA TODAY NETWORK Ventures

- + Hosted 176,000+ attendees across in-person and virtual events during Q2 2021
- + USA TODAY High School Sports Awards, the largest high school sports recognition program in the country, kicked off in Q2
  - 104 local, regional, and statewide awards programs culminated in national awards show on August 5<sup>th</sup> hosted by Michael Strahan and Rob Gronkowski

### Identify – Test - Invest

#### Sports Betting / Online Gaming

- + Signed strategic sports betting agreement with Tipico US Technology, Inc. (“Tipico”)
- + Tipico to become exclusive sports betting and iGaming provider for Gannett

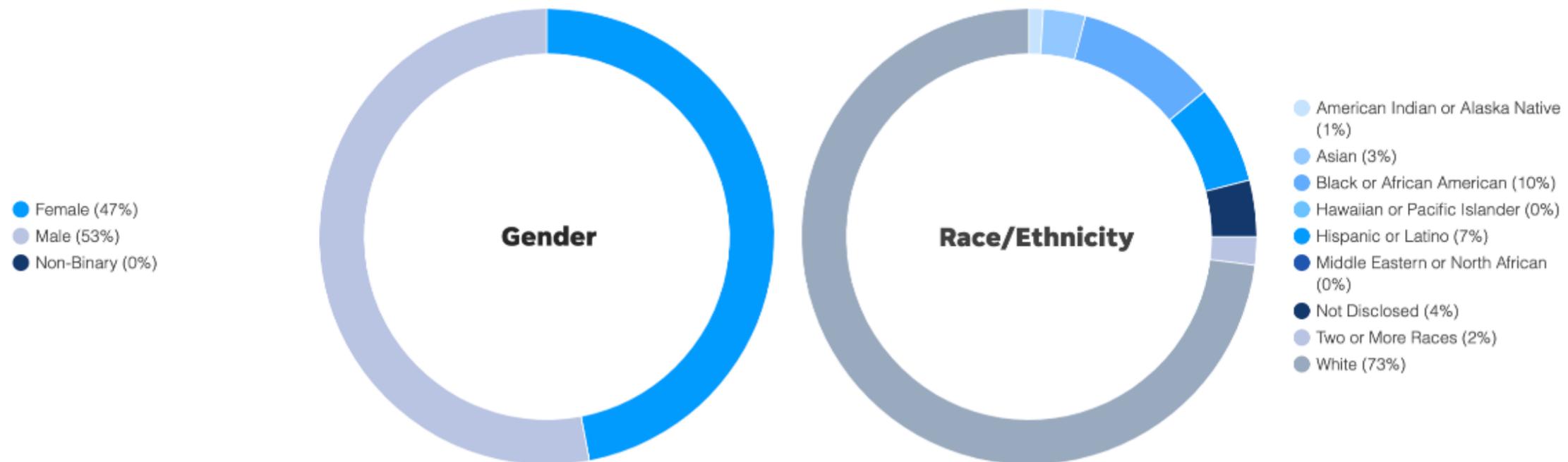
#### NFTs

- + Launched first Non-Fungible Token (NFT) – *The First Newspaper Delivered to the Moon* collection
- + Auction proceeds benefitted Air Force Space & Missile Museum Foundation and The Gannett Foundation



