

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



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FORM 11-K

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ANNUAL REPORT
PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

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(Mark one):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED, EFFECTIVE OCTOBER 7, 1996].
For the fiscal year ended December 31, 2007.

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED].
For the transition period from _____ to _____.

Commission file number 1-6961

A. Full title of the plan and the address of the plan, if different from that of the
issuer named below:

The Gannett Co., Inc.
401(k) Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its
principal executive office:

Gannett Co., Inc.
7950 Jones Branch Drive
McLean, Virginia 22107

THE GANNETT CO., INC.
401(k) SAVINGS PLAN
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Report of Ernst & Young LLP,
Independent Registered Public Accounting Firm

Plan Administrator
The Gannett Co., Inc. 401(k) Savings Plan

We have audited the accompanying statements of net assets available for benefits of The Gannett Co., Inc. 401(k) Savings Plan as of December 31, 2007 and 2006, and the related statement of changes in net assets available for benefits for the year ended December 31, 2007. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2007 and 2006, and the changes in its net assets available for benefits for the year ended December 31, 2007, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2007 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



McLean, Virginia
June 20, 2008

THE GANNETT CO., INC.
401(k) SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

| | <u>December 31, 2007</u> | <u>December 31, 2006</u> |
|--|--------------------------|--------------------------|
| <u>Assets</u> | | |
| Cash: | \$ <u>4,190,142</u> | \$ <u>251,851</u> |
| Investments: | | |
| At fair value: | | |
| Gannett Co., Inc. common stock | 116,117,430 | 204,918,107 |
| Other investments | <u>1,332,118,610</u> | <u>1,214,962,356</u> |
| Total investments | <u>1,448,236,040</u> | <u>1,419,880,463</u> |
| Receivables: | | |
| Employer contributions | 10,796 | 601,279 |
| Employee contributions | 72,473 | 2,064,826 |
| Interest and dividends | 1,520,862 | 2,523,796 |
| Due from broker, net | <u>-</u> | <u>216,718</u> |
| Total receivables | <u>1,604,131</u> | <u>5,406,619</u> |
| Total assets | <u>1,454,030,313</u> | <u>1,425,538,933</u> |
| <u>Liabilities</u> | | |
| Other payables | 708,659 | 635,497 |
| Due to broker, net | <u>771,985</u> | <u>-</u> |
| Total liabilities | <u>1,480,644</u> | <u>635,497</u> |
| Net assets available for benefits, at fair value | 1,452,549,669 | 1,424,903,436 |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | <u>(5,648,489)</u> | <u>(1,481,322)</u> |
| Net assets available for benefits | <u>\$1,446,901,180</u> | <u>\$1,423,422,114</u> |

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

THE GANNETT CO., INC.
401(k) SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2007

| | |
|------------------------------------|------------------------|
| Contributions: | |
| Employer, net | \$ 31,818,751 |
| Employee | <u>101,965,424</u> |
| Total contributions | <u>133,784,175</u> |
| Investment income: | |
| Interest and dividends | 48,899,055 |
| Net depreciation in investments | <u>(4,194,451)</u> |
| Net investment gain | <u>44,704,604</u> |
| Net additions | <u>178,488,779</u> |
| Benefits paid to participants | 152,894,108 |
| Administrative expenses | <u>2,115,605</u> |
| Total deductions | <u>155,009,713</u> |
| Net increase | 23,479,066 |
| Net assets available for benefits: | |
| Beginning of year | <u>1,423,422,114</u> |
| End of year | <u>\$1,446,901,180</u> |

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

THE GANNETT CO., INC.
401(k) SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 1 - DESCRIPTION OF THE PLAN

General

The following description of The Gannett Co., Inc. 401(k) Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions. The Plan was formed in June 1990 as a voluntary defined contribution plan covering eligible employees of Gannett Co., Inc. (the Company or Gannett) and its participating subsidiaries. Generally, employees who are scheduled to work at least 1,000 hours during the year are eligible to participate in the Plan beginning on the first day of the first pay period following his or her employment date that is administratively practicable. Employees covered under collective bargaining agreements are eligible to participate in the Plan only if participation has been bargained. The Plan is subject to the applicable sections of the Employee Retirement Income Security Act of 1974 (ERISA).

Administration of Plan Assets

The Plan assets are held under a trust agreement (The Trust) with Mellon Trust of New England N.A. (the Trustee), which is a subsidiary of The Bank of New York Mellon Corporation. Hewitt Associates LLC performs recordkeeping services for the Plan. Hewitt Financial Services is the broker/dealer and holder of assets purchased through participant accounts in the brokerage window. The Gannett Benefit Plans Committee serves as the Plan administrator.

Plan Benefits

Company common stock is allocated to participants to the extent necessary to provide the matching contribution. All Plan participants, regardless of age or years of participation, can transfer at any time all or part of their employer match in Gannett stock to one or more of the other investment options.

Upon termination of an employee with vested benefits, employer contributions are paid out in cash or in Gannett stock, at the participant's election. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers eleven core investment funds which include one privately managed fund, six registered investment company mutual funds, two "fund of funds" options, Gannett Co., Inc. common stock and target maturity funds. In addition, the Plan offers a self-directed mutual fund window that gives participants access to invest in over 9,500 mutual funds. The Plan allocates investment income to participants' accounts daily, based upon the relationship among their account balances at the end of each day. Participants generally become fully vested in the Company's matching contribution after 3 years of service. Forfeitures are applied against future employer contributions. The amount of forfeitures applied to employer contributions was \$977,764 and \$753,977 for the years ended December 31, 2007 and 2006, respectively.

Upon termination of employment, disability or death, participants or their beneficiaries are generally eligible to receive their benefits in a lump sum. Upon retirement, participants may elect to receive either a lump sum payment or installment payments. Limited hardship withdrawals are also available for active employees.

Participant Loans

Under the terms of the Plan, generally participants may borrow from their accounts up to 50 percent of their vested account balance, excluding the Company matching contributions and their earnings, with a minimum loan of \$500 up to a maximum of \$50,000. The loans are secured by the balance in the participants' accounts,

bear interest at the prime rate plus 1% and have maturities for a period not to exceed five years.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his/her account and is notified by the Trustee prior to the time that such rights are to be exercised. Trustee votes for uninstructed shares in the same proportion as instructed shares.

Contributions

A participant may generally contribute, on a pre-tax basis, any whole percentage amount, up to 20 percent of compensation for a payroll period. Additionally, an eligible participant who has attained age 50 before the close of the Plan Year shall be eligible to make tax-deferred catch-up contributions in accordance with, and subject to the limitations of Section 414(v) of the Internal Revenue Code (IRC). However, employer matching contributions shall not be made on amounts treated as catch-up contributions. The employer match is generally 50 percent of the first 6 percent of compensation that a participant contributes. Participant contributions are subject to certain limitations.

Gannett funded the employer match in Gannett common stock through a leveraged ESOP for 13 years. The leveraged ESOP expired at the end of June 2003. Gannett can fund the employer match through purchases of stock on the open market or through the use of existing treasury shares. From July 1, 2003 through December 31, 2007 the employer match was funded through open market purchases. In addition, participants in certain operating units receive a cash matching contribution as stipulated in the Plan agreement.

Plan Termination

Although the Company has not expressed any intent to terminate the Plan, it may do so at any time. In the event of Plan termination, the accounts of all participants will become fully vested and the assets will be distributed in accordance with ERISA.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, in all material respects. The Plan's financial statements are prepared on the accrual basis of accounting, and reflect management's estimates and assumptions, such as those regarding fair value, that affect the recorded amounts of assets and liabilities and changes therein, and discussion of contingent assets and liabilities. Actual results may differ from these estimates.

Valuation of Investments

Common stocks are valued based on closing prices quoted by major exchanges. Investments in registered investment companies are stated at fair value as determined by quoted market prices. Participant loans are valued at their outstanding balances, which approximates fair value.

Effective December 31, 2006, the Company adopted Financial Accounting Standards Board Staff Position AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP). In accordance with the FSP, the Company now records all traditional and synthetic guaranteed investment contracts (GICs) at fair value as part of Other investments in the Statement of Net Assets Available for Benefits. However, as these GICs are fully benefit-responsive per the FSP, a separately disclosed adjustment is made to reflect contract value as part of net assets available for benefits.

The Plan's traditional GICs provide a fixed rate of interest over a specified period of time. The fair value of traditional GICs is based on the present value of future cash flows calculated based on market interest rates of GICs with similar terms as of year-end. The adjustment from fair value to contract value is based on the contract value reported by the insurance company. Contract value represents contributions made under the contract, plus interest at the contract rate, less funds to pay benefits and administrative expenses charged by the insurance company.

Synthetic GICs are comprised of the underlying assets which consist primarily of corporate bonds, agency bonds and US Treasury notes and a wrapper contract issued by a financially responsible third party. The issuer of the wrapper contract provides that the Trust may make withdrawals at contract value for benefit responsive requirements. The synthetic GICs are designed to reset the respective crediting rate on a periodic basis, typically quarterly. The net crediting rate reflects wrap fees paid to the contract issuers. The rate reset allows the contract value of the portfolio to converge to the fair value over time, assuming the fair value continues to earn the current portfolio yield for a period of time equal to the current portfolio duration. The fair value of synthetic GICs includes the value of the underlying securities (determined based on prices quoted by major exchanges) and the value of the wrapper contract (determined based on replacement cost of wrapper contract fees).

The average yield earned by the insurance contracts was 4.96% and 4.85% during the years ended December 31, 2007 and 2006, respectively. The average yield earned by the contracts with an adjustment to reflect the actual interest rate credited to participants in the fund was 4.90% and 4.60% during the years ended December 31, 2007 and 2006, respectively.

Certain events limit the ability of the Plan to transact at contract value with the insurance company and the financial institution issuer. Such events include, but are not limited to: (i) significant amendments to the Plan documents or Plan's administration; (ii) changes to Plan's prohibition on competing investment options by participating plans or deletion of equity wash provisions; (iii) complete or partial termination of the Plan or its merger with another plan; and (iv) the failure of the Plan or its trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan administrator believes that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is not probable.

Guaranteed investment contracts generally do not permit issuers to terminate the agreement prior to the scheduled maturity date. Circumstances that would allow such termination include, but are not limited to: (i) the Plan fails to furnish any information or documents required under the contract; or (ii) the Plan fails to qualify under applicable provision of the IRC. Wrap contracts generally are evergreen contracts that contain termination provisions. However, guidelines are intended to result in contract value equaling market value of the wrapped portfolio by such termination date.

Income Recognition

Contributions are recorded by the Plan at the time they are accrued by the employer. Income on Plan investments is accrued when earned. The Statement of Changes in Net Assets Available for Benefits presents the net appreciation (depreciation) in the fair value of investments which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

Administrative Expenses

All administrative expenses are paid by the Plan.

Payment of Benefits

Benefits are recorded when paid.

NOTE 3 - TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated May 19, 2003, stating that the Plan is qualified under Section 401(a) of the IRC and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

NOTE 4 - INVESTMENTS

The following investments represent assets held in excess of 5% of the Plan's net assets available for benefits:

| | <u>December 31, 2007</u> | | <u>December 31, 2006</u> | |
|----------------------------------|--------------------------|---------------------|--------------------------|---------------------|
| | <u>Shares</u> | <u>Market Value</u> | <u>Shares</u> | <u>Market Value</u> |
| Gannett Co., Inc. common stock: | | | | |
| Participant directed | 1,950,282 | \$ 76,060,998 | 2,052,371 | \$124,086,352 |
| Company match | <u>1,027,088</u> | <u>40,056,432</u> | <u>1,336,946</u> | <u>80,831,755</u> |
| Total Common Stock | 2,977,370 | 116,117,430 | 3,389,317 | 204,918,107 |
| | | | | |
| Fidelity Growth & Income Fund | - | - | 4,239,793 | 132,069,539 |
| American Century Ultra Fund | - | - | 3,712,140 | 100,636,117 |
| Brandywine Fund | 5,088,148 | 186,124,454 | 4,234,638 | 145,205,754 |
| Dodge & Cox Balanced Fund | 1,684,605 | 136,452,991 | 1,757,387 | 153,033,235 |
| Vanguard S&P 500 Fund | 644,441 | 86,445,350 | 879,252 | 113,942,312 |
| American Europacific Growth Fund | 3,949,777 | 198,120,834 | 3,485,389 | 160,258,203 |

A summary of net appreciation (depreciation) during the year ended December 31, 2007 was:

| | <u>Year Ended</u> <u>December 31, 2007</u> |
|---------------------------------|---|
| Gannett Co., Inc. common stock | \$ (69,365,324) |
| Other investments | <u>65,349,011</u> |
| | (4,016,313) |
| Less: Investment fees | <u>(178,138)</u> |
| Net depreciation in investments | \$ <u>(4,194,451)</u> |

