

GANNETT

Q4 and Full Year 2020

Earnings

February 25, 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 expectations, in terms of both amount and timing, with respect to implementation of synergies, realization of cost savings, debt repayment and interest savings, our ability to achieve our operating priorities and increase stockholder value, achievement of financial ratios, including certain leverage ratios, real estate and other asset sales, debt refinancing, future growth and 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, Free Cash Flow and same store pro forma revenue. Year-over-year same store pro forma revenue changes are calculated based on GAAP revenue for Legacy New Media and Legacy Gannett prior to the Acquisition and GAAP revenue for the Company for the reporting period, excluding (1) revenues related to the acquisitions that occurred in 2019, including Legacy Gannett, from the beginning of 2020 through the first-year anniversary of the applicable acquisition date, (2) exited operations, (3) currency impacts, and (4) 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 Priorities

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

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⁾

191M

Average Monthly Audience (UVs)

5.5B

Total Pageviews

367M

Total Video Views (on platform)

100K+

Paid Race Participants

14.7M

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

1. For the quarter ending December 31, 2020.

Topline Stats: **Growth Drivers**

local reach across U.S. and U.K.⁽¹⁾

1.1M

Digital-only
Subscribers

21K

DMS Customers

88%

Events + Promotions
Revenue
Compared to FY 2019 with
pivot to virtual

Performance Highlights: **Financial Performance**

Q4 2020, FY 2020, and subsequent events ^(1,2)

Q4 2020

- + Revenue of **\$875.4 million** for the quarter, down 16.3% on a same store pro forma basis to the prior year quarter due to COVID-19 pandemic
 - + Sequentially, trend **improved 330 basis points** as compared to Q3 2020
- + Digital advertising and marketing services revenue of **\$223.3 million** in Q4 2020, or **25.5%** of Q4 2020 revenue
 - + Digital Marketing Solutions segment trend **improved 710 basis points** sequentially from Q3 2020
- + Adjusted EBITDA of **\$148.8 million**, representing a **17.0%** margin
 - + Growth of **\$7.6 million, or 5.4%**, to Q4 2019 on a pro forma basis
- + Net loss attributable to Gannett of **\$122.2 million**

FY 2020

- + Revenue of **\$3.4 billion** for the year, down 18.5% on a same store pro forma basis to the prior year quarter due to COVID-19 pandemic
- + Digital advertising and marketing services revenue of **\$808.4 million** in 2020, or **23.7%** of FY 2020 revenue
 - + Digital Marketing Solutions segment represents **50%** of total digital advertising and marketing services revenue
- + Adjusted EBITDA of **\$413.9 million**, representing a **12.2%** margin
- + Net loss attributable to Gannett of **\$670.5 million**

1. Reflects subsequent events as of February 25, 2021.

2. Pro forma results reflect the consolidated operations, assuming the companies had been consolidated for the entire period.

Performance Highlights: **Balance Sheet and Liquidity**

Q4 2020 and subsequent events ^(1,2)

Q4 2020

- + Cash on the balance sheet of **\$170.7 million** at the end of Q4
 - Additional debt repayment of \$32.6 million subsequent to the quarter using proceeds from asset sales
- + **Refinanced ~\$500 million** of 11.5% term loan with issuance of 6% Senior Secured Convertible Notes due 2027
- + **Repaid ~\$156 million** of 11.5% term loan using proceeds from non-core asset and real estate sales
- + Total debt outstanding at year-end of **\$1.575 billion**
 - Net leverage ratio of **3.4x**

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
- + \$90 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 February 25, 2021.

2. Pro forma results reflect the consolidated operations, assuming the companies had been consolidated for the entire period.