## Pillar Five: Build on Inclusive & Diverse Culture

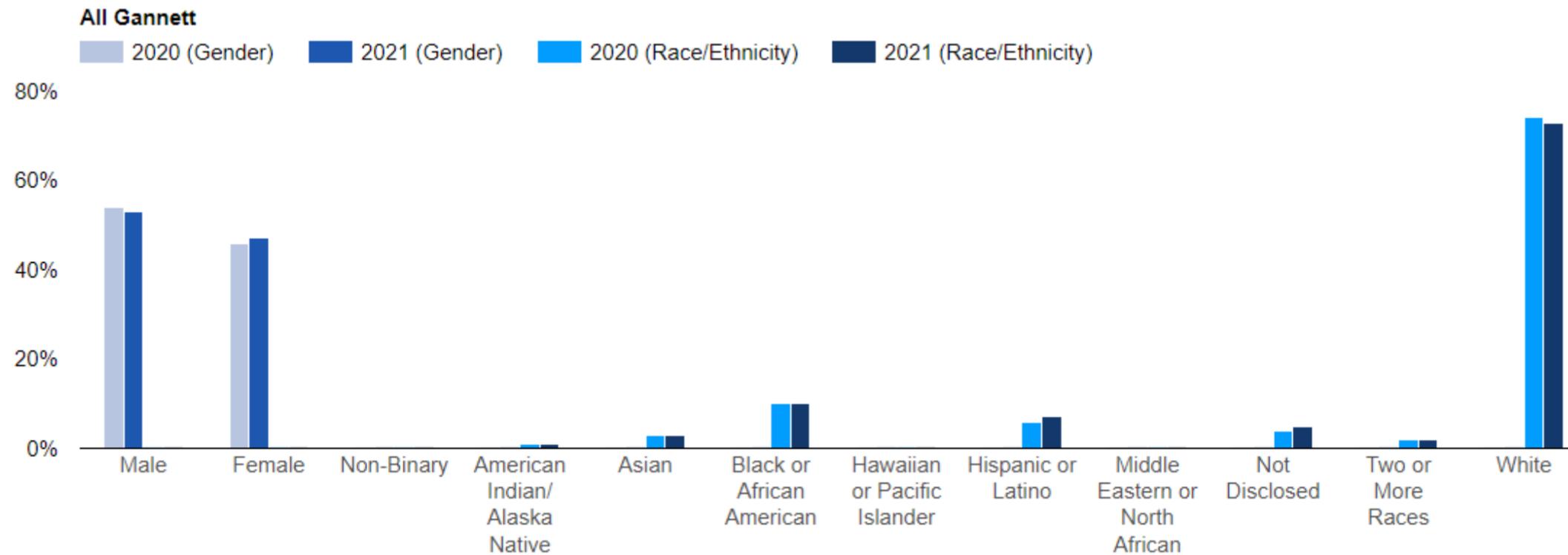
### Current Workforce Demographics as of July 1, 2021<sup>(1)</sup>



1. Race/Ethnicity data is US only. Gender data is global. All data is self reported. Diversity data is published bi-annually at [usatodaynetworkcareers.com/workforce-diversity](https://usatodaynetworkcareers.com/workforce-diversity)

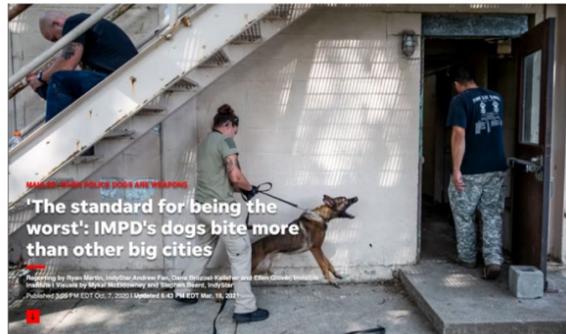
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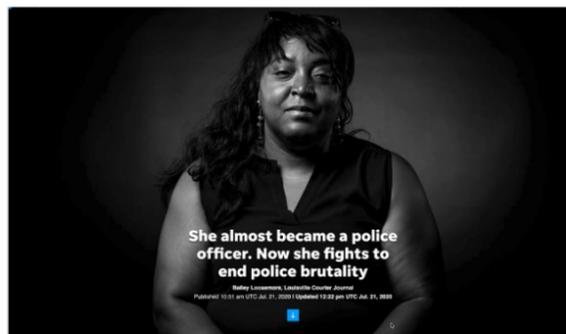
## Journalism Update: **Newsroom Highlights**



### **Pulitzer Prize Winner: National Reporting**

#### **'Mauled: When Police Dogs Are Weapons'**

The Indianapolis Star won the [Pulitzer Prize](#) for [National Reporting](#) with partners<sup>(1)</sup> for "[Mauled](#)," a year-long investigation into police dog attacks.



