

TEGNA INC  
Form 10-Q  
November 06, 2015  
Draft: Audit Committee version

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 27, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 1-6961

TEGNA INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

16-0442930  
(I.R.S. Employer Identification No.)

7950 Jones Branch Drive, McLean, Virginia  
(Address of principal executive offices)

22107-0150  
(Zip Code)

Registrant's telephone number, including area code: (703) 854-7000.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer  Accelerated Filer

Non-Accelerated Filer  Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes  No

The total number of shares of the registrant's Common Stock, \$1 par value outstanding as of September 27, 2015 was 221,692,610.

## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

## CONDENSED CONSOLIDATED BALANCE SHEETS

TEGNA Inc. and Subsidiaries

In thousands, except share data

|  | Sept. 27, 2015<br>(Unaudited) | Dec. 28, 2014 |
|--|-------------------------------|---------------|
| <b>ASSETS</b>  |                               |               |
| Current assets   |                               |               |
| Cash and cash equivalents  | \$117,799                     | \$110,460     |
| Trade receivables, less allowance for doubtful accounts (2015 - \$12,273; 2014 - \$10,710) | 557,338                       | 554,481       |
| Other receivables  | 59,566                        | 56,341        |
| Deferred income taxes  | 41,592                        | 156,851       |
| Assets held for sale   | 187,913                       | 51,564        |
| Prepaid expenses and other current assets  | 101,711                       | 83,621        |
| Current discontinued operation assets  | —                             | 467,147       |
| Total current assets   | 1,065,919                     | 1,480,465     |
| Property, plant and equipment  |                               |               |
| Cost   | 999,987                       | 1,311,710     |
| Less accumulated depreciation  | (549,745                      | ) (636,978 )  |
| Net property, plant and equipment  | 450,242                       | 674,732       |
| Intangible and other assets  |                               |               |
| Goodwill   | 3,966,517                     | 3,955,582     |
| Indefinite-lived and amortizable intangible assets, less accumulated amortization          | 3,107,582                     | 3,189,478     |
| Investments and other assets   | 284,483                       | 249,483       |
| Noncurrent discontinued operation assets   | —                             | 1,655,715     |
| Total intangible and other assets  | 7,358,582                     | 9,050,258     |
| Total assets <sup>(a)</sup>  | \$8,874,743                   | \$11,205,455  |

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

## CONDENSED CONSOLIDATED BALANCE SHEETS

TEGNA Inc. and Subsidiaries

In thousands, except share data

|   | Sept. 27, 2015<br>(Unaudited) | Dec. 28, 2014        |
|---|-------------------------------|----------------------|
| <b>LIABILITIES AND EQUITY</b>   |                               |                      |
| <b>Current liabilities</b>  |                               |                      |
| Accounts payable and current portion of film contracts payable                                    | \$ 157,950                    | \$ 155,896           |
| Accrued expenses  | 316,593                       | 371,731              |
| Dividends payable   | 31,845                        | 45,309               |
| Income taxes  | 29,382                        | 11,267               |
| Deferred income   | 178,973                       | 139,971              |
| Current portion of long-term debt   | 7,854                         | 7,854                |
| Current discontinued operation liabilities  | —                             | 395,908              |
| <b>Total current liabilities</b>  | <b>722,597</b>                | <b>1,127,936</b>     |
| <b>Noncurrent liabilities</b>   |                               |                      |
| Income taxes  | 37,266                        | 56,578               |
| Deferred income taxes   | 898,588                       | 848,047              |
| Long-term debt  | 4,471,119                     | 4,488,028            |
| Pension liabilities   | 157,281                       | 171,674              |
| Other noncurrent liabilities  | 178,871                       | 175,710              |
| Noncurrent discontinued operation liabilities   | —                             | 827,739              |
| <b>Total noncurrent liabilities</b>   | <b>5,743,125</b>              | <b>6,567,776</b>     |
| <b>Total liabilities <sup>(a)</sup></b>   | <b>6,465,722</b>              | <b>7,695,712</b>     |
| <br>  |                               |                      |
| Redeemable noncontrolling interests   | 25,002                        | 20,470               |
| <br>  |                               |                      |
| Commitments and contingent liabilities (See Note 13)  |                               |                      |
| <br>  |                               |                      |
| <b>Equity</b>   |                               |                      |
| TEGNA Inc. shareholders' equity   |                               |                      |
| Preferred stock of \$1 par value per share, 2,000,000 shares authorized, none issued              | —                             | —                    |
| Common stock of \$1 par value per share, 800,000,000 shares authorized, 324,418,632 shares issued | 324,419                       | 324,419              |
| Additional paid-in capital  | 528,111                       | 546,406              |
| Retained earnings   | 6,983,654                     | 8,602,369            |
| Accumulated other comprehensive loss  | (118,800)                     | (778,769)            |
|   | 7,717,384                     | 8,694,425            |
| Less treasury stock, at cost (2015 - 102,726,022 shares; 2014 - 97,679,541 shares)                | (5,584,482)                   | (5,439,511)          |
| <b>Total TEGNA Inc. shareholders' equity</b>  | <b>2,132,902</b>              | <b>3,254,914</b>     |
| Noncontrolling interests  | 251,117                       | 234,359              |
| <b>Total equity</b>   | <b>2,384,019</b>              | <b>3,489,273</b>     |
| <b>Total liabilities, redeemable noncontrolling interests and equity</b>                          | <b>\$ 8,874,743</b>           | <b>\$ 11,205,455</b> |
| The accompanying notes are an integral part of these condensed consolidated financial statements. |                               |                      |

<sup>(a)</sup> Our consolidated assets as of Sept. 27, 2015 include total assets of \$59.2 million related to variable interest entities (VIEs) and our consolidated assets as of Dec. 28, 2014, include \$60.0 million of such assets. These assets can only be used to settle the obligations of the VIEs. Consolidated liabilities as of Sept. 27, 2015 include total liabilities of \$4.3 million related to VIEs and our consolidated liabilities as of Dec. 28, 2014 include \$4.3 million of such liabilities. The

VIEs' creditors have no recourse to TEGNA regarding these liabilities. See further description in Note 1 - Basis of presentation and summary of significant accounting policies.

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## CONDENSED CONSOLIDATED STATEMENTS OF INCOME

TEGNA Inc. and Subsidiaries

Unaudited, in thousands, except share data

|   | Thirteen Weeks Ended |                | Thirty-nine Weeks Ended |                |
|---|----------------------|----------------|-------------------------|----------------|
|   | Sept. 27, 2015       | Sept. 28, 2014 | Sept. 27, 2015          | Sept. 28, 2014 |
| Net operating revenues:   |                      |                |                         |                |
| Media   | \$406,445            | \$416,509      | \$1,219,911             | \$1,197,035    |
| Digital   | 351,072              | 204,560        | 1,025,770               | 587,060        |
| Other   | 49,569               | 59,916         | 155,556                 | 185,332        |
| Total   | 807,086              | 680,985        | 2,401,237               | 1,969,427      |
| Operating expenses:   |                      |                |                         |                |
| Cost of sales and operating expenses, exclusive of depreciation         | 256,941              | 276,833        | 792,950                 | 816,436        |
| Selling, general and administrative expenses, exclusive of depreciation | 283,564              | 186,191        | 852,853                 | 559,642        |
| Depreciation  | 21,723               | 21,294         | 71,360                  | 61,141         |
| Amortization of intangible assets                                       | 28,501               | 11,433         | 86,155                  | 36,659         |
| Facility consolidation and asset impairment charges                     | —                    | 1,230          | 23,190                  | 25,802         |
| Total   | 590,729              | 496,981        | 1,826,508               | 1,499,680      |
| Operating income  | 216,357              | 184,004        | 574,729                 | 469,747        |
| Non-operating (expense) income:   |                      |                |                         |                |
| Equity income (loss) in unconsolidated investees, net                   | (1,013 )             | (981 )         | (4,123 )                | 156,792        |
| Interest expense  | (66,949 )            | (65,791 )      | (206,871 )              | (199,284 )     |
| Other non-operating items   | (3,116 )             | (15,326 )      | (5,346 )                | (39,762 )      |
| Total   | (71,078 )            | (82,098 )      | (216,340 )              | (82,254 )      |
| Income before income taxes  | 145,279              | 101,906        | 358,389                 | 387,493        |
| Provision for income taxes  | 37,178               | 29,782         | 119,157                 | 145,731        |
| Income from continuing operations                                       | 108,101              | 72,124         | 239,232                 | 241,762        |
| Income (loss) from discontinued operations, net of tax                  | (2,359 )             | 67,868         | 125,485                 | 193,731        |
| Net income  | 105,742              | 139,992        | 364,717                 | 435,493        |
| Net income attributable to noncontrolling interests                     | (17,487 )            | (21,476 )      | (47,700 )               | (49,351 )      |
| Net income attributable to TEGNA Inc.                                   | \$88,255             | \$118,516      | \$317,017               | \$386,142      |
| Earnings from continuing operations per share - basic                   | \$0.40               | \$0.22         | \$0.85                  | \$0.85         |
| Earnings (loss) from discontinued operations per share - basic          | \$(0.01 )            | \$0.30         | \$0.55                  | \$0.86         |
| Net income per share – basic  | \$0.39               | \$0.52         | \$1.40                  | \$1.71         |
| Earnings from continuing operations per share - diluted                 | \$0.39               | \$0.22         | \$0.83                  | \$0.83         |
| Earnings (loss) from discontinued operations per share - diluted        | \$(0.01 )            | \$0.29         | \$0.54                  | \$0.83         |
| Net income per share – diluted  | \$0.38               | \$0.51         | \$1.37                  | \$1.66         |

Weighted average number of common shares outstanding:

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|                              |         |         |         |         |
|------------------------------|---------|---------|---------|---------|
| Basic shares                 | 224,530 | 225,761 | 226,053 | 226,374 |
| Diluted shares               | 230,078 | 232,097 | 231,310 | 232,157 |
| Dividends declared per share | \$0.14  | \$0.20  | \$0.54  | \$0.60  |

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

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## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

TEGNA Inc. and Subsidiaries

Unaudited, in thousands

|  | Thirteen Weeks Ended |                | Thirty-nine Weeks Ended |                |
|--|----------------------|----------------|-------------------------|----------------|
|  | Sept. 27, 2015       | Sept. 28, 2014 | Sept. 27, 2015          | Sept. 28, 2014 |
| Net income   | \$ 105,742           | \$ 139,992     | \$ 364,717              | \$ 435,493     |
| Redeemable noncontrolling interests (income not available to shareholders) | (310                 | ) (359         | ) (1,595                | ) (2,209       |
| Other comprehensive income (loss), before tax:                             |                      |                |                         |                |
| Foreign currency translation adjustments                                   | (5,033               | ) (28,412      | ) (4,639                | ) (10,951      |
| Pension and other post-retirement benefit items:                           |                      |                |                         |                |
| Amortization of prior service credit, net                                  | 76                   | (1,191         | ) (1,160                | ) (2,891       |
| Amortization of actuarial loss   | 3,742                | 11,668         | 35,150                  | 34,901         |
| Actuarial loss arising during period                                       | (14,631              | ) —            | (14,631                 | ) —            |
| Remeasurement of pension and other post-retirement benefits liabilities    | 79,184               | —              | 79,184                  | 33,907         |
| Other  | —                    | 18,068         | (4,397                  | ) 2,656        |
| Pension and other post-retirement benefit items                            | 68,371               | 28,545         | 94,146                  | 68,573         |
| Other  | (518                 | ) (4,912       | ) (518                  | ) (3,851       |
| Other comprehensive income (loss), before tax                              | 62,820               | (4,779         | ) 88,989                | 53,771         |
| Income tax effect related to components of other comprehensive income      | (27,079              | ) (4,945       | ) (37,067               | ) (26,921      |
| Other comprehensive income (loss), net of tax                              | 35,741               | (9,724         | ) 51,922                | 26,850         |
| Comprehensive income   | 141,173              | 129,909        | 415,044                 | 460,134        |
| Comprehensive income attributable to noncontrolling interests, net of tax  | (14,806              | ) (16,205      | ) (41,529               | ) (43,291      |
| Comprehensive income attributable to TEGNA Inc.                            | \$ 126,367           | \$ 113,704     | \$ 373,515              | \$ 416,843     |

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

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

TEGNA Inc. and Subsidiaries

Unaudited, in thousands

|   | Thirty-nine Weeks Ended |                |
|---|-------------------------|----------------|
|   | Sept. 27, 2015          | Sept. 28, 2014 |
| Cash flows from operating activities:   |                         |                |
| Net income  | \$364,717               | \$435,493      |
| Adjustments to reconcile net income to net cash flow from operating activities: |                         |                |
| Depreciation and amortization   | 214,066                 | 183,403        |
| Facility consolidation and asset impairment charges                             | 33,179                  | 51,210         |
| Pension contributions, net of pension expense                                   | (121,732)               | (100,983)      |
| Equity income in unconsolidated investees, net                                  | (6,683)                 | (166,787)      |
| Stock-based compensation – equity awards  | 17,112                  | 25,133         |
| Change in other assets and liabilities, net                                     | (21,426)                | 145,132        |
| Net cash flow from operating activities   | 479,233                 | 572,601        |
| Cash flows from investing activities:   |                         |                |
| Purchase of property, plant and equipment                                       | (74,897)                | (91,559)       |
| Payments for acquisitions, net of cash acquired                                 | (53,654)                | (202,724)      |
| Payments for investments  | (30,293)                | (5,318)        |
| Proceeds from investments   | 12,402                  | 166,251        |
| Proceeds from sale of certain assets  | 110,524                 | 303,539        |
| Net cash flow from (used for) investing activities                              | (35,918)                | 170,189        |
| Cash flows from financing activities:   |                         |                |
| Proceeds from borrowings under revolving credit agreements                      | 120,000                 | —              |
| Proceeds from unsecured fixed rate notes  | —                       | 666,732        |
| Proceeds from unsecured floating rate term loans                                | 200,000                 | —              |
| Payments of unsecured floating rate term loans                                  | (29,590)                | (27,627)       |
| Payments of unsecured fixed rate notes  | (316,568)               | (250,000)      |
| Payments of debt issuance and financing costs                                   | (6,980)                 | (10,005)       |
| Dividends paid  | (136,163)               | (136,059)      |
| Cost of common shares repurchased   | (200,569)               | (75,815)       |
| Proceeds from issuance of common stock upon settlement of stock awards          | 23,154                  | 11,915         |
| Distribution to noncontrolling interests  | (24,783)                | (877)          |
| Deferred payments for acquisitions  | (9,136)                 | (15,687)       |
| Cash transferred to the Gannett Co., Inc. business                              | (63,365)                | —              |
| Net cash flow from (used for) financing activities                              | (444,000)               | 162,577        |
| Effect of currency exchange rate change on cash                                 | —                       | (55)           |
| Increase (decrease) in cash and cash equivalents                                | (685)                   | 905,312        |
| Balance of cash and cash equivalents at beginning of period                     | 118,484                 | 469,203        |
| Balance of cash and cash equivalents at end of period                           | \$117,799               | \$1,374,515    |
| Supplemental cash flow information:   |                         |                |
| Cash paid for taxes, net of refunds   | \$59,394                | \$112,802      |
| Cash paid for interest  | \$183,239               | \$167,513      |
| Non-cash investing and financing activities:                                    |                         |                |
| Payment for acquisition (non-monetary exchange of investment)                   | \$(34,403)              | \$—            |
| Assets held for sale proceeds   | \$—                     | \$146,428      |
|   | \$—                     | \$(134,908)    |



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Escrow deposit disbursement related to London Broadcasting Company television stations acquisition

Capital expenditures \$— \$(11,520 )

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

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## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 27, 2015

## NOTE 1 – Basis of presentation and summary of significant accounting policies

Basis of presentation: Our accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions for Form 10-Q and, therefore, do not include all information and footnotes which are normally included in the Form 10-K and annual report to shareholders. In our opinion, the financial statements reflect all adjustments of a normal recurring nature necessary for a fair presentation of results for the interim periods presented.

