



Douglas H. McCorkindale
*Chairman, President
and Chief Executive Officer*

March 18, 2003

Dear Shareholder:

On behalf of your Board of Directors and management, we cordially invite you to attend the Annual Meeting of Shareholders to be held on Tuesday, May 6, 2003, at 10:00 a.m. at the Company's headquarters located at 7950 Jones Branch Drive, McLean, Virginia.

At this meeting you will be asked to vote for the election of three directors, for the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent auditors for 2003, and for an amendment to the Company's Omnibus Incentive Compensation Plan. These matters are discussed in detail in the attached proxy statement.

Your Board of Directors believes these three proposals are in the best interests of the Company and its shareholders and recommends that you vote for them.

We have also included in this year's proxy statement an update on corporate governance matters.

It is important that your shares be represented at the meeting whether or not you plan to attend. Please note that this year you may vote your shares by telephone, online or by mail. The toll-free telephone number, Internet address and instructions for voting are shown on the enclosed proxy card. Alternatively, you can vote by signing and dating the proxy card and returning it in the envelope provided.

An admission ticket is required for attendance at the Annual Meeting. Please see page 1 of the proxy statement for instructions about obtaining tickets.

Thank you for your continued support.

Cordially,

Douglas H. McCorkindale

7950 Jones Branch Drive, McLean, Virginia 22107 (703) 854-6000



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held on May 6, 2003

To Our Shareholders:

The 2003 Annual Meeting of Shareholders of Gannett Co., Inc. will be held at the Company's headquarters, 7950 Jones Branch Drive, McLean, Virginia, at 10:00 a.m., local time, on May 6, 2003 for the following purposes:

- (1) to consider and act upon a proposal to elect three directors to the Company's Board of Directors;
- (2) to consider and act upon a proposal to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent auditors for the 2003 fiscal year;
- (3) to consider and act upon a proposal to amend the Company's Omnibus Incentive Compensation Plan to increase the number of shares of common stock that may be issued under the Plan; and
- (4) to transact such other business, if any, as may properly come before the meeting.

The Board of Directors has set the close of business on March 7, 2003 as the record date to determine the shareholders entitled to notice of and to vote at the meeting or any adjournment or postponement thereof.

YOUR VOTE IS IMPORTANT. PLEASE FOLLOW THE INSTRUCTIONS ON THE ENCLOSED PROXY CARD TO VOTE USING THE INTERNET OR BY TELEPHONE, OR VOTE BY SIGNING AND DATING THE PROXY CARD AND RETURNING IT PROMPTLY IN THE ENCLOSED RETURN ENVELOPE, WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING. YOU MAY REVOKE YOUR PROXY AND VOTE IN PERSON IF YOU DECIDE TO ATTEND THE MEETING.

By Action of the Board of Directors

Thomas L. Chapple
Secretary

McLean, Virginia
March 18, 2003



PROXY STATEMENT
2003 ANNUAL MEETING OF SHAREHOLDERS
May 6, 2003

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of Gannett for the 2003 Annual Meeting of Shareholders to be held on May 6, 2003 at 10:00 a.m., local time, at the Company's headquarters located at 7950 Jones Branch Drive, McLean, Virginia 22107.

Who Can Vote

Shareholders of record on March 7, 2003 may attend and vote at the 2003 annual meeting or have their votes by proxy counted if they do not attend in person. On that date, there were 268,234,922 shares of common stock outstanding and entitled to vote. Each share is entitled to one vote. The presence, in person or by proxy, of the holders of a majority of the shares of common stock outstanding on March 7, 2003 will constitute a quorum to conduct business. Shares represented by proxies received but marked as abstentions will be included in the calculation of the number of shares considered to be present at the meeting. Shares held in a broker's account that are not voted by the broker or other nominee ("broker non-votes") on some but not all matters will be treated as shares present for purposes of determining the presence of a quorum, but will not be treated as shares present and entitled to vote with respect to those matters for which no vote is cast.

Admission to the meeting is by ticket only. We will provide each shareholder with one admission ticket. Either you or your proxy may use your ticket. If you are a shareholder of record and plan to attend the meeting, please complete and mail the enclosed post card to request a ticket. If you hold shares through an intermediary, such as a bank or broker, and you plan to attend the meeting, you will need to send a written request for a ticket, along with proof of share ownership, such as a bank or brokerage firm account statement or a letter from the broker, trustee, bank or nominee holding your shares, confirming ownership, to: Secretary, Gannett Co., Inc., 7950 Jones Branch Drive, McLean, VA 22107. Requests for admission tickets will be processed in the order in which they are received and must be received by no later than April 29, 2003. If you decide later not to attend the meeting, please return your ticket to the Secretary, Gannett Co., Inc. at the above address.

A list of shareholders entitled to vote at the 2003 annual meeting will be open to examination by any shareholder, for any purpose germane to the 2003 annual meeting, during normal business hours for a period of ten days before the 2003 annual meeting and during the 2003 annual meeting at the Company's offices at 7950 Jones Branch Drive, McLean, Virginia 22107.

This proxy statement and the enclosed proxy card are first being mailed to shareholders on or about March 21, 2003.

Help Your Company Reduce Costs

To help the Company reduce costs related to our annual meeting, we ask all shareholders who vote via the Internet to consent to electronic delivery of mailings related to future annual shareholder meetings. Companies may make their proxy statements and annual reports available online and eliminate mailing hard copies of these documents to those shareholders who consent in advance to electronic distribution. If you hold shares in your own name and you are voting via the Internet, you can consent online when you vote. If you hold shares through an intermediary, such as a bank or broker, please refer to the information provided by your bank or broker for instructions on how to consent to electronic distribution.

Voting Procedures

You may grant a proxy by signing a proxy card, by telephone or by using the Internet. Shares represented by proxies will be voted as directed by the shareholder. Unless you direct otherwise, your shares will be voted FOR the Board's three nominees for the Board of Directors, FOR the ratification of the appointment of the independent auditors, and FOR the proposal to amend the Company's Omnibus Incentive Compensation Plan. If you deliver a proxy by mail, by telephone or via the Internet, you have the right to revoke your proxy in writing (by another proxy bearing a later date), by phone (by another call at a later time), via the Internet (by voting online at a later time), by attending the meeting and voting in person, or by notifying the Company before the meeting that you want to revoke your proxy. Votes submitted via the Internet or by telephone must be cast by 10:00 a.m., Eastern time on May 5, 2003. Votes submitted by mail must be received on or before May 5, 2003. Submitting your vote by mail, telephone or via the Internet will not affect your right to vote in person if you decide to attend the 2003 annual meeting.

How to Vote by Phone:

- Have your proxy card in hand when you call.
- You can use any touch tone telephone to vote your shares at any time 24 hours a day, 7 days a week, until 10:00 a.m. on May 5, 2003.
- Dial 1-800-240-6326.
- You will be prompted to enter the 3-digit Company Number and your 7-digit Control Number which are located in the box in the upper right-hand corner of your proxy card, and the last 4 digits of the U.S. Social Security Number or Tax Identification Number for this account. If you do not have a U.S. SSN or TIN, please enter 4 zeros. Then follow the simple voting instructions.

How to Vote by the Internet:

- Have your proxy card in hand.
- You can use the Internet to vote your shares at any time 24 hours a day, 7 days a week, until 10:00 a.m. on May 5, 2003 at <http://www.eproxy.com/gci/>.
- You will be prompted to enter the 3-digit Company Number and your 7-digit Control Number which are located in the box in the upper right-hand corner of your proxy card, and the last 4 digits of the U.S. Social Security Number or Tax Identification Number for this account to obtain your records and obtain an electronic ballot. If you do not have a U.S. SSN or TIN, please leave blank. Then follow the simple voting instructions.
- You will have the option to consent to receipt via the Internet of all materials related to future annual meetings.

How to Vote by Mail:

- Mark, sign and date the proxy card accompanying this proxy statement and return it in the enclosed postage-paid envelope.
- Votes submitted by mail must be received on or before May 5, 2003.

The telephone and Internet voting procedures are designed to authenticate shareholders' identities, to allow shareholders to give their voting instructions and to confirm that shareholders' instructions have been recorded properly. The Company has been advised that these Internet and telephone voting procedures are consistent with the requirements of applicable law.

If you participate in the Company's Dividend Reinvestment or 401(k) Plans, your shares of common stock in those plans can be voted on the proxy card accompanying this proxy statement, by telephone or via the Internet. If no instructions are given by you, shares held in the Dividend Reinvestment Plan will not be voted. All shares in the 401(k) Plan for which no instructions are received will be voted by the trustee of the 401(k) Plan in the same proportion as shares for which the trustee receives instructions.

CORPORATE GOVERNANCE

Your Company is dedicated to establishing and maintaining the highest standards of corporate governance. Over the past several months, the Board of Directors has implemented a number of corporate governance measures designed to serve the long-term interests of our shareholders and employees. In response to rule proposals by the New York Stock Exchange ("NYSE") and the Securities and Exchange Commission ("SEC"), we have re-evaluated and made changes to the charters of our key committees and to our Ethics Policy. As all shareholders are aware, there has been a dramatic and continuing evolution of ideas about sound corporate governance. Your Company has acted promptly to implement many concepts embodied in rule proposals, as well as the actual requirements of rules adopted, and your board will continue to evaluate, and improve upon as appropriate, Gannett's corporate governance principles and policies.

In light of these recent developments, we have added this section to this year's proxy statement to bring you up-to-date with respect to our efforts to assure that your Company is governed by the highest standards.

Principles of Corporate Governance

On October 22, 2002, the Board adopted Principles of Corporate Governance. The Principles of Corporate Governance address a number of topics, including director qualification standards, director orientation and continuing education, director compensation, time requirements, management succession, annual board self-evaluations, financial controls and reporting, and the First Amendment to the U.S. Constitution. The Company believes that its Principles of Corporate Governance comply with the NYSE's proposed rules.

The Nominating and Public Responsibility Committee will review the Principles of Corporate Governance on a regular basis, and the Board of Directors will review any proposed additions or amendments to the Principles of Corporate Governance. The Principles of Corporate Governance are posted on the Company's website at <http://www.gannett.com>. You may also obtain a copy of the Principles of Corporate Governance without charge by writing to: Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107, Attn: Secretary.

Gannett Ethics Policy

Also in response to the rule proposals, the Board of Directors and the Audit Committee have adopted various amendments to Gannett's long-standing Ethics Policy (the "Policy"). The Policy is a code of conduct and ethics applicable to every Gannett director, officer and employee. The Policy sets forth the Company's policies and expectations on a number of topics, including conflicts of interest, relationships with others, corporate payments, disclosure policy, compliance with laws, corporate opportunities and the protection and proper use of the Company's assets. Neither the Board of Directors nor any Board committee has ever granted any waivers of the Policy. The Company believes that the Policy complies with the NYSE's rules as proposed. In addition, the Company believes that the Policy complies with the SEC's requirements for public company codes of ethics for senior officers because the Policy applies equally to all of the Company's directors, officers and employees, including the Company's senior financial officers and principal executive officer, and covers those matters specified by the SEC's rule.

The Company has also been proactive in implementing the SEC's proposed "whistleblower" procedures by establishing formal procedures for receiving and handling complaints from employees. The Company has had for a number of years a telephone hotline for employees to submit their concerns regarding violations or suspected violations of law. The Company now makes this same hotline available for reporting questionable accounting or auditing matters and other accounting, internal accounting controls or auditing matters on a confidential, anonymous basis. Employees or others can call 1-800-234-4206 to report concerns. Any concerns regarding accounting or auditing matters reported to this hotline will be communicated to the Audit Committee.

The Audit Committee will review the Policy on a regular basis, and propose or adopt additions or amendments to the Policy as appropriate. The Policy is, and any additions or amendments to, or waivers of, the Policy will be, posted on the Company's website at <http://www.gannett.com>. You may also obtain a copy of the Policy without charge by writing to: Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107, Attn: Secretary.

