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# Tribune Company

## 2010 MIP & Relative Compensation

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# Introduction and Background

- Mercer was retained to assist with the development and evaluation of the Management Incentive Program ("MIP") for 2010
- Tribune strives to deliver competitive compensation in order to motivate its key managers and attract top level executives
  - Consistent with historic practice, the MIP supports Tribune's performance-oriented culture and provides opportunities for key managers across the organization to earn incentive awards
  - The program is similar to the ordinary course 2009 MIP, which was approved by the Bankruptcy Court on January 27, 2010, as well as prior years' MIP programs, and is funded based on consolidated operating cash flow ("OCF") and allocated based on a blend of financial, operational and strategic metrics
- As part of the review, Mercer benchmarked Tribune's 2010 target compensation levels against market, to assess the appropriate level of awards under the proposed MIP
  - Mercer reviewed the 2009 industry peer group and determined the 2010 comparator group should remain essentially unchanged
    - To help identify additional companies that might be included in the 2010 peer group, Mercer researched additional companies within the appropriate revenue range and industry focus and reviewed the peer groups disclosed in the proxy statements of Tribune's 2009 peer group
      - For each company listed as a competitive benchmark in the proxy statements of Tribune's peer group, Mercer reviewed revenue, industry and business description
        - Based on this analysis, Mercer determined that the companies in Tribune's 2009 peer group are the most appropriate comparators
      - One company, Thomson Reuters, has been excluded from the 2010 analysis due to an increase in the disparity of company size (Thomson Reuters 2009 annual revenues of $13B are approximately 4 times Tribune 2009 revenues of $3.2B)

# 2010 Management Incentive Plan

# Summary of 2010 MIP

| Recommendations | Rationale for Recommendations |
|---|---|
| **Eligibility**<br>▪ Consistent with 2009 participation, including top management<br>–The 2010 MIP would have approximately 634 participants<br>–New participants may be added, including any new hires or employees promoted to management whose target bonus opportunity is at least 15% of base salary (excluding managers participating in a sales incentive program)<br>▫Any participant additions will not increase the aggregate target and maximum payouts ($33M and $42.9M, respectively) | ▪ Align employee focus with key financial measures<br>▪ Providing incentives based on financial and strategic measures is consistent with Tribune's past practice and market practice in the media industry, and is generally considered a best practice |
| **Incentive opportunities**<br>▪ Target[1]: no change to 2009 target opportunities for majority of plan participants<br>– Individual participant target bonus opportunities generally are the same as they were in 2009, other than adjustments in connection with promotions or other increased responsibilities, internal or market equity, exceptional performance or contractual requirements<br>▪ Maximum: awards would be set at 130% of target | ▪ Provide market competitive incentive opportunities for key management<br>– In the absence of an annual incentive plan, total compensation for the 182 participants covered in our market comparison, including top management, will fall below market, at 49% of market median total direct compensation (base + bonus + long term incentives), on average<br>▪ A maximum of 130% is consistent with the 2009 MIP, and below Tribune's past practice of using a maximum of 200% under the MIP<br>▪ It is also below typical peer group maximum of 200% of target |

[1]For 2010, performance required to earn target payouts varies by level; see following page for details

# Summary of 2010 MIP

- Consistent with the ordinary course 2009 MIP, the 2010 MIP is funded based on OCF performance and allocated to each business unit based on a blend of financial, operational and strategic metrics
- However for 2010, Tribune top management[1] will need to achieve higher OCF than other plan participants in order to earn target and maximum awards under the plan

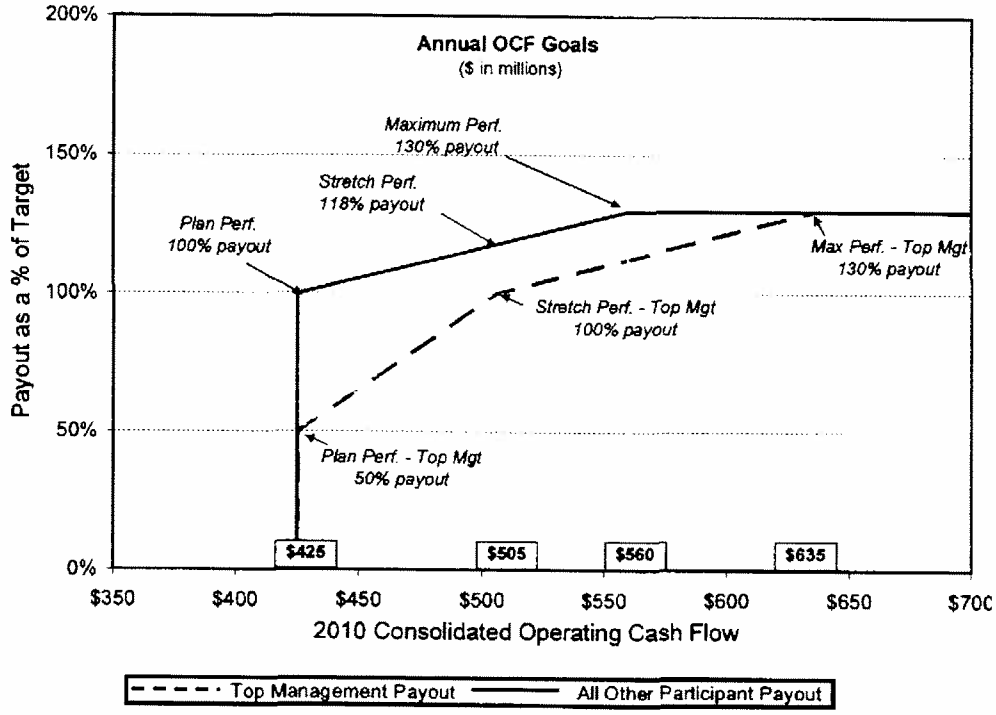
| Recommendations | Mercer Comment |
|---|---|
| **Goals:** OCF<br>– Strategic and operational goals will be applied during allocation process<br>For participants below top management ("All Other Participants") plan goals are as follows:<br>– Plan: $425M (2010 operating plan); Pays 100% of target<br>– Stretch: $505M (119% of plan); Pays 118% of target<br>– Maximum: $560M (132% of plan); Pays 130% of target<br><br>Top management goals are as follows:<br>– Plan: $425M (2010 operating plan); Pays 50% of target<br>– Stretch: $505M (119% of plan OCF); Pays 100% of target<br>– Maximum: $635M (149% of plan OCF); Pays 130% of target | Ensure no cash outlay occurs without underlying operational funding<br>The OCF metric is consistent with Company and industry practice and motivates strong operational performance |

[1] Tribune's nine most senior executives, including the CEO and four other top corporate executives, and four key business unit executives (see page 14 for details)

