

The New York Times Company
2019 Annual Report

5m

We now have more than
5 million total subscriptions.

3.4 million+ digital news subscriptions
300,000+ Cooking subscriptions
600,000+ Crossword subscriptions
850,000+ print subscriptions

“Independent journalism is the foundation of everything we do as a company. It’s the heart of our mission to seek the truth and help people understand the world. It’s the core of our business strategy to make journalism so good that it’s worth paying for. But it’s more than that. It’s the foundation of our democracy, and it’s the reason all of us are here, working so hard to support an informed and engaged public.”
– A. G. Sulzberger, Publisher

1m

Over 1 million net
digital-only subscriptions
were added in 2019.



\$800m

We passed our goal of doubling annual
digital revenue a year ahead of schedule.

TO OUR SHAREHOLDERS,

The central mission of The New York Times is to help people understand the world by providing them with trustworthy, deeply reported, independent and timely news and information. That mission is especially important at times of crisis — like the coronavirus pandemic, which is unfolding across America and the globe.

So far our newsroom has risen magnificently to what Dean Baquet, our executive editor, has described as the most consequential journalistic challenge since 9/11. Our reporters are doing what Times correspondents have always done, which is to head toward danger at the very moment when most others are understandably trying to steer clear of it. The sheer breadth of Times coverage has positioned us perfectly to do justice to a story that is at once scientific, political, geopolitical, economic and social.

The coronavirus clearly also poses challenges for The New York Times as a company. We plan to maintain operations and continue to deliver first-class services to our millions of loyal readers in the United States and around the world — even if that means significant adaptations to many of our routine working practices. There is no doubt that, in common with many other media companies, we face headwinds in advertising revenue. Unlike most of our competitors, however, we are a subscription-first news provider with a much smaller — and diminishing — exposure to the vagaries of the advertising market. Therefore, although we may feel some transient impact, we do not expect the virus to significantly affect the successful rollout of our digital growth strategy.

But let me now briefly review the Company's performance in 2019.

It was marked by real acceleration in our digital transformation and fueled by the sustained growth of our core digital-only subscription business. We added one million net digital subscriptions in 2019, the largest number since the launch of the pay model in 2011 and the largest number of net subscription additions in a year in the history of The New York Times Company. We ended the year with 5.3 million total subscriptions, another all-time record for the Company. This included 4.4 million digital subscriptions and 850,000 print subscriptions.

It was an eventful year and our world-class, multimedia news organization produced a prodigious volume of high-impact work, including 194,000 photos, 60,000 articles, 3,900 videos, 445 podcast episodes and 39 television episodes. Our journalism ranged from critical coverage of how climate change is remaking the planet to how surging populism is reshaping our global politics and how technology is transforming almost every facet of daily life. U.S. politics didn't dominate our news report — there was more diversity of stories, even on the home screen and front page, than we've seen for a while — but our coverage of that politics, as the 2020 presidential race began to gather steam and the Mueller investigation proceeded, was second to none.

The New York Times Magazine produced a groundbreaking piece of work, The 1619 Project, which examined the history of slavery and its legacy in contemporary American life. And our Opinion department produced the Privacy Project, an ongoing series that drew the public's attention to the ways we're being watched, followed and tracked. This reporting led us to refine and improve the Company's own privacy practices.

Continued investment in, and delivery of, high-quality journalism is at the center of our business success, but we achieved many other things in 2019. We radically changed the way we run digital operations at the Company with the introduction of new cross-disciplinary teams that enjoy significant autonomy and access to the machine learning, engineering and testing capabilities they need to move our business forward.

This new way of working has allowed us to make bold new bets — like the launch of our new customer journey, which has enabled us to greatly increase the number of registered and logged-on users on our digital assets each week. This breakthrough is so important because we know that these users have a much higher propensity to subscribe than anonymous users.

This innovation in how we actually do digital day to day is one of the biggest reasons we're seeing sustained momentum in our model. It's also the approach we've taken with our standalone products, including NYT Cooking, Crossword and Wirecutter, as well as our audio and TV initiatives, all of which had breakout years.

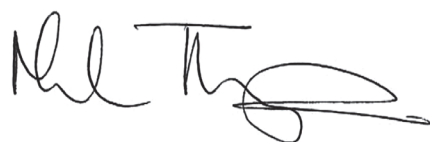
Back in 2015, we set a goal of doubling digital revenue from approximately \$400 million a year to \$800 million by 2020. The major strides we made in 2018 and 2019 allowed us to hit that goal a full year early, and give us great confidence in our ability to achieve the next goal of 10 million subscriptions by 2025.

Digital advertising revenue was flat this year as we've pivoted our business and focused on building revenue from audio and other new sources while also focusing on large-scale deals with the world's leading brands. It's a challenging marketplace to be sure, but we believe our subscriber-first focus will benefit us in the advertising space as marketers look for ways to reach our deeply engaged and highly valuable audience.

Late in 2019, the Company exercised its option to retire the sale-leaseback on its interest in its Manhattan headquarters building. As a result, the Company ended the year debt-free and has regained full control of our original interest in the building. This milestone marks the repayment of the last of the debt the Company took on to weather the last financial crisis.

We're grateful to you for your support and loyalty. We're committed to continuing to invest in high-quality journalism and high-impact product innovation that will support our growth and profitability in the years and decades to come.

Many thanks on behalf of all my colleagues at The New York Times Company.

A handwritten signature in black ink, appearing to read 'Mark Thompson', with a stylized flourish at the end.

Mark Thompson
President and C.E.O.

March 13, 2020

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 29, 2019

Commission file number 1-5837

THE NEW YORK TIMES COMPANY
(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of
incorporation or organization)

13-1102020
(I.R.S. Employer
Identification No.)

620 Eighth Avenue, New York, New York 10018
(Address and zip code of principal executive offices)

Registrant's telephone number, including area code: **(212) 556-1234**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock of \$.10 par value	NYT	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: *Not Applicable*

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Yes No

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

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by the check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to section 13(a) of the Exchange Act.

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

The aggregate worldwide market value of Class A Common Stock held by non-affiliates, based on the closing price on June 28, 2019, the last business day of the registrant's most recently completed second quarter, as reported on the New York Stock Exchange, was approximately \$5.2 billion. As of such date, non-affiliates held 55,260 shares of Class B Common Stock. There is no active market for such stock.

The number of outstanding shares of each class of the registrant's common stock as of February 24, 2020 (exclusive of treasury shares), was as follows: 165,595,573 shares of Class A Common Stock and 803,404 shares of Class B Common Stock.

Documents incorporated by reference

Portions of the Proxy Statement relating to the registrant's 2020 Annual Meeting of Stockholders, to be held on April 22, 2020, are incorporated by reference into Part III of this report.

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FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K, including the sections titled “Item 1A — Risk Factors” and “Item 7 — Management’s Discussion and Analysis of Financial Condition and Results of Operations,” contains forward-looking statements that relate to future events or our future financial performance. We may also make written and oral forward-looking statements in our Securities and Exchange Commission (“SEC”) filings and otherwise. We have tried, where possible, to identify such statements by using words such as “believe,” “expect,” “intend,” “estimate,” “anticipate,” “will,” “could,” “project,” “plan” and similar expressions in connection with any discussion of future operating or financial performance. Any forward-looking statements are and will be based upon our then-current expectations, estimates and assumptions regarding future events and are applicable only as of the dates of such statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated in any such statements. You should bear this in mind as you consider forward-looking statements. Factors that we think could, individually or in the aggregate, cause our actual results to differ materially from expected and historical results include those described in “Item 1A — Risk Factors” below, as well as other risks and factors identified from time to time in our SEC filings.

ITEM 1. BUSINESS**OVERVIEW**

The New York Times Company (the “Company”) was incorporated on August 26, 1896, under the laws of the State of New York. The Company and its consolidated subsidiaries are referred to collectively in this Annual Report on Form 10-K as “we,” “our” and “us.”

We are a global media organization focused on creating, collecting and distributing high-quality news and information. Our continued commitment to premium content and journalistic excellence makes The New York Times brand a trusted source of news and information for readers and viewers across various platforms. Recognized widely for the quality of our reporting and content, our publications have been awarded many industry and peer accolades, including 127 Pulitzer Prizes and citations, more than any other news organization.

The Company includes our newspaper, print and digital products and related businesses. We have one reportable segment with businesses that include:

- our newspaper, The New York Times (“The Times”);
- our websites, including NYTimes.com;
- our mobile applications, including The Times’s core news applications, as well as interest-specific applications, including our Crossword and Cooking products; and
- related businesses, such as our licensing operations; our creative services, including those associated with our branded content studio; our product review and recommendation website, Wirecutter; our commercial printing operations; NYT Live (our live events business); and other products and services under The Times brand.

We generate revenues principally from subscriptions and advertising. Subscription revenues consist of revenues from subscriptions to our print and digital products (which include our news products, as well as our Crossword and Cooking products) and single-copy sales of our print newspaper. Advertising revenue is derived from the sale of our advertising products and services. Revenue information for the Company appears under “Item 7 — Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

During 2019, we continued to make significant investments in our journalism and our digital products, while taking further steps to position our organization to operate effectively in a digital environment. The Times continued to break stories and produce investigative reports that sparked global conversations on a wide range of topics, including surging populism, climate change and technology. We launched groundbreaking journalistic initiatives

such as the Privacy Project and the 1619 Project and continued to invest in growing our capabilities in visual, audio and multimedia journalism. Our highly popular news podcast, The Daily, reached one billion total downloads, and has laid the groundwork for a number of new podcasts. The launches of “The Weekly” and other television programs based on Times content have provided additional ways for audiences to experience our original and high-quality journalism. In addition, our advertising teams continued to create innovative advertising solutions for the world’s leading brands.

We believe that the significant growth over the last year in subscriptions to our products demonstrates the success of our “subscription-first” strategy and the willingness of our readers to pay for high-quality journalism. We had approximately 5.3 million paid subscriptions to our products as of December 29, 2019, more than at any point in our history.

PRODUCTS

The Company’s principal business consists of distributing content generated by our newsroom through our digital and print platforms. In addition, we distribute selected content on third-party platforms.

Since 2011, we have charged consumers for content provided on our core news website (NYTimes.com) and mobile application. Digital subscriptions can be purchased individually or through group corporate or group education subscriptions. Our access model offers users free registered access to a limited number of articles per month before requiring users to subscribe for access to content beyond that limit.

In addition to subscriptions to our digital news product, we offer standalone subscriptions to other digital products, namely our Crossword and Cooking products. Certain digital news subscription packages include access to our Crossword and Cooking products.

Our products also include news and opinion podcasts, which are distributed both on our digital platforms and on third-party platforms. We generate advertising and licensing revenue from this content, but do not charge users for access.

The Times’s print edition newspaper, published seven days a week in the United States, commenced publication in 1851. The Times also has an international edition that is tailored for global audiences. First published in 2013 and previously called the International New York Times, the international edition succeeded the International Herald Tribune, a leading daily newspaper that commenced publishing in Paris in 1887. Our print newspapers are sold in the United States and around the world through individual home-delivery subscriptions, bulk subscriptions (primarily by schools and hotels) and single-copy sales. Print home-delivery subscribers are entitled to receive free access to some or all of our digital products.

SUBSCRIPTIONS AND AUDIENCE

Our content reaches a broad audience through both digital and print platforms. As of December 29, 2019, we had approximately 5,251,000 paid subscriptions across 225 countries and territories to our digital and print products.

Paid digital-only subscriptions totaled approximately 4,395,000 as of December 29, 2019, an increase of approximately 31% compared with December 30, 2018. This amount includes standalone paid subscriptions to our Crossword and Cooking products, which totaled approximately 966,000 as of December 29, 2019. International digital-only news subscriptions represented approximately 17% of our digital-only news subscriptions as of December 29, 2019.

The number of paid digital-only subscriptions also includes estimated group corporate and group education subscriptions (which collectively represent approximately 6% of total paid digital subscriptions to our news products). The number of paid group subscriptions is derived using the value of the relevant contract and a discounted subscription rate. The actual number of users who have access to our products through group subscriptions is substantially higher.

In the United States, The Times had the largest daily and Sunday print circulation of all seven-day newspapers for the three-month period ended September 29, 2019, according to data collected by the Alliance for Audited Media (“AAM”), an independent agency that audits circulation of most U.S. newspapers and magazines.

For the fiscal year ended December 29, 2019, The Times’s average print circulation (which includes paid and qualified circulation of the newspaper in print) was approximately 443,000 for weekday (Monday to Friday) and 918,000 for Sunday. (Under AAM’s reporting guidance, qualified circulation represents copies available for individual

consumers that are either non-paid or paid by someone other than the individual, such as copies delivered to schools and colleges and copies purchased by businesses for free distribution.)

Average circulation for the international edition of our newspaper (which includes paid circulation of the newspaper in print and electronic replica editions) for the fiscal years ended December 29, 2019, and December 30, 2018, was approximately 164,000 (estimated) and 170,000, respectively. These figures follow the guidance of Office de Justification de la Diffusion, an agency based in Paris and a member of the International Federation of Audit Bureaux of Circulations that audits the circulation of most newspapers and magazines in France. The final 2019 figure will not be available until April 2020.

According to comScore Media Metrix, an online audience measurement service, in 2019, NYTimes.com had a monthly average of approximately 96 million unique visitors in the United States on either desktop/laptop computers or mobile devices. Globally, including the United States, NYTimes.com had a monthly average of approximately 136 million unique visitors on either desktop/laptop computers or mobile devices, according to internal data estimates.

ADVERTISING

We have a comprehensive portfolio of advertising products and services. The majority of our advertising revenue is derived from offerings sold directly to marketers by our advertising sales teams. A significantly smaller and diminishing proportion of our total advertising revenues is generated through programmatic auctions run by third-party advertising exchanges. Our advertising revenue is divided into two main categories:

Display Advertising

Display advertising revenue is principally generated from advertisers (such as technology, financial institutions and American and international fashion) promoting products, services or brands on our digital and print platforms.

In print, column-inch ads are priced according to established rates, with premiums for color and positioning. The Times had the largest market share in 2019 in print advertising among a national newspaper set that consists of USA Today, The Wall Street Journal and The Times, according to MediaRadar, an independent agency that measures advertising sales volume.

On our digital platforms, display advertising comprises banners and video in websites, mobile applications and emails. Display advertising includes advertisements that direct viewers to branded content (longer form marketing content that is distinct from The Times's editorial content) on The Times's platforms.

In 2019, print and digital display advertising represented approximately 81% of our advertising revenues.

Other Advertising

Other print advertising primarily includes classified advertising paid for on a per line basis; revenues from preprinted advertising, also known as free standing inserts; and advertising revenues from our licensing division.

Other digital advertising primarily includes creative services fees, including those associated with our branded content studio; advertising revenue generated by our podcasts; advertising revenue generated by our product review and recommendation website, Wirecutter; and classified advertising, which includes line ads sold in the major categories of real estate, help wanted, automotive and other on either a per-listing basis for bundled listing packages, or as an add-on to a print classified ad.

In 2019, print and digital other advertising represented approximately 19% of our advertising revenues.

Seasonality

Our business is affected in part by seasonal patterns in advertising, with generally higher advertising volume in the fourth quarter due to holiday advertising.

COMPETITION

Our print and digital products compete for subscriptions and advertising with other media in their respective markets. Competition for subscription revenue and readership is generally based upon platform, format, content, quality, service, timeliness and price, while competition for advertising is generally based upon audience levels and demographics, advertising rates, service, targeting capabilities, advertising results and breadth of advertising offerings.

Our print newspaper competes for subscriptions and advertising primarily with the print editions of national newspapers such as The Wall Street Journal and The Washington Post; newspapers of general circulation in New York City and its suburbs; other daily and weekly newspapers in markets in which The Times is circulated; and some national news and lifestyle magazines. The international edition of our newspaper competes with international sources of English-language news, including the Financial Times, Time, Bloomberg Business Week and The Economist, as well as pan-regional publications.

As our industry continues to shift from print to digital media, our products face competition for audience, subscriptions and advertising from a wide variety of digital media (many of which are free to users), including news and other information websites and mobile applications, news aggregators, sites that cover niche content, social media platforms, and other forms of media. In addition, we compete for advertising on digital advertising networks and exchanges and real-time bidding and other programmatic buying channels, and our creative services offerings compete with those of other marketing agencies that provide similar services, including those of other publishers.

Our digital news product most directly competes for audience, subscriptions and advertising with other U.S. news and information websites, mobile applications and digital products, including The Washington Post, The Wall Street Journal, CNN, Vox, BuzzFeed, NPR and Fox News. We also compete with customized news feeds and news aggregators such as Facebook Newsfeed, Apple News, Google News and Snapchat and for subscriptions with Apple News Plus. Internationally, our websites and mobile applications compete with international online sources of English-language news, including BBC News, CNN, The Guardian, the Financial Times, The Wall Street Journal, The Economist and Reuters.

OTHER BUSINESSES

We derive revenue from other businesses, which primarily include:

- The Company's licensing of our intellectual property. Our licensing division transmits articles, graphics and photographs from The Times and other publications to approximately 1,500 clients, including newspapers, magazines and websites in over 100 countries and territories worldwide. The licensing division also handles digital archive distribution, which licenses electronic databases to resellers in the business, professional and library markets; magazine licensing; news digests; book development and rights and permissions. In addition, the Company licenses select content to third-party digital platforms for access by their users. Finally, the Company licenses content for use in, and collaborates with third parties in the development and production of, television and films;
- Wirecutter, a product review and recommendation website acquired in October 2016 that serves as a guide to technology gear, home products and other consumer goods. This website generates affiliate referral revenue (revenue generated by offering direct links to merchants in exchange for a portion of the sale price upon completion of a transaction), which we record as other revenues;
- The Company's commercial printing operations, which utilize excess printing capacity at our College Point facility to print products for third parties; and
- The Company's NYT Live business, a platform for our live journalism that convenes thought leaders from business, academia and government at conferences and events to discuss topics ranging from education to sustainability to the luxury business.

PRINT PRODUCTION AND DISTRIBUTION

The Times is currently printed at our production and distribution facility in College Point, N.Y., as well as under contract at 25 remote print sites across the United States. We also utilize excess printing capacity at our College Point facility for commercial printing for third parties. The Times is delivered to newsstands and retail outlets in the New York metropolitan area through a combination of third-party wholesalers and our own drivers. In other markets in the United States and Canada, The Times is delivered through agreements with other newspapers and third-party delivery agents.

The international edition of The Times is printed under contract at 35 sites throughout the world and is sold in over 120 countries and territories. It is distributed through agreements with other newspapers and third-party delivery agents.

RAW MATERIALS

The primary raw materials we use are newsprint and coated paper, which we purchase from a number of North American and European producers. A significant portion of our newsprint is purchased from Resolute FP US Inc., a subsidiary of Resolute Forest Products Inc., a large global manufacturer of paper, market pulp and wood products.

In 2019 and 2018, we used the following types and quantities of paper:

(In metric tons)	2019	2018
Newsprint ⁽¹⁾	93,300	94,400
Coated and Supercalendered Paper ⁽²⁾	13,200	14,600

⁽¹⁾ Newsprint usage includes paper used for commercial printing.

⁽²⁾ The Times uses a mix of coated and supercalendered paper for The New York Times Magazine, and coated paper for T: The New York Times Style Magazine.

EMPLOYEES AND LABOR RELATIONS

We had approximately 4,500 full-time equivalent employees as of December 29, 2019.

Approximately 43% of our full-time equivalent employees were represented by unions as of December 29, 2019, including certain employees at Wirecutter who formed a union in 2019. The following is a list of collective bargaining agreements covering various categories of the Company's employees and their corresponding expiration dates. As indicated below, one collective bargaining agreement, under which less than 1% of our full-time equivalent employees are covered, will expire within one year and we expect negotiations for a new contract to begin in the near future. We cannot predict the timing or the outcome of these negotiations.

Employee Category	Expiration Date
Typographers	March 30, 2020
NewsGuild of New York	March 30, 2021
Paperhandlers	March 30, 2021
Pressmen	March 30, 2021
Stereotypers	March 30, 2021
Machinists	March 30, 2022
Mailers	March 30, 2023
Drivers	March 30, 2025

In addition, we are in the process of negotiating an initial collective bargaining agreement with certain employees of Wirecutter.

AVAILABLE INFORMATION

Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and all amendments to those reports, and the Proxy Statement for our Annual Meeting of Stockholders are made available, free of charge, on our website at <http://www.nytc.com>, as soon as reasonably practicable after such reports have been filed with or furnished to the SEC.

ITEM 1A. RISK FACTORS

You should carefully consider the risk factors described below, as well as the other information included in this Annual Report on Form 10-K. Our business, financial condition or results of operations could be materially adversely affected by any or all of these risks, or by other risks or uncertainties not presently known or currently deemed immaterial, that may adversely affect us in the future.

We face significant competition in all aspects of our business.

We operate in a highly competitive environment. We compete for subscription and advertising revenue with both traditional and other content providers, as well as search engines and social media platforms. Competition among companies offering online content is intense, and new competitors can quickly emerge.

Our ability to compete effectively depends on many factors both within and beyond our control, including among others:

- our ability to continue delivering high-quality journalism and content that is interesting and relevant to our audience;
- our reputation and brand strength relative to those of our competitors;
- the popularity, usefulness, ease of use, performance and reliability of our digital products compared with those of our competitors;
- the engagement of our audience, and our ability to reach new users;
- our ability to develop, maintain and monetize our products;
- the pricing of our products;
- our marketing and selling efforts, including our ability to differentiate our products and services from those of our competitors;
- our visibility on search engines and social media platforms and in mobile app stores, compared with that of our competitors;
- our ability to provide advertisers with a compelling return on their investments;
- our ability to attract, retain, and motivate talented employees, including journalists and product and technology specialists; and
- our ability to manage and grow our business in a cost-effective manner.

Some of our current and potential competitors may have greater resources than we do, which may allow them to compete more effectively than us.

Our success depends on our ability to respond and adapt to changes in technology and consumer behavior.

Technology in the media industry continues to evolve rapidly. Advances in technology have led to an increased number of methods for the delivery and consumption of news and other content. These developments are also driving changes in the preferences and expectations of consumers as they seek more control over how they consume content.

Changes in technology and consumer behavior pose a number of challenges that could adversely affect our revenues and competitive position. For example, among others:

- we may be unable to develop digital products that consumers find engaging, that work with a variety of operating systems and networks and that achieve a high level of market acceptance;

- we may introduce new products or services, or make changes to existing products and services, that are not favorably received by consumers;
- there may be changes in user sentiment about the quality or usefulness of our existing products or concerns related to privacy, security or other factors;
- failure to successfully manage changes implemented by social media platforms, search engines, news aggregators or mobile app stores and device manufacturers, including those affecting how our content and applications are prioritized, displayed and monetized, could affect our business;
- consumers may increasingly use technology (such as incognito browsing) that decreases our ability to enforce limits on the free access we provide to our content and/or obtain a complete view of the behavior of users who engage with our products;
- we may be unable to maintain or update our technology infrastructure in a way that meets market and consumer demands; and
- the consumption of our content on delivery platforms of third parties may lead to limitations on monetization of our products, the loss of control over distribution of our content and of a direct relationship with our audience, and lower engagement and subscription rates.

We continue to invest significant resources to mitigate these potential risks and to build, maintain and evolve our products and technology infrastructure. These investments may adversely impact our operating results in the near term and there can be no assurance as to our ability to use new and existing technologies to distinguish our products and services from those of our competitors and develop in a timely manner compelling new products and services that engage users across platforms. If we are not successful in responding to changes in technology and consumer behavior, our business, financial condition and prospects may be adversely affected.

A failure to continue to retain and grow our subscriber base could adversely affect our results of operations and business.

Revenue from subscriptions to our print and digital products makes up a majority of our total revenue. Subscription revenue is sensitive to discretionary spending and economic conditions in the markets we serve. To the extent poor economic conditions lead consumers to reduce spending on discretionary activities, our ability to retain current and obtain new subscribers could be hindered, thereby reducing our subscription revenue. In addition, the growth rate of new subscriptions to our products that are driven by significant news events and/or promotional pricing may not be sustainable.

Subscriptions to our digital products generate substantial revenue for us, and our future growth depends upon our ability to retain and grow our digital subscriber base and audience. To do so will require us to continue to evolve our subscription model, address changing consumer demands and developments in technology and improve our digital products while continuing to deliver high-quality journalism and content that our readers find interesting, relevant and reliable. We have invested and will continue to invest significant resources in these efforts, but there is no assurance that we will be able to successfully maintain and increase our digital subscriber base or that we will be able to do so without taking steps such as reducing pricing or incurring subscription acquisition costs that would affect our subscription revenues, margin and/or profitability.

Our ability to retain and grow our digital subscriber base also depends on the engagement of users with our products, including the frequency, breadth and depth of their use. If users become less engaged with our products, they may be less likely to purchase subscriptions or renew their existing subscriptions, which would adversely affect our subscription revenues. In addition, we have implemented and may continue to implement changes in the free access we provide to our content and/or the pricing of our subscriptions that could have an adverse impact on our ability to attract and retain subscribers.

Print subscriptions continue to decline as the media industry has transitioned from being primarily print-focused to digital. If we are unable to offset continued revenue declines resulting from falling print subscriptions with revenue from home-delivery price increases, our print subscription revenue will be adversely affected. In addition, if we are unable to offset and ultimately replace continued print subscription revenue declines with other sources of revenue, our operating results will be adversely affected.

Our advertising revenues are affected by numerous external factors, including economic conditions, market dynamics, audience fragmentation and evolving digital advertising trends.

We derive substantial revenues from the sale of advertising in our products. Advertising spending is sensitive to overall economic conditions, and our advertising revenues could be adversely affected if advertisers respond to weak and uneven economic conditions by reducing their budgets or shifting spending patterns or priorities, or if they are forced to consolidate or cease operations. Among other things, an economic slowdown or other negative impact on worldwide economic conditions from the outbreak and spread of the coronavirus (COVID-19) could materially adversely impact our advertising revenues.

In determining whether to buy advertising, our advertisers consider the demand for our products, demographics of our reader base, advertising rates, results observed by advertisers, breadth of advertising offerings and alternative advertising options.

Although print advertising revenue continues to represent a majority of our total advertising revenue (approximately 51% of our total advertising revenues in 2019), the overall proportion continues to decline. The increased popularity of digital media among consumers, particularly as a source for news and other content, has driven a corresponding shift in demand from print advertising to digital advertising. However, our digital advertising revenue has not replaced, and may not replace in full, print advertising revenue lost as a result of the shift.

Large digital platforms, such as Facebook, Google and Amazon, which have greater audience reach, audience data and targeting capabilities than we do, command a large share of the digital display advertising market, and we anticipate that this will continue. The remaining market is subject to significant competition among publishers and other content providers, and audience fragmentation. These dynamics have affected, and will likely continue to affect, our ability to attract and retain advertisers and to maintain or increase our advertising rates.

The digital advertising market itself continues to undergo change. Digital advertising networks and exchanges, real-time bidding and other programmatic buying channels that allow advertisers to buy audiences at scale play a significant role in the advertising marketplace and have caused and may continue to cause further downward pricing pressure and the loss of a direct relationship with marketers. Growing consumer reliance on mobile devices creates additional pressure, as mobile display advertising does not command the same rates as desktop advertising. Our digital advertising operations rely on a small number of significant technologies (particularly Google's ad manager) which, if interrupted or meaningfully changed, could have an adverse impact on our advertising revenues, operating costs and/or operating results.

Evolving standards for the delivery of digital advertising, as well as the development and implementation of technology and policies that adversely affect our ability to deliver, target or measure the effectiveness of advertising (such as blocking the display of advertising and/or cookies), may also adversely affect our advertising revenues if we are unable to develop effective solutions to mitigate their impact.

As the digital advertising market continues to evolve, our ability to compete successfully for advertising budgets will depend on, among other things, our ability to engage and grow digital audiences and demonstrate the value of our advertising and the effectiveness of our products to advertisers.

There may be further downward pressure on our advertising revenue margins as our advertising business evolves.

The character of our advertising continues to change, as demand for newer forms of advertising such as branded content and other customized advertising increases. The margin on revenues from some of these advertising forms is generally lower than the margin on revenues we generate from our print advertising and traditional digital display advertising. Consequently, we may experience further downward pressure on our advertising revenue margins as a greater percentage of advertising revenues comes from these newer forms.

We have continued to take steps intended to improve our users' experiences and retain and grow our subscriber base. For example, in order to improve users' experiences, we have ceased presenting open-market programmatic advertising in our iOS and Android mobile applications. While these changes may result in long-term benefits for our advertising revenue, they may reduce the inventory for some of our digital advertising products or may otherwise impact advertising revenues.

Investments we make in new and existing products and services expose us to risks and challenges that could adversely affect our operations and profitability.