Independent Directors and Board Committees

The NYSE's proposed rules include a requirement that a majority of directors of NYSE-listed companies be "independent" and the NYSE proposal contains a new, stricter definition of "independent." For a director to be "independent" under the NYSE's proposed rules, the Board of Directors would need to affirmatively determine that such director has no material relationship with Gannett (either directly or as a partner, shareholder, or officer of an organization that has a relationship with Gannett). In addition, a person cannot be an independent director until a period of five years has elapsed from the time such person (or any of his or her immediate family members) was an employee of Gannett, affiliated with or employed by the present or former auditors of Gannett, or part of an interlocking directorate in which an executive officer of Gannett served on the compensation committee of another company that concurrently employed the person. On August 7, 2002, the Board of Directors of the Company determined that all seven of the Board's non-management members, a clear majority of the eight-member Board, are "independent" directors for the purposes of the NYSE's proposed rules.

Consistent with the NYSE's proposed rules, the Principles of Corporate Governance call for the independent directors to meet in regularly scheduled executive sessions without management as they deem appropriate. The independent directors will rotate annually serving as the presiding director at the executive sessions. Meredith A. Brokaw will be the presiding director at the executive sessions in 2003. The Company's independent directors met in an executive session in February 2003, with Mrs. Brokaw presiding, and will meet in executive sessions as appropriate throughout 2003. The presiding director will also preside at meetings of the full Board if the Chairman is not present and will take a lead role, in conjunction with the Chairman, in the Board's self-evaluation process. Interested parties may communicate their concerns directly with either the presiding

director or the independent directors as a group by writing to either the Presiding Director or the Independent Directors, Gannett Co., Inc., 7950 Jones Branch Drive, McLean, VA 22107.

The NYSE's proposed rules, as well as recently proposed SEC rules, impose additional independence requirements for all members of the audit committee. The Board has implemented the SEC and NYSE proposed rules by amending the Audit Committee charter to include the requirement that all of its members be independent. Each of the current members of the Audit Committee meets these additional independence requirements. The NYSE's proposed rules add to the "independence" requirement for audit committee membership the requirement that director's fees are the only compensation an audit committee member may receive from the Company. In addition, the rules proposed by the SEC for determining whether an audit committee member is "independent" set forth two basic criteria. First, audit committee members would be barred from accepting – directly or indirectly – any consulting, advisory or other compensatory fee from the issuer or an affiliate of the issuer, other than in the member's capacity as a member of the board of directors and any board committee. Commentary included in the SEC proposal also provides that payments for services to law firms, accounting firms, consulting firms, investment banks or similar entities in which audit committee members are partners or hold similar positions are the kinds of compensatory payments that were intended to be precluded. The second basic criterion for determining independence provides that a member of an audit committee of a company may not be an affiliated person of the issuer or any subsidiary of the issuer apart from his or her capacity as a member of the board and any board committee.

In addition, the Audit Committee determined that Karen Hastie Williams's membership on four other public company audit committees not only does not impair her ability to serve effectively as chair of Gannett's Audit Committee, but in fact is beneficial to Gannett due to the breadth and depth of experience Ms. Williams gains from membership on those other committees. The Audit Committee recommended to the Board that it make the same determination, and the Board concurred with the Committee's recommendation.

The Board has also amended the Executive Compensation Committee charter to include a requirement that all of its members be independent and to add provisions that address, among other things, the compensation policy of the Committee (which is included in the Report of the Executive Compensation Committee on page 11), the Committee's duties and responsibilities, which includes reviewing and approving on an annual basis corporate goals and objectives relevant to CEO compensation, and Committee reporting to the Board.

With respect to the Nominating and Public Responsibility Committee (formerly, the Management Continuity Committee), the NYSE rule proposal, if adopted, would require that this committee have at least one independent member within one year, and be comprised entirely of independent directors within two years. The Nominating and Public Responsibility Committee is comprised of three independent directors and Mr. McCorkindale, the Chairman, President and Chief Executive Officer of Gannett. Traditionally, the Chief Executive Officer of Gannett has served on this committee. If the NYSE's proposed rules regarding committee member independence are approved and implemented, Mr. McCorkindale will step down from his position on the Nominating and Public Responsibility Committee when required to do so, and the Board will amend the Committee's charter accordingly. In the meantime, the Committee's charter has been amended to comply with certain of the NYSE's proposed rules, including the requirements that the charter reflect the Board's criteria for selecting new directors and oversight of the evaluation of the Board and management, provide for an annual performance evaluation of the Committee, and address Committee reporting to the Board.

The written charters for the Audit Committee, the Executive Compensation Committee, and the Nominating and Public Responsibility Committee are posted on the Company's website at <http://www.gannett.com>. Also, the Audit Committee charter is attached to this proxy statement as Appendix A.

PROPOSAL 1—ELECTION OF DIRECTORS

Your Board

The Board of Directors is composed of eight directors, only one of whom is an employee of the Company. The By-laws of the Company provide that each director must own at least one thousand shares of Gannett stock, and each director currently meets or exceeds this requirement.

The Board of Directors conducts its business through meetings of the Board and its four committees: the Audit Committee, the Executive Committee, the Executive Compensation Committee, and the Nominating and Public Responsibility Committee.

The Audit Committee assists the Board of Directors in its oversight of financial reporting practices and the quality and integrity of the financial reports of the Company, including compliance with legal and regulatory requirements, the independent auditors' qualifications and independence, and the performance of the Company's internal audit function. The Audit Committee appoints the Company's independent auditors. The Audit Committee members are Karen Hastie Williams, Chair, H. Jesse Arnelle, Stephen P. Munn and Solomon D. Trujillo. This Committee met five times during 2002.

The Executive Committee may exercise the authority of the Board between Board meetings, except as limited by Delaware law. The Executive Committee members are Douglas H. McCorkindale, Chair, James A. Johnson, and Karen Hastie Williams. This Committee did not meet during 2002.

The Executive Compensation Committee has overall responsibility for approving and evaluating the compensation plans, policies and programs of the Company, including administering the Company's executive incentive plans. The Executive Compensation Committee members are James A. Johnson, Chair, Stephen P. Munn, and Karen Hastie Williams. This Committee met four times during 2002.

The Nominating and Public Responsibility Committee is charged with identifying individuals qualified to become board members, recommending to the Board candidates for election or reelection to the Board, and considering from time to time the Board committee structure and makeup. The Committee also monitors the Company's human resource practices, including its performance in diversity and equal employment opportunity, monitors the Company's performance in meeting its obligations of fairness in internal and external matters, and takes a leadership role with respect to the Company's corporate governance practices. In making recommendations for directors for the 2004 annual meeting, the Nominating and Public Responsibility Committee may consider any written suggestions of shareholders received by the Secretary of the Company by February 4, 2004. The Nominating and Public Responsibility Committee members are Meredith A. Brokaw, Chair, H. Jesse Arnelle, Douglas H. McCorkindale and Donna E. Shalala. This Committee (and its predecessor, the Management Continuity Committee) met two times during 2002.

The Board of Directors held seven meetings during 2002, and each of the directors attended all of the meetings of the Board and each committee on which he or she served, including Mr. Trujillo after his election to the Board on May 7, 2002, except that Mr. Johnson was unable to attend the May 7, 2002 meeting.

Nominees

The Board is divided into three classes, as equal in number as possible. At each annual meeting of shareholders, one class of directors is elected for a three-year term. H. Jesse Arnelle, Solomon D. Trujillo, and Karen Hastie Williams have been nominated for election this year to the class with a three-year term that will expire at the 2006 annual meeting of shareholders. All three nominees are

currently directors. If they are elected, their terms will continue until the 2006 annual meeting or until their successors are elected. The Company's By-laws provide that a director must retire on or before the annual meeting following his or her 70th birthday or, in the case of directors who are also employees, his or her 65th birthday. Mr. Arnelle, if elected this year, would retire at the 2004 annual meeting, as he turns 70 after this year's annual meeting.

The Board believes that all nominees will be available and able to serve as directors. If any nominee becomes unable or unwilling to serve, the Board may do one of three things: recommend a substitute nominee, reduce the number of directors to eliminate the vacancy, or fill the vacancy later. The shares represented by all valid proxies may be voted for the election of a substitute if one is nominated.

The three nominees receiving the highest number of votes will be elected. If a shareholder, present in person or by proxy, withholds a vote from one or more directors, the shareholder's shares will not be counted in determining the votes for those directors. If a shareholder holds shares in a broker's account and has given specific voting instructions, the shares will be voted as the shareholder directs. If no instructions are given, under New York Stock Exchange rules the broker may decide how to vote on the Board nominees.

Approval of Proposal 1

The Board of Directors unanimously recommends that the shareholders of the Company vote FOR the election of the nominees to serve as directors.

The principal occupations and business experience of the Board's nominees and of the continuing directors are described below.

The following have been nominated for election at the 2003 Annual Meeting for a term that ends at the 2006 Annual Meeting:

H. Jesse Arnelle

Mr. Arnelle, 69, is of counsel to Womble, Carlyle, Sandridge & Rice, Winston-Salem, North Carolina. He was senior partner at the law firm of Arnelle, Hastie, McGee, Willis & Greene from 1985 to 1995, and was of counsel to that firm from 1995 to 1997. He is a director of FPL Group, Inc., Textron Corporation, Eastman Chemical Co., Armstrong World Industries, Waste Management, Inc. and the Metropolitan Life Series Fund. He has been a director since 1999.

Solomon D. Trujillo

Mr. Trujillo, 51, is Chief Executive Officer of Orange, S.A. and serves on Orange's Board of Directors. He was Chairman, President and Chief Executive Officer of Graviton, Inc. from

2000 to February 2003 and was Chairman, President and Chief Executive Officer of US West from 1998 to 2000. Mr. Trujillo is a director of PepsiCo, Inc. and Target Corporation. He has been a director since 2002.

Karen Hastie Williams

Ms. Williams, 58, is a partner at the law firm of Crowell & Moring, Washington, DC. Ms. Williams is a director of The Chubb Corporation, Continental Airlines, Inc., SunTrust Banks, Inc. and WGL Holdings, Inc., the parent company of Washington Gas Light Company, trustee of the Fannie Mae Foundation, and Public Life Member of the Internal Revenue Service Oversight Board. She has been a director since 1997.

The following directors are serving on the Board for a term that ends at the 2004 Annual Meeting:

James A. Johnson

Mr. Johnson, 59, is Vice Chairman of Perseus LLC. He served as Chairman of the Board of Directors of Fannie Mae in 1999 and was Chairman and Chief Executive Officer of Fannie Mae from February 1991 through 1998. He is a director of Target Corporation, The Goldman Sachs Group, Inc., Temple-Inland Corporation, United Health Group and KB Home Corporation. He also is Chairman of the John F. Kennedy Center for the Performing Arts, Chairman of the Board of Trustees of The Brookings Institution and Co-Chairman of the President's Commission on the United States Postal Service. He has been a director since 2000.

Douglas H. McCorkindale

Mr. McCorkindale, 63, is Chairman, President and Chief Executive Officer of Gannett. He was President, Chief Executive Officer and Vice Chairman from June 2000 to January 2001 and Vice Chairman and President from 1997 to

June 2000. He was Vice Chairman and Chief Financial and Administrative Officer from 1985 to 1997. He has served the Company in various other executive capacities since 1971. He is a director of Continental Airlines, Inc., Lockheed Martin Corporation and a director or trustee of a number of investment companies in the family of Prudential Mutual Funds. He has been a director since 1977.