# Summary of 2010 MIP

**Performance Goals and Payouts**

- Planned OCF performance is $425M, based on the Company's 2010 operating plan
- This OCF goal includes the impact of payouts, making the plan "self-funding"
- For participants below top management ("All Other Participants"), awards are earned as follows:
  - Plan - $425M results in funding at 100% of target
  - Stretch - $505M set at 119% of plan results in funding at 118% of target
  - Maximum – $560M set at 132% of plan results in funding at 130% of target
- For top management, higher OCF performance is required to earn target and maximum awards:
  - Plan - $425M results in funding at 50% of target
    - Providing a 50% payout for achieving budget (i.e., planned performance) varies from typical market practice of paying 100% of target for achieving budget
  - Stretch - $505M set at 119% of plan results in funding at 100% of target
  - Maximum – $635M set at 149% of plan results in funding at 130% of target
- Payouts will be interpolated based on actual results




$ Millions

| Operating Cash Flow | $425 | $505 | $560 | $635 |
|---|---|---|---|---|
| **Payout as a % of Target** | | | | |
| **Top Management** | 50% | 100% | 113% | 130% |
| **All Others** | 100% | 118% | 130% | 130% |
| **Total Payout** | $30.8 | $38.1 | $42.1 | $42.9 |
| **Payout as % of OCF** | 7% | 8% | 8% | 7% |

# Summary of 2010 MIP

- At plan, the total pool of $30.8 million is lower than the approved 2009 target pool of $35 million
  - Aggregate target pool will not exceed $33 million irrespective of any changes in headcount as the year progresses
- There is no funding below plan (other than at the business unit level for business units that achieve their individual plans specified on page 8)

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## Summary of 2010 MIP – Allocation Methodology

- In order to maintain focus on operating cash flow as well as other critical strategic and operational goals, management will allocate the bonus pool, once funded to any extent, based on a blend of financial, operational and strategic metrics
  - 50% of the bonus pool will be allocated based on OCF
  - 25% will be reserved for management discretion to recognize other measures of success and value creation shown in the table below (as with the MIP historically, management reserves the right to award a greater discretionary percentage to any business unit or participant on a case by case basis, but in doing so will not exceed the aggregate Company-wide bonus pool achieved based on consolidated OCF)
  - Remaining 25% will be allocated based on other financial & operational goals, as shown below
    - See the appendix for specific business unit OCF goals (pages 23-24)

| Metric | Definition | Weighting |
|---|---|---|
| Operating Cash Flow[1] | ▪ Annual consolidated OCF excluding equity compensation, ESOP expense, non-operating items and special items, reorganization costs and discontinued operations | 50% |
| BU Financial & Operational Goals | Including but not limited to:<br>▪ **Broadcasting**:<br>▪ **Publishing**: | 25% |
| Discretionary | ▪ **Including but not limited to:** leadership, innovation, change management, new business initiatives, management of discretionary expenses, etc. | 25% |

[1] Excludes income from equity investments

# Summary of 2010 MIP

- If planned consolidated OCF is not achieved, the plan provides for partial funding at the business unit level, for those business units/operations that achieve at least planned performance
  - Ensures ability to reward top performers
  - Provides additional incentive to achieve goals at the business unit level
- Funding will be based on level of achievement at the business unit level, multiplied by 40% (this provides an incentive for individual operations to generate OCF even if the overall company misses plan)

**Business Unit Achievement**

| | Plan | Stretch | Max |
|---|---|---|---|
| MIP Payout | 100% | 118% | 130% |
| BU Payout | 40% | 47% | 52% |

# Relative Compensation – 2010 MIP

# Methodology

- To assess the competitiveness of the 2010 MIP, Mercer reviewed a representative sample of the 2010 MIP incentive eligible population, covering 182 incumbents or approximately 29% of the incentive eligible population
- Competitiveness for the benchmark positions is described by level, including:
  - Top Management: Tribune's nine most senior executives, including the CEO and four other top corporate executives, and four key business unit executives (see page 14 for details)
  - Other Key Executives: Approximately 26 key incumbents, including key corporate leaders and business unit heads (see page 15 for details)
  - Other Participants: Approximately 147 incumbents, representing a variety of functional and operational roles across all lines of business (i.e., publishing, broadcasting, interactive, etc.)
- Mercer compared Tribune compensation to market at different levels of performance, as follows:
  - Plan: top management earns 50% of target incentive opportunity and all other participants, including Other Key Executives, earn 100% of target incentive opportunity
    - Compared *to market target* TCC and TDC (defined on following page)
  - Stretch: top management earns 100% of target incentive opportunity and all other participants, including Other Key Executives, earn 118% of target incentive opportunity
    - Compared to *market target* TCC and TDC (defined on following page)
  - Max: All plan participants, including top management, earn 130% of target opportunity (assumes achievement of $635M in OCF)
    - Compared *to market maximum* TCC and TDC (maximum TCC and TDC data are calculated as base plus two-times target annual and long-term incentives, respectively)

# Methodology

- The market data on the following pages is based on 2009 proxy and survey data
  - Data for the CEO, COO, CLO, and CFO is based on 2009 proxy data and for the remaining positions, survey data was collected from Towers Perrin 2009 U.S. CDB Media Survey
  - To determine the position rankings of comparator proxy executives (i.e., Rank 2 and Rank 4), Mercer examined target total direct compensation, based on target annual incentive opportunities

| Compensation Element | Tribune – Target | Proxy Comparator Group | Survey Data |
|---|---|---|---|
| **Base Salary** | FY10 base salary | Most recent base salary[1], adjusted for unpaid furloughs or other reductions disclosed in the proxy | Base Salary, unaged (effective 03/01/2009) |
| **Annual Incentive** *(% of salary)* | 100% of target MIP applied to most recent base salary | Target percentage[1] used where available, otherwise 3-year average actual bonus as a % of base salary applied to most recent base salary | |
| **Total Cash Compensation (TCC)[3]** | Base salary + 100% of target MIP | Base salary + target annual incentive (or 3 year average actual when target is not available) | Base salary + target annual incentive [2] |
| **Long-Term Incentive (LTI)** *(% of salary)* | n/a | 2009 value of LTI, including restricted shares, cash plans (at target) and Black-Scholes value of options | 2009 LTI |
| **Total Direct Compensation (TDC)[3]** | TCC | TCC + 2009 LTI | TCC + 2009 LTI |

1 2009 or 2010 data, where available – see page 27 for details

2 Survey data reflects target total cash compensation, as reported by survey participants, regressed for company specific size and other relevant scope measures (e.g., circulation for publishing and markets for broadcasting)

3 TCC and TDC for Tribune are adjusted to reflect earned payouts for each level of performance (e.g., TCC and TDC for top management at plan reflects an incentive payout of 50% of target )

# Gap to Market – Impact of 2010 MIP

- In the absence of the 2010 MIP, 2010 compensation for the 182 participants covered in the market comparison consists of base salary only, and as a result, falls below market median TCC and TDC
  - TCC, without the 2010 MIP, falls at 75% of market median TCC overall
    - For top management, TCC without the 2010 MIP falls at 56% of market median TCC
    - For Other Key Executives, TCC without the 2010 MIP falls at 74% of market median TCC
  - TDC, without the 2010 MIP, falls at 49% of market median TDC overall
    - For top management, TDC without the 2010 MIP falls at 28% of market median TDC
    - For Other Key Executives, TDC without the 2010 MIP falls at 42% of market median TDC
- Mercer considers total compensation to be competitive if it falls within 15% of market median, as competitive pay is generally defined as a range, not a point, due to inherent variations in market data
  - It is typical for actual pay to vary from incumbent to incumbent, and at times may exceed the 15% range, based on multiple factors including pay required to initially attract the candidate to the organization, prior pay and individual performance potential