We have invested and expect to continue to invest significant resources to enhance and expand our existing products and services and to develop new products and services. These investments have included, among others: enhancements to our core news product; our lifestyle products (including our Crossword, Cooking and Parenting products); investments in our podcasts and television initiatives; as well as our commercial printing and other ancillary operations. These efforts present numerous risks and challenges, including the potential need for us to develop additional expertise in certain areas; technological and operational challenges; the need to effectively allocate capital resources; new and/or increased costs (including marketing costs and costs to recruit, integrate and retain skilled employees); risks associated with new strategic relationships; new competitors (some of which may have more resources and experience in certain areas); and additional legal and regulatory risks from expansion into new areas. As a result of these and other risks and challenges, growth into new areas may divert internal resources and the attention of our management and other personnel, including journalists and product and technology specialists.

Although we believe we have a strong and well-established reputation as a global media company, our ability to market these products effectively, and to gain and maintain an audience, particularly for some of our new digital products, is not certain, and if they are not favorably received, our brand may be adversely affected. Even if our new products and services, or enhancements to existing products and services, are favorably received, they may not advance our business strategy as expected, may result in unanticipated costs or liabilities and may fall short of expected return on investment targets or fail to generate sufficient revenue to justify our investments, which could adversely affect our business, results of operations and financial condition.

The fixed cost nature of significant portions of our expenses may limit our operating flexibility and could adversely affect our results of operations.

Significant portions of our expenses, including employee-related costs, are fixed costs that neither increase nor decrease proportionately with revenues. In addition, our ability to make short-term adjustments to manage our costs or to make changes to our business strategy may be limited by certain of our collective bargaining agreements. If we were unable to implement cost-control efforts or reduce our fixed costs sufficiently in response to a decline in our revenues, our results of operations will be adversely affected.

Security breaches and other network and information systems disruptions could affect our ability to conduct our business effectively and damage our reputation.

Our systems store and process confidential subscriber, employee and other sensitive personal and Company data, and therefore maintaining our network security is of critical importance. In addition, we rely on the technology and systems provided by third-party vendors (including cloud-based service providers) for a variety of operations, including encryption and authentication technology, employee email, domain name registration, content delivery to customers, administrative functions (including payroll processing and certain finance and accounting functions) and other operations.

We regularly face attempts by malicious actors to breach our security and compromise our information technology systems. These attackers may use a blend of technology and social engineering techniques (including denial of service attacks, phishing attempts intended to induce our employees and users to disclose information or unwittingly provide access to systems or data, and other techniques), to disrupt service or exfiltrate data. Information security threats are constantly evolving, increasing the difficulty of detecting and successfully defending against them. To date, no incidents have had, either individually or in the aggregate, a material adverse effect on our business, financial condition or results of operations.

In addition, our systems, and those of third parties upon which our business relies, may be vulnerable to interruption or damage that can result from natural disasters or the effects of climate change (such as increased storm severity and flooding), fires, power outages or internet outages, acts of terrorism or other similar events.

We have implemented controls and taken other preventative measures designed to strengthen our systems against such incidents and attacks, including measures designed to reduce the impact of a security breach at our third-party vendors. Although the costs of the controls and other measures we have taken to date have not had a material effect on our financial condition, results of operations or liquidity, there can be no assurance as to the costs of additional controls and measures that we may conclude are necessary in the future.

There can also be no assurance that the actions, measures and controls we have implemented will be effective against future attacks or be sufficient to prevent a future security breach or other disruption to our network or information systems, or those of our third-party providers, and our disaster recovery planning cannot account for all eventualities. Such an event could result in a disruption of our services, improper disclosure of personal data or confidential information, or theft or misuse of our intellectual property, all of which could harm our reputation, require us to expend resources to remedy such a security breach or defend against further attacks, divert management's attention and resources or subject us to liability under laws that protect personal data, or otherwise adversely affect our business. While we maintain cyber risk insurance, the costs relating to any data breach could be substantial, and our insurance may not be sufficient to cover all losses related to any future breaches of our systems.

Our brand and reputation are key assets of the Company, and negative perceptions or publicity could adversely affect our business, financial condition and results of operations.

We believe The New York Times brand is a powerful and trusted brand with an excellent reputation for high-quality independent journalism and content, and this brand is a key element of our business. Our brand might be damaged by incidents that erode consumer trust (such as negative publicity), a perception that our journalism is unreliable or a decline in the perceived value of independent journalism. We may introduce new products or services that users do not like and that may negatively affect our brand. We also may fail to provide adequate customer service, which could erode confidence in our brand. Our reputation could also be damaged by failures of third-party vendors we rely on in many contexts. We are investing in defining and enhancing our brand. These investments are considerable and may not be successful. To the extent our brand and reputation are damaged, our ability to attract and retain readers, subscribers, advertisers and/or employees could be adversely affected, which could in turn have an adverse impact on our business, revenues and operating results.

Our international operations expose us to economic and other risks inherent in foreign operations.

We have news bureaus and other offices around the world, and our digital and print products are generally available globally. We are focused on further expanding the international scope of our business, and face the inherent risks associated with doing business abroad, including:

- effectively managing and staffing foreign operations, including complying with local laws and regulations in each different jurisdiction;
- providing for the safety and security of our journalists and other employees;
- potential economic, legal, political or social uncertainty and volatility in local or global market conditions (e.g., as a result of the implementation of the United Kingdom's referendum to withdraw membership from the European Union, commonly referred to as Brexit) or catastrophic events (e.g., a natural disaster, an act of terrorism, a pandemic, epidemic or outbreak of a disease or severe weather) that could adversely affect the companies with which we do business; cause changes in discretionary spending; or otherwise adversely impact our operations and business;
- navigating local customs and practices;
- government policies and regulations that restrict the digital flow of information, which could block access to, or the functionality of, our products, or other retaliatory actions or behavior by government officials;
- protecting and enforcing our intellectual property and other rights under varying legal regimes;
- complying with international laws and regulations, including those governing intellectual property, libel and defamation, consumer privacy and the collection, use, retention, sharing and security of consumer and staff data;
- restrictions on the ability of U.S. companies to do business in foreign countries, including restrictions on foreign ownership, foreign investment or repatriation of funds;
- higher-than-anticipated costs of entry; and
- currency exchange rate fluctuations.

Adverse developments in any of these areas could have an adverse impact on our business, financial condition and results of operations. For example, we may incur increased costs necessary to comply with existing and newly adopted laws and regulations or penalties for any failure to comply.

In addition, we have limited experience in developing and marketing our digital products in certain international regions and non-English languages and could be at a disadvantage compared with local and multinational competitors.

Failure to comply with laws and regulations, including with respect to privacy, data protection and consumer marketing practices, could adversely affect our business.

Our business is subject to various laws and regulations of local and foreign jurisdictions, including laws and regulations with respect to privacy and the collection and use of personal data, as well as laws and regulations with respect to consumer marketing practices.

Various federal and state laws and regulations, as well as the laws of foreign jurisdictions, govern the processing (including the collection, use, retention and sharing) and security of the data we receive from and about individuals. Failure to protect confidential data, provide individuals with adequate notice of our privacy policies or obtain required valid consent, for example, could subject us to liabilities imposed by these jurisdictions. Existing privacy-related laws and regulations are evolving and subject to potentially differing interpretations, and various federal and state legislative and regulatory bodies, as well as foreign legislative and regulatory bodies, may expand current or enact new laws regarding privacy and data protection. For example, the General Data Protection Regulation adopted by the European Union imposes more stringent data protection requirements and significant penalties for noncompliance; California's Consumer Privacy Act creates new data privacy rights; and the European Union's forthcoming ePrivacy Regulation is expected to impose, with respect to electronic communications, stricter data protection and data processing requirements.

In addition, various federal and state laws and regulations, as well as the laws of foreign jurisdictions, govern the manner in which we market our subscription products, including with respect to pricing and subscription renewals. These laws and regulations often differ across jurisdictions.

Existing and newly adopted laws and regulations (or new interpretations of existing laws and regulations) have imposed and may continue to impose obligations that may affect our business, require us to incur increased compliance costs and cause us to further adjust our advertising or marketing practices. Any failure, or perceived failure, by us or the third parties upon which we rely to comply with laws and regulations that govern our business operations, as well as any failure, or perceived failure, by us or the third parties upon which we rely to comply with our own posted policies, could result in claims against us by governmental entities or others, negative publicity and a loss of confidence in us by our users and advertisers. Each of these potential consequences could adversely affect our business and results of operations.

Acquisitions, divestitures, investments and other transactions could adversely affect our costs, revenues, profitability and financial position.

In order to position our business to take advantage of growth opportunities, we engage in discussions, evaluate opportunities and enter into agreements for possible acquisitions, divestitures, investments and other transactions. We may also consider the acquisition of, or investment in, specific properties, businesses or technologies that fall outside our traditional lines of business and diversify our portfolio, including those that may operate in new and developing industries, if we deem such properties sufficiently attractive.

Acquisitions may involve significant risks and uncertainties, including:

- difficulties in integrating acquired businesses (including cultural challenges associated with integrating employees from the acquired company into our organization);
- diversion of management attention from other business concerns or resources;
- use of resources that are needed in other parts of our business;
- possible dilution of our brand or harm to our reputation;
- the potential loss of key employees;
- risks associated with integrating financial reporting, internal control and information technology systems; and
- other unanticipated problems and liabilities.

Competition for certain types of acquisitions is significant. Even if successfully negotiated, closed and integrated, certain acquisitions or investments may prove not to advance our business strategy, may cause us to incur unanticipated costs or liabilities and may fall short of expected return on investment targets, which could adversely affect our business, results of operations and financial condition.

In addition, we have divested and may in the future divest certain assets or businesses that no longer fit with our strategic direction or growth targets. Divestitures involve significant risks and uncertainties that could adversely affect our business, results of operations and financial condition. These include, among others, the inability to find potential buyers on favorable terms, disruption to our business and/or diversion of management attention from other business concerns, loss of key employees and possible retention of certain liabilities related to the divested business.

Finally, we have made investments in companies, and we may make similar investments in the future. Investments in these businesses subject us to the operating and financial risks of these businesses and to the risk that we do not have sole control over the operations of these businesses. Our investments are generally illiquid and the absence of a market may inhibit our ability to dispose of them. In addition, if the book value of an investment were to exceed its fair value, we would be required to recognize an impairment charge related to the investment.

The size and volatility of our pension plan obligations may adversely affect our operations, financial condition and liquidity.

We sponsor a frozen single-employer defined benefit pension plan. The Company and the NewsGuild of New York jointly sponsor a defined benefit plan that continues to accrue active benefits. Although we have frozen participation and benefits under our single employer plan, and have taken other steps to reduce the size and volatility of our pension plan obligations, our results of operations will be affected by the amount of income or expense we record for, and the contributions we are required to make to, these plans.

We are required to make contributions to our plans to comply with minimum funding requirements imposed by laws governing those plans. As of December 29, 2019, our qualified defined benefit pension plans were underfunded by approximately \$12 million. Our obligation to make additional contributions to our plans, and the timing of any such contributions, depends on a number of factors, many of which are beyond our control. These include: legislative changes; assumptions about mortality; and economic conditions, including a low interest rate environment or sustained volatility and disruption in the stock and bond markets, which impact discount rates and returns on plan assets.

As a result of required contributions to our qualified pension plans, we may have less cash available for working capital and other corporate uses, which may have an adverse impact on our results of operations, financial condition and liquidity.

In addition, the Company sponsors several non-qualified pension plans, with unfunded obligations totaling \$248 million. Although we have frozen participation and benefits under all but one of these plans, and have taken other steps to reduce the size and volatility of our obligations under these plans, a number of factors, including changes in discount rates or mortality tables, may have an adverse impact on our results of operations and financial condition.

Our participation in multiemployer pension plans may subject us to liabilities that could materially adversely affect our results of operations, financial condition and cash flows.

We participate in, and make periodic contributions to, various multiemployer pension plans that cover many of our current and former production and delivery employees. Our required contributions to these plans could increase because of a shrinking contribution base as a result of the insolvency or withdrawal of other companies that currently contribute to these plans, the inability or failure of withdrawing companies to pay their withdrawal liability, low interest rates, lower than expected returns on pension fund assets, other funding deficiencies, or potential legislative action. Our withdrawal liability for any multiemployer pension plan will depend on the nature and timing of any triggering event and the extent of that plan's funding of vested benefits.

If a multiemployer pension plan in which we participate has significant underfunded liabilities, such underfunding will increase the size of our potential withdrawal liability. In addition, under federal pension law, special funding rules apply to multiemployer pension plans that are classified as "endangered," "critical" or "critical and declining." If plans in which we participate are in critical status, benefit reductions may apply and/or we could be required to make additional contributions.

We have recorded significant withdrawal liabilities with respect to multiemployer pension plans in which we formerly participated (primarily in connection with the sales of the New England Media Group in 2013 and the Regional Media Group in 2012) and may record additional liabilities in the future. In addition, due to declines in our contributions, we have recorded withdrawal liabilities for actual and estimated partial withdrawals from several plans in which we continue to participate. Until demand letters from some of the multiemployer pension funds are received, the exact amount of the withdrawal liability will not be fully known and, as such, a difference from the recorded estimate could have an adverse effect on our results of operations, financial condition and cash flows. Several of the multiemployer plans in which we participate are specific to the newspaper industry, which continues to undergo significant pressure. A withdrawal by a significant percentage of participating employers may result in a mass withdrawal declaration by the trustees of one or more of these plans, which would require us to record additional withdrawal liabilities.

If, in the future, we elect to withdraw from these plans or if we trigger a partial withdrawal due to declines in contribution base units or a partial cessation of our obligation to contribute, additional liabilities would need to be recorded that could have an adverse effect on our business, results of operations, financial condition or cash flows. Legislative changes could also affect our funding obligations or the amount of withdrawal liability we incur if a withdrawal were to occur.

A significant increase in the price of newsprint, or significant disruptions in our newsprint supply chain or newspaper printing and distribution channels, would have an adverse effect on our operating results.

The cost of raw materials, of which newsprint is the major component, represented approximately 5% of our total operating costs in 2019. The price of newsprint has historically been volatile and could increase as a result of various factors, including:

- a reduction in the number of newsprint suppliers due to restructurings, bankruptcies, consolidations and conversions to other grades of paper;
- increases in supplier operating expenses due to rising raw material or energy costs or other factors;
- currency volatility;
- tariffs on certain paper imports from Canada into United States; and
- an inability to maintain existing relationships with our newsprint suppliers.

We also rely on suppliers for deliveries of newsprint, and the availability of our newsprint supply may be affected by various factors, including labor unrest, transportation issues and other disruptions that may affect deliveries of newsprint.

Outside the New York area, The Times is printed and distributed under contracts with print and distribution partners across the United States and internationally. Financial pressures, newspaper industry economics or other circumstances affecting these print and distribution partners could lead to reduced operations or consolidations of print sites and/or distribution routes, which could increase the cost of printing and distributing our newspapers.

If newsprint prices increase significantly or we experience significant disruptions in our newsprint supply chain or newspaper printing and distribution channels, our operating results may be adversely affected.

A significant number of our employees are unionized, and our business and results of operations could be adversely affected if labor agreements were to further restrict our ability to maximize the efficiency of our operations.

Approximately 43% of our full-time equivalent employees were represented by unions as of December 29, 2019, including editorial employees at Wirecutter who formed a union in 2019. As a result, we are required to negotiate the wage, benefits and other terms and conditions of employment with many of our employees collectively. Our results could be adversely affected if future labor negotiations or contracts were to further restrict our ability to maximize the efficiency of our operations, or if a larger percentage of our workforce were to be unionized. If we are unable to negotiate labor contracts on reasonable terms, or if we were to experience labor unrest or other business interruptions in connection with labor negotiations or otherwise, our ability to produce and deliver our products could be impaired. In addition, our ability to make adjustments to control compensation and benefits costs, change our strategy or otherwise adapt to changing business needs may be limited by the terms and duration of our collective bargaining agreements.

We are subject to payment processing risk.

We accept payments using a variety of different payment methods, including credit and debit cards and direct debit. We rely on internal systems as well as those of third parties to process payments. Acceptance and processing of these payment methods are subject to certain certifications, rules and regulations. To the extent there are disruptions in our or third-party payment processing systems, material changes in the payment ecosystem, failure to recertify and/or changes to rules or regulations concerning payment processing, we could be subject to fines and/or civil liability, or lose our ability to accept credit and debit card payments, which would harm our reputation and adversely impact our results of operations.

Defects, delays or interruptions in the cloud-based hosting services we utilize could adversely affect our reputation and operating results.

We currently utilize third party subscription-based software services as well as public cloud infrastructure services to provide solutions for many of our computing and bandwidth needs. Any interruptions to these services generally could result in interruptions in service to our subscribers and advertisers and/or the Company's critical business functions, notwithstanding any business continuity or disaster recovery plans or agreements that may currently be in place with these providers. This could result in unanticipated downtime and/or harm to our reputation and operating results.

Our business may suffer if we cannot protect our intellectual property.

Our business depends on our intellectual property, including our valuable brands, content, services and internally developed technology. We believe our proprietary trademarks and other intellectual property rights are important to our continued success and our competitive position. Unauthorized parties may attempt to copy or otherwise unlawfully obtain and use our content, services, technology and other intellectual property, and we cannot be certain that the steps we have taken to protect our proprietary rights will prevent any misappropriation or confusion among consumers and merchants, or unauthorized use of these rights.

Advancements in technology have made the unauthorized duplication and wide dissemination of content easier, making the enforcement of intellectual property rights more challenging. In addition, as our business and the risk of misappropriation of our intellectual property rights have become more global in scope, we may not be able to protect our proprietary rights in a cost-effective manner in a multitude of jurisdictions with varying laws.

If we are unable to procure, protect and enforce our intellectual property rights, including maintaining and monetizing our intellectual property rights to our content, we may not realize the full value of these assets, and our business and profitability may suffer. In addition, if we must litigate in the United States or elsewhere to enforce our intellectual property rights or determine the validity and scope of the proprietary rights of others, such litigation may be costly.

We have been, and may be in the future, subject to claims of intellectual property infringement that could adversely affect our business.

We periodically receive claims from third parties alleging infringement, misappropriation or other violations of their copyright, patent, trademark and similar intellectual property rights. These third parties include rights holders seeking to monetize intellectual property they own or otherwise have rights to through asserting claims of infringement or misuse. Even if we believe that these claims of intellectual property infringement are without merit, defending against the claims can be time-consuming, be expensive to litigate or settle, and cause diversion of management attention.

These intellectual property infringement claims, if successful, may require us to enter into royalty or licensing agreements on unfavorable terms, use more costly alternative technology or otherwise incur substantial monetary liability. Additionally, these claims may require us to significantly alter certain of our operations. The occurrence of any of these events as a result of these claims could result in substantially increased costs or otherwise adversely affect our business.

The terms of our credit facility impose restrictions on our operations that could limit our ability to undertake certain actions.

In September 2019, we entered into a \$250.0 million five-year unsecured credit facility (the "Credit Facility"). Certain of our domestic subsidiaries have guaranteed our obligations under the Credit Facility. As of December 29,

2019, there were no outstanding borrowings under the Credit Facility. See “Management’s Discussion and Analysis of Financial condition and Results of Operations - Liquidity and Capital Resources” for a description of the Credit Facility.

The Credit Facility contains various customary affirmative and negative covenants, including certain financial covenants and various incurrence-based negative covenants imposing potentially significant restrictions on our operations. These covenants restrict, subject to various exceptions, our ability to, among other things:

- incur debt (directly or by third party guarantees);
- grant liens;
- pay dividends;
- make investments;
- make acquisitions or dispositions; and
- prepay debt.

Any of these restrictions and limitations could make it more difficult for us to execute our business strategy.

We may not have access to the capital markets on terms that are acceptable to us or may otherwise be limited in our financing options.

From time to time the Company may need or desire to access the long-term and short-term capital markets to obtain financing. The Company’s access to, and the availability of, financing on acceptable terms and conditions in the future will be impacted by many factors, including, but not limited to: (1) the Company’s financial performance; (2) the Company’s credit ratings or absence of a credit rating; (3) liquidity of the overall capital markets and (4) the state of the economy. There can be no assurance that the Company will continue to have access to the capital markets on terms acceptable to it.

In addition, macroeconomic conditions, such as volatility or disruption in the credit markets, could adversely affect our ability to obtain financing to support operations or to fund acquisitions or other capital-intensive initiatives.

Our Class B Common Stock is principally held by descendants of Adolph S. Ochs, through a family trust, and this control could create conflicts of interest or inhibit potential changes of control.

We have two classes of stock: Class A Common Stock and Class B Common Stock. Holders of Class A Common Stock are entitled to elect 30% of the Board of Directors and to vote, with holders of Class B Common Stock, on the reservation of shares for equity grants, certain material acquisitions and the ratification of the selection of our auditors. Holders of Class B Common Stock are entitled to elect the remainder of the Board of Directors and to vote on all other matters. Our Class B Common Stock is principally held by descendants of Adolph S. Ochs, who purchased The Times in 1896. A family trust holds approximately 90% of the Class B Common Stock. As a result, the trust has the ability to elect 70% of the Board of Directors and to direct the outcome of any matter that does not require a vote of the Class A Common Stock. Under the terms of the trust agreement, the trustees are directed to retain the Class B Common Stock held in trust and to vote such stock against any merger, sale of assets or other transaction pursuant to which control of The Times passes from the trustees, unless they determine that the primary objective of the trust can be achieved better by the implementation of such transaction. Because this concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that may otherwise be beneficial to our businesses, the market price of our Class A Common Stock could be adversely affected.

Adverse results from litigation or governmental investigations can impact our business practices and operating results.

From time to time, we are party to litigation, including matters relating to alleged libel or defamation and employment-related matters, as well as regulatory, environmental and other proceedings with governmental authorities and administrative agencies. See Note 20 of the Notes to the Consolidated Financial Statements regarding certain matters. Adverse outcomes in lawsuits or investigations could result in significant monetary damages or injunctive relief that could adversely affect our results of operations or financial condition as well as our ability to conduct our business as it is presently being conducted. In addition, regardless of merit or outcome, such proceedings can have an adverse impact on the Company as a result of legal costs, diversion of management and other personnel, and other factors.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal executive offices are located at 620 Eighth Avenue, New York, New York, in our headquarters building, which was completed in 2007 and consists of approximately 1.54 million gross square feet (the “Company Headquarters”). We own a leasehold condominium interest representing approximately 828,000 gross square feet in the building. In December 2019, we repurchased the portion of the condominium interest that we had sold and simultaneously leased back in 2009 (the “Condo Interest”) for \$245.3 million and, as a result, we now own our interest in the building unencumbered. As of December 29, 2019, we have leased approximately 12.5 floors to third parties.

In addition, we have a printing and distribution facility with 570,000 gross square feet located in College Point, N.Y., on a 31-acre site. In August 2019, we exercised our option to purchase the property, which was previously owned by the City of New York, for approximately \$6.9 million.

As of December 29, 2019, we also owned other properties with an aggregate of approximately 3,000 gross square feet and leased other properties with an aggregate of approximately 231,000 rentable square feet in various locations.

ITEM 3. LEGAL PROCEEDINGS

We are involved in various legal actions incidental to our business that are now pending against us. These actions are generally for amounts greatly in excess of the payments, if any, that may be required to be made. Although the Company cannot predict the outcome of these matters, it is possible that an unfavorable outcome in one or more matters could be material to the Company’s consolidated results of operations or cash flows for an individual reporting period. However, based on currently available information, management does not believe that the ultimate resolution of these matters, individually or in the aggregate, is likely to have a material effect on the Company’s financial position.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

EXECUTIVE OFFICERS OF THE REGISTRANT

Name	Age	Employed By Registrant Since	Recent Position(s) Held as of February 27, 2020
Mark Thompson	62	2012	President and Chief Executive Officer (since 2012); Director-General, British Broadcasting Corporation (2004 to 2012)
A.G. Sulzberger	39	2009	Publisher of The Times (since 2018); Deputy Publisher (2016 to 2017); Associate Editor (2015 to 2016); Assistant Editor (2012 to 2015)
R. Anthony Bente	56	1989	Senior Vice President, Treasurer (since December 2016) and Chief Accounting Officer (since 2019); Corporate Controller (2007 to 2019); Senior Vice President, Finance (2008 to 2016)
Diane Brayton	51	2004	Executive Vice President, General Counsel (since January 2017) and Secretary (since 2011); Deputy General Counsel (2016); Assistant Secretary (2009 to 2011) and Assistant General Counsel (2009 to 2016)
Roland A. Caputo	59	1986	Executive Vice President and Chief Financial Officer (since 2018); Executive Vice President, Print Products and Services Group (2013 to 2018); Senior Vice President and Chief Financial Officer, The New York Times Media Group (2008 to 2013)
Meredith Kopit Levien	48	2013	Executive Vice President (since 2013) and Chief Operating Officer (since 2017); Chief Revenue Officer (2015 to 2017); Executive Vice President, Advertising (2013 to 2015); Chief Revenue Officer, Forbes Media LLC (2011 to 2013)

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

MARKET INFORMATION

The Class A Common Stock is listed on the New York Stock Exchange under the trading symbol "NYT". The Class B Common Stock is unlisted and is not actively traded.

The number of security holders of record as of February 24, 2020, was as follows: Class A Common Stock: 5,129; Class B Common Stock: 24.

In February 2020, the Board of Directors approved a quarterly dividend of \$0.06 per share. We currently expect to continue to pay comparable cash dividends in the future, although changes in our dividend program may be considered by our Board of Directors in light of our earnings, capital requirements, financial condition and other factors considered relevant. In addition, our Board of Directors will consider restrictions in any future indebtedness.

ISSUER PURCHASES OF EQUITY SECURITIES⁽¹⁾

Period	Total number of shares of Class A Common Stock purchased (a)	Average price paid per share of Class A Common Stock (b)	Total number of shares of Class A Common Stock purchased as part of publicly announced plans or programs (c)	Maximum number (or approximate dollar value) of shares of Class A Common Stock that may yet be purchased under the plans or programs (d)
September 30, 2019 - November 3, 2019	—	\$ —	—	\$ 16,236,612
November 4, 2019 - December 1, 2019	—	\$ —	—	\$ 16,236,612
December 2, 2019 - December 29, 2019	—	\$ —	—	\$ 16,236,612
Total for the fourth quarter of 2019	—	\$ —	—	\$ 16,236,612

⁽¹⁾ On January 13, 2015, the Board of Directors approved an authorization of \$101.1 million to repurchase shares of the Company's Class A Common Stock. As of December 29, 2019, repurchases under this authorization totaled \$84.9 million (excluding commissions), and \$16.2 million remained. All purchases were made pursuant to our publicly announced share repurchase program. Our Board of Directors has authorized us to purchase shares from time to time, subject to market conditions and other factors. There is no expiration date with respect to this authorization.

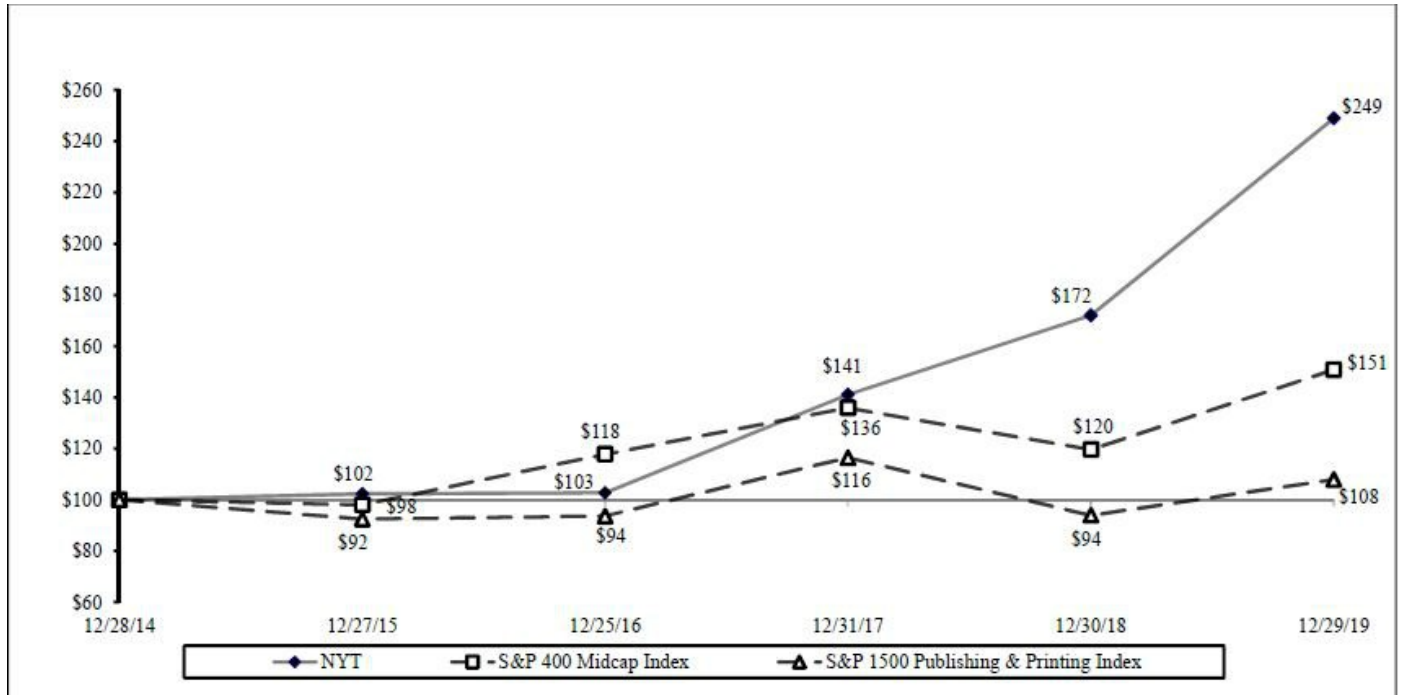
UNREGISTERED SALES OF EQUITY SECURITIES

On October 11, 2019, we issued 4 shares of Class A Common Stock to a holder of Class B Common Stock upon the conversion of such Class B Common Stock into Class A Common Stock. The conversion, which was in accordance with our Certificate of Incorporation, did not involve a public offering and was exempt from registration pursuant to Section 3(a)(9) of the Securities Act of 1933, as amended.