Stephen P. Munn

Mr. Munn, 60, is Chairman of Carlisle Companies, Inc. and serves on Carlisle's Board of Directors. He was Chairman, President and Chief Executive Officer of Carlisle from 1993 to February 2001 and President and Chief Executive Officer from 1988 to 1993. He is a director or trustee of a number of investment companies in the family of Prudential Mutual Funds. He has been a director since 2001.

The following directors are serving on the Board for a term that ends at the 2005 Annual Meeting:

Meredith A. Brokaw

Mrs. Brokaw, 62, is the founder of Penny Whistle Toys, Inc., in New York City, and is the author of children's books. She is a director of Conservation International, Washington, DC. She has been a director since 1983.

Donna E. Shalala

Ms. Shalala, 62, has served as President of the University of Miami since 2001. She was Secretary of the United States Department of Health and Human Services from 1993 to 2001. Ms. Shalala is a director of UnitedHealth Group and Lennar Corporation. She has been a director since 2001.

Compensation of Directors

The Company pays its directors an annual fee and meeting fees. The annual fee is \$45,000. Each director receives \$1,500 for each Board meeting attended. Each committee chair also receives an annual fee of \$5,000 and each committee member, including the chair, as well as any other director attending a committee meeting at the committee's invitation, receives \$1,000 for each committee meeting attended. Mr. McCorkindale, the only director who also is an employee of the Company, receives no director fees. Directors may elect to defer their fees under the Deferred Compensation Plan, which provides for ten deemed investment options, including mutual funds and a Gannett common stock fund. Under the 2001 Omnibus Incentive Compensation Plan, directors Arnelle, Brokaw, Johnson, Munn, Shalala, Trujillo and Williams were granted options to purchase 3,500 shares of the Company's common stock in 2002. The Company intends to grant other awards to directors in the future.

In 1987, the Company established a Retirement Plan for Directors in which non-employee members of the Board of Directors could participate. In 1996, the Board terminated this Plan as to any new directors. Only one current director, Mrs. Brokaw, participates in the Plan, and her annual benefit under the Plan is equal to 100% of her highest annual cash compensation during the ten years of service preceding her retirement from the Board. Retirement payments will be made each quarter for 10 years except for a lump sum payment in the event of death.

Certain Relationships

In 2002, the Company used the services of the law firm of Womble, Carlyle, Sandridge & Rice, to which Mr. Arnelle is of counsel, for several minor matters. Total legal fees incurred by the Company for these matters were less than \$10,000. Management believes that this relationship was on terms that were reasonable and in the best interest of the Company. In light of the SEC's January 2003 proposed rule regarding independence of audit committee members, Mr. Arnelle's law firm has not provided any services to the Company nor been paid any fees by the Company in 2003, and will not be engaged or paid any fees as long as Mr. Arnelle serves on the Audit Committee.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee assists the Board of Directors in its oversight of financial reporting practices and the quality and integrity of the financial reports of the Company, including compliance with legal and regulatory requirements, the independent auditors' qualifications and independence, and the performance of the Company's internal audit function. The Audit Committee appoints the Company's independent auditors, which appointment may be ratified by the shareholders. The Audit Committee is also responsible for reviewing compliance with the Company's Ethics Policy and assuring appropriate disclosure of any waiver of or change in the Ethics Policy for senior financial officers or the chief executive officer, and has established procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting controls or auditing matters and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. The Audit Committee operates under a formal written charter, a copy of which is included as Appendix A to this proxy statement, that has been adopted by the Board of Directors.

The Audit Committee members are Karen Hastie Williams, Chair, H. Jesse Arnelle, Stephen P. Munn, and Solomon D. Trujillo, who are all independent directors. The Board of Directors determined at its December 3, 2002 meeting that Ms. Williams' membership on four other audit committees does not impair her ability to effectively serve as Chair of the Audit Committee. The Audit Committee members are not professional accountants or auditors, and their role is not intended to duplicate or certify the activities of management and the independent auditors, nor can the Committee certify that the independent auditors are "independent" under applicable rules. The Committee serves a board-level oversight role, in which it provides advice, counsel and direction to management and the independent auditors on the basis of the information it receives, discussions with management and the independent auditors, and the experience of the Committee's members in business, financial and accounting matters.

The Audit Committee has implemented a number of corporate governance measures in response to rules recently proposed and/or adopted by the SEC and the NYSE. The Audit Committee approved certain amendments to its charter, including the requirement that all of its members be independent and that it be responsible for establishing procedures for the reporting of accounting or auditing concerns, and recommended each of these amendments to the Board for approval. The Audit Committee also adopted various amendments to the Company's Ethics Policy to comply with the SEC adopted rules and the NYSE proposed rules. Each of the current members meets the additional independence requirements proposed by the SEC and NYSE.

The Audit Committee has received from the Company's independent auditors, Price-waterhouseCoopers LLP ("PwC"), written disclosures regarding PwC's independence as set forth in Independence Standards Board Standard No. 1, including a detailed statement of the relationships between PwC and the Company that might bear on PwC's independence, and has discussed with PwC its independence. The Audit Committee has considered whether the provision of non-audit services by PwC is compatible with maintaining PwC's independence. PwC has stated that it believes that it is in full compliance with all of the independence standards established under generally accepted auditing standards and the rules of the SEC. The Audit Committee concurs, and has approved all non-audit services provided by PwC in 2002 and proposed to be provided by PwC in 2003. In addition, the Audit Committee delegated to Ms. Williams the authority to approve up to \$100,000 in non-audit services by PwC, in the aggregate at any time, provided she reports such approved items to the full committee at its next scheduled meeting. The Audit Committee also has discussed with PwC the matters required to be discussed by Statements on Auditing Standards No. 61 and No. 90, including the selection of and changes in the Company's significant accounting policies, the basis for management's accounting estimates, PwC's conclusions regarding the reasonableness of those estimates, and the disclosures included in the financial statements. The Audit Committee has reviewed and discussed the Company's audited financial statements with the internal auditors, PwC and management. The Audit Committee also appointed PwC as the Company's independent auditors for the 2003 fiscal year, and the Board concurred with such appointment.

Fees billed to the Company by PwC for fiscal year 2002 were:

Audit fee.—\$1,275,800

Financial information systems design and implementation fees.—None

All Other Fees *—\$1,179,744

* All other fees relate to additional attest services, tax services and employee benefit services.

In connection with its activities, the Audit Committee has advised the Board as follows:

The Audit Committee met with management, the Company's internal auditors and representatives of PwC in connection with its review of the Company's audited financial statements for the year ended December 29, 2002. Based on such review and discussion, and based on the Audit Committee's reviews and discussions with PwC regarding its independence under Standards Board Standard No. 1 and the matters required to be discussed under Statements on Auditing Standards No. 61 and No. 90, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Form 10-K and the Board has approved that recommendation.

Audit Committee

Karen Hastie Williams, Chair
H. Jesse Arnelle
Stephen P. Munn
Solomon D. Trujillo

PROPOSAL 2—RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITORS

The Audit Committee of the Board of Directors has appointed PricewaterhouseCoopers LLP as the Company's independent auditors for our fiscal year ending December 28, 2003. The Board of Directors is submitting the selection of independent auditors for shareholder ratification at the 2003 annual meeting.

A representative of PricewaterhouseCoopers LLP is expected to be present at the 2003 annual meeting and available to respond to appropriate questions from shareholders.

Our By-laws do not require that the shareholders ratify the appointment of PricewaterhouseCoopers LLP as our independent auditors. We are seeking ratification because we believe it is a matter of good corporate practice. If the shareholders do not ratify the appointment, the Audit Committee will reconsider whether to retain PricewaterhouseCoopers LLP, but may retain PricewaterhouseCoopers LLP as the Company's independent auditors. Even if the appointment is ratified, the Audit Committee in its discretion may change the appointment at any time during the year if it determines that a change would be in the best interests of the Company and its shareholders.

Approval of Proposal 2

The Board of Directors recommends that the shareholders of the Company vote FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent auditors for the current year. Unless a contrary choice is specified, shares represented by proxies will be voted FOR ratification of the appointment.

REPORT OF THE EXECUTIVE COMPENSATION COMMITTEE

The Executive Compensation Committee (the "Committee") has the overall responsibility for approving and evaluating the compensation plans, policies and programs of the Company. To that end, the Committee has the responsibility, power and authority to set the compensation and benefits of elected officers and senior executives, determine distribution and grant awards under and administer the Company's various stock option and incentive plans. The Committee is composed entirely of independent directors. In 2002, the Committee consisted of James A. Johnson, Chair, Stephen P. Munn and Karen Hastie Williams.

The Elements of Compensation at Gannett

The compensation program for executive officers is composed of three elements: salaries, annual bonuses and long-term stock awards under the 2001 Omnibus Incentive Compensation Plan (the "2001 Plan").

The following Compensation Policy guides the Committee in its compensation decisions:

Compensation Policy

The Board of Directors of Gannett believes that compensation of employees should be fair to both employees and shareholders, externally competitive, and designed to align very closely the interests of employees with those of the shareholders.

The Gannett executive compensation program is designed to attract, motivate, reward and retain superior management talent.

The Executive Compensation Committee places heavy emphasis on pay for performance. The Committee believes substantial portions of total compensation should be at risk. Likewise, outstanding performance should lead to substantial increases in compensation.

Compensation Decisions in 2002

In making its compensation decisions for 2002, the Committee considered the Company's performance in the following areas: earnings per share, operating income as a percentage of sales, return on assets, return on equity, operating cash flow, stock price, and market value—all in light of very adverse economic conditions. In addition, the Committee considered management's recommendations for individual compensation awards. The Committee also compared the Company's performance to that of its competitors and noted that the Company posted strong results for the year despite a soft economic environment. The Company's operating income and operating cash flow—defined as operating income plus depreciation and amortization—margins for its newspaper and broadcasting segments were among the best in the industry. Companies with comparable revenues or profits in other industries also were surveyed to ensure that executive compensation was competitive in the overall marketplace. The Committee believes that the Company should compensate its executives better than its competitors in order to continue attracting and retaining the most talented people. (References to "competitors" are to the S&P 500 Publishing Index companies named on page 16.)

While the Committee considered these individual and Company performance factors in making individual compensation decisions, the Committee applied its own business judgment in making final determinations.

In 2002, the Committee continued to emphasize key executives' ownership of common stock as a component of their compensation. Stock compensation includes (i) stock ownership guidelines for all executive officers, (ii) long-term awards under the 2001 Plan, and (iii) payment of 25% of an executive's bonus in Gannett common stock under the 2001 Plan. In July 2000, the Committee increased the executive stock ownership guidelines for the Company's Chief Executive Officer and four other most highly compensated executive officers from three to five times their salary range midpoint and increased the guideline for other key executives from one to two times their salary range midpoint. Most executives exceed these guidelines, with the exception of executives who either recently have been promoted and, consequently, are subject to a higher minimum ownership threshold or executives who exceeded the original guidelines and are working towards fulfilling the revised ones.

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public corporations for compensation over \$1,000,000 paid to the Company's chief executive officer and four other most highly compensated executive officers for any fiscal year. However, Section 162(m) exempts qualifying performance-based compensation from the deduction limit if specified requirements are met. The Committee has structured, and intends to continue to structure, performance-based compensation, including stock option grants and annual bonuses, to executive officers who may be subject to Section 162(m) in a manner that satisfies those requirements. However, the Committee reserves the authority to award non-deductible compensation in other circumstances as it deems appropriate. Further, because of ambiguities and uncertainties as to the application and interpretation of Section 162(m) and the regulations issued thereunder, no assurance can be given, notwithstanding our efforts, that compensation intended by the Company to satisfy the requirements for deductibility under Section 162(m) does in fact do so. For 2002, a portion of the compensation paid to Mr. McCorkindale in the form of salary was not deductible under Section 162(m).