### **Pulitzer Prize Finalist: Breaking News and Public Service**

The Louisville Courier Journal was named as a finalist for both [Breaking News](#) and [Public Service](#) for its coverage and investigation into the fatal police shooting of [Breonna Taylor](#).



The USA TODAY Network's South Region won the grand prize in the [Robert F. Kennedy Book and Journalism Awards](#) for their series called "[Confederate Reckoning](#)," which explores the shadow of racism in the South.

**Peabody awards:** The Milwaukee Journal Sentinel joined Frontline and Columbia University teams in their win for coverage of the 2020 election. The Courier-Journal's partnership with ABC News also won for "Say Her Name: Breonna Taylor."

1. In partnership with the Marshall Project, the Invisible Institute, and AL.com

## Journalism Update: **Newsroom Highlights**



### **Society of Professional Journalists' Sigma Delta Chi awards**

Deadline reporting: **The Nashville tornadoes**

Immersion journalism: **“Inside the Storm”**

*Staff, The Tennessean*



Non-deadline reporting: **“Maricella’s Last Breath”**

*Rory Linnane, Milwaukee Journal Sentinel*

Investigative reporting: **LSU sexual abuse scandal coverage**

*Kenny Jacoby, Nancy Armour and Jessica Luther, USA TODAY*



Investigative reporting: **“Careless”**

*Tony Cook, Emily Hopkins and Tim Evans, The Indianapolis Star*

Public service: **Pandemic. Protests. Politics.**

*Staff, Milwaukee Journal Sentinel*

# Appendix

## Integration and Synergy Update

**\$300M**

Annualized synergies target  
committed to achieve by the  
end of 2021

*Met as of Q1 2021*

**\$18.1M**

Implemented Q2 2021  
synergies

**\$25M+**

Additional annualized measures  
expected above original target

**\$263M**

In expense savings from synergies  
implemented to date

## Debt and Leverage Overview

Q2 2021 principal payments brought 5-Year Term Loan below \$1B

(\$ in millions)	Rate	Ending Balance as of June 30, 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% <sup>(1)</sup>	\$990.5
<b>Total Debt Outstanding</b>	<b>7.18% Blended Rate post refinancing</b>	<b>\$1,490.9</b>
Q2 2021 LTM Adjusted EBITDA		\$453.1
Cash on the Balance Sheet		\$158.6
Gross Leverage Ratio <sup>(2)</sup>		3.3x
Net Leverage Ratio <sup>(3)</sup>		2.9x
First Lien Net Leverage <sup>(4)</sup>		1.8x

**1.0x**

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 Q2 2021 LTM Adjusted EBITDA.

3. Net leverage ratio is calculated by subtracting cash on the balance sheet from total debt and dividing it by Q2 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 Q2 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<sup>(1)</sup> Metrics

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020	Q1 2021	Q2 2021
Print Advertising	-17.6%	-16.8%	-17.2%	-18.4%	<b>17.6%</b>	-21.1%	-45%	-31.0%	-26.9%	<b>-31.1%</b>	-24.9%	10.5%
Digital Advertising and Marketing Services	-5.1%	-4.5%	-1.5%	1.7%	<b>-2.8%</b>	2.1%	-26.2%	-13.8%	-3.2%	<b>-10.5%</b>	-10.5%	30.8%
Advertising and Marketing Services	-13.0%	-12.3%	-11.0%	-12.1%	<b>-12.0%</b>	-12.1%	-37.4%	-23.6%	-17.1%	<b>-22.7%</b>	-18.3%	20.2%
Circulation	-5.8%	-5.8%	-5.8%	-9.1%	<b>-6.7%</b>	-7.5%	-13.6%	-13.2%	-13.6%	<b>-11.9%</b>	-12.9%	-9.2%
Commercial Printing and Other	2.8%	1.6%	3.7%	1.8%	<b>1.9%</b>	-9.0%	-31.5%	-23.9%	-22.2%	<b>-21.9%</b>	-21.9%	19.1%
<b>Total Gannett</b>	<b>-9.1%</b>	<b>-8.8%</b>	<b>-7.8%</b>	<b>-9.9%</b>	<b>-8.9%</b>	<b>-10.0%</b>	<b>-28.0%</b>	<b>-19.6%</b>	<b>-16.3%</b>	<b>-18.5%</b>	<b>-16.5%</b>	<b>6.8%</b>