On the first day of our fiscal third quarter, June 29, 2015, we completed the spin-off of our publishing businesses. The publishing businesses retained the name Gannett Co., Inc. and now trades on the New York Stock Exchange (NYSE) under the symbol GCI. TEGNA Inc. trades on the NYSE under the symbol TGNA. The financial position and results of operations of the publishing businesses are reflected as discontinued operations for all periods presented through the date of the spin-off. The financial statements and footnotes have been revised accordingly. See Note 14, “Discontinued Operations”, for further details regarding the spin-off.

Variable Interest Entities (VIE): A variable interest entity is an entity that lacks equity investors or whose equity investors lack a controlling interest in the entity through their equity investments. We consolidate VIEs when we are the primary beneficiary. In determining whether we are the primary beneficiary of a VIE for financial reporting purposes, we consider whether we have the power to direct the activities of the VIE that most significantly impact the economic performance of the VIE and whether we are obligated to absorb losses or the right to receive returns of the VIE.

We have determined that the entities holding four of our television stations constitute VIEs. Accordingly, we evaluated the arrangements to determine whether we are considered the primary beneficiary, and, as a result of this evaluation, consolidated four stations in the Louisville, KY, Portland, OR, and Tucson, AZ, television markets since December 23, 2013.

The carrying amounts and classification of the assets and liabilities of the consolidated VIEs mentioned above and included in our consolidated balance sheets were as follows:

| In thousands                       | Sept. 27, 2015 | Dec. 28, 2014 |
|------------------------------------|----------------|---------------|
| Current assets                     | \$20,653       | \$20,541      |
| Plant, property and equipment, net | 9,743          | 10,084        |
| Intangible and other assets        | 28,848         | 29,412        |
| Total assets                       | \$59,244       | \$60,037      |
| Current liabilities                | \$11,745       | \$11,635      |
| Noncurrent liabilities             | 20,091         | 26,028        |
| Total liabilities                  | \$31,836       | \$37,663      |

Recent accounting standards: In September 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-16, Business combinations (Topic 805) Simplifying the Accounting for Measurement-Period Adjustments. ASU 2015-16 requires that an acquirer recognize adjustments to provisional amounts recognized in a business combination in the reporting period in which the adjustment amounts are determined. Recognizing the entire impact of a measurement period adjustment in a single reporting period may introduce earnings volatility and reduces comparability between periods when the adjustments are material. Past measurement period adjustments for us have not been material.

In July 2015, the FASB delayed the effective date for ASU 2014-09 Revenue from Contracts with Customers (Topic 606). The core principle contemplated by ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. New disclosures about the nature, amount, timing and

uncertainty of revenue and cash flows arising from contracts with customers are also required. We are required to adopt the standard in the first quarter of 2018 and retroactively apply it to our 2016 and 2017 financial results at the time of adoption. Under the new rules, we are permitted to adopt the new standard in 2017. We can also choose to apply the standard using either the full retrospective approach or a modified retrospective approach, which recognizes a cumulative catch up adjustment to the opening balance of retained earnings. We are currently assessing the impact and timing of adopting this pronouncement, and the transition method we will use.

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In April 2015, the FASB issued ASU 2015-03 Interest - Imputation of Interest (Subtopic 835-30) Simplifying the Presentation of Debt Issuance Costs. Under the ASU, an entity presents their debt issuance cost on the balance sheet as a direct deduction from the carrying amount of their debt liability, similar to their debt discounts, rather than as an asset as has been done previously. Amortization of the cost is reported as interest expense. We are required to adopt ASU 2015-03 in the first quarter of 2016, with early adoption also being permitted. We are required to apply the new guidance on a retrospective basis, wherein the balance sheet of each period presented is adjusted to reflect the effects of applying the new guidance. At the end of the third quarter, we had \$53.0 million of debt issuance costs recorded as assets, including \$7 million related to our revolving credit agreement. The debt issuance costs amount to less than 1% of our total assets.

**NOTE 2 – Acquisitions and dispositions**

Early in fiscal year 2015, we sold Gannett Healthcare Group (GHG) to OnCourse Learning, an online education and training provider. GHG is a leading provider of continuing education, certification test preparation, online recruitment, digital media, publications and related services for nurses and other healthcare professionals in the United States.

In March 2015, CareerBuilder increased its controlling interest in Economic Modeling Specialists Intl. (EMSI) by 11% from 74% to 85%. EMSI is an economic software firm that specializes in employment data and labor market analysis. EMSI collects and interprets large amounts of labor data, which is used in work force development and talent strategy.

In May 2015, Newsquest Media Group, a subsidiary of our former publishing businesses that operates in the U.K, acquired Romanes Media Group, a local news publishing business operating in Scotland, Berkshire and Northern Ireland.

In June 2015, our former publishing businesses completed the acquisition of the remaining 59.36% interest in the Texas-New Mexico Newspapers Partnership that it did not previously own from Digital First Media. The transaction was completed through the assignment of our 19.49% interest in the California Newspapers Partnership and additional cash consideration. As a result, our former publishing business now owns 100% of the Texas-New Mexico Newspapers Partnership and no longer has any ownership interest in California Newspapers Partnership.

In June 2015, we completed the spinoff of our publishing businesses and began trading as TEGNA on the New York Stock Exchange under the symbol TGNA. See Note 14 for further details regarding the spin-off.

In July 2015, CareerBuilder acquired a majority stake in Textkernel, a leading-edge software company providing semantic recruitment technology to the global market. Textkernel is based in Amsterdam.

**NOTE 3 – Facility consolidation and asset impairment charges**

We evaluated the carrying values of property, plant and equipment at certain Media and Digital businesses as a result of our plans to implement technology changes and consolidate facilities which shortened the useful life of these assets. As a result, we revised the useful lives of certain assets to reflect the use of those assets over a shortened period. In the second quarter of 2015, we recognized related non-cash charges, the largest of which, \$6.8 million, related to a Digital business. In 2015, we also recorded non-cash impairment charges to reduce the book value of goodwill and other intangible assets. The goodwill impairment and other intangible non-cash charges resulted from our application of the interim impairment testing provisions included within the goodwill subtopic ASC Topic 350. We are required to test goodwill and other indefinite lived assets for impairment annually. Our annual measurement date for testing is the first day of the fourth quarter. However, because of softening business conditions at one of our smaller "Other" Segment reporting units in 2015 and two similar units in 2014, we accelerated our testing of those reporting units. Our testing showed that the implied fair value of the goodwill was less than the recorded value. Therefore, we recognized a non-cash charge of \$5.9 million in the first quarter of 2015 and \$15.3 million in the second quarter of 2014 to reduce the carrying value of goodwill to the implied fair value.

We recorded no pre-tax charges for facility consolidations and asset impairments in the third quarter and \$23.2 million for the year-to-date period in 2015. For 2014, we recorded \$1.2 million pre-tax charges for the third quarter and \$25.8 million for the year-to-date period.



## NOTE 4 – Goodwill and other intangible assets

The following table displays goodwill, indefinite-lived intangible assets, and amortizable intangible assets at September 27, 2015 and December 28, 2014:

| In thousands                    | Sept. 27, 2015 |                          | Dec. 28, 2014 |                          |
|---------------------------------|----------------|--------------------------|---------------|--------------------------|
|                                 | Gross          | Accumulated Amortization | Gross         | Accumulated Amortization |
| Goodwill                        | \$3,966,517    | \$—                      | \$3,955,582   | \$—                      |
| Indefinite-lived intangibles:   |                |                          |               |                          |
| Television station FCC licenses | 1,191,950      | —                        | 1,191,950     | —                        |
| Mastheads and trade names       | 938,350        | —                        | 938,349       | —                        |
| Amortizable intangible assets:  |                |                          |               |                          |
| Customer relationships          | 905,551        | 128,127                  | 845,525       | 23,216                   |
| Other                           | 269,490        | 69,632                   | 253,435       | 16,565                   |

Customer relationships include subscriber lists and advertiser relationships while other intangibles primarily include retransmission agreements, network affiliations, internally developed technology, patents and amortizable trade names.

The following table summarizes the changes in our net goodwill balance through September 27, 2015:

| In thousands                           | Media       | Digital     | Other      | Total       |
|--|-------------|-------------|------------|-------------|
| Balance at Dec. 28, 2014:              |             |             |            |             |
| Goodwill                               | \$2,578,601 | \$1,503,140 | \$289,122  | \$4,370,863 |
| Accumulated impairment losses          | —           | (166,971 )  | (248,310 ) | (415,281 )  |
| Net balance at Dec. 28, 2014           | 2,578,601   | 1,336,169   | 40,812     | 3,955,582   |
| Activity during the period:            |             |             |            |             |
| Acquisitions and adjustments           | 817         | 25,576      | —          | 26,393      |
| Impairment                             | —           | —           | (5,940 )   | (5,940 )    |
| Foreign currency exchange rate changes | —           | (9,517 )    | —          | (9,517 )    |
| Total                                  | 817         | 16,059      | (5,940 )   | 10,936      |
| Balance at Sept. 27, 2015:             |             |             |            |             |
| Goodwill                               | 2,579,418   | 1,519,199   | 289,120    | 4,387,737   |
| Accumulated impairment losses          | —           | (166,971 )  | (254,249 ) | (421,220 )  |
| Net balance at Sept. 27, 2015          | \$2,579,418 | \$1,352,228 | \$34,871   | \$3,966,517 |

In July 2015, CareerBuilder acquired a majority stake in Textkernel. The initial purchase price allocation is preliminary, based upon all information available to us at the present time and is subject to change.

## NOTE 5 – Long-term debt

Our long-term debt is summarized below:

| In thousands   | Sept. 27, 2015 | Dec. 28, 2014 |
|--|----------------|---------------|
| Unsecured floating rate term loan due quarterly through August 2018        | \$99,500       | \$123,200     |
| VIE unsecured floating rate term loans due quarterly through December 2018 | 27,489         | 33,379        |
| Unsecured notes bearing fixed rate interest at 10% due June 2015           | —              | 66,568        |
| Unsecured notes bearing fixed rate interest at 6.375% due September 2015   | —              | 250,000       |
| Unsecured notes bearing fixed rate interest at 10% due April 2016          | 193,429        | 193,429       |
| Borrowings under revolving credit agreement expiring June 2020             | 760,000        | 640,000       |
| Unsecured notes bearing fixed rate interest at 7.125% due September 2018   | 250,000        | 250,000       |
| Unsecured notes bearing fixed rate interest at 5.125% due October 2019     | 600,000        | 600,000       |
| Unsecured floating rate term loan due quarterly through June 2020          | 200,000        | —             |
| Unsecured notes bearing fixed rate interest at 5.125% due July 2020        | 600,000        | 600,000       |
| Unsecured notes bearing fixed rate interest at 4.875% due September 2021   | 350,000        | 350,000       |
| Unsecured notes bearing fixed rate interest at 6.375% due October 2023     | 650,000        | 650,000       |
| Unsecured notes bearing fixed rate interest at 5.50% due September 2024    | 325,000        | 325,000       |
| Unsecured notes bearing fixed rate interest at 7.75% due June 2027         | 200,000        | 200,000       |
| Unsecured notes bearing fixed rate interest at 7.25% due September 2027    | 240,000        | 240,000       |
| Total principal long-term debt   | 4,495,418      | 4,521,576     |
| Other (fair market value adjustments and discounts)                        | (16,445        | ) (25,694     |
| Total long-term debt   | 4,478,973      | 4,495,882     |
| Less current portion of long-term debt maturities of VIE loans             | 7,854          | 7,854         |
| Long-term debt, net of current portion                                     | \$4,471,119    | \$4,488,028   |

For the first nine months of 2015, our long-term debt decreased by \$16.9 million, primarily reflecting debt payments of \$346.2 million partially offset by additional borrowings as mentioned below, of \$200.0 million and \$120.0 million from a term loan and from the revolving credit facility, respectively, and debt discount amortization. On September 27, 2015, we had unused borrowing capacity of \$604.3 million under our revolving credit agreement.

On June 29, 2015, we entered into an agreement to amend and extend our existing revolving credit facility with one expiring on June 29, 2020 (the Amended and Restated Competitive Advance and Revolving Credit Agreement). As a result, the maximum total leverage ratio permitted by the new agreement is 5.0x through June 30, 2017, after which, as amended, it is reduced to 4.75x through June 30, 2018 and then to 4.50x thereafter. Commitment fees on the revolving credit agreement are equal to 0.25% - 0.40% of the undrawn commitments, depending upon our leverage ratio, and are computed on the average daily undrawn balance under the revolving credit agreement and paid each quarter. Under the Amended and Restated Competitive Advance and Revolving Credit Agreement, we may borrow at an applicable margin above the Eurodollar base rate (LIBOR loan) or the higher of the Prime Rate, the Federal Funds Effective Rate plus 0.50%, or the one month LIBOR rate plus 1.00% (ABR loan). The applicable margin is determined based on our leverage ratio but differs between LIBOR loans and ABR loans. For LIBOR-based borrowing, the margin varies from 1.75% to 2.50%. For ABR-based borrowing, the margin will vary from 0.75% to 1.50%. On September 23, 2015, we amended the Amended and Restated Competitive Advance and Revolving Credit Agreement to add an additional lender. Total commitments under the Amended and Restated Competitive Advance and Revolving Credit Agreement are \$1.4 billion.

At the start of the third quarter, we also borrowed \$200.0 million under a new five-year term loan. The interest rate on the term loan is equal to the same interest rates as borrowings under the Amended and Restated Competitive Advance and Revolving Credit Agreement. Both the revolving credit agreement and the term loan are guaranteed by a majority of our wholly-owned material domestic subsidiaries.





## NOTE 6 – Retirement plans

We, along with our subsidiaries, have various retirement plans, including plans established under collective bargaining agreements. In connection with the spin-off of our publishing businesses we entered into an employee matters agreement with Gannett which provides that employees of Gannett no longer participate in benefit plans sponsored or maintained by us as of the separation date. Upon separation, certain pension obligations were assumed by Gannett resulting in a decrease in sponsored pension plan obligations. The net pension obligation as of September 27, 2015 reflective of this change was \$164.8 million.

Our retirement plan costs include costs for qualified and nonqualified plans and are presented in the following table:

| In thousands  | Thirteen Weeks Ended |                | Thirty-nine Weeks Ended |                |
|---|----------------------|----------------|-------------------------|----------------|
|   | Sept. 27, 2015       | Sept. 28, 2014 | Sept. 27, 2015          | Sept. 28, 2014 |
| Service cost-benefits earned during the period          | \$97                 | \$1,358        | \$2,771                 | \$4,066        |
| Interest cost on benefit obligation                     | 5,898                | 42,391         | 82,687                  | 127,129        |
| Expected return on plan assets                          | (8,169)              | ) (58,902      | ) (120,490              | ) (176,650     |
| Amortization of prior service cost                      | 206                  | 1,892          | 3,970                   | 5,675          |
| Amortization of actuarial loss                          | 3,652                | 11,455         | 34,260                  | 34,356         |
| Expense (credit) for company-sponsored retirement plans | \$1,684              | \$(1,806)      | ) \$3,198               | \$(5,424)      |

We have no required contributions to our funded pension plans for the remainder of 2015 due to the current funding level. In the second quarter of 2015, we made a voluntary contribution of \$100.0 million to the Gannett Retirement Plan prior to the spin-off transaction.