Base Salaries: To Attract and Retain Management Talent

Base salaries are designed to help attract and retain management talent. To ensure that salary ranges are competitive in the overall marketplace, salary ranges are periodically compared to the salaries paid for comparable positions by the Company's competitors, with other companies of comparable size in the media industry and with companies with comparable revenues or profits in other industries. The Company is significantly larger than its competitors, and in 2002 it achieved comparatively strong earnings and earnings per share performances. These factors have led the Company to attempt to place its management salaries above the median for the comparative companies.

In establishing 2002 salaries for executive officers, the Committee also considered the Company's performance, individual performance and experience, and the Chief Executive Officer's recommendations. The most important factor was the Committee members' business judgment about the appropriate level of salary to retain, motivate and reward individual executives. Due to the challenging economic conditions, however, the senior executive officers' salaries were not increased in 2002, except for that of Mr. Dubow, who was promoted to President and CEO/Broadcasting Division in 2002. The salaries for the Company's Chief Executive Officer and four other most highly compensated executive officers in 2001 and 2002 were as follows:

<u>Name</u>	<u>2001 Salary</u>	<u>2002 Salary</u>
Douglas H. McCorkindale	\$1,600,000	\$1,600,000
Gary L. Watson	\$ 660,000	\$ 660,000
Larry F. Miller	\$ 560,000	\$ 560,000
Thomas Curley	\$ 500,000	\$ 500,000
Craig A. Dubow	\$ 383,750	\$ 450,000

Executive Incentive Bonuses: To Motivate Year-to-Year

The Committee believes that annual bonuses motivate executive officers and reward them for good performance. The goal of the 2001 Plan is to reward higher performing operating units and individuals with a greater percentage of the total available bonus pool. The performance bonuses for 2002 for the Chief Executive Officer, the four other most highly compensated executive officers, and other senior executives are based on individual and Company performance.

For other executives, the bonuses for 2002 were determined on the basis of individual and operating unit performance in the areas of profit, product and people. The Committee's review of the bonuses was based on its knowledge of the Company, its contact with the executives throughout the year and a review of performance. No relative ranking of these various factors was applied.

To further the Committee's goal of increasing the stock ownership by key executives, 25% of the bonuses for 2002 for 29 senior executives were paid to them in the form of Gannett common stock under the 2001 Plan rather than cash. This continues a practice established in 1994. Mr. Miller received his entire bonus in cash, although he will defer a portion of his 2003 salary to acquire Gannett stock until his retirement in June 2003. Mr. McCorkindale also received his entire bonus in cash, although he will defer an amount of his salary equal to 25% of his bonus during 2003 and invest that amount in the Company's common stock. Mr. McCorkindale's salary deferral will decrease the amount of his salary that is not deductible by the Company under Section 162(m).

As noted in last year's proxy statement, the Company's top executives, including the Company's Chief Executive Officer and four other most highly compensated executive officers, received smaller bonuses overall in 2001 due to the economic downturn, despite the Company's strong performance that year. Although economic conditions remained challenging in 2002, Mr. McCorkindale recommended that the Committee increase, and the Committee agreed to increase, the overall bonuses for the 2002 fiscal year to recognize the Company's strong perform-

ance in a challenging environment and to reward the extraordinary effort made by the Company's other top executives, including the four other most highly compensated executive officers. Mr. McCorkindale made no recommendation as to his own bonus, which was determined by the Committee based on the factors discussed below under "Chief Executive Officer Compensation." The pre-tax value of the bonuses awarded to the Company's Chief Executive Officer and four other most highly compensated executive officers are as follows:

<u>Name</u>	<u>2001 Bonus</u>		<u>2002 Bonus</u>	
	<u>Cash</u>	<u>GCI Shares</u>	<u>Cash</u>	<u>GCI Shares</u>
Douglas H. McCorkindale	\$1,850,000	—0—	\$2,250,000	—0—
Gary L. Watson	\$ 423,750	1,899	\$ 517,500	2,395
Larry F. Miller	\$ 465,000	—0—	\$ 570,000	—0—
Thomas Curley	\$ 350,000	1,479	\$ 315,000	1,458
Craig A. Dubow	\$ 195,000	874	\$ 232,500	1,076

Long-Term Stock Awards: To Promote Long-Term Growth

Long-term stock awards are based on the performance of Gannett common stock and are designed to align the executives' interests with those of the Company's shareholders. In 2002, the Committee decided to award long-term stock awards in the form of non-qualified stock options under the 2001 Plan to 1,376 management employees. A non-qualified stock option is the right to purchase shares of common stock of the Company within a fixed period of time (eight years for grants awarded through 1995 and ten years thereafter) at the fair market value of the common stock on the date of grant.

The Committee decides whether to grant individual long-term stock awards and determines the amount of the awards. Long-term stock awards are based in part on the grade level of the executive, after an annual examination of the competitive marketplace. As is the case with annual bonuses, the Committee relies in large part on the recommendations of senior management as to the appropriate level of individual awards to lower level executives. Awards are based on past and expected performance as subjectively evaluated by management in making recommendations and by the Committee in approving them. Executives who can more directly influence the overall performance of the Company are the principal recipients of long-term awards. In 2002, the Board and the Committee authorized Mr. McCorkindale to award a pool of stock options to employees with salaries below a certain threshold.

The following chart shows the number of stock options awarded in 2001 and 2002 to the Company's Chief Executive Officer and four other most highly compensated executive officers:

<u>Name</u>	<u>2001 Options</u>	<u>2002 Options</u>
Douglas H. McCorkindale	375,000	400,000
Gary L. Watson	119,200	111,000
Larry F. Miller	93,600	100,000
Thomas Curley	75,200	69,000
Craig A. Dubow	70,000	80,000

Chief Executive Officer Compensation

Mr. McCorkindale became Chairman on February 1, 2001. As discussed on page 18, the Committee negotiated a renewal of Mr. McCorkindale's employment contract in 2000, and the renewed contract became effective on January 1, 2001. During the term of his contract, Mr. McCorkindale will receive an annual salary of \$1.6 million, or such greater amount as the Board of Directors determines, and an annual bonus at the discretion of the Board. Once again this year, the Committee honored Mr. McCorkindale's request not to receive a salary increase.

Mr. McCorkindale's salary for 2002 was the minimum amount payable under his employment contract. In determining Mr. McCorkindale's compensation for 2002, in accordance with the Committee's charter the Committee reviewed the Company's performance, relative shareholder return, earnings per share, return on assets, return on equity, operating cash flow, operating income as a percent of sales, stock price, and market value. For the 2002 fiscal year, reported earnings per diluted share were \$4.31, an increase of 38% from 2001 results of \$3.12. If the current financial accounting standards relating to accounting and reporting for acquired goodwill and other intangible assets (SFAS No. 142) had been in effect for all of 2001, earnings per diluted share would have increased 10% for the year to \$4.31 in 2002 from \$3.92 in 2001. After-tax cash flow per diluted share (after-tax income plus depreciation and amortization expense), on a reported basis, was \$5.13 in 2002 versus \$4.78 in 2001, a 7% increase. On a comparable basis, after-tax cash flow per diluted share rose 9% to \$5.13 in 2002 from \$4.71 in 2001. Operating income as a percent of sales was 30% in 2002 and 25% in 2001, on a reported basis. The Company's operating income and operating cash flow margins for its newspaper and broadcasting segments were among the best in the industry.

The Committee members also subjectively evaluated increases in the Company's stock price during 2002 and its performance relative to the S&P 500 Index for the same period and the stock prices of the Company's peer group, consisting of the S&P 500 Publishing Index, as well as other factors, when determining Chief Executive Officer compensation, without giving particular weight to any one or more factors.

Mr. McCorkindale's compensation was above the median for the chief executive officers surveyed. The Committee determined that the level of Mr. McCorkindale's compensation was appropriate given his performance, the Company's size and performance, and the industry in which it operates. As a general matter, media industry companies, particularly broadcasting companies, tend to compensate executives at a higher level than industrial or commercial enterprises. In particular, the Committee noted that the Company's revenues are significantly larger than that of all other companies included in the S&P 500 Publishing Index. Mr. McCorkindale's bonus and salary reflect these results.

Consistent with the Committee's goal of increasing the ownership of common stock by key officers as discussed above, during 2002 the Committee awarded Mr. McCorkindale options to purchase 400,000 shares of common stock under the 2001 Plan. The options vest over four years and expire in ten years. It is the Committee's view that the award of these stock options continues to be an effective way of continuing to tie Mr. McCorkindale's financial interests to those of the Company's shareholders, since the value of these stock options is directly linked to increases in shareholder value. As of March 3, 2003, Mr. McCorkindale beneficially owned 1,705,116 shares of the Company's common stock.

Executive Compensation Committee

James A. Johnson, Chair
Stephen P. Munn
Karen Hastie Williams

Executive Compensation Committee Interlocks and Insider Participation

The Executive Compensation Committee of the Board of Directors during fiscal year 2002 was composed of James A. Johnson, who is the Chairman, Stephen P. Munn and Karen Hastie Williams. No member of the Executive Compensation Committee was an officer or employee of the Company or any subsidiary of the Company during fiscal year 2002. There are no interlock relationships as defined in the applicable SEC rules.

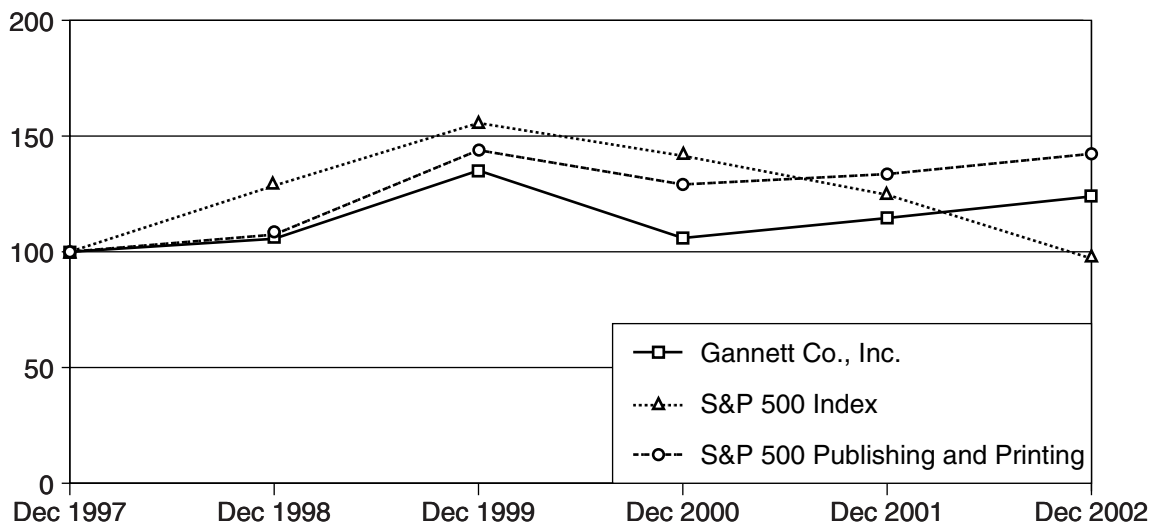
COMPARISON OF SHAREHOLDER RETURN

The following graph compares the performance of the Company's common stock during the period December 31, 1997 to December 31, 2002 with the S&P 500 Index and the S&P 500 Publishing Index (which consists of Dow Jones Co., Inc., Gannett Co., Inc., Knight-Ridder, Inc., The McGraw-Hill Corporation, Inc., Meredith Corporation, The New York Times Company and Tribune Company).

The S&P 500 Index includes 500 U.S. companies in the industrial, transportation, utilities and financial sectors and is weighted by market capitalization. The S&P 500 Publishing Index also is weighted by market capitalization.