The following investments (at fair value) represent the Plan's holdings in the Fixed Income Fund, which consists of guaranteed investment contracts, and synthetic investment contracts at December 31, 2007 and 2006:

| <u>Guaranteed Investment Contracts (GIC)</u> | <u>December 31,</u> <u>2007</u> | <u>December 31,</u> <u>2006</u> | <u>Stated</u> <u>Rate</u> | <u>Maturity</u> <u>Date</u> |
|--|------------------------------------|------------------------------------|------------------------------|--------------------------------|
| AEGON (Monumental Life) | \$ 10,602,078 | \$ 9,979,099 | 4.61% | 3/31/09 |
| AEGON (Monumental Life) | - | 2,855,937 | 3.70% | 9/30/07 |
| AEGON (Monumental Life) | - | 2,806,407 | 3.11% | 3/31/07 |
| AEGON (Monumental Life) | 4,734,771 | 4,275,343 | 5.90% | 9/30/13 |
| Great West (Canada Life Assurance) | - | 2,713,321 | 4.12% | 10/01/07 |
| Genworth (GE Capital) | - | 2,870,425 | 3.86% | 12/31/07 |
| Genworth (GE Capital) | - | 2,840,424 | 3.58% | 9/30/07 |
| Genworth (GE Capital) | - | 3,214,156 | 4.42% | 12/31/07 |
| Genworth (GE Life & Annuity) | 1,182,048 | 1,121,987 | 5.97% | 3/31/08 |
| Genworth (GE Life & Annuity) | 6,765,131 | 6,302,068 | 4.51% | 9/30/10 |
| Genworth (GE Life & Annuity) | 3,361,359 | 3,106,718 | 4.52% | 3/31/11 |
| Hartford Life | - | 1,567,574 | 7.33% | 9/30/07 |
| Hartford Life | 2,293,125 | 2,133,905 | 4.59% | 6/30/10 |
| Hartford Life | 4,407,224 | - | 5.47% | 3/31/12 |
| ING (Security Life of Denver) | - | 1,548,532 | 3.16% | 6/29/07 |
| ING (Security Life of Denver) | - | 1,430,216 | 3.51% | 12/31/07 |
| Jackson National | 11,523,041 | 10,657,623 | 4.70% | 6/30/10 |
| Jackson National | 10,320,343 | 9,476,131 | 4.98% | 6/30/11 |
| MBIA (Pruco Life) | - | 1,603,689 | 5.25% | 9/30/07 |
| Metropolitan Life | - | 3,419,260 | 6.58% | 9/30/07 |
| Metropolitan Life | - | 3,403,298 | 3.43% | 12/31/07 |
| Metropolitan Life | - | 1,384,855 | 2.92% | 3/31/07 |
| Metropolitan Life | 3,559,874 | 3,214,437 | 5.94% | 9/30/13 |
| Metropolitan Life | 3,323,870 | 3,037,821 | 5.21% | 3/31/13 |
| Metropolitan Life (Travelers Insurance) | - | 1,139,695 | 3.24% | 3/31/07 |
| Metropolitan Life (Travelers Insurance) | 4,651,098 | 4,399,525 | 3.00% | 9/30/08 |
| Mutual of America | 5,546,134 | 5,039,896 | 5.13% | 6/30/13 |
| New York Life | - | 1,123,201 | 7.74% | 3/30/07 |
| New York Life | 5,870,592 | 5,301,412 | 5.77% | 9/30/13 |
| Ohio National Life | 6,825,482 | 6,404,861 | 4.00% | 12/31/09 |
| Ohio National Life | 4,421,731 | - | 5.37% | 3/31/13 |
| Ohio National Life | - | 2,865,121 | 3.83% | 12/31/07 |
| Pacific Life | 10,070,828 | 9,639,986 | 4.30% | 9/30/10 |
| Pacific Life | 6,762,897 | 6,282,478 | 4.48% | 12/31/10 |
| Principal Life Insurance | - | 2,846,880 | 3.63% | 9/30/07 |
| Principal Life Insurance | 1,196,273 | 1,909,730 | 3.23% | 3/31/08 |
| Principal Life Insurance | - | 2,149,721 | 4.25% | 3/31/07 |
| Principal Life Insurance | - | 8,011,357 | 5.90% | 6/30/07 |
| Principal Life Insurance | 4,455,754 | 4,222,925 | 4.81% | 6/30/08 |
| Principal Life Insurance | 9,610,350 | - | 5.90% | 12/31/14 |
| Prudential Insurance Company | 8,999,515 | 8,503,888 | 3.77% | 6/30/09 |
| Prudential Insurance Company | <u>9,150,873</u> | <u>8,380,347</u> | 5.10% | 3/30/12 |
| Total GICs | <u>\$139,634,391</u> | <u>\$163,184,249</u> | | |

| | December 31, <u>2007</u> | December 31, <u>2006</u> | Stated <u>Rate</u> | Maturity <u>Date</u> |
|--|-----------------------------|-----------------------------|-----------------------|-------------------------|
| <u>Guaranteed Investment Contracts – Synthetic</u> | | | | |
| AIG | | | | |
| Underlying Assets | | | | |
| Cash & cash equivalents | \$101,224 | - | | |
| Dwight Target 2 | 3,882,838 | - | | |
| Dwight Target 5 | 10,353,637 | - | | |
| Dwight Intermediate Core | 1,742,818 | - | | |
| Asset Backed Securities | 261,497 | - | | |
| Commercial MBS | 1,346,349 | - | | |
| Corporate Investment Grade | 2,314,227 | - | | |
| Mortgage Backed Securities | <u>8,486,129</u> | - | | |
| Total Fair Value | <u>\$28,488,719</u> | - | 5.70% | |
| JP Morgan Chase | | | | |
| Underlying Assets | | | | |
| Cash & cash equivalents | \$101,224 | - | | |
| Dwight Target 2 | 3,882,838 | - | | |
| Dwight Target 5 | 10,353,637 | - | | |
| Dwight Intermediate Core | 1,742,818 | - | | |
| Asset Backed Securities | 261,497 | - | | |
| Commercial MBS | 1,346,349 | - | | |
| Corporate Investment Grade | 2,314,227 | - | | |
| Mortgage Backed Securities | <u>8,486,129</u> | - | | |
| Total Fair Value | <u>\$28,488,719</u> | - | 5.70% | |
| State Street Bank | | | | |
| Underlying Assets | | | | |
| Cash & cash equivalents | \$101,225 | - | | |
| Dwight Target 2 | 3,882,896 | - | | |
| Dwight Target 5 | 10,353,793 | - | | |
| Dwight Intermediate Core | 1,742,844 | - | | |
| Asset Backed Securities | 261,501 | - | | |
| Commercial MBS | 1,346,369 | - | | |
| Corporate Investment Grade | 2,314,261 | - | | |
| Mortgage Backed Securities | <u>8,486,257</u> | - | | |
| Total Fair Value | <u>\$28,489,146</u> | - | 5.72% | |
| Bank of America | | | | |
| Wrapper Contract | - | <u>24,822</u> | 5.72% | 3/31/2010 |
| Underlying Assets | | | | |
| WTC-CIF II Core Bond | - | <u>28,237,122</u> | | |
| Total Fair Value | - | <u>\$28,261,944</u> | | |

| | December 31, <u>2007</u> | December 31, <u>2006</u> | Stated <u>Rate</u> | Maturity <u>Date</u> |
|--|-----------------------------|-----------------------------|-----------------------|-------------------------|
| JP Morgan Chase | | | | |
| Wrapper Contract | - | \$ <u>21,006</u> | 5.34% | 10/14/2012 |
| Underlying Assets | | | | |
| Cash & cash equivalents | - | 119,898 | | |
| Government Bonds | - | 4,100,262 | | |
| Agency Bonds | - | 6,226,860 | | |
| Asset Backed Securities | - | 849,534 | | |
| Corporate Bond Funds | - | 585,548 | | |
| Mortgage Backed Securities | - | 9,931,319 | | |
| Corporate Bonds | - | <u>4,770,905</u> | | |
| Total | - | <u>26,584,326</u> | | |
| Total Fair Value | - | \$ <u>26,605,332</u> | | |
| UBS | | | | |
| Wrapper Contract | - | \$ <u>16,313</u> | 5.39% | 11/30/2020 |
| Underlying Assets | | | | |
| Cash & cash equivalents | - | 412,761 | | |
| Government Bonds | - | 6,605,271 | | |
| Agency Bonds | - | 10,450,125 | | |
| Corporate/Foreign Obligations | - | <u>3,301,263</u> | | |
| Total | - | <u>20,769,420</u> | | |
| Total Fair Value | - | \$ <u>20,785,733</u> | | |
| Total Guaranteed Investment Contracts – Synthetic | <u>\$85,466,584</u> | <u>\$75,653,009</u> | | |
| Total Guaranteed Investment Contracts at fair value | <u>\$225,100,975</u> | <u>\$238,837,258</u> | | |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | <u>(\$5,648,489)</u> | <u>(\$1,481,322)</u> | | |
| Total Guaranteed Investment Contracts at contract value | <u>\$219,452,486</u> | <u>\$237,355,936</u> | | |

NOTE 5 - RELATED PARTIES

Gannett Co., Inc. as Plan sponsor is a related party. At December 31, 2007 and 2006, the Plan held an investment of 2,977,370 and 3,389,317 shares of Gannett Co., Inc. common stock, respectively. The fair market value of the common stock at December 31, 2007 and 2006 was \$116,117,430 and \$204,918,107, respectively.

The Plan's self-directed brokerage window account held investments in a money market fund managed by Hewitt Associates. Hewitt Associates is the Plan's record keeper and therefore is a related party.

The Plan's Dreyfus Cash Management Fund is managed by the Dreyfus Corporation, which is a wholly owned subsidiary of The Bank of New York Mellon Corporation. The Bank of New York Mellon Corporation also owns Mellon Trust of New England, N.A. (the Trustee).

Certain Plan investments are shares of a mutual fund managed by Mellon Trust of New England N.A. Mellon Trust of New England N.A. is the trustee and therefore these transactions qualify as party-in-interest transactions. No fees were paid by the Plan to Mellon Trust of New England N.A. for investment management services for the year ended December 31, 2007.

On June 10, 2008, AXA Assurances I.A.R.D. Mutuelle (AXA) filed a form schedule 13G/A with the United States Securities and Exchange Commission stating that it owned, together with its affiliates, 10.1 percent of the Plan sponsor's common stock. Alliance Bernstein L.P., a subsidiary of AXA, is a registered investment advisor that serves as the investment manager for the target maturity funds that are investment options to Plan participants. As of December 31, 2007 and March 31, 2008 the target maturity funds that are investment options to Plan participants hold approximately 3,000 and 3,250 shares of Gannett common stock, respectively.

NOTE 6 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2007 to the Plan's Form 5500:

| | |
|--|------------------------|
| Net assets available for benefits per the financial statements | \$1,446,901,180 |
| Add: Adjustment from contract value to fair value for fully benefit-responsive investment contracts at December 31, 2007 | 5,648,489 |
| Less: Amounts allocated to participant withdrawals | <u>(1,763,169)</u> |
| Net assets available for benefits per the Form 5500 | <u>\$1,450,786,500</u> |

Reconciliation of total additions to Plan assets reported in the financial statements to the total income plus transfers reported on line 2 (b) of Form 5500 Schedule H. Part II, for the year ended December 31, 2007 is presented below.

| | |
|---|----------------------|
| Total additions reported in the financial statements | \$178,488,779 |
| Less: Adjustment from contract value to fair value for fully benefit-responsive investment contracts at December 31, 2006 | (1,481,322) |
| Add: Adjustment from contract value to fair value for fully benefit-responsive investment contracts at December 31, 2007 | <u>5,648,489</u> |
| Total income reported on Form 5500 | <u>\$182,655,946</u> |

The following is a reconciliation of benefits paid to participants per the financial statements for the year ended December 31, 2007 to the Plan's Form 5500:

| | |
|---|----------------------|
| Benefits paid to participants per the financial statements | \$152,894,108 |
| Less: Benefits payable to participants at December 31, 2006 | (1,626,113) |
| Add: Benefits payable to participants at December 31, 2007 | <u>1,763,169</u> |
| Benefits paid to participants per Form 5500 | <u>\$153,031,164</u> |

Amounts payable to participants are recorded on the Form 5500 for benefits that have been processed and approved for payment prior to December 31, 2007, but not yet paid as of that date.

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate risk, market risk and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE 8 - NEW ACCOUNTING PRONOUNCEMENT

In September 2006, the Financial Accounting Standards Board issued Statement on Financial Accounting Standards No. 157 (FAS 157), *Fair Value Measurement*. This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements. FAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007. Plan management is currently evaluating the effect that the provisions of FAS 157 will have on the Plan's financial statements.

NOTE 9 - SUBSEQUENT EVENTS

Effective April 1st 2008, the Observer & Eccentric 401(k) Plan for Employees Represented by the Newspaper Guild of Detroit Local 22 and the Observer & Eccentric 401(k) Plan for Employees Represented by the Detroit Newspaper P&G Comm. Union, Local 13N (the "Observer & Eccentric Plans") were merged with and into the Plan.

In June 2008, the Company's Board of Directors authorized and approved an amendment to the Plan. The amendment provides that effective August 1, 2008, participants whose benefits are frozen under the Gannett Retirement Plan and, if applicable, the Gannett Supplemental Retirement Plan will receive higher employer matching contributions under The Gannett Co., Inc. 401(k) Savings Plan. The Gannett Retirement Plan and the Gannett Supplemental Retirement Plan are defined benefit plans maintained by the Company. Under the new formula, the employer matching contribution rate generally will increase from 50% of the first 6% of compensation that an employee elects to contribute to the plan to 100% of the first 5% of compensation. Gannett will also make additional employer contributions to the Plan on behalf of certain employees.