## NOTE 7 – Post-retirement benefits other than pension

We provide health care and life insurance benefits to certain retired employees who meet age and service requirements. Most of our retirees contribute to the cost of these benefits, and retiree contributions are increased as actual benefit costs increase. The cost of providing retiree health care and life insurance benefits is actuarially determined. Our policy is to fund benefits as claims and premiums are paid. In March 2014, we adopted changes to the retiree medical plan that were effective July 1, 2014. Beginning on that date, we pay a stipend to certain Medicare-eligible retirees. As a result of this change, we remeasured the related post-retirement benefit obligation during the first quarter of 2014, and recorded a reduction to the liability of \$33.9 million (with a corresponding adjustment to “Accumulated other comprehensive loss”). In connection with the spin-off of our publishing businesses we entered into an employee matters agreement with Gannett. Under that agreement, Gannett assumed certain post-retirement obligations resulting in a decrease in our sponsored post-retirement plan obligations. The post-retirement benefit obligation as of September 27, 2015 reflective of this change was \$8.6 million.

Post-retirement benefit costs for health care and life insurance are presented in the following table:

| In thousands  | Thirteen Weeks Ended |                | Thirty-nine Weeks Ended |                |
|---|----------------------|----------------|-------------------------|----------------|
|   | Sept. 27, 2015       | Sept. 28, 2014 | Sept. 27, 2015          | Sept. 28, 2014 |
| Service cost (credit)-benefits earned during the period | \$(58)               | ) \$92         | \$154                   | \$278          |
| Interest cost on net benefit obligation                 | 171                  | 1,098          | 2,157                   | 3,613          |
| Amortization of prior service credit                    | (130)                | ) (3,083       | ) (5,130                | ) (8,566       |
| Amortization of actuarial loss                          | 90                   | 213            | 890                     | 545            |
| Net periodic post-retirement benefit credit             | \$73                 | \$(1,680)      | ) \$(1,929)             | ) \$(4,130)    |

## NOTE 8 – Income taxes

The total amount of unrecognized tax benefits that, if recognized, would impact the effective tax rate was approximately \$12.7 million as of September 27, 2015 and \$11.6 million as of December 28, 2014. The amount of accrued interest and penalties payable related to unrecognized tax benefits was \$2.7 million as of September 27, 2015 and \$2.0 million as of December 28, 2014.

It is reasonably possible that the amount of unrecognized benefits with respect to certain of our unrecognized tax positions will significantly increase or decrease within the next 12 months. These changes may be the result of settlement of ongoing audits, lapses of statutes of limitations, transactions subsequent to the spin-off or other regulatory developments. At this time, we estimate the amount of gross unrecognized tax positions may be reduced by up to approximately \$25.8 million within the next 12 months primarily due to lapses of statutes of limitations and settlement of ongoing audits in various jurisdictions.

## NOTE 9 – Supplemental equity information

The following table summarizes equity account activity for the thirty-nine week periods ended September 27, 2015 and September 28, 2014:

| In thousands   | TEGNA Inc.<br>Shareholders'<br>Equity | Noncontrolling<br>Interests | Total Equity |
|--|---------------------------------------|-----------------------------|--------------|
| Balance at Dec. 28, 2014   | \$3,254,914                           | \$234,359                   | \$3,489,273  |
| Comprehensive income:  |                                       |                             |              |
| Net income   | 317,017                               | 47,700                      | 364,717      |
| Redeemable noncontrolling interests (income not available to shareholders) | —                                     | (1,595)                     | (1,595)      |
| Other comprehensive income (loss)  | 56,498                                | (4,576)                     | 51,922       |
| Total comprehensive income   | 373,515                               | 41,529                      | 415,044      |
| Dividends declared   | (122,480)                             | —                           | (122,480)    |
| Stock-based compensation   | 17,112                                | —                           | 17,112       |
| Treasury shares acquired   | (200,569)                             | —                           | (200,569)    |
| Spin-off of Publishing businesses  | (1,209,782)                           | —                           | (1,209,782)  |
| Other activity   | 20,192                                | (24,771)                    | (4,579)      |
| Balance at Sept. 27, 2015  | \$2,132,902                           | \$251,117                   | \$2,384,019  |
| Balance at Dec. 29, 2013   | \$2,693,098                           | \$201,695                   | \$2,894,793  |
| Comprehensive income:  |                                       |                             |              |
| Net income   | 386,142                               | 49,351                      | 435,493      |
| Redeemable noncontrolling interests (income not available to shareholders) | —                                     | (2,209)                     | (2,209)      |
| Other comprehensive income (loss)  | 30,701                                | (3,851)                     | 26,850       |
| Total comprehensive income   | 416,843                               | 43,291                      | 460,134      |
| Dividends declared   | (135,513)                             | —                           | (135,513)    |
| Stock-based compensation   | 25,133                                | —                           | 25,133       |
| Treasury shares acquired   | (75,815)                              | —                           | (75,815)     |
| Other activity   | 11,621                                | (2,518)                     | 9,103        |
| Balance at Sept. 28, 2014  | \$2,935,367                           | \$242,468                   | \$3,177,835  |

In August 2012, our CareerBuilder subsidiary acquired 74% of Economic Modeling Specialists Intl. (EMSI), a software firm that specializes in employment data and labor market analytics. In March 2015, CareerBuilder purchased an additional 11% ownership interest in EMSI. Holders of the remaining 15% ownership interest in EMSI hold put rights that permit them to put their equity interest to CareerBuilder under certain terms and conditions. In July 2015, our CareerBuilder subsidiary acquired 60% of Textkernel B.V., a leading-edge software company

providing semantic recruitment technology to the global market. Holders of the remaining 40% ownership interest in Textkernel hold put rights that permit them to put their equity

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interest to CareerBuilder. Since redemption of EMSI and Textkernel noncontrolling interests are outside of our control, the balance is presented on the Condensed Consolidated Balance Sheets in the caption “Redeemable noncontrolling interests.”

The following table summarizes the components of, and the changes in, “Accumulated other comprehensive loss” (net of tax and noncontrolling interests):

| In thousands   | Retirement Plans | Foreign Currency Translation | Other    | Total        |
|--|------------------|------------------------------|----------|--------------|
| <b>Thirteen Weeks:</b>   |                  |                              |          |              |
| Balance at Jun. 28, 2015   | \$(1,154,095)    | \$393,712                    | \$—      | \$(760,383 ) |
| Other comprehensive income (loss) before reclassifications       | 38,984           | (2,663 )                     | (518 )   | 35,803       |
| Amounts reclassified from accumulated other comprehensive income | 2,310            | —                            | —        | 2,310        |
| Other comprehensive income (loss)                                | 41,294           | (2,663 )                     | (518 )   | 38,113       |
| Spin-off publishing businesses                                   | 1,012,745        | (409,275 )                   | —        | 603,470      |
| Balance at Sept. 27, 2015  | \$(100,056 )     | \$(18,226 )                  | \$(518 ) | \$(118,800 ) |
| <br>   |                  |                              |          |              |
| Balance at Jun. 29, 2014   | \$(903,180 )     | \$444,638                    | \$—      | \$(458,542 ) |
| Other comprehensive income (loss) before reclassifications       | 16,783           | (28,412 )                    | —        | (11,629 )    |
| Amounts reclassified from accumulated other comprehensive income | 6,817            | —                            | —        | 6,817        |
| Other comprehensive income (loss)                                | 23,600           | (28,412 )                    | —        | (4,812 )     |
| Balance at Sept. 28, 2014  | \$(879,580 )     | \$416,226                    | \$—      | \$(463,354 ) |
| <br>   |                  |                              |          |              |
| <b>Thirty-nine Weeks:</b>  |                  |                              |          |              |
| Balance at Dec. 28, 2014   | \$(1,169,882)    | \$391,113                    | \$—      | \$(778,769 ) |
| Other comprehensive income (loss) before reclassifications       | 35,466           | (64 )                        | (518 )   | 34,884       |
| Amounts reclassified from accumulated other comprehensive income | 21,615           | —                            | —        | 21,615       |
| Other comprehensive income (loss)                                | 57,081           | (64 )                        | (518 )   | 56,499       |
| Spin-off publishing businesses                                   | 1,012,745        | (409,275 )                   | —        | 603,470      |
| Balance at Sept. 27, 2015  | \$(100,056 )     | \$(18,226 )                  | \$(518 ) | \$(118,800 ) |
| <br>   |                  |                              |          |              |
| Balance at Dec. 29, 2013   | \$(921,232 )     | \$427,177                    | \$—      | \$(494,055 ) |
| Other comprehensive income before reclassifications              | 20,845           | (10,951 )                    | —        | 9,894        |
| Amounts reclassified from accumulated other comprehensive income | 20,807           | —                            | —        | 20,807       |
| Other comprehensive income (loss)                                | 41,652           | (10,951 )                    | —        | 30,701       |
| Balance at Sept. 28, 2014  | \$(879,580 )     | \$416,226                    | \$—      | \$(463,354 ) |

Accumulated other comprehensive loss components are included in computing net periodic post-retirement costs (see Notes 6 and 7 for more detail). Reclassifications out of accumulated other comprehensive loss related to these post-retirement plans include the following:

| In thousands                         | Thirteen Weeks Ended |                | Thirty-nine Weeks Ended |                |
|--------------------------------------|----------------------|----------------|-------------------------|----------------|
|                                      | Sept. 27, 2015       | Sept. 28, 2014 | Sept. 27, 2015          | Sept. 28, 2014 |
| Amortization of prior service credit | \$76                 | \$(1,191 )     | \$(1,160 )              | \$(2,891 )     |
| Amortization of actuarial loss       | 3,742                | 11,668         | 35,150                  | 34,901         |
| Total reclassifications, before tax  | 3,818                | 10,477         | 33,990                  | 32,010         |

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|                                     |         |          |           |           |   |
|-------------------------------------|---------|----------|-----------|-----------|---|
| Income tax effect                   | (1,508  | ) (3,660 | ) (12,375 | ) (11,203 | ) |
| Total reclassifications, net of tax | \$2,310 | \$6,817  | \$21,615  | \$20,807  |   |

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## NOTE 10 – Fair value measurement

We measure and record in the accompanying condensed consolidated financial statements certain assets and liabilities at fair value. ASC Topic 820, Fair Value Measurement, establishes a hierarchy for those instruments measured at fair value that distinguishes between market data (observable inputs) and our own assumptions (unobservable inputs). The hierarchy consists of three levels:

Level 1 - Quoted market prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than Level 1 inputs that are either directly or indirectly observable; and

Level 3 - Unobservable inputs developed using our own estimates and assumptions, which reflect those that a market participant would use.

The following table summarizes our assets and liabilities measured at fair value in the accompanying Condensed Consolidated Balance Sheets as of September 27, 2015 and December 28, 2014:

| In thousands                              | Fair Value Measurements as of Sept. 27, 2015 |         |         |           |
|---|--|---------|---------|-----------|
|   | Level 1                                      | Level 2 | Level 3 | Total     |
| Employee compensation related investments | \$42,188                                     | \$—     | \$—     | \$42,188  |
| Sundry investments                        | 59,217                                       | —       | —       | 59,217    |
| Total assets                              | \$101,405                                    | \$—     | \$—     | \$101,405 |
| Contingent consideration payable          | \$—  | \$—     | \$533   | \$533     |
| Total liabilities                         | \$—  | \$—     | \$533   | \$533     |
| In thousands                              | Fair Value Measurements as of Dec. 28, 2014  |         |         |           |
|   | Level 1                                      | Level 2 | Level 3 | Total     |
| Employee compensation related investments | \$41,017                                     | \$—     | \$—     | \$41,017  |
| Sundry investments                        | 36,641                                       | —       | —       | 36,641    |
| Total assets                              | \$77,658                                     | \$—     | \$—     | \$77,658  |
| Contingent consideration payable          | \$—  | \$—     | \$9,912 | \$9,912   |
| Total liabilities                         | \$—  | \$—     | \$9,912 | \$9,912   |

Under certain acquisition agreements, we have agreed to pay the sellers earn-outs based on the future financial performance of the businesses. Contingent consideration payable in the table above represents the estimated fair value of future earn-outs payable under such agreements. The fair value of the contingent payments was measured based on the present value of the consideration expected to be transferred using a discounted cash flow analysis. The discount rate is a significant unobservable input in such present value computations. Discount rates ranged between 22% and 24% depending on the risk associated with the cash flows. Changes to the fair value of earn-outs are reflected in “Selling, general and administrative expenses” on our Condensed Consolidated Statements of Income. For the thirty-nine weeks ended September 27, 2015, the contingent consideration decreased by \$9.4 million as a result of payments and adjustments to fair value.

The fair value of our total long-term debt, based on the bid and ask quotes for the related debt (Level 2), totaled \$4.62 billion at September 27, 2015 and \$4.65 billion at December 28, 2014.

## NOTE 11 – Business segment information

Our reportable segments based on our management and internal reporting structures are Media, Digital and Other. The Media Segment at the end of the third quarter includes our 46 owned and serviced television stations. The Digital Segment principally includes Cars.com, CareerBuilder, Shoplocal and PointRoll. The Other Segment includes Clipper Magazine and Sightline Media Group.

| In thousands  | Thirteen Weeks Ended |                | Thirty-nine Weeks Ended |                |
|---|----------------------|----------------|-------------------------|----------------|
|   | Sept. 27, 2015       | Sept. 28, 2014 | Sept. 27, 2015          | Sept. 28, 2014 |
| Net Operating Revenues:   |                      |                |                         |                |
| Media   | \$406,445            | \$416,509      | \$1,219,911             | \$1,197,035    |
| Digital   | 351,072              | 204,560        | 1,025,770               | 587,060        |
| Other   | 49,569               | 59,916         | 155,556                 | 185,332        |
| Total   | \$807,086            | \$680,985      | \$2,401,237             | \$1,969,427    |
| Operating Income (net of depreciation, amortization and facility consolidation and asset impairment charges): |                      |                |                         |                |
| Media   | \$158,595            | \$177,970      | \$513,557               | \$503,841      |
| Digital   | 72,445               | 41,249         | 175,462                 | 89,003         |
| Other   | (1,744)              | ) 1,230        | (11,000)                | ) (10,527)     |
| Corporate   | (12,939)             | ) (18,219)     | ) (50,817)              | ) (53,340)     |
| Unallocated   | —                    | (18,226)       | ) (52,473)              | ) (59,230)     |
| Total   | \$216,357            | \$184,004      | \$574,729               | \$469,747      |
| Depreciation, amortization and facility consolidation and asset impairment charges:                           |                      |                |                         |                |
| Media   | \$18,406             | \$20,307       | \$61,492                | \$68,122       |
| Digital   | 31,073               | 10,529         | 106,050                 | 29,667         |
| Other   | 205                  | 253            | 6,718                   | 17,134         |
| Corporate   | 540                  | 2,868          | 6,445                   | 8,679          |
| Total   | \$50,224             | \$33,957       | \$180,705               | \$123,602      |

## NOTE 12 – Earnings per share

Our earnings per share (basic and diluted) are presented below:

| In thousands, except per share data                              | Thirteen Weeks Ended |                | Thirty-nine Weeks Ended |                |
|--|----------------------|----------------|-------------------------|----------------|
|  | Sept. 27, 2015       | Sept. 28, 2014 | Sept. 27, 2015          | Sept. 28, 2014 |
| Income from continuing operations attributable to TEGNA Inc.     | \$90,614             | \$50,648       | \$191,532               | \$192,411      |
| Income (loss) from discontinued operations, net of tax           | (2,359               | ) 67,868       | 125,485                 | 193,731        |
| Net income attributable to TEGNA Inc.                            | \$88,255             | \$118,516      | \$317,017               | \$386,142      |
| Weighted average number of common shares outstanding - basic     | 224,530              | 225,761        | 226,053                 | 226,374        |
| Effect of dilutive securities:                                   |                      |                |                         |                |
| Restricted stock   | 2,694                | 2,900          | 2,436                   | 2,809          |
| Performance share units  | 1,819                | 2,424          | 1,907                   | 1,958          |
| Stock options  | 1,035                | 1,012          | 914                     | 1,016          |
| Weighted average number of common shares outstanding - diluted   | 230,078              | 232,097        | 231,310                 | 232,157        |
| Earnings from continuing operations per share - basic            | \$0.40               | \$0.22         | \$0.85                  | \$0.85         |
| Earnings (loss) from discontinued operations per share - basic   | \$(0.01              | ) \$0.30       | \$0.55                  | \$0.86         |
| Net income per share - basic                                     | \$0.39               | \$0.52         | \$1.40                  | \$1.71         |
| Earnings from continuing operations per share - diluted          | \$0.39               | \$0.22         | \$0.83                  | \$0.83         |
| Earnings (loss) from discontinued operations per share - diluted | \$(0.01              | ) \$0.29       | \$0.54                  | \$0.83         |
| Net income per share - diluted                                   | \$0.38               | \$0.51         | \$1.37                  | \$1.66         |

The diluted earnings per share amounts exclude the effects of approximately 0.3 million stock options outstanding for the third quarter and year-to-date of 2015 and 1.7 million stock options outstanding for the third quarter and year-to-date of 2014, as their inclusion would be antidilutive.