# Gap To Market – Impact of 2010 MIP

- Overall, implementing the 2010 MIP closes the gap to market TCC
  - At Plan, the 2010 MIP brings TCC for all participants in the study, including top management, to market competitive levels, falling at 106% of market median TCC overall
  - At Stretch, TCC for all participants in the study, including top management, is competitive, falling at 115% market median TCC overall
    - TCC for Other Key Executives and Other Participants in the market study fall at 120% and 116% of market median TCC respectively, which is reasonable given that market data reflects *target* compensation levels, while Tribune compensation at the stretch level is based on above plan performance, resulting in above target payouts
  - At Maximum, TCC for all participants in the study, including top management, is competitive, falling at 97% of market median maximum
- The MIP also helps close the gap to market median TDC created primarily by a current lack of long-term incentive opportunities for plan participants (i.e., equity compensation); however, TDC remains below market for all participants in the market study, at all levels of performance

| | Market Index | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Without 2010 MIP[1] | | At Plan[2] | | At Stretch[3] | | At Max[4] | |
| | TCC | TDC | TCC | TDC | TCC | TDC | TCC | TDC |
| Top Management | 56% | 28% | 82% | 40% | 107% | 53% | 87% | 35% |
| Other Key Executives | 74% | 42% | 113% | 64% | 120% | 68% | 97% | 45% |
| Other Participants in Market Study | 82% | 62% | 111% | 85% | 116% | 89% | 102% | 67% |
| **Aggregate - All Participants in Market Study** | **75%** | **49%** | **106%** | **69%** | **115%** | **75%** | **97%** | **52%** |

1 Base salary compared to market TCC and TDC

2 Top management earns 50% of target incentive opportunity and all other participants earn 100% of target; compared to market target TCC and TDC

3 Top management earns 100% of target incentive opportunity and all other participants earn 118% of target; compared to market target TCC and TDC

4 All participants earn 130% of target incentive opportunity; assumes achievement of OCF of $635M (top management maximum goal); compared to market maximum TCC and TDC

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## Top Management Compared to Market – at 2010 MIP Plan

- Assuming the 2010 MIP is approved, TDC for all Tribune participants covered in the market comparison falls at 69% of market median TDC, due primarily to a lack of long-term incentive opportunities
  - TCC for top management is below market overall, at 82% of the market median TCC
  - TDC for top management falls at 40% of market median TDC
- In the absence of an annual incentive plan, TDC for all participants in the market comparison, including top management, would fall at 49% of market median TDC

| | 2010 Total Compensation at Plan | | | | | Market Data | | | |
|---|---|---|---|---|---|---|---|---|---|
| Position | Base | Target MIP | MIP $ at Plan[1] | Plan TCC[2] | Plan TDC[2] | TCC 50th | TDC 50th | Index to TCC 50th | Index to TDC 50th |
| Chief Executive Officer | | | | | | | | | |
| [redacted] | | | | | | | | | |
| EVP/Chief Legal Officer | | | | | | | | | |
| [redacted] | | | | | | | | | |
| EVP/Chief Financial Officer | | | | | | | | | |
| [redacted] | | | | | | | | | |
| Publisher & CEO/LA Times | | | | | | | | | |
| [redacted] | | | | | | | | | |
| EVP/Tribune Publishing | | | | | | | | | |
| **Total - Top Management** | **$4,930** | | **$2,212** | **$7,142** | **$7,142** | **$8,755** | **$17,688** | **82%** | **40%** |
| **Total - Other Key Executives*** | **$8,907** | | **$4,719** | **$13,626** | **$13,626** | **$12,098** | **$21,171** | **113%** | **64%** |
| **Total - Other Participants in Market Comparison** | **$23,225** | | **$8,318** | **$31,542** | **$31,542** | **$28,412** | **$37,215** | **111%** | **85%** |
| **Aggregate - All Participants in Market Comparison** | **$37,062** | | **$15,248** | **$52,310** | **$52,310** | **$49,264** | **$76,074** | **106%** | **69%** |

1 MIP at plan reflects a 50% payout for top management, and 100% payout for all other participants in the market study

2 Plan TCC and TDC for top management equal base plus 50% of target MIP; for all other participants in the study, plan TCC and TDC equal base plus 100% of target MIP

* Other Key Executives compared to market (at plan) are listed on the following page

participated in the 2009 MIP as the President, Tribune Broadcasting and per a pre-petition agreement, had a guaranteed bonus of, and base salary of Per an agreement with effective 4/30/2010, he has transitioned to a different role outside of the top management team, and his MIP target has been reduced to and there is no guaranteed minimum payment. His base salary remains the same for the remainder of 2010.

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# Other Key Executives Compared to Market – at 2010 MIP Plan

| Position | 2010 Total Compensation at Plan | | | | | Market Data | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Base | Target MIP | MIP $ at Plan[1] | Plan TCC[2] | Plan TDC[2] | TCC 50th | TDC 50th | Index to TCC 50th | Index to TDC 50th |
| EVP/Chief Technology Officer | | | | | | | | | |
| SVP/Investments | | | | | | | | | |
| SVP/Deputy Gnl Csl & Corp Secy | | | | | | | | | |
| SVP/Financial Operations | | | | | | | | | |
| VP/Tax | | | | | | | | | |
| VP/Human Resources | | | | | | | | | |
| VP/Controller | | | | | | | | | |
| SVP/Administration & CFO | | | | | | | | | |
| VP/Treasurer | | | | | | | | | |
| SVP/Strategy | | | | | | | | | |
| SVP/Corporate Relations | | | | | | | | | |
| President, Publisher & CEO - Chicago Tribune | | | | | | | | | |
| Pres,Pub,CEO,GM-FL Properties | | | | | | | | | |
| CEO, President & Publisher - Hartford Courant | | | | | | | | | |
| Publisher & CEO/ Baltimore Sun | | | | | | | | | |
| President & CEO/TMS | | | | | | | | | |
| President & CEO/Daily Press | | | | | | | | | |
| VP/General Manager, KTLA-TV | | | | | | | | | |
| President/GM, WPIX-TV | | | | | | | | | |
| EVP - Broadcasting - KSWB TV | | | | | | | | | |
| VP/General Manager, WGN-TV | | | | | | | | | |
| VP/General Manager, KDAF-TV | | | | | | | | | |
| SVP/GM, KCPQ/KMYQ/KRCW | | | | | | | | | |
| VP/General Manager, WPHL-TV | | | | | | | | | |
| VP/General Manager, WDCW-TV | | | | | | | | | |
| VP/General Manager, KIAH-TV | | | | | | | | | |
| **Total - Top Management** | $4,930 | | $2,212 | $7,142 | $7,142 | $8,755 | $17,688 | 82% | 40% |
| **Total - Other Key Executives** | $8,907 | | $4,719 | $13,626 | $13,626 | $12,098 | $21,171 | 113% | 64% |
| **Total - Other Participants in Market Comparison** | $23,225 | | $8,318 | $31,542 | $31,542 | $28,412 | $37,215 | 111% | 85% |
| **Aggregate - All Participants in Market Comparison** | $37,062 | | $15,248 | $52,310 | $52,310 | $49,264 | $76,074 | 106% | 69% |