Q4 2020 Results and Non-GAAP Highlights⁽¹⁾

GAAP Results

\$875.4M

Total Operating Revenue

Same store total revenues on a pro forma basis decreased 16.3%

(\$122.2M)

Net loss attributable to Gannett

Reflects \$74.3 million non-cash loss on the derivative associated with our convertible notes and a \$42.1 million loss associated with early extinguishment of debt

(\$16.5M)

Net Cash Flow Provided by Operating Activities

Non-GAAP Results⁽¹⁾

\$148.8M

Adjusted EBITDA

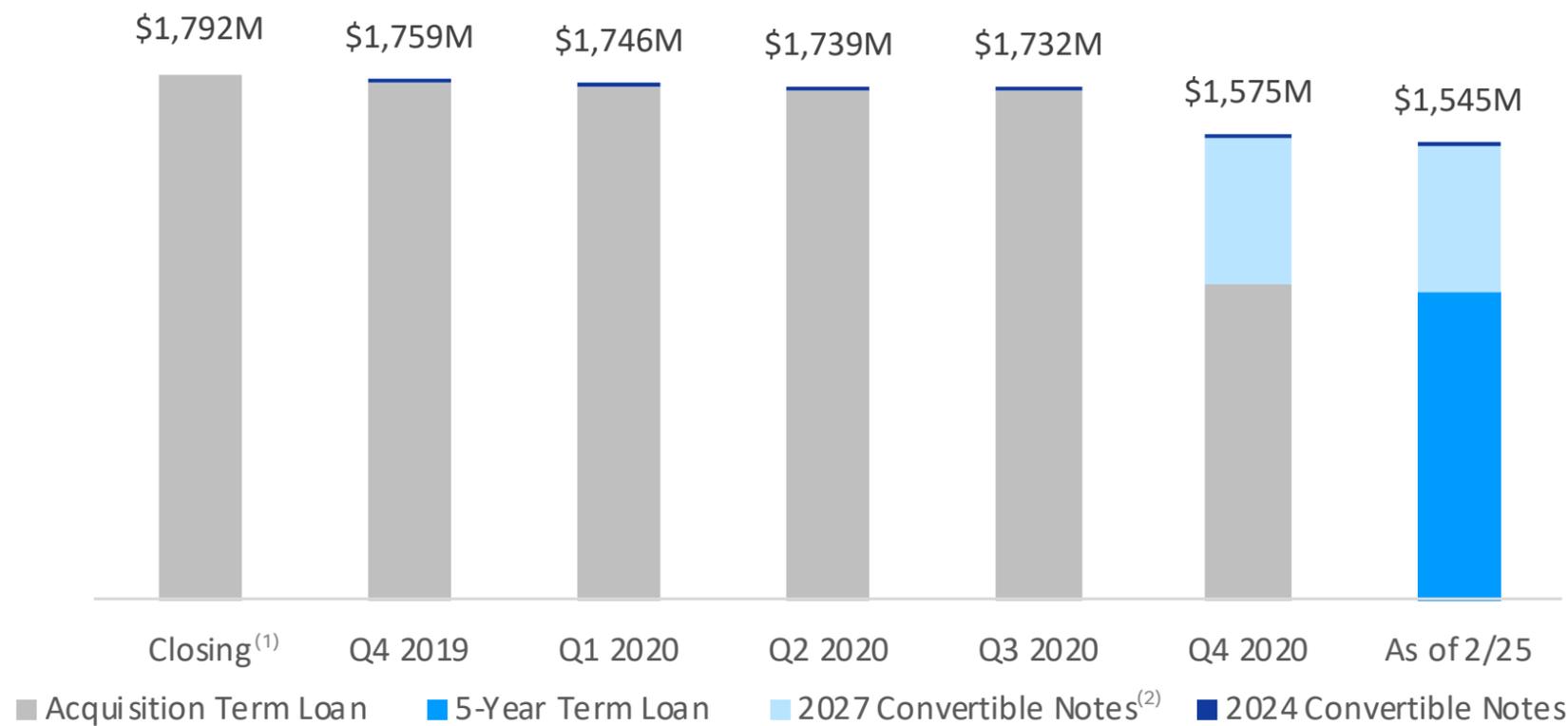
(\$24.5M)

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



\$171M

Cash on the balance sheet at YE 2020

\$90M

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 – Company expects to outperform