THE GANNETT CO., INC.
401(k) SAVINGS PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2007

| <u>Shares/Par Value</u> | <u>Description</u> | <u>Cost</u> | <u>Fair Value</u> |
|--|--|----------------------|----------------------|
| <u>Common Stock</u> | | | |
| 2,977,370 | Gannett Co., Inc. Common Stock * | <u>\$152,131,743</u> | <u>\$116,117,430</u> |
| <u>Liquidity Fund</u> | | | |
| 13,264,107 | The Boston Company, Inc. Pooled Employee Funds Daily Liquidity Fund* | <u>\$ 13,264,107</u> | <u>\$ 13,264,107</u> |
| <u>Guaranteed Investment Contracts</u> | | | |
| 10,539,067 | AEGON (Monumental Life) 4.61%, due 3/31/09 | \$10,539,067 | \$10,602,078 |
| 4,357,459 | AEGON (Monumental Life) 5.90%, due 9/30/13 | 4,357,459 | 4,734,771 |
| 1,177,340 | Genworth (GE Life & Annuity) 5.97%, due 3/31/08 | 1,177,340 | 1,182,048 |
| 6,689,439 | Genworth (GE Life & Annuity) 4.51%, due 9/30/10 | 6,689,439 | 6,765,131 |
| 3,313,249 | Genworth (GE Life & Annuity) 4.52%, due 3/31/11 | 3,313,249 | 3,361,359 |
| 2,262,774 | Hartford Life 4.59%, due 6/30/10 | 2,262,774 | 2,293,125 |
| 4,161,939 | Hartford Life 5.47%, due 3/31/12 | 4,161,939 | 4,407,224 |
| 11,346,633 | Jackson National 4.70%, due 6/30/10 | 11,346,633 | 11,523,041 |
| 10,006,268 | Jackson National 4.98%, due 6/30/11 | 10,006,268 | 10,320,343 |
| 3,269,937 | Metropolitan Life 5.94%, due 9/30/13 | 3,269,937 | 3,559,874 |
| 3,194,740 | Metropolitan Life 5.21%, due 3/31/13 | 3,194,740 | 3,323,870 |
| 4,692,808 | Metropolitan Life (Travelers Insurance) 3.00%, due 9/30/08 | 4,692,808 | 4,651,098 |
| 5,320,284 | Mutual of America 5.13%, due 6/30/13 | 5,320,284 | 5,546,134 |
| 5,436,432 | New York Life 5.77%, due 9/30/13 | 5,436,432 | 5,870,592 |
| 6,815,502 | Ohio National Life 4.00%, due 12/31/09 | 6,815,502 | 6,825,482 |

THE GANNETT CO., INC.
401(k) SAVINGS PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2007

| <u>Shares/Par Value</u> | <u>Description</u> | <u>Cost</u> | <u>Fair Value</u> |
|-------------------------|--|----------------------|----------------------|
| 4,212,384 | Ohio National Life 5.37%, due 3/31/13 | 4,212,384 | 4,421,731 |
| 9,994,407 | Pacific Life 4.30%, due 9/30/10 | 9,994,407 | 10,070,828 |
| 6,683,727 | Pacific Life 4.48%, due 12/31/10 | 6,683,727 | 6,762,897 |
| 1,199,230 | Principal Life Insurance 3.23%, due 3/31/08 | 1,199,230 | 1,196,273 |
| 4,443,823 | Principal Life Insurance 4.81%, due 6/30/08 | 4,443,823 | 4,455,754 |
| 8,736,203 | Principal Life Insurance 5.90%, due 12/31/14 | 8,736,203 | 9,610,350 |
| 9,022,199 | Prudential Insurance Company 3.77%, due 6/30/09 | 9,022,199 | 8,999,515 |
| 8,833,196 | Prudential Insurance Company 5.10%, due 3/30/12 | 8,833,196 | 9,150,873 |
| 27,914,342 | AIG** 5.70% | 27,914,342 | 28,488,719 |
| 27,914,342 | JP Morgan Chase** 5.70% | 27,914,342 | 28,488,719 |
| 27,914,762 | State Street Bank** 5.72% | 27,914,762 | 28,489,146 |
| | Total Guaranteed Investment Contracts | <u>\$219,452,486</u> | <u>\$225,100,975</u> |
| | <u>Participant Loans</u> | | |
| | Participant Loans * | - | <u>\$33,349,657</u> |
| | Interest rates ranging from 4.00% to 11.99% with maturities ranging from 1 month to 5 years. | | |
| | <u>Target Maturity Funds</u> | | |
| 221,239 | AllianceBernstein 2005 * | \$2,214,404 | \$2,181,416 |
| 1,099,921 | AllianceBernstein 2010 * | 11,006,776 | 10,779,228 |
| 1,631,186 | AllianceBernstein 2015 * | 16,323,805 | 15,904,062 |
| 1,650,395 | AllianceBernstein 2020 * | 16,527,808 | 15,992,328 |
| 1,630,873 | AllianceBernstein 2025 * | 16,266,138 | 15,737,920 |
| 1,096,848 | AllianceBernstein 2030 * | 10,950,310 | 10,551,675 |
| 844,653 | AllianceBernstein 2035 * | 8,444,389 | 8,117,115 |
| 687,576 | AllianceBernstein 2040 * | 6,861,168 | 6,607,608 |
| 496,686 | AllianceBernstein 2045 * | 4,956,178 | 4,773,148 |
| 118,859 | AllianceBernstein 2050 * | 1,182,894 | 1,142,236 |
| | Total Target Maturity Funds | <u>\$94,733,870</u> | <u>\$91,786,736</u> |

THE GANNETT CO., INC.
401(k) SAVINGS PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2007

| <u>Shares/Par Value</u> | <u>Description</u> | <u>Cost</u> | <u>Fair Value</u> |
|-------------------------|----------------------------------|------------------------|------------------------|
| | <u>Mutual Funds</u> | | |
| 1,882,755 | Allianz NFJ Dividend Value | \$34,317,305 | \$31,347,868 |
| 3,949,777 | American Europacific Growth Fund | 157,971,862 | 198,120,834 |
| 5,088,148 | Brandywine Fund | 155,959,395 | 186,124,454 |
| 1,122,929 | Columbia Marisco Large Cap | 28,368,852 | 28,151,835 |
| 1,684,605 | Dodge & Cox Balanced Fund | 130,438,134 | 136,452,991 |
| 54,348,046 | Dreyfus Cash Management Fund * | 54,348,046 | 54,348,046 |
| 5,711,202 | Pimco Total Return Fund | 60,524,168 | 61,052,754 |
| 644,441 | Vanguard S&P 500 Fund | 72,677,637 | 86,445,350 |
| | Total Mutual Funds | <u>\$694,605,399</u> | <u>\$782,044,132</u> |
| | <u>Index Funds</u> | | |
| 6,261,339 | BGI Russell Growth Index | \$59,872,164 | \$59,357,495 |
| 3,337,890 | BGI Russell Value Index | 57,053,636 | 53,806,780 |
| | Total Index Funds | <u>\$116,925,800</u> | <u>\$113,164,275</u> |
| | <u>Managed Accounts</u> | | |
| 29,843,984 | Pzena Value Service | \$29,843,984 | \$25,327,218 |
| 27,105,728 | Winslow Large Cap | 27,105,728 | 28,121,697 |
| | Total Managed Accounts | <u>\$56,949,712</u> | <u>\$53,448,915</u> |
| | Self-Directed Brokerage Account | <u>\$18,917,577</u> | <u>\$19,959,813</u> |
| | Total Investments | <u>\$1,366,980,694</u> | <u>\$1,448,236,040</u> |

* Represents a party-in-interest.

** Synthetic GIC - Detail attached

Additional information regarding Synthetic GICs



| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|-----------------------|-----------|--|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| <i>Asset Backed</i> | | | | | | | | | |
| 12,112.14 | 12613XBY6 | CNH Equipment Trust -- 3.38% Due 2/15/2011 Mo-15 | 99.81824 | 12,090.13 | 99.95905 | 18.20 | 12,125.38 | 0.01 | Aaa |
| 75,000.00 | 14042FAC1 | Capital One Auto Finance Trust -- 5.03% Due 4/15/2012 Mo- | 99.88777 | 74,915.83 | 100.61480 | 167.67 | 75,628.77 | 0.09 | Aaa |
| 5,796.33 | 143128CG9 | Carmax Auto Owner Trust -- 4.13% Due 5/15/2009 Mo-15 | 99.83006 | 5,786.48 | 99.98723 | 10.64 | 5,806.23 | 0.01 | Aaa |
| 100,000.00 | 34528AAE9 | FORD CREDIT AUTO OWNER TRUST -- 5 1/4% Due | 100.13999 | 100,139.99 | 101.16717 | 233.33 | 101,400.50 | 0.12 | Aaa |
| 85,109.12 | 404285AC2 | Household Automotive Trust -- 5.43% Due 6/17/2011 Mo-17 | 100.17593 | 85,258.86 | 100.53133 | 179.72 | 85,741.05 | 0.10 | Aaa |
| 75,000.00 | 44329CAA3 | Household Credit Card Master N -- 5.1% Due 6/15/2012 Mo- | 100.53595 | 75,401.96 | 100.93711 | 170.00 | 75,872.83 | 0.09 | Aaa |
| 75,000.00 | 525221DJ3 | Lehman XS Trust -- Slip % Due 11/25/2035 Mo-1 | 94.67312 | 71,004.84 | 94.39240 | 360.00 | 71,154.30 | 0.08 | Aaa |
| 25,000.00 | 55264TAS0 | MBNA Credit Card Master Note -- 6.8% Due 7/15/2014 Mo-15 | 102.89516 | 25,723.79 | 101.45352 | 75.56 | 25,438.94 | 0.03 | Baa2 |
| 130,000.00 | 61749EAD9 | Morgan Stanley Mortgage Loan T -- Slip % Due 10/25/2036 | 100.82427 | 131,071.55 | 102.33781 | 628.16 | 133,667.31 | 0.16 | Aaa |
| 135,000.00 | 86359DKT3 | Structured Asset Securities Cor -- Slip % Due 7/25/2035 Mo-1 | 87.45554 | 118,084.98 | 82.45763 | 574.88 | 111,892.68 | 0.13 | Aaa |
| 32,647.65 | 921796MD7 | Vanderbilt Mortgage Finance -- 4.7% Due 10/7/2018 Mo-1 | 99.66443 | 32,538.09 | 99.24062 | 127.87 | 32,527.60 | 0.04 | Aaa |
| 52,950.47 | 92977FAC6 | Wachovia Auto Owner Trust -- 5.35% Due 2/22/2011 Mo-20 | 100.11648 | 53,012.15 | 100.38115 | 86.56 | 53,238.85 | 0.06 | NR |
| | | | | | | 2,632.59 | 784,494.44 | 0.92 | |
| <i>Commercial MBS</i> | | | | | | | | | |
| 50,000.00 | 05947UAC9 | Banc of America Comm Mite -- Adj % Due 9/10/2047 Mo-1 | 98.93162 | 49,465.81 | 99.86472 | 215.86 | 50,148.22 | 0.06 | Aaa |
| 280,000.00 | 05947UVC9 | Banc of America Comm Mite -- Adj % Due 6/10/2039 Mo-1 | 100.43491 | 281,217.75 | 102.86846 | 1,240.43 | 289,272.12 | 0.34 | Aaa |
| 25,000.00 | 07387BAG8 | Bear Stearns Commercial MtgSec -- 4.804% Due 9/11/2042 | 97.59468 | 24,398.67 | 98.34464 | 100.08 | 24,686.24 | 0.03 | Aaa |
| 45,000.00 | 07387MAE9 | Bear Stearns Commercial Mtg Se -- Adj % Due 3/11/2039 Mo- | 100.21582 | 45,097.12 | 101.49053 | 204.64 | 45,875.38 | 0.05 | NR |
| 45,029.84 | 07388PAA9 | BSCMS -- 5.044% Due 12/11/2038 Mo-1 | 99.85140 | 44,962.93 | 99.94510 | 189.28 | 45,194.40 | 0.05 | NR |

Portfolio Appraisal As of 12/31/2007
Commercial MBS

| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|------------|-----------|--|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 260,000.00 | 20047EAE2 | Commercial Mortgage Pass-Thru -- 5.306% Due 12/10/2046 | 98.19100 | 255,296.60 | 99.70227 | 1,149.63 | 260,375.53 | 0.30 | Aaa |
| 307,014.92 | 20047NAB8 | Commercial Mortgage Pass Thru -- 4.049% Due 10/15/2037 | 98.28004 | 301,734.38 | 99.00215 | 1,035.92 | 304,987.29 | 0.36 | Aaa |
| 245,000.00 | 225458DM7 | CS First Boston -- Adj % Due 2/15/2038 Mo-1 | 97.19041 | 238,116.50 | 97.61641 | 1,023.69 | 240,183.89 | 0.28 | Aaa |
| 260,000.00 | 22545MAD9 | Credit Suisse Mortgage Capital -- 5.467% Due 9/15/2039 Mo- | 99.28878 | 258,150.83 | 100.78138 | 1,184.52 | 263,216.11 | 0.31 | Aaa |
| 12,523.39 | 396789DS5 | Greenwich Capital Comm Fdg -- 2.31% Due 7/5/2035 Mo-1 | 99.59534 | 12,472.71 | 99.46197 | 24.11 | 12,480.12 | 0.01 | Aaa |
| 210,000.00 | 46627QBA5 | JP Morgan Chase Com Mlge -- Adj % Due 6/12/2043 Mo-1 | 101.92943 | 214,051.80 | 103.37946 | 1,017.45 | 218,114.32 | 0.26 | Aaa |
| 260,000.00 | 46629PAC2 | JP Morgan Chase Commercial Mor -- 5.336% Due 5/15/2047 | 98.12133 | 255,115.46 | 99.62720 | 1,156.13 | 260,186.85 | 0.30 | Aaa |
| 165,000.00 | 46630VAD4 | JP Morgan Chase Commercial Mor -- Adj % Due 2/12/2049 | 101.12432 | 166,855.13 | 102.85205 | 790.19 | 170,496.07 | 0.20 | Aaa |
| 270,000.00 | 52108HYK4 | LB-UBS Commercial Mlge Trust -- 4.568% Due 1/15/2031 | 95.45263 | 257,722.10 | 98.00766 | 1,027.80 | 265,648.48 | 0.31 | Aaa |
| 175,000.00 | 59022HCQ3 | Merrill Lynch Mortgage Trust -- Adj % Due 11/12/2035 Mo-1 | 99.21569 | 173,627.46 | 101.32458 | 763.58 | 178,081.60 | 0.21 | NR |
| 70,000.00 | 59022HHH8 | Merrill Lynch Mortgage Trust -- Adj % Due 6/12/2043 Mo-1 | 97.16764 | 68,017.35 | 97.87621 | 272.65 | 68,786.00 | 0.08 | Aaa |
| 45,000.00 | 59022HNC2 | Merrill Lynch Mortgage Trust -- Adj % Due 1/12/2044 Mo-1 | 98.90140 | 44,505.63 | 99.71376 | 198.41 | 45,069.60 | 0.05 | Aaa |
| 45,000.00 | 606935AH7 | Merrill Lynch/Countrywide Comm -- Adj % Due 2/12/2039 Mo- | 99.96456 | 44,984.05 | 101.37449 | 203.53 | 45,822.05 | 0.05 | NR |
| 40,000.00 | 617451BR9 | Morgan Stanley Capital I -- Adj % Due 11/14/2042 Mo-1 | 97.34180 | 38,936.72 | 97.28908 | 173.45 | 39,089.08 | 0.05 | Aaa |
| 109,031.85 | 61745MGJ6 | Morgan Stanley Capital I -- 6.48% Due 6/3/2030 Mo-1 | 100.19845 | 109,248.22 | 99.95876 | 588.77 | 109,575.66 | 0.13 | NR |
| 175,000.00 | 61745MQ89 | Morgan Stanley Capital I -- Adj % Due 6/15/2040 Mo-1 | 97.84148 | 171,222.59 | 100.44859 | 745.21 | 176,530.24 | 0.21 | NR |
| 39,415.85 | 61749MAR0 | Morgan Stanley Capital I -- 5.682% Due 8/12/2041 Mo-1 | 101.38333 | 39,961.10 | 101.40540 | 186.63 | 40,156.43 | 0.05 | NR |
| 330,000.00 | 61754KAF2 | MORGAN STANLEY CAPITAL I -- Adj % Due 4/15/2049 Mo-1 | 100.17745 | 330,585.59 | 101.92797 | 1,565.30 | 337,927.60 | 0.40 | Aaa |
| 260,000.00 | 61755YAF1 | Morgan Stanley Capital I -- Adj % Due 6/11/2049 Mo-1 | 102.44099 | 266,346.57 | 104.16135 | 1,274.37 | 272,093.88 | 0.32 | NR |