1 MIP at plan reflects a 50% payout for top management, and 100% payout for all others

2 Plan TCC and TDC for top management equal base plus 50% of target MIP; for all other participants in the study, plan TCC and TDC equal base plus 100% of target MIP

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## Top Management Compared to Market – at 2010 MIP Stretch

- Assuming the 2010 MIP is approved, Stretch TDC for all Tribune participants covered in the market comparison falls at 75% of market median TDC, due primarily to a lack of long-term incentive opportunities
  - TCC for top management is competitive overall, at 107% of the market median TCC
  - TDC for top management falls at 53% of market median TDC
- In the absence of an annual incentive plan, TDC for all participants in the market comparison, including top management, would fall at 49% of market median TDC

| | 2010 Total Compensation at Stretch | | | | | Market Data | | | |
|---|---|---|---|---|---|---|---|---|---|
| Position | Base | Target MIP | MIP $ at Stretch[1] | Stretch TCC[2] | Stretch TDC[2] | TCC 50th | TDC 50th | Index to TCC 50th | Index to TDC 50th |
| Chief Executive Officer | | | | | | | | | |
| Chief Operating Officer | | | | | | | | | |
| EVP/Chief Legal Officer | | | | | | | | | |
| President/Tribune Broadcasting | | | | | | | | | |
| EVP/Chief Financial Officer | | | | | | | | | |
| EVP/Chief Investment Officer | | | | | | | | | |
| Publisher & CEO/LA Times | | | | | | | | | |
| President/Tribune Interactive | | | | | | | | | |
| EVP/Tribune Publishing | | | | | | | | | |
| **Total - Top Management** | **$4,930** | | **$4,424** | **$9,354** | **$9,354** | **$8,755** | **$17,688** | **107%** | **53%** |
| **Total - Other Key Executives*** | **$8,907** | | **$5,558** | **$14,465** | **$14,465** | **$12,098** | **$21,171** | **120%** | **68%** |
| **Total - Other Participants in Market Comparison** | **$23,225** | | **$9,796** | **$33,021** | **$33,021** | **$28,412** | **$37,215** | **116%** | **89%** |
| **Aggregate - All Participants in Market Comparison** | **$37,062** | | **$19,778** | **$56,839** | **$56,839** | **$49,264** | **$76,074** | **115%** | **75%** |

1 MIP at stretch reflects a 100% payout for top management, and 118% payout for all other participants in the market study

2 Stretch TCC and TDC for top management equal base plus 100% of target MIP; for all other participants in the study, stretch TCC and TDC equal base plus118% of target MIP

* Other Key Executives compared to market (at plan) are listed on the following page

participated in the 2009 MIP as the President, Tribune Broadcasting and per a pre-petition agreement, had a guaranteed bonus of and base salary of Per an agreement with effective 4/30/2010, he has transitioned to a different role outside of the top management team, and his MIP target has been reduced to and there is no guaranteed minimum payment. His base salary remains the same for the remainder of 2010.

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# Other Key Executives Compared to Market – at 2010 MIP Stretch

| Position | 2010 Total Compensation at Stretch | | | | | Market Data | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Base | Target MIP | MIP $ at Stretch[1] | Stretch TCC[2] | Stretch TDC[2] | TCC 50th | TDC 50th | Index to TCC 50th | Index to TDC 50th |
| EVP/Chief Technology Officer | | | | | | | | | |
| SVP/Investments | | | | | | | | | |
| SVP/Deputy Gnl Csl & Corp Secy | | | | | | | | | |
| SVP/Financial Operations | | | | | | | | | |
| VP/Tax | | | | | | | | | |
| VP/Human Resources | | | | | | | | | |
| VP/Controller | | | | | | | | | |
| SVP/Administration & CFO | | | | | | | | | |
| VP/Treasurer | | | | | | | | | |
| SVP/Strategy | | | | | | | | | |
| SVP/Corporate Relations | | | | | | | | | |
| President, Publisher & CEO - Chicago Tribune | | | | | | | | | |
| Pres,Pub,CEO,GM-FL Properties | | | | | | | | | |
| CEO, President & Publisher - Hartford Courant | | | | | | | | | |
| Publisher & CEO/ Baltimore Sun | | | | | | | | | |
| President & CEO/TMS | | | | | | | | | |
| President & CEO/Daily Press | | | | | | | | | |
| VP/General Manager, KTLA-TV | | | | | | | | | |
| President/GM, WPIX-TV | | | | | | | | | |
| EVP - Broadcasting - KSWB TV | | | | | | | | | |
| VP/General Manager, WGN-TV | | | | | | | | | |
| VP/General Manager, KDAF-TV | | | | | | | | | |
| SVP/GM, KCPQ/KMYQ/KRCW | | | | | | | | | |
| VP/General Manager, WPHL-TV | | | | | | | | | |
| VP/General Manager, WDCW-TV | | | | | | | | | |
| VP/General Manager, KIAH-TV | | | | | | | | | |
| **Total - Top Management** | **$4,930** | | **$4,424** | **$9,354** | **$9,354** | **$8,755** | **$17,688** | **107%** | **53%** |
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| **Aggregate - All Participants in Market Comparison** | **$37,062** | | **$19,778** | **$56,839** | **$56,839** | **$49,264** | **$76,074** | **115%** | **75%** |

1 MIP at stretch reflects a 100% payout for top management, and 118% payout for all other participants in the study

2 Stretch TCC and TDC for top management equal base plus100% of target MIP; for all other participants in the study, stretch TCC and TDC equal base plus 118% of target MIP

# Impact of Maximum Payouts

- Overall, at plan maximum (130% of target), TCC for all of the market comparison participants, including top management, falls at 97% of market median maximum TCC
  - Maximum TCC for top management falls below market, at 87% of market median maximum TCC
  - Maximum TCC for Other Key Executives falls at 97% of market median maximum TCC
  - Maximum TCC for Other Participants in the study falls at 102% of market median maximum TCC
- Maximum TDC for each level of MIP participants covered in this market comparison falls below market competitive levels
  - Maximum TDC for all of the market comparison participants, including top management, falls at 52% of market median maximum TDC
    - Maximum TDC for top management falls below market median maximum TDC (at 35% of market median)
    - Maximum TDC for Other Key Executives falls below market median maximum TDC (at 45% of market median)
    - Maximum TDC for Other Participants in the study falls below market median maximum TDC (at 67% of market median )
- Mercer considers the relationship between Tribune's maximum TDC to market maximum TDC to be the most appropriate comparison; however, we also compared Tribune maximum TDC to market target TDC (i.e., median base salary plus target annual incentives and 2009 LTI) which is akin to comparing very strong performance by Tribune to plan performance at other companies.
  - Overall, Tribune maximum TDC falls below market, at 79% of market median target TDC
- See following pages for details