\$61M

In Q4 2020 expense savings from synergies implemented to date

\$245M

In annualized synergies implemented as of year-end 2020

\$177M

In FY 2020 expense savings from synergies implemented to date

Integration and Synergy Update

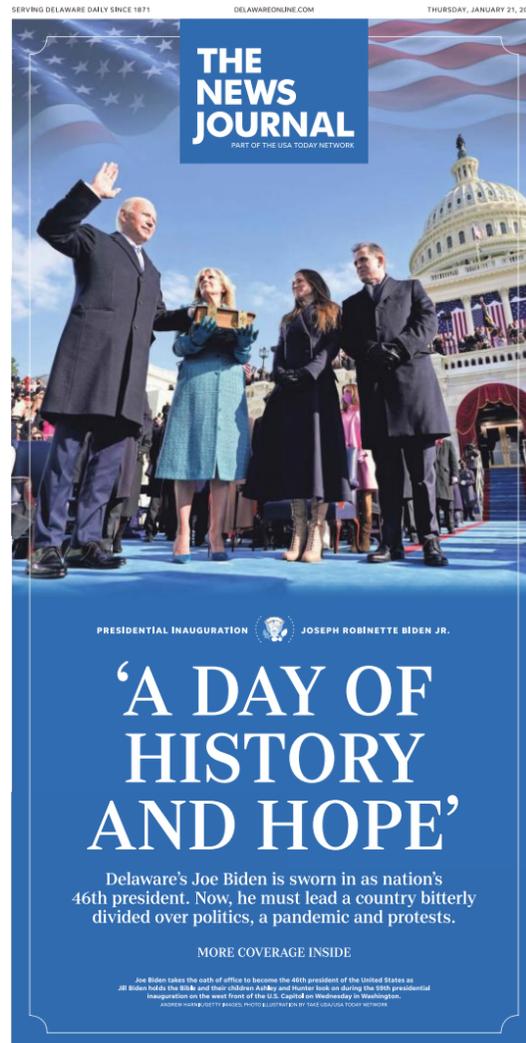
	Estimated Run-Rate Synergies	Areas Targeted for Savings	Quarterly Update
Newspaper Operations	\$115+ million	<ul style="list-style-type: none"> + Rationalization of manufacturing and distribution + Centralization of management structure and consumer marketing 	<ul style="list-style-type: none"> + Consolidated 2 print sites in Q4 2020; 37 sites consolidated during 2020 + Manufacturing and Distribution delivered \$2+ million of savings in Q4 2020 unrelated to COVID-19 pandemic
Corporate/ Procurement	\$70+ million	<ul style="list-style-type: none"> + Consolidation of procurement + Centralization of finance + Elimination of duplicative public company functions and costs 	<ul style="list-style-type: none"> + Finance outsourcing project underway
Other Operations	\$50+ million	<ul style="list-style-type: none"> + Centralization of sales + Digital services + Events 	<ul style="list-style-type: none"> + 103 markets rolled out for new Content Management System + 21 markets converted to new B2C Circulation platform
Systems	\$40+ million	<ul style="list-style-type: none"> + Centralization and expansion of technology systems 	<ul style="list-style-type: none"> + Completed migration from G-Suite to Office365 + Completed human capital management system migration, common benefits and pay cycle rollout

Journalism Update: **Newsroom Highlights**

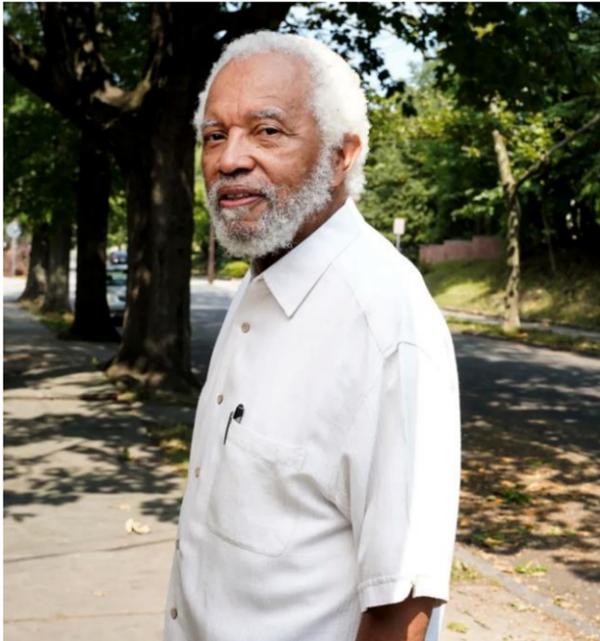
USA TODAY Network covered all aspects of **Inauguration Day**. With threats of violence in D.C. and state capitals, our newsrooms throughout the country were ready to cover the potential unrest. Fortunately, protesters were sparse, and the transition of power in a historic election proceeded peacefully, just two weeks after the insurrection at the Capitol. The USA TODAY Network mobilized to cover it all, from the Capitol to the reaction across the nation.