PERFORMANCE PRESENTATION

The following graph shows the annual cumulative total stockholder return for the five fiscal years ended December 29, 2019, on an assumed investment of \$100 on December 28, 2014, in the Company, the Standard & Poor's S&P 400 MidCap Stock Index and the Standard & Poor's S&P 1500 Publishing and Printing Index. Stockholder return is measured by dividing (a) the sum of (i) the cumulative amount of dividends declared for the measurement period, assuming reinvestment of dividends, and (ii) the difference between the issuer's share price at the end and the beginning of the measurement period, by (b) the share price at the beginning of the measurement period. As a result, stockholder return includes both dividends and stock appreciation.

Stock Performance Comparison Between the S&P 400 Midcap Index, S&P 1500 Publishing & Printing Index and The New York Times Company's Class A Common Stock



ITEM 6. SELECTED FINANCIAL DATA

The Selected Financial Data should be read in conjunction with “Item 7 — Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the Consolidated Financial Statements and the related Notes in Item 8. The results of operations for the New England Media Group, which was sold in 2013, have been presented as discontinued operations for all periods presented (see Note 14 of the Notes to the Consolidated Financial Statements). The pages following the table show certain items included in Selected Financial Data. Fiscal year 2017 comprised 53 weeks and all other fiscal years presented in the table below comprised 52 weeks.

(In thousands)	As of and for the Years Ended				
	December 29, 2019	December 30, 2018	December 31, 2017	December 25, 2016	December 27, 2015
	(52 Weeks)	(52 Weeks)	(53 Weeks)	(52 Weeks)	(52 Weeks)
Statement of Operations Data					
Revenues	\$ 1,812,184	\$ 1,748,598	\$ 1,675,639	\$ 1,555,342	\$ 1,579,215
Operating costs	1,634,639	1,558,778	1,493,278	1,419,416	1,385,840
Headquarters redesign and consolidation	—	4,504	10,090	—	—
Restructuring charge	4,008	—	—	16,518	—
(Gain)/loss from pension liability adjustment	(2,045)	(4,851)	(4,320)	6,730	9,055
Operating profit	175,582	190,167	176,591	112,678	184,320
Other components of net periodic benefit costs	7,302	8,274	64,225	11,074	47,735
Gain/(loss) from joint ventures	—	10,764	18,641	(36,273)	(783)
Interest expense and other, net	3,820	16,566	19,783	34,805	39,050
Income from continuing operations before income taxes	164,460	176,091	111,224	30,526	96,752
Income from continuing operations	139,966	127,460	7,268	26,105	62,842
Loss from discontinued operations, net of income taxes	—	—	(431)	(2,273)	—
Net income attributable to The New York Times Company common stockholders	139,966	125,684	4,296	29,068	63,246
Balance Sheet Data					
Cash, cash equivalents and marketable securities	\$ 683,912	\$ 826,363	\$ 732,911	\$ 737,526	\$ 904,551
Property, plant and equipment, net	627,121	638,846	640,939	596,743	632,439
Total assets	2,089,138	2,197,123	2,099,780	2,185,395	2,417,690
Total debt and capital lease obligations	—	253,630	250,209	246,978	431,228
Total New York Times Company stockholders’ equity	1,172,003	1,040,781	897,279	847,815	826,751

As of and for the Years Ended

(In thousands, except ratios, per share and employee data)

	December 29, 2019	December 30, 2018	December 31, 2017	December 25, 2016	December 27, 2015
	(52 Weeks)	(52 Weeks)	(53 Weeks)	(52 Weeks)	(52 Weeks)
Per Share of Common Stock					
Basic earnings/(loss) per share attributable to The New York Times Company common stockholders:					
Income from continuing operations	\$ 0.84	\$ 0.76	\$ 0.03	\$ 0.19	\$ 0.38
Loss from discontinued operations, net of income taxes	—	—	—	(0.01)	—
Net income	\$ 0.84	\$ 0.76	\$ 0.03	\$ 0.18	\$ 0.38
Diluted earnings/(loss) per share attributable to The New York Times Company common stockholders:					
Income from continuing operations	\$ 0.83	\$ 0.75	\$ 0.03	\$ 0.19	\$ 0.38
Loss from discontinued operations, net of income taxes	—	—	—	(0.01)	—
Net income	\$ 0.83	\$ 0.75	\$ 0.03	\$ 0.18	\$ 0.38
Dividends declared per share	\$ 0.20	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16
New York Times Company stockholders' equity per diluted common share	\$ 7.00	\$ 6.23	\$ 5.46	\$ 5.21	\$ 4.97
Average basic common shares outstanding	166,042	164,845	161,926	161,128	164,390
Average diluted common shares outstanding	167,545	166,939	164,263	162,817	166,423
Key Ratios					
Operating profit to revenues	9.7%	10.9%	10.5%	7.2%	11.7%
Return on average common stockholders' equity	12.7%	13.0%	0.5%	3.5%	8.1%
Return on average total assets	6.5%	5.8%	0.2%	1.3%	2.5%
Total debt and capital lease obligations to total capitalization	—%	19.6%	21.8%	22.6%	34.3%
Current assets to current liabilities	1.64	1.33	1.80	2.00	1.53
Full-Time Equivalent Employees	4,500	4,320	3,789	3,710	3,560

The items below are included in the Selected Financial Data. As a result of the adoption of ASU 2017-07 during the first quarter of 2018, the Company has recast the respective prior periods to conform with the current period presentation.

2019

The items below had a net unfavorable effect on our Income from continuing operations of \$14.5 million, or \$.09 per share:

- \$13.5 million of pre-tax expenses (\$10.0 million after tax, or \$.06 per share) for non-operating retirement costs;
- a \$4.0 million pre-tax charge (\$3.0 million after tax or \$.02 per share) related to restructuring charges, including impairment and severance charges related to the closure of our digital marketing agency, HelloSociety, LLC;
- a \$4.0 million pre-tax charge (\$3.0 million after tax, or \$.02 per share) for severance costs; and
- a \$2.0 million pre-tax gain (\$1.5 million after tax, or \$.01 per share) from a multiemployer pension plan liability adjustment. See Note 10 of the Notes to the Consolidated Financial Statements for more information on this item.

2018

The items below had a net unfavorable effect on our Income from continuing operations of \$7.3 million, or \$.05 per share:

- \$15.3 million of pre-tax expenses (\$11.2 million after tax, or \$.07 per share) for non-operating retirement costs;
- an \$11.3 million pre-tax gain (\$8.5 million after tax or \$.05 per share) reflecting our proportionate share of a distribution from the sale of assets by Madison Paper Industries (“Madison”), a partnership that previously operated a paper mill, in which the Company has an investment through a subsidiary. See Note 6 of the Notes to the Consolidated Financial Statements for more information on this item;
- a \$6.7 million pre-tax charge (\$4.9 million after tax, or \$.03 per share) for severance costs;
- a \$4.9 million pre-tax gain (\$3.6 million after tax or \$.02 per share) from a multiemployer pension plan liability adjustment. See Note 10 of the Notes to the Consolidated Financial Statements for more information on this item; and
- a \$4.5 million pre-tax charge (\$3.3 million after tax or \$.02 per share) in connection with the redesign and consolidation of space in our Company Headquarters. See Note 8 of the Notes to the Consolidated Financial Statements for more information on this item.

2017 (53-week fiscal year)

The items below had a net unfavorable effect on our Income from continuing operations of \$119.9 million, or \$.73 per share:

- \$102.1 million of pre-tax pension settlement charges (\$61.5 million after tax, or \$.37 per share) in connection with the transfer of certain pension benefit obligations to insurers (in connection with the adoption of ASU 2017-07 this amount was reclassified to “Other components of net periodic benefit costs” below “Operating profit”);
- a \$68.7 million charge (\$.42 per share) primarily attributable to the remeasurement of our net deferred tax assets required as a result of tax legislation;
- a \$37.1 million pre-tax gain (\$22.3 million after tax, or \$.14 per share) primarily in connection with the settlement of contractual funding obligations for a postretirement plan (in connection with the adoption of ASU 2017-07, \$32.7 million relating to the postretirement plan was reclassified to “Other components of net periodic benefit costs” below “Operating profit” while the contractual gain of \$4.3 million remains in “Multiemployer pension and other contractual gains” within “Operating profit”);
- a \$23.9 million pre-tax charge (\$14.4 million after tax, or \$.09 per share) for severance costs;
- a \$15.3 million net pre-tax gain (\$9.4 million after tax, or \$.06 per share) from joint ventures consisting of (i) a \$30.1 million gain related to the sale of the remaining assets of Madison, (ii) an \$8.4 million loss reflecting our proportionate share of Madison’s settlement of pension obligations, and (iii) a \$6.4 million loss from the sale of our 49% equity interest in Donahue Malbaie Inc. (“Malbaie”), a Canadian newsprint company;
- a \$10.1 million pre-tax charge (\$6.1 million after tax, or \$.04 per share) in connection with the redesign and consolidation of space in our Company Headquarters; and
- \$1.5 million of pre-tax expenses (\$0.9 million after tax, or \$.01 per share) for non-operating retirement costs;

2016

The items below had a net unfavorable effect on our Income from continuing operations of \$60.2 million, or \$.37 per share:

- a \$37.5 million pre-tax loss (\$22.8 million after tax, or \$.14 per share) from joint ventures related to the announced closure of the paper mill operated by Madison;
- a \$21.3 million pre-tax pension settlement charge (\$12.8 million after tax, or \$.08 per share) in connection with lump-sum payments made under an immediate pension benefits offer to certain former employees (in

connection with the adoption of ASU 2017-07 this amount was reclassified to “Other components of net periodic benefit costs” below “Operating profit”);

- an \$18.8 million pre-tax charge (\$11.3 million after tax, or \$.07 per share) for severance costs;
- a \$16.5 million pre-tax charge (\$9.8 million after tax, or \$.06 per share) in connection with the streamlining of the Company’s international print operations (primarily consisting of severance costs), (in connection with the adoption of ASU 2017-07, \$1.7 million related to a gain from the pension curtailment previously included with this special item was reclassified to “Other components of net periodic benefit costs” below “Operating profit”);
- a \$6.7 million pre-tax charge (\$4.0 million after tax or \$.02 per share) for a partial withdrawal obligation under a multiemployer pension plan following an unfavorable arbitration decision;
- a \$5.5 million of pre-tax expenses (\$3.3 million after tax, or \$.02 per share) for non-operating retirement costs; and
- a \$3.8 million income tax benefit (\$.02 per share) primarily due to a reduction in the Company’s reserve for uncertain tax positions.

2015

The items below had a net unfavorable effect on our Income from continuing operations of \$47.3 million, or \$.28 per share:

- a \$40.3 million pre-tax pension settlement charge (\$24.0 million after tax, or \$.14 per share) in connection with lump-sum payments made under an immediate pension benefits offer to certain former employees;
- \$22.9 million of pre-tax expenses (\$13.7 million after tax, or \$.08 per share) for non-operating retirement costs;
- a \$9.1 million pre-tax charge (\$5.4 million after tax, or \$.03 per share) for partial withdrawal obligations under multiemployer pension plans; and
- a \$7.0 million pre-tax charge (\$4.2 million after tax, or \$.03 per share) for severance costs.

The following table reconciles other components of net periodic benefit costs, to the comparable non-GAAP metric, non-operating retirement costs:

(In thousands)	Years Ended				
	December 29, 2019 (52 Weeks)	December 30, 2018 (52 Weeks)	December 31, 2017 (53 Weeks)	December 25, 2016 (52 Weeks)	December 27, 2015 (52 Weeks)
Other components of net periodic benefit costs:	7,302	8,274	64,225	11,074	47,735
Add: Multiemployer pension plan withdrawal costs	6,183	7,002	6,599	14,001	15,537
Less: Special Items					
Pension settlement expense	—	—	102,109	21,294	40,329
Postretirement benefit plan settlement gain	—	—	(32,737)	—	—
Pension curtailment gain	—	—	—	(1,683)	—
Non-operating retirement costs	13,485	15,276	1,452	5,464	22,943

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis provides information that management believes is relevant to an assessment and understanding of our consolidated financial condition as of December 29, 2019, and results of operations for the two years ended December 29, 2019. Please read this item together with our Consolidated Financial Statements and the related Notes included in this Annual Report. We have omitted discussion of 2017 results where it would be redundant to the discussion previously included in Part II, Item 7 of our 2018 Annual Report on Form 10-K, filed with the SEC on February 26, 2019.

Significant components of the management's discussion and analysis of results of operations and financial condition section include:

	PAGE
<i>Executive Overview:</i> The executive overview section provides a summary of The New York Times Company and our business	24
<i>Results of Operations:</i> The results of operations section provides an analysis of our results on a consolidated basis for the two years ended December 29, 2019.	28
<i>Non-Operating Items:</i> The non-operating items section provides an analysis of our non-GAAP financial measures to the most directly comparable GAAP measures for the two years ended December 29, 2019.	32
<i>Liquidity and Capital Resources:</i> The liquidity and capital resources section provides a discussion of our cash flows for the two years ended December 29, 2019, restricted cash, capital expenditures, and of our outstanding debt, commitments and contingencies existing as of December 29, 2019.	36
<i>Critical Accounting Policies:</i> The critical accounting policies and estimates section provides detail with respect to accounting policies that are considered by management to require significant judgment and use of estimates and that could have a significant impact on our financial statements.	39
<i>Pensions and Other Postretirement Benefits:</i> The pension and other postretirement benefits section provides a discussion on our benefit plans.	41

EXECUTIVE OVERVIEW

We are a global media organization that includes our newspaper, print and digital products and related businesses. We have one reportable segment with businesses that include our newspaper, websites and mobile applications.

We generate revenues principally from subscriptions and advertising. Other revenues primarily consist of revenues from licensing, commercial printing, the leasing of floors in our Company Headquarters, affiliate referrals, television and film (primarily from our television series, "The Weekly"), NYT Live (our live events business) and retail commerce.

Our main operating costs are employee-related costs.

In the accompanying analysis of financial information, we present certain information derived from consolidated financial information but not presented in our financial statements prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP"). We are presenting in this report supplemental non-GAAP financial performance measures that exclude depreciation, amortization, severance, non-operating retirement costs and certain identified special items, as applicable. These non-GAAP financial measures should not be considered in isolation from or as a substitute for the related GAAP measures, and should be read in conjunction with financial information presented on a GAAP basis. For further information and reconciliations of these non-GAAP measures to the most directly comparable GAAP measures, see "— Results of Operations — Non-GAAP Financial Measures."

We believe that a number of factors and industry trends have, and will continue to, present risks and challenges to our business. For a detailed discussion of certain factors that could affect our business, results of operations and financial condition, see “Item 1A — Risk Factors.”

2019 Financial Highlights

In 2019, diluted earnings per share from continuing operations were \$0.83, compared with \$0.75 for 2018. Diluted earnings per share from continuing operations excluding severance, non-operating retirement costs and special items discussed below (or “adjusted diluted earnings per share,” a non-GAAP measure) were \$0.92 for 2019, compared with \$0.81 for 2018.

Operating profit in 2019 was \$175.6 million, compared with \$190.2 million for 2018. The decrease was mainly driven by higher operating costs, lower print advertising revenue and lower print subscription revenue, partially offset by higher digital subscription revenues and other revenues. Operating profit before depreciation, amortization, severance, multiemployer pension plan withdrawal costs and special items discussed below (or “adjusted operating profit,” a non-GAAP measure) was \$248.4 million and \$262.6 million for 2019 and 2018, respectively.

Total revenues increased 3.6% to \$1.81 billion in 2019 from \$1.75 billion in 2018 primarily driven by an increase in digital subscription revenue as well as increases in other revenues, partially offset by a decrease in print advertising revenue and print subscription revenue. Total digital revenues increased to approximately \$801 million in 2019 compared with \$709 million in 2018.

Subscription revenues increased 4.0% to \$1.08 billion in 2019 and advertising revenues decreased 4.9% to \$531 million in 2019. Other revenues increased 33.8% in 2019 largely due to revenue earned from our television series, “The Weekly,” as well as growth in commercial printing operations, and higher rental revenue from the lease of additional space in our Company Headquarters. Digital other revenues totaled \$79.8 million in 2019, an approximately 61% increase compared with 2018, driven primarily by television and film revenue associated with our television series, “The Weekly.”

Operating costs increased in 2019 to \$1.63 billion from \$1.56 billion in 2018, driven by growth in the number of newsroom and product development employees, higher marketing expenses incurred to promote our brand and products and grow our subscriber base, and higher content costs, including costs related to our television series, “The Weekly,” partially offset by lower print production and distribution costs related to our newspaper. Operating costs before depreciation, amortization, severance and multiemployer pension plan withdrawal costs (or “adjusted operating costs,” a non-GAAP measure) increased in 2019 to \$1.56 billion from \$1.49 billion in 2018.

Our Strategy

We continue to operate during a period of transformation in our industry, which has presented both challenges to and opportunities for the Company. We believe that the following priorities will be key to our strategic efforts.

Producing the best journalism

We believe that The Times’s original and high-quality reporting, storytelling and journalistic excellence across topics and formats set us apart from other news organizations and is at the heart of what makes our journalism worth paying for.

During 2019, The Times again broke stories and produced investigative reports that sparked global conversations on wide-ranging topics. Our ground-breaking journalism continues to be recognized, most notably in the number of Pulitzer prizes The Times has received — more than any other news organization. In addition, we have made significant investments in our newsroom, adding journalistic talent across a wide range of areas and continuing to invest in visual and audio journalism.

Our highly popular news podcast, The Daily, which we launched in 2017, reached one billion total downloads, and has laid the groundwork for a number of new podcasts. In addition, the launch of television programs based on Times content has provided additional ways for audiences to experience our original and high-quality journalism.

We recently announced a price increase on a subset of our digital news subscription base — the first since our launch of the digital pay model in 2011. We believe that our subscribers understand the value of high-quality independent journalism and the importance of ensuring the continued quality, breadth and depth of our report.

In 2020, we expect to make significant further investments in our journalism and remain committed to providing trustworthy, interesting and relevant content that we believe sets The Times apart.

Growing our audience and strengthening engagement to support subscription growth

We continue to focus on expanding our audience reach, strengthening the engagement of users and demonstrating why independent, high-quality journalism is worth paying for.

During the year, we made further enhancements to our core digital news product to optimize user experience and improve engagement. We also made significant changes to our access model, reducing the number of articles per month that users can access without registering. We believe these changes — which have led to a significant increase in registered users — have strengthened our direct relationships with readers and supported our digital subscription growth efforts.

We also made further enhancements to our existing digital standalone products and services, including our Crossword and Cooking products and Wirecutter, and invested in new formats through which to deliver our high-quality journalism and engage audiences globally.

The Company added over one million net digital subscriptions in 2019, the most annual subscription additions in our history. We believe that this significant growth demonstrates the continued success of our “subscription-first” strategy. As of December 29, 2019, we had approximately 5.3 million total subscriptions to our products, more than at any point in our history, and we remain focused on our goal to reach 10 million subscriptions by 2025.

We also experimented further with reaching new audiences on third-party platforms, while continuing to build direct relationships on our own platforms. During the year, we announced our participation in Facebook News, which provides users access to headlines and short summaries of Times articles and directs readers to our platform for access to complete stories. We believe this multi-year licensing arrangement represents a significant positive step in our relationship with large digital platforms.

Finally, we continued to invest in brand marketing initiatives to reinforce the importance of deeply reported independent journalism and the value of The Times brand.

Looking ahead, we will explore additional opportunities to grow and engage our audience, further innovate our products and invest in brand marketing initiatives, while remaining committed to creating high-quality journalism that sets The Times apart.

Improving our efficiency and effectiveness to grow our long-term profitability

We are focused on becoming a more effective and efficient organization and have continued to take steps to maximize the long-term profitability of the Company.

In addition to increasing our digital subscription revenue, we remain focused on growing high-margin digital advertising revenue by developing innovative and compelling advertising offerings that integrate well with the user experience and provide value to advertisers. We believe we have a powerful brand that, because of the quality of our journalism, attracts educated, affluent and influential audiences, and provides a safe and trusted platform for advertisers’ brands. We will continue to focus on leveraging our brand in developing and refining our advertising offerings.

In recent years, we have realigned our organizational structure to improve the speed and effectiveness of our product development process and optimize our data and technology platforms. We are also focused on maximizing the efficiency and profitability of our print products and services, which remain a significant part of our business. Looking ahead, we will apply disciplined cost-management across the organization to fund continued investment in our business and support long-term profitable growth.

Effectively managing our liquidity and our non-operating costs

We have continued to strengthen our liquidity position and further de-leverage and de-risk our balance sheet. As of December 29, 2019, the Company had cash and cash equivalents and marketable securities of approximately \$684 million. In December 2019, we repurchased a portion of the Company’s leasehold condominium interest in our Company Headquarters for \$245.3 million, and had no remaining debt as of December 29, 2019.

In addition, we remain focused on managing our pension plan obligations. We have taken steps over the last several years to reduce the size and volatility of our pension obligations, including freezing accruals under all but one

of our qualified defined benefit pension plans, making immediate pension benefits offers in the form of lump-sum payments to certain former employees and transferring certain future benefit obligations and administrative costs to insurers.

Our qualified pension plans were underfunded (meaning the present value of future benefits obligations exceeded the fair value of plan assets) as of December 29, 2019, by approximately \$12 million, compared with approximately \$81 million as of December 30, 2018. We made contributions of approximately \$10 million to certain qualified pension plans in 2019, compared with approximately \$8 million in 2018. We expect to make contributions in 2020 to satisfy minimum funding requirements of approximately \$9 million. We will continue to look for ways to reduce the size and volatility of our pension obligations.

While we have made significant progress in our liability-driven investment strategy to reduce the funding volatility of our qualified pension plans, the size of our pension plan obligations relative to the size of our current operations will continue to have an impact on our reported financial results. We expect to continue to experience volatility in our retirement-related costs, including pension, multiemployer pension and retiree medical costs.

RESULTS OF OPERATIONS

Overview

Fiscal years 2019 and 2018 each comprised 52 weeks. The following table presents our consolidated financial results:

(In thousands)	Years Ended		% Change
	December 29, 2019	December 30, 2018	2019 vs. 2018
Revenues			
Subscription	\$ 1,083,851	\$ 1,042,571	4.0
Advertising	530,678	558,253	(4.9)
Other	197,655	147,774	33.8
Total revenues	1,812,184	1,748,598	3.6
Operating costs			
Production costs:			
Wages and benefits	424,070	380,678	11.4
Raw materials	75,904	76,542	(0.8)
Other production costs	206,381	196,956	4.8
Total production costs	706,355	654,176	8.0
Selling, general and administrative costs	867,623	845,591	2.6
Depreciation and amortization	60,661	59,011	2.8
Total operating costs	1,634,639	1,558,778	4.9
Headquarters redesign and consolidation	—	4,504	*
Restructuring charge	4,008	—	*
Gain from pension liability adjustment	(2,045)	(4,851)	(57.8)
Operating profit	175,582	190,167	(7.7)
Other components of net periodic benefit costs	7,302	8,274	(11.7)
Gain from joint ventures	—	10,764	*
Interest expense and other, net	3,820	16,566	(76.9)
Income from continuing operations before income taxes	164,460	176,091	(6.6)
Income tax expense	24,494	48,631	(49.6)
Net income	139,966	127,460	9.8
Net income attributable to the noncontrolling interest	—	(1,776)	*
Net income attributable to The New York Times Company common stockholders	\$ 139,966	\$ 125,684	11.4

* Represents a change equal to or in excess of 100% or one that is not meaningful.

Revenues

Subscription, advertising and other revenues were as follows:

(In thousands)	Years Ended		% Change
	December 29, 2019	December 30, 2018	2019 vs. 2018
Subscription	\$ 1,083,851	\$ 1,042,571	4.0
Advertising	530,678	558,253	(4.9)
Other	197,655	147,774	33.8
Total	\$ 1,812,184	\$ 1,748,598	3.6

Subscription Revenues

Subscription revenues consist of revenues from subscriptions to our print and digital products (which include our news product, as well as our Crossword and Cooking products), and single-copy and bulk sales of our print products (which represent less than 10% of these revenues). Subscription revenues are based on both the number of copies of the printed newspaper sold and digital-only subscriptions, and the rates charged to the respective customers.

The following table summarizes print and digital subscription revenues for the years ended December 29, 2019, and December 30, 2018:

(In thousands)	Years Ended		% Change
	December 29, 2019	December 30, 2018	2019 vs. 2018
Print subscription revenues	\$ 623,399	\$ 641,951	(2.9)
Digital-only subscription revenues:			
News product subscription revenues ⁽¹⁾	426,125	378,484	12.6
Other product subscription revenues ⁽²⁾	34,327	22,136	55.1
Total subscription revenues	\$ 1,083,851	\$ 1,042,571	4.0

⁽¹⁾ Includes revenues from subscriptions to the Company's news product. News product subscription packages that include access to the Company's Crossword and Cooking products are also included in this category.

⁽²⁾ Includes revenues from standalone subscriptions to the Company's Crossword and Cooking products.

The following table summarizes print and digital subscriptions as of December 29, 2019, and December 30, 2018:

(In thousands)	As of		% Change
	December 29, 2019	December 30, 2018	2019 vs. 2018
Print subscriptions	856	924	(7.4)
Digital-only subscriptions:			
News product subscriptions ⁽¹⁾	3,429	2,713	26.4
Other product subscriptions ⁽²⁾	966	647	49.3
Total subscriptions	5,251	4,284	22.6

⁽¹⁾ Includes subscriptions to the Company's news product. News product subscription packages that include access to the Company's Crossword and Cooking products are also included in this category.

⁽²⁾ Includes standalone subscriptions to the Company's Crossword and Cooking products.

Subscription revenues increased 4.0% in 2019 compared with 2018. The increase was primarily driven by significant growth in the number of digital-only subscriptions, which led to digital-only subscription revenue growth of approximately 15%, partially offset by a decline in print subscription revenue of approximately 3%. Print subscription revenue decreased due to a decline of approximately 7% in home-delivery subscriptions and a decrease of approximately 9% in single-copy and bulk sales revenue, partially offset by an increase of approximately 6% in home-delivery prices for The New York Times newspaper.

Advertising Revenues

Advertising revenues are primarily derived from offerings sold directly to marketers by our advertising sales teams. A significantly smaller and diminishing proportion of our total advertising revenues is generated through programmatic auctions run by third-party ad exchanges. Advertising revenues are primarily determined by the volume, rate and mix of advertisements. Display advertising revenue is principally from advertisers promoting products, services or brands in print in the form of column-inch ads, and on our digital platforms in the form of banners and video in websites, mobile applications and emails. Display advertising includes advertisements that direct viewers to branded content on The Times's platforms. Other advertising primarily represents, for our print products, classified advertising revenue, including line-ads sold in the major categories of real estate, help wanted, automotive and other as well as revenue from preprinted advertising, also known as free-standing inserts. Digital other advertising revenue primarily includes creative services fees, including those associated with our branded content studio; advertising revenue from our podcasts; and advertising revenue generated by Wirecutter, our product review and recommendation website.

	Years Ended								
	December 29, 2019			December 30, 2018			% Change		
(In thousands)	Print	Digital	Total	Print	Digital	Total	Print	Digital	Total
Display	\$ 240,723	\$ 189,102	\$ 429,825	\$ 269,160	\$ 202,038	\$ 471,198	(10.6)%	(6.4)%	(8.8)%
Other	29,501	71,352	100,853	30,220	56,835	87,055	(2.4)%	25.5 %	15.8 %
Total advertising	\$ 270,224	\$ 260,454	\$ 530,678	\$ 299,380	\$ 258,873	\$ 558,253	(9.7)%	0.6 %	(4.9)%

Print advertising revenues, which represented 51% of total advertising revenues in 2019, declined 9.7% to \$270.2 million in 2019 compared with \$299.4 million in 2018. The decrease was driven by a continued decline in display advertising revenue, primarily in the financial services and luxury categories.

Digital advertising revenues, which represented 49% of total advertising revenues in 2019, increased 0.6% to \$260.5 million in 2019 compared with \$258.9 million in 2018. The increase primarily reflected increases in revenue from podcasts, partially offset by a decrease in revenue from direct-sold advertising on our core digital platforms.