## NOTE 13 – Commitments, contingencies and other matters

We, along with a number of our subsidiaries, are defendants in judicial and administrative proceedings involving matters incidental to our business. Management believes any liability that exists as a result of these matters is immaterial.

## NOTE 14 – Discontinued Operations

On June 29, 2015, we completed the previously announced spin-off of our publishing businesses, creating a new independent publicly traded company, Gannett Co., Inc., through the distribution of 98.5% of our interest in Gannett to holders of our common shares. On June 29, 2015 each of our shareholders of record as of the close of business on the record date of June 28, 2015 received one share of Gannett common stock for every two shares of TEGNA common stock. Following the distribution, we own 1.5% of Gannett outstanding common shares. We will continue to own Gannett shares for a period of time not to exceed 5 years after distribution. In conjunction with the spin-off of the publishing businesses, we entered into a separation and distribution agreement with Gannett and also entered into various other agreements to effect the separation and provide a framework for a short term set of transition services as



well as a tax matters agreement and an employee matters agreement.

#### Separation and Distribution Agreement

We entered into a separation and distribution agreement with Gannett which sets forth, among other things, the parties' agreements regarding the principal transactions necessary to effect the separation. The separation agreement identified the

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assets transferred, the liabilities assumed and the contracts assigned to each of TEGNA and Gannett as part of the separation and also provides for the conditions under which and timing of transfers, assumptions and assignments occurred.

#### Transition Services Agreement

We entered into a transition services agreement with Gannett prior to the distribution pursuant to which TEGNA and its subsidiaries as well as Gannett and its subsidiaries will provide to each other a small number of services on an interim basis, not to exceed 24 months. These services include information technology, accounts payable, payroll, legal and other financial processing functions and administrative services. The agreed upon charges for such services are generally intended to allow the servicing party to recover all costs and expenses of providing such services. The transition services agreement will terminate on the expiration of the term of the last service provided under it, no later than 24 months following the distribution date. The recipient for a particular service generally can terminate that service prior to the scheduled expiration date, subject generally to a minimum service period of 90 days and minimum notice period of 30 days. Due to interdependencies between some services, certain services may be extended or terminated early only if other services are coterminous.

#### Tax Matters Agreement

Prior to the separation, we entered into a tax matters agreement with Gannett that states each company's rights and responsibilities with respect to payment of taxes, tax return filings, control of tax examinations, assistance and cooperation. In general we are responsible for taxes allocable to periods ending prior to the distribution (or the portion of periods up through the distribution), and Gannett is generally responsible for taxes allocable to periods beginning after the distribution (or the portion of periods beginning after the distribution). If the distribution fails to qualify as a tax-free transaction for U.S. federal income tax purposes and this failure is attributable to Gannett's actions or inactions, the resulting liability is to be borne by Gannett.

#### Employee Matters Agreement

Gannett and TEGNA entered into an employee matters agreement prior to the separation to allocate liabilities and responsibilities relating to employment matters, employee compensation and benefits plans and programs and other related matters. The employee matters agreement governs certain compensation and employee benefit obligations with respect to the current and former employees and non-employee directors of each company. The employee matters agreement provides that, unless otherwise specified, TEGNA is responsible for liabilities associated with employees who are employed by TEGNA following the separation as well as former employees whose last employment was with the TEGNA businesses and certain specified current and former corporate employees. Gannett is responsible for liabilities associated with employees who are employed by Gannett following the separation, former employees whose last employment was with the Gannett businesses and certain specified current and former corporate employees. In addition, the employee matters agreement stipulates that Gannett make additional contributions of \$25 million a year to the Gannett retirement plan in each of the 2016 through 2020 fiscal years and \$15 million in 2021.

## Financial Statement Presentation

The publishing businesses are presented as discontinued operations in our Condensed Consolidated Balance Sheet and the Condensed Consolidated Statement of Income. In our consolidated statement of cash flows, the cash flows from discontinued operations are not separately classified.

The carrying value of the assets and liabilities of discontinued operations as of December 28, 2014 were as follows:

| In thousands   | Dec. 28, 2014 |
|--|---------------|
| <b>ASSETS</b>  |               |
| Current Assets   |               |
| Cash and cash equivalents  | \$8,024       |
| Trade receivables, less allowance for doubtful receivables                       | 357,523       |
| Other receivables  | 16,339        |
| Inventories  | 38,944        |
| Deferred income taxes  | 1,797         |
| Assets held for sale   | 18,434        |
| Prepaid expenses and other current assets  | 26,086        |
| Total current assets   | 467,147       |
| Property, plant and equipment  |               |
| Cost   | 2,590,159     |
| Less accumulated depreciation  | (1,655,676 )  |
| Net property, plant and equipment  | 934,483       |
| Intangible and other assets  |               |
| Goodwill   | 544,345       |
| Indefinite-lived and amortizable intangible assets less accumulated amortization | 50,115        |
| Deferred income taxes  | 63,647        |
| Investments and other assets   | 63,125        |
| Total intangible and other assets  | 721,232       |
| Total noncurrent assets  | 1,655,715     |
| Total assets   | \$2,122,862   |
| <b>LIABILITIES AND EQUITY</b>  |               |
| Current liabilities  |               |
| Accounts payable   | \$125,888     |
| Compensation   | 77,606        |
| Taxes  | 26,195        |
| Other  | 89,096        |
| Deferred income  | 77,123        |
| Total current liabilities  | 395,908       |
| Pension liabilities  | 770,041       |
| Other noncurrent liabilities   | 57,698        |
| Total noncurrent liabilities   | 827,739       |
| Total liabilities  | \$1,223,647   |

The financial results of discontinued operations through September 27, 2015 are presented as a profit (loss) from discontinued operations, net of income taxes, on our Condensed Consolidated Statements of Income. The following table presents the financial results of discontinued operations:

| In thousands  | Thirteen Weeks Ended |                | Thirty-nine Weeks Ended |                |
|---|----------------------|----------------|-------------------------|----------------|
|   | Sept. 27, 2015       | Sept. 28, 2014 | Sept. 27, 2015          | Sept. 28, 2014 |
| Revenues  | \$—                  | \$762,152      | \$1,435,069             | \$2,337,780    |
| Operating Expenses:   |                      |                |                         |                |
| Operating expenses, exclusive of depreciation and amortization  | 3,500                | 641,400        | 1,231,107               | 1,980,497      |
| Depreciation  | —                    | 25,387         | 49,542                  | 75,154         |
| Amortization of intangible assets                               | —                    | 3,461          | 7,008                   | 10,449         |
| Facility consolidation and asset impairment charges             | —                    | 5,391          | 9,989                   | 24,414         |
| Total   | 3,500                | 675,639        | 1,297,646               | 2,090,514      |
| Operating income (loss)   | (3,500)              | ) 86,513       | 137,423                 | 247,266        |
| Non-operating (expense) income:                                 |                      |                |                         |                |
| Equity income in unconsolidated investees, net                  | —                    | 2,737          | 10,807                  | 9,995          |
| Interest Expense  | —                    | (140)          | ) (178)                 | ) (443)        |
| Other non-operating items                                       | —                    | (2,124)        | ) 21,168                | ) (1,418)      |
| Total   | —                    | 473            | 31,797                  | 8,134          |
| Income (loss) from discontinued operations, before income taxes | (3,500)              | ) 86,986       | 169,220                 | 255,400        |
| Provision for income taxes                                      | (1,141)              | ) 19,118       | 43,735                  | 61,669         |
| Income (loss) from discontinued operations, net of tax          | \$(2,359)            | ) \$67,868     | \$125,485               | \$193,731      |

The financial results reflected above may not represent Gannett's stand-alone operating results, as the results reported within income from discontinued operations, net, include only certain costs that are directly attributable to Gannett and exclude corporate overhead costs that were previously allocated to Gannett for each period.

The depreciation, amortization, capital expenditures and significant cash investing items of the discontinued operations were as follows:

| In thousands                                    | Thirty-nine Weeks Ended |                |
|---|-------------------------|----------------|
|   | Sept. 27, 2015          | Sept. 28, 2014 |
| Depreciation                                    | 49,542                  | 75,154         |
| Amortization                                    | 7,008                   | 10,449         |
| Capital expenditures                            | (20,617)                | ) (51,579)     |
| Payments for acquisitions, net of cash acquired | (28,668)                | ) —            |
| Payments for investments                        | (2,000)                 | ) (1,500)      |
| Proceeds from investments                       | 12,402                  | 11,615         |

#### NOTE 15 – Subsequent events

On July 15, 2015, we announced a binding definitive agreement for the sale of our corporate headquarters in McLean, Virginia to Tamares Tysons Corner LLC, an affiliate of Tamares, for a purchase price of \$270 million. The sale transaction closed on October 2, 2015. On October 20, 2015, our Board of Directors approved, as a result of the sale, a \$75 million increase in the company's share repurchase program, which will be used over the original three-year term ending June 2018. We intend to use the remaining proceeds in the fourth quarter to redeem up to \$180 million of our 7.125% Senior Notes due 2018.

Also, on November 5, 2015, we announced that we closed on the sale of Clipper Magazine, a direct mail advertising magazine business within of our Other Segment, to Valassis Direct Mail, Inc.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

### Company Overview

On the first day of our fiscal third quarter, June 29, 2015, we completed the spin-off of our publishing businesses. The publishing business retained the name Gannett Co., Inc. and now trades on the New York Stock Exchange under the symbol GCI. Our company was renamed TEGNA Inc., and our stock trades on the New York Stock Exchange under the symbol TGNA. Third quarter and year-to-date results for the former publishing businesses presented in this discussion and the accompanying tables are now reported as Discontinued Operations.

Our operations consist of three business segments: Media, Digital, and Other. Through our Media Segment, we own or service (through shared service agreements or similar arrangements) 46 television stations with affiliated digital platforms in 38 markets. These stations serve more than 35 million households and represent almost one-third of the U.S. population. Excluding owner-operators, we are the No. 1 NBC affiliate group, No. 1 CBS affiliate group, and the No. 4 ABC affiliate group. We are the largest independent station group of major network affiliates in the top 25 markets, with a uniquely diversified portfolio.

Our Digital Segment consists of Cars.com (formerly Classified Ventures, LLC), CareerBuilder, Cofactor (including PointRoll and Shoplocal) and G/O Local. Cars.com, which we acquired full ownership of on Oct. 1, 2014, is a leading destination for online car shoppers. Cars.com allows consumers to search, compare and connect with sellers and dealers, and provides buyers with greater control over the shopping process. Cars.com hosts approximately four million vehicle listings and serves more than 20,000 customers that are primarily franchise and independent car dealers in all 50 states. CareerBuilder is the global leader in human capital solutions, helping companies to target, attract and retain talent. CareerBuilder has made significant investments over the past few years to accelerate its transformation into a global leader in the Human Resources software as a service business.

Our Other Segment consists of Clipper Magazine, Sightline Media Group, and Mobestream Media. Clipper Magazine is a direct mail advertising magazine that publishes hundreds of local market editions under the brands Local Flavor, Clipper Magazine, Savvy Shopper and Mint Magazine in 29 states to more than 27 million consumers. Sightline Media Group is a global provider of news, information and marketing solutions in the military, defense, federal technology and C4ISR (Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance) markets and offers a portfolio of multimedia products through web, mobile, television, print and custom publishing.

The reportable segments, which were based on our management and internal reporting structures, are Media, Digital, and Other. The primary revenue categories within the Media Segment are: 1) core advertising which includes local and national non-political advertising; 2) political advertising revenues which are cyclical with peaks occurring in even years (e.g., 2014 and 2012) and particularly in the second half of those years; 3) retransmission revenues representing fees paid by satellite and cable networks and telecommunications companies to carry our television signals on their network; 4) digital revenues which encompass digital marketing services and advertising on the stations' website, tablet and mobile products; and 5) other revenues, which consist of payments by advertisers to television stations for other services, such as production of programming from third parties and production of advertising material. CareerBuilder, the largest company in the Digital Segment, generates revenues both through its own sales force by providing talent and compensation intelligence, human resource related consulting services and recruitment solutions and through sales of employment advertising placed by affiliated media organizations. Cars.com generates revenues primarily through subscription-based online automotive advertising packages targeting car dealerships and national advertisers through its own direct sales force as well as its affiliate sales channels.

The largest component of operating expense within TEGNA is payroll and benefits. Other significant operating expenses include the costs of locally produced content and purchased syndicated programming in the Media Segment, and sales and marketing costs within the Digital Segment.

### Results from Operations

Our operating revenues were \$807.1 million in the third quarter of 2015, an increase of 19% from \$681.0 million in the same quarter last year. For the first nine months, operating revenues increased 22% to \$2.40 billion from \$1.97 billion in 2014. The increases were driven by record results in the Digital Segment, in both periods, reflecting primarily the acquisition of and organic growth at Cars.com. Media Segment revenues decreased 2% for the third

quarter as double-digit growth in retransmission revenue and digital revenue was offset by the absence of political advertising revenue of \$33.9 million that incrementally benefited the third quarter of 2014. For the first nine months of 2015, Media Segment revenues increased 2% driven by substantially higher retransmission and digital revenue which more than offset the absence of \$55.7 million in incremental political revenue. The results for the third quarter and the year-to-date periods of 2015 include results for Cars.com. The prior year periods do not include results for Cars.com, impacting year-over-year comparisons. A separate discussion of pro forma information begins on page 30.

Operating expenses increased 19% for the third quarter and 22% for the first nine months of 2015, driven primarily by the acquisition of Cars.com in the Digital Segment and increased programming costs related to network fees in the Media Segment, partially offset by lower corporate expenses.

Non-operating expense decreased from \$82.1 million in the third quarter of 2014 to \$71.1 million in the third quarter of 2015 primarily due to the absence of spin-related costs that occurred last year. For the year-to-date period, non-operating expense increased from \$82.3 million in 2014 to \$216.3 million in 2015, primarily due to the absence of the \$148.4 million gain on the sale of Apartments.com that occurred in the second quarter of last year. Equity loss from unconsolidated investees in the third quarter of 2015 was comparable to the same period last year. For the year-to-date period, equity income changed by \$160.9 million from a gain of \$156.8 million last year to a loss of \$4.1 million in 2015, primarily due to the absence of the gain from the sale of Apartments.com from last year. Interest expense was \$66.9 million in the third quarter and \$206.9 million for the year-to-date period, compared to \$65.8 million in the third quarter of 2015 and \$199.3 million for the year-to-date period in 2014. These changes reflect higher average debt outstanding due to the Cars.com acquisition in October 2014 partially offset by a lower average interest rate. The total average outstanding debt was \$4.50 billion for the third quarter of 2015, compared to \$3.62 billion last year. The weighted average interest rate on total outstanding debt was 5.91% for the third quarter of 2015 compared to 6.81% last year. For the year-to-date period, total average outstanding debt was \$4.22 billion compared to \$3.60 billion last year. The weighted average interest rate on total outstanding debt was 6.26% year-to-date in 2015 compared to 6.91% in the same period last year.