The graph depicts the results of investing \$100 in the Company's common stock, the S&P 500 Index, and the S&P 500 Publishing Index at closing prices on December 31, 1997. It assumes that dividends were reinvested quarterly with respect to the Company's common stock, daily with respect to the S&P 500 Index and monthly with respect to the S&P 500 Publishing Index.

What the graph does not reflect is that Gannett's annual return for 2002 including reinvested dividends was 8.16% compared with -22.10% for the S&P 500 Index and 6.55% for the S&P 500 Publishing Index.



	1997	1998	1999	2000	2001	2002
Gannett Co., Inc.	100.00	105.62	135.12	105.95	114.58	123.93
S&P 500 Index	100.00	128.58	155.63	141.46	124.65	97.10
S&P 500 Publishing and Printing	100.00	107.43	143.89	129.09	133.58	142.34

SUMMARY COMPENSATION TABLE

The following table summarizes compensation paid to the Company's Chief Executive Officer and the four other most highly compensated executive officers during 2002 for services rendered to the Company over the past three fiscal years.

Name and Principal Position	Year	Annual Compensation		Other Annual Compensation (2) (\$)	Long-Term Compensation Awards (3) Securities Underlying Options (#)	All Other Compensation (4) (\$)
		Salary (\$)	Bonus (1) (\$)			
Douglas H. McCorkindale (Chairman, President and CEO)	2002	1,600,000	2,250,000	8,258	400,000	125,654
	2001	1,600,000	1,850,000	9,375	375,000	114,952
	2000	1,058,000	2,000,000	2,931	346,000	83,068
Gary L. Watson (President/Newspaper Division)	2002	660,000	690,000	—	111,000	54,222
	2001	660,000	565,000	—	119,200	51,620
	2000	585,000	625,000	—	110,000	44,700
Larry F. Miller (Executive Vice President/Operations)	2002	560,000	570,000	537	100,000	42,042
	2001	560,000	465,000	8,531	93,600	42,170
	2000	495,000	500,000	—	81,000	38,100
Thomas Curley (Senior Vice President/Administration of Gannett and President and Publisher/USA TODAY)	2002	500,000	420,000	461	69,000	44,922
	2001	500,000	440,000	—	75,200	44,111
	2000	475,000	510,000	—	70,000	41,492
Craig A. Dubow (President and CEO/Broadcasting Division)	2002	450,000	310,000	157,917	80,000	30,735
	2001	383,750	260,000	3,063	70,000	27,338
	2000	318,000	230,000	—	32,000	24,864

- (1) Bonus awards may be in the form of cash or shares of Gannett common stock. Bonuses to executive officers typically are paid 25% in Gannett common stock and 75% in cash, both of which could be deferred under the Deferred Compensation Plan.
- (2) This column includes amounts paid in cash to reimburse the Company's Chief Executive Officer and four other most highly compensated executive officers for the tax impact of certain perquisites. In the case of Mr. Dubow, who relocated from Atlanta, Georgia, to the Company's headquarters in 2002, this column includes the aggregate incremental cost to the Company of providing various reportable perquisites, personal and relocation benefits in 2002, including a country club membership fee of \$70,000.
- (3) Under the Company's 2001 Omnibus Incentive Compensation Plan, stock awards in the form of stock options may be granted to key members of management who are in a position to make a substantial contribution to the long-term success of the Company.
- (4) This column includes (a) premiums of \$6,522 paid by the Company for supplemental medical coverage for each of the Chief Executive Officer and four other most highly compensated executive officers, (b) the annual premiums paid by the Company on life insurance policies which are individually provided for the Company's Chief Executive Officer and four other most highly compensated executive officers, as follows: Mr. McCorkindale—\$113,632; Mr. Watson—\$42,200; Mr. Miller—\$30,020; Mr. Curley—\$32,900; and Mr. Dubow—\$18,713, and (c) a matching contribution of \$5,500 in Gannett common stock received by the Company's Chief Executive Officer and four other most highly compensated executive officers under the Company's 401(k) plan.

OPTION GRANT TABLE

Option Grants in Last Fiscal Year

<u>Name</u>	<u>Grant Date</u>	<u>Number of Securities Underlying Options Granted (#)</u>	<u>% of Total Options Granted to Employees in Fiscal Year</u>	<u>Exercise or Base Price (\$/Sh)</u>	<u>Expiration Date</u>	<u>Grant Date Present Value (\$)</u>
Douglas H. McCorkindale	12/3/02	400,000	7.06%	\$70.21	12/3/12	\$8,592,000
Gary L. Watson	12/3/02	111,000	1.96%	\$70.21	12/3/12	\$2,384,280
Larry F. Miller	12/3/02	100,000	1.77%	\$70.21	12/3/12	\$2,148,000
Thomas Curley	12/3/02	69,000	1.22%	\$70.21	12/3/12	\$1,482,120
Craig A. Dubow	12/3/02	80,000	1.41%	\$70.21	12/3/12	\$1,718,400

This table shows options to purchase shares of Gannett common stock granted to the Company's Chief Executive Officer and four other most highly compensated executive officers in 2002. Stock options are exercisable with respect to 25% of the covered shares on each of the first four anniversaries of the grant date. Executive officers may transfer stock options to family members.

"Grant Date Present Value" has been calculated using the Black-Scholes model of option valuation. For purposes of calculating these values for all of the options, the Company assumed: a dividend yield of 1.34%, expected volatility of 26.12%, a risk-free interest rate of 3.89%, and a 7-year expected life. The calculated value of each option on the grant date was determined to be \$21.48 per share subject to the option.

On December 29, 2002, 672,543 shares of Gannett common stock were available for grants under the 2001 Omnibus Incentive Compensation Plan. At that time, there were options outstanding to purchase 23,841,229 shares with a weighted average exercise price of \$63.53. The expiration dates range from December 12, 2003 to December 3, 2012.

STOCK OPTION TABLE

Aggregated Option Exercises in Last Fiscal Year and Fiscal Year-End December 29, 2002 Option Values

<u>Name</u>	<u>Shares Acquired on Exercise (#)</u>	<u>Value Realized (\$)</u>	<u>Number of Securities Underlying Unexercised Options at December 29, 2002 (#)</u>		<u>Value of Unexercised In-the-Money Options at December 29, 2002 (1) (\$)</u>	
			<u>Exercisable</u>	<u>Unexercisable</u>	<u>Exercisable</u>	<u>Unexercisable</u>
Douglas H McCorkindale ..	200,000	\$9,475,000	1,193,000	898,000	\$20,854,256	\$3,102,319
Gary L. Watson	50,000	\$2,576,600	441,230	273,250	\$ 7,508,445	\$1,064,525
Larry F. Miller	45,795	\$1,021,113	157,350	221,750	\$ 970,465	\$ 806,990
Thomas Curley	60,000	\$2,745,349	204,970	171,250	\$ 2,544,527	\$ 675,930
Craig A. Dubow	8,249	\$ 335,083	91,131	154,500	\$ 636,073	\$ 381,495

(1) Represents the difference between the exercise price and the closing price of the Company's common stock on December 27, 2002 of \$70.85 per share.

Employment Contracts, Retirement and Change in Control Arrangements

In 2000, the Company and Mr. McCorkindale renegotiated his employment contract, following his promotion to Chairman, President and Chief Executive Officer. The new contract became effective on January 1, 2001, and continues until July 1, 2004 (his normal retirement date), and thereafter from year to year until either the Board or Mr. McCorkindale terminates it on 90 days' notice before the end of any term. During his employment, he will receive an annual salary of

\$1.6 million or such greater amount as the Board of Directors determines and an annual bonus at the discretion of the Board of Directors. The contract also provides for various executive perquisites prior to and following his retirement, consistent with those received by prior Chief Executive Officers of the Company. Gannett may terminate the contract upon death, illness, disability or for "good cause," as defined in the contract. If the contract is terminated due to Mr. McCorkindale's death, illness or disability, Mr. McCorkindale or his estate will be entitled to receive the present value of his projected salary and bonuses, plus the value of all fringe benefits, for the balance of the term. Mr. McCorkindale has the right to terminate his employment for "good reason" as defined in the contract. If Mr. McCorkindale terminates the contract for good reason, or if Gannett terminates his employment in any way that constitutes a breach of the contract, he will receive a payment equal to the greater of (1) his total compensation in the year preceding the year of termination (comprised of salary, bonuses and the value of fringe benefits and deferred compensation) or (2) the present value of his projected salary, bonuses and the deemed value of fringe benefits for the balance of the term of the contract. Mr. McCorkindale also will have his benefits under any non-qualified supplemental retirement plan calculated by assuming his termination date were the normal expiration date of the contract and by taking into account the full service and compensation that he would have had if he had continued to work until the expiration of the contract. If Mr. McCorkindale remains in Gannett's employ until at least July 1, 2004, then, upon the expiration of the contract, Gannett has agreed to retain him as a consultant for a period of five years at a fee of \$150,000 per year. Mr. McCorkindale also would receive benefits under the Gannett Retirement Plan and Gannett Supplemental Retirement Plan.

In the event of a change in control of Gannett, as defined in Mr. McCorkindale's contract, Mr. McCorkindale will receive a lump sum cash payment equal to four times his total annual compensation paid in the calendar year immediately preceding the change in control. To the extent permitted under the applicable plan, all of his incentive pay, stock options and any other contingent executive compensation will be treated as if all targets were achieved on the date of the change in control and as if all otherwise unvested benefits became fully vested on such date. He also will receive the retiree benefits provided in the contract. The tax laws deny an income tax deduction to a company for payments that are contingent upon a change in control if those payments have a present value of more than three times the employee's average annual compensation for the last five years and are made under an agreement like the employment agreement described in this proxy statement. Mr. McCorkindale also is entitled to receive payment from the Company of an amount sufficient to make him whole for any excise tax imposed on payments made contingent on a change in control under Section 4999 of the Internal Revenue Code of 1986.

The Company has a Transitional Compensation Plan that provides certain payments to key executives of the Company and its subsidiaries who are terminated without cause or who resign for good reason within two years after a change in control. All executive officers included in the Summary Compensation Table above are covered by the Transitional Compensation Plan. Participants who choose to leave their employment within 30 days after the first anniversary of the change in control also qualify for payments under the Transitional Compensation Plan. A participant entitled to compensation will receive:

- (i) all payments and benefits earned through the date of termination;
- (ii) a severance payment of two to three years' salary and bonus compensation, depending on length of service;
- (iii) life insurance and medical benefits for the same period; and
- (iv) extra retirement plan benefits as though employment had continued for such two-to-three-year period.

Participants also are entitled to receive payment of an amount sufficient to make them whole for any excise tax imposed on the severance payment under Section 4999 of the Internal Revenue Code. If there is a change in control of the Company, as defined in the Transitional Compensation Plan, options become exercisable in full and restricted stock awards become payable. In addition, the Company's 1978 Executive Long-Term Incentive Plan provided for the grant of option surrender rights in tandem with stock options. In the event of a change in control, the holders of any outstanding option surrender rights are entitled to receive a payment equal to the spread between the option exercise price and the highest price paid for shares of Gannett common stock in connection with the change in control. If option surrender rights are exercised, the related options are canceled. To avoid double payments upon a change in control, any compensation and benefits received by Mr. McCorkindale under the terms of the Transitional Compensation Plan will be reduced (but not below zero) by any compensation and benefits received by him under the terms of his employment contract.

Pension Plans

The Company's executive officers participate in the Gannett Retirement Plan, a defined benefit pension plan that is qualified under Section 401 of the Internal Revenue Code, and the Gannett Supplemental Retirement Plan, an unfunded, nonqualified plan. The annual pension benefit under the plans, taken together, is largely determined by the number of years of employment multiplied by a percentage of the participant's final average earnings (during the executive officer's five highest consecutive years). The Internal Revenue Code places limitations on the amount of pension benefits that may be paid under qualified plans. Any benefits payable above those limitations will be paid under the Gannett Supplemental Retirement Plan.