Other Revenues

Other revenues primarily consist of revenues from licensing, commercial printing, the leasing of floors in the Company Headquarters, affiliate referrals, television and film (primarily from our television series, "The Weekly"), NYT Live (our live events business) and retail commerce. Digital other revenues consists primarily of affiliate referral revenue, television and film revenue and digital licensing revenue. Building rental revenue consists of revenue from the lease of floors in our Company Headquarters, which totaled \$28.0 million and \$23.3 million in 2019 and 2018, respectively.

Other revenues increased 33.8% in 2019 compared with 2018 largely due revenue earned from our television series, "The Weekly," as well as growth in commercial printing operations, and higher rental revenue from the lease of additional space in our Company Headquarters. Digital other revenues totaled \$79.8 million in 2019, an approximately 61% increase compared with 2018, driven primarily by television and film revenue associated with our television series, "The Weekly."

Operating Costs

Operating costs were as follows:

(In thousands)	Years Ended		% Change 2019 vs. 2018
	December 29, 2019	December 30, 2018	
Production costs:			
Wages and benefits	\$ 424,070	\$ 380,678	11.4
Raw materials	75,904	76,542	(0.8)
Other production costs	206,381	196,956	4.8
Total production costs	706,355	654,176	8.0
Selling, general and administrative costs	867,623	845,591	2.6
Depreciation and amortization	60,661	59,011	2.8
Total operating costs	\$ 1,634,639	\$ 1,558,778	4.9

The components of operating costs as a percentage of total operating costs were as follows:

	Years Ended	
	December 29, 2019	December 30, 2018
Components of operating costs as a percentage of total operating costs		
Wages and benefits	45%	44%
Raw materials	5%	5%
Other operating costs	46%	47%
Depreciation and amortization	4%	4%
Total	100%	100%

The components of operating costs as a percentage of total revenues were as follows:

	Years Ended	
	December 29, 2019	December 30, 2018
Components of operating costs as a percentage of total revenues		
Wages and benefits	41%	40%
Raw materials	4%	4%
Other operating costs	42%	42%
Depreciation and amortization	3%	3%
Total	90%	89%

Production Costs

Production costs include items such as labor costs, raw materials and machinery and equipment expenses related to news gathering and production activity, as well as costs related to producing branded content.

Production costs increased in 2019 compared with 2018, primarily driven by increases in wages and benefits (approximately \$43 million) and other production costs (\$10 million), partially offset by a decrease in raw materials expense (approximately \$1 million). The increase in wages and benefits was largely due to growth in the number of newsroom and digital product development employees. Other production costs increased due to expenses incurred in connection with our television series, "The Weekly," partially offset by a decrease in outside printing expenses. Raw materials expense decreased primarily due to lower consumption, partially offset by higher newsprint pricing.

Selling, General and Administrative Costs

Selling, general and administrative costs include costs associated with the selling, marketing and distribution of products as well as administrative expenses.

Selling, general and administrative costs increased in 2019 compared with 2018, primarily due to an increase in wages and benefits (approximately \$17 million), other operating costs (approximately \$12 million) and promotion and marketing costs (approximately \$8 million), partially offset by a decrease in distribution costs (approximately \$13 million) and outside services (approximately \$4 million). Wages and benefits increased primarily as a result of increased hiring to support the Company's strategic initiatives. Other operating costs increased due to higher credit card fees driven by an increase in revenue, and higher computer software costs. Promotion and marketing costs increased due to increased spending to promote our subscription business and brand. Outside services decreased primarily due to lower consulting fees, and distribution costs decreased as a result of fewer print copies produced.

Depreciation and Amortization

Depreciation and amortization costs increased in 2019 compared with 2018 due to building and software projects that were placed in service and started depreciating in the second half of 2018.

Other Items

See Note 8 of the Notes to the Consolidated Financial Statements for more information regarding other items.

NON-OPERATING ITEMS

Investments in Joint Ventures

See Note 6 of the Notes to the Consolidated Financial Statements for information regarding our joint venture investments.

Interest Expense and Other, Net

See Note 7 of the Notes to the Consolidated Financial Statements for information regarding interest expense and other.

Income Taxes

See Note 13 of the Notes to the Consolidated Financial Statements for information regarding income taxes.

Other Components of Net Periodic Benefit Costs

See Note 10 and 11 of the Notes the Consolidated Financial Statements for information regarding other components of net periodic benefit costs.

Non-GAAP Financial Measures

We have included in this report certain supplemental financial information derived from consolidated financial information but not presented in our financial statements prepared in accordance with GAAP. Specifically, we have referred to the following non-GAAP financial measures in this report:

- diluted earnings per share from continuing operations excluding severance, non-operating retirement costs and the impact of special items (or adjusted diluted earnings per share from continuing operations);
- operating profit before depreciation, amortization, severance, multiemployer pension plan withdrawal costs and special items (or adjusted operating profit); and
- operating costs before depreciation, amortization, severance and multiemployer pension plan withdrawal costs (or adjusted operating costs).

The special items in 2019 consisted of:

- a \$4.0 million charge (\$3.0 million after tax or \$.02 per share) related to restructuring charges, including impairment and severance charges related to the closure of our digital marketing agency, HelloSociety, LLC; and
- a \$2.0 million gain (\$1.5 million after tax or \$.01 per share) from a multiemployer pension plan liability adjustment.

The special items in 2018 consisted of:

- an \$11.3 million pre-tax gain (\$7.1 million or \$.04 per share after tax and net of noncontrolling interest) reflecting our proportionate share of a distribution from the sale of assets by Madison, in which the Company has an investment through a subsidiary;
- a \$4.9 million pre-tax gain (\$3.6 million after tax or \$.02 per share) from a multiemployer pension plan liability adjustment; and
- a \$4.5 million pre-tax charge (\$3.3 million after tax or \$.02 per share) in connection with the redesign and consolidation of space in our Company Headquarters.

We have included these non-GAAP financial measures because management reviews them on a regular basis and uses them to evaluate and manage the performance of our operations. We believe that, for the reasons outlined below, these non-GAAP financial measures provide useful information to investors as a supplement to reported diluted earnings/(loss) per share from continuing operations, operating profit/(loss) and operating costs. However, these measures should be evaluated only in conjunction with the comparable GAAP financial measures and should not be viewed as alternative or superior measures of GAAP results.

Adjusted diluted earnings per share provides useful information in evaluating the Company's period-to-period performance because it eliminates items that the Company does not consider to be indicative of earnings from ongoing operating activities. Adjusted operating profit is useful in evaluating the ongoing performance of the Company's business as it excludes the significant non-cash impact of depreciation and amortization as well as items not indicative of ongoing operating activities. Total operating costs include depreciation, amortization, severance and multiemployer pension plan withdrawal costs. Total operating costs excluding these items provide investors with helpful supplemental information on the Company's underlying operating costs that is used by management in its financial and operational decision-making.

Management considers special items, which may include impairment charges, pension settlement charges and other items that arise from time to time, to be outside the ordinary course of our operations. Management believes that excluding these items provides a better understanding of the underlying trends in the Company's operating performance and allows more accurate comparisons of the Company's operating results to historical performance. In addition, management excludes severance costs, which may fluctuate significantly from quarter to quarter, because it believes these costs do not necessarily reflect expected future operating costs and do not contribute to a meaningful comparison of the Company's operating results to historical performance.

Included in our non-GAAP financial measures are non-operating retirement costs which are primarily tied to financial market performance and changes in market interest rates and investment performance. Management considers non-operating retirement costs to be outside the performance of the business and believes that presenting adjusted diluted earnings per share from continuing operations excluding non-operating retirement costs and presenting adjusted operating results excluding multiemployer pension plan withdrawal costs, in addition to the Company's GAAP diluted earnings per share from continuing operations and GAAP operating results, provide increased transparency and a better understanding of the underlying trends in the Company's operating business performance.

Reconciliations of non-GAAP financial measures from, respectively, diluted earnings per share from continuing operations, operating profit and operating costs, the most directly comparable GAAP items, as well as details on the components of non-operating retirement costs, are set out in the tables below.

Reconciliation of diluted earnings per share from continuing operations excluding severance, non-operating retirement costs and special items (or adjusted diluted earnings per share from continuing operations)

	Years Ended		% Change 2019 vs. 2018
	December 29, 2019	December 30, 2018	
Diluted earnings per share from continuing operations	\$ 0.83	\$ 0.75	10.7%
Add:			
Severance	0.02	0.04	(50.0)%
Non-operating retirement costs			
Multiemployer pension plan withdrawal costs	0.04	0.04	—
Other components of net periodic benefit costs	0.04	0.05	(20.0)%
Special items:			
Headquarters redesign and consolidation	—	0.03	*
Restructuring charge	0.02	—	*
Gain from pension liability adjustment	(0.01)	(0.03)	(66.7)%
Gain from joint ventures, net of noncontrolling interest	—	(0.06)	*
Income tax expense of adjustments	(0.03)	(0.02)	50.0 %
Adjusted diluted earnings per share from continuing operations ⁽¹⁾	\$ 0.92	\$ 0.81	13.6 %

* Represents a change equal to or in excess of 100% or one that is not meaningful.

⁽¹⁾ Amounts may not add due to rounding.

Reconciliation of operating profit before depreciation & amortization, severance, multiemployer pension plan withdrawal costs and special items (or adjusted operating profit)

(In thousands)	Years Ended		% Change
	December 29, 2019	December 30, 2018	2019 vs. 2018
Operating profit	\$ 175,582	190,167	(7.7)%
Add:			
Depreciation & amortization	60,661	59,011	2.8%
Severance	3,979	6,736	(40.9)%
Multiemployer pension plan withdrawal costs	6,183	7,002	(11.7)%
Special items:			
Headquarters redesign and consolidation	—	4,504	*
Restructuring charge	4,008	—	*
Gain from pension liability adjustment	(2,045)	(4,851)	(57.8)%
Adjusted operating profit	\$ 248,368	\$ 262,569	(5.4)%

* Represents a change equal to or in excess of 100% or one that is not meaningful.

Reconciliation of operating costs before depreciation & amortization, severance and multiemployer pension plan withdrawal costs (or adjusted operating costs)

(In thousands)	Years Ended		% Change
	December 29, 2019	December 30, 2018	2019 vs. 2018
Operating costs	\$ 1,634,639	\$ 1,558,778	4.9 %
Less:			
Depreciation & amortization	60,661	59,011	2.8%
Severance	3,979	6,736	(40.9)%
Multiemployer pension plan withdrawal costs	6,183	7,002	(11.7)%
Adjusted operating costs	\$ 1,563,816	\$ 1,486,029	5.2 %

* Represents a change equal to or in excess of 100% or one that is not meaningful.

LIQUIDITY AND CAPITAL RESOURCES

Overview

The following table presents information about our financial position.

Financial Position Summary

(In thousands, except ratios)	December 29, 2019	December 30, 2018	<u>% Change</u> 2019 vs. 2018
Cash and cash equivalents	\$ 230,431	\$ 241,504	(4.6)
Marketable securities	453,481	584,859	(22.5)
Total debt and capital lease obligations	—	253,630	*
Total New York Times Company stockholders' equity	1,172,003	1,040,781	12.6
Ratios:			
Total debt and capital lease obligations to total capitalization	—%	19.6%	
Current assets to current liabilities	1.64	1.33	

* Represents an increase or decrease in excess of 100%.

Our primary sources of cash inflows from operations were revenues from subscription and advertising sales. Subscription and advertising revenues provided about 60% and 29%, respectively, of total revenues in 2019. The remaining cash inflows were primarily from other revenue sources such as licensing, commercial printing, the leasing of floors in our Company Headquarters, affiliate referrals, television and film (primarily from our television series, "The Weekly"), NYT Live (our live events business) and retail commerce.

Our primary sources of cash outflows were for employee compensation and benefits and other operating expenses. We believe our cash and cash equivalents, marketable securities balance and cash provided by operations, in combination with other sources of cash, will be sufficient to meet our financing needs over the next 12 months.

We have continued to strengthen our liquidity position and our debt profile. As of December 29, 2019, we had cash, cash equivalents and marketable securities of \$683.9 million. Our cash, cash equivalents and marketable securities balances decreased in 2019 primarily due to the repayment of our debt and capital lease obligations and capital expenditures and dividends paid, partially offset by cash proceeds from operating activities and stock option exercises.

We have paid quarterly dividends on the Class A and Class B Common Stock since late 2013. In February 2020, the Board of Directors approved a quarterly dividend of \$0.06 per share, an increase of \$0.01 per share from the previous quarter. We currently expect to continue to pay comparable cash dividends in the future, although changes in our dividend program will be considered by our Board of Directors in light of our earnings, capital requirements, financial condition and other factors considered relevant.

In March 2009, we entered into an agreement to sell and simultaneously lease back the Condo Interest in our Company Headquarters. The sale price for the Condo Interest was \$225.0 million less transaction costs, for net proceeds of approximately \$211 million. In December 2019, we repurchased the Condo Interest for \$245.3 million.

During 2019, we made contributions of approximately \$10 million to certain qualified pension plans funded by cash on hand. As of December 29, 2019, the underfunded balance of our qualified pension plans was approximately \$12 million, a decrease of approximately \$69 million from December 30, 2018. We expect contributions made to satisfy minimum funding requirements to total approximately \$9 million in 2020.

In early 2015, the Board of Directors authorized up to \$101.1 million of repurchases of shares of the Company's Class A common stock. As of December 29, 2019, repurchases under this authorization totaled \$84.9 million (excluding commissions) and \$16.2 million remained. Our Board of Directors has authorized us to purchase shares from time to time, subject to market conditions and other factors. There is no expiration date with respect to this authorization.

Capital Resources

Sources and Uses of Cash

Cash flows provided by/(used in) by category were as follows:

(In thousands)	Years Ended		% Change
	December 29, 2019	December 30, 2018	2019 vs. 2018
Operating activities	\$ 189,898	\$ 157,117	20.9
Investing activities	\$ 93,212	\$ (101,095)	*
Financing activities	\$ (295,291)	\$ 3,824	*

* Represents an increase or decrease in excess of 100%.

Operating Activities

Cash from operating activities is generated by cash receipts from subscriptions, advertising sales and other revenue. Operating cash outflows include payments for employee compensation, pension and other benefits, raw materials, marketing expenses, interest and income taxes.

Net cash provided by operating activities increased in 2019 compared with 2018 due to higher net income and higher cash collections from customers, partially offset by higher cash payments made to settle accounts payable and other liabilities.

Investing Activities

Cash from investing activities generally includes proceeds from marketable securities that have matured and the sale of assets, investments or a business. Cash used in investing activities generally includes purchases of marketable securities, payments for capital projects, acquisitions of new businesses and investments.

Net cash provided by investing activities in 2019 was primarily related to \$135.3 million in net disposals of marketable securities, offset by capital expenditures of \$45.4 million.

Financing Activities

Cash from financing activities generally includes borrowings under third-party financing arrangements, the issuance of long-term debt and funds from stock option exercises. Cash used in financing activities generally includes the repayment of amounts outstanding under third-party financing arrangements, the payment of dividends, the payment of long-term debt and capital lease obligations and stock-based compensation tax withholding.

Net cash used in financing activities in 2019 was primarily related to the repayment of our debt and capital lease obligations of \$252.6 million, dividend payments of \$31.6 million and stock-based compensation tax withholding of \$15.6 million.

See “— Third-Party Financing” below and our Consolidated Statements of Cash Flows for additional information on our sources and uses of cash.

Restricted Cash

We were required to maintain \$17.1 million of restricted cash as of December 29, 2019 and \$18.3 million as of December 30, 2018, substantially all of which is set aside to collateralize workers’ compensation obligations.

Capital Expenditures

Capital expenditures totaled approximately \$49 million and \$57 million in 2019 and 2018, respectively. The decrease in capital expenditures was primarily driven by higher expenditures in 2018 related to technology and the redesign and consolidation of space in the Company Headquarters. The cash payments related to the capital expenditures totaled approximately \$45 million and \$77 million in 2019 and 2018, respectively.

Third-Party Financing

As of December 29, 2019, there were no outstanding borrowings under the Credit Facility and the Company

was in compliance with the financial covenants contained in the Credit Facility. See Note 7 for information regarding the Credit Facility.

Contractual Obligations

The information provided is based on management’s best estimate and assumptions of our contractual obligations as of December 29, 2019. Actual payments in future periods may vary from those reflected in the table.

(In thousands)	Payment due in				
	Total	2020	2021-2022	2023-2024	Later Years
Operating leases ⁽¹⁾	78,161	10,092	17,835	15,121	35,113
Benefit plans ⁽²⁾	389,010	50,342	93,213	78,114	167,341
Total	\$ 467,171	\$ 60,434	\$ 111,048	\$ 93,235	\$ 202,454

⁽¹⁾ See Note 19 of the Notes to the Consolidated Financial Statements for additional information related to our operating leases.

⁽²⁾ The Company's general funding policy with respect to qualified pension plans is to contribute amounts at least sufficient to satisfy the minimum amount required by applicable law and regulations. Contributions for our qualified pension plans and future benefit payments for our unfunded pension and other postretirement benefit payments have been estimated over a 10-year period; therefore, the amounts included in the “Later Years” column only include payments for the period of 2025-2029. For our funded qualified pension plans, estimating funding depends on several variables, including the performance of the plans’ investments, assumptions for discount rates, expected long-term rates of return on assets, rates of compensation increases (applicable only for the Guild-Times Adjustable Pension Plan that has not been frozen) and other factors. Thus, our actual contributions could vary substantially from these estimates. While benefit payments under these plans are expected to continue beyond 2029, we have included in this table only those benefit payments estimated over the next 10 years. Benefit plans in the table above also include estimated payments for multiemployer pension plan withdrawal liabilities. See Notes 10 and 11 of the Notes to the Consolidated Financial Statements for additional information related to our pension and other postretirement benefits plans.

Other Liabilities — *Other* in our Consolidated Balance Sheets include liabilities related to (1) deferred compensation, primarily related to our deferred executive compensation plan (the “DEC”) and (2) various other liabilities, including our contingent tax liability for uncertain tax positions. These liabilities are not included in the table above primarily because the future payments are not determinable. See Note 12 of the Notes to the Consolidated Financial Statements for additional information.

The DEC previously enabled certain eligible executives to elect to defer a portion of their compensation on a pre-tax basis. The deferred amounts are invested at the executives’ option in various mutual funds. The fair value of deferred compensation is based on the mutual fund investments elected by the executives and on quoted prices in active markets for identical assets. The fair value of deferred compensation was \$23.7 million as of December 29, 2019. The DEC was frozen effective December 31, 2015, and no new contributions may be made into the plan. See Note 12 of the Notes to the Consolidated Financial Statements for additional information on *Other Liabilities* — *Other*.

Our liability for uncertain tax positions was approximately \$12.7 million, including approximately \$2.4 million of accrued interest as of December 29, 2019. Until formal resolutions are reached between us and the tax authorities, the timing and amount of a possible audit settlement for uncertain tax benefits is not practicable. Therefore, we do not include this obligation in the table of contractual obligations. See Note 13 of the Notes to the Consolidated Financial Statements for additional information regarding income taxes.

We have a contract through the end of 2022 with Resolute FP US Inc., a subsidiary of Resolute Forest Products Inc., a major paper supplier, to purchase newsprint. The contract requires us to purchase annually the lesser of a fixed number of tons or a percentage of our total newsprint requirement at market rate in an arm’s length transaction. Since the quantities of newsprint purchased annually under this contract are based on our total newsprint requirement, the amount of the related payments for these purchases is excluded from the table above.

Off-Balance Sheet Arrangements

We did not have any material off-balance sheet arrangements as of December 29, 2019.

CRITICAL ACCOUNTING POLICIES

Our Consolidated Financial Statements are prepared in accordance with GAAP. The preparation of these financial statements requires management to make estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements for the periods presented.

We continually evaluate the policies and estimates we use to prepare our Consolidated Financial Statements. In general, management's estimates are based on historical experience, information from third-party professionals and various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results may differ from those estimates made by management.

Our critical accounting policies include our accounting for goodwill and intangibles, retirement benefits, revenue recognition and income taxes. Specific risks related to our critical accounting policies are discussed below.

Goodwill and Intangibles

We evaluate whether there has been an impairment of goodwill or intangible assets not amortized on an annual basis or in an interim period if certain circumstances indicate that a possible impairment may exist. For a description of our related accounting policies, refer to Note 2 of the Notes to the Consolidated Financial Statements.

(In thousands)	December 29, 2019	December 30, 2018
Goodwill	\$ 138,674	\$ 140,282
Intangibles	\$ 2,984	\$ 6,225
Total assets	\$ 2,089,138	\$ 2,197,123
Percentage of goodwill and intangibles to total assets	7%	7%

The impairment analysis is considered critical because of the significance of goodwill and intangibles to our Consolidated Balance Sheets.

We test for goodwill impairment at a reporting unit level. We first perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value.

If we determine that it is more likely than not that the fair value of a reporting unit is less than its carrying value, we compare the fair value of a reporting unit with its carrying amount, including goodwill. Fair value is calculated by a combination of a discounted cash flow model and a market approach model.

The discounted cash flow analysis requires us to make various judgments, estimates and assumptions, many of which are interdependent, about future revenues, operating margins, growth rates, capital expenditures, working capital, discount rates and royalty rates. The starting point for the assumptions used in our discounted cash flow analysis is the annual long-range financial forecast. The annual planning process that we undertake to prepare the long-range financial forecast takes into consideration a multitude of factors, including historical growth rates and operating performance, related industry trends, macroeconomic conditions, and marketplace data, among others. Assumptions are also made for perpetual growth rates for periods beyond the long-range financial forecast period. Our estimates of fair value are sensitive to changes in all of these variables, certain of which relate to broader macroeconomic conditions outside our control.

The market approach analysis includes applying a multiple, based on comparable market transactions, to certain operating metrics of a reporting unit.

The significant estimates and assumptions used by management in assessing the recoverability of goodwill and intangibles are estimated future cash flows, discount rates, growth rates, as well as other factors. Any changes in these estimates or assumptions could result in an impairment charge. The estimates, based on reasonable and supportable assumptions and projections, require management's subjective judgment. Depending on the assumptions and estimates used, the estimated results of the impairment tests can vary within a range of outcomes.

Retirement Benefits

Our single-employer pension and other postretirement benefit costs and obligations are accounted for using actuarial valuations. We recognize the funded status of these plans – measured as the difference between plan assets, if funded, and the benefit obligation – on the balance sheet and recognize changes in the funded status that arise during the period but are not recognized as components of net periodic pension cost, within other comprehensive income/(loss), net of tax. The assets related to our funded pension plans are measured at fair value.

We also recognize the present value of liabilities associated with the withdrawal from multiemployer pension plans.

We consider accounting for retirement plans critical to our operations because management is required to make significant subjective judgments about a number of actuarial assumptions, which include discount rates, long-term return on plan assets and mortality rates. These assumptions may have an effect on the amount and timing of future contributions. Depending on the assumptions and estimates used, the impact from our pension and other postretirement benefits could vary within a range of outcomes and could have a material effect on our Consolidated Financial Statements.

See “— Pensions and Other Postretirement Benefits” below for more information on our retirement benefits.

Revenue Recognition

Our contracts with customers sometimes include promises to transfer multiple products and services to a customer. Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgment. We use an observable price to determine the standalone selling price for separate performance obligations if available or, when not available, an estimate that maximizes the use of observable inputs and faithfully depicts the selling price of the promised goods or services if we sold those goods or services separately to a similar customer in similar circumstances.

Income Taxes

We consider accounting for income taxes critical to our operating results because management is required to make significant subjective judgments in developing our provision for income taxes, including the determination of deferred tax assets and liabilities, and any valuation allowances that may be required against deferred tax assets.

Income taxes are recognized for the following: (1) the amount of taxes payable for the current year and (2) deferred tax assets and liabilities for the future tax consequences of events that have been recognized differently in the financial statements than for tax purposes. Deferred tax assets and liabilities are established using statutory tax rates and are adjusted for tax rate changes in the period of enactment.

We assess whether our deferred tax assets shall be reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax assets will not be realized. Our process includes collecting positive (i.e., sources of taxable income) and negative (i.e., recent historical losses) evidence and assessing, based on the evidence, whether it is more likely than not that the deferred tax assets will not be realized.

We recognize in our financial statements the impact of a tax position if that tax position is more likely than not of being sustained on audit, based on the technical merits of the tax position. This involves the identification of potential uncertain tax positions, the evaluation of tax law and an assessment of whether a liability for uncertain tax positions is necessary. Different conclusions reached in this assessment can have a material impact on the Consolidated Financial Statements.

We operate within multiple taxing jurisdictions and are subject to audit in these jurisdictions. These audits can involve complex issues, which could require an extended period of time to resolve. Until formal resolutions are reached between us and the tax authorities, the timing and amount of a possible audit settlement for uncertain tax benefits is difficult to predict.

PENSIONS AND OTHER POSTRETIREMENT BENEFITS

We maintain The New York Times Companies Pension Plan (the "Pension Plan"), a frozen single-employer defined benefit pension plan. The Company and The NewsGuild of New York (the "Guild") jointly sponsor the Guild-Times Adjustable Pension Plan (the "APP"), that continues to accrue active benefits. Effective January 1, 2018, the Company became the sole sponsor of the frozen Newspaper Guild of New York - The New York Times Pension Plan (the "Guild-Times Plan"). The Guild-Times Plan was previously joint trustee between the Guild and the Company. Effective December 31, 2018, the Guild-Times Plan and the Retirement Annuity Plan For Craft Employees of The New York Times Companies were merged into the Pension Plan. Our pension liability also includes our multiemployer pension plan withdrawal obligations. Our liability for postretirement obligations includes our liability to provide health benefits to eligible retired employees.

The table below includes the liability for all of these plans.

(In thousands)	December 29, 2019	December 30, 2018
Pension and other postretirement liabilities (includes current portion)	\$ 384,670	\$ 446,860
Total liabilities	\$ 915,275	\$ 1,154,482
Percentage of pension and other postretirement liabilities to total liabilities	42.0%	38.7%

Pension Benefits

Our Company-sponsored defined benefit pension plans include qualified plans (funded) as well as non-qualified plans (unfunded). These plans provide participating employees with retirement benefits in accordance with benefit formulas detailed in each plan. All of our non-qualified plans, which provide enhanced retirement benefits to select employees, are frozen, except for a foreign-based pension plan discussed below.

Our joint Company and Guild-sponsored plan is a qualified plan and is included in the table below.

We also have a foreign-based pension plan for certain non-U.S. employees (the "foreign plan"). The information for the foreign plan is combined with the information for U.S. non-qualified plans. The benefit obligation of the foreign plan is immaterial to our total benefit obligation.

The funded status of our qualified and non-qualified pension plans as of December 29, 2019 is as follows:

(In thousands)	December 29, 2019		
	Qualified Plans	Non-Qualified Plans	All Plans
Pension obligation	\$ 1,660,287	\$ 247,748	\$ 1,908,035
Fair value of plan assets	1,648,667	—	1,648,667
Pension underfunded/unfunded obligation, net	\$ (11,620)	\$ (247,748)	\$ (259,368)

We made contributions of approximately \$10 million to the APP in 2019. We expect contributions made to satisfy minimum funding requirements to total approximately \$9 million in 2020.

Pension expense is calculated using a number of actuarial assumptions, including an expected long-term rate of return on assets (for qualified plans) and a discount rate. Our methodology in selecting these actuarial assumptions is discussed below.

In determining the expected long-term rate of return on assets, we evaluated input from our investment consultants, actuaries and investment management firms, including our review of asset class return expectations, as well as long-term historical asset class returns. Projected returns by such consultants and economists are based on broad equity and bond indices. Our objective is to select an average rate of earnings expected on existing plan assets and expected contributions to the plan (less plan expenses to be incurred) during the year. The expected long-term rate of return determined on this basis was 5.70% at the beginning of 2019. Our plan assets had an average rate of return of approximately 23.12% in 2019 and an average annual return of approximately 11.03% over the three-year

period 2017-2019. We regularly review our actual asset allocation and periodically rebalance our investments to meet our investment strategy.

The market-related value of plan assets is multiplied by the expected long-term rate of return on assets to compute the expected return on plan assets, a component of net periodic pension cost. The market-related value of plan assets is a calculated value that recognizes changes in fair value over three years.

Based on the composition of our assets at the end of the year, we estimated our 2020 expected long-term rate of return to be 4.75%. If we had decreased our expected long-term rate of return on our plan assets by 50 basis points in 2019, pension expense would have increased by approximately \$7 million for our qualified pension plans. Our funding requirements would not have been materially affected.

We determined our discount rate using a Ryan ALM, Inc. Curve (the "Ryan Curve"). The Ryan Curve provides the bonds included in the curve and allows adjustments for certain outliers (i.e., bonds on "watch"). We believe the Ryan Curve allows us to calculate an appropriate discount rate.

To determine our discount rate, we project a cash flow based on annual accrued benefits. For active participants, the benefits under the respective pension plans are projected to the date of termination. The projected plan cash flow is discounted to the measurement date, which is the last day of our fiscal year, using the annual spot rates provided in the Ryan Curve. A single discount rate is then computed so that the present value of the benefit cash flow equals the present value computed using the Ryan Curve rates.