Election day week was the culmination of more than a year's worth of preparation, planning and a steady drumbeat of grassroots coverage from our newsrooms nationwide. Our heavy presence in battleground states of Iowa, Wisconsin, Michigan, Ohio, Pennsylvania, North Carolina, Georgia, Florida, Texas, Arizona and Nevada gave a weight and on-the-ground authenticity to our Network's reporting that competitors only could dream of.

Capitol chaos: When big stories break like the mob that stormed the U.S. Capitol, journalists leap into action, but readers often don't hear about the coordination behind the scenes. Journalists across the country worked closely to bring readers the latest news and context, and most importantly, the facts. We shared the stories of [what it felt like to be at the Capitol](#) with rioters bearing down.



Journalism Update: **Newsroom Highlights**



A six-part USA TODAY Network series, [“Deadly Discrimination.”](#) explored how the policies of the past and present have made people of color prime targets for COVID-19. Reporters traveled to five counties across the country that embody the effects of systemic racism to bring these stories to light. Check out Editor-in-chief Nicole Carroll’s [Backstory](#) to learn the stories behind the heartbreaking stories.

Days before the first COVID-19 vaccine was cleared for use, an exclusive USA TODAY Network survey of health officials in all 50 states revealed a patchwork of preparations and different distribution plans. The Network-wide effort, which showcased the power of our footprint throughout the country, looked at the incredible [logistics and complications of getting the vaccine rolled out](#). The project also made it easy to find each state’s plan for [vaccine distribution](#).

In an unprecedented partnership, the USA TODAY Network’s four newsrooms and Lee Enterprises’ five newsrooms in Iowa collaborated to publish the stories of more than 1,400 Iowans who died from COVID-19. [“Iowa Mourns”](#) focused on how these people lived their lives, rather than their common diagnosis. In all, more than 60 journalists, including 40-plus from the USA TODAY Network’s Ames Tribune, Burlington Hawk Eye, Des Moines Register and Iowa City Press-Citizen collaborated on what one appreciative reader called “absolutely world-class” work.

Journalism Update: **Newsroom Highlights**

The Impartial Reporter – Amnesty International U.K. Media Award 2020



The outstanding journalism and investigation into historical sexual abuse in Fermanagh by The Impartial Reporter was recognized in October 2020 when **The Impartial Reporter scooped The Regional Media Award at the prestigious Amnesty International U.K. Media Awards 2020.**

Rodney Edwards' investigation into historical child sexual abuse in Fermanagh, for The Impartial Reporter, collected the organization's human rights award for Regional Media.