The table below may be used to calculate the approximate annual benefits payable at retirement at age 65 under these two retirement plans to the individuals named in the above Summary Compensation Table in specified compensation and years-of-service classifications.

<u>Final Average Earnings</u>	<u>20 Years of Credited Service</u>	<u>25 Years of Credited Service</u>	<u>30 Years of Credited Service</u>	<u>35 Years of Credited Service</u>	<u>40 Years of Credited Service</u>
700,000	280,000	350,000	374,500	399,000	413,000
800,000	320,000	400,000	428,000	456,000	473,500
900,000	360,000	450,000	481,500	513,000	534,000
1,000,000	400,000	500,000	535,000	570,000	594,500
1,500,000	600,000	750,000	802,500	855,000	897,000
2,000,000	800,000	1,000,000	1,070,000	1,140,000	1,200,000
2,500,000	1,000,000	1,250,000	1,330,000	1,415,000	1,500,000
3,000,000	1,200,000	1,500,000	1,600,000	1,700,000	1,800,000
3,500,000	1,400,000	1,750,000	1,860,000	1,975,000	2,100,000

Final Average Earnings includes salaries shown on page 13 and bonuses shown on page 14. The credited years of service as of the end of the last fiscal year for the Company's Chief Executive Officer and four other most highly compensated executive officers named in the Summary Compensation Table are as follows: Mr. McCorkindale—31, Mr. Watson—33, Mr. Miller—41, Mr. Curley—30 and Mr. Dubow—21.

Equity Compensation Plan Information

The table below sets forth the following information as of the end of the Company's 2002 fiscal year for (i) all compensation plans previously approved by the Company's shareholders and (ii) all compensation plans not previously approved by the Company's shareholders:

- (1) the number of securities to be issued upon the exercise of outstanding options, warrants and rights;

- (2) the weighted-average exercise price of such outstanding options, warrants and rights;
- (3) other than securities to be issued upon the exercise of such outstanding options, warrants and rights, the number of securities remaining available for future issuance under the plans.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column(a))
	(a)	(b)	(c)
Equity compensation plans approved by shareholders(1)	23,972,449	\$63.58	672,543
Equity compensation plans not approved by shareholders(2)	219,449	\$54.91	2,777,204
Total(3)	24,191,898		3,449,747

- (1) The equity compensation plans approved by Gannett's shareholders are the 1978 Executive Long-Term Incentive Plan and the 2001 Omnibus Incentive Compensation Plan.
- (2) The equity compensation plans not approved by the Company's shareholders are Gannett's Employee ShareSave Scheme 2000 (the "ShareSave Plan"), the Gannett U.K. Limited Inland Revenue Approved Share Incentive Plan ("SIP") and the Gannett Deferred Compensation Plan. The ShareSave Plan and the SIP are Inland Revenue approved plans under which our U.K. employees may purchase up to 3 million shares of our common stock. Under the ShareSave Plan, employees are granted options to purchase shares at the end of three years of service at a 15% discount off the market price at the time of grant. Employees make monthly contributions which are kept in interest bearing accounts and, at the election of the employee, used for the purchase price or returned to the employee. Under the SIP, employees use pre-tax dollars to purchase shares on a monthly basis at the then current market price and, depending upon the length of service and the reasons for leaving the Company, the employee may incur reduced or no U.K. taxes upon withdrawing shares from the plan. All shares delivered to participants under the ShareSave Plan or SIP are treasury shares or purchased in the open market. During the Company's 2002 fiscal year, 2,050 shares were purchased by 21 participants under the ShareSave Plan and 787 shares were purchased by 7 participants under the SIP.
- (3) Does not include any shares which may be distributed pursuant to the Gannett Deferred Compensation Plan. The Gannett Deferred Compensation Plan is a non-qualified plan that provides benefits to key executives of the Company. The amounts elected to be deferred by each participant are credited to such participant's account in the Deferred Compensation Plan, and the Company credits these accounts with earnings as if the amounts deferred were invested in the Company's common stock or other selected investment funds as directed by the participant. Amounts that are treated as if invested in the Company's common stock are distributed in shares of common stock or cash, at the Company's election, except that deferrals of stock option income are distributed only in stock, and other amounts are distributed in cash. Participants in the Deferred Compensation Plan are general unsecured creditors of the Company with respect to their benefits under the plan. The Company does not make contributions on behalf of its executive officers to the Deferred Compensation Plan.

PROPOSAL 3—AMENDMENT OF 2001 OMNIBUS INCENTIVE COMPENSATION PLAN

Introduction

The Board has amended the 2001 Omnibus Incentive Compensation Plan (“2001 Plan”) to increase the number of shares of common stock reserved for issuance under the 2001 Plan from 12 million shares to 21 million shares, subject to shareholder approval. We believe this amendment is necessary because as of February 25, 2003 only 643,939 shares of the 12 million shares reserved for issuance under the 2001 Plan remained available for grants of incentive awards. The following table illustrates Gannett’s usage of shares of common stock under the 2001 Plan:

Shares Reserved for Issuance at 2001 Annual Meeting:	12,000,000
Shares Granted to Participants in 2001:	5,608,095
Shares Granted to Participants in 2002:	5,813,750
Shares Granted to Participants through February 25, 2003:	68,404
Shares Forfeited/Returned by Participants:	134,188
Remaining Shares as of February 25, 2003:	643,939

Shareholder approval of the increase in the number of reserved shares under the 2001 Plan is necessary to make sure that the 2001 Plan continues to meet the requirements of the Internal Revenue Code, including the section 162(m) limitation on the deductibility of executive compensation and the requirements under section 422 for issuing incentive stock options, as well as the New York Stock Exchange shareholder approval requirements for equity compensation plans. Gannett grants awards under the 2001 Plan across a wide base of its employees and considers the ability to grant equity-based awards to be an important part of its strategy for recruiting and retaining key employees and for aligning the interests of key employees with the interests of the shareholders.

A. Summary of the 2001 Plan

The following summary description of the 2001 Plan is qualified in its entirety by reference to the full text of the 2001 Plan, which is attached as an exhibit to our 2001 proxy statement. The parenthetical article and section references that follow refer to articles and sections of the 2001 Plan that relate to this summary.

Corporate Governance Provisions: The 2001 Plan contains several provisions intended to make sure that awards under the 2001 Plan comply with established principles of corporate governance. These provisions include:

- *No Discount Stock Options.* Stock options may not be granted with an exercise price of less than the fair market value of the common stock on the date the stock option is granted. This restriction may not be changed without shareholder approval. (Sections 6.3 and 16.3).
- *No Stock Option Repricings.* Stock options may not be repriced absent shareholder approval. This provision applies to both direct repricings — lowering the exercise price of an outstanding stock option — and indirect repricings — canceling an outstanding stock option and granting a replacement stock option with a lower exercise price. (Section 16.3).
- *No Evergreen Provision.* The 2001 Plan does not contain an “evergreen provision” — there is no automatic provision to replenish the shares of common stock authorized for issuance under the 2001 Plan.

Administration. The 2001 Plan is administered by the Executive Compensation Committee (the “Committee”). The Committee is composed entirely of independent directors. Subject to the terms of the 2001 Plan, the Committee may grant awards under the 2001 Plan; establish the terms and conditions of those awards; construe and interpret the 2001 Plan and any agreement or instrument entered into under the 2001 Plan; establish, amend or waive rules and regulations for the 2001 Plan’s administration; amend the terms and conditions of any outstanding award as provided in the 2001 Plan; and take all other actions it deems necessary for the proper operation or administration of the 2001 Plan. The Committee may delegate its authority under the 2001 Plan, subject to certain limitations. (Section 3.2).

Eligibility. Awards may be granted to employees of Gannett, its subsidiaries and affiliates, and directors of Gannett. The Committee will decide who should receive awards and what kind of awards they should receive. The 2001 Plan does not limit the number of employees and affiliates who may receive awards. (Sections 5.1 and 5.2).

Shares Available for Grant. The common stock issued may be authorized but unissued shares or treasury shares. (Section 4.1). Forfeited shares, shares from lapsed awards, shares tendered to exercise an award, shares withheld for taxes and shares underlying awards which are settled in cash are included in the number of shares remaining available for grant.

Types of Awards. The Committee may grant the following types of awards under the 2001 Plan: stock options; stock appreciation rights; restricted stock; and other equity-based and cash-based awards. (Article 4).

Stock Options. A stock option is the right to purchase one or more shares of common stock at a specified price, as determined by the Committee. The Committee may grant non-qualified stock options and incentive stock options. (Article 6). A stock option is exercisable at such times and subject to such terms and conditions as the Committee determines. No more than 1 million shares of common stock subject to stock options may be granted to any participant in a fiscal year. (Section 4.1(a)). The exercise price of a stock option will not be less than 100% of the fair market value of a share of common stock on the date that the option is granted. (Section 6.3).

Stock Appreciation Rights. A stock appreciation right (“SAR”) is a right to receive an amount in any combination of cash or common stock (as determined by the Committee) equal in value to the excess of the fair market value of the shares covered by such SAR on the date of exercise over the aggregate exercise price of the SAR for such shares. SARs may be granted freestanding or in tandem with related options. The exercise price of an SAR granted in tandem with an option will be equal to the exercise price of the related option, and may be exercised for all or part of the shares covered by such option upon surrender of the right to exercise the equivalent portion of the related option. The exercise price of a freestanding SAR will be equal to the fair market value of a share of common stock on the date the SAR is granted. No more than 1 million shares of common stock may be granted in the form of SARs to any participant in a fiscal year. (Section 4.1(b)). No SARs have been granted as of the date of this proxy statement.

Restricted Stock. Restricted stock is an award of common stock that is subject to restrictions and such other terms and conditions as the Committee determines. No more than 500,000 restricted shares may be granted to any participant in a fiscal year. (Section 4.1(c)).

Performance Units/Shares and Cash-Based Awards. Certain awards are intended to qualify as “performance-based” compensation under Section 162(m) of the Internal Revenue Code. Section 162(m) generally limits to \$1 million the annual corporate federal income tax deduction for “non-performance-based” compensation paid to the chief executive officer or any of the four other most highly compensated executive officers of a publicly held corporation.

The Committee also may grant other types of awards that are valued in whole or in part by reference to, or are otherwise based on, the fair market value of the Company's common stock or other criteria established by the Committee and the achievement of performance goals. These awards are subject to such terms and conditions as the Committee determines. (Article 9). Payment of earned performance units/shares and cash-based awards may be made in any combination of cash or shares of common stock (as determined by the Committee) that have an aggregate fair market value equal to the value of the earned awards at the close of the applicable performance period. The maximum aggregate grant of performance shares that may be awarded to any participant in any fiscal year shall not exceed the value of 500,000 shares of common stock. (Section 4.1(d)). The maximum aggregate amount of performance units or cash-based awards that may be awarded to any participant in any fiscal year shall not exceed \$10,000,000.

Performance Measures. The 2001 Plan lists the performance measures the Committee may use to make performance-based awards under Section 162(m). These performance measures include (1) financial measures, such as earnings per share; net income (before or after taxes); net income from continuing operations; return on equity, assets, capital or investment; cash flows, including operating cash flow, and free cash flow; earnings; internal rates of return; dividends paid; gross revenues; and gross margins; (2) operating measures, such as growth in circulation, television ratings and advertising lineage; and (3) other measures such as achieving a diverse work force and share price. The performance measures may be determined by reference to (1) the performance of Gannett, one or more of its subsidiaries, or a division or unit of Gannett or one or more of its subsidiaries; or (2) comparisons of any of the performance measures relative to other companies. (Article 10).

