

**McCLATCHY**  
**Reconciliation of GAAP Measures to Non-GAAP Amounts**  
(In thousands)

**Reconciliation of Operating Loss from Continuing Operations to Operating Cash Flows**

	Quarters Ended	
	March 27, 2016	March 29, 2015
REVENUES - NET:		
Advertising	\$ 136,256	\$ 151,247
Audience	90,662	93,209
Other	11,061	12,722
	<u>237,979</u>	<u>257,178</u>
OPERATING EXPENSES:		
Compensation excluding severance and certain other charges	97,669	102,489
Newsprint, supplements and printing expense	19,032	24,776
Other cash operating expenses excluding certain other charges	95,504	102,670
Cash operating expenses excluding severance and other charges	212,205	229,935
Severance charges	3,005	4,183
Other charges	4,254	555
Depreciation and amortization	24,562	23,663
Total operating expenses	<u>244,026</u>	<u>258,336</u>
OPERATING LOSS	(6,047)	(1,158)
Add back:		
Depreciation and amortization	24,562	23,663
Severance charges	3,005	4,183
Other charges	4,254	555
OPERATING CASH FLOW	<u>\$ 25,774</u>	<u>\$ 27,243</u>
OPERATING CASH FLOW MARGIN	10.8%	10.6%

**Reconciliation of Loss from Continuing Operations to Adjusted Net Loss**

Loss from continuing operations:	\$ (12,741)	\$ (11,346)
Add back certain items, net of tax:		
Gain on extinguishment of debt	(974)	(393)
Impairment charges related to equity investments	561	-
Severance charges	1,833	2,562
Accelerated depreciation on equipment	1,717	90
Other charges	2,613	340
Reversal of interest on tax items	-	-
Certain discrete tax items	(897)	-
Adjusted loss from continuing operations	<u>\$ (7,888)</u>	<u>\$ (8,747)</u>