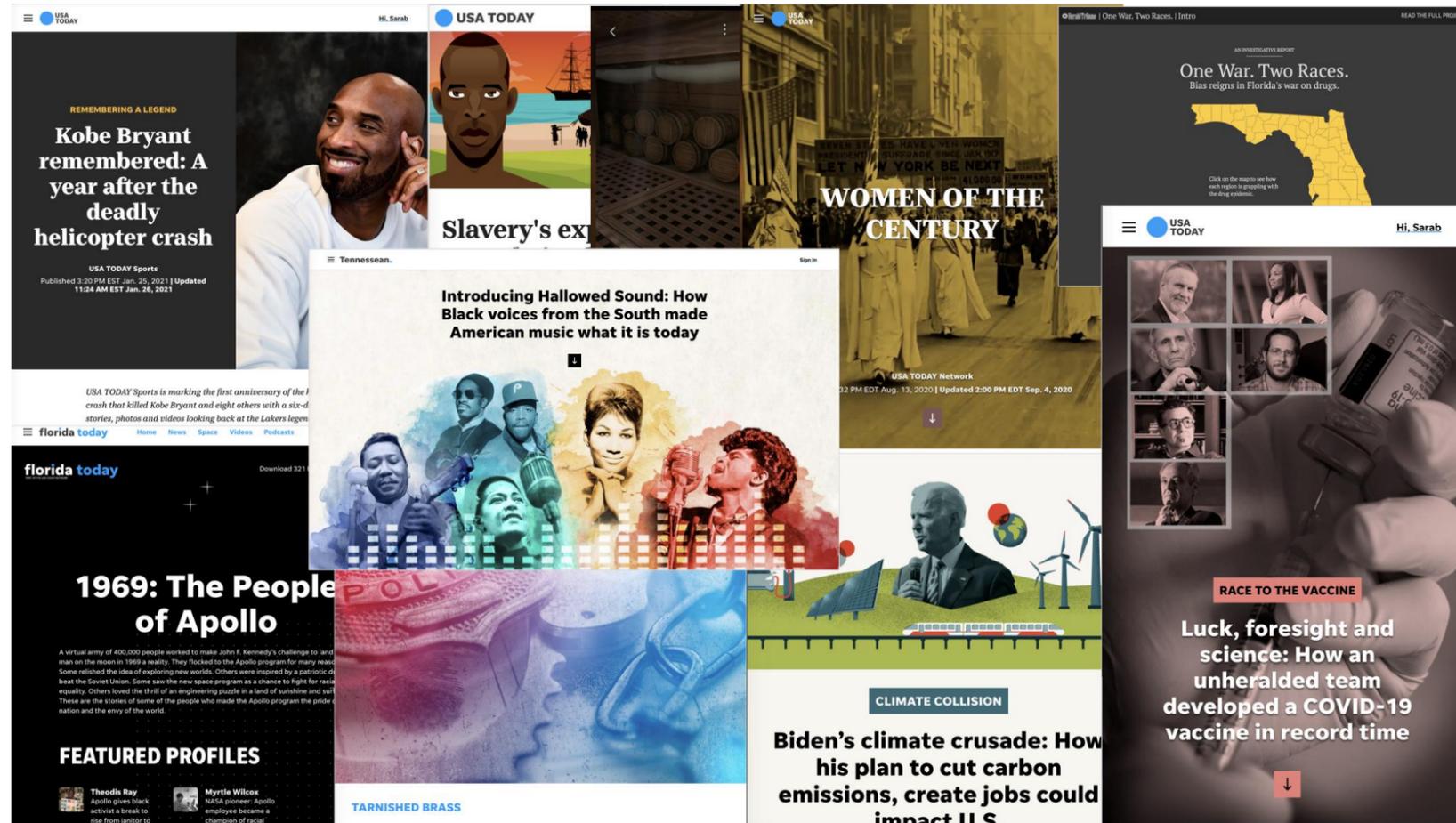
The Impartial Reporter investigation, led by Edwards, into allegations of historical child sexual abuse in Fermanagh, unearthed 70 victims of child sexual abuse perpetrated by scores of alleged abusers. The PSNI has recently arrested 11 people in connection with the cases.

Patrick Corrigan, Northern Ireland Programme Director of Amnesty International UK, said: "Rodney Edwards' tireless and sensitive investigation of child sexual abuse in Fermanagh is an example of local media at its absolute best – courageous dedication to the truth and utter empathy for victims.