Adjustments. In the event of a change in the outstanding shares of common stock due to a stock split, stock dividend, recapitalization, merger, consolidation, spin-off, reorganization, repurchase or exchange of common stock or other securities, or other corporate transaction or event, the Committee may take certain actions to prevent the dilution or enlargement of benefits under the 2001 Plan. These actions include adjusting (1) the number of shares of common stock that may be issued under the 2001 Plan (including the share limitations in Section 4.1); (2) the number of shares or price of shares subject to outstanding awards; and (3) the consideration to be paid upon the grant or exercise of any award. (Section 4.2).

Change in Control. In the event of a change in control of the Company, as defined in the 2001 Plan, (1) all outstanding options and SARs will become immediately exercisable in full during their remaining term; (2) all restriction periods and restrictions imposed on non-performance based restricted stock awards will lapse; and (3) target payout opportunities attainable under all outstanding awards of performance-based restricted stock, performance units and performance shares will be paid on a prorated basis assuming achievement of all relevant target performance goals as specified in the 2001 Plan. (Section 15). The Transitional Compensation Plan will continue to govern the extent to which cash-based awards are impacted by a change in control for Transitional Compensation Plan participants.

Amendment and Termination. The Committee may amend or terminate the 2001 Plan at any time, but no such amendment or termination may adversely affect in any material way the rights of a participant with respect to an outstanding award without that participant's consent. No awards may be granted after January 1, 2011. Shareholder approval is required for certain amendments to the 2001 Plan. (Section 16.3).

Limitation on Shares Issued Other Than for Stock Options and SARs. The 2001 Plan limits to 1,500,000 the number of shares of common stock that may be granted in the aggregate in the form of Restricted Stock, Performance Shares and/or Performance Units. (Section 4.1).

B. Federal Income Tax Aspects of the 2001 Plan

This is a brief summary of the federal income tax aspects of awards that may be made under the 2001 Plan based on existing U.S. federal income tax laws. This summary provides only the basic tax rules. It does not describe a number of special tax rules, including the alternative minimum tax and various elections that may be applicable under certain circumstances.

Incentive Stock Options. The grant of an incentive stock option will not be a taxable event for the participant or for Gannett. A participant will not recognize taxable income upon exercise of an incentive stock option (except that the alternative minimum tax may apply), and any gain realized upon a disposition of common stock received pursuant to the exercise of an incentive stock option will be taxed as long-term capital gain if the participant holds the shares of common stock for at least two years after the date of grant and for one year after the date of exercise (the "holding period requirement"). Gannett will not be entitled to any business expense deduction with respect to the exercise of an incentive stock option, except as discussed below. For the exercise of an option to qualify for the foregoing tax treatment, the participant generally must exercise the option while the participant is our employee or an employee of our subsidiary or, if the participant has terminated employment, no later than three months after the participant terminated employment.

If all of the foregoing requirements are met except the holding period requirement mentioned above, the participant will recognize ordinary income upon the disposition of the common stock in an amount generally equal to the excess of the fair market value of the common stock at the time the option was exercised over the option exercise price (but not in excess of the gain realized on the sale). The balance of the realized gain, if any, will be capital gain. Gannett will be allowed a business expense deduction to the extent the participant recognizes ordinary income, subject to our compliance with Section 162(m) of the Internal Revenue Code and to certain reporting requirements.

Non-Qualified Options. The grant of a non-qualified stock option will not be a taxable event for the participant or Gannett. Upon exercising a non-qualified option, a participant will recognize ordinary income in an amount equal to the difference between the exercise price and the fair market value of the common stock on the date of exercise. Upon a subsequent sale or exchange of shares acquired pursuant to the exercise of a non-qualified option, the participant will have taxable capital gain or loss, measured by the difference between the amount realized on the disposition and the tax basis of the shares of common stock (generally, the amount paid for the shares plus the amount treated as ordinary income at the time the option was exercised). If Gannett complies with applicable reporting requirements and with the restrictions of Section 162(m) of the Internal Revenue Code, Gannett will be entitled to a business expense deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

A participant who has transferred a non-qualified stock option to a family member by gift will realize taxable income at the time the non-qualified stock option is exercised by the family member. The participant will be subject to withholding of income and employment taxes at that time. The family member's tax basis in the shares of common stock will be the fair market value of the shares of common stock on the date the option is exercised. The transfer of vested non-qualified stock options will be treated as a completed gift for gift and estate tax purposes. Once the gift is completed, neither the transferred options nor the shares acquired on exercise of the transferred options will be includable in the participant's estate for estate tax purposes.

Stock Appreciation Rights. There are no immediate tax consequences of receiving an award of stock appreciation rights under the 2001 Plan. Upon exercising a stock appreciation right, a participant will recognize ordinary income in an amount equal to the difference between the exercise price and the fair market value of the common stock on the date of exercise. If Gannett complies with applicable reporting requirements and with the restrictions of Section 162(m) of the Internal

Revenue Code, Gannett will be entitled to a business expense deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

Restricted Stock. A participant who is awarded restricted stock will not recognize any taxable income for federal income tax purposes in the year of the award, provided that the shares of common stock are subject to restrictions (that is, the restricted stock is nontransferable and subject to a substantial risk of forfeiture). However, the participant may elect under Section 83(b) of the Internal Revenue Code to recognize ordinary income in the year of the award in an amount equal to the fair market value of the common stock on the date of the award (less the purchase price, if any), determined without regard to the restrictions. If the participant does not make such a Section 83(b) election, the fair market value of the common stock on the date the restrictions lapse (less the purchase price, if any) will be treated as ordinary income to the participant and will be taxable in the year the restrictions lapse. If Gannett complies with applicable reporting requirements and with the restrictions of Section 162(m) of the Internal Revenue Code, Gannett will be entitled to a business expense deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

Performance Units /Shares and Cash-Based Awards. The award of Performance Units /Shares and Cash-Based Awards will generally have no federal income tax consequences for Gannett or for the participant. The payment of the award is taxable to a participant as ordinary income. If Gannett complies with applicable reporting requirements and with the restrictions of Section 162(m) of the Internal Revenue Code, Gannett will be entitled to a business expense deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

C. Other Matters

The Committee has discretion to determine the type, terms and conditions and recipients of awards granted under the 2001 Plan. Accordingly, it is not possible to determine the amount of the awards that will be received by any director, officer or other employee of Gannett under the 2001 Plan if the amendment is approved.

On March 10, 2003, the closing price of the Company's common stock on the New York Stock Exchange was \$68.22 per share.

Approval of Proposal 3

Approval of the proposal to amend the 2001 Omnibus Incentive Compensation Plan will require the affirmative vote of holders of a majority of the shares of common stock present in person or represented by proxy at the 2003 annual meeting.

The Board of Directors recommends that the shareholders of the Company vote FOR the proposal to amend the 2001 Omnibus Incentive Compensation Plan. Unless a contrary choice is specified, shares represented by proxies will be voted FOR the amendment.

SECURITIES OWNED BY GANNETT MANAGEMENT

The information presented below regarding beneficial ownership of common stock has been presented in accordance with the rules of the Securities and Exchange Commission and is not necessarily indicative of beneficial ownership for any other purpose. Under these rules, beneficial ownership of common stock includes any shares to which a person, directly or indirectly, has or shares voting power or investment power and any shares as to which a person has the right to acquire such voting or investment power within 60 days through the exercise of any stock option or other right.

The following table presents, as of March 3, 2003, information based on Gannett's records and filings with the SEC regarding beneficial ownership of the following persons:

- each director and each nominee to the Board of Directors;
- the Company's Chief Executive Officer and four other most highly compensated executive officers in 2002; and
- all directors and executive officers of Gannett as a group.

<u>Name of Officer or Director</u>	<u>Title</u>	<u>Shares Owned</u>
Douglas H. McCorkindale	Chairman, President and CEO	1,705,116
Gary L. Watson	President/Newspaper Division	481,145
Larry F. Miller	Executive Vice President/Operations	160,405
Thomas Curley	President and Publisher, USA TODAY and Senior Vice President/Administration of Gannett	240,779
Craig A. Dubow	President and CEO/Broadcasting Division	94,580
H. Jesse Arnelle	Director	1,911
Meredith A. Brokaw	Director	2,875
James A. Johnson	Director	1,875
Stephen P. Munn	Director	1,875
Donna E. Shalala	Director	1,000
Solomon D. Trujillo	Director	1,000
Karen H. Williams	Director	1,875
All directors and executive officers as a group (20 persons including those named above)		3,343,035

Each person listed above owned, as of March 3, 2003, less than 1% of Gannett's outstanding shares of common stock. All directors and executive officers as a group beneficially owned 3,343,035 shares on March 3, 2003, which represents 1.2% of the outstanding shares of common stock. The following shares of common stock are included because they may be acquired pursuant to stock options exercisable by May 2, 2003: Mr. McCorkindale—1,193,000; Mr. Watson—441,230; Mr. Miller—157,350; Mr. Curley—204,970; Mr. Dubow—89,380; and all directors and executive officers as a group—2,670,059.

Except as described below, for all shares owned, Gannett believes that each director or executive officer possesses sole voting power and sole investment power. Some executive officers may share voting and/or investment power over shares held by members of their immediate family and may be deemed to beneficially own these shares. Included in the table above are shares held by immediate family members of Mr. Miller (1,834 shares), Mr. Curley (751 shares), and all directors and executive officers as a group (2,585 shares). Not included in the table above are 874 shares, as to which Mr. McCorkindale disclaims beneficial ownership, held by a member of his immediate family.

The shares reported above do not include 1,242,254 shares owned on March 3, 2003 by the Gannett Retirement Plan Trust. The following officers of the Company serve on the Benefit Plans Committee, which has the power to direct the voting of those shares: Mr. McCorkindale, Richard L. Clapp (Senior Vice President/Human Resources), Mr. Miller and Gracia C. Martore (Senior Vice President and Chief Financial Officer).

DEFERRED COMPENSATION PLAN SHARES

As of March 3, 2003, shares of Gannett common stock in the following amounts were deemed to be credited to the accounts of the Company's directors and executive officers under the Company's Deferred Compensation Plan: Mr. McCorkindale—93,368; Mr. Watson—23,866; Mr. Miller—15,993; Mr. Curley—18,467; Mr. Dubow—9,818; Mr. Arnelle—1,526; Mrs. Brokaw—7,866; Mr. Johnson—1,366; Ms. Shalala—1,507; Mr. Trujillo—106; all directors and executive officers as a group—224,621.

OTHER MATTERS

Section 16(a) Beneficial Ownership Reporting Compliance

We believe that all of our current and former directors and executive officers reported on a timely basis all transactions required to be reported by Section 16(a) during fiscal 2002, except as set forth below. The late reporting was not due to errors on the part of the individuals named, but was primarily due to advice by the Company's outside securities counsel with respect to the required February 2002 reporting of exempt transactions that occurred during 2001 under the Company's Deferred Compensation Plan, the effects of which were reflected in the total number of shares reported owned by the individuals. One transaction was reported late for Mr. Clapp, Michael J. Coleman, Robert T. Collins, Mr. Curley, Mr. Dubow, Millicent A. Feller, Denise H. Ivey, John B. Jaske, Roger L. Ogden, W. Curtis Riddle, Gary F. Sherlock, Mary P. Stier, Cecil L. Walker and Mr. Watson; two transactions were reported late for Susan Clark-Johnson, Philip R. Currie, Daniel S. Ehrman, Jr., George R. Gavagan, Ms. Martore, Mr. McCorkindale, Craig A. Moon and Carleton F. Rosenburgh; three transactions were reported late for Lawrence P. Gasho and Richard A. Mallary; four transactions were reported late for Sara M. Bentley and Thomas L. Chapple; seven transactions were reported late for Mr. Miller; eight transactions were reported late for Ms. Shalala; twelve transactions were reported late for Mrs. Brokaw, Mr. Johnson and Samuel J. Palmisano; thirteen transactions were reported late for Mr. Arnelle; fifteen transactions were reported late for Ardyth R. Diercks; an initial report on Form 3 was filed late for Mr. Trujillo; and one option grant was reported late on Form 3 for Paul Davidson.