Gannett

Portfolio Appraisal

As of 12/31/2007



| CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|----------------------------|--|--------------|---------------|---------------|----------------|---------------|-------------|--------------|
| Commercial MBS | | | | | | | | |
| 20,000.00 | 87246AAC2 TIAA Real Estate CDO Ltd -- Adj % Due 8/15/2039 Mo-10 | 101.96445 | 20,392.89 | 102.98175 | 71.13 | 20,667.48 | 0.02 | NR |
| 205,000.00 | 929766TM5 Wachovia Bank Commercial Mtge -- Adj % Due 7/15/2041 | 99.31320 | 203,592.06 | 101.87965 | 893.91 | 209,747.19 | 0.25 | NR |
| 45,000.00 | 929766WJ8 Wachovia Bank Commercial Mtge -- 4.039% Due 10/15/2041 | 98.01640 | 44,107.38 | 98.89689 | 151.46 | 44,655.06 | 0.05 | Aaa |
| | | 3,993,015.85 | 17,448.13 | 4,039,066.89 | 4.73 | | | |
| Common Stocks | | | | | | | | |
| 690,829.06 | 1500031\$3 Dwight Target 2 | 16.64567 | 11,500,000.00 | 16.86173 | 0.00 | 11,648,571.70 | 13.63 | |
| 1,664,822.86 | 1500041\$3 Dwight Target 5 | 18.26020 | 30,400,000.00 | 18.65728 | 0.00 | 31,061,067.92 | 36.34 | |
| 459,830.60 | 1500071\$3 Dwight Intermediate Core Fund | 11.30851 | 5,200,000.00 | 11.37045 | 0.00 | 5,228,480.38 | 6.12 | |
| | | 2,815,482.52 | 0.00 | 47,938,120.00 | 56.09 | | | |
| Corporate Inv Grade | | | | | | | | |
| 25,000.00 | 00184AAB1 AOL Time Warner -- 6 3/4% Due 4/15/2011 AO15 | 103.93920 | 25,984.80 | 104.15372 | 356.25 | 26,394.68 | 0.03 | Baa2 |
| 15,000.00 | 001957BD0 AT&T Corp -- Stp % Due 11/15/2031 MN15 | 121.67073 | 18,250.61 | 122.80733 | 153.33 | 18,574.43 | 0.02 | A2 |
| 35,000.00 | 00209AAE6 New Cingular Wireless Service -- 7 7/8% Due 3/1/2011 MS1 | 108.20100 | 37,870.35 | 108.29560 | 918.75 | 38,822.56 | 0.05 | A3 |
| 75,000.00 | 00209AAG1 New Cingular Wireless Service -- 8 1/8% Due 5/1/2012 MN1 | 110.88571 | 83,164.28 | 111.19191 | 1,015.63 | 84,409.56 | 0.10 | A2 |
| 25,000.00 | 00209TAA3 AT&T Broadband Corp -- 8 3/8% Due 3/15/2013 MS15 | 112.08380 | 28,020.95 | 112.18832 | 616.49 | 28,663.57 | 0.03 | Baa2 |
| 125,000.00 | 002824AT7 Abbott Laboratories -- 5 7/8% Due 5/15/2016 MN15 | 100.90020 | 126,125.25 | 104.45490 | 938.37 | 131,507.00 | 0.15 | A1 |
| 125,000.00 | 013716AU9 Alum Co Can -- 6 1/8% Due 12/15/2033 JD15 | 96.02640 | 120,033.00 | 97.02840 | 340.28 | 121,625.78 | 0.14 | A3 |
| 15,000.00 | 013817AL5 Alcoa Inc -- 5.55% Due 2/1/2017 FA1 | 96.60413 | 14,490.62 | 97.01660 | 346.88 | 14,899.37 | 0.02 | Baa1 |
| 65,000.00 | 025818EM3 American Express -- 3% Due 5/16/2008 MN16 | 98.79851 | 64,219.03 | 99.37151 | 243.75 | 64,835.23 | 0.08 | Aa3 |



Corporate Inv Grade

| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|------------|-----------|---|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 35,000.00 | 02635PRT2 | American General Finance -- 5 3/8% Due 10/1/2012 AO1 | 98.42871 | 34,450.05 | 98.79140 | 470.31 | 35,047.30 | 0.04 | A1 |
| 5,000.00 | 035229DA8 | Arheuser Busch Companies -- 5 3/4% Due 4/1/2036 AO1 | 95.03880 | 4,751.94 | 97.83940 | 71.88 | 4,968.85 | 0.01 | A2 |
| 10,000.00 | 042735AZ3 | Arrow Electronics Inc -- 6 7/8% Due 7/1/2013 JJ1 | 104.64110 | 10,464.11 | 106.58700 | 343.75 | 11,002.44 | 0.01 | Baa3 |
| 100,000.00 | 046003DD8 | Associates Corp N.A. -- 8.15% Due 8/1/2009 FA1 | 106.14530 | 106,145.30 | 104.42270 | 3,395.83 | 107,818.53 | 0.13 | A1 |
| 30,000.00 | 05565UAB5 | BP Canada Finance -- 3 5/8% Due 1/15/2009 JJ15 | 98.80550 | 29,641.65 | 99.70890 | 501.46 | 30,414.13 | 0.04 | Aa1 |
| 80,000.00 | 060505AD6 | Bank of America Corp -- 7.8% Due 2/15/2010 FA15 | 105.73670 | 84,589.36 | 105.98020 | 2,357.33 | 87,141.49 | 0.10 | Aa2 |
| 25,000.00 | 060505CL6 | Bank of America Corp -- 5 3/4% Due 8/15/2016 FA15 | 99.79880 | 24,949.70 | 100.17832 | 543.06 | 25,587.64 | 0.03 | Aa2 |
| 40,000.00 | 073902CE6 | Bear Steams Co Inc -- 4 1/2% Due 10/28/2010 AO28 | 96.98620 | 38,782.48 | 95.93550 | 315.00 | 38,689.20 | 0.05 | A2 |
| 35,000.00 | 079860AB8 | Bellsouth Corp -- 6% Due 10/15/2011 AO15 | 102.44791 | 35,856.77 | 103.57460 | 443.33 | 36,694.44 | 0.04 | A2 |
| 35,000.00 | 111021AD3 | British Telecommunication PLC -- Adj % Due 12/15/2010 | 110.09460 | 38,533.11 | 109.73492 | 134.16 | 38,541.38 | 0.05 | Baa1 |
| 200,000.00 | 12189TAU8 | Burlington Northern -- 5.9% Due 7/1/2012 JJ1 | 102.52060 | 205,041.20 | 103.37740 | 5,900.00 | 212,654.80 | 0.25 | Baa1 |
| 20,000.00 | 125581AH1 | CIT Group Inc -- 5% Due 2/13/2014 FA13 | 90.29470 | 18,058.94 | 88.03440 | 363.33 | 17,990.21 | 0.02 | A2 |
| 25,000.00 | 14040HAJ4 | Capital One Financial Co -- 6 1/4% Due 11/15/2013 MN15 | 99.21572 | 24,803.93 | 96.15420 | 199.65 | 24,238.20 | 0.03 | A3 |
| 175,000.00 | 144141CS5 | Carolina Power & Light -- 6 1/2% Due 7/15/2012 JJ15 | 104.88560 | 183,549.80 | 106.43251 | 5,245.14 | 191,502.02 | 0.22 | A3 |
| 65,000.00 | 144141CT3 | Carolina Power & Light -- 5 1/8% Due 9/15/2013 MS15 | 97.92251 | 63,649.63 | 100.19291 | 980.87 | 66,106.26 | 0.08 | A2 |
| 25,000.00 | 14912LZ38 | Caterpillar Fin Serv Crp -- 3.45% Due 1/15/2009 JJ15 | 98.01420 | 24,503.55 | 98.52100 | 397.71 | 25,027.96 | 0.03 | A2 |
| 20,000.00 | 15189XAG3 | Centerpoint Energy Houston -- 5 3/4% Due 1/15/2014 JJ15 | 99.94310 | 19,988.62 | 100.83780 | 530.28 | 20,697.84 | 0.02 | Baa2 |
| 20,000.00 | 17275RAC6 | Cisco Systems -- 5 1/2% Due 2/22/2016 FA22 | 99.33140 | 19,866.28 | 101.69700 | 394.17 | 20,733.57 | 0.02 | A1 |
| 40,000.00 | 191219BM5 | Coca Cola Enterprises -- 4 3/8% Due 9/15/2009 MS15 | 99.10440 | 39,641.76 | 100.00920 | 515.28 | 40,518.96 | 0.05 | A3 |



| CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|------------|--|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 9,152.12 | 210805CT2 Continental Airlines Inc -- 7.256% Due 3/15/2020 MS15 | 103.37496 | 9,461.00 | 103.24996 | 195.53 | 9,645.09 | 0.01 | Baa2 |
| 20,000.00 | 210805CU9 Continental Airlines Inc -- 7.056% Due 9/15/2009 MS15 | 101.25000 | 20,250.00 | 101.25000 | 415.52 | 20,665.52 | 0.02 | Baa2 |
| 25,000.00 | 22237LPA4 Countrywide Funding -- 4% Due 3/22/2011 MS22 | 89.53752 | 22,384.38 | 72.20540 | 275.00 | 18,326.35 | 0.02 | Baa3 |
| 65,000.00 | 22541LAB9 Credit Suisse FB USA Inc -- 6 1/8% Due 11/15/2011 MN15 | 102.99000 | 66,943.50 | 104.05411 | 508.72 | 68,143.89 | 0.08 | Aa1 |
| 35,000.00 | 233331AG2 DTE Energy Company -- 6.65% Due 4/15/2009 AO15 | 102.37440 | 35,831.04 | 102.36791 | 481.36 | 36,320.13 | 0.04 | Baa2 |
| 160,000.00 | 233835AT4 Daimlerchrysler Na Hldg -- 7.3% Due 1/15/2012 JJ15 | 106.65690 | 170,651.04 | 106.61130 | 5,385.78 | 175,963.86 | 0.21 | A3 |
| 24,000.00 | 25746UAJ8 Dominion Resources Inc -- 6 1/4% Due 6/30/2012 JD30 | 102.59242 | 24,622.18 | 104.76960 | 4.17 | 25,148.87 | 0.03 | Baa2 |
| 5,000.00 | 260543BJ1 Dow Chemical Co -- 7 3/8% Due 11/1/2029 MN1 | 109.42820 | 5,471.41 | 109.99140 | 61.46 | 5,561.03 | 0.01 | A3 |
| 25,000.00 | 260543BL6 Dow Chemical Co -- 6 1/8% Due 2/1/2011 FA1 | 102.86772 | 25,716.93 | 103.75020 | 638.02 | 26,575.57 | 0.03 | A3 |
| 125,000.00 | 263534BQ1 E I Dupont De Nemours -- 5 1/4% Due 12/15/2016 JD15 | 96.25000 | 120,312.50 | 98.38700 | 291.67 | 123,275.42 | 0.14 | A2 |
| 35,000.00 | 264399EF9 Duke Power Co -- 5 5/8% Due 11/30/2012 MN30 | 101.36571 | 35,478.00 | 103.78851 | 169.53 | 36,495.51 | 0.04 | A3 |
| 125,000.00 | 26884AAX1 ERP Operating LP -- 5 3/4% Due 6/15/2017 JJ15 | 95.55590 | 119,444.88 | 95.22550 | 4,132.81 | 123,164.69 | 0.14 | Baa1 |
| 25,000.00 | 291011AT1 Emerson Electric Co -- 4 1/2% Due 5/1/2013 MN1 | 96.59960 | 24,149.90 | 97.84880 | 187.50 | 24,649.70 | 0.03 | A2 |
| 25,000.00 | 30161MAB9 Exelon Generation Co LLC -- 6.95% Due 6/15/2011 JD15 | 104.72600 | 26,181.50 | 104.33692 | 77.22 | 26,161.45 | 0.03 | A3 |
| 133,016.87 | 31331FAX9 Federal Express Corp -- 6.72% Due 1/15/2022 JJ15 | 104.80000 | 139,401.68 | 106.61960 | 4,121.75 | 145,943.80 | 0.17 | A2 |
| 385,000.00 | 3134A2DT2 FHLMC -- 5 3/4% Due 4/15/2008 AO15 | 100.46450 | 386,788.33 | 100.36900 | 4,673.47 | 391,094.12 | 0.46 | Aaa |
| 20,000.00 | 316773CF5 Fifth Third Bank -- 5.45% Due 1/15/2017 JJ15 | 95.67960 | 19,135.92 | 95.57900 | 502.61 | 19,618.41 | 0.02 | A1 |
| 20,000.00 | 349631AL5 Fortune Brands Inc -- 5 3/8% Due 1/15/2016 JJ15 | 94.83190 | 18,966.38 | 95.26530 | 495.69 | 19,548.75 | 0.02 | Baa2 |
| 45,000.00 | 36962GB78 General Electric Capital Corp -- 3 1/2% Due 5/1/2008 MN1 | 99.07671 | 44,584.52 | 99.56831 | 262.50 | 45,068.24 | 0.05 | Aaa |