Our reported effective income tax rate was 29.1% for the third quarter of 2015, compared to 37.0% for the third quarter of 2014. The reported tax rate for the third quarter in 2015 was lower than the comparable rate in 2014 primarily due to spin-related effective tax rate changes. The reported effective income tax rate was 38.4% for the first nine months of 2015 compared to 43.1% for the same period last year. The year-to-date 2015 reported rate was lower than the year-to-date 2014 rate primarily due to a February 2014 tax charge recognized on the sale of KMOV-TV in St. Louis, MO to Meredith Corporation, partially offset by tax benefits from other year-to-date 2014 special items. A separate discussion of effective income tax rates excluding special items (non-GAAP basis) appears on page 30. The weighted average number of diluted shares outstanding for the third quarter of 2015 decreased by 2.0 million shares to 230.1 million from 232.1 million in 2014. For the year-to-date period, the weighted average number of diluted shares outstanding in 2015 decreased by 0.8 million shares. These declines reflect shares repurchased in 2015, partially offset by issuances of additional equity-based awards. See Part II, Item 2 for information on share repurchases.

#### Segment Results

The following is a discussion of our reported operating segment results for the third quarter and year-to-date period of 2015. Unless otherwise noted, all comparisons are to the comparable prior year period.

#### Media Segment Results

A summary of our Media Segment results is presented below:

| In thousands                                  | Third Quarter |           |        | Year-to-Date |             |        |
|---|---------------|-----------|--------|--------------|-------------|--------|
|   | 2015          | 2014      | Change | 2015         | 2014        | Change |
| Operating revenues                            | \$406,445     | \$416,509 | (2 %)  | \$1,219,911  | \$1,197,035 | 2 %    |
| Operating expenses:                           |               |           |        |              |             |        |
| Operating expenses, exclusive of depreciation | 229,444       | 218,232   | 5 %    | 644,863      | 625,072     | 3 %    |
| Depreciation                                  | 12,915        | 12,629    | 2 %    | 39,455       | 35,953      | 10 %   |
| Amortization                                  | 5,491         | 6,448     | (15 %) | 16,964       | 22,554      | (25 %) |
| Transformation items                          | —             | 1,230     | ***    | 5,072        | 9,615       | (47 %) |
| Total operating expenses                      | 247,850       | 238,539   | 4 %    | 706,354      | 693,194     | 2 %    |
| Operating income                              | \$158,595     | \$177,970 | (11 %) | \$513,557    | \$503,841   | 2 %    |





Media Segment revenues are grouped into five categories: Core (Local and National), Political, Retransmission, Digital and Other. The following table summarizes the year-over-year changes in these select revenue categories.

| In thousands                  | Third Quarter |                             | Year-to-Date   |                             |    |
|-------------------------------|---------------|-----------------------------|----------------|-----------------------------|----|
|                               | 2015          | Percentage change from 2014 | 2015           | Percentage change from 2014 |    |
| Core (Local & National)       | \$254,243     | 1                           | % \$776,131    | 1                           | %  |
| Political                     | 6,061         | (85                         | %) 10,861      | (84                         | %) |
| Retransmission <sup>(a)</sup> | 109,012       | 19                          | % 328,639      | 23                          | %  |
| Digital                       | 29,415        | 13                          | % 81,897       | 16                          | %  |
| Other                         | 7,714         | (3                          | %) 22,383      | 1                           | %  |
| Total                         | \$406,445     | (2                          | %) \$1,219,911 | 2                           | %  |

(a) Reverse compensation to network affiliates is included as part of programming costs and therefore is excluded from this line.

Media Segment revenues in the third quarter of 2015 decreased 2% to \$406.4 million, driven primarily by the anticipated virtual absence of \$33.9 million in political advertising revenue that incrementally benefited the third quarter last year, partly offset by strong retransmission revenues and continued growth in digital and core advertising revenues. Core advertising revenues, which consist of Local and National non-political advertising, increased 1% to \$254.2 million in the third quarter of 2015. This was primarily driven by stronger advertising revenues in the professional services, entertainment, medical services, and education categories across all television stations and partially offset by softness in the packaged goods, restaurants, and travel advertising categories. As anticipated, because of regular election cycle timing, political advertising revenues decreased 85% to \$6.1 million compared to \$40.0 million in the third quarter a year ago. Excluding the incremental impact of political revenue, our Media revenues would have been up 6% during the quarter. Retransmission revenues increased 19% to \$109.0 million in the quarter resulting from the completion of a few negotiated small agreements at the end of last year as well as annual rate increases. Digital revenues within Media increased 13% to \$29.4 million in the third quarter of 2015 reflecting continued growth from digital marketing services products.

Year-to-date Media Segment revenues increased 2% to \$1.22 billion, driven primarily by substantially higher retransmission revenues and digital revenues, despite the absence of \$55.7 million in incremental political advertising revenue.

Media Segment operating expenses for the third quarter of 2015 increased 4% to \$247.9 million primarily due to higher programming costs related to network fees and investments in our digital sales initiatives, as well as broad-based sales force expansion for newly developed product offerings. Year-to-date, Media Segment operating expenses increased 2% due to the same drivers. A separate discussion of operating expenses excluding special items (non-GAAP basis) can be found on page 28.

### Digital Segment Results

The Digital Segment includes results for our stand-alone digital subsidiaries including Cars.com, CareerBuilder, G/O Local and Cofactor. On Sept. 21, 2015 PointRoll and Shoplocal combined to form a single brand Cofactor. Many of our other digital offerings are highly integrated within our Media offerings, and therefore the results of these integrated digital offerings are reported within the operating results of our Media Segment. The results for the third quarter of 2015 and the year-to-date period include results for Cars.com which was acquired Oct. 1, 2014. The prior year periods do not include results for Cars.com, impacting year-over-year comparisons. A separate discussion of Digital Segment results on a pro forma basis as if the Cars.com acquisition had occurred in the first day of 2014 can be found on page 30.

A summary of our Digital Segment results is presented below:

| In thousands                                  | Third Quarter |            |        | Year-to-Date   |            |        |   |  |
|---|---------------|------------|--------|----------------|------------|--------|---|--|
|   | 2015          | 2014       | Change | 2015           | 2014       | Change |   |  |
| Operating revenues                            | \$ 351,072    | \$ 204,560 | 72     | % \$ 1,025,770 | \$ 587,060 | 75     | % |  |
| Operating expenses:                           |               |            |        |                |            |        |   |  |
| Operating expenses, exclusive of depreciation | 247,554       | 152,782    | 62     | % 744,258      | 468,390    | 59     | % |  |
| Depreciation                                  | 8,063         | 5,544      | 45     | % 24,852       | 15,764     | 58     | % |  |
| Amortization                                  | 23,010        | 4,985      | ***    | 69,191         | 13,903     | ***    |   |  |
| Transformation costs                          | —             | —          | ***    | 12,007         | —          | ***    |   |  |
| Total operating expenses                      | 278,627       | 163,311    | 71     | % 850,308      | 498,057    | 71     | % |  |
| Operating income                              | \$ 72,445     | \$ 41,249  | 76     | % \$ 175,462   | \$ 89,003  | 97     | % |  |

Digital Segment operating revenues increased 72% to \$351.1 million in the third quarter of 2015 compared to \$204.6 million in 2014, primarily driven by the acquisition of and continued strong organic growth of Cars.com. For the year-to-date period, Digital Segment operating revenues increased 75% to \$1.03 billion compared to \$587.1 million last year driven by the acquisition of and strong organic growth of Cars.com revenue.

CareerBuilder revenues decreased 5% for the third quarter and 1% for the first nine months, driven by year-over-year declines in foreign exchange rates as well as the shift in focus in product offerings, moving away from lower-margin, source and screen arrangements and transactional offerings, to more lucrative, long-term recurring software solutions with revenues recognized over 2-3 year contracts. Excluding the impacts of planned lower volume of lower-margin transactional products and foreign exchange currency impacts, total revenues would have increased about 2% for the third quarter 2015. Revenue from human capital software solutions increased 24% in the quarter and represents nearly 25% of total revenues within CareerBuilder.

Digital Segment operating expenses increased 71% to \$278.6 million in the third quarter of 2015 and also increased 71% to \$850.3 million for the year-to-date period, primarily due to the Cars.com acquisition, partly offset by lower CareerBuilder operating expenses. As a result of these factors, Digital Segment operating income increased 76% to \$72.4 million for the quarter and increased 97% to \$175.5 million for the year-to-date period in 2015. A separate discussion of operating expenses excluding special items (non-GAAP basis) can be found on page 29.

## Other Segment Results

Our Other Segment consists of Clipper Magazine, Sightline Media Group, and Mobestream Media.

A summary of our Other Segment results is presented below:

| In thousands                                  | Third Quarter |          |        | Year-to-Date |             |        |
|---|---------------|----------|--------|--------------|-------------|--------|
|   | 2015          | 2014     | Change | 2015         | 2014        | Change |
| Operating revenues                            | \$49,569      | \$59,916 | (17 %) | \$155,556    | \$185,332   | (16 %) |
| Operating expenses:                           |               |          |        |              |             |        |
| Operating expenses, exclusive of depreciation | 51,108        | 58,433   | (13 %) | 165,948      | 194,912     | (15 %) |
| Depreciation                                  | 205           | 253      | (19 %) | 608          | 745         | (18 %) |
| Amortization                                  | —             | —        | ***    | —            | 202         | ***    |
| Total operating expenses                      | 51,313        | 58,686   | (13 %) | 166,556      | 195,859     | (15 %) |
| Operating income                              | \$(1,744 )    | \$1,230  | ***    | \$(11,000 )  | \$(10,527 ) | 4 %    |

Other Segment revenues decreased 17% to \$49.6 million in the third quarter of 2015 and 16% to \$155.6 million in the first nine months of 2015. The revenue declines were due to the absence of revenues related to Gannett Healthcare Group, which was sold in early fiscal 2015. Other Segment expenses decreased 13% to \$51.3 million in the third quarter and 15% to \$166.6 million in the first nine months primarily due to the sale of Gannett Healthcare Group. As a result operating income declined \$3.0 million to a loss of \$1.7 million for the third quarter of 2015 and by \$0.5 million to a loss of \$11.0 million in the first nine months of 2015.

## Corporate Expense

Corporate expense decreased 29% to \$12.9 million in the third quarter and decreased 5% to \$50.8 million for the first nine months of 2015, mainly driven by the resizing of our footprint following the spin-off of the publishing businesses. In addition, third quarter 2015 corporate expenses included the benefit of \$1.8 million related to the elimination of depreciation resulting from the sale of our McLean, VA headquarters which will be offset in future periods by \$2 million of non-cash allocated rent expense based on our 18 month lease-back arrangement for this space.

## Results from Operations - Non-GAAP and Pro Forma Information

## Presentation of Non-GAAP information

We use non-GAAP financial performance and liquidity measures to supplement the financial information presented on a GAAP basis. These non-GAAP financial measures should not be considered in isolation from or as a substitute for the related GAAP measures, and should be read together with financial information presented on a GAAP basis. We discuss in this report non-GAAP financial performance measures that exclude from our reported GAAP results the impact of special items consisting of workforce restructuring charges, transformation costs, non-cash asset impairment charges, certain gains and expenses recognized in non-operating categories and certain charges and credits to our income tax provision.

We believe that such expenses, charges and gains are not indicative of normal, ongoing operations and their inclusion in results makes for more difficult comparisons between years and with peer group companies. We also discuss Adjusted EBITDA, a non-GAAP financial performance measure that we believe offers a useful view of the overall operation of our businesses. Adjusted EBITDA is defined as net income from continuing operations attributable to TEGNA Inc. before (1) net income attributable to noncontrolling interests, (2) income taxes, (3) interest expense, (4) equity income or loss, (5) other non-operating items, (6) workforce restructuring, (7) other transformation items, (8) asset impairment charges, (9) depreciation and (10) amortization. When Adjusted EBITDA is discussed in reference to performance on a consolidated basis, the most directly comparable GAAP financial measure is Net income from continuing operations attributable to TEGNA Inc. We do not analyze non-operating items such as interest expense and income taxes on a segment level; therefore, the most directly comparable GAAP financial measure to Adjusted EBITDA when performance is discussed on a segment level is Operating income.

Workforce restructuring and transformation items primarily relate to incremental expenses we have incurred to centralize functions. Workforce restructuring expenses include payroll and related benefit costs. Transformation items

include incremental expenses incurred by us to execute on our transformation and growth plan and incremental expenses and gains associated with optimizing our real estate portfolio. Transformation items also include amortization of acquired advertising contracts. Asset

impairment charges reflect non-cash charges to reduce the book value of certain intangible assets to their respective fair values, as our projections for the businesses underlying the related assets had declined.

We use non-GAAP financial performance measures for purposes of evaluating business unit and consolidated company performance. Therefore, we believe that each of the non-GAAP measures presented provides investors a view into the ongoing operation of our businesses through the eyes of our management and Board of Directors. This facilitates comparison of results across historical periods, and provides a focus on the underlying ongoing operating performance of our businesses. Many of our peer group companies present similar non-GAAP measures to better facilitate industry comparisons.

Discussion of special charges and credits affecting reported results

Our results for 2015 included the following items we consider special and not indicative of our normal ongoing operations:

- Costs associated with workforce restructuring;
- Transformation items;
- Non-cash asset impairment charges;
- Costs related to the spin-off of our publishing businesses;
- Other non-operating gain of \$44 million related to the sale of Gannett Healthcare Group;
- Special tax charge primarily related to the restructuring of our legal entities in advance of the spin-off of our publishing businesses; and
- Special tax benefit related to the spin-off of our publishing businesses.

Results for 2014 included the following special items:

- Costs associated with workforce restructuring;
- Transformation costs;
- Non-cash asset impairment charges;
- Costs related to the spin-off of our publishing businesses;
- Other non-operating charges;
- Non-operating gain of \$148 million related to the sale of Apartments.com;
- A tax charge related to the sale of our interest in KMOV-TV;
- Charges related to the acquisition of six London Media television stations; and
- Charges related to the acquisition of the remaining stake in Classified Ventures LLC.

#### Consolidated Summary - Non-GAAP

The following is a discussion of our as adjusted non-GAAP financial results. All as adjusted (non-GAAP basis) measures are labeled as such or “adjusted.”

Adjusted operating results were as follows:

| In thousands, except share data                | Third Quarter |           |        | Year-to-Date  |             |        | Change |  |
|--|---------------|-----------|--------|---------------|-------------|--------|--------|--|
|  | 2015          | 2014      | Change | 2015          | 2014        | Change |        |  |
| Operating revenues                             | \$807,086     | \$680,985 | 19     | % \$2,401,237 | \$1,969,427 | 22     | %      |  |
| Adjusted operating expenses                    | 590,729       | 495,631   | 19     | % 1,813,212   | 1,467,017   | 24     | %      |  |
| Adjusted operating income                      | \$216,357     | \$185,354 | 17     | % \$588,025   | \$502,410   | 17     | %      |  |
| Adjusted net income attributable to TEGNA Inc. | \$84,598      | \$68,179  | 24     | % \$208,201   | \$175,178   | 19     | %      |  |
| Adjusted diluted earnings per share            | \$0.37        | \$0.29    | 28     | % \$0.90      | \$0.75      | 20     | %      |  |

Operating revenues increased 19% to \$807.1 million in the third quarter of 2015 and 22% to \$2.40 billion for the year-to-date period. The increases in both periods were driven by record results in the Digital Segment primarily driven by the acquisition of and organic growth at Cars.com.