Incorporation by Reference

To the extent that this proxy statement is incorporated by reference into any other filing by the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934, the sections of this proxy statement entitled "Report of the Executive Compensation Committee," "Report of the Audit Committee" (to the extent permitted by the rules of the Securities and Exchange Commission) and "Comparison of Shareholder Return" will not be deemed incorporated, unless specifically provided otherwise in such filing.

Other Matters

As of the date of this proxy statement, the Board does not intend to present any matter for action at the 2003 annual meeting other than as set forth in the Notice of Annual Meeting. If any other matters properly come before the meeting, it is intended that the holders of the proxies will act in accordance with their best judgment.

Shareholder Proposals for 2004 Annual Meeting

To be eligible for inclusion in the proxy materials for the Company's 2004 annual meeting, shareholder proposals must be received at the Company's principal executive offices by November 19, 2003. A shareholder who wishes to present a proposal at the Company's 2004 annual meeting, but who does not request that the Company solicit proxies for the proposal, must submit the proposal to the Company's principal executive offices by February 4, 2004.

Cost of Soliciting Proxies

The cost of soliciting proxies will be borne by the Company. In addition to the solicitation of proxies by mail, certain of the officers and employees of the Company, without extra compensation, may solicit proxies personally, by telephone or other means. The Company also will request brokerage houses, nominees, custodians and fiduciaries to forward soliciting materials to the beneficial owners of stock held of record and will reimburse them for forwarding the materials. In addition, Georgeson Shareholder Communications, Inc., New York, New York, has been retained to aid in the solicitation of proxies at a fee of \$15,000, plus out of pocket expenses.

Important Notice Regarding Delivery of Shareholder Documents

In accordance with a notice sent to certain street name shareholders of common stock who share a single address, only one copy of this proxy statement and the Company's 2002 Annual Report is being sent to that address unless we received contrary instructions from any shareholder at that address. This practice, known as "householding," is designed to reduce our printing and postage costs. However, if any shareholder residing at such an address wishes to receive a separate copy of this proxy statement or the Company's 2002 Annual Report, he or she may contact the Company's Secretary at Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107 or by calling the Secretary at (703) 854-6000. Any such shareholder may also contact the Secretary using the above contact information if he or she would like to receive separate proxy statements and annual reports in the future. If you are receiving multiple copies of the Company's annual report and proxy statement, you may request householding in the future by contacting the Secretary.

Annual Report

A copy of our 2002 Annual Report to Stockholders is enclosed, which includes the Company's Annual Report on Form 10-K for the fiscal year ended December 29, 2002. You may also obtain a copy without charge by writing to: Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107, Attn: Secretary. Our 2002 Annual Report and 2002 Form 10-K are also available through the Company's website at <http://www.gannett.com>. The Company's Annual Report and Form 10-K are not proxy soliciting materials.

March 18, 2003

CHARTER

AUDIT COMMITTEE

1.0 Organization and Independence.

1.1 An Independent Audit Committee

The Board of Directors shall designate an Audit Committee, which shall be composed of at least three directors, all of whom must be “independent directors”. To be considered “independent”, the member, and the compensation received by such member, must satisfy the requirements of all applicable laws and regulations relative to audit committee independence, including without limitation those of the New York Stock Exchange and the Securities and Exchange Commission, as determined by the Board.

1.2 Financial Qualifications.

The members of the Committee shall possess such degree of financial or accounting expertise as may be required by law or by the regulations of the Securities and Exchange Commission or the New York Stock Exchange, as the Board of Directors interprets such qualification in its business judgment.

1.3 Requirements of the New York Stock Exchange.

It is the intention of the Board that the Committee shall satisfy the requirements and standards set forth in the rules of the New York Stock Exchange applicable to audit committees.

2.0 The Committee’s Purposes

The Committee shall provide assistance to the Board of Directors in fulfilling its responsibility to the Company and its shareholders relating to its oversight of management and its auditors in respect of corporate accounting, financial reporting practices, and the quality and integrity of the financial reports of the Company, including the Company’s compliance with legal and regulatory requirements, the independent auditors’ qualifications and independence, the performance of the Company’s internal audit function and independent auditors, and the preparation of the report required by the rules of the Securities and Exchange Commission to be included in the Company’s annual proxy statement.

It is not the role of the Committee to plan or conduct audits, to guarantee the accuracy or quality of the Company’s financial statements or to determine that the financial statements are in accordance with generally accepted accounting principles and applicable laws and regulations. These are the responsibilities of management, the independent auditors and internal auditors. It is the responsibility of the Committee to maintain regular and open communication among the directors, the independent auditors, the internal auditors, and the financial management of the Company.

3.0 The Committee’s Duties and Responsibilities.

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible in order to best react to changing conditions and to oversee management’s implementation of prudent corporate accounting and reporting policies.

3.1 Appointment of the Independent Auditors.

To the extent required by applicable law or regulation: (i) the Committee will be directly responsible for the appointment, compensation and oversight of the independent auditors (including the resolution of any disagreements between management and the independent auditors regarding financial reporting), (ii) the independent auditors shall report directly to the Committee, (iii) the Committee shall approve in advance all auditing services (including comfort letters and statutory audits) performed by the independent auditors, (iv) the Committee shall approve in advance all non-audit services performed by the independent auditors, and (v) all non-audit services to be performed by the independent auditors shall be disclosed. The Committee may delegate to one or more members of the committee who are independent directors the authority to grant preapprovals required by this subsection, and the decisions of the member to whom this authority is delegated shall be presented to the Committee at the next scheduled meeting of the committee. The independent auditors may not perform for the Company any services that are prohibited by law or regulation. The foregoing requirements do not preclude the committee from obtaining the input of management, but these responsibilities may not be delegated to management. The Board of Directors and management may communicate with the independent auditors at any time they deem it appropriate.

3.2 Annual Statement from the Independent Auditors.

The Committee is responsible for obtaining from the independent auditors at least annually, a formal written statement delineating all relationships between the auditors and the Company. The Committee shall be responsible for conferring with the independent auditors with respect to any disclosed relationships or services that may affect the objectivity and independence of the independent auditors and for recommending to the Board of Directors such appropriate action as may be necessary to satisfy itself as to the qualifications, performance and independence of the independent auditors.

To the extent required by law or regulation, the annual statement also shall describe: (i) the firm's internal quality control procedures, (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by an inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and (iii) any steps taken to deal with any such issues.

The Committee will comply with all relevant laws and regulations relative to (i) rotation of independent auditors or independent audit personnel and (ii) the performance of services by an independent audit firm when a former employee of that firm currently serves as chief executive officer, chief financial officer, chief accounting officer or equivalent officer of the Company.

3.3 Risk Assessment and Accounting Controls.

The Committee will review with the independent auditors, the Company's internal auditor, and appropriate financial and accounting personnel the adequacy and effectiveness of the accounting and financial controls of the Company, and guidelines and policies to govern the process by which risk assessment and risk management is undertaken, and will elicit any recommendations for the improvement of such internal control procedures or particular areas where new or more detailed controls or procedures are desirable. The Committee will establish, implement and conduct an annual review of the procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

3.4 The Annual Audit.

The Committee will meet with the independent auditors and financial management of the Company to review the scope of the proposed audit plan for the current year and the audit procedures to be utilized, and at the conclusion thereof review such audit, including any comments or recommendations of the independent auditors.

The Committee will regularly review with the independent auditors any audit problems or difficulties the auditors encountered in the course of the audit work, including any restrictions on the scope of the independent auditors' activities or on access to requested information, and any significant disagreements with management, and management's response.

In that regard, no officer or director of the Company, or any other person acting under the direction thereof, shall violate any law or regulation that prohibits fraudulently influencing, coercing, manipulating, or misleading any independent auditor engaged in the performance of an audit of the financial statements of the Company for the purpose of rendering such financial statements materially misleading.

3.5 Hiring Policies.

The Committee will set clear hiring policies for employees or former employees of the independent auditors.

3.6 The Internal Audit Function

The Company will maintain an internal audit function. The Committee will review the internal audit function of the Company, including the independence and authority of its reporting obligations, the proposed audit plans for the coming year, and the coordination of such plans with the independent auditors. The Committee will receive as necessary notification of material adverse findings from internal audits and a progress report on the proposed internal audit plan, as appropriate, with explanations for changes from the original plan.

3.7 Earnings Releases.

The Committee will discuss earnings press releases and financial information and earnings guidance provided to analysts and rating agencies, though this may be done generally (i.e., discussion of the types of information to be disclosed and the type of presentation to be made) and the Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.

3.8 Review of Financial Statements.

The Committee will discuss with management and the independent auditors the annual audited financial statements and the quarterly financial statements, including a discussion of all matters relevant thereto that are required to be discussed under any applicable law or regulation or that the Committee otherwise considers it desirable to discuss. In addition the independent auditors must timely report to the Committee on all matters that are required to be reported under any applicable law or regulation or that the independent auditors otherwise consider it desirable to report.

Each report that contains financial statements (including annual and quarterly reports), and that is required to be prepared in accordance with (or reconciled to) generally accepted accounting principles and filed with the SEC, shall reflect or disclose all information required to be reflected or disclosed under any applicable law or regulation, and in a manner in accordance with such law or regulation.

3.9 Separate Meetings.

Periodically, the Committee shall meet separately with management, with the internal auditor, and with the independent auditors. Among the items to be discussed in these meetings are the independent auditors' evaluation of the Company's financial, accounting, and auditing personnel, and the cooperation that the independent auditors receive during the course of the audit.

3.10 Proxy Report.

The Committee will prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.

3.11 Succession Planning.

The Committee will review accounting and financial staffing and succession planning within the Company as necessary.

3.12 Reporting to the Board.

The Committee will review the matters discussed at each Committee meeting with the Board of Directors. The Committee should review with the full board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function.

3.13 Investigations.

The Committee will investigate any matter brought to its attention within the scope of its duties to the extent and in such manner as it considers appropriate (including confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters). The Committee will discuss with management and the independent auditors any correspondence with regulators or governmental agencies and any employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies. The Company will follow all provisions of law or regulation that prohibit discipline or discrimination against employees who report what they reasonably believe to be violations of any law, rule or regulation applicable to the Company.

3.14 Ethics Policy Compliance.

The Committee will review compliance with the Company's Ethics Policy annually. To the extent required by applicable laws or regulations:

(A) the Ethics Policy will continue to be applicable to senior financial officers of the Company, including its principal financial officer, and its controller or principal accounting officer, and to persons performing similar functions;

(B) the Company immediately shall disclose, by means of the filing of an applicable SEC reporting form, dissemination by the Internet or by other electronic means, any waiver of or change in the Ethics Policy for such senior financial officers;

(C) the Company's Ethics Policy shall continue to include such standards as are reasonably necessary to promote: (1) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (2) full, fair, accurate, timely, and understandable disclosure in the periodic reports required to be filed by the Company; and (3) compliance with applicable governmental laws and regulations.

3.15 Legal Compliance.

The Committee will review compliance with the company's legal compliance policy annually. The Committee will discuss with the Company's General Counsel legal matters that may have a material impact on the company's financial statements or compliance policies.

3.16 Review of the Committee Charter.

The Committee will review the Audit Committee charter annually and include it in the company's proxy statement as required by applicable law or regulation.

3.17 Outside Advisors.

The Committee may obtain advice and assistance from outside legal, accounting or other advisors as it deems appropriate. It may retain these advisors without seeking board approval. The Company will provide appropriate funding, as determined by the Committee, for payment of the compensation of the independent auditors and to any advisors engaged by the Committee.

3.18 Performance Evaluations.

The Committee will conduct an annual performance evaluation of the Committee.