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| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|------------|-----------|--|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 295,000.00 | 36962GWB6 | General Electric Capital Corp -- 6 1/8% Due 2/22/2011 FA22 | 103.05531 | 304,013.15 | 104.53351 | 6,474.63 | 314,848.47 | 0.37 | Aaa |
| 30,000.00 | 36962GX22 | General Electric Capital Corp -- 6 3/4% Due 3/15/2032 MS15 | 110.09733 | 33,029.20 | 113.53840 | 596.26 | 34,657.76 | 0.04 | Aaa |
| 45,000.00 | 38141GAD6 | Goldman Sachs Group Inc -- 7.35% Due 10/1/2009 AO1 | 104.42780 | 46,992.51 | 104.47380 | 826.88 | 47,840.09 | 0.06 | Aa3 |
| 25,000.00 | 38143UAB7 | Goldman Sachs Group Inc -- 5.15% Due 1/15/2014 JJ15 | 97.02300 | 24,255.75 | 98.98632 | 593.68 | 25,340.26 | 0.03 | Aa3 |
| 65,000.00 | 40429CAA0 | HSBC Finance Corporation -- 6 3/4% Due 5/15/2011 MN15 | 104.29671 | 67,792.86 | 103.73651 | 560.63 | 67,989.36 | 0.08 | Aa3 |
| 150,000.00 | 40429CFQ0 | HSBC Finance Corporation -- 5.7% Due 6/1/2011 JD1 | 100.82680 | 151,240.20 | 100.55680 | 712.50 | 151,547.70 | 0.18 | Aa3 |
| 50,000.00 | 441812KC7 | Household Finance Corp -- 4 5/8% Due 1/15/2008 JJ15 | 99.76390 | 49,881.95 | 99.98370 | 1,066.32 | 51,058.17 | 0.06 | Aa3 |
| 35,000.00 | 45920QBY9 | IBM Corp -- 5.39% Due 1/22/2009 JJ22 | 100.67351 | 35,235.73 | 100.87171 | 833.20 | 36,138.30 | 0.04 | A1 |
| 30,000.00 | 459745EZ4 | International Lease Finance -- 6 3/8% Due 3/15/2009 MS15 | 101.95070 | 30,585.21 | 101.13060 | 563.13 | 30,902.31 | 0.04 | A1 |
| 10,000.00 | 460146BQ5 | International Paper Co -- Adj % Due 10/30/2012 AO30 | 101.28630 | 10,128.63 | 101.66740 | 99.13 | 10,265.87 | 0.01 | Baa3 |
| 35,000.00 | 524660AS6 | Leggett & Platt Inc -- 4.7% Due 4/1/2013 AO1 | 93.45680 | 32,709.88 | 100.18851 | 411.25 | 35,477.23 | 0.04 | A2 |
| 125,000.00 | 52517P4C2 | Lehman Bros Hldg -- 6% Due 7/19/2012 JJ21 | 101.55010 | 126,937.63 | 101.82340 | 3,375.00 | 130,654.25 | 0.15 | A1 |
| 50,000.00 | 52517PSC6 | Lehman Bros Hldg -- 6 5/8% Due 1/18/2012 JJ18 | 103.24070 | 51,620.35 | 103.85990 | 1,499.83 | 53,429.78 | 0.06 | A1 |
| 125,000.00 | 548661CK1 | Lowe's Companies Inc -- 5.4% Due 10/15/2016 AO15 | 96.05850 | 120,073.13 | 97.99400 | 1,425.00 | 123,917.50 | 0.14 | A1 |
| 75,000.00 | 577778BE2 | May Dept Stores Co -- 7.45% Due 9/15/2011 MS15 | 104.28491 | 78,213.68 | 105.07691 | 1,645.21 | 80,452.89 | 0.09 | Baa2 |
| 150,000.00 | 577778BH5 | May Dept Stores Co -- 6.7% Due 9/15/2028 MS15 | 91.21710 | 136,825.65 | 88.21890 | 2,959.17 | 135,287.52 | 0.16 | Baa2 |
| 200,000.00 | 59018YJ36 | Merrill Lynch & Co Inc -- 6.05% Due 8/15/2012 FA15 | 102.53190 | 205,063.80 | 101.91950 | 4,571.11 | 208,410.11 | 0.24 | A1 |
| 40,000.00 | 59018YQU8 | Merrill Lynch & Co Inc -- 3.7% Due 4/21/2008 AO21 | 98.75570 | 39,502.28 | 99.27740 | 287.78 | 39,998.74 | 0.05 | A1 |
| 170,000.00 | 59018YUJ2 | Merrill Lynch & Co Inc -- 4 1/8% Due 9/10/2009 MS10 | 98.06260 | 166,706.42 | 98.39620 | 2,162.19 | 169,435.73 | 0.20 | A1 |



| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|------------|-----------|---|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 25,000.00 | 61166WAA9 | Monsanto Company -- 7 3/8% Due 8/15/2012 FA15 | 107.41680 | 26,854.20 | 109.02652 | 696.53 | 27,953.16 | 0.03 | Baa1 |
| 85,000.00 | 617446HC6 | Morgan Stanley -- 6.6% Due 4/1/2012 AO1 | 103.85900 | 88,280.15 | 105.07220 | 1,402.50 | 90,713.87 | 0.11 | Aa3 |
| 150,000.00 | 61746BCW4 | Morgan Stanley -- 5 5/8% Due 1/9/2012 JJ9 | 100.79140 | 151,187.10 | 101.72470 | 4,031.25 | 156,618.30 | 0.18 | Aa3 |
| 60,000.00 | 63534PAD9 | National City Bank -- 4 5/8% Due 5/1/2013 MN1 | 95.87530 | 57,525.18 | 93.35650 | 462.50 | 56,476.40 | 0.07 | A2 |
| 130,000.00 | 635405AM5 | National City Corp -- 6 7/8% Due 5/15/2019 MN15 | 105.31851 | 136,914.06 | 102.43731 | 1,142.01 | 134,310.51 | 0.16 | A3 |
| 60,000.00 | 64952WAA1 | NEW YORK LIFE GLOBAL FDG -- 5 3/8% Due 9/15/2013 | 99.44360 | 59,666.16 | 100.04200 | 949.58 | 60,974.78 | 0.07 | Aaa |
| 80,000.00 | 650094CH6 | New York Telephone Co -- 6% Due 4/15/2008 AO15 | 100.30360 | 80,242.88 | 100.14200 | 1,013.33 | 81,126.93 | 0.09 | Baa3 |
| 25,000.00 | 68233DAR8 | Oncor Electric Delivery -- 7% Due 9/1/2022 MS1 | 101.96040 | 25,490.10 | 103.59432 | 583.33 | 26,481.91 | 0.03 | Ba1 |
| 20,000.00 | 68402LAC8 | Oracle Corp -- 5 1/4% Due 1/15/2016 JJ15 | 97.37390 | 19,474.78 | 99.80370 | 484.17 | 20,444.91 | 0.02 | A2 |
| 100,000.00 | 693476AP8 | PNC Funding Corp -- 7 1/2% Due 11/1/2009 MN1 | 104.90760 | 104,907.60 | 105.21500 | 1,250.00 | 106,465.00 | 0.12 | A2 |
| 25,000.00 | 693476AT0 | PNC Funding Corp -- 5 1/4% Due 11/15/2015 MN15 | 95.72412 | 23,931.03 | 96.92060 | 167.71 | 24,397.84 | 0.03 | A2 |
| 25,000.00 | 69362BAF9 | PSEG Power -- 7 3/4% Due 4/15/2011 AO15 | 107.07720 | 26,769.30 | 107.59140 | 409.03 | 27,306.88 | 0.03 | Baa1 |
| 50,000.00 | 718507BQ8 | Phillips Petroleum -- 8 3/4% Due 5/25/2010 MN25 | 108.97850 | 54,489.25 | 109.55590 | 437.50 | 55,215.45 | 0.06 | A1 |
| 20,000.00 | 73755LAC1 | Potash Corp Saskatchewan -- 4 7/8% Due 3/1/2013 MS1 | 96.97230 | 19,394.46 | 98.96620 | 325.00 | 20,118.24 | 0.02 | Baa1 |
| 15,000.00 | 74005PAJ3 | Praxair Inc. -- 6 3/8% Due 4/1/2012 AO1 | 105.06273 | 15,759.41 | 107.09853 | 239.06 | 16,303.84 | 0.02 | A2 |
| 55,000.00 | 742718BX6 | Procter & Gamble Company -- 4.3% Due 8/15/2008 FA15 | 99.24631 | 54,585.47 | 99.78900 | 893.44 | 55,777.39 | 0.07 | Aa3 |
| 150,000.00 | 74432QAY1 | Prudential Financial Inc -- 6.1% Due 6/15/2017 JD15 | 100.76970 | 151,154.55 | 100.58450 | 406.67 | 151,283.42 | 0.18 | A3 |
| 200,000.00 | 76387GAH6 | AT&T INC -- 5 7/8% Due 2/1/2012 FA1 | 102.27840 | 204,566.80 | 103.18912 | 4,895.83 | 211,274.04 | 0.25 | A2 |
| 50,000.00 | 78442FAG3 | SLM Corporation -- 5 3/8% Due 1/15/2013 JJ15 | 90.53700 | 45,268.50 | 89.45470 | 1,239.24 | 45,966.59 | 0.05 | Baa1 |

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| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|------------|-----------|--|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 45,000.00 | 81105AAC9 | E. W. Scripps -- 5 3/4% Due 7/15/2012 JJ15 | 101.44880 | 45,651.96 | 104.52851 | 1,193.13 | 48,230.96 | 0.06 | A2 |
| 25,000.00 | 852060AJ1 | Sprint Cap Corp -- 7 5/8% Due 1/30/2011 JJ30 | 106.03280 | 26,508.20 | 104.20992 | 799.57 | 26,852.05 | 0.03 | Baa3 |
| 50,000.00 | 857477AB9 | State Street Corp -- 7.65% Due 6/15/2010 JD15 | 106.27120 | 53,135.60 | 106.71920 | 170.00 | 53,529.60 | 0.06 | A1 |
| 40,000.00 | 867914AH6 | Suntrust Banks Inc -- 6% Due 2/15/2026 FA15 | 97.41040 | 38,984.16 | 96.44360 | 906.67 | 39,484.11 | 0.05 | A1 |
| 35,000.00 | 879240AN9 | Tele-Communications Inc -- 9.8% Due 2/1/2012 FA1 | 115.74511 | 40,510.79 | 115.50471 | 1,429.17 | 41,855.82 | 0.05 | Baa2 |
| 15,000.00 | 87927VAE8 | Telecom Italia Capital -- 5 1/4% Due 11/15/2013 MN15 | 97.04980 | 14,557.47 | 98.83300 | 100.63 | 14,925.58 | 0.02 | Baa2 |
| 50,000.00 | 884903AS4 | Thomson Corporation -- 4 1/4% Due 8/15/2009 FA15 | 98.22100 | 49,110.50 | 99.89570 | 802.78 | 50,750.63 | 0.06 | Baa1 |
| 20,000.00 | 89352HAA7 | Trans-Canada Pipelines -- 4% Due 6/15/2013 JD15 | 92.74320 | 18,548.64 | 95.49160 | 35.56 | 19,133.88 | 0.02 | A2 |
| 25,000.00 | 907818CP1 | Union Pacific Corp -- 6 1/2% Due 4/15/2012 AO15 | 103.66372 | 25,915.93 | 105.70140 | 343.06 | 26,768.41 | 0.03 | Baa2 |
| 20,000.00 | 91086OAK4 | United Mexican States -- 6 3/8% Due 1/16/2013 JJ16 | 105.15000 | 21,030.00 | 106.35000 | 584.38 | 21,854.38 | 0.03 | Baa1 |
| 20,000.00 | 91086QAN8 | United Mexican States -- 7 1/2% Due 4/8/2033 AO8 | 118.70000 | 23,740.00 | 119.25000 | 345.83 | 24,195.83 | 0.03 | Baa1 |
| 50,000.00 | 91159HGG9 | US Bancorp MTN -- 3 1/8% Due 3/15/2008 MS15 | 98.91460 | 49,457.30 | 99.57290 | 460.07 | 50,246.52 | 0.06 | Aa2 |
| 25,000.00 | 92343VAG9 | Verizon Communications -- 5 1/2% Due 4/1/2017 AO1 | 97.98260 | 24,495.65 | 100.46540 | 343.75 | 25,460.10 | 0.03 | A3 |
| 45,000.00 | 925524AJ9 | Viacom Inc -- 7.7% Due 7/30/2010 JJ30 | 106.15800 | 47,771.10 | 106.16340 | 1,453.38 | 49,226.91 | 0.06 | Baa3 |
| 125,000.00 | 92857VAP5 | Vodafone Group -- 5 5/8% Due 2/27/2017 FA27 | 97.19610 | 121,495.13 | 99.57540 | 2,421.88 | 126,891.13 | 0.15 | Baa1 |
| 35,000.00 | 92976GAE1 | Wachovia Bank NA -- 5.6% Due 3/15/2016 MS15 | 97.82771 | 34,239.70 | 98.12600 | 577.11 | 34,921.21 | 0.04 | Aa2 |
| 45,000.00 | 93932ZAP8 | Washington Mutual Inc -- 4.2% Due 1/15/2010 JJ15 | 97.26391 | 43,768.76 | 89.33620 | 871.50 | 41,072.79 | 0.05 | Baa2 |
| 150,000.00 | 94973VAM9 | Wellpoint Inc -- 5 7/8% Due 6/15/2017 JD15 | 99.29640 | 148,944.60 | 100.68020 | 391.67 | 151,411.97 | 0.18 | Baa1 |
| 35,000.00 | 949746FJ5 | Wells Fargo Company -- 4.95% Due 10/16/2013 AO16 | 97.10700 | 33,987.45 | 99.29140 | 360.94 | 35,112.93 | 0.04 | Aa2 |



| CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|-----------------------------|--|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 35,000.00 | 9621668P8 Weyerhaeuser Co -- 6 3/4% Due 3/15/2012 MS15 | 103.81820 | 36,336.37 | 105.01391 | 695.63 | 37,450.50 | 0.04 | Baa2 |
| | | | | | 116,920.87 | 6,942,714.61 | 8.12 | |
| Mortgage Backed Secs | | | | | | | | |
| 150,000.00 | 02660TFJ7 American Home Mortgage Investm -- Stip % Due 9/25/2035 | 93.91000 | 140,865.00 | 96.66477 | 676.00 | 145,673.16 | 0.17 | Aaa |
| 245,000.00 | 05949A6H8 Bank of America Mortgage Sec -- Adj % Due 6/25/2035 Mo-1 | 98.78279 | 242,017.84 | 99.16401 | 961.12 | 243,912.94 | 0.29 | Aaa |
| 74,830.82 | 07387AGZ2 Bear Stearns Adjustable Rate M -- Adj % Due 2/25/2036 Mo-1 | 98.17441 | 73,464.72 | 98.49454 | 288.41 | 73,992.68 | 0.09 | Aaa |
| 238,769.90 | 12544BAA1 Countrywide Home Loans -- Adj % Due 9/25/2047 Mo-1 | 99.83590 | 238,378.08 | 99.96025 | 1,184.78 | 239,859.77 | 0.28 | NR |
| 34,228.78 | 126694LU0 COUNTRYWIDE ALTERNATIVE LOAN T -- Adj % Due | 99.62335 | 34,099.86 | 100.04850 | 149.93 | 34,395.31 | 0.04 | NR |
| 221,824.25 | 17307GE46 Citigroup Mortgage Loan Trust -- Adj % Due 10/25/2035 Mo-1 | 99.50179 | 220,719.10 | 99.99990 | 939.92 | 222,763.95 | 0.26 | NR |
| 138,532.39 | 31288FWQ3 FGLMC -- 5% Due 2/1/2033 Mo-1 C76955 | 95.72075 | 132,604.25 | 97.71921 | 577.22 | 135,949.98 | 0.16 | Aaa |
| 65,513.09 | 3128CUHK5 FHLMC Gold -- 6 1/2% Due 11/1/2022 Mo-1 G30234 | 102.73493 | 67,304.83 | 103.47357 | 354.86 | 68,143.59 | 0.08 | Aaa |
| 97,545.93 | 3128CUKB1 FHLMC Gold -- 6 1/2% Due 3/1/2026 Mo-1 G30290 | 102.73493 | 100,213.75 | 103.47356 | 528.37 | 101,462.62 | 0.12 | Aaa |
| 60,627.54 | 3128KHFU5 FHLMC -- 6 1/2% Due 6/1/2036 Mo-1 A54679 | 101.91713 | 61,789.85 | 102.91729 | 328.40 | 62,724.62 | 0.07 | Aaa |
| 365,465.00 | 3128KMCL7 FHLMC -- 5% Due 3/1/2037 Mo-1 A58175 | 96.25781 | 351,788.60 | 97.57481 | 1,522.77 | 358,124.55 | 0.42 | Aaa |
| 333,980.02 | 3128KQNC6 FHLMC -- 5% Due 5/1/2037 Mo-1 A60387 | 96.46875 | 322,186.35 | 97.57481 | 1,391.58 | 327,271.95 | 0.38 | Aaa |
| 334,287.96 | 3128KXXX4 FHLMC -- 5% Due 10/1/2037 Mo-1 A66994 | 96.54688 | 322,744.60 | 97.57481 | 1,392.87 | 327,573.71 | 0.38 | Aaa |
| 978,154.96 | 3128L3EQ5 FNMA -- 5 1/2% Due 7/1/2037 Mo-1 A70143 | 98.79687 | 966,386.53 | 99.79356 | 4,483.21 | 980,618.86 | 1.15 | Aaa |
| 144,718.82 | 3128L3MD5 FNMA -- 5 1/2% Due 8/1/2037 Mo-1 A70356 | 98.79688 | 142,977.68 | 99.79356 | 663.29 | 145,083.35 | 0.17 | Aaa |
| 24,739.21 | 312909NQ3 FHLMC Remic -- 8% Due 4/15/2022 Mo-1 | 99.87137 | 24,707.39 | 99.83516 | 164.93 | 24,863.36 | 0.03 | Aaa |

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| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|-----------------------------|-----------|--|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| <i>Mortgage Backed Secs</i> | | | | | | | | | |
| 130,741.97 | 3129146J3 | FHLMC -- 8% Due 3/15/2023 Mo-1 | 99.80310 | 130,484.54 | 99.67962 | 871.61 | 131,194.71 | 0.15 | Aaa |
| 23,862.58 | 312916PX1 | FHLMC -- 6 1/2% Due 6/15/2008 Mo-1 | 99.83754 | 23,823.81 | 99.81004 | 129.26 | 23,946.51 | 0.03 | Aaa |
| 144,499.17 | 31292J5V8 | FHLMC -- 6 1/2% Due 11/1/2036 Mo-1 C02660 | 101.81256 | 147,116.31 | 102.81191 | 782.70 | 149,345.06 | 0.17 | Aaa |
| 203,849.62 | 31294KSM8 | FHLMC Gold -- 4% Due 8/1/2018 Mo-1 E01424 | 94.57096 | 192,782.55 | 96.29092 | 679.50 | 196,968.17 | 0.23 | Aaa |
| 81,058.14 | 31294KZL2 | FHLMC Gold -- 4% Due 5/1/2019 Mo-1 E01647 | 94.43184 | 76,544.69 | 96.18431 | 270.19 | 78,235.40 | 0.09 | Aaa |
| 23,752.91 | 31336RVW7 | FHLMC -- Adj % Due 9/1/2031 Mo-1 1B0129 | 100.91298 | 23,969.77 | 100.72930 | 145.37 | 24,071.51 | 0.03 | Aaa |
| 77,230.82 | 31339AJ6 | FHLMC -- 6% Due 8/15/2016 Mo-1 | 102.66885 | 79,291.99 | 103.15148 | 386.15 | 80,050.88 | 0.09 | Aaa |
| 200,000.00 | 31339NW36 | FHLMC -- 6 1/2% Due 3/15/2032 Mo-1 | 104.17673 | 208,353.46 | 104.78642 | 1,083.33 | 210,656.17 | 0.25 | Aaa |
| 93,724.27 | 31339WBV7 | FHLMC -- 7% Due 3/15/2032 Mo-1 | 104.27038 | 97,726.65 | 105.55561 | 546.72 | 99,477.94 | 0.12 | Aaa |
| 100,000.00 | 31339WTN6 | FHLMC -- 6% Due 7/15/2019 Mo-1 | 101.55191 | 101,551.91 | 102.45107 | 500.00 | 102,951.07 | 0.12 | Aaa |
| 100,000.00 | 3133TCCQ1 | FHLMC -- 6% Due 11/15/2023 Mo-1 | 101.62615 | 101,626.15 | 102.50173 | 500.00 | 103,001.73 | 0.12 | Aaa |
| 7,439.02 | 3133T6RN3 | FHLMC -- 6% Due 11/15/2008 Mo-1 | 100.32624 | 7,463.29 | 100.22570 | 37.20 | 7,493.01 | 0.01 | Aaa |
| 68,984.41 | 3133TDX50 | FHLMC -- 6 1/2% Due 5/15/2013 Mo-1 | 102.52707 | 70,727.70 | 102.94274 | 373.67 | 71,388.11 | 0.08 | Aaa |
| 78,387.48 | 3133THH75 | FHLMC -- 6% Due 12/15/2013 Mo-1 | 102.28190 | 80,176.20 | 102.86238 | 391.94 | 81,023.17 | 0.09 | Aaa |
| 88,513.76 | 3133THZ26 | FHLMC -- 6% Due 1/15/2014 Mo-1 | 102.27233 | 90,525.09 | 102.85390 | 442.57 | 91,482.42 | 0.11 | Aaa |
| 191,130.56 | 31358SR37 | FNMA -- 7 1/2% Due 6/25/2030 Mo-1 | 104.62495 | 199,970.26 | 106.26403 | 1,194.57 | 204,297.61 | 0.24 | Aaa |
| 96.43 | 31358TEX3 | FNMA -- 7% Due 1/25/2008 Mo-1 | 100.00413 | 96.43 | 99.73037 | 0.56 | 96.73 | 0.00 | Aaa |
| 30,548.96 | 31359LMW2 | FNMA -- 8 1/2% Due 1/25/2025 Mo-1 | 106.18286 | 32,438.82 | 107.07860 | 216.40 | 32,928.87 | 0.04 | Aaa |
| 133,355.44 | 31359S6X3 | FNMA Whole Loan -- 7 1/2% Due 2/25/2041 Mo-1 | 104.21367 | 138,974.60 | 105.67407 | 833.47 | 141,755.59 | 0.17 | Aaa |

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| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|-----------------------------|-----------|--|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| <i>Mortgage Backed Secs</i> | | | | | | | | | |
| 53,116.09 | 31359VSW4 | FNMA -- 6.35% Due 4/25/2029 Mo-1 | 101.64042 | 53,987.42 | 103.23331 | 281.07 | 55,114.57 | 0.06 | Aaa |
| 143,278.42 | 31371K3A7 | FNMA -- 5 1/2% Due 4/1/2033 Mo-1 254693 | 98.22846 | 140,740.19 | 100.07415 | 656.69 | 144,041.35 | 0.17 | Aaa |
| 74,131.15 | 31371K6K2 | FNMA -- 5 1/2% Due 5/1/2013 Mo-1 254774 | 100.86662 | 74,773.59 | 102.26221 | 339.77 | 76,147.92 | 0.09 | Aaa |
| 73,880.75 | 31371KMJ7 | FNMA -- 6 1/2% Due 4/1/2017 Mo-1 254261 | 102.47839 | 75,711.80 | 103.44668 | 400.19 | 76,827.37 | 0.09 | Aaa |
| 36,157.00 | 31371KP88 | FNMA -- 7% Due 6/1/2032 Mo-1 | 104.04909 | 37,621.03 | 105.27970 | 210.92 | 38,276.90 | 0.04 | Aaa |
| 312,178.70 | 31377LGO0 | FNMA -- 6.35% Due 2/1/2008 Mo-1 380107 | 99.64525 | 311,071.24 | 99.65158 | 1,651.95 | 312,742.94 | 0.37 | Aaa |
| 87,548.72 | 31377MSN2 | FNMA -- 5.99% Due 2/1/2009 Mo-1 381325 | 100.45636 | 87,948.26 | 100.69052 | 437.01 | 88,590.27 | 0.10 | Aaa |
| 319,925.58 | 31377NTK5 | FNMA -- 7.56% Due 1/1/2013 Mo-1 382254 | 108.92122 | 348,466.84 | 111.47997 | 2,015.53 | 358,668.47 | 0.42 | Aaa |
| 281,320.09 | 31377PPX6 | FNMA -- 6.32% Due 1/1/2011 Mo-1 383038 | 102.89591 | 289,469.69 | 104.43506 | 1,432.23 | 295,229.02 | 0.35 | Aaa |
| 179,076.71 | 31377PR22 | FNMA -- 6.2% Due 1/1/2011 Mo-1 383105 | 102.66775 | 183,854.02 | 104.27672 | 894.39 | 187,629.71 | 0.22 | Aaa |
| 206,855.05 | 31377RE97 | FNMA -- 5.54% Due 12/1/2008 Mo-1 384560 | 100.11824 | 207,099.63 | 100.23436 | 923.15 | 208,262.99 | 0.24 | Aaa |
| 28,160.00 | 31378TGK5 | FNMA -- 7% Due 4/1/2020 Mo-1 408002 | 103.50760 | 29,147.74 | 104.71939 | 164.27 | 29,653.25 | 0.03 | Aaa |
| 43,394.59 | 31384VZZ8 | FNMA -- 8% Due 9/1/2015 Mo-1 535460 | 103.35910 | 44,652.26 | 103.73883 | 289.30 | 45,306.34 | 0.05 | Aaa |
| 310,662.35 | 31384WJF8 | FNMA -- 6.113% Due 5/1/2011 Mo-1 535862 | 102.57981 | 318,676.84 | 104.26652 | 1,529.81 | 325,446.64 | 0.38 | Aaa |
| 371,558.10 | 31385HWW8 | FNMA -- 5.806% Due 11/1/2011 Mo-1 545261 | 101.95663 | 378,828.11 | 104.07491 | 1,737.80 | 388,436.55 | 0.45 | Aaa |
| 364,395.11 | 31385HYR7 | FNMA -- 5.702% Due 11/1/2011 Mo-1 545320 | 101.14400 | 368,563.79 | 103.98376 | 1,673.77 | 380,585.51 | 0.45 | Aaa |
| 82,195.48 | 31391HZ26 | FNCL -- 5% Due 3/1/2018 Mo-1 667792 | 98.40521 | 80,884.63 | 100.25626 | 342.48 | 82,748.59 | 0.10 | Aaa |
| 100,000.00 | 31392ISM1 | FNMA -- 5 1/2% Due 10/25/2031 Mo-1 | 98.21755 | 98,217.55 | 99.61894 | 458.33 | 100,077.27 | 0.12 | Aaa |
| 200,000.00 | 31392BTE0 | FNMA -- 6% Due 4/25/2017 Mo-1 | 102.86142 | 205,722.84 | 104.18938 | 1,000.00 | 209,378.76 | 0.24 | Aaa |