Media Segment revenues decreased 2% in the third quarter of 2015 as double-digit growth in retransmission revenue and digital revenues was offset by the absence of political advertising revenue of \$33.9 million that incrementally benefited the third quarter of 2015. For the first nine months, Media Segment revenue increased 2% driven by substantially higher retransmission and digital revenue which more than offset the absence of \$55.7 million in incremental political revenue. Digital

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Segment revenues increased 72% for the third quarter and 75% for the year-to-date period, a record high in both periods, reflecting primarily the acquisition of and organic growth at Cars.com.

A summary of the impact of special items on our operating expenses is presented below:

| In thousands                    | Third Quarter |           |        | Year-to-Date  |             |        | Change |  |
|---------------------------------|---------------|-----------|--------|---------------|-------------|--------|--------|--|
|                                 | 2015          | 2014      | Change | 2015          | 2014        | Change |        |  |
| Operating expenses (GAAP basis) | \$590,729     | \$496,981 | 19     | % \$1,826,508 | \$1,499,680 | 22     | %      |  |
| Remove special items:           |               |           |        |               |             |        |        |  |
| Workforce restructuring         | —             | (120)     | ***    | (2,815)       | (2,381)     | 18     | %      |  |
| Transformation items            | —             | (1,230)   | ***    | (3,641)       | (14,095)    | (74)   | %      |  |
| Asset impairment charges        | —             | —         | ***    | (6,840)       | (16,187)    | (58)   | %      |  |
| As adjusted (non-GAAP basis)    | \$590,729     | \$495,631 | 19     | % \$1,813,212 | \$1,467,017 | 24     | %      |  |

Adjusted operating expenses increased 19% for the quarter and 24% for the year-to-date period, mainly due to the acquisition of Cars.com and higher Media Segment operating expenses due to higher programming costs related to network fees and investments in our digital sales initiatives, as well as broad-based sales force expansion for newly developed product offerings.

A summary of the impact of special items on operating income is presented below:

| In thousands                  | Third Quarter |           |        | Year-to-Date |           |        | Change |  |
|-------------------------------|---------------|-----------|--------|--------------|-----------|--------|--------|--|
|                               | 2015          | 2014      | Change | 2015         | 2014      | Change |        |  |
| Operating income (GAAP basis) | \$216,357     | \$184,004 | 18     | % \$574,729  | \$469,747 | 22     | %      |  |
| Remove special items:         |               |           |        |              |           |        |        |  |
| Workforce restructuring       | —             | 120       | ***    | 2,815        | 2,381     | 18     | %      |  |
| Transformation items          | —             | 1,230     | ***    | 3,641        | 14,095    | (74)   | %      |  |
| Asset impairment charges      | —             | —         | ***    | 6,840        | 16,187    | (58)   | %      |  |
| As adjusted (non-GAAP basis)  | \$216,357     | \$185,354 | 17     | % \$588,025  | \$502,410 | 17     | %      |  |

Adjusted operating income increased 17% for both the third quarter and the first nine months primarily due to higher Digital Segment adjusted operating income. Adjusted Media Segment operating income decreased 12% to \$158.6 million for the quarter reflecting lower revenues driven by the absence of \$33.9 million in politically related advertising revenue that incrementally benefited the third quarter last year and higher operating expenses due to higher programming costs related to network fees and investments in our digital sales initiatives, as well as broad-based sales force expansion for newly developed product offerings. Adjusted Digital Segment operating income increased 76% to \$72.4 million for the quarter driven primarily by the acquisition of and strong organic growth at Cars.com.



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A summary of the impact of special items on non-operating income (expense), net income attributable to TEGNA Inc. and diluted earnings per share is presented below:

| In thousands, except share data   | Third Quarter |             |        | Year-to-Date |              |        |
|---|---------------|-------------|--------|--------------|--------------|--------|
|   | 2015          | 2014        | Change | 2015         | 2014         | Change |
| Total non-operating income (expense)<br>(GAAP basis)                                | \$(71,078 )   | \$(82,098 ) | (13 %) | \$(216,340 ) | \$(82,254 )  | ***    |
| Remove special items:   |               |             |        |              |              |        |
| Non-operating items   | —             | 20,478      | ***    | 1,453        | (102,632 )   | ***    |
| As adjusted (non-GAAP basis)  | \$(71,078 )   | \$(61,620 ) | 15 %   | \$(214,887 ) | \$(184,886 ) | 16 %   |
| Net income from continuing<br>operations attributable to TEGNA Inc.<br>(GAAP basis) | \$90,614      | \$50,648    | 79 %   | \$191,532    | \$192,411    | — %    |
| Remove special items (net of tax):  |               |             |        |              |              |        |
| Workforce restructuring   | —             | 76          | ***    | 2,090        | 1,496        | 40 %   |
| Transformation items  | —             | 772         | ***    | 2,287        | 9,682        | (76 %) |
| Asset impairment charges  | —             | —           | ***    | 4,296        | 14,859       | (71 %) |
| Non-operating items   | —             | 16,404      | ***    | 7,191        | (62,553 )    | ***    |
| Special tax charge (credit)   | (6,016 )      | 279         | ***    | 805          | 19,283       | (96 %) |
| As adjusted (non-GAAP basis)  | \$84,598      | \$68,179    | 24 %   | \$208,201    | \$175,178    | 19 %   |
| Net income from continuing<br>operations per share - diluted                        | \$0.39        | \$0.22      | 77 %   | \$0.83       | \$0.83       | — %    |
| Remove special items (net of tax):  |               |             |        |              |              |        |
| Workforce restructuring   | —             | —           | ***    | 0.01         | 0.01         | — %    |
| Transformation items  | —             | —           | ***    | 0.01         | 0.04         | (75 %) |
| Asset impairment charges  | —             | —           | ***    | 0.02         | 0.06         | (67 %) |
| Non-operating items   | —             | 0.07        | ***    | 0.03         | (0.27 )      | ***    |
| Special tax charge (credit)   | (0.02 )       | —           | ***    | —            | 0.08         | ***    |
| As adjusted (non-GAAP basis)  | \$0.37        | \$0.29      | 28 %   | \$0.90       | \$0.75       | 20 %   |

As adjusted net income from continuing operations attributable to TEGNA Inc. increased 24% for the third quarter and 19% for the first nine months. As adjusted diluted net income from continuing operations per share increased 28% for the quarter and were 20% for the year-to-date period. The increase for the quarter was primarily due to the acquisition of and strong organic growth of Cars.com.

Reconciliations of Adjusted EBITDA to net income presented in accordance with GAAP on our Condensed Consolidated Statements of Income are presented below:

| In thousands   | Third Quarter |           |        | Year-to-Date |            |        |    |
|--|---------------|-----------|--------|--------------|------------|--------|----|
|  | 2015          | 2014      | Change | 2015         | 2014       | Change |    |
| Net income from continuing operations attributable to TEGNA Inc.(GAAP basis) | \$90,614      | \$50,648  | 79     | % \$191,532  | \$192,411  | —      | %  |
| Net income attributable to noncontrolling interests                          | 17,487        | 21,476    | (19    | %) 47,700    | 49,351     | (3     | %) |
| Provision for income taxes   | 37,178        | 29,782    | 25     | % 119,157    | 145,731    | (18    | %) |
| Interest expense   | 66,949        | 65,791    | 2      | % 206,871    | 199,284    | 4      | %  |
| Equity loss in unconsolidated investees, net                                 | 1,013         | 981       | 3      | % 4,123      | (156,792 ) | ***    |    |
| Other non-operating items  | 3,116         | 15,326    | (80    | %) 5,346     | 39,762     | ***    |    |
| Operating income (GAAP basis)  | 216,357       | 184,004   | 18     | % 574,729    | 469,747    | 22     | %  |
| Workforce restructuring  | —             | 120       | ***    | 2,815        | 2,381      | 18     | %  |
| Transformation items   | —             | 1,230     | ***    | 3,641        | 14,095     | (74    | %) |
| Asset impairment charges   | —             | —         | ***    | 6,840        | 16,187     | (58    | %) |
| Adjusted operating income (non-GAAP basis)                                   | 216,357       | 185,354   | 17     | % 588,025    | 502,410    | 17     | %  |
| Depreciation   | 21,723        | 21,294    | 2      | % 71,360     | 61,141     | 17     | %  |
| Adjusted amortization (non-GAAP basis)                                       | 28,501        | 11,433    | ***    | 86,155       | 32,179     | ***    |    |
| Adjusted EBITDA (non-GAAP basis)   | \$266,581     | \$218,081 | 22     | % \$745,540  | \$595,730  | 25     | %  |

Our Adjusted EBITDA increased 22% to \$266.6 million for the third quarter. The increase was driven by the acquisition of Cars.com. On the same basis, our Adjusted EBITDA increased 25% to \$745.5 million for the year-to-date period.

#### Media Segment - Non-GAAP

A summary of the impact of special items on the Media Segment is presented below:

| In thousands                                  | Third Quarter |           |        | Year-to-Date |           |        |    |
|---|---------------|-----------|--------|--------------|-----------|--------|----|
|   | 2015          | 2014      | Change | 2015         | 2014      | Change |    |
| Media Segment operating expenses (GAAP basis) | \$247,850     | \$238,539 | 4      | % \$706,354  | \$693,194 | 2      | %  |
| Remove special items:                         |               |           |        |              |           |        |    |
| Workforce Restructuring                       | —             | (120 )    | ***    | (348 )       | (2,381 )  | (85    | %) |
| Transformation items                          | —             | (1,230 )  | ***    | 7,637        | (14,095 ) | ***    |    |
| As adjusted (non-GAAP basis)                  | \$247,850     | \$237,189 | 4      | % \$713,643  | \$676,718 | 5      | %  |
| Media Segment operating income (GAAP basis)   | \$158,595     | \$177,970 | (11    | %) \$513,557 | \$503,841 | 2      | %  |
| Remove special items:                         |               |           |        |              |           |        |    |
| Workforce Restructuring                       | —             | 120       | ***    | 348          | 2,381     | (85    | %) |
| Transformation items                          | —             | 1,230     | ***    | (7,637 )     | 14,095    | ***    |    |
| As adjusted (non-GAAP basis)                  | \$158,595     | \$179,320 | (12    | %) \$506,268 | \$520,317 | (3     | %) |

Adjusted Media Segment operating expenses increased 4% for the third quarter reflecting higher programming costs related to network fees and investments in our digital sales initiatives, as well as broad-based sales force expansion for

newly developed product offerings. Adjusted operating income for the Media Segment was \$158.6 million for the quarter, a decrease of 12%.

On a year-to-date basis, adjusted Media Segment operating expenses increased 5% for the reasons mentioned above. Adjusted operating income for the Media Segment was \$506.3 million, a decrease of 3%.

## Digital Segment - Non-GAAP

A summary of the impact of special items on the Digital Segment is presented below:

| In thousands                                    | Third Quarter |           |        | Year-to-Date |           |        | Change |  |
|---|---------------|-----------|--------|--------------|-----------|--------|--------|--|
|   | 2015          | 2014      | Change | 2015         | 2014      | Change |        |  |
| Digital Segment operating expenses (GAAP basis) | \$278,627     | \$163,311 | 71     | % \$850,308  | \$498,057 | 71     | %      |  |
| Remove special items:                           |               |           |        |              |           |        |        |  |
| Workforce Restructuring                         | —             | —         | ***    | (2,167 )     | —         | ***    |        |  |
| Transformation items                            | —             | —         | ***    | (12,007 )    | —         | ***    |        |  |
| As adjusted (non-GAAP basis)                    | \$278,627     | \$163,311 | 71     | % \$836,134  | \$498,057 | 68     | %      |  |
| Digital Segment operating income (GAAP basis)   | \$72,445      | \$41,249  | 76     | % \$175,462  | \$89,003  | 97     | %      |  |
| Remove special items:                           |               |           |        |              |           |        |        |  |
| Workforce Restructuring                         | —             | —         | ***    | 2,167        | —         | ***    |        |  |
| Transformation items                            | —             | —         | ***    | 12,007       | —         | ***    |        |  |
| As adjusted (non-GAAP basis)                    | \$72,445      | \$41,249  | 76     | % \$189,636  | \$89,003  | ***    |        |  |

Adjusted Digital Segment operating expenses increased 71% for the third quarter and 68% for the first nine months of 2015 primarily due to the acquisition and organic growth of Cars.com. On the same basis, adjusted operating income for the Digital Segment increased 76% for the third quarter of 2015 and 113% for the year-to-date period.

## Provision for Income Taxes - Non-GAAP

A summary of the impact of special items on our effective tax rate follows:

| In thousands  | Third Quarter |           | Year-to-Date |            |   |
|---|---------------|-----------|--------------|------------|---|
|   | 2015          | 2014      | 2015         | 2014       |   |
| Income before income taxes as reported              | \$145,279     | \$101,906 | \$358,389    | \$387,493  |   |
| Net income attributable to noncontrolling interests | (17,487 )     | (21,476 ) | (47,700 )    | (49,351 )  |   |
| TEGNA pretax income (GAAP basis)                    | 127,792       | 80,430    | 310,689      | 338,142    |   |
| Remove special items:                               |               |           |              |            |   |
| Workforce restructuring                             | —             | 120       | 2,815        | 2,381      |   |
| Transformation items                                | —             | 1,230     | 3,641        | 14,095     |   |
| Asset impairment charges                            | —             | —         | 6,840        | 16,187     |   |
| Non-operating items                                 | —             | 20,478    | 1,453        | (102,632 ) |   |
| As adjusted (non-GAAP basis)                        | \$127,792     | \$102,258 | \$325,438    | \$268,173  |   |
| Provision for income taxes as reported (GAAP basis) | \$37,178      | \$29,782  | \$119,157    | \$145,731  |   |
| Remove special items:                               |               |           |              |            |   |
| Workforce restructuring                             | —             | 44        | 725          | 885        |   |
| Transformation items                                | —             | 458       | 1,354        | 4,413      |   |
| Asset impairment charges                            | —             | —         | 2,544        | 1,328      |   |
| Non-operating items                                 | —             | 4,074     | (5,738 )     | (40,079 )  |   |
| Special tax credit (charge)                         | 6,016         | (279 )    | (805 )       | (19,283 )  |   |
| As adjusted (non-GAAP basis)                        | \$43,194      | \$34,079  | \$117,237    | \$92,995   |   |
| Effective tax rate (GAAP basis)                     | 29.1          | % 37.0    | % 38.4       | % 43.1     | % |
| As adjusted effective tax rate (non-GAAP basis)     | 33.8          | % 33.3    | % 36.0       | % 34.7     | % |

The adjusted tax rate for the third quarter of 2015 was 33.8% compared to 33.3% for the comparable period last year. The adjusted tax rate for year-to-date period in 2015 was 36.0% compared to 34.7% for the comparable period last year. The higher 2015 adjusted year-to-date tax rate is primarily due to larger tax benefits obtained in 2014 from releases of prior year reserves and state statutory rate reductions.

## Presentation of Pro Forma Information

Pro forma information is presented on the basis as if the acquisition of Cars.com had occurred on the first day of 2014. The pro forma financial information is based on historical results of operations, adjusted for the allocation of the purchase price and other acquisition accounting adjustments, and is not necessarily indicative of what our results would have been had we operated the business since the beginning of 2014. Pro forma adjustments for Cars.com reflect depreciation expense and amortization of intangibles related to the fair value adjustments of the assets acquired and the alignment of accounting policies.