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## Top Management Compared to Market – at 2010 MIP Max

| Position | 2010 Maximum Compensation | | | | *Market Target Data*[2] | | *Market Maximum Data*[3] | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Base | Target MIP | MIP $ at Max | Max TCC/TDC[1] | TDC 50th | Index to TDC 50th | Max TCC 50th | Max TDC 50th | Index to TCC 50th | Index to TDC 50th |
| Chief Executive Officer | | | | | | | | | | |
| Chief Operating Officer | | | | | | | | | | |
| EVP/Chief Legal Officer | | | | | | | | | | |
| President/Tribune Broadcasting | | | | | | | | | | |
| EVP/Chief Financial Officer | | | | | | | | | | |
| EVP/Chief Investment Officer | | | | | | | | | | |
| Publisher & CEO/LA Times | | | | | | | | | | |
| President/Tribune Interactive | | | | | | | | | | |
| EVP/Tribune Publishing | | | | | | | | | | |
| **Total - Top Management** | **$4,930** | | **$5,751** | **$10,681** | **$17,688** | **60%** | **$12,290** | **$30,156** | **87%** | **35%** |
| **Total - Other Key Executives*** | **$8,907** | | **$6,135** | **$15,041** | **$21,171** | **71%** | **$15,581** | **$33,726** | **97%** | **45%** |
| **Total - Other Participants in Market Comparison** | **$23,225** | | **$10,813** | **$34,038** | **$37,215** | **91%** | **$33,424** | **$51,161** | **102%** | **67%** |
| **Aggregate - All Participants in Market Comparison** | **$37,062** | | **$22,698** | **$59,760** | **$76,074** | **79%** | **$61,296** | **$115,044** | **97%** | **52%** |

1 Max TCC reflects 130% payouts under the MIP for all participants in the study; assumes achievement of maximum OCF of $635M (top management maximum *performance goal*)

2 Market target data reflects target TCC plus 2009 LTI, as described in the methodology on page 11

3 Market maximum TCC and TDC data is calculated as base plus two-times target annual and long-term incentives, respectively

* Other Key Executives compared to market (at max) are listed on the following page

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# Other Key Executives Compared to Market – at 2010 MIP Max

| Position | 2010 Maximum Compensation | | | | Market Target Data[2] | | Market Maximum Data[3] | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Base | Target MIP % | MIP $ at Max | Max TCC/TDC[1] | TDC 50th | Index to TDC 50th | Max TCC 50th | Max TDC 50th | Index to TCC 50th | Index to TDC 50th |
| EVP/Chief Technology Officer | | | | | | | | | | |
| SVP/Investments | | | | | | | | | | |
| SVP/Deputy Gnl Csl & Corp Secy | | | | | | | | | | |
| SVP/Financial Operations | | | | | | | | | | |
| VP/Tax | | | | | | | | | | |
| VP/Human Resources | | | | | | | | | | |
| VP/Controller | | | | | | | | | | |
| SVP/Administration & CFO | | | | | | | | | | |
| VP/Treasurer | | | | | | | | | | |
| SVP/Strategy | | | | | | | | | | |
| SVP/Corporate Relations | | | | | | | | | | |
| President, Publisher & CEO - Chicago Tribune | | | | | | | | | | |
| Pres Pub, CEO Gnl-FL Properties | | | | | | | | | | |
| CEO, President & Publisher - Hartford Courant | | | | | | | | | | |
| Publisher & CEO, Baltimore Sun | | | | | | | | | | |
| President & CEO/TMS | | | | | | | | | | |
| President & CEO/Daily Press | | | | | | | | | | |
| VP/General Manager, KTLA-TV | | | | | | | | | | |
| President/GM, WPIX-TV | | | | | | | | | | |
| EVP - Broadcasting - KSWB TV | | | | | | | | | | |
| VP/General Manager, WGN-TV | | | | | | | | | | |
| VP/General Manager, KDAF-TV | | | | | | | | | | |
| SVP/GM, KCPQ/TQ/YD/KRCW | | | | | | | | | | |
| VP/General Manager, WPHL-TV | | | | | | | | | | |
| VP/General Manager, WDCW-TV | | | | | | | | | | |
| VP/General Manager, KIAH-TV | | | | | | | | | | |
| **Total - Top Management** | **$4,930** | | **$5,751** | **$10,681** | **$17,688** | **60%** | **$12,290** | **$30,156** | **87%** | **35%** |
| **Total - Other Key Executives** | **$8,907** | | **$6,135** | **$15,041** | **$21,171** | **71%** | **$15,581** | **$33,726** | **97%** | **45%** |
| **Total - Other Participants in Market Comparison** | **$23,225** | | **$10,813** | **$34,038** | **$37,215** | **91%** | **$33,424** | **$51,161** | **102%** | **67%** |
| **Aggregate - All Participants in Market Comparison** | **$37,062** | | **$22,698** | **$59,760** | **$76,074** | **79%** | **$61,296** | **$115,044** | **97%** | **52%** |

1 Max TCC reflects 130% payouts under the MIP for achieving maximum OCF

2 Market target data reflects target TCC plus 2009 LTI, as described in the methodology on page 11

3 Market maximum TCC and TDC data is calculated as two-times target annual and long-term incentives

## Conclusions

Providing an annual incentive plan continues to be a prevailing market practice

- Mercer's analysis indicates that the incentive opportunities provided by the 2010 MIP are competitive at plan, stretch and maximum performance levels for participants at all levels in the organization
- The overall plan structure of the 2010 MIP, including the relationship between target and maximum incentive payouts, is consistent with competitive practice, with proposed maximum opportunities falling below median peer group maximum of 200% of target

# Appendix I: 2010 MIP Operating Cash Flow Goals

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# Summary of 2010 MIP – Publishing OCF Goals by Property

- The level of plan, stretch and maximum achievement targets vary by business unit

| | | 2010 Bonus Achievement Targets (1) | | |
|---|---|---|---|---|
| | | Plan (2) | Stretch | Max |
| | ($ in millions) | *100%* | *118%* | *130%* |
| 1 | Los Angeles | | | |
| 2 | Chicago | | | |
| 3 | South Florida | | | |
| 4 | Orlando | | | |
| 5 | Baltimore | | | |
| 6 | Hartford | | | |
| 7 | Allentown | | | |
| 8 | Newport News | | | |
| 9 | Tribune Media Services | | | |
| 11 | ForSaleByOwner.com | | | |
| 10 | Interactive Central (3) | | | |
| 12 | TPC Group Office/Other (4) | | | |
| 13 | Total Publishing | | | |

(1) Excludes equity compensation, ESOP expense, special items, non-operating items, reorganization costs and discontinued operations.

(2) Represents 2010 operating plan amounts consistent with the 2010 operating plan submitted to and approved by the Board of Directors at the February board meeting.

(3) Represents expenses for TI Central only, not all of Interactive.

(4) Group office goals are based on total segment operating cash flow.