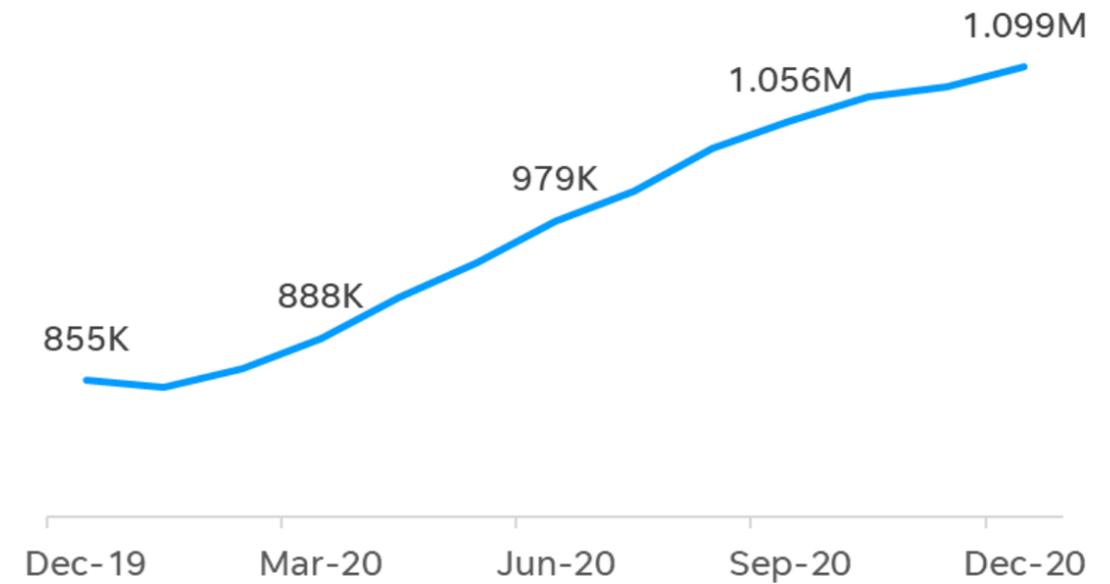
In January, The Impartial Reporter revealed that the first alleged perpetrator in the wide-ranging investigation was recommended by the Public Prosecution Service to stand trial - a significant development in the pursuit of justice for these victims.

Quarterly Business Update

Quarterly Business Update: **Consumer Marketing**



Digital-only Subscription Growth



+ Pro forma paid digital-only subscribers grew **29%** over the prior year quarter to **~1,099,000⁽¹⁾**

1. Historical figures adjusted to include Newsquest and Sport Media Group digital subscriptions, based on an updated view from management.

Quarterly Business Update: **B2B Marketing Solutions**

LOCALiQ

REACHLOCAL

PART OF THE USA TODAY NETWORK

- + ReachLocal's core sales team saw **year-over-year growth** every month of Q4
- + Digital Marketing Solutions segment Q4 same store pro forma revenue trend **improved 710 bps** over its Q3 2020 trend
- + National sales **grew 23%** compared to the prior year driven by continued interest from national advertisers to reach local audiences across our network

Quarterly Business Update: **Events + Promotions**



- + Hosted 83 virtual Official Community's Choice Awards® events including markets such as Oklahoma City, Providence, Austin, Columbus, Indianapolis, Jacksonville, Guam, Rochester, Palm Springs and Nashville with a viewership of more than 58K
- + Premiered the 2020 American Influencer Awards with more than 78K views featuring Kris Jenner, Chris Appleton, James Charles and other major influencers



- + Expanded partnership with Warner Bros. to include Elf and Christmas Story movie franchise virtual runs

88%

of 2019 Revenue maintained despite the pandemic



- + FY 2020 Revenue of \$67.8 million
 - Converted 148 live events to virtual format
 - Over 500,000 virtual runners
 - Over 3,500 promotions with an opt-in database of 5mm