Reconciliations of Digital Segment revenues and expenses on a reported basis to a pro forma basis for the third quarter and year-to-date periods in 2014 are below:

| In thousands               | Third Quarter 2014 |                           |           | Year-to-Date 2014 |                           |           |
|----------------------------|--------------------|---------------------------|-----------|-------------------|---------------------------|-----------|
|                            | As reported        | Pro Forma Adjustments (a) | Pro Forma | As reported       | Pro Forma Adjustments (a) | Pro Forma |
| Digital operating revenue  | \$204,560          | \$128,928                 | \$333,488 | \$587,060         | \$375,307                 | \$962,367 |
| Digital operating expenses | 163,311            | 119,101                   | 282,412   | 498,057           | 352,413                   | 850,470   |

|                          |          |         |          |          |          |           |
|--------------------------|----------|---------|----------|----------|----------|-----------|
| Digital operating income | \$41,249 | \$9,827 | \$51,076 | \$89,003 | \$22,894 | \$111,897 |
|--------------------------|----------|---------|----------|----------|----------|-----------|

(a) The pro forma adjustments include additions to revenue and expenses for the acquisition of Cars.com as if it had occurred on the first day of 2014.

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Digital Segment revenues on a pro forma basis increased 5% for the third quarter and 7% for the year-to-date periods of 2015, driven mainly by strong organic growth at Cars.com. Cars.com revenue increased significantly, up 19% on a pro forma basis, reflecting growth across all sales channels and primarily driven by the new affiliation agreement economics as well as strong organic growth. Cars.com direct sales revenue, which represents over 70% of Cars.com channel revenues, increased 12%, reflecting an increase in revenue per dealer driven by new product sales and add-on subscription based services. As a subset of this, national advertising revenue increased by 14%, mainly due to increased display ad sales. Affiliate revenue increased 53% driven by higher wholesale rates that Cars.com charges its affiliates. CareerBuilder revenues declined 5% for the third quarter of 2015 and 1% for the year-to-date period. The decline in the quarter reflects year-over-year declines in foreign exchange rates as well as the strategic decision to reduce our dependency on transactional advertising, replaced by an emphasis on more lucrative, long-term software deals with revenues recognized over 2-3 year contracts.

Adjusted expenses, on a pro forma basis, decreased 1%, for the third quarter and 2% for the first nine months of 2015 reflecting lower lead acquisition costs and reduced revenue share paid to affiliate markets at Cars.com, resulting from the acquisition. Adjusted operating income on a pro forma basis increased by 42% for the third quarter of 2015 and 69% for the first nine months due to strong results at Cars.com.

#### Certain Matters Affecting Future Operating Results

The following items will affect year-over-year comparisons for future results:

2015 fiscal calendar - In connection with the spin-off of our publishing businesses, we will align our calendar with the Gregorian calendar by extending our fourth quarter four days to December 31, 2015. Our results in the fourth quarter, particularly for the Media Segment, will be impacted by the extra four days. Beginning January 1, 2016, our quarterly results will be for the three month periods ending March 31, June 30, September 30 and December 31. We do not intend to restate historical results in connection with this change but will highlight the impact of the four days in our fourth quarter 2015 result comparisons.

Media Segment revenues - Media Segment revenues will be impacted by challenging year-over-year comparisons, due to record political revenues of \$92 million realized during the fourth quarter of last year. Based on current trends, we expect the percentage decrease in total television revenues for the fourth quarter of 2015, compared to the same quarter in 2014, to be down in the mid- to high-single digits based on our current fiscal year ending on December 27th.

Acquisition of remaining 73% interest in Classified Ventures LLC - On October 1, 2014, we acquired the remaining 73% interest in Classified Ventures, LLC, which owned Cars.com, for \$1.8 billion. At the time of the acquisition, rates charged by Cars.com to its former owner affiliates were increased substantially. For the first nine months of 2015, affiliate revenues were up 58% on a pro forma basis compared to 2014. These rate increases will cycle on the anniversary of the acquisition.

CareerBuilder investment - CareerBuilder has accelerated its de-emphasis on lower margin sourcing and screening transactional businesses to focus on broader software as a service offerings which provide for higher margins and longer-term relationships with clients as valued partners. This transition has and will continue to impact CareerBuilder growth rates over the balance of the year.

Partial redemption of 2018 Notes - Early in the fourth quarter, we sold our corporate headquarters facility in McLean, VA for \$270 million. Our intended use of proceeds from this transaction include an increased share repurchase program of \$75 million over three years. We intend to use the balance in the fourth quarter to redeem up to \$180 million of our 7.125% Senior Notes due 2018. As a result, interest expense will decrease prospectively from the date of the redemption.

Recurring income tax rate - We anticipate a recurring tax rate to be in the mid-30%'s, given the loss of the lower U.K. statutory tax rate on U.K. earnings due to the spin-off of our publishing businesses there.

Sale of Gannett Healthcare Group - On December 29, 2014, we sold Gannett Healthcare Group to OnCourse Learning, an online education and training provider. Revenue and expense for Gannett Healthcare are reflected in the Other Segment. As a result, revenue comparisons between 2015 and 2014 will be impacted by the absence of approximately \$29 million due to this sale.

Liquidity, Capital Resources and Cash Flows

Our cash generating capability and financial condition, together with our revolving credit agreement, are sufficient to fund our capital expenditures, interest, dividends, share repurchases, contributions to our pension plans, investments in strategic initiatives and other operating requirements. Looking ahead, we expect to continue to fund debt maturities, acquisitions and investments through a combination of cash flows from operations, borrowings under our revolving credit agreement and funds raised in the capital markets.



In connection with the spin-off of our publishing businesses on the first day of the third quarter, we announced that we expect to return approximately \$1.5 billion to shareholders by the end of 2018 through a regular cash dividend of \$0.56 per share annually and a \$750 million share repurchase program to be completed over a three-year period beginning June 29, 2015. On October 20, 2015, we announced that we increased the share repurchase program by \$75 million over the same period. As of November 1, 2015, we had \$692.7 remaining under this authorization.

At the end of the third quarter, our total long-term debt was \$4.47 billion. Cash and cash equivalents at the end of the third quarter totaled \$117.8 million.

Our financial and operating performance, as well as our ability to generate sufficient cash flow to maintain compliance with credit facility covenants, are subject to certain risk factors as noted in the section below titled “Certain Factors Affecting Forward-Looking Statements.”

#### Cash Flows

Our net cash flow from operating activities was \$479.2 million for the first nine months of 2015, compared to \$572.6 million for the first nine months of 2014. The decrease in net cash flow from operating activities was due to the relative absence of \$104 million of political and Olympic revenue achieved in the first three quarters last year, a \$29.2 million increase in pension payments in 2015, the timing of certain reverse network compensation payments, payments related to previously accrued expenses for the shutdown of USA Weekend and routine working capital changes. The increase in pension payments in 2015 was primarily due to a voluntary contribution we made of \$100.0 million to our principal retirement plan prior to the spin-off. TEGNA has no required contributions to any of its principal pension plans for the remainder of 2015.

Cash outflows from investing activities totaled \$35.9 million for the first nine months of 2015, compared to cash inflows of \$170.2 million for the same period in 2014 or a difference of \$206.1 million. The decrease in cash flow from investing activities was due primarily to \$12.4 million received from investments in the nine months of 2015 compared to \$166.3 million for the same period in 2014, driven by a \$154.6 million cash distribution from Classified Ventures related to its sale of Apartments.com last year. Proceeds from sale of assets declined \$193.0 million. Last year, we sold television stations KMOV-TV, KASW-TV and KTVK-TV. Proceeds this year reflect the sale of Gannett Healthcare Group and the sale of our Seattle television building. These declines were partially offset by lower payments for acquisitions in the first nine months of 2015 compared to the same period in 2014. In the nine months of 2015, we paid \$53.7 million for acquisitions compared to \$202.7 million in the same period in 2014.

Cash flows used for financing activities totaled \$444.0 million for the nine months of 2015, compared to a cash inflow of \$162.6 million for the same period in 2014. The increase in cash flows used for financing activities was mainly due to higher debt payments due to a scheduled maturity in September 2015 and lower proceeds from debt instruments in 2015 compared to the same period in 2014. We also repaid \$346.2 million in debt in the first nine months of 2015 compared to \$277.6 million in the same period last year, which included the early repayment of the 9.375% notes due in 2017 with a then aggregate principal balance of \$250.0 million. During the first nine months of 2015, we received proceeds of \$200.0 million from new term debt and \$120 million of net proceeds from drawings under our revolving credit agreement. This compared to \$666.7 million in the same period in 2014 which included the Cars.com acquisition financing. Common shares repurchased in the nine months of 2015 were \$200.6 million compared to \$75.8 million in the same period for 2014. The spin-off of our publishing businesses in 2015 also contributed to a cash outflow of \$63.4 million.

#### Non-GAAP Liquidity Measure

Our free cash flow, a non-GAAP liquidity measure, was \$163.9 million for the third quarter ended September 27, 2015 and \$467.1 million for the first nine months of 2015. Free cash flow, which we reconcile to “net cash flow from operating activities,” is cash flow from operations reduced by “purchase of property, plant and equipment” and voluntary pension contributions, net of related tax benefit. We believe that free cash flow is a useful measure for management and investors to evaluate the level of cash generated by operations and the ability of our operations to fund investments in new and existing businesses, return cash to shareholders under our capital program, repay indebtedness or to use in other discretionary activities.



Reconciliations from “Net cash flow from operating activities” to “Free cash flow” follow:

| In thousands   | Third Quarter |           | Year-to-Date |           |
|--|---------------|-----------|--------------|-----------|
|  | 2015          | 2014      | 2015         | 2014      |
| Net cash flow from operating activities                  | \$183,825     | \$217,662 | \$479,233    | \$572,601 |
| Purchase of property, plant and equipment                | (19,876)      | (34,654)  | (74,897)     | (91,559)  |
| Voluntary pension employer contributions                 | —             | —         | 100,000      | —         |
| Tax benefit for voluntary pension employer contributions | —             | —         | (37,200)     | —         |
| Free cash flow   | \$163,949     | \$183,008 | \$467,136    | \$481,042 |

Our free cash flow in the first nine months of 2015 is lower than the first nine months in 2014 driven primarily by the same factors affecting cash flow from operating activities discussed above.

#### Certain Factors Affecting Forward-Looking Statements

Certain statements in this Annual Report on Form 10-Q contain certain forward-looking statements regarding business strategies, market potential, future financial performance and other matters. The words “believe,” “expect,” “estimate,” “could,” “should,” “intend,” “may,” “plan,” “seek,” “anticipate,” “project” and similar expressions, among others, generally identify “forward-looking statements,” which speak only as of the date the statements were made. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results and events to differ materially from those anticipated in the forward-looking statements. We are not responsible for updating or revising any forward-looking statements, whether the result of new information, future events or otherwise, except as required by law.

Potential risks and uncertainties which could adversely affect our results include, without limitation, the following factors: (a) changes in economic conditions in the U.S. and other markets we serve may depress demand for our products and services; (b) competition from alternative forms of media may impair our ability to grow or maintain revenue levels in core and new businesses; (c) the separation of our publishing businesses from our Media and Digital Segments may not achieve some or all of the anticipated benefits; (d) the value of our assets or operations may be diminished if our information technology systems fail to perform adequately or if we are the subject of a data breach or cyber attack; (e) volatility in the U.S. credit markets could significantly impact our ability to obtain new financing to fund our operations and strategic initiatives or to refinance our existing debt at reasonable rates as it matures; (f) volatility in global financial markets directly affects the value of our pension plan assets and liabilities; (g) changes in the regulatory environment could encumber or impede our efforts to improve operating results or the value of assets; (h) our strategic acquisitions, investments and partnerships could pose various risks, increase our leverage and may significantly impact our ability to expand our overall profitability; (i) the value of our existing intangible assets may become impaired, depending upon future operating results; and (j) adverse results from litigation or governmental investigations can impact our business practices and operating results.

#### Item 3. Quantitative and Qualitative Disclosures about Market Risk

We believe that our market risk from financial instruments, such as accounts receivable, accounts payable and debt, is immaterial. At the end of the third quarter of 2015, we had \$1.09 billion in long-term floating rate obligations outstanding. While these fluctuate with market interest rates, by way of comparison, a 50 basis points increase or decrease in the average interest rate for these obligations would result in a change in annualized interest expense of \$5 million.

The fair value of our total long-term debt, based on bid and ask quotes for the related debt, totaled \$4.62 billion at September 27, 2015 and \$4.65 billion at December 28, 2014.

#### Item 4. Controls and Procedures

Based on their evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures are effective, as of September 27, 2015, to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934 are recorded, processed,

summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

There have been no changes in our internal controls or in other factors during the fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

There have been no material developments with respect to our potential liability for environmental matters previously reported in our 2014 Annual Report on Form 10-K.

### Item 1A. Risk Factors

Following the spin-off of our publishing businesses, the size and concentration of our business has changed. Prospective investors should consider carefully the following risk factors before investing in our securities. The risks described below may not be the only risks we face. Additional risks that we do not yet perceive or that we currently believe are immaterial may adversely affect our business and the trading price of our securities.

Changes in economic conditions in the U.S. markets we serve may depress demand for our products and services

We generate a significant portion of our revenues in our Media Segment from the sale of advertising at our television stations. Expenditures by advertisers tend to be cyclical, reflecting overall economic conditions, as well as budgeting and buying patterns. As a result, our operating results depend on the relative strength of the economy in our principal television and digital markets as well as the strength or weakness of regional and national economic factors. A decline in economic conditions in the U.S. could have a significant adverse impact on our businesses and could significantly impact all key advertising revenue categories. In addition, declining economic conditions could adversely affect employment conditions and consumer sentiment, reducing demand for the product offerings of CareerBuilder and Cars.com, which could impair our ability to grow our Digital revenues, which are increasingly important to our overall revenue mix since the separation was completed.

Competition from alternative forms of media may impair our ability to grow or maintain revenue levels in core and new businesses

Advertising produces the predominant share of our revenues from our Media Segment, with our stations' affiliated web site, mobile and tablet revenues being an important component. Technology, particularly new video formats, streaming and downloading capabilities via the Internet, video-on-demand, personal video recorders and other devices and technologies used in the entertainment industry, continues to evolve rapidly, leading to alternative methods for the delivery and storage of digital content. These technological advancements have driven changes in consumer behavior and have empowered consumers to seek more control over when, where and how they consume news and entertainment, including through so-called "cutting the cord" and other consumption strategies. These innovations may affect our ability to generate television audience, which may make our television stations less attractive to both household audiences and advertisers. This competition may make it difficult for us to grow or maintain our media revenues, which we believe will challenge us to expand the contributions of our online and other digital businesses.

The value of our assets or operations may be diminished if our information technology systems fail to perform adequately or if we are the subject of a data breach or cyber attack

Our information technology systems are critically important to operating our business efficiently and effectively. We rely on our information technology systems to manage our business data, communications, news and advertising content, digital products, order entry, fulfillment and other business processes. The failure of our information technology systems to perform as we anticipate could disrupt our business and could result in transaction errors, processing inefficiencies, late or missed publications, and loss of sales and customers, causing our business and results to be impacted.

Furthermore, attempts to compromise information technology systems occur regularly across many industries and sectors, and we may be vulnerable to security breaches beyond our control. We invest in security resources and

technology to protect our data and business processes against risk of data security breaches and cyber attack, but the techniques used to attempt attacks are constantly changing. A breach or successful attack could have a negative impact on our operations or business reputation. We maintain cyber risk insurance, but this insurance may be insufficient to cover all of our losses from any future breaches of our systems.