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# Summary of 2010 MIP – Broadcasting OCF Goals by Property

- The level of plan, stretch and maximum achievement targets vary by business unit

| | 2010 Bonus Achievement Targets (1) | | |
|---|---|---|---|
| | Plan (2) | Stretch | Max |
| ($ in millions) | *100%* | *118%* | *130%* |
| 1 New York (WPIX) | | | |
| 2 Los Angeles (KTLA) | | | |
| 3 Chicago (WGN & CLTV) (3) | | | |
| 4 Philadelphia (WPHL) | | | |
| 5 Dallas (KDAF) | | | |
| 6 Washington (WDCW) | | | |
| 7 Houston (KIAH) | | | |
| 8 Seattle (KCPQ, KMYQ) & Portland (KRCW) (4) | | | |
| 9 Miami (WSFL) | | | |
| 10 Sacramento (KTXL) | | | |
| 11 Indianapolis (WXIN, WTTV) | | | |
| 12 San Diego (KSWB) | | | |
| 13 Hartford (WTIC, WTXX) | | | |
| 14 Grand Rapids (WXMI) | | | |
| 15 Harrisburg (WPMT) | | | |
| 16 New Orleans (WGNO, WNOL) | | | |
| 17 WGN America (includes Tower Distribution) | | | |
| 18 WGN-Radio | | | |
| 19 Denver (KWGN) and St. Louis (KPLR) (5) | | | |
| 20 TBC Group Office / Other (6) | | | |
| 21 Total Broadcasting | | | |

(1) Excludes equity compensation, ESOP expense, special items, non-operating items, reorganization costs and discontinued operations.

(2) Represents 2010 operating plan amounts consistent with the 2010 operating plan submitted to and approved by the Board of Directors at the February board meeting.

(3) Includes WGN-TV and CLTV combined as businesses are co-located and co-managed.

(4) Includes Seattle (KCPQ/KMYQ) and Portland (KRCW) station as there is a single management team for three stations.

(5) In October 2008, the Denver and St. Louis stations entered into operating agreements with Local TV.

(6) Group office goals are based on total segment operating cash flow.

# Appendix II: Top Management Position Matching Detail

# Top Management – Position Matching Detail

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| Position Title | Business Unit | Position Match | 2009 Revenue |
|---|---|---|---|
| Chief Executive Officer | Corporate Office | Proxy Match- CEO compared to CEO | 3.2B |
| Chief Operating Officer | Corporate Office | Proxy Match- Rank 2 | 3.2B |
| EVP/Chief Legal Officer | Corporate Office | Proxy Match- Rank 4 | 3.2B |
| President/Tribune Broadcasting | Tribune Broadcasting Company | General Manager | |
| EVP/Chief Financial Officer | Corporate Office | Proxy Match: CFO compared to CFO | 3.2B |
| EVP/Chief Investment Officer | Corporate Office | Top Mergers & Acquisitions Executive | 3.2B |
| Publisher/CEO - Los Angeles Times | Los Angeles Times | Newspaper Chief Executive | |
| President/Tribune Interactive | Tribune Interactive | Group (Multi-Profit Center) Head | |
| EVP/Tribune Publishing | Tribune Publishing Company | Group (Multi-Profit Center) Head | |

*Please see pages 30-36 for detailed proxy data

# Methodology – Proxy Analysis

- To ensure the proxy analysis is reflective of current compensation levels, Mercer incorporated 2010 base salary and/or target annual incentives, when disclosed
- The table below summarizes when 2010 compensation data of Tribune's industry peers were used by Mercer

| Industry Peers | | Base Salary | | Annual Incentive | |
|---|---|---|---|---|---|
| | | 2009 Actual | 2010 Actual | 2009 Target | 2010 Target |
| Cablevision Systems | | ✓ | | ✓ | |
| CC Media Holdings | * | ✓ | ✓ | ✓ | ✓ |
| Gannett | ‡ | | ✓ | ✓ | |
| Washington Post | | ✓ | | ✓ | |
| New York Times | ‡ | | ✓ | ✓ | |
| McClatchy | ‡ | | ✓ | | ✓ |
| Meredith | | ✓ | | ✓ | |
| Lee Enterprises Inc. | | ✓ | | ✓ | |
| E.W. Scripps | x | ✓ | | | ✓ |

*Data reflects 2009 compensation levels, as reported in the proxy statement filed Apr. 27, 2010 for all NEOs, except the CEO and incoming CFO

•CC Media's CEO's employment agreement disclosed 2010 base salary and annual incentive opportunities, which are reflected in the analysis composites of the CEO.

•Per CC Media's 8-K filed Jan. 5, 2010, a new CFO has been hired, effective Jan. 4, 2010. Per the individual employment agreement, 2010 compensation data for the new hire is reflected in the proxy analysis composites of the CFO and Rank 2 executives

‡ Per Compensation Discussion & Analysis ("CD&A") of 2009 Proxy Statement

[x] In 2009, E.W. Scripps reduced target annual incentives for the NEOs by 75%. A new annual incentive plan was established in 2010. For the purposes of the analysis, Mercer assumed that the reduced annual incentive targets will remain in place for 2010

# Peer Group Maximum Annual Incentive Opportunities

- The table below summarizes the relationship between target and maximum award opportunities for the peer group

| 2009 Annual Incentive Plan Leverage | | |
|---|---|---|
| | CEO | NEOs |
| Company | Maximum | Maximum |
| Gannett Co[1] | n/a | n/a |
| **CC Media Holdings Inc[2,3]** | **200%** | **213%** |
| Cablevision Sys Corp | 200% | 200% |
| **Washington Post[4,5]** | **-** | **105%** |
| New York Times Co | 200% | 200% |
| **EW Scripps[6]** | **150%** | **150%** |
| McClatchy Co[7,8] | 170% | - |
| **Lee Enterprises Inc[9]** | **200%** | **220%** |
| Meredith Corp[10] | 250% | 125% |
| **Tribune** | **130%** | **130%** |
| 75th Percentile | 200% | 207% |
| **50th Percentile** | **200%** | **200%** |
| 25th Percentile | 185% | 138% |
| ***Average*** | ***196%*** | ***173%*** |

**See following page for notes*

# Peer Group Maximum Annual Incentive Opportunities – Notes

[1]Bonus opportunities for Gannett's NEOs are determined at the discretion of the Board and were not disclosed

[2]Leverage for each executive is different and ranges from 213%-250%. To be conservative, Mercer assumed 213%

[3]The former Chief Legal Officer was excluded from this analysis as he retired from CC Media, effective Jan. 8, 2010

[4]CEO of Washington Post requested not to receive an annual bonus in 2009

[5]Leverage for each executive officer is different and ranges from 105%-143% of target. To be conservative, Mercer assumed 105%

[6]For 2009, the Committee eliminated the 2009 incentive opportunity for the NEOs. For 2010, the Company established an annual incentive plan tied to free cash flow and will have a maximum equal to 150% of target incentive opportunity

[7]McClatchy did not provide annual incentive opportunities to executives in 2009 and leverage was not disclosed

[8]In January 2010, an incentive plan was established for the CEO, with a maximum incentive opportunity of 170%

[9]For NEOs, 70% of bonus opportunity is based on financial performance and 30% of target bonus is based on specific individual performance goals. Participants can receive up to 250% of the financial bonus target and 150% of the individual performance targets. For the purposes of this analysis, a weighted average was calculated.