Appendix

Gannett Diversified Revenue⁽¹⁾

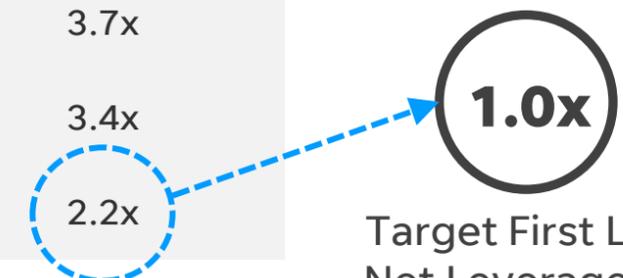
(\$ in millions)	Q4 2020 \$	Q4 2020 % of Total	FY 2020 \$	FY 2020 % of Total
Print Advertising Revenue ⁽¹⁾	\$233.0	26.62%	\$884.4	25.97%
Digital Marketing Services	\$104.2	11.91%	\$403.4	11.85%
Digital Media	\$103.5	11.82%	\$334.3	9.82%
Digital Classified	\$11.9	1.36%	\$58.0	1.70%
Total Digital Advertising and Marketing Services Revenue⁽¹⁾	\$219.6	25.09%	\$795.7	23.36%
Circulation	\$338.5	38.66%	\$1,392.0	40.87%
Commercial Print, Distribution and Other	\$66.7	7.62%	\$265.8	7.80%
Events	\$17.6	2.02%	\$67.8	1.99%
Total Subscription and other Revenue	\$422.8	48.30%	\$1,725.6	50.67%
Total Revenue	\$875.4	100%	\$3,405.7	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 December 31, 2020	Ending Balance as of February 25, 2021
Convertible Senior Notes due 2024	4.75%	\$3.3	\$3.3
Convertible Senior Notes due 2027	6.0%	\$497.1	\$497.1
Acquisition Credit Facility	11.5%	\$1,075.2	
5-Year Term Loan	7.75% ⁽¹⁾		\$1,045.0
Total Debt Outstanding	7.18% Blended Rate post refinancing	\$1,575.5	\$1,545.4
Q4 2020 LTM Adjusted EBITDA		\$413.9	\$413.9
Cash on the Balance Sheet		\$170.7	\$138.1 ⁽²⁾
Gross Leverage Ratio ⁽³⁾		3.8x	3.7x
Net Leverage Ratio ⁽⁴⁾		3.4x	3.4x
First Lien Net Leverage ⁽⁵⁾			2.2x



1. Rate of LIBOR+7.0%, LIBOR floor of 0.75%.
2. Cash as of 12/31/20 adjusted for debt repayment of \$32.6 million completed subsequent to year end.
3. Gross leverage ratio is calculated by dividing total debt by Q4 2020 LTM Adjusted EBITDA.
4. Net leverage ratio is calculated by subtracting cash on the balance sheet from total debt and dividing it by Q4 2020 LTM Adjusted EBITDA.
5. First Lien Net Leverage ratio is calculated by subtracting cash on the balance sheet from 5-Year Term Loan and dividing it by Q4 2020 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 Pro Forma Revenue⁽¹⁾ Metrics

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

1. Same store revenues are defined as GAAP revenues excluding (1) revenues related to the acquisitions that occurred in 2019, including Legacy Gannett, from the beginning of 2020 through the first-year anniversary of the applicable acquisition date, (2) exited operations, (3) currency impacts, and (4) deferred revenue impacts related to the Acquisition.

Gannett Same Store Revenue Reconciliation

<i>(in thousands)</i>	3 months ended December 31, 2020	3 months ended December 31, 2019	\$ Variance	% Variance	Year ended December 31, 2020	Year ended December 31, 2019	\$ Variance	% Variance
Total Pro Forma Gannett Revenue	\$875,447	\$1,054,252	(\$178,805)	-17.0%	3,405,670	\$4,182,220	(\$776,550)	-18.6%
Acquired Revenue	-	-			(16,350)	-		
Currency Impacts	(1,698)	-			(832)	-		
Exited Operations	(1)	(21,400)			(12)	(29,894)		
Deferred Revenue Adjustments	221	10,791			3,597	10,791		
Same Store Revenue, Total Gannett	\$873,969	\$1,043,643	(\$169,674)	-16.3%	\$3,392,073	\$4,163,117	(\$771,044)	-18.5%

Pro Forma 2019 Quarterly Review

(\$ in millions)	Q1	Q2	Q3	Q4	FY
Legacy GCI					
Print Advertising	186,192	184,246	161,609	177,991	710,038
Digital Advertising and Marketing Services	179,044	184,083	183,614	187,786	734,527
Advertising and Marketing Services	365,236	368,329	345,223	365,777	1,444,565
Circulation	252,727	247,092	240,591	236,128	976,538
Commercial Printing and Other	45,462	44,916	49,755	52,227	192,360
Total Revenue	\$663,425	\$660,337	\$635,569	\$654,132	\$2,613,463
Legacy NEWM					
Print Advertising	150,900	158,205	139,243	156,438	604,786
Digital Advertising and Marketing Services	42,645	46,492	44,835	43,997	177,969
Advertising and Marketing Services	193,545	204,697	184,078	200,435	782,755
Circulation	152,165	150,850	146,254	148,248	597,517
Commercial Printing and Other	41,889	48,840	46,317	51,437	188,485
Total Revenue	\$387,599	\$404,387	\$376,649	\$400,121	\$1,568,757
Consolidated					
Print Advertising	337,092	342,450	300,852	334,429	1,314,824
Digital Advertising and Marketing Services	221,688	230,575	228,449	231,783	912,496
Advertising and Marketing Services	558,781	573,026	529,301	566,212	2,227,320
Circulation	404,891	397,942	386,845	384,376	1,574,055
Commercial Printing and Other	87,352	93,757	96,072	103,664	380,845
Total Revenue	\$1,051,024	\$1,064,725	\$1,012,218	\$1,054,253	\$4,182,220
Adjusted EBITDA	\$102,170	\$129,719	\$112,355	\$141,208	\$485,452