Mortgage Backed Secs

| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|------------|-----------|---|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 177,226.98 | 31392BTF3 | FNMA Remic -- 6% Due 10/25/2021 Mo-1 | 102.37986 | 181,444.74 | 102.94630 | 886.13 | 183,334.75 | 0.21 | Aaa |
| 125,574.27 | 31392BVK9 | FNMA Remic -- 6% Due 2/25/2017 Mo-1 | 102.63766 | 128,886.49 | 103.34668 | 627.87 | 130,404.71 | 0.15 | Aaa |
| 63,874.08 | 31392BVX1 | FNMA -- 6 1/2% Due 2/25/2022 Mo-1 | 103.67746 | 66,223.02 | 104.78280 | 345.98 | 67,275.03 | 0.08 | Aaa |
| 91,971.77 | 31392CFB5 | FNMA Remic -- 6% Due 4/25/2017 Mo-1 | 102.63953 | 94,399.39 | 103.37781 | 459.86 | 95,538.26 | 0.11 | Aaa |
| 300,000.00 | 31392CHD9 | FNMA Remic -- 5 1/2% Due 4/25/2017 Mo-1 | 101.45546 | 304,366.38 | 101.96355 | 1,375.00 | 307,265.65 | 0.36 | Aaa |
| 108,939.88 | 31392EYB0 | FNMA Remic -- 5 1/2% Due 5/25/2016 Mo-1 | 100.34079 | 109,311.14 | 100.23940 | 499.31 | 109,699.99 | 0.13 | Aaa |
| 15,584.22 | 31392P3R4 | FHLMC -- 6% Due 4/15/2016 Mo-1 | 100.25863 | 15,624.53 | 100.10312 | 77.92 | 15,678.21 | 0.02 | Aaa |
| 126,485.11 | 31392PKZ7 | FNMA Remic -- 6 1/2% Due 6/15/2032 Mo-1 | 102.31547 | 129,413.83 | 103.64308 | 685.13 | 131,778.19 | 0.15 | Aaa |
| 140,000.00 | 31392XBH0 | FHLMC -- 5% Due 10/15/2017 Mo-1 | 98.81994 | 138,347.92 | 100.31241 | 583.33 | 141,020.70 | 0.17 | Aaa |
| 87,972.36 | 31393DF30 | FNMA -- 6 1/2% Due 9/25/2017 Mo-1 | 103.58366 | 91,124.99 | 104.07712 | 476.52 | 92,035.62 | 0.11 | Aaa |
| 185,000.00 | 31393EMS5 | FNMA -- 4 1/2% Due 5/25/2015 Mo-1 | 98.89562 | 182,956.90 | 100.06485 | 693.75 | 185,813.72 | 0.22 | Aaa |
| 170,000.00 | 31393ERS0 | FNMA -- 5% Due 6/25/2023 Mo-1 | 97.49017 | 165,733.29 | 99.96174 | 708.33 | 170,643.29 | 0.20 | Aaa |
| 160,000.00 | 31393HGW6 | FHLMC -- 6% Due 12/15/2032 Mo-1 | 100.43328 | 160,693.25 | 101.47936 | 800.00 | 163,166.98 | 0.19 | Aaa |
| 38,372.38 | 31393LFK4 | FHLMC -- 6 1/2% Due 2/25/2043 Mo-1 | 101.50001 | 38,947.97 | 102.46881 | 207.85 | 39,527.57 | 0.05 | Aaa |
| 140,000.00 | 31393R6M7 | FHLMC -- 4 1/2% Due 5/15/2018 Mo-1 | 94.87234 | 132,821.28 | 96.96527 | 525.00 | 136,276.38 | 0.16 | Aaa |
| 125,000.00 | 31393REN6 | FHLMC -- 4 1/2% Due 5/15/2018 Mo-1 | 93.36937 | 116,711.71 | 96.29612 | 468.75 | 120,838.90 | 0.14 | Aaa |
| 205,000.00 | 31393RJ76 | FHLMC -- 5% Due 9/15/2028 Mo-1 | 99.19379 | 203,347.27 | 100.25359 | 854.17 | 206,374.03 | 0.24 | Aaa |
| 80,000.00 | 31393RKK5 | FHLMC -- 4 1/2% Due 6/15/2018 Mo-1 | 92.36114 | 73,888.91 | 96.04644 | 300.00 | 77,137.15 | 0.09 | Aaa |
| 134,639.60 | 31393RMZ0 | FHLMC -- 4 1/2% Due 6/15/2018 Mo-1 | 94.86588 | 127,727.04 | 96.27333 | 504.90 | 130,126.93 | 0.15 | Aaa |

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| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|-----------------------------|-----------|------------------------------------|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| <i>Mortgage Backed Secs</i> | | | | | | | | | |
| 120,000.00 | 31393RXF2 | FHLMC -- 4 1/2% Due 6/15/2018 Mo-1 | 94.76103 | 113,713.24 | 96.70021 | 450.00 | 116,490.25 | 0.14 | Aaa |
| 175,000.00 | 31393T2K1 | FNMA -- 4% Due 3/25/2015 Mo-1 | 98.49639 | 172,368.68 | 98.90131 | 583.33 | 173,660.62 | 0.20 | Aaa |
| 130,000.00 | 31393TAF9 | FNMA -- 4 1/2% Due 9/25/2018 Mo-1 | 94.54188 | 122,904.44 | 96.77377 | 487.50 | 126,293.40 | 0.15 | Aaa |
| 140,000.00 | 31393THN9 | FNMA -- 4 1/2% Due 9/25/2018 Mo-1 | 95.05598 | 133,078.37 | 97.18216 | 525.00 | 136,580.02 | 0.16 | Aaa |
| 140,000.00 | 31393XN60 | FNMA -- 4% Due 5/25/2019 Mo-1 | 90.11219 | 126,157.07 | 92.77079 | 466.67 | 130,345.78 | 0.15 | Aaa |
| 135,000.00 | 31393YVJ1 | FNMA -- 4 1/2% Due 6/25/2019 Mo-1 | 92.96540 | 125,503.29 | 96.10206 | 506.25 | 130,244.03 | 0.15 | Aaa |
| 125,000.00 | 31394AP26 | FNMA -- 4% Due 10/25/2019 Mo-1 | 92.45612 | 115,570.15 | 94.83850 | 416.67 | 118,964.80 | 0.14 | Aaa |
| 150,000.00 | 31394BB06 | FNMA -- 4% Due 11/25/2019 Mo-1 | 92.02003 | 138,030.05 | 94.51780 | 500.00 | 142,276.70 | 0.17 | Aaa |
| 100,000.00 | 31394CPT3 | FNMA -- 5% Due 8/25/2023 Mo-1 | 97.75286 | 97,752.86 | 99.80222 | 416.67 | 100,218.89 | 0.12 | Aaa |
| 172,689.07 | 31394DBN9 | FNMA -- 5 1/2% Due 12/25/2034 Mo-1 | 100.22586 | 173,079.11 | 101.50386 | 791.49 | 176,077.56 | 0.21 | Aaa |
| 291,841.91 | 31394DTP5 | FNMA -- 5 1/2% Due 3/25/2033 Mo-1 | 99.18035 | 289,449.83 | 100.94224 | 1,337.61 | 295,929.37 | 0.35 | Aaa |
| 85,000.00 | 31394DZP8 | FNMA -- 5% Due 3/25/2030 Mo-1 | 99.36038 | 84,456.32 | 100.33644 | 354.17 | 85,640.14 | 0.10 | Aaa |
| 135,000.00 | 31394E7B8 | FNMA -- 5 1/2% Due 8/25/2035 Mo-1 | 99.99380 | 134,991.63 | 101.65632 | 618.75 | 137,854.78 | 0.16 | Aaa |
| 125,000.00 | 31394ESL3 | FNMA -- 5 1/2% Due 3/25/2031 Mo-1 | 99.12112 | 123,901.40 | 101.07521 | 572.92 | 126,916.93 | 0.15 | Aaa |
| 102,630.08 | 31394KM50 | FHLMC -- 5% Due 5/15/2020 Mo-1 | 99.75078 | 102,374.30 | 100.43420 | 427.63 | 103,503.33 | 0.12 | Aaa |
| 225,000.00 | 31394MC99 | FHLMC -- 4 1/2% Due 8/15/2032 Mo-1 | 94.66983 | 213,007.12 | 96.78494 | 843.75 | 218,609.87 | 0.26 | Aaa |
| 109,994.17 | 31394PXG3 | FHLMC -- 5% Due 2/15/2024 Mo-1 | 97.42586 | 107,162.76 | 99.75551 | 458.31 | 110,183.56 | 0.13 | Aaa |
| 120,000.00 | 31394US45 | FNMA -- 5 1/2% Due 11/25/2030 Mo-1 | 100.31489 | 120,377.87 | 101.34304 | 550.00 | 122,161.65 | 0.14 | Aaa |
| 100,000.00 | 31394US52 | FNMA -- 5 1/2% Due 8/25/2034 Mo-1 | 97.79976 | 97,799.76 | 99.69413 | 458.33 | 100,152.46 | 0.12 | Aaa |

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Mortgage Backed Secs

| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|------------|-----------|-------------------------------------|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 100,000.00 | 31394US60 | FNMA -- 5 1/2% Due 12/25/2035 Mo-1 | 95.95905 | 95,959.05 | 98.69112 | 458.33 | 99,149.45 | 0.12 | Aaa |
| 115,000.00 | 31394VBD1 | FNMA -- 6% Due 4/25/2034 Mo-1 | 101.87770 | 117,159.36 | 102.38519 | 575.00 | 118,317.97 | 0.14 | Aaa |
| 125,000.00 | 31394WAZ1 | FHLMC -- 4 1/2% Due 10/15/2016 Mo-1 | 98.56663 | 123,208.29 | 100.18620 | 468.75 | 125,701.50 | 0.15 | Aaa |
| 170,000.00 | 31394WSH2 | FHLMC -- 5% Due 12/15/2032 Mo-1 | 96.55540 | 164,144.18 | 98.23027 | 708.33 | 167,699.79 | 0.20 | Aaa |
| 230,000.00 | 31394XQ82 | FHLMC -- 5% Due 3/15/2029 Mo-1 | 98.86605 | 227,391.92 | 100.09979 | 958.33 | 231,187.85 | 0.27 | Aaa |
| 135,000.00 | 31395A7C3 | FHLMC -- 4% Due 9/15/2017 Mo-1 | 96.16219 | 129,818.96 | 97.40251 | 450.00 | 131,943.39 | 0.15 | Aaa |
| 100,000.00 | 31395D3D9 | FNMA -- 6% Due 6/25/2036 Mo-1 | 102.02039 | 102,020.39 | 102.40459 | 500.00 | 102,904.59 | 0.12 | Aaa |
| 100,000.00 | 31395DFA2 | FNMA -- 5 1/2% Due 1/25/2036 Mo-1 | 97.98089 | 97,980.89 | 99.71461 | 458.33 | 100,172.94 | 0.12 | Aaa |
| 260,000.00 | 31395FSA3 | FGLMC -- 5% Due 12/15/2032 Mo-1 | 96.37043 | 250,563.12 | 98.11878 | 1,083.33 | 256,192.16 | 0.30 | Aaa |
| 85,000.00 | 31395JMG8 | FHLMC -- 5% Due 11/15/2024 Mo-1 | 92.93251 | 78,992.63 | 97.58877 | 354.17 | 83,304.62 | 0.10 | Aaa |
| 250,000.00 | 31395MBF5 | FHLMC -- 5% Due 9/15/2030 Mo-1 | 98.13313 | 245,332.83 | 99.81941 | 1,041.67 | 250,590.20 | 0.29 | Aaa |
| 125,000.00 | 31395MZ44 | FHLMC -- 4% Due 6/15/2018 Mo-1 | 95.74484 | 119,681.05 | 97.22224 | 416.67 | 121,944.47 | 0.14 | Aaa |
| 100,000.00 | 31395TMC5 | FHLMC -- 5 1/2% Due 2/15/2031 Mo-1 | 97.76627 | 97,766.27 | 100.76815 | 458.33 | 101,226.48 | 0.12 | Aaa |
| 147,670.25 | 31395XB95 | FHLMC -- 4 1/2% Due 11/15/2025 Mo-1 | 99.30429 | 146,642.90 | 99.62027 | 553.76 | 147,663.26 | 0.17 | Aaa |
| 115,000.00 | 31396CJR2 | FHLMC -- 5 1/2% Due 12/15/2033 Mo-1 | 100.79143 | 115,910.14 | 101.72424 | 527.08 | 117,509.96 | 0.14 | Aaa |
| 200,000.00 | 31396EGF7 | FHLMC -- 5% Due 3/15/2034 Mo-1 | 95.24001 | 190,480.02 | 97.17491 | 833.33 | 195,183.15 | 0.23 | Aaa |
| 286,714.52 | 31396FKG7 | FHLMC -- 5% Due 5/15/2031 Mo-1 | 99.23113 | 284,510.06 | 100.16035 | 1,194.64 | 288,368.90 | 0.34 | Aaa |
| 160,000.00 | 31396G3F6 | FHLMC -- 5% Due 9/15/2034 Mo-1 | 95.23186 | 171,417.35 | 96.79843 | 750.00 | 174,987.17 | 0.20 | Aaa |
| 140,000.00 | 31396KGX4 | FNMA -- 6 1/2% Due 8/25/2036 Mo-1 | 104.82764 | 146,758.70 | 105.82586 | 758.33 | 148,914.53 | 0.17 | Aaa |

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| CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|-----------------------------|---|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| <i>Mortgage Backed Secs</i> | | | | | | | | |
| 315.282.54 | 31396US76 FHLMC -- 5% Due 2/15/2032 Mo-1 | 98.91016 | 311,856.36 | 99.98252 | 1,313.72 | 316,551.15 | 0.37 | Aaa |
| 130.000.00 | 31396VK31 FNMA -- 5% Due 7/25/2033 Mo-1 | 96.66591 | 125,665.68 | 98.46095 | 541.67 | 128,540.91 | 0.15 | Aaa |
| 100.000.00 | 31396XB1 FNMA -- 5% Due 1/25/2032 Mo-1 | 96.23174 | 96,231.74 | 98.25294 | 416.67 | 98,669.61 | 0.12 | Aaa |
| 75.000.00 | 31397HVR6 FHLMC -- 5% Due 9/15/2029 Mo-1 | 97.93469 | 73,451.02 | 99.60091 | 312.50 | 75,013.18 | 0.09 | Aaa |
| 100.000.00 | 31397HVS4 FHLMC -- 5% Due 4/15/2033 Mo-1 | 96.37777 | 96,377.77 | 98.15657 | 416.67 | 98,573.24 | 0.12 | Aaa |
| 67.693.08 | 31400BD52 FNMA -- 4% Due 7/1/2018 Mo-1 682424 | 94.53817 | 63,995.80 | 96.24015 | 225.64 | 65,373.56 | 0.08 | Aaa |
| 142.579.69 | 31401A3K1 FNMA -- 5% Due 5/1/2033 Mo-1 702902 | 95.72673 | 136,486.88 | 97.72040 | 594.08 | 139,923.52 | 0.16 | Aaa |
| 137.463.92 | 31401WB4 FNMA -- 5 1/2% Due 7/1/2033 Mo-1 720155 | 98.22846 | 135,028.69 | 100.07415 | 630.04 | 138,195.89 | 0.16 | Aaa |
| 83.095.24 | 31401WQ51 FNMA -- 5% Due 6/1/2033 Mo-1 720576 | 95.72674 | 79,544.36 | 97.72040 | 346.23 | 81,547.23 | 0.10 | Aaa |
| 42.775.81 | 31401XU96 FNMA -- 4% Due 7/1/2018 Mo-1 721608 | 94.53820 | 40,439.48 | 96.24014 | 142.59 | 41,310.09 | 0.05 | Aaa |
| 102.678.93 | 31402BEZ3 FNMA -- 5% Due 7/1/2033 Mo-1 723852 | 95.72673 | 98,291.19 | 97.72040 | 427.83 | 100,766.09 | 0.12 | Aaa |
| 224.753.68 | 31402C2D3 FNMA -- 7.18% Due 12/1/2010 Mo-1 725372 | 104.53474 | 234,945.68 | 105.55071 | 1,299.95 | 238,529.05 | 0.28 | Aaa |
| 42.845.06 | 31402DVV9 FNMA -- 4% Due 7/1/2018 Mo-1 726128 | 94.53819 | 40,504.94 | 96.24015 | 142.82 | 41,376.97 | 0.05 | Aaa |
| 97.266.81 | 31402HGD7 FNMA -- 5% Due 7/1/2033 Mo-1 729296 | 95.72674 | 93,110.35 | 97.72040 | 405.28 | 95,454.80 | 0.11 | Aaa |
| 26.840.10 | 31402HHY0 FNMA -- 4% Due 7/1/2018 Mo-1 729347 | 94.53816 | 25,374.14 | 96.24014 | 89.47 | 25,920.42 | 0.03 | Aaa |
| 30.614.01 | 31402QHS3 FNMA -- 4% Due 10/1/2018 Mo-1 734741 | 94.53819 | 28,941.93 | 96.24015 | 102.05 | 29,565.02 | 0.03 | Aaa |
| 148.676.31 | 31403DDL0 FNMA -- 6% Due 4/1/2024 Mo-1 745407 | 101.00319 | 150,167.81 | 102.13908 | 743.38 | 152,600.00 | 0.18 | Aaa |
| 212.699.98 | 31403DFJ3 FNMA -- Adj % Due 3/1/2036 Mo-1 745469 | 100.21263 | 213,152.25 | 99.91894 | 972.39 | 213,499.95 | 0.25 | Aaa |
| 320.776.60 | 31403DKD0 FNMA -- 5% Due 1/1/2021 Mo-1 745592 | 98.29781 | 315,316.38 | 100.25001 | 1,336.57 | 322,915.13 | 0.38 | Aaa |