[10]The maximum opportunity for NEOs ranges from 125%-200% of target. To be conservative, Mercer assumed 125%

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# CEO Compared to CEO

- CEO base salary, total cash and total direct compensation fall below market median

*All values in USD '000s (except where noted)*

| Company | 2009 Revenue (MM USD) | Incumbent | Title | Base Salary | Target STI As a % of Base | Target STI As a USD Amount | Total Cash Comp | 2009 LTI As a % of Base | 2009 LTI As a USD Amount | Total Direct Comp |
|---|---|---|---|---|---|---|---|---|---|---|
| Cablevision Systems | 7,773 | Dolan, J. | President & CEO | | | | | | | |
| Gannett | 5,613 | [1, 2] Dubow, C. | Chairman and CEO | | | | | | | |
| CC Media Holdings | 5,552 | [3, 4] Mays, M. | CEO | | | | | | | |
| New York Times | 2,440 | [5] Robinson, J. | Pres. & CEO | | | | | | | |
| McClatchy | 1,472 | [6] Pruitt, G. | Chair, Pres & CEO | | | | | | | |
| Meredith | 1,409 | Lacy, S. | President & CEO | | | | | | | |
| Lee Enterprises Inc. | 842 | [7] Junck, M. | Chair, Pres, & CEO | | | | | | | |
| E.W. Scripps | 802 | [8, 9] Boehne, R. | President & CEO | | | | | | | |
| ***Analysis Summary Statistics Excluding Washington Post*** | | | | | | | | | | |
| *75th Percentile* | 5,567 | | | | | | | | | |
| ***50th Percentile*** | **1,956** | | | | | | | | | |
| *25th Percentile* | 1,267 | | | | | | | | | |
| ***Average*** | 3,238 | | | | | | | | | |
| **Tribune Company** | **3,183** | | **CEO** | | | | | | | |
| **Washington Post** | **4,570** | [10, 11] Graham, D. | Chairman & CEO | | | | | | | |

- Washington Post CEO is excluded from summary statistics due to a high level of stock ownership (approximately 33.6%)

*(‡) Bonus and total cash compensation reflect 3-yr avg. bonus*

*Please see the following page for notes

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# CEO Compared to CEO – Notes

***Notes***

[1] Reflective of 2010 base salary levels, as disclosed in the Proxy statement. In 2009, Mr. Dubow voluntarily reduced his salary from provided in his employment contract to beginning November 1, 2008 and continuing through 2009. Each executive also participated in a 3 week furlough (~6%).

[2] Bonuses determined by Board at their discretion

[3] Mr. M. Mays voluntarily took a reduction in base salary for 2009, however, according to his employment agreement base salary level will be thereafter. Target bonus of began in 2009 and will remain, according to his employment agreement.

[4] No awards of stock options or restricted stock were made to CC Media's named executive officers in 2009.

[5] Base salaries for executives were reduced by 5% from Apr 1, 2009, through Dec 31, 2009. For 2010, compensation for Mr. Robinson returned to 2006-2008 levels.

[6] McClatchy did not pay annual cash bonus in 2009; analysis reflects 2010 base salary and target annual incentive opportunity

[7] Lee Enterprises did not grant long-term incentives under their LTIP in 2009.

[8] Mr. Boehne agreed to reduce his base salary by 15%. Additionally, he and the other NEOs agreed to take an additional temporary base pay reduction equal to five days.

[9] In 2009, EW Scripps reduced target annual incentives for the NEOs by 75% and subsequently eliminated bonuses for the year. For 2010, a new plan was established based on Free Cash Flow. For the purposes of the analysis, Mercer has assumed that the reduced targets established in 2009 will remain in place for 2010.

[10] Mr. Graham requested not to receive an annual bonus

[11] Mr. Graham's equity ownership is uncharacteristically high; therefore, he was excluded from the summary statistics

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## COO Compared to Proxy Rank 2

*All values in USD '000s (except where noted)*

| Company | 2009 Revenue (MM USD) | Incumbent | Title | Base Salary | Target STI As a % of Base | Target STI As a USD Amount | Total Cash Comp | 2009 LTI As a % of Base | 2009 LTI As a USD Amount | Total Direct Comp |
|---|---|---|---|---|---|---|---|---|---|---|
| Cablevision Systems | 7,773 | Rutledge, T. | COO | | | | | | | |
| Gannett | 5,613 | [1,2] Martore, G. | President, COO & CFO | | | | | | | |
| CC Media Holdings | 5,552 | [3] Hogan, J. | President, Radio Division | | | | | | | |
| Washington Post | 4,570 | Rosberg, G. | SVP Planning & Dev. | | | | | | | |
| New York Times | 2,440 | [4] Sulzberger, Jr., A. | Chair & Publisher, The NYT | | | | | | | |
| McClatchy | 1,472 | [5] Whittaker, F. | VP Operations | | | | | | | |
| Meredith | 1,409 | Karpowicz, P. | President-Broadcasting | | | | | | | |
| Lee Enterprises Inc. | 842 | [6] Schmidt, C. | VP, CFO, & Treasurer | | | | | | | |
| E.W. Scripps | 802 | [7,8] Contreras, M. | SVP Newspapers | | | | | | | |
| ***Analysis Summary Statistics*** | | | | | | | | | | |
| *75th Percentile* | 5,552 | | | | | | | | | |
| ***50th Percentile*** | **2,440** | | | | | | | | | |
| *25th Percentile* | 1,409 | | | | | | | | | |
| ***Average*** | 3,386 | | | | | | | | | |
| **Tribune Company** | **3,183** | | **Chief Operating Officer** | | | | | | | |

*(‡) Bonus and total cash compensation reflect 3-yr avg. bonus*

*Please see the following page for notes

# COO Compared to Rank 2 – Notes

***Notes***

[1] Reflective of 2010 base salary levels, as disclosed in the Proxy statement. In 2009, each executive had a reduction in base salary in the equivalent amount of 3 weeks salary (~6%) as a result of the Company's furlough and salary reduction program.

[2] Bonuses determined by Board at their discretion

[3] No awards of stock options or restricted stock were made to CC Media's named executive officers in 2009.

[4] Base salaries for executives were reduced by 5% from Apr 1, 2009, through Dec 31, 2009. For 2010, compensation for Mr. Sulzberg returned to 2006-2008 levels.

[5] McClatchy did not pay annual cash bonus in 2009; 2010 base salary and target annual incentive opportunity shown

[6] Lee Enterprises did not grant long-term incentives under their LTIP in 2009.

[7] All NEOs, excluding the CEO (reduced pay by 15%), reduced their pay by 10% in 2009. Additionally, the CEO and other NEOs agreed to take an additional temporary base pay reduction equal to five days.

[8] In 2009, EW Scripps reduced target annual incentives for the NEOs by 75% and subsequently eliminated bonuses for the year. For 2010, a new plan was established based on Free Casn Flow. For the purposes of the analysis, Mercer has assumed that the reduced targets established in 2009 will remain in place for 2010.