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 financial performance measure the Company believes offers a useful view of the overall operation 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) Unrealized (gain) loss on Convertible notes derivative, (6) Other Non-operating items, primarily 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) Equity-based compensation, (13) Acquisition costs, (14) Gains or losses on the sale of investments and (15) certain other non-recurring charges. The most directly comparable GAAP financial measure is net income (loss) attributable to Gannett.

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 shareholders. The most directly comparable GAAP financial measure is net cash from operating activities.

Management's Use of Non-GAAP Measures

Adjusted EBITDA 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), cash flow from continuing operating activities, or any other measure of performance or liquidity derived in accordance with GAAP. We believe our non-GAAP measures as we have defined them are helpful in identifying trends in our day-to-day performance because the items excluded have little or no significance on our day-to-day operations. These measures provide an assessment of controllable expenses and afford management the ability to make decisions which are expected to facilitate meeting current financial goals as well as achieve optimal financial performance.

Adjusted EBITDA provides us with a measure 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. This metric measures 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 is one of the metrics we use to review the financial performance of our business on a monthly basis.

We use Adjusted EBITDA as a measure 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 has 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 impairment of long-lived assets, which may significantly affect our financial results.

A reader of our financial statements may find this item 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 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. Readers of our financial statements should not rely on Adjusted EBITDA or Free cash flow as a substitute for any such GAAP financial measure. We strongly urge readers of our financial statements to review the reconciliation of income (loss) attributable to Gannett to Adjusted EBITDA and cash provided by operations to Free cash flow, along with our consolidated financial statements included elsewhere in this report. We also strongly urge readers of our financial statements to not rely on any single financial measure to evaluate our business. In addition, because Adjusted EBITDA and Free cash flow are not measures of financial performance under GAAP and are susceptible to varying calculations, the Adjusted EBITDA 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 December 31, 2020	Year ended December 31, 2020
Net loss attributable to Gannett	(122,174)	(670,479)
Provision (benefit) for income taxes	(11,250)	(33,450)
Interest expense	54,623	228,513
Loss on early extinguishment of debt	42,110	43,760
Non-operating pension liability	(17,716)	(72,149)
Unrealized loss on Convertible notes derivative	74,329	74,329
Gain on sale of investments	-	(7,995)
Other non-operating (income) expense, net	(1,506)	(8,499)
Depreciation and amortization	58,113	263,819
Integration and reorganization costs	71,753	145,731
Acquisition costs	891	11,152
Asset impairments	2,585	11,029
Goodwill and intangible impairments	-	393,446
Net (gain) loss on sale or disposal of assets	(7,220)	(5,680)
Share-based compensation expense	3,538	26,350
Other items	753	14,018
Adjusted EBITDA (non-GAAP basis)	148,829	413,895

<i>(in thousands)</i>	3 months ended December 31, 2020	Year ended December 31, 2020
Net cash flow provided by operating activities (GAAP basis)	(\$16,510)	\$57,770
Capital expenditures	(8,031)	(36,975)
Free cash flow (non-GAAP basis)⁽²⁾	(\$24,541)	\$20,795

1. Small discrepancies may exist due to rounding.

2. Free cash flow for the fourth quarter was negatively impacted by \$53.5 million of integration and reorganization costs. Free cash flow for the full year was negatively impacted by \$132.2 million of integration and reorganization costs, \$6.1 million of acquisition costs, and \$2.6 million of other one-time adjustments.