The weighted-average discount rate determined on this basis was 3.30% for our qualified plans and 3.17% for our non-qualified plans as of December 29, 2019.

If we had decreased the expected discount rate by 50 basis points for our qualified plans and our non-qualified plans in 2019, pension expense would have decreased by approximately \$0.2 million and our pension obligation would have increased by approximately \$116 million as of December 29, 2019.

We will continue to evaluate all of our actuarial assumptions, generally on an annual basis, and will adjust as necessary. Actual pension expense will depend on future investment performance, changes in future discount rates, the level of contributions we make and various other factors.

We also recognize the present value of pension liabilities associated with the withdrawal from multiemployer pension plans. Our multiemployer pension plan withdrawal liability was approximately \$82 million as of December 29, 2019. This liability represents the present value of the obligations related to complete and partial withdrawals that have already occurred as well as an estimate of future partial withdrawals that we considered probable and reasonably estimable. For those plans that have yet to provide us with a demand letter, the actual liability will not be known until they complete a final assessment of the withdrawal liability and issue a demand to us. Therefore, the estimate of our multiemployer pension plan liability will be adjusted as more information becomes available that allows us to refine our estimates.

See Note 10 of the Notes to the Consolidated Financial Statements for additional information regarding our pension plans.

Other Postretirement Benefits

We provide health benefits to retired employees (and their eligible dependents) who meet the definition of an eligible participant and certain age and service requirements, as outlined in the plan document. While we offer pre-age 65 retiree medical coverage to employees who meet certain retiree medical eligibility requirements, we do not provide post-age 65 retiree medical benefits for employees who retired on or after March 1, 2009. We accrue the costs of postretirement benefits during the employees' active years of service and our policy is to pay our portion of insurance premiums and claims from general corporate assets.

The annual postretirement expense was calculated using a number of actuarial assumptions, including a health-care cost trend rate and a discount rate. The health-care cost trend rate was 6.57% as of December 29, 2019. A one-percentage point change in the assumed health-care cost trend rate would result in an increase of less than \$0.1 million or a decrease of less than \$0.1 million in our 2019 service and interest costs, respectively, two factors included in the calculation of postretirement expense. A one-percentage point change in the assumed health-care cost trend rate would result in an increase of approximately \$1 million or a decrease of approximately \$1 million in our accumulated benefit obligation as of December 29, 2019.

See Note 11 of the Notes to the Consolidated Financial Statements for additional information regarding our other postretirement benefits.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 2 of the Notes to the Consolidated Financial Statements for information regarding recent accounting pronouncements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our market risk is principally associated with the following:

- Our exposure to changes in interest rates relates primarily to interest earned and market value on our cash and cash equivalents, and marketable securities. Our cash and cash equivalents and marketable securities consist of cash, money market funds, certificates of deposit, U.S. Treasury securities, U.S. government agency securities, commercial paper, and corporate debt securities. Our investment policy and strategy are focused on preservation of capital and supporting our liquidity requirements. Changes in U.S. interest rates affect the interest earned on our cash and cash equivalents and marketable securities, and the market value of those securities. A hypothetical 100 basis point increase in interest rates would have resulted in a decrease of approximately \$4 million in the market value of our marketable debt securities as of December 29, 2019, and December 30, 2018. Any realized gains or losses resulting from such interest rate changes would only occur if we sold the investments prior to maturity.
- Newsprint is a commodity subject to supply and demand market conditions. The cost of raw materials, of which newsprint expense is a major component, represented approximately 5% of our total operating costs in 2019 and 2018, respectively. Based on the number of newsprint tons consumed in 2019 and 2018, a \$10 per ton increase in newsprint prices would have resulted in additional newsprint expense of \$0.9 million (pre-tax) in 2019 and 2018.
- The discount rate used to measure the benefit obligations for our qualified pension plans is determined by using the Ryan Curve, which provides rates for the bonds included in the curve and allows adjustments for certain outliers (i.e., bonds on “watch”). Broad equity and bond indices are used in the determination of the expected long-term rate of return on pension plan assets. Therefore, interest rate fluctuations and volatility of the debt and equity markets can have a significant impact on asset values, the funded status of our pension plans and future anticipated contributions. See “Item 7 — Management’s Discussion and Analysis of Financial Condition and Results of Operations — Pensions and Other Postretirement Benefits.”
- A significant portion of our employees are unionized and our results could be adversely affected if future labor negotiations or contracts were to further restrict our ability to maximize the efficiency of our operations, or if a larger percentage of our workforce were to be unionized. In addition, if we are unable to negotiate labor contracts on reasonable terms, or if we were to experience labor unrest or other business interruptions in connection with labor negotiations or otherwise, our ability to produce and deliver our products could be impaired.

See Notes 4, 10 and 11 of the Notes to the Consolidated Financial Statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**THE NEW YORK TIMES COMPANY 2019 FINANCIAL REPORT**

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REPORT OF MANAGEMENT

Management's Responsibility for the Financial Statements

The Company's consolidated financial statements were prepared by management, who is responsible for their integrity and objectivity. The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and, as such, include amounts based on management's best estimates and judgments.

Management is further responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Company follows and continuously monitors its policies and procedures for internal control over financial reporting to ensure that this objective is met (see "Management's Report on Internal Control Over Financial Reporting" below).

The consolidated financial statements were audited by Ernst & Young LLP, an independent registered public accounting firm, in 2019, 2018 and 2017. Its audits were conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and its report is shown on Page 46.

The Audit Committee of the Board of Directors, which is composed solely of independent directors, meets regularly with the independent registered public accounting firm, internal auditors and management to discuss specific accounting, financial reporting and internal control matters. Both the independent registered public accounting firm and the internal auditors have full and free access to the Audit Committee. Each year the Audit Committee selects, subject to ratification by the Company's stockholders, the firm that is to perform audit and other related work for the Company.

Management's Report on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended.

Our management, with the participation of our principal executive officer and principal financial officer, assessed the effectiveness of the Company's internal control over financial reporting as of December 29, 2019, using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control — Integrated Framework (2013 framework). Based on this assessment, management concluded that the Company's internal control over financial reporting was effective as of December 29, 2019, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP.

The effectiveness of the Company's internal control over financial reporting as of December 29, 2019, has been audited by Ernst & Young LLP, the independent registered public accounting firm that also audited the consolidated financial statements of the Company included in this Annual Report on Form 10-K. Their report on the Company's internal control over financial reporting is included on Page 48 in this Annual Report on Form 10-K.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of The New York Times Company

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of The New York Times Company (the Company) as of December 29, 2019 and December 30, 2018, and the related consolidated statements of operations, comprehensive income/(loss), changes in stockholders' equity, and cash flows for each of the three fiscal years in the period ended December 29, 2019, and the related notes and the financial statement schedule listed at Item 15(A)(2) of The New York Times Company's 2019 Annual Report on Form 10-K (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The New York Times Company at December 29, 2019 and December 30, 2018, and the results of its operations and its cash flows for each of the three fiscal years in the period ended December 29, 2019, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), The New York Times Company's internal control over financial reporting as of December 29, 2019, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 27, 2020 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of The New York Times Company's management. Our responsibility is to express an opinion on The New York Times Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to The New York Times Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the Audit Committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

*Description of
the Matter*

Valuation of the pension benefit obligation

At December 29, 2019, the aggregate defined benefit pension obligation was \$1,908 million which exceeded the fair value of pension plan assets of \$1,649 million, resulting in an unfunded defined benefit pension obligation of \$259 million. As discussed in Note 2, the Company makes significant subjective judgments about a number of actuarial assumptions, which include discount rates and the long-term return on plan assets.

Auditing management's estimate of the defined benefit pension obligation involves especially challenging and complex judgments because of the highly subjective nature of the actuarial assumptions (e.g., discount rate and expected return on plan assets) used in the measurement of the defined benefit pension obligation and the impact small changes in these assumptions would have on the measurement of the defined benefit pension obligation and expense.

*How We
Addressed the
Matter in Our
Audit*

We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls that address the risks of material misstatement relating to the measurement and valuation of the defined benefit pension obligation. Specifically, we tested controls over management's review of the defined benefit pension obligation, the significant actuarial assumptions including the discount rate and long-term rate of return, and the data inputs provided to the actuary.

To test the defined benefit pension obligation, our audit procedures included, among others, evaluating the methodology used, the significant actuarial assumptions discussed above, and testing the underlying data used by the Company. We compared the actuarial assumptions used by management to historical trends and evaluated the change in the components of the defined benefit pension obligation from prior year due to the change in service cost, interest cost, actuarial gains and losses, benefit payments, contributions and other. In addition, we involved actuarial specialists to assist in evaluating the key assumptions. To evaluate the discount rate, we independently developed yield curves reflecting an independently selected subset of bonds. In addition, we discounted the plans' projected benefit cash outlays with independently developed yield curves and compared these results to the defined benefit pension obligation. To evaluate the expected return on plan assets, we independently calculated a range of returns for each class of plan investments and based on the investment allocations compared the results to the Company's selected long-term rate of return.

/s/ Ernst & Young LLP

We have served as The New York Times Company's auditor since 2007.

New York, New York

February 27, 2020

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of The New York Times Company

Opinion on Internal Control over Financial Reporting

We have audited The New York Times Company's internal control over financial reporting as of December 29, 2019, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, The New York Times Company maintained, in all material respects, effective internal control over financial reporting as of December 29, 2019, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the accompanying consolidated balance sheets of The New York Times Company as of December 29, 2019 and December 30, 2018, and the related consolidated statements of operations, comprehensive income/(loss), changes in stockholders' equity, and cash flows for each of the three fiscal years in the period ended December 29, 2019, and the related notes and the financial statement schedule listed at Item 15(A)(2) and our report dated February 27, 2020 expressed an unqualified opinion thereon.

Basis for Opinion

The New York Times Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on The New York Times Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to The New York Times Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

New York, New York

February 27, 2020

CONSOLIDATED BALANCE SHEETS

(In thousands)	December 29, 2019	December 30, 2018
Assets		
Current assets		
Cash and cash equivalents	\$ 230,431	\$ 241,504
Short-term marketable securities	201,785	371,301
Accounts receivable (net of allowances of \$14,358 in 2019 and \$13,249 in 2018)	213,402	222,464
Prepaid expenses	29,089	25,349
Other current assets	42,124	33,328
Total current assets	716,831	893,946
Long-term marketable securities	251,696	213,558
Property, plant and equipment:		
Equipment	498,299	484,931
Buildings, building equipment and improvements	718,194	712,439
Software	237,326	225,846
Land	105,710	105,710
Assets in progress	18,473	21,765
Total, at cost	1,578,002	1,550,691
Less: accumulated depreciation and amortization	(950,881)	(911,845)
Property, plant and equipment, net	627,121	638,846
Goodwill	138,674	140,282
Deferred income taxes	115,229	128,431
Miscellaneous assets	239,587	182,060
Total assets	\$ 2,089,138	\$ 2,197,123

See Notes to the Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS — continued

(In thousands, except share and per share data)	December 29, 2019	December 30, 2018
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 116,571	\$ 111,553
Accrued payroll and other related liabilities	108,865	104,543
Unexpired subscriptions revenue	88,419	84,044
Short-term debt and capital lease obligations	—	253,630
Accrued expenses and other	123,840	119,534
Total current liabilities	437,695	673,304
Other liabilities		
Pension benefits obligation	313,655	362,940
Postretirement benefits obligation	37,688	40,391
Other	126,237	77,847
Total other liabilities	477,580	481,178
Stockholders' equity		
Common stock of \$.10 par value:		
Class A — authorized: 300,000,000 shares; issued: 2019 — 174,242,668; 2018 — 173,158,414 (including treasury shares: 2019 — 8,870,801; 2018 — 8,870,801)	17,424	17,316
Class B — convertible — authorized and issued shares: 2019 — 803,404; 2018 — 803,408 (including treasury shares: 2019 — none; 2018 — none)	80	80
Additional paid-in capital	208,028	206,316
Retained earnings	1,612,658	1,506,004
Common stock held in treasury, at cost	(171,211)	(171,211)
Accumulated other comprehensive loss, net of income taxes:		
Foreign currency translation adjustments	3,438	4,677
Funded status of benefit plans	(498,986)	(520,308)
Unrealized gain(loss) on available-for-sale securities	572	(2,093)
Total accumulated other comprehensive loss, net of income taxes	(494,976)	(517,724)
Total New York Times Company stockholders' equity	1,172,003	1,040,781
Noncontrolling interest	1,860	1,860
Total stockholders' equity	1,173,863	1,042,641
Total liabilities and stockholders' equity	\$ 2,089,138	\$ 2,197,123

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands)	Years Ended		
	December 29, 2019 (52 weeks)	December 30, 2018 (52 weeks)	December 31, 2017 (53 weeks)
Revenues			
Subscription	\$ 1,083,851	\$ 1,042,571	\$ 1,008,431
Advertising	530,678	558,253	558,513
Other	197,655	147,774	108,695
Total revenues	1,812,184	1,748,598	1,675,639
Operating costs			
Production costs:			
Wages and benefits	424,070	380,678	363,686
Raw materials	75,904	76,542	66,304
Other production costs	206,381	196,956	186,352
Total production costs	706,355	654,176	616,342
Selling, general and administrative costs	867,623	845,591	815,065
Depreciation and amortization	60,661	59,011	61,871
Total operating costs	1,634,639	1,558,778	1,493,278
Headquarters redesign and consolidation	—	4,504	10,090
Restructuring charge	4,008	—	—
Gain from pension liability adjustment	(2,045)	(4,851)	(4,320)
Operating profit	175,582	190,167	176,591
Other components of net periodic benefit costs	7,302	8,274	64,225
Gain from joint ventures	—	10,764	18,641
Interest expense and other, net	3,820	16,566	19,783
Income from continuing operations before income taxes	164,460	176,091	111,224
Income tax expense	24,494	48,631	103,956
Net income	139,966	127,460	6,837
Net income attributable to the noncontrolling interest	—	(1,776)	(2,541)
Net income attributable to The New York Times Company common stockholders	\$ 139,966	\$ 125,684	\$ 4,296
Amounts attributable to The New York Times Company common stockholders:			
Income from continuing operations	\$ 139,966	\$ 125,684	\$ 4,727
Loss from discontinued operations, net of income taxes	—	—	(431)
Net income	\$ 139,966	\$ 125,684	\$ 4,296

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF OPERATIONS — continued

(In thousands, except per share data)	Years Ended		
	December 29, 2019 (52 weeks)	December 30, 2018 (52 weeks)	December 31, 2017 (53 weeks)
Average number of common shares outstanding:			
Basic	166,042	164,845	161,926
Diluted	167,545	166,939	164,263
Basic earnings per share attributable to The New York Times Company common stockholders:			
Income from continuing operations	\$ 0.84	\$ 0.76	\$ 0.03
Net income	\$ 0.84	\$ 0.76	\$ 0.03
Diluted earnings per share attributable to The New York Times Company common stockholders:			
Income from continuing operations	\$ 0.83	\$ 0.75	\$ 0.03
Net income	\$ 0.83	\$ 0.75	\$ 0.03
Dividends declared per share	\$ 0.20	\$ 0.16	\$ 0.16

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)

(In thousands)	Years Ended		
	December 29, 2019	December 30, 2018	December 31, 2017
	(52 weeks)	(52 weeks)	(53 weeks)
Net income	\$ 139,966	\$ 127,460	\$ 6,837
Other comprehensive income/(loss), before tax:			
Foreign currency translation adjustments-(loss)/income	(1,684)	(4,368)	12,110
Pension and postretirement benefits obligation	28,987	3,910	89,881
Net unrealized gain(loss) on available-for-sale securities	3,624	(300)	(2,545)
Other comprehensive income/(loss), before tax	30,927	(758)	99,446
Income tax expense/(benefit)	8,179	(198)	41,545
Other comprehensive income/(loss), net of tax	22,748	(560)	57,901
Comprehensive income	162,714	126,900	64,738
Comprehensive income attributable to the noncontrolling interest	—	(1,776)	(3,655)
Comprehensive income attributable to The New York Times Company common stockholders	\$ 162,714	\$ 125,124	\$ 61,083

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(In thousands, except share and per share data)	Capital Stock Class A and Class B Common	Additional Paid-in Capital	Retained Earnings	Common Stock Held in Treasury, at Cost	Accumulated Other Comprehensive Loss, Net of Income Taxes	Total New York Times Company Stockholders' Equity	Non-controlling Interest	Total Stockholders' Equity
<i>Balance, December 25, 2016</i>	\$ 17,003	\$ 149,928	\$1,331,911	\$(171,211)	\$ (479,816)	\$ 847,815	\$ (3,571)	\$ 844,244
Net income	—	—	4,296	—	—	4,296	2,541	6,837
Dividends	—	—	(26,071)	—	—	(26,071)	—	(26,071)
Other comprehensive income	—	—	—	—	56,787	56,787	1,114	57,901
Issuance of shares:								
Stock options – 657,704 Class A shares	66	4,535	—	—	—	4,601	—	4,601
Restricted stock units vested – 283,116 Class A shares	28	(2,743)	—	—	—	(2,715)	—	(2,715)
Performance-based awards – 115,881 Class A shares	11	(1,360)	—	—	—	(1,349)	—	(1,349)
Stock-based compensation	—	13,915	—	—	—	13,915	—	13,915
<i>Balance, December 31, 2017</i>	17,108	164,275	1,310,136	(171,211)	(423,029)	897,279	84	897,363
Impact of adopting new accounting guidance	—	—	96,707	—	(94,135)	2,572	—	2,572
Net income	—	—	125,684	—	—	125,684	1,776	127,460
Dividends	—	—	(26,523)	—	—	(26,523)	—	(26,523)
Other comprehensive loss	—	—	—	—	(560)	(560)	—	(560)
Issuance of shares:								
Stock options – 2,327,046 Class A shares	233	41,055	—	—	—	41,288	—	41,288
Restricted stock units vested – 282,723 Class A shares	28	(4,619)	—	—	—	(4,591)	—	(4,591)
Performance-based awards – 271,841 Class A shares	27	(5,930)	—	—	—	(5,903)	—	(5,903)
Stock-based compensation	—	11,535	—	—	—	11,535	—	11,535
<i>Balance, December 30, 2018</i>	17,396	206,316	1,506,004	(171,211)	(517,724)	1,040,781	1,860	1,042,641
Net income	—	—	139,966	—	—	139,966	—	139,966
Dividends	—	—	(33,312)	—	—	(33,312)	—	(33,312)
Other comprehensive income	—	—	—	—	22,748	22,748	—	22,748
Issuance of shares:								
Stock options – 419,160 Class A shares	42	4,478	—	—	—	4,520	—	4,520
Restricted stock units vested – 246,599 Class A shares	24	(3,750)	—	—	—	(3,726)	—	(3,726)
Performance-based awards – 418,491 Class A shares	42	(11,964)	—	—	—	(11,922)	—	(11,922)
Stock-based compensation	—	12,948	—	—	—	12,948	—	12,948
<i>Balance, December 29, 2019</i>	\$ 17,504	\$ 208,028	\$1,612,658	\$(171,211)	\$ (494,976)	\$ 1,172,003	\$ 1,860	\$1,173,863

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)	Years Ended		
	December 29, 2019	December 30, 2018	December 31, 2017
Cash flows from operating activities			
Net income	\$ 139,966	\$ 127,460	\$ 6,837
Adjustments to reconcile net income to net cash provided by operating activities:			
Pension settlement expense	—	—	102,109
Depreciation and amortization	60,661	59,011	61,871
Amortization of right of use asset	7,384	—	—
Stock-based compensation expense	12,948	12,959	14,809
(Gain)/loss from joint ventures	—	(10,764)	(18,641)
Deferred income taxes	4,242	4,047	105,174
Long-term retirement benefit obligations	(22,914)	(46,877)	(184,418)
Fair market value adjustment on life insurance products	(3,461)	821	4,047
Uncertain tax positions	(4,627)	(138)	(4,343)
Other – net	(1,186)	456	(1,056)
Changes in operating assets and liabilities:			
Accounts receivable – net	9,062	(37,579)	12,470
Other current assets	(3,355)	18,241	(30,527)
Accounts payable, accrued payroll and other liabilities	(13,197)	20,490	10,012
Unexpired subscriptions	4,375	8,990	8,368
Net cash provided by operating activities	189,898	157,117	86,712
Cash flows from investing activities			
Purchases of marketable securities	(572,337)	(470,493)	(466,522)
Maturities/disposals of marketable securities	707,632	434,012	548,461
Proceeds/(purchases) of investments	85	12,447	15,591
Capital expenditures	(45,441)	(77,487)	(84,753)
Other - net	3,273	426	1,323
Net cash provided by/(used) in investing activities	93,212	(101,095)	14,100
Cash flows from financing activities			
Long-term obligations:			
Repayment of debt and capital lease obligations	(252,559)	(552)	(552)
Dividends paid	(31,604)	(26,418)	(26,004)
Capital shares:			
Stock issuances	4,520	41,288	4,601
Share-based compensation tax withholding	(15,648)	(10,494)	(4,064)
Net cash (used) in/provided by financing activities	(295,291)	3,824	(26,019)
Net (decrease)/increase in cash, cash equivalents and restricted cash	(12,181)	59,846	74,793
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(100)	(983)	593
Cash, cash equivalents and restricted cash at the beginning of the year	259,799	200,936	125,550
Cash, cash equivalents and restricted cash at the end of the year	\$ 247,518	\$ 259,799	\$ 200,936

See Notes to the Consolidated Financial Statements.

SUPPLEMENTAL DISCLOSURES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

Cash Flow Information

(In thousands)	Years Ended		
	December 29, 2019	December 30, 2018	December 31, 2017
Cash payments			
Interest, net of capitalized interest	\$ 28,049	\$ 28,133	\$ 27,732
Income tax payments/(refunds) – net	\$ 30,407	\$ (1,070)	\$ 21,552

See Notes to the Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

Nature of Operations

The New York Times Company is a global media organization that includes our newspaper, print and digital products and related businesses. The New York Times Company and its consolidated subsidiaries are referred to collectively as the “Company,” “we,” “our” and “us.” Our major sources of revenue are subscriptions and advertising.

Principles of Consolidation

The accompanying Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”) and include the accounts of our Company and our wholly and majority-owned subsidiaries after elimination of all significant intercompany transactions.

The portion of the net income or loss and equity of a subsidiary attributable to the owners of a subsidiary other than the Company (a noncontrolling interest) is included as a component of consolidated stockholders’ equity in our Consolidated Balance Sheets, within net income or loss in our Consolidated Statements of Operations, within comprehensive income or loss in our Consolidated Statements of Comprehensive Income/(Loss) and as a component of consolidated stockholders’ equity in our Consolidated Statements of Changes in Stockholders’ Equity.

Reclassification

Certain prior period amounts have been reclassified to conform with the current period presentation.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our Consolidated Financial Statements. Actual results could differ from these estimates.

Fiscal Year

Our fiscal year end is the last Sunday in December. Fiscal years 2019 and 2018 each comprised 52 weeks and fiscal year 2017 comprised 53 weeks. Our fiscal years ended as of December 29, 2019, December 30, 2018, and December 31, 2017, respectively.

2. Summary of Significant Accounting Policies

Cash and Cash Equivalents

We consider all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

Marketable Securities

We have investments in marketable debt securities. We determine the appropriate classification of our investments at the date of purchase and reevaluate the classifications at the balance sheet date. Marketable debt securities with maturities of 12 months or less are classified as short-term. Marketable debt securities with maturities greater than 12 months are classified as long-term. The Company’s marketable securities are accounted for as available for sale (“AFS”).

AFS securities are reported at fair value. Unrealized gains and losses, after applicable income taxes, are reported in accumulated other comprehensive income/(loss).

We conduct an other-than-temporary impairment (“OTTI”) analysis on a quarterly basis or more often if a potential loss-triggering event occurs. We consider factors such as the duration, severity and the reason for the decline in value, the potential recovery period and whether we intend to sell. For AFS securities, we also consider whether (i) it is more likely than not that we will be required to sell the debt securities before recovery of their amortized cost basis and (ii) the amortized cost basis cannot be recovered as a result of credit losses.

Concentration of Risk

Financial instruments, which potentially subject us to concentration of risk, are cash and cash equivalents and marketable securities. Cash is placed with major financial institutions. As of December 29, 2019, we had cash balances at financial institutions in excess of federal insurance limits. We periodically evaluate the credit standing of these financial institutions as part of our ongoing investment strategy.

Our marketable securities portfolio consists of investment-grade securities diversified among security types, issuers and industries. Our cash equivalents and marketable securities are primarily managed by third-party investment managers who are required to adhere to investment policies approved by our Board of Directors designed to mitigate risk.

Accounts Receivable

Credit is extended to our advertisers and our subscribers based upon an evaluation of the customer's financial condition, and collateral is not required from such customers. Allowances for estimated credit losses, rebates, returns, rate adjustments and discounts are generally established based on historical experience.

Inventories

Inventories are included within *Other current assets* of the Consolidated Balance Sheets. Inventories are stated at the lower of cost or net realizable value. Inventory cost is generally based on the last-in, first-out ("LIFO") method for newsprint and other paper grades and the first-in, first-out ("FIFO") method for other inventories.

Investments

Investments in which we have at least a 20%, but not more than a 50%, interest are generally accounted for under the equity method. We elected the fair value measurement alternative for our investment interests below 20% and account for these investments at cost less impairments, adjusted by observable price changes in orderly transactions for the identical or similar investments of the same issuer given our equity instruments are without readily determinable fair values.

We evaluate whether there has been an impairment of our investments annually or in an interim period if circumstances indicate that a possible impairment may exist.

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation is computed by the straight-line method over the shorter of estimated asset service lives or lease terms as follows: buildings, building equipment and improvements – 10 to 40 years; equipment – 3 to 30 years; and software – 3 to 5 years. We capitalize interest costs and certain staffing costs as part of the cost of major projects.

We evaluate whether there has been an impairment of long-lived assets, primarily property, plant and equipment, if certain circumstances indicate that a possible impairment may exist. These assets are tested for impairment at the asset group level associated with the lowest level of cash flows. An impairment exists if the carrying value of the asset (i) is not recoverable (the carrying value of the asset is greater than the sum of undiscounted cash flows) and (ii) is greater than its fair value.

Leases

Lessee activities

We enter into operating leases for office space and equipment. We determine if an arrangement is a lease at inception. Certain office space leases provide for rent adjustments relating to changes in real estate taxes and other operating costs. Options to extend the term of operating leases are not recognized as part of the right-of-use asset until we are reasonably certain that the option will be exercised. We may terminate our leases with the notice required under the lease and upon the payment of a termination fee, if required. Our leases do not include substantial variable payments based on index or rate.

Our leases do not provide a readily determinable implicit discount rate. Therefore, we estimate our incremental borrowing rate to discount the lease payments based on the information available at lease commencement.

We recognize a single lease cost on a straight-line basis over the term of the lease and we classify all cash payments within operating activities in the statement of cash flows. Our lease agreements do not contain any material

residual value guarantees or material restrictive covenants.

We evaluate right-of-use assets for impairment consistent with our property, plant and equipment policy. There were no impairments of right-of-use assets in 2019.

Lesser activities

Our leases to third parties predominantly relate to office space in our New York headquarters building located at 620 Eighth Avenue, New York, New York (the "Company Headquarters"). We determine if an arrangement is a lease at inception. Office space leases are operating leases and generally include options to extend the term of the lease. Our leases do not include variable payments based on index or rate. We do not separate the lease and non-lease components in a contract. The non-lease components predominantly include charges for utilities usage and other operating expenses estimated based on the proportionate share of the rental space of each lease.

For our office space operating leases, we recognize rental revenue on a straight-line basis over the term of the lease and we classify all cash payments within operating activities in the statement of cash flows.

Residual value risk is not a primary risk resulting from our office space operating leases because of the long-lived nature of the underlying real estate assets which generally hold their value or appreciate in the long term.

We evaluate assets leased to third parties for impairment consistent with our property, plant and equipment policy. There were no impairments of assets leased to third parties in 2019.

Goodwill and Intangibles

Goodwill is the excess of cost over the fair value of tangible and intangible net assets acquired. Goodwill is not amortized but tested for impairment annually or in an interim period if certain circumstances indicate a possible impairment may exist. Our annual impairment testing date is the first day of our fiscal fourth quarter.

We test goodwill for impairment at a reporting unit level. During the fourth quarter of 2018, we adopted accounting guidance that simplifies our goodwill impairment testing by eliminating the requirement to calculate the implied fair value of goodwill (formerly "Step 2") in the event that an impairment is identified.

We first perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. The qualitative assessment includes, but is not limited to, the results of our most recent quantitative impairment test, consideration of industry, market and macroeconomic conditions, cost factors, cash flows, changes in key management personnel and our share price. The result of this assessment determines whether it is necessary to perform the goodwill impairment test (formerly "Step 1"). For the 2019 annual impairment testing, based on our qualitative assessment, we concluded that goodwill is not impaired.