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 June 30, 2021	3 months ended June 30, 2020	\$ Variance	% Variance
<b>Total Gannett Revenue</b>	<b>\$804,275</b>	<b>\$767,000</b>	<b>\$37,275</b>	<b>4.9%</b>
Currency Impacts	(7,321)	-		
Exited Operations	7	(21,465)		
Deferred Revenue Adjustments	-	980		
<b>Same Store Revenue, Total Gannett</b>	<b>\$796,961</b>	<b>\$746,515</b>	<b>\$50,446</b>	<b>6.8%</b>

# 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.

**Adjusted Net Income (loss) attributable to Gannett** is a non-GAAP performance measure the Company believes offers a useful view of the overall operations of our business and is useful to analysts and investors in evaluating the results of operations and operational trends. The Company defines Adjusted Net income (loss) attributable to Gannett before (1) Gains or losses on the early extinguishment of debt, (2) Loss on Convertible notes derivative, (3) Integration and reorganization costs, (4) Other operating expenses, including third-party debt expenses and acquisition costs, (5) Asset impairments, (6) Goodwill and intangibles impairments, (7) Gains or losses on the sale or disposal of assets, and (8) the tax impact of the above items.

**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, Adjusted Net Income (loss) attributable to Gannett 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, Adjusted EBITDA margin and Adjusted Net Income (loss) attributable to Gannett 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, Adjusted EBITDA margin and Adjusted Net Income (loss) attributable to Gannett are metrics we use to review the financial performance of our business on a monthly basis.

We use Adjusted EBITDA, Adjusted EBITDA margin and Adjusted Net Income (loss) attributable to Gannett 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 Adjusted Net Income (loss) attributable to Gannett and using these non-GAAP financial measures 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, Adjusted Net Income (loss) attributable to Gannett and Free Cash Flow are not alternatives to net income (loss), 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, Net income (loss) to Adjusted Net Income (loss) attributable to Gannett and Cash provided by operations to Free Cash Flow along with our condensed consolidated financial statements included elsewhere in this report and in our filings with the Securities and Exchange Commission. 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, Adjusted net Income (loss) attributable to Gannett and Free Cash Flow are not measures of financial performance under GAAP and are susceptible to varying calculations, the Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income (loss) attributable to Gannett 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<sup>(1)</sup>

<i>(in thousands)</i>	3 months ended June 30, 2021
Net income attributable to Gannett	\$15,115
Provision for income taxes	17,692
Interest expense	35,264
Loss on early extinguishment of debt	2,834
Non-operating pension income	(23,906)
Other non-operating income, net	(1,148)
Depreciation and amortization	48,242
Integration and reorganization costs	8,444
Other operating expenses	774
Net loss on sale or disposal of assets	5,294
Share-based compensation expense	5,779
Other items	1,385
<b>Adjusted EBITDA (non-GAAP basis)</b>	<b>\$115,769</b>
Net income attributable to Gannett margin	1.9%
<b>Adjusted EBITDA margin (non-GAAP basis)</b>	<b>14.4%</b>

<i>(in thousands)</i>	3 months ended June 30, 2021
Net income attributable to Gannett	\$15,115
Loss on early extinguishment of debt	2,834
Integration and reorganization costs	8,444
Other operating expenses	774
Net loss on sale or disposal of assets	5,294
Tax impact of above items	(2,403)
<b>Adjusted Net Income attributable to Gannett</b>	<b>\$30,058</b>

<i>(in thousands)</i>	3 months ended June 30, 2021
Net cash flow provided by operating activities (GAAP basis)	\$31,271
Capital expenditures	(8,214)
<b>Free cash flow (non-GAAP basis)</b>	<b>\$23,057</b>

1. Small discrepancies may exist due to rounding.