As has historically been the case in the broadcast sector, loss of or changes in affiliation agreements or retransmission consent agreements could adversely affect operating results for our Media Segment's stations

Most of our stations have network affiliation agreements with the major broadcast television networks (ABC, CBS, NBC, and Fox). These television networks produce and distribute programming in exchange for each of our stations' commitment to air the programming at specified times and for commercial announcement time during the programming. In most cases, we also make cash payments to the networks. Each of our affiliation agreements has a stated expiration date. If renewed, our network affiliation agreements may be renewed on terms that are less favorable to us. The non-renewal or termination of any of our network affiliation agreements would prevent us from being able to carry programming of the affiliate network. This loss of programming would require us to obtain replacement programming, which may involve higher costs and/or which may not be as attractive to our audiences, resulting in reduced revenues.

In recent years, the networks have streamed their programming on the Internet and other distribution platforms, in some cases within a short period of the original network programming broadcast on local television stations, including those we own. An increase in the availability of network programming on alternative platforms that either bypass or provide less favorable terms to local stations - such as cable channels, the Internet and other distribution vehicles - may dilute the exclusivity and value of network programming originally broadcast by the local stations and could adversely affect the business, financial condition and results of operations of our stations.

Our retransmission consent agreements with major cable, satellite and telecommunications service providers permit them to retransmit our stations' signals to their subscribers in exchange for the payment of compensation to us. As is the case in the broadcast television industry generally, if we are unable to renegotiate these agreements on favorable terms, or at all, the failure to do so could have an adverse effect on our business, financial condition, and results of operations.

There could be significant liability if the spin-off of the publishing businesses is determined to be a taxable transaction

We received an opinion from outside tax counsel to the effect that the requirements for tax-free treatment under Section 355 of the Internal Revenue Code were satisfied. The opinion relies on certain facts, assumptions, representations and undertakings from TEGNA and Gannett regarding the past and future conduct of the companies' respective businesses and other matters. If any of these facts, assumptions, representations or undertakings is incorrect or not satisfied, TEGNA and its stockholders may not be able to rely on the opinion of tax counsel and could be subject to significant tax liabilities.

Notwithstanding the opinion of tax counsel, the Internal Revenue Service could determine on audit that the separation is taxable if it determines that any of these facts, assumptions, representations or undertakings were incorrect or have been violated or if it disagrees with the conclusions in the opinion, or for other reasons, including as a result of certain significant changes in the share ownership of TEGNA or Gannett after the separation. If the separation is determined to be taxable for U.S. federal income tax purposes, TEGNA and its stockholders that are subject to U.S. federal income tax could incur significant U.S. federal income tax liabilities.

Gannett or we may fail to perform under various transaction agreements that were executed as part of the separation or we may fail to have necessary systems and services in place when certain of the transaction agreements expire

In connection with the separation, we entered into a separation agreement and also entered into various other agreements, including a transition services agreement, a tax matters agreement and an employee matters agreement. The separation agreement, the tax matters agreement and the employee matters agreement determined the allocation of assets and liabilities between the companies following the separation for those respective areas and will include any

necessary indemnifications related to liabilities and obligations. The transition services agreement provides for the performance of certain services by each company for the benefit of the other for a limited period of time after the separation. We will rely on Gannett to satisfy its performance obligations under these agreements. If Gannett is unable to satisfy its obligations under these agreements, we could incur operational difficulties or losses. If we do not have in place our own systems and services, or if we do not have agreements with other providers of these services once certain transaction agreements expire or terminate, we may not be able to operate our business effectively and our profitability may decline.

Volatility in the U.S. credit markets could significantly impact our ability to obtain new financing to fund our operations and strategic initiatives or to refinance our existing debt at reasonable rates as it matures

At September 27, 2015, we had approximately \$4.48 billion in debt and approximately \$604.3 million of additional borrowing capacity under our revolving credit facilities that expires in 2020. This debt matures at various times during the years 2015-2027. While our cash flow is expected to be sufficient to pay amounts when due, if operating results deteriorate



significantly, a portion of these maturities may need to be refinanced. Access to the capital markets for longer term financing is unpredictable, and volatile credit markets could make it harder for us to obtain debt financings generally.

Changes in the regulatory environment could encumber or impede our efforts to improve operating results or the value of assets

Our media and digital operations are subject to government regulation. Changing regulations, particularly FCC Regulations which affect our television stations (including changes to our shared services and similar agreements), may result in increased costs, reduced valuations for certain broadcasting properties or other impacts, all of which may adversely impact our future profitability. All of our television stations are required to hold television broadcasting licenses from the FCC; when granted, these licenses are generally granted for a period of eight years. Under certain circumstances the FCC is not required to renew any license and could decline to renew either our current license applications that are pending or those submitted in the future.

Our strategic acquisitions, investments and partnerships could pose various risks, increase our leverage and may significantly impact our ability to expand our overall profitability

Acquisitions involve inherent risks, such as increasing leverage and debt service requirements and combining company cultures and facilities, which could have a material adverse effect on our results of operations or cash flow and could strain our human resources. We may be unable to successfully implement effective cost controls, achieve expected synergies or increase revenues as a result of an acquisition. Acquisitions may result in us assuming unexpected liabilities and in management diverting its attention from the operation of our business. Disclosures we make regarding past operating results of acquired entities and our pro forma results are based on financial information provided to us by acquired entities, which has not been reviewed by our auditors or subject to our internal controls. Acquisitions may result in us having greater exposure to the industry risks of the businesses underlying the acquisition. Strategic investments and partnerships with other companies expose us to the risk that we may be unable to control the operations of our investee or partnership, which could decrease the amount of benefits we realize from a particular relationship. We are exposed to the risk that our partners in strategic investments and infrastructure may encounter financial difficulties which could disrupt investee or partnership activities, or impair assets acquired, which would adversely affect future reported results of operations and shareholders' equity. In addition, we may be unable to obtain financing necessary to complete acquisitions on attractive terms or at all. The failure to obtain regulatory approvals may prevent us from completing or realizing the anticipated benefits of acquisitions. Furthermore, acquisitions may subject us to new or different regulations which could have an adverse effect on our operations.

The value of our existing intangible assets may become impaired, depending upon future operating results

Goodwill and other intangible assets were approximately \$7.07 billion at September 27, 2015, representing approximately 80% of our total assets. We periodically evaluate our goodwill and other intangible assets to determine whether all or a portion of their carrying values may no longer be recoverable, in which case a non-cash charge to earnings may be necessary, as occurred in 2014-2015 (see Notes 3 and 4 to the condensed consolidated financial statements). Any future evaluations requiring an asset impairment charge for goodwill or other intangible assets would adversely affect future reported results of operations and shareholders' equity, although such charges would not affect our cash flow.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

| Period | (a) Total<br>Number of<br>Shares<br>Purchased | (b) Average Price<br>Paid per Share | (c) Total Number of<br>Shares Purchased as<br>Part of Publicly<br>Announced Program | (d) Approximate Dollar<br>Value of Shares that<br>May Yet Be Purchased<br>Under the Program |
|--------|---|-------------------------------------|---|---|
|--------|---|-------------------------------------|---|---|

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|                          |           |         |           |               |
|--------------------------|-----------|---------|-----------|---------------|
| 6/29/15 – 8/2/15         | 1,458,830 | \$29.84 | 1,458,830 | \$706,472,495 |
| 8/3/15 – 8/30/15         | 888,745   | \$25.70 | 888,745   | \$683,633,786 |
| 8/31/15 – 9/27/15        | 2,525,000 | \$23.41 | 2,525,000 | \$624,521,257 |
| Total Third Quarter 2015 | 4,872,575 | \$25.75 | 4,872,575 | \$624,521,257 |

In connection with the spin-off of our publishing businesses on the first day of the third quarter, we announced that we expect to return approximately \$1.5 billion to shareholders by the end of 2018 through a regular cash dividend of \$0.56 per share annually and a \$750 million share repurchase program to be completed over a three-year period beginning June 29, 2015. On October 20, 2015, our Board of Directors approved a \$75 million increase in the company's share repurchase program, which will be used over the original three-year term ending June 2018.

Item 3. Defaults Upon Senior Securities

This item is not applicable.

Item 4. Mine Safety Disclosures

This item is not applicable.

Item 5. Other Information

This item is not applicable.

Item 6. Exhibits

Incorporated by reference to the Exhibit Index attached hereto and made a part hereof.

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SIGNATURES

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

Date: November 6, 2015

TEGNA INC.

/s/ Clifton A. McClelland III  
Clifton A. McClelland III  
Vice President and Controller  
(on behalf of Registrant and Chief Accounting Officer)

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EXHIBIT INDEX

| Exhibit Number | Exhibit   | Location   |
|----------------|---|--|
| 3-1            | Third Restated Certificate of Incorporation of TEGNA Inc.   | Incorporated by reference to Exhibit 3.1 to TEGNA Inc.'s Form 10-Q for the fiscal quarter ended April 1, 2007.     |
| 3-1-1          | Amendment to Third Restated Certificate of Incorporation of TEGNA Inc.  | Incorporated by reference to Exhibit 3.1 to TEGNA Inc.'s Form 8-K dated April 29, 2015 and filed on May 1, 2015.   |
| 3-1-2          | Amendment to Third Restated Certificate of Incorporation of TEGNA Inc.  | Incorporated by reference to Exhibit 3.1 to TEGNA Inc.'s Form 8-K dated and filed on July 2, 2015.                 |
| 3-2            | Amended by-laws of TEGNA Inc.   | Incorporated by reference to Exhibit 3.2 to TEGNA Inc.'s Form 8-K dated July 29, 2014 and filed on August 1, 2014. |
| 4-1            | Specimen Certificate for TEGNA Inc.'s common stock, par value \$1.00 per share.   | Incorporated by reference to Exhibit 2 to TEGNA Inc.'s Form 8-B filed on June 14, 1972.                            |
| 10-1           | Increased Facility Activation Notice, dated as of September 23, 2015, pursuant to the Amended and Restated Competitive Advance and Revolving Credit Agreement, dated as of August 5, 2013, by and among TEGNA Inc., JPMorgan Chase Bank N.A., as administrative agent, and the several banks and other financial institutions from time to time parties thereto.  | Attached.  |
| 10-2           | Eighth Amendment, dated as of June 29, 2015, to the Amended and Restated Competitive Advance and Revolving Credit Agreement, dated as of December 13, 2004 and effective as of January 5, 2005, as amended and restated as of August 5, 2013, and as further amended by the Seventh Amendment thereto dated as of February 13, 2015, and the Sixth Amendment thereto dated September 24, 2013, among TEGNA Inc., JPMorgan Chase Bank, N.A., as administrative agent, and the several banks and other financial institutions from time to time parties thereto, as set forth on Exhibit A to the Eighth Amendment. | Incorporated by reference to Exhibit 10.1 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015.             |
| 10-3           | Purchase and Sale Agreement, dated as of June 24, 2015, by and between GTMP Holdings, LLC and Tamares Tysons Corner LLC.  | Attached.  |

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|------|---|---|
| 10-4 | First Amendment to Purchase and Sale Agreement, dated as of July 2, 2015, by and between GTMP Holdings, LLC and Tamares Tysons Corner LLC.                | Attached.   |
| 10-5 | Second Amendment to Purchase and Sale Agreement, dated as of July 14, 2015, by and between GTMP Holdings, LLC and Tamares Tysons Corner LLC.              | Attached.   |
| 10-6 | Separation and Distribution Agreement, dated as of June 26, 2015, by and between TEGNA Inc. and Gannett Co., Inc., formerly known as Gannett SpinCo, Inc. | Incorporated by reference to Exhibit 2.1 to TEGNA Inc.'s Form 8-K dated and filed on July 2, 2015.  |
| 10-7 | Transition Services Agreement, dated as of June 26, 2015, by and between TEGNA Inc. and Gannett Co., Inc., formerly known as Gannett SpinCo, Inc.         | Incorporated by reference to Exhibit 10.1 to TEGNA Inc.'s Form 8-K dated and filed on July 2, 2015. |
| 10-8 | Tax Matters Agreement, dated as of June 26, 2015, by and between TEGNA Inc. and Gannett Co., Inc., formerly known as Gannett SpinCo, Inc.                 | Incorporated by reference to Exhibit 10.2 to TEGNA Inc.'s Form 8-K dated and filed on July 2, 2015. |
| 10-9 | Employee Matters Agreement, dated as of June 26, 2015, by and between TEGNA Inc. and Gannett Co., Inc., formerly known as Gannett SpinCo, Inc.            | Incorporated by reference to Exhibit 10.3 to TEGNA Inc.'s Form 8-K dated and filed on July 2, 2015. |

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| 10-10 | Amendment No. 2 to the TEGNA Inc. Supplemental Executive Medical Plan dated as of June 26, 2015.*                           | Incorporated by reference to Exhibit 10.6 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015.  |
| 10-11 | Amendment No. 1 to the TEGNA Inc. Supplemental Executive Medical Plan for Retired Executives dated as of June, 26, 2015.*   | Incorporated by reference to Exhibit 10.7 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015.  |
| 10-12 | Amendment No. 3 to the TEGNA Inc. Supplemental Retirement Plan Restatement dated June 26, 2015.*                            | Incorporated by reference to Exhibit 10.8 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015.  |
| 10-13 | Amendment to the TEGNA Inc. Deferred Compensation Plan Restatement Rules for Pre-2005 Deferrals dated as of June 26, 2015.* | Incorporated by reference to Exhibit 10.9 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015.  |
| 10-14 | Amendment No. 5 to the TEGNA Inc. Deferred Compensation Plan Rules for Post-2004 Deferrals dated as of June 26, 2015.*      | Incorporated by reference to Exhibit 10.10 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015. |
| 10-15 | Amendment No. 3 to the TEGNA Inc. Transitional Compensation Plan Restatement dated as of June 26, 2015.*                    | Incorporated by reference to Exhibit 10.11 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015. |
| 10-16 | Amendment No. 2 to the TEGNA Inc. 2001 Omnibus Incentive Compensation Plan dated as of June 26, 2015.*                      | Incorporated by reference to Exhibit 10.12 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015. |
| 10-17 | Amendment No. 1 to the TEGNA Inc. Executive Life Insurance Plan Document dated as of June 26, 2015.*                        | Incorporated by reference to Exhibit 10.13 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015. |
| 10-18 | Amendment No. 1 to the TEGNA Inc. Key Executive Life Insurance Plan dated as of June 26, 2015.*                             | Incorporated by reference to Exhibit 10.14 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015. |
| 10-19 | Description of TEGNA Inc.'s Non-Employee Director Compensation.*  | Incorporated by reference to Exhibit 10.15 to TEGNA Inc.'s Form 10-Q dated and filed on August 5, 2015. |
| 10-20 | Form of Director Restricted Stock Unit Award Agreement.*  | Attached.   |
| 10-21 | Form of Executive Officer Restricted Stock Unit Award Agreement.*   | Attached.   |
| 31-1  | Rule 13a-14(a) Certification of CEO.  | Attached.   |
| 31-2  | Rule 13a-14(a) Certification of CFO.  | Attached.   |
| 32-1  | Section 1350 Certification of CEO.  | Attached.   |

32-2 Section 1350 Certification of CFO. Attached.

101 The following financial information from TEGNA Inc. Quarterly Report on Form 10-Q for the quarter ended September 27, 2015, formatted in XBRL includes: (i) Condensed Consolidated Balance Sheets at September 27, 2015 and December 28, 2014, (ii) Condensed Consolidated Statements of Income for the fiscal quarter and year-to-date periods ended September 27, 2015 and September 28, 2014, (iii) Condensed Consolidated Statements of Comprehensive Income for the fiscal quarter and year-to-date periods ended September 27, 2015 and September 28, 2014, (iv) Condensed Consolidated Cash Flow Statements for the fiscal year-to-date periods ended September 27, 2015 and September 28, 2014, and (v) the Notes to Condensed Consolidated Financial Statements. Attached.

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

We agree to furnish to the Commission, upon request, a copy of each agreement with respect to long-term debt not filed herewith in reliance upon the exemption from filing applicable to any series of debt representing less than 10% of our total consolidated assets.