If we determine that it is more likely than not that the fair value of a reporting unit is less than its carrying value, we compare the fair value of a reporting unit with its carrying amount, including goodwill. Fair value is calculated by a combination of a discounted cash flow model and a market approach model. In calculating fair value for a reporting unit, we generally weigh the results of the discounted cash flow model more heavily than the market approach because the discounted cash flow model is specific to our business and long-term projections. If the fair value of a reporting unit exceeds its carrying amount, goodwill of that reporting unit is not considered impaired. If the carrying amount of a reporting unit exceeds its fair value, an impairment loss would be recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit.

Intangible assets that are not amortized (i.e., trade names) are tested for impairment at the asset level by comparing the fair value of the asset with its carrying amount. If the fair value, which is based on future cash flows, exceeds the carrying value, the asset is not considered impaired. If the carrying amount exceeds the fair value, an impairment loss would be recognized in an amount equal to the excess of the carrying amount of the asset over the fair value of the asset. We recognized a de minimis impairment in 2019 related to the closure of our digital marketing agency, HelloSociety, LLC.

Intangible assets that are amortized (i.e., customer lists, non-competes, etc.) are tested for impairment at the asset level associated with the lowest level of cash flows. An impairment exists if the carrying value of the asset (1) is not recoverable (the carrying value of the asset is greater than the sum of undiscounted cash flows) and (2) is greater than its fair value.

The discounted cash flow analysis requires us to make various judgments, estimates and assumptions, many of which are interdependent, about future revenues, operating margins, growth rates, capital expenditures, working capital, discount rates and royalty rates. The starting point for the assumptions used in our discounted cash flow analysis is the annual long-range financial forecast. The annual planning process that we undertake to prepare the long-range financial forecast takes into consideration a multitude of factors, including historical growth rates and operating performance, related industry trends, macroeconomic conditions, and marketplace data, among others. Assumptions are also made for perpetual growth rates for periods beyond the long-range financial forecast period. Our estimates of fair value are sensitive to changes in all of these variables, certain of which relate to broader macroeconomic conditions outside our control.

The market approach analysis includes applying a multiple, based on comparable market transactions, to certain operating metrics of a reporting unit.

The significant estimates and assumptions used by management in assessing the recoverability of goodwill acquired and intangibles are estimated future cash flows, discount rates, growth rates, as well as other factors. Any changes in these estimates or assumptions could result in an impairment charge. The estimates, based on reasonable and supportable assumptions and projections, require management's subjective judgment. Depending on the assumptions and estimates used, the estimated results of the impairment tests can vary within a range of outcomes.

In addition to annual testing, management uses certain indicators to evaluate whether the carrying value of a reporting unit or intangibles may not be recoverable and an interim impairment test may be required. These indicators include: (1) current-period operating results or cash flow declines combined with a history of operating results or cash flow declines or a projection/forecast that demonstrates continuing declines in the cash flow or the inability to improve our operations to forecasted levels; (2) a significant adverse change in the business climate, whether structural or technological; (3) significant impairments; and (4) a decline in our stock price and market capitalization.

Self-Insurance

We self-insure for workers' compensation costs, automobile and general liability claims, up to certain deductible limits, as well as for certain employee medical and disability benefits. Employee medical costs above a certain threshold are insured by a third party. The recorded liabilities for self-insured risks are primarily calculated using actuarial methods. The liabilities include amounts for actual claims, claim growth and claims incurred but not yet reported. The recorded liabilities for self-insured risks were approximately \$34 million and \$35 million as of December 29, 2019 and December 30, 2018, respectively.

Pension and Other Postretirement Benefits

Our single-employer pension and other postretirement benefit costs are accounted for using actuarial valuations. We recognize the funded status of these plans – measured as the difference between plan assets, if funded, and the benefit obligation – on the balance sheet and recognize changes in the funded status that arise during the period but are not recognized as components of net periodic pension cost, within other comprehensive income/(loss), net of income taxes. The service cost component of net periodic pension cost is recognized in *Total operating costs* while the other components are recognized within *Other components of net periodic benefit costs* in our Consolidated Statements of Operations below *Operating profit*.

The assets related to our funded pension plans are measured at fair value.

We make significant subjective judgments about a number of actuarial assumptions, which include discount rates, health-care cost trend rates, long-term return on plan assets and mortality rates. Depending on the assumptions and estimates used, the impact from our pension and other postretirement benefits could vary within a range of outcomes and could have a material effect on our Consolidated Financial Statements.

We have elected the practical expedient to use the month-end that is closest to our fiscal year-end for measuring the single-employer pension plan assets and obligations as well as other postretirement benefit plan assets and obligations.

We also recognize the present value of pension liabilities associated with the withdrawal from multiemployer pension plans. We record liabilities for obligations related to complete, partial and estimated withdrawals from multiemployer pension plans. The actual liability for estimated withdrawals is not known until each plan completes a final assessment of the withdrawal liability and issues a demand to us. Therefore, we adjust the estimate of our multiemployer pension plan liability as more information becomes available that allows us to refine our estimates.

See Notes 10 and 11 for additional information regarding pension and other postretirement benefits.

Revenue Recognition

We generate revenues principally from subscriptions and advertising. Subscription revenues consist of revenues from subscriptions to our print and digital products (which include our news product, as well as our Crossword and Cooking products) and single-copy and bulk sales of our print products. Subscription revenues are based on both the number of copies of the printed newspaper sold and digital-only subscriptions, and the rates charged to the respective customers.

Advertising revenues are primarily derived from offerings sold directly to marketers by our advertising sales teams. A significantly smaller and diminishing proportion of our total advertising revenues is generated through programmatic auctions run by third-party ad exchanges. Advertising revenues are primarily determined by the volume, rate and mix of advertisements.

Other revenues primarily consist of revenues from licensing, commercial printing, the leasing of floors in the Company Headquarters, affiliate referrals (revenue generated by offering direct links to merchants in exchange for a portion of the sale price upon completion of a transaction), television and film (primarily from our television series, "The Weekly"), NYT Live (our live events business) and retail commerce.

Revenue is recognized when a performance obligation is satisfied by transferring a promised good or service to a customer. A good or service is considered transferred when the customer obtains control, which is when the customer has the ability to direct the use of and/or obtain substantially all of the benefits of an asset.

Proceeds from subscription revenues are deferred at the time of sale and are recognized on a pro rata basis over the terms of the subscriptions. Payment is typically due upfront and the revenue is recognized ratably over the subscription period. The deferred proceeds are recorded within *Unexpired subscriptions revenue* in the Consolidated Balance Sheet. Single-copy revenue is recognized based on date of publication, net of provisions for related returns. Payment for single-copy sales is typically due upon complete satisfaction of our performance obligations. The Company does not have significant financing components or significant payment terms as we only offer industry standard payment terms to our customers.

When our subscriptions are sold through third parties, we are a principal in the transaction and, therefore, revenues and related costs to third parties for these sales are reported on a gross basis. We are considered a principal if we control a promised good or service before transferring that good or service to the customer. The Company considers several factors to determine if it controls the good and therefore is the principal. These factors include: (1) if we have primary responsibility for fulfilling the promise; (2) if we have inventory risk before the goods or services are transferred to the customer or after the transfer of control to the customer; and (3) if we have discretion in establishing price for the specified good or service.

Advertising revenues are recognized when advertisements are published in newspapers or placed on digital platforms or, with respect to certain digital advertising, each time a user clicks on certain advertisements, net of provisions for estimated rebates and rate adjustments. Creative services fees, including those associated with our branded content studio, are recognized as revenue based on the nature of the services provided.

We recognize a rebate obligation as a reduction of revenues, based on the amount of estimated rebates that will be earned, related to the underlying revenue transactions during the period. Measurement of the rebate obligation is estimated based on the historical experience of the number of customers that ultimately earn and use the rebate. We recognize an obligation for rate adjustments as a reduction of revenues, based on the amount of estimated post-billing adjustments that will be claimed. Measurement of the rate adjustment reserve is estimated based on historical experience of credits actually issued.

Payment for advertising is due upon complete satisfaction of our performance obligations. The Company has a formal credit checking policy, procedures and controls in place that evaluate collectability prior to ad publication. Our advertising contracts do not include a significant financing component.

Other revenues are recognized when the delivery occurs, services are rendered or purchases are made.

Performance Obligations

Our contracts with customers may include multiple performance obligations. For such arrangements, we allocate revenue to each performance obligation based on its relative standalone selling price.

In the case of our digital archive licensing contracts, the transaction price was allocated among the performance obligations, which consist of (i) the archival content and (ii) the updated content, based on the Company's estimate of the standalone selling price of each of the performance obligations, as they are currently not sold separately.

In the case of our advertising contracts we may have performance obligations for future services that have not been recognized in our financial statements. The performance obligations are satisfied over time with revenue recognized ratably over the contract term as the advertising services are provided to the customer.

Contract Assets

We record revenue from performance obligations when performance obligations are satisfied. For our digital archiving licensing revenue, we record revenue related to the portion of performance obligation (i) satisfied at the commencement of the contract when the customer obtains control of the archival content or (ii) when the updated content is transferred. We receive payments from customers based upon contractual billing schedules. As the transfer of control represents a right to the contract consideration, we record a contract asset in *Other current assets* for short-term contract assets and *Miscellaneous assets* for long-term contract assets on the Consolidated Balance Sheet for any amounts not yet invoiced to the customer. The contract asset is reclassified to *Accounts receivable* when the customer is invoiced based on the contractual billing schedule.

Significant Judgments

Our contracts with customers sometimes include promises to transfer multiple products and services to a customer. Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgment. We use an observable price to determine the standalone selling price for separate performance obligations if available or, when not available, an estimate that maximizes the use of observable inputs and faithfully depicts the selling price of the promised goods or services if we sold those goods or services separately to a similar customer in similar circumstances.

Practical Expedients and Exemptions

We expense the cost to obtain or fulfill a contract as incurred because the amortization period of the asset that the entity otherwise would have recognized is one year or less. We also apply the practical expedient for the significant financing component when the difference between the payment and the transfer of the products and services is a year or less.

Income Taxes

Income taxes are recognized for the following: (1) the amount of taxes payable for the current year; and (2) deferred tax assets and liabilities for the future tax consequences of events that have been recognized differently in the financial statements than for tax purposes. Deferred tax assets and liabilities are established using statutory tax rates and are adjusted for tax rate changes in the period of enactment.

We assess whether our deferred tax assets should be reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax assets will not be realized. Our process includes collecting positive (i.e., sources of taxable income) and negative (i.e., recent historical losses) evidence and assessing, based on the evidence, whether it is more likely than not that the deferred tax assets will not be realized.

As a result of the Tax Cuts and Jobs Act (the "Tax Act"), we reclassified stranded tax effects from accumulated other comprehensive income/(loss) to retained earnings in the first quarter of 2018. We release tax effects from accumulated other comprehensive income/(loss) for pension and other postretirement benefits on a plan by plan approach.

We recognize in our financial statements the impact of a tax position if that tax position is more likely than not of being sustained on audit, based on the technical merits of the tax position. This involves the identification of potential uncertain tax positions, the evaluation of tax law and an assessment of whether a liability for uncertain tax

positions is necessary. Different conclusions reached in this assessment can have a material impact on our Consolidated Financial Statements.

We operate within multiple taxing jurisdictions and are subject to audit in these jurisdictions. These audits can involve complex issues, which could require an extended period of time to resolve. Until formal resolutions are reached between us and the tax authorities, the timing and amount of a possible audit settlement for uncertain tax positions is difficult to predict.

Stock-Based Compensation

We establish fair value based on market data for our stock-based awards to determine our cost and recognize the related expense over the appropriate vesting period. We recognize stock-based compensation expense for outstanding stock-settled long-term performance awards, restricted stock units and stock appreciation rights, net of estimated forfeitures. See Note 16 for additional information related to stock-based compensation expense.

Earnings/(Loss) Per Share

As the Company has participating securities, GAAP requires to use the two-class method of computing earnings per share. The two-class method is an earnings allocation method for computing earnings/(loss) per share when a company’s capital structure includes either two or more classes of common stock or common stock and participating securities. This method determines earnings/(loss) per share based on dividends declared on common stock and participating securities (i.e., distributed earnings), as well as participation rights of participating securities in any undistributed earnings.

Basic earnings/(loss) per share is calculated by dividing net earnings/(loss) available to common stockholders by the weighted-average common stock outstanding. Diluted earnings/(loss) per share is calculated similarly, except that it includes the dilutive effect of the assumed exercise of securities and the effect of shares issuable under our Company’s stock-based incentive plans if such effect is dilutive.

Foreign Currency Translation

The assets and liabilities of foreign companies are translated at period-end exchange rates. Results of operations are translated at average rates of exchange in effect during the year. The resulting translation adjustment is included as a separate component in the Stockholders’ Equity section of our Consolidated Balance Sheets, in the caption *Accumulated other comprehensive loss, net of income taxes*.

Recently Adopted Accounting Pronouncements

Accounting Standard Update(s)	Topic	Effective Period	Summary
2016-02 2018-10 2018-11 2018-20 2019-01	Leases	Fiscal years beginning after December 30, 2018. Early adoption is permitted.	Accounting for leases and disclosure of key information about leasing arrangements, requires lessees to recognize the following for all operating and finance leases at such lease’s commencement date: (1) a lease liability, which is the obligation to make lease payments arising from a lease, measured on a discounted basis; and (2) a right-of-use asset representing the lessee’s right to use, or control the use of, the underlying asset for the lease term. A lessee is permitted to make an accounting policy election not to recognize lease assets and lease liabilities for short-term leases with a term of 12 months or less. The guidance does not fundamentally change lessor accounting; however, some changes have been made to align that guidance with the lessee guidance and other areas within GAAP. The Company adopted this Accounting Standard Update (“ASU”) on December 31, 2018, utilizing the modified retrospective approach with optional transition relief. Prior periods have not been retrospectively adjusted and we recorded approximately \$36 million of right-of-use asset and \$42 million of lease liability in our Consolidated Balance Sheet. The difference between the right-of-use asset and lease liability was due to deferred rent relating to periods prior to December 31, 2018. We have elected the practical expedients under ASU 2016-02 and have not reassessed any of the following: (1) whether any expired or existing contracts are or contain a lease, (2) the classification of any existing leases prior to the adoption of ASU 2016-02 or (3) initial direct costs for any existing leases. The Company has elected not to apply the recognition requirements in ASU 2016-02 to leases with durations of 12 months or less. Lease payments for leases with durations of 12 months or less are recorded in the statement of operations on a straight-line basis over the term of the lease. In addition, we elected the practical expedient not to separate the lease and non-lease components in the contract for our office space and equipment leases and for office space we lease to third parties.

Recently Issued Accounting Pronouncements

The Financial Accounting Standards Board (the “FASB”) issued authoritative guidance on the following topics:

Accounting Standard Update(s)	Topic	Effective Period	Summary
2019-12	Simplifying the Accounting for Income Taxes (Topic 740)	Fiscal years, and interim periods within those fiscal years, beginning after December 15, 2021. Early adoption is permitted.	Simplifies the accounting for income taxes by eliminating certain exceptions to the guidance in Accounting Standards Codification (“ASC”) 740 related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. The standard also simplifies aspects of the accounting for franchise taxes and enacted changes in tax laws or rates and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. We are currently in the process of evaluating the impact of this guidance on our consolidated financial statements.
2018-15	Intangibles—Goodwill and Other—Internal-Use Software	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted.	Clarifies the accounting for implementation costs in cloud computing arrangements. The standard provides that implementation costs be evaluated for capitalization using the same criteria as that used for internal-use software development costs, with amortization expense being recorded in the same income statement expense line as the hosted service costs and over the expected term of the hosting arrangement. The Company will adopt this ASU on December 30, 2019. The adoption will not have a material impact on the Company’s consolidated financial statements.
2018-14	Compensation—Retirement Benefits—Defined Benefit Plans—General	Fiscal years ending after December 15, 2020, and interim periods within those fiscal years. Early adoption is permitted.	Modifies the disclosure requirements for employers that sponsor defined benefit pension or other postretirement benefit plans. The guidance removes disclosures, clarifies the specific requirements of disclosures and adds disclosure requirements identified as relevant. We are currently in the process of evaluating the impact on our consolidated financial statements.
2018-13	Fair Value Measurement (Topic 820) Disclosure Framework	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted.	Modifies the disclosure requirements on fair value measurements. The amendments of disclosures related to changes in unrealized gains and losses, the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively for only the most recent interim or annual period presented in the initial fiscal year of adoption. All other amendments should be applied retrospectively to all periods presented upon their effective date. The Company will adopt this ASU on December 30, 2019. The adoption will not have a material impact on the Company’s disclosures.
2016-13 2018-19 2019-04	Financial Instruments—Credit Losses	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years.	Amends guidance on reporting credit losses for assets, including trade receivables, available-for-sale marketable securities and any other financial assets not excluded from the scope that have the contractual right to receive cash. For trade receivables, ASU 2016-13 eliminates the probable initial recognition threshold in current generally accepted accounting standards, and, instead, requires an entity to reflect its current estimate of all expected credit losses. For available-for-sale marketable securities, credit losses should be measured in a manner similar to current generally accepted accounting standards; however, ASU 2016-13 will require that credit losses be presented as an allowance rather than as a write-down. The Company will adopt this ASU on December 30, 2019. The adoption will not have a material impact on the Company’s consolidated financial statements.

The Company considers the applicability and impact of all recently issued accounting pronouncements. Recent accounting pronouncements not specifically identified in our disclosures are either not applicable to the Company or are not expected to have a material effect on our financial condition or results of operations.

3. Revenue

We generate revenues principally from subscriptions and advertising. Subscription revenues consist of revenues from subscriptions to our print and digital products (which include our news product, as well as our Crossword and Cooking products) and single-copy and bulk sales of our print products. Subscription revenues are based on both the number of copies of the printed newspaper sold and digital-only subscriptions, and the rates charged to the respective customers.

Advertising revenues are primarily derived from offerings sold directly to marketers by our advertising sales team. A significantly smaller and diminishing proportion of our total advertising revenues is generated through programmatic auctions run by third-party ad exchanges. Advertising revenues are primarily determined by the volume, rate and mix of advertisements. Display advertising revenue is principally from advertisers promoting products, services or brands. Display advertising also includes advertisements that direct viewers to branded content on The Times’s platforms. Other advertising primarily represents, for our print products, classified advertising revenue. Digital other advertising revenue primarily includes creative services fees, including those associated with our branded content studio; advertising revenue from our podcasts; and advertising revenue generated by Wirecutter, our product review and recommendation website.

Other revenues primarily consist of revenues from licensing, commercial printing, the leasing of floors in the Company Headquarters, affiliate referrals, television and film (primarily from our television series, "The Weekly"), NYT Live (our live events business) and retail commerce.

Subscription, advertising and other revenues were as follows:

(In thousands)	Years Ended		
	December 29, 2019	December 30, 2018	December 31, 2017
	(52 weeks)	(52 weeks)	(53 weeks)
Subscription	\$ 1,083,851	\$ 1,042,571	\$ 1,008,431
Advertising	530,678	558,253	558,513
Other ⁽¹⁾	197,655	147,774	108,695
Total ⁽²⁾	\$ 1,812,184	\$ 1,748,598	\$ 1,675,639

⁽¹⁾ Other revenue includes building rental revenue, which is not under the scope of Topic 606. Building rental revenue was approximately \$31 million, \$23 million and \$17 million for the years ended December 29, 2019, December 30, 2018 and December 31, 2017, respectively.

⁽²⁾ Total revenue includes digital revenue of approximately \$801 million, \$709 million and \$620 million for the years ended December 29, 2019, December 30, 2018 and December 31, 2017, respectively.

The following table summarizes print and digital subscription revenues, which are components of subscription revenues above, for the years ended December 29, 2019, December 30, 2018 and December 31, 2017:

(In thousands)	Years Ended		
	December 29, 2019	December 30, 2018	December 31, 2017
	(52 weeks)	(52 weeks)	(53 weeks)
Print subscription revenues	\$ 623,399	\$ 641,951	\$ 668,088
Digital-only subscription revenues:			
News product subscription revenues ⁽¹⁾	426,125	378,484	325,956
Other product subscription revenues ⁽²⁾	34,327	22,136	14,387
Total subscription revenues	\$ 1,083,851	\$ 1,042,571	\$ 1,008,431

⁽¹⁾ Includes revenues from subscriptions to the Company's news product. News product subscription packages that include access to the Company's Crossword and Cooking products are also included in this category.

⁽²⁾ Includes revenues from standalone subscriptions to the Company's Crossword and Cooking products.

Advertising revenues (print and digital) by category were as follows:

(In thousands)	Years Ended								
	December 29, 2019			December 30, 2018			December 31, 2017		
	(52 weeks)			(52 weeks)			(53 weeks)		
	Print	Digital	Total	Print	Digital	Total	Print	Digital	Total
Display	\$ 240,723	\$ 189,102	\$ 429,825	\$ 269,160	\$ 202,038	\$ 471,198	\$ 285,679	\$ 198,658	\$ 484,337
Other	29,501	71,352	100,853	30,220	56,835	87,055	34,543	39,633	74,176
Total advertising	\$ 270,224	\$ 260,454	\$ 530,678	\$ 299,380	\$ 258,873	\$ 558,253	\$ 320,222	\$ 238,291	\$ 558,513

Performance Obligations

We have remaining performance obligations related to digital archive and other licensing and certain advertising contracts. As of December 29, 2019, the aggregate amount of the transaction price allocated to the remaining performance obligations for contracts with a duration greater than one year was approximately \$144 million. The Company will recognize this revenue as performance obligations are satisfied. We expect that approximately \$46 million, \$32 million, and \$66 million will be recognized in 2020, 2021 and thereafter, respectively.

Contract Assets

As of December 29, 2019 and December 30, 2018, the Company had \$3.4 million and \$2.5 million, respectively, in contract assets recorded in the Consolidated Balance Sheet related to digital archiving licensing revenue. The contract asset is reclassified to *Accounts receivable* when the customer is invoiced based on the contractual billing schedule. The increase in the contract assets balance of \$0.9 million for the year ended December 29, 2019, is primarily driven by new contract assets of \$1.9 million offset by \$1.0 million of consideration that was reclassified to *Accounts receivable* when invoiced based on the contractual billing schedules for the period ended December 29, 2019.

4. Marketable Securities

The Company accounts for its marketable securities as AFS. The Company recorded \$0.8 million and \$2.8 million of net unrealized gains and net unrealized losses, respectively, in Accumulated Other Comprehensive Income ("AOCI") as of December 29, 2019, and December 30, 2018, respectively.

The following tables present the amortized cost, gross unrealized gains and losses, and fair market value of our AFS securities as of December 29, 2019, and December 30, 2018:

December 29, 2019				
(In thousands)	Amortized Cost	Gross unrealized gains	Gross unrealized losses	Fair Value
Short-term AFS securities				
Corporate debt securities	\$ 98,864	\$ 271	\$ (9)	\$ 99,126
U.S. Treasury securities	43,098	8	(11)	43,095
U.S. governmental agency securities	37,471	35	(4)	37,502
Commercial paper	12,561	—	—	12,561
Certificates of deposit	9,501	—	—	9,501
Total short-term AFS securities	\$ 201,495	\$ 314	\$ (24)	\$ 201,785
Long-term AFS securities				
Corporate debt securities	\$ 103,149	\$ 617	\$ (29)	\$ 103,737
U.S. Treasury securities	101,457	84	(103)	101,438
U.S. governmental agency securities	46,600	5	(84)	46,521
Total long-term AFS securities	\$ 251,206	\$ 706	\$ (216)	\$ 251,696

December 30, 2018				
(In thousands)	Amortized Cost	Gross unrealized gains	Gross unrealized losses	Fair Value
Short-term AFS securities				
Corporate debt securities	\$ 140,631	\$ 1	\$ (464)	\$ 140,168
U.S. Treasury securities	107,717	—	(232)	107,485
U.S. governmental agency securities	92,628	—	(654)	91,974
Commercial paper	8,177	—	—	8,177
Certificates of deposit	23,497	—	—	23,497
Total short-term AFS securities	\$ 372,650	\$ 1	\$ (1,350)	\$ 371,301
Long-term AFS securities				
Corporate debt securities	\$ 130,612	\$ 44	\$ (1,032)	\$ 129,624
U.S. Treasury securities	47,079	5	(347)	46,737
U.S. governmental agency securities	37,362	3	(168)	37,197
Total long-term AFS securities	\$ 215,053	\$ 52	\$ (1,547)	\$ 213,558

The following tables present the AFS securities as of December 29, 2019, and December 30, 2018 that were in an unrealized loss position, aggregated by investment category and the length of time that individual securities have been in a continuous loss position:

(In thousands)	December 29, 2019					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross unrealized losses	Fair Value	Gross unrealized losses	Fair Value	Gross unrealized losses
Short-term AFS securities						
Corporate debt securities	\$ 20,975	\$ (6)	\$ 8,251	\$ (3)	\$ 29,226	\$ (9)
U.S. Treasury securities	13,296	(3)	11,147	(8)	24,443	(11)
U.S. governmental agency securities	—	—	15,000	(4)	15,000	(4)
Total short-term AFS securities	\$ 34,271	\$ (9)	\$ 34,398	\$ (15)	\$ 68,669	\$ (24)
Long-term AFS securities						
Corporate debt securities	\$ 35,891	\$ (25)	\$ 4,502	\$ (4)	\$ 40,393	\$ (29)
U.S. Treasury securities	60,935	(103)	—	—	60,935	(103)
U.S. governmental agency securities	34,167	(84)	—	—	34,167	(84)
Total long-term AFS securities	\$ 130,993	\$ (212)	\$ 4,502	\$ (4)	\$ 135,495	\$ (216)

(In thousands)	December 30, 2018					
	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross unrealized losses	Fair Value	Gross unrealized losses	Fair Value	Gross unrealized losses
Short-term AFS securities						
Corporate debt securities	\$ 76,886	\$ (115)	\$ 61,459	\$ (349)	\$ 138,345	\$ (464)
U.S. Treasury securities	70,830	(31)	28,207	(201)	99,037	(232)
U.S. governmental agency securities	11,664	(4)	80,311	(650)	91,975	(654)
Total short-term AFS securities	\$ 159,380	\$ (150)	\$ 169,977	\$ (1,200)	\$ 329,357	\$ (1,350)
Long-term AFS securities						
Corporate debt securities	\$ 81,655	\$ (570)	\$ 27,265	\$ (462)	\$ 108,920	\$ (1,032)
U.S. Treasury securities	20,479	(29)	23,762	(318)	44,241	(347)
U.S. governmental agency securities	21,579	(36)	11,868	(132)	33,447	(168)
Total long-term AFS securities	\$ 123,713	\$ (635)	\$ 62,895	\$ (912)	\$ 186,608	\$ (1,547)

We periodically review our AFS securities for OTTI. See Note 2 for factors we consider when assessing AFS securities for OTTI. As of December 29, 2019, and December 30, 2018, we did not intend to sell and it was not likely that we would be required to sell these investments before recovery of their amortized cost basis, which may be at maturity. Unrealized losses related to these investments are primarily due to interest rate fluctuations as opposed to changes in credit quality. Therefore, as of December 29, 2019 and December 30, 2018, we have recognized no OTTI loss.

As of December 29, 2019, and December 30, 2018, our short-term and long-term marketable securities had remaining maturities of less than 1 month to 12 months and 13 months to 35 months, respectively. See Note 9 for additional information regarding the fair value hierarchy of our marketable securities.

5. Goodwill and Intangibles

The changes in the carrying amount of goodwill as of December 29, 2019, and since December 31, 2017, were as follows:

(In thousands)	Total Company
<i>Balance as of December 31, 2017</i>	\$ 143,549
Foreign currency translation	(3,267)
<i>Balance as of December 30, 2018</i>	140,282
Foreign currency translation	(1,608)
<i>Balance as of December 29, 2019</i>	\$ 138,674

The foreign currency translation line item reflects changes in goodwill resulting from fluctuating exchange rates related to the consolidation of certain international subsidiaries.

The aggregate carrying amount of intangible assets of \$3.0 million as of December 29, 2019, is included in *Miscellaneous assets* in our Consolidated Balance Sheets. The estimated useful lives for these assets range from 5 to 7 years and are amortized on a straight-line basis.

6. Investments

Investments in Joint Ventures

As of December 29, 2019 and December 30, 2018, the value of our investments in joint ventures was zero. As of December 31, 2017, our investment in joint ventures totaled \$1.7 million and consisted of a 40% equity ownership interest in Madison Paper Industries (“Madison”), a partnership that previously operated a supercalendered paper mill in Maine. In the fourth quarter of 2017, we sold our 49% equity interest in Donohue Malbaie Inc. (“Malbaie”), a Canadian newsprint company, for \$20 million Canadian dollars (\$15.6 million USD).

These investments are accounted for under the equity method, and are recorded in *Miscellaneous assets* in our Consolidated Balance Sheets. Our proportionate shares of the operating results of our investments are recorded in *Gain from joint ventures* in our Consolidated Statements of Operations.

In 2019, we had no gain/(loss) from joint ventures.

In 2018, we had a gain from joint ventures of \$10.8 million. The gain was primarily due to a distribution received from the pending liquidation of Madison, offset, in part, by our share of operating expenses of the partnership.