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## General Counsel Compared to Proxy Rank 4

*All values in USD '000s (except where noted)*

| Company | 2009 Revenue (MM USD) | Incumbent | Title | Base Salary | Target STI As a % of Base | Target STI As a USD Amount | Total Cash Comp | 2009 LTI As a % of Base | 2009 LTI As a USD Amount | Total Direct Comp |
|---|---|---|---|---|---|---|---|---|---|---|
| Cablevision Systems | 7,773 | Dolan, C. | Chairman | | | | | | | |
| Gannett | 5,613 | [1,2] Hunke, D. | President and Publisher/USA Today | | | | | | | |
| CC Media Holdings | 5,552 | [3] Meyer, P. | President, COO, Outdoor Division | | | | | | | |
| Washington Post | 4,570 | Jones, Jr., B. | Vice Chairman | | | | | | | |
| New York Times | 2,440 | [4] Ainsley, P. | Publisher, The Boston Globe | | | | | | | |
| McClatchy | 1,472 | [5] Talamantes, P. | VP Finance & CFO | | | | | | | |
| Meredith | 1,409 | Zieser, J. | Chief Development Officer, GC & Secretary | | | | | | | |
| Lee Enterprises Inc. | 842 | [6] Mowbray, K. | VP Publishing | | | | | | | |
| E.W. Scripps | 802 | [7,8] Appleton, W. | SVP & Chief Legal Officer | | | | | | | |
| ***Analysis Summary Statistics*** | | | | | | | | | | |
| *75th Percentile* | 5,552 | | | | | | | | | |
| ***50th Percentile*** | 2,440 | | | | | | | | | |
| *25th Percentile* | 1,409 | | | | | | | | | |
| ***Average*** | 3,386 | | | | | | | | | |
| **Tribune Company** | **3,183** | | **EVP - Chief Legal Officer** | | | | | | | |

***Notes***

[1] Reflective of 2010 base salary levels, as disclosed in the Proxy statement. In 2009, each executive had a reduction in base salary in the equivalent amount of 3 weeks salary (~6%) as a result of the Company's furlough and salary reduction program.

[2] Bonuses determined by Board at their discretion

[3] No awards of stock options or restricted stock were made to CC Media's named executive officers in 2009.

[4] Base salaries for executives were reduced by 5% from Apr 1, 2009, through Dec 31, 2009. Effective Dec 31, 2009, Mr. Ainsley retired, base salary reflects 2009 levels.

[5] McClatchy did not pay annual cash bonus in 2009; 2010 base salary and target annual incentive opportunity shown

[6] Lee Enterprises did not grant long-term incentives under their LTIP in 2009.

[7] All NEOs, excluding the CEO (reduced pay by 15%), reduced their pay by 10% in 2009. Additionally, the CEO and other NEOs agreed to take an additional temporary base pay reduction equal to five days.

[8] In 2009, EW Scripps reduced target annual incentives for the NEOs by 75% and subsequently eliminated bonuses for the year. For 2010, a new plan was established based on Free Cash Flow. For the purposes of the analysis, Mercer has assumed that the reduced targets established in 2009 will remain in place for 2010.

*(‡) Bonus and total cash compensation reflect 3-yr avg. bonus*

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# CFO Compared to CFO

*All values in USD '000s (except where noted)*

| Company | 2009 Revenue (MM USD) | Incumbent | Title | Base Salary | Target STI As a % of Base | Target STI As a USD Amount | Total Cash Comp | 2009 LTI As a % of Base | 2009 LTI As a USD Amount | Total Direct Comp |
|---|---|---|---|---|---|---|---|---|---|---|
| Cablevision Systems | 7,773 | Huseby, M. | EVP & CFO | | | | | | | |
| Gannett | 5,613 | [1,2] Martore, G. | President, COO & CFO | | | | | | | |
| CC Media Holdings [2010] | 5,552 | [3,4] Casey, T. | CFO | | | | | | | |
| Washington Post | 4,570 | Jones, H. | SVP- Finance and CFO | | | | | | | |
| New York Times | 2,440 | [5] Follo, J. | SVP&CFO | | | | | | | |
| McClatchy | 1,472 | [6] Talamantes, P. | VP Finance & CFO | | | | | | | |
| Meredith | 1,409 | [7] Ceryanec, J. | VP - Chief Financial Officer | | | | | | | |
| Lee Enterprises Inc. | 842 | [8] Schmidt, C. | VP, CFO, & Treasurer | | | | | | | |
| E.W. Scripps | 802 | [9,10] Stautberg, T. | SVP & CFO | | | | | | | |
| ***Analysis Summary Statistics*** | | | | | | | | | | |
| *75th Percentile* | 5,552 | | | | | | | | | |
| ***50th Percentile*** | **2,440** | | | | | | | | | |
| *25th Percentile* | 1,409 | | | | | | | | | |
| ***Average*** | 3,386 | | | | | | | | | |
| **Tribune Company** | **3,183** | | **EVP - CFO** | | | | | | | |

*(‡) Bonus and total cash compensation reflect 3-yr avg. bonus*

*Please see the following page for notes

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# CFO Compared to CFO – Notes

***Notes***

[1] Reflective of 2010 base salary levels, as disclosed in the Proxy statement. In 2009, each executive had a reduction in base salary in the equivalent amount of 3 weeks salary (~6%) as a result of the Company's furlough and salary reduction program.

[2] Bonuses determined by Board at their discretion

[3] Effective Jan. 4, 2010, Mr. Casey took the place of Mr. R. Mays as CC Media's CFO.

[4] Per Mr. Casey's employment agreement (dated Dec. 15, 2009), provided he remains employed on Dec. 31, 2010, he will receive options on shares, which will ratably vest in four equal installments (Dec. 31, 2010 - Dec. 31, 2013). The minimum guaranteed grant value is based on a provision in the employment agreement that provides for a grant of RSUs equal to less the spread on the options at the time the grant becomes fully vested (Dec. 31, 2013). To be conservative, the value has been annualized over 4 years.

[5] Base salaries for executives were reduced by 5% from Apr 1, 2009, through Dec 31, 2009. For 2010, compensation for Mr. Follo returned to 2006-2008 levels and was increased by 5%.

[6] McClatchy did not pay annual cash bonus in 2009; 2010 base salary and target annual incentive opportunity shown.

[7] Mr. Ceryanec was hired as VP - CFO, effective October 20, 2008. The 2009 salary shown is annualized (prorated

[8] Lee Enterprises did not grant long-term incentives under their LTIP in 2009.

[9] All NEOs, excluding the CEO (reduced his pay by 15%), reduced their pay by 10% in 2009. Additionally, the CEO and other NEOs agreed to take an additional temporary base pay reduction equal to five days.

[10] In 2009, EW Scripps reduced target annual incentives for the NEOs by 75% and subsequently eliminated bonuses for the year. For 2010, a new plan was established based on Free Cash Flow. For the purposes of the analysis, Mercer has assumed that the reduced targets established in 2009 will remain in place for 2010.

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MMC MARSH MERCER KROLL
GUY CARPENTER OLIVER WYMAN