Mortgage Backed Secs

| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|------------|-----------|---|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| 248,828.40 | 31403DV55 | FNMA -- 6.08% Due 8/1/2016 Mo-1 745936 | 103.78101 | 258,237.65 | 107.00222 | 1,218.71 | 267,471.70 | 0.31 | Aaa |
| 50,808.38 | 31403SDV5 | FNMA -- 5% Due 1/1/2034 Mo-1 756216 | 95.72673 | 48,637.20 | 97.72040 | 211.70 | 49,861.85 | 0.06 | Aaa |
| 96,114.58 | 31404BRQ7 | FNMA -- 5% Due 2/1/2034 Mo-1 763795 | 95.64071 | 91,924.67 | 97.68153 | 400.48 | 94,286.67 | 0.11 | Aaa |
| 72,785.46 | 31404GGN5 | FNMA -- 4% Due 9/1/2013 Mo-1 768005 | 97.66486 | 71,085.82 | 99.23347 | 242.62 | 72,470.16 | 0.08 | Aaa |
| 146,263.26 | 31407BR27 | FNCL -- 5% Due 10/1/2020 Mo-1 825905 | 98.04749 | 143,407.45 | 100.09810 | 608.43 | 147,016.18 | 0.17 | Aaa |
| 202,603.28 | 31407MG25 | FNMA -- Adj % Due 7/1/2035 Mo-1 834617 | 98.50209 | 199,568.47 | 98.53832 | 847.73 | 200,489.60 | 0.23 | Aaa |
| 165,656.82 | 31407N4S9 | FNCL -- Adj % Due 9/1/2035 Mo-1 836133 | 98.94417 | 163,907.76 | 99.26463 | 731.79 | 165,170.42 | 0.19 | Aaa |
| 173,092.97 | 31407NGM9 | FNCL -- Adj % Due 8/1/2035 Mo-1 835504 | 97.91028 | 169,475.80 | 97.94126 | 721.36 | 170,250.80 | 0.20 | Aaa |
| 304,017.36 | 31409YSA6 | FNMA -- Adj % Due 11/1/2036 Mo-1 882613 | 100.30588 | 304,947.28 | 101.42747 | 1,501.85 | 309,858.96 | 0.36 | Aaa |
| 174,069.48 | 31410GFH1 | FNMA -- 5% Due 12/1/2034 Mo-1 888568 | 95.72673 | 166,631.03 | 97.72040 | 725.29 | 170,826.68 | 0.20 | Aaa |
| 26,346.09 | 31410WGV4 | FNMA -- 5% Due 5/1/2037 Mo-1 899412 | 96.54686 | 25,436.32 | 97.57482 | 109.78 | 25,816.93 | 0.03 | Aaa |
| 26,732.72 | 31411FLB8 | FNMA -- 5% Due 1/1/2037 Mo-1 906722 | 96.54689 | 25,809.61 | 97.59422 | 111.39 | 26,200.98 | 0.03 | Aaa |
| 148,524.07 | 31411J3F1 | FNMA -- 5% Due 2/1/2022 Mo-1 908698 | 98.46875 | 146,249.79 | 100.10987 | 618.85 | 149,306.11 | 0.17 | Aaa |
| 252,746.54 | 31411VP29 | FNMA -- 5% Due 3/1/2022 Mo-1 915841 | 98.34375 | 248,560.43 | 100.10770 | 1,053.11 | 254,071.85 | 0.30 | Aaa |
| 27,836.69 | 31412W5V4 | FNMA -- 5% Due 6/1/2037 Mo-1 937460 | 96.54689 | 26,875.46 | 97.57482 | 115.99 | 27,277.59 | 0.03 | Aaa |
| 30,891.64 | 31412WZG4 | FNMA -- 5% Due 6/1/2037 Mo-1 937343 | 96.54689 | 29,824.92 | 97.57481 | 128.72 | 30,271.18 | 0.04 | Aaa |
| 31,270.81 | 31412XJ96 | FNMA -- 5% Due 6/1/2037 Mo-1 937788 | 96.54689 | 30,190.99 | 97.57480 | 130.30 | 30,642.73 | 0.04 | Aaa |
| 31,326.08 | 31413BJB8 | FNMA -- 5% Due 6/1/2037 Mo-1 940458 | 96.54689 | 30,244.36 | 97.57480 | 130.53 | 30,696.89 | 0.04 | Aaa |
| 285,109.66 | 31413UP45 | FNMA -- 5% Due 10/1/2022 Mo-1 955943 | 98.42188 | 280,610.28 | 100.10988 | 1,187.96 | 286,610.89 | 0.34 | Aaa |



| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|-----------------------------|-----------|---|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| <i>Mortgage Backed Secs</i> | | | | | | | | | |
| 43,695.50 | 36225CK21 | GNMA II -- Adj % Due 8/20/2029 Mo-1 80312 | 101.05056 | 44,154.55 | 100.52223 | 204.82 | 44,128.51 | 0.05 | Aaa |
| 33,850.12 | 38373R6P9 | GNMA -- 6 1/2% Due 7/20/2017 Mo-1 | 100.38337 | 33,979.89 | 100.24706 | 183.35 | 34,117.10 | 0.04 | NR |
| 120,981.00 | 38373XDM5 | GNMA -- 6 1/2% Due 6/20/2032 Mo-1 | 103.49641 | 125,210.99 | 104.80499 | 655.31 | 127,449.43 | 0.15 | NR |
| 75,000.00 | 38375KSM5 | GNMA -- 6% Due 6/16/2037 Mo-1 | 102.09959 | 76,574.69 | 102.21503 | 375.00 | 77,036.27 | 0.09 | NR |
| 16,131.06 | 3837H0P98 | GNMA -- 9% Due 5/16/2027 Mo-1 | 107.78800 | 17,387.35 | 108.05669 | 120.98 | 17,551.67 | 0.02 | NR |
| 21,716.91 | 3837H3ST5 | GNMA -- 8% Due 12/20/2029 Mo-1 | 104.93905 | 22,789.52 | 105.75796 | 144.78 | 23,112.14 | 0.03 | NR |
| 17,073.16 | 3837H4A21 | GNMA -- 7 3/4% Due 9/20/2030 Mo-1 | 100.05839 | 17,083.13 | 99.77110 | 110.26 | 17,144.34 | 0.02 | NR |
| 226,050.97 | 45661KAG5 | Indymac Indx Mortgage Loan Tru -- Adj % Due 6/25/2036 Mo- | 100.91376 | 228,116.53 | 99.21149 | 1,097.41 | 225,365.95 | 0.26 | Aaa |
| 253,387.44 | 45670CAC1 | Indymac Indx Mortgage Loan Tru -- Adj % Due 6/25/2037 Mo- | 101.41517 | 256,973.31 | 98.12008 | 1,227.22 | 249,851.18 | 0.29 | Aaa |
| 31,031.73 | 55291HCY8 | Merrill Lynch Trust -- 8.985% Due 10/20/2020 Mo-1 | 107.19870 | 33,265.61 | 107.96833 | 232.35 | 33,736.79 | 0.04 | Aaa |
| 41,836.08 | 576433UE4 | Masir Adjustable Rate Mortgage -- Adj % Due 4/21/2034 Mo-1 | 98.48387 | 41,201.79 | 98.98668 | 133.09 | 41,544.90 | 0.05 | Aaa |
| 57,680.75 | 57645LAA2 | Mastr Reperforming Loan Trust -- Adj % Due 5/25/2036 Mo-1 | 100.15599 | 57,770.73 | 97.34000 | 283.16 | 56,429.60 | 0.07 | Aaa |
| 140,000.00 | 61749JAS5 | Morgan Stanley Mortgage Loan -- Adj % Due 6/25/2036 Mo-1 | 98.96544 | 138,551.62 | 84.54281 | 695.57 | 119,055.50 | 0.14 | Aaa |
| 125,000.00 | 65535VSJ8 | Nomura Asset Acceptance Corp -- Adj % Due 1/25/2036 Mo-1 | 98.21561 | 122,769.51 | 96.90183 | 574.48 | 121,701.77 | 0.14 | Aaa |
| 125,000.00 | 65536PAD2 | Nomura Asset Acceptance Corpor -- Adj % Due 5/25/2036 | 103.03867 | 128,798.34 | 94.06231 | 667.50 | 118,245.39 | 0.14 | Aaa |
| 196,071.01 | 74957AAC3 | Residential Funding Mtg Sec I -- Adj % Due 8/25/2036 Mo-1 | 101.19166 | 198,407.51 | 101.13881 | 956.76 | 199,260.65 | 0.23 | NR |
| 210,771.38 | 86359BRB9 | Structured Asset Securities Cor -- Stp % Due 5/25/2034 Mo-1 | 99.63118 | 209,994.02 | 97.42157 | 976.57 | 206,313.36 | 0.24 | Aaa |
| 129,653.28 | 911760LH7 | Vendee -- 7% Due 9/15/2027 Mo-1 | 104.46993 | 135,448.70 | 105.46428 | 756.31 | 137,494.21 | 0.16 | NR |
| 255,000.00 | 92922F3J5 | Washington Mutual -- Adj % Due 10/25/2035 Mo-1 | 98.75789 | 251,832.62 | 99.08143 | 1,027.36 | 253,685.01 | 0.30 | NR |

Portfolio Appraisal As of 12/31/2007



| | CUSIP | Description | Unit Cost | Total Cost | Market Price | Accrued Income | Market Value | % Of Assets | Moody Rating |
|-----------------------------|-----------|---|-----------|------------|--------------|----------------|--------------|-------------|--------------|
| <i>Mortgage Backed Secs</i> | | | | | | | | | |
| 245,000.00 | 92922FJF6 | Washington Mutual -- Adj % Due 10/25/2033 Mo-1 | 98.62135 | 241,622.31 | 99.11315 | 813.60 | 243,640.82 | 0.29 | Aaa |
| 330,000.00 | 92822FW38 | Washington Mutual -- Adj % Due 9/25/2035 Mo-1 | 98.97537 | 326,618.72 | 98.88837 | 1,329.70 | 327,661.32 | 0.38 | NR |
| 226,651.68 | 939336Z30 | Washington Mutual -- Adj % Due 3/25/2035 Mo-1 | 98.92380 | 224,212.46 | 99.28954 | 875.59 | 225,917.00 | 0.26 | NR |
| 236,657.65 | 93934FMN9 | WMALT Mortgage Pass Through Ct -- Adj % Due 4/25/2046 | 96.29040 | 227,878.60 | 98.36160 | 1,129.65 | 233,909.90 | 0.27 | Aaa |
| 62,089.68 | 949779AC6 | Wells Fargo MBS Tr -- Adj % Due 12/25/2034 Mo-1 | 98.86140 | 61,382.72 | 98.78535 | 206.91 | 61,542.42 | 0.07 | Aaa |
| 49,698.30 | 949788AE3 | Wells Fargo Mortgage Backed Se -- 4 1/2% Due 7/25/2019 | 95.65630 | 47,539.55 | 97.68751 | 186.37 | 48,735.40 | 0.06 | NR |
| 56,324.74 | 949788AF0 | Wells Fargo Mortgage Backed Se -- 5% Due 7/25/2019 Mo-1 | 97.71879 | 55,039.86 | 99.71879 | 234.69 | 56,401.04 | 0.07 | NR |
| 60,000.00 | 94981WAE5 | WELLS FARGO MORTGAGE BACKED SE -- Adj % Due | 98.12977 | 58,877.86 | 99.02108 | 177.00 | 59,589.65 | 0.07 | Aaa |
| 335,956.57 | 94983YAK5 | Wells Fargo Mortgage -- Adj % Due 7/25/2036 Mo-1 | 99.84420 | 335,433.14 | 100.74438 | 1,566.89 | 340,024.26 | 0.40 | NR |

25,293,795.81

39,622,078.88

114,024.58

Total Fixed Income: 85,162,911.56

Cash: 303,672.83

0.36

Total Portfolio:

85,466,584.39

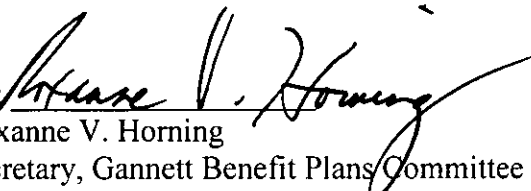
100.00

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

The Gannett Co., Inc
401(k) Savings Plan

Date: June 20, 2008

By: 
Roxanne V. Horning
Secretary, Gannett Benefit Plans Committee

EXHIBITS

Exhibit Number

Description of Exhibit

23.1

Consent of Ernst & Young LLP,
Independent Registered Public Accounting Firm

Consent of Ernst & Young LLP,
Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statements (Form S-8 Nos. 33-35305 and 333-61859) pertaining to The Gannett Co., Inc. 401(k) Savings Plan (the "Plan") of our report dated June 20, 2008, with respect to the financial statements and schedule of the Plan included in this Annual Report (Form 11-K) for the year ended December 31, 2007.

A handwritten signature in cursive script that reads "Ernst & Young LLP".

McLean, Virginia
June 20, 2008

END