In 2017, we had a gain from joint ventures of \$18.6 million. The gain was primarily due to the sale of assets of the paper mill previously operated by Madison, partially offset by our proportionate share of the loss recognized by Madison resulting from Madison’s settlement of pension obligations, as well as the sale of our investment in Malbaie.

Madison

The Company and UPM-Kymmene Corporation (“UPM”), a Finnish paper manufacturing company, are partners through subsidiary companies in Madison. The Company’s 40% ownership of Madison is through an 80%-owned consolidated subsidiary that owns 50% of Madison. UPM owns 60% of Madison, including a 10% interest through a 20% noncontrolling interest in the consolidated subsidiary of the Company. In 2016, the paper mill closed and the Company’s joint venture in Madison is currently being liquidated.

In 2017, we recognized a gain of \$20.8 million, primarily related to the sale of the remaining assets (which consisted of primarily hydro power assets), partially offset by the loss related to our proportionate share of Madison’s settlement of certain pension obligations. In 2018, we recorded a gain of \$11.3 million due to a distribution received from the pending liquidation of Madison.

The following table presents summarized unaudited balance sheet information for Madison, which follows a calendar year:

(In thousands)	December 31, 2019	December 31, 2018
Current assets	\$ 15,337	\$ 18,374
Total assets	15,337	18,374
Current liabilities	570	3,336
Total liabilities	570	3,336
Total equity	\$ 14,767	\$ 15,038

The following table presents summarized unaudited income statement information for Madison, which follows a calendar year:

(In thousands)	For the Twelve Months Ended		
	December 31, 2019	December 31, 2018	December 31, 2017
Income/(Expenses):			
Cost of sales ⁽¹⁾	\$ —	\$ —	\$ (13,396)
General and administrative (expense)/income and other ⁽²⁾	(318)	(1,280)	55,058
Total operating (expense)/income	(318)	(1,280)	41,662
Other income	46	122	18
Net (loss)/income	\$ (272)	\$ (1,158)	\$ 41,680

⁽¹⁾ Primarily represents Madison's settlement of its pension obligations in 2017.

⁽²⁾ Primarily represents gains/(losses) from the sale of assets and closure of Madison in 2017.

During 2018, we received a \$12.5 million cash distribution in connection with the pending liquidation of Madison. We received no distributions from Madison in 2019 or 2017.

Malbaie

We had a 49% equity interest in Malbaie, which we sold during the fourth quarter of 2017 for \$20 million Canadian dollars (\$15.6 million USD). We recognized a loss of \$6.4 million before tax as a result of the sale. The other 51% equity interest was owned by Resolute FP Canada Inc., a subsidiary of Resolute Forest Products Inc. ("Resolute"), a Delaware corporation. Resolute is a large global manufacturer of paper, market pulp and wood products.

Other than from the sale of our equity interest in 2017, we received no distributions from Malbaie in 2019, 2018 or 2017.

Other

We purchased newsprint from Malbaie, and previously purchased supercalendered paper from Madison, at competitive prices. These purchases totaled approximately \$11 million in 2017.

Non-Marketable Equity Securities

Our non-marketable equity securities are investments in privately held companies/funds without readily determinable market values. Realized gains and losses on non-marketable securities sold or impaired are recognized in *Interest expense and other, net*.

As of December 29, 2019, and December 30, 2018, non-marketable equity securities included in *Miscellaneous assets* in our Consolidated Balance Sheets had a carrying value of \$13.4 million and \$13.7 million, respectively. We did not have any material fair value adjustments in 2019, 2018 and 2017.

7. Debt Obligations

Our indebtedness primarily consisted of the repurchase option related to a sale-leaseback of a portion of our New York headquarters. We did not have outstanding debt or capital lease obligations as of December 29, 2019. As of December 30, 2018, our total debt and capital lease obligations consisted of the following:

(In thousands)	December 30, 2018
Option to repurchase ownership interest in Company Headquarters in 2019:	
Principal amount	\$ 250,000
Less unamortized discount based on imputed interest rate of 13.0%	3,202
Net option to repurchase ownership interest in Company Headquarters in 2019	246,798
Capital lease obligations ⁽¹⁾	6,832
Total short-term debt and capital lease obligations	\$ 253,630

⁽¹⁾ On August 1, 2019, we purchased the previously leased land at our College Point, N.Y., printing and distribution facility, which resulted in the settlement of our finance lease obligation.

Interest expense and other, net, as shown in the accompanying Consolidated Statements of Operations was as follows:

(In thousands)	December 29, 2019	December 30, 2018	December 31, 2017
Interest expense	\$ 26,928	\$ 28,134	\$ 27,732
Amortization of debt costs and discount on debt	(1,459)	3,394	3,205
Capitalized interest	(69)	(452)	(1,257)
Interest income and other expense, net	(21,580)	(14,510)	(9,897)
Total interest expense and other, net	\$ 3,820	\$ 16,566	\$ 19,783

Exercise of Repurchase Option Under Lease Agreement

In December 2019, the Company exercised its option under the Lease Agreement, dated March 6, 2009, with an affiliate of W.P. Carey & Co. LLC (the "Lease") to repurchase for \$245.3 million a portion of the Company's leasehold condominium interest consisting of approximately 750,000 rentable square feet in the Company Headquarters (the "Condo Interest"). The Lease was part of a transaction in 2009 under which the Company sold (for approximately \$225 million) and simultaneously leased back the Condo Interest.

The Company accounted for the 2009 transaction as a financing transaction and accounted for the 2009-2019 rental payments as interest expense. The difference between the purchase option price and the net sale proceeds from the transaction has been amortized over the 10-year period of 2009-2019 through interest expense.

Revolving Credit Facility

In September 2019, the Company entered into a \$250.0 million five-year unsecured revolving credit facility (the "Credit Facility"). Certain of the Company's domestic subsidiaries have guaranteed the Company's obligations under the Credit Facility. Borrowings under the Credit Facility bear interest at specified rates based on our utilization and consolidated leverage ratio. The Credit Facility contains various customary affirmative and negative covenants. In addition, the Company is obligated to pay a quarterly unused commitment fee of 0.20%.

As of December 29, 2019, there were no outstanding borrowings under the Credit Facility and the Company was in compliance with the financial covenants contained in the Credit Facility.

8. Other

Capitalized Computer Software Costs

Amortization of capitalized computer software costs included in *Depreciation and amortization* in our Consolidated Statements of Operations was \$17.0 million, \$15.7 million and \$12.8 million for the fiscal years ended December 29, 2019, December 30, 2018 and December 31, 2017, respectively. The unamortized computer software costs were \$26.4 million and \$29.5 million as of December 29, 2019, and December 30, 2018, respectively.

Headquarters Redesign and Consolidation

In 2017 and 2018, we redesigned our Company Headquarters, consolidated our space within a smaller number of floors and leased the additional floors to third parties. As the project was substantially completed as of December 30, 2018, we did not incur significant expenses related to these measures for the fiscal year ended December 29, 2019. We incurred \$4.5 million and \$10.1 million of total costs related to these measures for the fiscal years ended December 30, 2018, and December 31, 2017, respectively. We capitalized less than \$1 million and \$15 million for the fiscal years ended December 29, 2019, and December 30, 2018, respectively.

Marketing Expenses

Marketing expense to promote our brand and products and grow our subscriber base (which we formerly referred to as advertising expense) was \$167.9 million, \$156.3 million and \$118.6 million for the fiscal years ended December 29, 2019, December 30, 2018 and December 31, 2017, respectively. We expense our marketing costs as incurred.

Restructuring Charge

We recognized a restructuring charge of \$4.0 million for the fiscal year ended December 29, 2019, which included impairment and severance charges related to the closure of our digital marketing agency, HelloSociety, LLC. These costs are recorded in *Restructuring charge* in our Consolidated Statements of Operations.

Statement of Cash Flows

Restricted Cash

A reconciliation of cash, cash equivalents and restricted cash as of December 29, 2019 and December 30, 2018 from the Consolidated Balance Sheets to the Consolidated Statements of Cash Flows is as follows:

(In thousands)	December 29, 2019	December 30, 2018
Reconciliation of cash, cash equivalents and restricted cash		
Cash and cash equivalents	\$ 230,431	\$ 241,504
Restricted cash included within other current assets	528	642
Restricted cash included within miscellaneous assets	16,559	17,653
Total cash, cash equivalents and restricted cash shown in the Consolidated Statements of Cash Flows	<u>\$ 247,518</u>	<u>\$ 259,799</u>

Substantially all of the amount included in restricted cash is set aside to collateralize workers' compensation obligations.

Tax Shortfall and/or Windfall for Stock-based Payments

In March 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-09, "Compensation-Stock Compensation," which provides guidance on accounting for stock-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. This guidance became effective for the Company for fiscal years beginning after December 25, 2016.

As a result of the adoption of ASU 2016-09 in the first quarter of 2017, we recognized excess tax windfalls in income tax expense rather than additional paid-in capital. Excess tax shortfalls and/or windfalls for stock-based

payments are now included in net cash from operating activities rather than net cash from financing activities. The changes have been applied prospectively in accordance with the ASU and prior periods have not been adjusted.

Severance Costs

We recognized severance costs of \$4.0 million and \$6.7 million for the fiscal years ended December 29, 2019 and December 30, 2018, respectively. On May 31, 2017, we announced certain measures designed to streamline our editing process and allow us to make further investments in the newsroom. These measures resulted in a workforce reduction primarily affecting our newsroom. We recognized severance costs of \$23.9 million in 2017, substantially all of which were related to this workforce reduction. These costs are recorded in *Selling, general and administrative costs* in our Consolidated Statements of Operations.

We had a severance liability of \$8.4 million included in *Accrued expenses and other* in our Consolidated Balance Sheets as of December 29, 2019 and December 30, 2018, respectively. The December 29, 2019, balance includes severance liabilities related to the restructuring charge recorded in our Consolidated Statements of Operations. We anticipate most of the payments will be made within the next twelve months.

9. Fair Value Measurements

Fair value is the price that would be received upon the sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. The transaction would be in the principal or most advantageous market for the asset or liability, based on assumptions that a market participant would use in pricing the asset or liability. The fair value hierarchy consists of three levels:

Level 1—quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date;

Level 2—inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3—unobservable inputs for the asset or liability.

Assets/Liabilities Measured and Recorded at Fair Value on a Recurring Basis

As of December 29, 2019 and December 30, 2018, we had assets related to our qualified pension plans measured at fair value. The required disclosures regarding such assets are presented in Note 10.

The following table summarizes our financial assets and liabilities measured at fair value on a recurring basis as of December 29, 2019 and December 30, 2018:

(In thousands)	December 29, 2019				December 30, 2018			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets:								
Short-term AFS securities⁽¹⁾								
Corporate debt securities	\$ 99,126	\$ —	\$ 99,126	\$ —	\$ 140,168	\$ —	\$ 140,168	\$ —
U.S Treasury securities	43,095	—	43,095	—	107,485	—	107,485	—
U.S. governmental agency securities	37,502	—	37,502	—	91,974	—	91,974	—
Commercial paper	12,561	—	12,561	—	8,177	—	8,177	—
Certificates of deposit	9,501	—	9,501	—	23,497	—	23,497	—
Total short-term AFS securities	\$ 201,785	\$ —	\$ 201,785	\$ —	\$ 371,301	\$ —	\$ 371,301	\$ —
Long-term AFS securities⁽¹⁾								
Corporate debt securities	\$ 103,737	\$ —	\$ 103,737	\$ —	\$ 129,624	\$ —	\$ 129,624	\$ —
U.S Treasury securities	101,438	—	101,438	—	46,737	—	46,737	—
U.S. governmental agency securities	46,521	—	46,521	—	37,197	—	37,197	—
Total long-term AFS securities	\$ 251,696	\$ —	\$ 251,696	\$ —	\$ 213,558	\$ —	\$ 213,558	\$ —
Liabilities:								
Deferred compensation ⁽²⁾⁽³⁾	\$ 23,702	\$ 23,702	\$ —	\$ —	\$ 23,211	\$ 23,211	\$ —	\$ —

⁽¹⁾ We classified these investments as Level 2 since the fair value is based on market observable inputs for investments with similar terms and maturities.

⁽²⁾ The deferred compensation liability, included in Other liabilities—Other in our Consolidated Balance Sheets, consists of deferrals under The New York Times Company Deferred Executive Compensation Plan (the “DEC”), a frozen plan which enabled certain eligible executives to elect to defer a portion of their compensation on a pre-tax basis. The deferred amounts are invested at the executives’ option in various mutual funds. The fair value of deferred compensation is based on the mutual fund investments elected by the executives and on quoted prices in active markets for identical assets. Participation in the DEC was frozen effective December 31, 2015.

⁽³⁾ The Company invests deferred compensation balance in life insurance products. Our investments in life insurance products are included in Miscellaneous assets in our Consolidated Balance Sheets, and were \$46.0 million as of December 29, 2019, and \$38.1 million as of December 30, 2018. The fair value of these assets is measured using the net asset value (“NAV”) per share (or its equivalent) and has not been classified in the fair value hierarchy.

Assets Measured and Recorded at Fair Value on a Non-Recurring Basis

Certain non-financial assets, such as goodwill, intangible assets, property, plant and equipment and certain investments are recognized at fair value on a non-recurring basis. These assets are measured at fair value if an impairment charge is recognized. Goodwill and intangible assets are initially recorded at fair value in purchase accounting. We classified all of these measurements as Level 3, as we used unobservable inputs within the valuation methodologies that were significant to the fair value measurements, and the valuations required management's judgment due to the absence of quoted market prices. We recognized a de minimis impairment in 2019 related to the closure of our digital marketing agency, HelloSociety, LLC. There was no impairment recognized in 2018 and 2017.

10. Pension Benefits

Single-Employer Plans

We maintain The New York Times Companies Pension Plan (the "Pension Plan"), a frozen single-employer defined benefit pension plan. The Company also jointly sponsors a defined benefit plan with The NewsGuild of New York known as the Guild-Times Adjustable Pension Plan (the "APP") that continues to accrue active benefits. Effective January 1, 2018, the Company became the sole sponsor of the frozen Newspaper Guild of New York - The New York Times Pension Plan (the "Guild-Times Plan"). The Guild-Times Plan was previously joint trustee between The NewsGuild of New York and the Company. Effective December 31, 2018, the Guild-Times Plan and the Retirement Annuity Plan For Craft Employees of The New York Times Companies (the "RAP") were merged into the Pension Plan.

We also have a foreign-based pension plan for certain employees (the "foreign plan"). The information for the foreign plan is combined with the information for U.S. non-qualified plans. The benefit obligation of the foreign plan is immaterial to our total benefit obligation.

Net Periodic Pension (Income)/Cost

The components of net periodic pension (income)/cost were as follows:

(In thousands)	December 29, 2019			December 30, 2018			December 31, 2017		
	Qualified Plans	Non-Qualified Plans	All Plans	Qualified Plans	Non-Qualified Plans	All Plans	Qualified Plans	Non-Qualified Plans	All Plans
Service cost	\$ 5,113	\$ 118	\$ 5,231	\$ 9,986	\$ 79	\$ 10,065	\$ 9,720	\$ 79	\$ 9,799
Interest cost	58,835	8,420	67,255	52,770	7,383	60,153	60,742	7,840	68,582
Expected return on plan assets	(80,877)	—	(80,877)	(82,327)	—	(82,327)	(102,900)	—	(102,900)
Amortization and other costs	18,639	4,381	23,020	26,802	5,114	31,916	29,051	4,318	33,369
Amortization of prior service (credit)/cost	(1,945)	13	(1,932)	(1,945)	—	(1,945)	(1,945)	—	(1,945)
Effect of settlement/curtailment	—	(373)	(373)	—	221	221	102,109	—	102,109
Net periodic pension (income)/cost	\$ (235)	\$ 12,559	\$ 12,324	\$ 5,286	\$ 12,797	\$ 18,083	\$ 96,777	\$ 12,237	\$ 109,014

Over the past several years the Company has taken steps to reduce the size and volatility of our pension obligations. In the first quarter of 2018, the Company signed an agreement that froze the accrual of benefits under the RAP with respect to all participants covered by a collective bargaining agreement between the Company and The Newspaper and Mail Deliverers' Union of New York and Vicinity. This group of participants was the last group under the RAP to have their benefit accruals frozen.

In the fourth quarter of 2017, the Company entered into agreements with two insurance companies to transfer future benefit obligations and annuity administration for certain retirees (or their beneficiaries) in two of the Company's qualified pension plans. This transfer of plan assets and obligations reduced the Company's qualified pension plan obligations by \$263.3 million. As a result of these agreements, the Company recorded pension settlement charges of \$102.1 million. Additionally, during the fourth quarter of 2017, the Company made discretionary contributions totaling \$120 million to certain qualified pension plans.

Other changes in plan assets and benefit obligations recognized in other comprehensive income/loss were as follows:

(In thousands)	December 29, 2019	December 30, 2018	December 31, 2017
Net actuarial (gain)/loss	\$ (10,292)	\$ 29,965	\$ 22,600
Prior service cost	706	—	—
Amortization of loss	(23,020)	(31,916)	(33,369)
Amortization of prior service credit	1,932	1,945	1,945
Effect of settlement	—	(421)	(102,109)
Total recognized in other comprehensive income	(30,674)	(427)	(110,933)
Net periodic pension cost	12,324	18,083	109,014
Total recognized in net periodic benefit (income)/cost and other comprehensive (income)/loss	\$ (18,350)	\$ 17,656	\$ (1,919)

Actuarial gains and losses are amortized using a corridor approach. The gain or loss corridor is equal to 10% of the greater of the projected benefit obligation and the market-related value of assets. Gains and losses in excess of the corridor are generally amortized over the future working lifetime for the ongoing plans and average life expectancy for the frozen plans.

The estimated actuarial loss and prior service credit that will be amortized from accumulated other comprehensive loss into net periodic pension cost over the next fiscal year is approximately \$29 million and \$2 million, respectively.

We also contribute to defined contribution benefit plans. The amount of cost recognized for defined contribution benefit plans was approximately \$27 million, \$22 million and \$23 million for 2019, 2018 and 2017, respectively.

Benefit Obligation and Plan Assets

The changes in the benefit obligation and plan assets and other amounts recognized in other comprehensive loss were as follows:

(In thousands)	December 29, 2019			December 30, 2018		
	Qualified Plans	Non-Qualified Plans	All Plans	Qualified Plans	Non-Qualified Plans	All Plans
Change in benefit obligation						
Benefit obligation at beginning of year	\$1,491,398	\$ 223,066	\$1,714,464	\$1,636,488	\$ 245,302	\$1,881,790
Service cost	5,113	118	5,231	9,986	79	10,065
Interest cost	58,835	8,420	67,255	52,770	7,383	60,153
Plan participants' contributions	—	—	—	3	—	3
Amendments	—	706	706	—	—	—
Actuarial loss/(gain)	191,104	32,874	223,978	(123,670)	(10,221)	(133,891)
Curtailments	—	(373)	(373)	—	(200)	(200)
Benefits paid	(86,163)	(17,046)	(103,209)	(84,179)	(19,219)	(103,398)
Effects of change in currency conversion	—	(17)	(17)	—	(58)	(58)
Benefit obligation at end of year	1,660,287	247,748	1,908,035	1,491,398	223,066	1,714,464
Change in plan assets						
Fair value of plan assets at beginning of year	1,410,151	—	1,410,151	1,567,411	—	1,567,411
Actual return on plan assets	315,148	—	315,148	(81,529)	—	(81,529)
Employer contributions	9,531	17,046	26,577	8,445	19,219	27,664
Plan participants' contributions	—	—	—	3	—	3
Benefits paid	(86,163)	(17,046)	(103,209)	(84,179)	(19,219)	(103,398)
Fair value of plan assets at end of year	1,648,667	—	1,648,667	1,410,151	—	1,410,151
Net amount recognized	\$ (11,620)	\$ (247,748)	\$ (259,368)	\$ (81,247)	\$ (223,066)	\$ (304,313)
Amount recognized in the Consolidated Balance Sheets						
Current liabilities	\$ —	\$ (17,147)	\$ (17,147)	\$ —	\$ (17,034)	\$ (17,034)
Noncurrent liabilities	(11,620)	(230,601)	(242,221)	(81,247)	(206,032)	(287,279)
Net amount recognized	\$ (11,620)	\$ (247,748)	\$ (259,368)	\$ (81,247)	\$ (223,066)	\$ (304,313)
Amount recognized in accumulated other comprehensive loss						
Actuarial loss	\$ 592,774	\$ 122,617	\$ 715,391	\$ 654,579	\$ 94,123	\$ 748,702
Prior service credit	(16,842)	693	(16,149)	(18,786)	—	(18,786)
Total	\$ 575,932	\$ 123,310	\$ 699,242	\$ 635,793	\$ 94,123	\$ 729,916

Information for pension plans with an accumulated benefit obligation in excess of plan assets was as follows:

(In thousands)	December 29, 2019	December 30, 2018
Projected benefit obligation	\$ 1,908,035	\$ 1,714,464
Accumulated benefit obligation	\$ 1,904,979	\$ 1,712,619
Fair value of plan assets	\$ 1,648,667	\$ 1,410,151

Assumptions

Weighted-average assumptions used in the actuarial computations to determine benefit obligations for qualified pension plans were as follows:

	December 29, 2019	December 30, 2018
Discount rate	3.30%	4.43%
Rate of increase in compensation levels	3.00%	3.00%

The rate of increase in compensation levels is applicable only for the APP that has not been frozen.

Weighted-average assumptions used in the actuarial computations to determine net periodic pension cost for qualified plans were as follows:

	December 29, 2019	December 30, 2018	December 31, 2017
Discount rate for determining projected benefit obligation	4.43%	3.75%	4.31%
Discount rate in effect for determining service cost	3.87%	3.88%	4.74%
Discount rate in effect for determining interest cost	4.06%	3.31%	3.54%
Rate of increase in compensation levels	3.00%	2.95%	2.95%
Expected long-term rate of return on assets	5.68%	5.69%	6.73%

Weighted-average assumptions used in the actuarial computations to determine benefit obligations for non-qualified plans were as follows:

	December 29, 2019	December 30, 2018
Discount rate	3.17%	4.35%
Rate of increase in compensation levels	2.50%	2.50%

The rate of increase in compensation levels is applicable only for the foreign plan that has not been frozen.

Weighted-average assumptions used in the actuarial computations to determine net periodic pension cost for non-qualified plans were as follows:

	December 29, 2019	December 30, 2018	December 31, 2017
Discount rate for determining projected benefit obligation	4.35%	3.67%	4.17%
Discount rate in effect for determining interest cost	3.94%	3.14%	3.39%
Rate of increase in compensation levels	2.50%	2.50%	2.50%

We determined our discount rate using a Ryan ALM, Inc. Curve (the “Ryan Curve”). The Ryan Curve provides the bonds included in the curve and allows adjustments for certain outliers (i.e., bonds on “watch”). We believe the Ryan Curve allows us to calculate an appropriate discount rate.

To determine our discount rate, we project a cash flow based on annual accrued benefits. The projected plan cash flow is discounted to the measurement date, which is the last day of our fiscal year, using the annual spot rates provided in the Ryan Curve.

In determining the expected long-term rate of return on assets, we evaluated input from our investment consultants, actuaries and investment management firms, including our review of asset class return expectations, as well as long-term historical asset class returns. Projected returns by such consultants and economists are based on broad equity and bond indices. Our objective is to select an average rate of earnings expected on existing plan assets and expected contributions to the plan during the year, less expense expected to be incurred by the plan during the year.

The market-related value of plan assets is multiplied by the expected long-term rate of return on assets to compute the expected return on plan assets, a component of net periodic pension cost. The market-related value of plan assets is a calculated value that recognizes changes in fair value over three years.

Plan Assets

The Pension Plan

The assets underlying the Pension Plan are managed by professional investment managers. These investment managers are selected and monitored by the pension investment committee, composed of certain senior executives, who are appointed by the Finance Committee of the Board of Directors of the Company. The Finance Committee is responsible for adopting our investment policy, which includes rules regarding the selection and retention of qualified advisors and investment managers. The pension investment committee is responsible for implementing and monitoring compliance with our investment policy, selecting and monitoring investment managers and communicating the investment guidelines and performance objectives to the investment managers.

Our contributions are made on a basis determined by the actuaries in accordance with the funding requirements and limitations of the Employee Retirement Income Security Act (“ERISA”) and the Internal Revenue Code.

Investment Policy and Strategy

The primary long-term investment objective is to allocate assets in a manner that produces a total rate of return that meets or exceeds the growth of our pension liabilities. An additional investment objective is to transition the asset mix to hedge liabilities and minimize volatility in the funded status of the Pension Plan.

Asset Allocation Guidelines

In accordance with our asset allocation strategy, investments are categorized into long duration fixed income investments whose value is highly correlated to that of the Pension Plan’s obligations (“Long Duration Assets”) or other investments, such as equities and high-yield fixed income securities, whose return over time is expected to exceed the rate of growth in the Pension Plan’s obligations (“Return-Seeking Assets”).

The proportional allocation of assets between Long Duration Assets and Return-Seeking Assets is dependent on the funded status of the Pension Plan. Under our policy, for example, a funded status at 100% requires an allocation of total assets of 71.5% to 76.5% to Long Duration Assets and 23.5% to 28.5% to Return-Seeking Assets. As the Pension

Plan's funded status increases, the allocation to Long Duration Assets will increase and the allocation to Return-Seeking Assets will decrease.

The following asset allocation guidelines apply to the Return-Seeking Assets:

Asset Category	Percentage Range	Actual
Public Equity	70% - 100%	94%
High-Yield Fixed Income	0% - 15%	0%
Alternatives	0% - 15%	6%
Cash	0% - 10%	0%

The asset allocations by asset category for both Long Duration and Return-Seeking Assets, as of December 29, 2019, were as follows:

Asset Category	Percentage Range	Actual
Long Duration Fixed Income	61.6% - 71%	63%
Public Equity	20.3% - 39%	34%
High-Yield Fixed Income	0% - 6%	0%
Alternatives	0% - 6%	2%
Cash	0% - 4%	1%

The specified target allocation of assets and ranges set forth above are maintained and reviewed on a periodic basis by the pension investment committee. The pension investment committee may direct the transfer of assets between investment managers in order to rebalance the portfolio in accordance with approved asset allocation ranges to accomplish the investment objectives for the Pension Plan's assets.

The APP

The assets underlying the joint Company and The NewsGuild of New York sponsored plan are managed by professional investment managers. These investment managers are selected and monitored by the APP's Board of Trustees (the "APP Trustees"). The APP Trustees are responsible for adopting an investment policy, implementing and monitoring compliance with that policy, selecting and monitoring investment managers, and communicating the investment guidelines and performance objectives to the investment managers.

Investment Policy and Strategy

The investment objective is to allocate investment assets in a manner that satisfies the funding objectives of the APP and to maximize the probability of maintaining a 100% funded status.

Asset Allocation Guidelines

In accordance with the asset allocation guidelines, investments are segmented into hedging assets whose value is highly correlated to that of the APP's obligations ("Hedging Assets") or other investments, such as equities and high-yield fixed income securities, whose return over time is expected to exceed the rate of growth in the APP's obligations ("Return-Seeking Assets").

The asset allocations by asset category as of December 29, 2019, were as follows

Asset Category	Percentage Range	Actual
Hedging Assets	75% - 90%	79%
Return-Seeking Assets	10% - 25%	21%
Cash and Equivalents	0% - 5%	0%

The specified target allocation of assets and ranges set forth above are maintained and reviewed on a periodic basis by the APP Trustees. The APP Trustees may direct the transfer of assets between investment managers in order to rebalance the portfolio in accordance with approved asset allocation ranges to accomplish the investment objectives for the APP's assets.

Fair Value of Plan Assets

The fair value of the assets underlying the Pension Plan and the joint-sponsored APP by asset category are as follows:

(In thousands)	December 31, 2019				Total
	Quoted Prices Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investment Measured at Net Asset Value ⁽³⁾	
Equity Securities:					
U.S. Equities	\$ 55,011	\$ —	\$ —	\$ —	\$ 55,011
International Equities	38,231	—	—	—	38,231
Mutual Funds	46,276	—	—	—	46,276
Registered Investment Companies	52,582	—	—	—	52,582
Common/Collective Funds ⁽¹⁾	—	—	—	575,738	575,738
Fixed Income Securities:					
Corporate Bonds	—	574,756	—	—	574,756
U.S. Treasury and Other Government Securities	—	182,878	—	—	182,878
Municipal and Provincial Bonds	—	42,812	—	—	42,812
Government Sponsored Enterprises ⁽²⁾	—	13,131	—	—	13,131
Other	—	11,745	—	—	11,745
Cash and Cash Equivalents	—	—	—	19,097	19,097
Private Equity	—	—	—	11,345	11,345
Hedge Fund	—	—	—	25,065	25,065
Assets at Fair Value	\$ 192,100	\$ 825,322	\$ —	\$ 631,245	\$ 1,648,667

⁽¹⁾ The underlying assets of the common/collective funds are primarily comprised of equity and fixed income securities. The fair value in the above table represents our ownership share of the NAV of the underlying funds.

⁽²⁾ Represents investments that are not backed by the full faith and credit of the U.S. government.

⁽³⁾ Certain investments that are measured at fair value using the NAV per share (or its equivalent) have not been classified in the fair value hierarchy.

Fair Value Measurement at December 31, 2018

(In thousands)	Fair Value Measurement at December 31, 2018				
Asset Category	Quoted Prices Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investment Measured at Net Asset Value ⁽³⁾	Total
Equity Securities:					
U.S. Equities	\$ 25,459	\$ —	\$ —	\$ —	\$ 25,459
International Equities	27,805	—	—	—	27,805
Mutual Funds	18,891	—	—	—	18,891
Registered Investment Companies	36,908	—	—	—	36,908
Common/Collective Funds ⁽¹⁾	—	—	—	412,815	412,815
Fixed Income Securities:					
Corporate Bonds	—	532,466	—	—	532,466
U.S. Treasury and Other Government Securities	—	155,229	—	—	155,229
Group Annuity Contract	—	—	—	64,559	64,559
Municipal and Provincial Bonds	—	42,170	—	—	42,170
Government Sponsored Enterprises ⁽²⁾	—	14,278	—	—	14,278
Other	—	13,754	—	—	13,754
Cash and Cash Equivalents	—	—	—	19,667	19,667
Private Equity	—	—	—	12,752	12,752
Hedge Fund	—	—	—	33,398	33,398
Assets at Fair Value	\$ 109,063	\$ 757,897	\$ —	\$ 543,191	\$ 1,410,151

⁽¹⁾ The underlying assets of the common/collective funds are primarily comprised of equity and fixed income securities. The fair value in the above table represents our ownership share of the NAV of the underlying funds.

⁽²⁾ Represents investments that are not backed by the full faith and credit of the U.S. government.

⁽³⁾ Certain investments that are measured at fair value using the NAV per share (or its equivalent) have not been classified in the fair value hierarchy.

Level 1 and Level 2 Investments

Where quoted prices are available in an active market for identical assets, such as equity securities traded on an exchange, transactions for the asset occur with such frequency that the pricing information is available on an ongoing/daily basis. We classify these types of investments as Level 1 where the fair value represents the closing/last trade price for these particular securities.

For our investments where pricing data may not be readily available, fair values are estimated by using quoted prices for similar assets, in both active and not active markets, and observable inputs, other than quoted prices, such as interest rates and credit risk. We classify these types of investments as Level 2 because we are able to reasonably estimate the fair value through inputs that are observable, either directly or indirectly. There are no restrictions on our ability to sell any of our Level 1 and Level 2 investments.

Cash Flows

In 2019, we made contributions to the APP of \$9.5 million. We expect contributions made to satisfy minimum funding requirements to total approximately \$9 million in 2020.

The following benefit payments, which reflect future service for plans that have not been frozen, are expected to be paid:

(In thousands)	Plans		
	Qualified	Non-Qualified	Total
2020	\$ 88,092	\$ 17,391	\$ 105,483
2021	89,431	17,105	106,536
2022	91,324	17,005	108,329
2023	92,832	16,700	109,532
2024	94,098	16,411	110,509
2025-2029 ⁽¹⁾	482,654	79,054	561,708

⁽¹⁾ While benefit payments under these plans are expected to continue beyond 2029 we have presented in this table only those benefit payments estimated over the next 10 years.

Multiemployer Plans

We contribute to a number of multiemployer defined benefit pension plans under the terms of various collective bargaining agreements that cover our union-represented employees. In recent years, certain events, such as amendments to various collective bargaining agreements and the sale of the New England Media Group, resulted in withdrawals from multiemployer pension plans. These actions, along with a reduction in covered employees, have resulted in us estimating withdrawal liabilities to the respective plans for our proportionate share of any unfunded vested benefits. During the third quarters of 2019 and 2018, we recorded a gain of \$2.0 million and \$4.9 million, respectively, from multiemployer pension liability adjustment which were recorded in *Gain from pension liability adjustment* in our Consolidated Statements of Operations.

Our multiemployer pension plan withdrawal liability was approximately \$82 million as of December 29, 2019 and approximately \$97 million as of December 30, 2018. This liability represents the present value of the obligations related to complete and partial withdrawals that have already occurred as well as an estimate of future partial withdrawals that we considered probable and reasonably estimable. For those plans that have yet to provide us with a demand letter, the actual liability will not be fully known until they complete a final assessment of the withdrawal liability and issue a demand to us. Therefore, the estimate of our multiemployer pension plan liability will be adjusted as more information becomes available that allows us to refine our estimates.

The risks of participating in multiemployer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If we elect to withdraw from these plans or if we trigger a partial withdrawal due to declines in contribution base units or a partial cessation of our obligation to contribute, we may be assessed a withdrawal liability based on a calculated share of the underfunded status of the plan.
- If a multiemployer plan from which we have withdrawn subsequently experiences a mass withdrawal, we may be required to make additional contributions under applicable law.

Our participation in significant plans for the fiscal period ended December 29, 2019, is outlined in the table below. The “EIN/Pension Plan Number” column provides the Employer Identification Number (“EIN”) and the three-digit plan number. The zone status is based on the latest information that we received from the plan and is certified by the plan’s actuary. A plan is generally classified in critical status if a funding deficiency is projected within four years or five years, depending on other criteria. A plan in critical status is classified in critical and declining status if it is projected to become insolvent in the next 15 or 20 years, depending on other criteria. A plan is classified

in endangered status if its funded percentage is less than 80% or a funding deficiency is projected within seven years. If the plan satisfies both of these triggers, it is classified in seriously endangered status. A plan not classified in any other status is classified in the green zone. The “FIP/RP Status Pending/Implemented” column indicates plans for which a funding improvement plan (“FIP”) or a rehabilitation plan (“RP”) is either pending or has been implemented. The “Surcharge Imposed” column includes plans in a red zone status that are required to pay a surcharge in excess of regular contributions. The last column lists the expiration date(s) of the collective bargaining agreement(s) to which the plans are subject.

Pension Fund	EIN/Pension Plan Number	Pension Protection Act Zone Status		FIP/RP Status Pending/Implemented	(In thousands) Contributions of the Company			Surcharge Imposed	Collective Bargaining Agreement Expiration Date
		2019	2018		2019	2018	2017		
CWA/ITU Negotiated Pension Plan	13-6212879-001	Critical and Declining as of 1/01/19	Critical and Declining as of 1/01/18	Implemented	\$ 415	\$ 408	\$ 425	No	(1)
Newspaper and Mail Deliverers'-Publishers' Pension Fund(2)	13-6122251-001	Green as of 6/01/19	Green as of 6/01/18	N/A	1,014	992	995	No	3/30/2020
GCIU-Employer Retirement Benefit Plan	91-6024903-001	Critical and Declining as of 1/01/19	Critical and Declining as of 1/01/18	Implemented	58	42	39	Yes	3/30/2021(3)
Pressmen's Publishers' Pension Fund(4)	13-6121627-001	Green as of 4/01/19	Green as of 4/01/18	N/A	1,213	1,129	963	No	3/30/2021
Paper Handlers'-Publishers' Pension Fund(5)	13-6104795-001	Critical and Declining as of 4/01/19	Critical and Declining as of 4/01/18	Implemented	100	99	88	Yes	3/30/2021
Contributions for individually significant plans					\$ 2,800	\$ 2,670	\$ 2,510		
Total Contributions					\$ 2,800	\$ 2,670	\$ 2,510		

(1) There are two collective bargaining agreements requiring contributions to this plan: Mailers, which expires March 30, 2023, and Typographers, which expires March 30, 2020.

(2) Elections under the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010: Extended Amortization of Net Investment Losses (IRS Section 431(b)(8)(A)) and the Expanded Smoothing Period (IRS Section 431(b)(8)(B)).

(3) We previously had two collective bargaining agreements requiring contributions to this plan. As of December 30, 2018, only one collective bargaining agreement remained for the Stereotypers. The method for calculating actuarial value of assets was changed retroactive to January 1, 2009, as elected by the Board of Trustees and as permitted by IRS Notice 2010-83. This election includes smoothing 2008 investment losses over ten years.

(4) The Plan sponsor elected two provisions of funding relief under the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (PRA 2010) to more slowly absorb the 2008 plan year investment loss, retroactively effective as of April 1, 2009. These included extended amortization under the prospective method and 10-year smoothing of the asset loss for the plan year beginning April 1, 2008.

(5) Board of Trustees elected funding relief. This election includes smoothing the March 31, 2009 investment losses over 10 years.

The rehabilitation plan for the GCIU-Employer Retirement Benefit Plan includes minimum annual contributions no less than the total annual contribution made by us from September 1, 2008 through August 31, 2009.

The Company was listed in the plans' respective Forms 5500 as providing more than 5% of the total contributions for the following plans and plan years:

Pension Fund	Year Contributions to Plan Exceeded More Than 5 Percent of Total Contributions (as of Plan's Year-End)
CWA/ITU Negotiated Pension Plan	12/31/2017
Newspaper and Mail Deliverers'-Publishers' Pension Fund	5/31/2018 & 5/31/2017 ⁽¹⁾
Pressmen's Publisher's Pension Fund	3/31/2019 & 3/31/2018
Paper Handlers'-Publishers' Pension Fund	3/31/2019 & 3/31/2018

⁽¹⁾ Form 5500 for the plan year ended 5/31/19 was not available as of the date we filed our financial statements.

11. Other Postretirement Benefits

We provide health benefits to retired employees (and their eligible dependents) who meet the definition of an eligible participant and certain age and service requirements, as outlined in the plan document. While we offer pre-age 65 retiree medical coverage to employees who meet certain retiree medical eligibility requirements, we do not provide post-age 65 retiree medical benefits for employees who retired on or after March 1, 2009. We accrue the costs of postretirement benefits during the employees' active years of service and our policy is to pay our portion of insurance premiums and claims from general corporate assets.

Net Periodic Other Postretirement Benefit Cost/(Income)

The components of net periodic postretirement benefit cost/(income) were as follows:

(In thousands)	December 29, 2019	December 30, 2018	December 31, 2017
Service cost	\$ 27	\$ 21	\$ 367
Interest cost	1,602	1,476	1,881
Amortization and other costs	3,375	4,735	3,621
Amortization of prior service credit	(4,766)	(6,157)	(7,755)
Effect of settlement/curtailment ⁽¹⁾	—	—	(32,737)
Net periodic postretirement benefit cost/(income)	\$ 238	\$ 75	\$ (34,623)

⁽¹⁾ In the fourth quarter of 2017, the Company recorded a gain in connection with the settlement of a funding obligation related to a postretirement plan.

As a result of the adoption of ASU 2017-07 during the first quarter of 2018, the service cost component of net periodic postretirement benefit cost/(income) continues to be recognized in *Total operating costs* while the other components have been reclassified to *Other components of net periodic benefit costs* in our Consolidated Statements of Operations below *Operating profit* on a retrospective basis.

The changes in the benefit obligations recognized in other comprehensive loss/(income) were as follows:

(In thousands)	December 29, 2019	December 30, 2018	December 31, 2017
Net actuarial loss/(gain)	\$ 296	\$ (4,905)	\$ (6,625)
Amortization of loss	(3,375)	(4,735)	(3,621)
Amortization of prior service credit	4,766	6,157	7,755
Effect of curtailment	—	—	6,502
Effect of settlement	—	—	26,235
Total recognized in other comprehensive loss/(income)	1,687	(3,483)	30,246
Net periodic postretirement benefit cost/(income)	238	75	(34,623)
Total recognized in net periodic postretirement benefit cost/(income) and other comprehensive loss/(income)	\$ 1,925	\$ (3,408)	\$ (4,377)

Actuarial gains and losses are amortized using a corridor approach. The gain or loss corridor is equal to 10% of the accumulated postretirement benefit obligation. Gains and losses in excess of the corridor are generally amortized over the average remaining service period to expected retirement of active participants.

The estimated actuarial loss and prior service credit that will be amortized from accumulated other comprehensive loss into net periodic benefit cost over the next fiscal year is approximately \$3 million and \$4 million, respectively.

In connection with collective bargaining agreements, we contribute to several multiemployer welfare plans. These plans provide medical benefits to active and retired employees covered under the respective collective bargaining agreement. Contributions are made in accordance with the formula in the relevant agreement. Postretirement costs related to these plans are not reflected above and were approximately \$15 million in 2019, \$16 million in 2018 and \$15 million in 2017.

The changes in the benefit obligation and plan assets and other amounts recognized in other comprehensive loss were as follows:

(In thousands)	December 29, 2019	December 30, 2018
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 46,037	\$ 54,642
Service cost	27	21
Interest cost	1,602	1,476
Plan participants' contributions	3,835	3,974
Actuarial loss/(gain)	296	(4,905)
Benefits paid	(8,994)	(9,171)
Benefit obligation at the end of year	42,803	46,037
Change in plan assets		
Employer contributions	5,159	5,197
Plan participants' contributions	3,835	3,974
Benefits paid	(8,994)	(9,171)
Fair value of plan assets at end of year	—	—
Net amount recognized	\$ (42,803)	\$ (46,037)
Amount recognized in the Consolidated Balance Sheets		
Current liabilities	\$ (5,115)	\$ (5,645)
Noncurrent liabilities	(37,688)	(40,392)
Net amount recognized	\$ (42,803)	\$ (46,037)
Amount recognized in accumulated other comprehensive loss		
Actuarial loss	\$ 25,793	\$ 28,871
Prior service credit	(7,691)	(12,456)
Total	\$ 18,102	\$ 16,415

Weighted-average assumptions used in the actuarial computations to determine the postretirement benefit obligations were as follows:

	December 29, 2019	December 30, 2018
Discount rate	2.94%	4.18%
Estimated increase in compensation level	3.50%	3.50%

Weighted-average assumptions used in the actuarial computations to determine net periodic postretirement cost were as follows:

	December 29, 2019	December 30, 2018	December 31, 2017
Discount rate for determining projected benefit obligation	4.18%	3.46%	3.93%
Discount rate in effect for determining service cost	4.19%	3.56%	4.08%
Discount rate in effect for determining interest cost	3.71%	3.01%	3.21%
Estimated increase in compensation level	3.50%	3.50%	3.50%

The assumed health-care cost trend rates were as follows:

	December 29, 2019	December 30, 2018
Health-care cost trend rate	6.57%	6.90%
Rate to which the cost trend rate is assumed to decline (ultimate trend rate)	5.00%	5.00%
Year that the rate reaches the ultimate trend rate	2025	2025

Because our health-care plans are capped for most participants, the assumed health-care cost trend rates do not have a significant effect on the amounts reported for the health-care plans. A one-percentage point change in assumed health-care cost trend rates would have the following effects:

(In thousands)	One-Percentage Point	
	Increase	Decrease
Effect on total service and interest cost for 2019	\$ 23	\$ (21)
Effect on accumulated postretirement benefit obligation as of December 29, 2019	\$ 968	\$ (861)

The following benefit payments (net of plan participant contributions) under our Company's postretirement plans, which reflect expected future services, are expected to be paid:

(In thousands)	Amount
2020	\$ 5,226
2021	4,784
2022	4,359
2023	4,001
2024	3,678
2025-2029 ⁽¹⁾	14,342

⁽¹⁾ While benefit payments under these plans are expected to continue beyond 2029, we have presented in this table only those benefit payments estimated over the next 10 years.

We accrue the cost of certain benefits provided to former or inactive employees after employment, but before retirement. The cost is recognized only when it is probable and can be estimated. Benefits include life insurance, disability benefits and health-care continuation coverage. The accrued obligation for these benefits was \$9.5 million as of December 29, 2019, and \$9.7 million as of December 30, 2018.

12. Other Liabilities

The components of the *Other Liabilities — Other* balance in our Consolidated Balance Sheets were as follows:

(In thousands)	December 29, 2019	December 30, 2018
Deferred compensation	\$ 23,702	\$ 23,211
Noncurrent operating lease liabilities	55,136	—
Other liabilities	47,399	54,636
Total	\$ 126,237	\$ 77,847

Deferred compensation consists primarily of deferrals under our DEC. Refer to Note 9 for detail.

We invest deferred compensation in life insurance products designed to closely mirror the performance of the investment funds that the participants select. Our investments in life insurance products are included in *Miscellaneous assets* in our Consolidated Balance Sheets, and were \$46.0 million as of December 29, 2019, and \$38.1 million as of December 30, 2018.

Refer to Note 19 for detail related to noncurrent operating lease liabilities.

Other liabilities in the preceding table primarily included our post employment liabilities, our contingent tax liability for uncertain tax positions and self-insurance liabilities as of December 29, 2019, and December 30, 2018.

13. Income Taxes

Reconciliations between the effective tax rate on income from continuing operations before income taxes and the federal statutory rate are presented below.

(In thousands)	December 29, 2019		December 30, 2018		December 31, 2017	
	Amount	% of Pre-tax	Amount	% of Pre-tax	Amount	% of Pre-tax
Tax at federal statutory rate	\$ 34,537	21.0	\$ 36,979	21.0	\$ 38,928	35.0
State and local taxes, net	5,303	3.2	12,335	7.0	4,800	4.3
Effect of enacted changes in tax laws	—	—	(1,872)	(1.0)	68,747	61.8
(Decrease)/increase in uncertain tax positions	(2,427)	(1.5)	2,288	1.3	(2,277)	(2.0)
(Gain)/loss on company-owned life insurance	(1,662)	(1.0)	449	0.2	(1,916)	(1.7)
Nondeductible expense	1,938	1.2	1,808	1.0	912	0.8
Nondeductible executive compensation	(355)	(0.2)	2,135	1.2	1,360	1.2
Stock-based awards benefit	(6,184)	(3.8)	(1,795)	(1.0)	(517)	(0.4)
Deduction for foreign-derived intangible income	(2,625)	(1.6)	—	—	—	—
Research and experimentation credit	(5,672)	(3.4)	—	—	—	—
Other, net	1,641	1.0	(3,696)	(2.1)	(6,081)	(5.5)
Income tax expense	\$ 24,494	14.9	\$ 48,631	27.6	\$ 103,956	93.5

The components of income tax expense as shown in our Consolidated Statements of Operations were as follows:

(In thousands)	December 29, 2019	December 30, 2018	December 31, 2017
Current tax expense/(benefit)			
Federal	\$ 16,283	\$ 31,719	\$ (252)
Foreign	823	705	458
State and local	3,146	10,172	350
Total current tax expense	20,252	42,596	556
Deferred tax expense/(benefit)			
Federal	5,588	913	105,905
State and local	(1,346)	5,122	(2,505)
Total deferred tax expense	4,242	6,035	103,400
Income tax expense	\$ 24,494	\$ 48,631	\$ 103,956

State tax operating loss carryforwards totaled \$1.6 million as of December 29, 2019 and \$2 million as of December 30, 2018. Such loss carryforwards expire in accordance with provisions of applicable tax laws and have remaining lives up to 18 years.

On December 22, 2017, the Tax Act was signed into law making significant changes to the Internal Revenue Code. Changes included, but were not limited to, a federal corporate tax rate decrease from 35% to 21% for tax years beginning after December 31, 2017, a one-time transition tax on the mandatory deemed repatriation of foreign earnings and numerous domestic and international-related provisions effective in 2018.

On December 22, 2017, SAB 118 was issued to address the application of GAAP in situations when a registrant does not have the necessary information available, prepared, or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the Tax Act. In accordance with SAB 118, we determined that the \$68.7 million of additional income tax expense recorded in the fourth quarter of 2017 in connection with the remeasurement of certain deferred tax assets and liabilities, the one-time transition tax on the mandatory deemed repatriation of foreign earnings, and deferred tax assets related to executive compensation deductions was a provisional amount and a reasonable estimate at December 31, 2017. Provisional estimates were also made with regard to the Company's deductions under the Tax Act's new expensing provisions and state and local income taxes related to foreign earnings subject to the one-time transition tax. The ultimate impact of the Tax Act was expected to differ from the provisional amount recognized due to, among other things, changes in estimates resulting from the receipt or calculation of final data, changes in interpretations of the Tax Act, and additional regulatory guidance that would be issued. In the fourth quarter of 2018, in accordance with SAB 118, we completed the accounting for the impact of the Tax Act and recognized a \$1.9 million tax benefit related to 2017, primarily attributable to the remeasurement of certain deferred tax assets and liabilities and the repatriation of foreign earnings.

The components of the net deferred tax assets and liabilities recognized in our Consolidated Balance Sheets were as follows:

(In thousands)	December 29, 2019	December 30, 2018
Deferred tax assets		
Retirement, postemployment and deferred compensation plans	\$ 113,306	\$ 128,926
Accruals for other employee benefits, compensation, insurance and other	25,543	22,722
Net operating losses	1,289	1,598
Operating lease liabilities	16,746	—
Other	27,042	23,400
Gross deferred tax assets	\$ 183,926	\$ 176,646
Deferred tax liabilities		
Property, plant and equipment	\$ 39,494	\$ 38,268
Intangible assets	7,596	7,225
Operating lease right-of-use assets	14,309	—
Other	7,298	2,722
Gross deferred tax liabilities	\$ 68,697	\$ 48,215
Net deferred tax asset	\$ 115,229	\$ 128,431

We assess whether a valuation allowance should be established against deferred tax assets based on the consideration of both positive and negative evidence using a “more likely than not” standard. In making such judgments, significant weight is given to evidence that can be objectively verified. We evaluated our deferred tax assets for recoverability using a consistent approach that considers our three years historical cumulative income/ (loss), including an assessment of the degree to which any such losses were due to items that are unusual in nature (i.e., impairments of nondeductible goodwill and intangible assets).

We had an income tax receivable of \$12.6 million as of December 29, 2019, compared with an income tax receivable of \$3.7 million as of December 30, 2018.

Income tax benefits related to the exercise or vesting of equity awards reduced current taxes payable by \$11.9 million, \$4.8 million and \$13.7 million in 2019, 2018 and 2017, respectively.

As of December 29, 2019 and December 30, 2018, *Accumulated other comprehensive loss, net of income taxes* in our Consolidated Balance Sheets and for the years then ended in our Consolidated Statements of Changes in Stockholders’ Equity was net of deferred tax assets of approximately \$188 million and \$194 million, respectively.

A reconciliation of unrecognized tax benefits is as follows:

(In thousands)	December 29, 2019	December 30, 2018	December 31, 2017
Balance at beginning of year	\$ 11,629	\$ 17,086	\$ 10,028
Gross additions to tax positions taken during the current year	1,184	680	9,009
Gross additions to tax positions taken during the prior year	711	3,019	103
Gross reductions to tax positions taken during the prior year	(76)	(8,607)	(372)
Reductions from settlements with taxing authorities	(2,637)	—	—
Reductions from lapse of applicable statutes of limitations	(502)	(549)	(1,682)
Balance at end of year	\$ 10,309	\$ 11,629	\$ 17,086

The total amount of unrecognized tax benefits that would, if recognized, affect the effective income tax rate was approximately \$9 million and \$10 million as of December 29, 2019, and December 30, 2018, respectively.

In 2019 and 2018, we recorded \$3.8 million and \$0.5 million income tax benefit, respectively, due to a reduction in the Company's reserve for uncertain tax positions.

We also recognize accrued interest expense and penalties related to the unrecognized tax benefits within income tax expense or benefit. The total amount of accrued interest and penalties was approximately \$2 million and \$3 million as of December 29, 2019, and December 30, 2018, respectively. The total amount of accrued interest and penalties was a net charge of \$0.6 million in 2019, a net benefit of \$0.7 million in 2018 and a net benefit of \$0.1 million in 2017.

With few exceptions, we are no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years prior to 2012. Management believes that our accrual for tax liabilities is adequate for all open audit years. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events.

It is reasonably possible that certain income tax examinations may be concluded, or statutes of limitation may lapse, during the next 12 months, which could result in a decrease in unrecognized tax benefits of \$3.6 million that would, if recognized, impact the effective tax rate.

14. Discontinued Operations

New England Media Group

In the fourth quarter of 2013, we completed the sale of substantially all of the assets and operating liabilities of the New England Media Group — consisting of The Boston Globe, BostonGlobe.com, Boston.com, the Worcester Telegram & Gazette (the "T&G"), Telegram.com and related properties — and our 49% equity interest in Metro Boston LLC, for approximately \$70.0 million in cash, subject to customary adjustments. The net after-tax proceeds from the sale, including a tax benefit, were approximately \$74.0 million. In the fourth quarter of 2016, the Company reached a settlement with respect to litigation involving NEMG T&G, Inc., a subsidiary of the Company that was a part of New England Media Group. As a result of the settlement, the Company recorded charges of \$0.7 million (\$0.4 million after tax) for the fiscal year ended December 31, 2017. The results of operations of the New England Media Group have been classified as discontinued operations for all periods presented.

15. Earnings/(Loss) Per Share

We compute earnings/(loss) per share using a two-class method, an earnings allocation method used when a company's capital structure includes either two or more classes of common stock or common stock and participating securities. This method determines earnings/(loss) per share based on dividends declared on common stock and participating securities (i.e., distributed earnings), as well as participation rights of participating securities in any undistributed earnings.

Earnings/(loss) per share is computed using both basic shares and diluted shares. The difference between basic and diluted shares is that diluted shares include the dilutive effect of the assumed exercise of outstanding securities. Our stock options, stock-settled long-term performance awards and restricted stock units could have the most

significant impact on diluted shares. The difference between basic and diluted shares of approximately 1.5 million, 2.1 million and 2.3 million as of December 29, 2019, December 30, 2018 and December 31, 2017, respectively, resulted primarily from the dilutive effect of certain stock options and performance awards.

Securities that could potentially be dilutive are excluded from the computation of diluted earnings per share when a loss from continuing operations exists or when the exercise price exceeds the market value of our Class A Common Stock, because their inclusion would result in an anti-dilutive effect on per share amounts.

There were no anti-dilutive stock options excluded from the computation of diluted earnings per share in 2019 and 2018. The number of stock options excluded from the computation of diluted earnings per share because they were anti-dilutive was approximately 2 million in 2017.

There were no anti-dilutive stock-settled long-term performance awards and restricted stock units excluded from the computation of diluted earnings per share for the year ended 2019, 2018 and 2017.

16. Stock-Based Awards

As of December 29, 2019, the Company was authorized to grant stock-based compensation under its 2010 Incentive Compensation Plan (the "2010 Incentive Plan"), which became effective April 27, 2010, and was amended and restated effective April 30, 2014. The 2010 Incentive Plan replaced the 1991 Executive Stock Incentive Plan (the "1991 Incentive Plan"). In addition, through April 30, 2014, the Company maintained its 2004 Non-Employee Directors' Stock Incentive Plan (the "2004 Directors' Plan").

The Company's long-term incentive compensation program provides executives the opportunity to earn cash and shares of Class A Common Stock at the end of three-year performance cycles based in part on the achievement of financial goals tied to a financial metric and in part on stock price performance relative to companies in the Standard & Poor's 500 Stock Index, with the majority of the target award to be settled in the Company's Class A Common Stock. In addition, the Company grants time-vested restricted stock units annually to a number of employees. These are settled in shares of Class A Common Stock.

We have outstanding stock-settled long-term performance awards, restricted stock units and stock options (together, "Stock-Based Awards"). We recognize stock-based compensation expense for outstanding stock-settled long-term performance awards, restricted stock units and stock appreciation rights. Stock-based compensation expense was \$12.9 million in 2019, \$13.0 million in 2018 and \$14.8 million in 2017.

Stock-based compensation expense is recognized over the period from the date of grant to the date when the award is no longer contingent on the employee providing additional service. Awards under the 1991 Incentive Plan and 2010 Incentive Plan generally vest over a stated vesting period or, with respect to awards granted prior to December 28, 2014, upon the retirement of an employee or director, as the case may be.

Each non-employee director of the Company receives an annual grant of restricted stock units under the 2010 Incentive Plan. Restricted stock units are awarded on the date of the annual meeting of stockholders and vest on the date of the subsequent year's annual meeting, with the shares to be delivered upon a director's cessation of membership on the Board of Directors. Each non-employee director is credited with additional restricted stock units with a value equal to the amount of all dividends paid on the Company's Class A Common Stock. The Company's directors are considered employees for purposes of stock-based compensation.

Stock Options

The 1991 Incentive Plan provided, and the 2010 Incentive Plan provides, for grants of both incentive and non-qualified stock options at an exercise price equal to the fair market value (as defined in each plan, respectively) of our Class A Common Stock on the date of grant. Stock options were generally granted with a 3-year vesting period and a 10-year term and vest in equal annual installments. Due to a change in the Company's long-term incentive compensation, no grants of stock options have been made since 2012.

The 2004 Directors' Plan provided for grants of stock options to non-employee directors at an exercise price equal to the fair market value (as defined in the 2004 Directors' Plan) of our Class A Common Stock on the date of grant. Prior to 2012, stock options were granted with a 1-year vesting period and a 10-year term. No grants of stock options have been made since 2012. The Company's directors are considered employees for purposes of stock-based compensation.

Changes in our Company's stock options in 2019 were as follows:

(Shares in thousands)	December 29, 2019			
	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value \$(000s)
Options outstanding at beginning of year	1,388	\$ 9	2	\$ 18,052
Exercised	(419)	11		
Forfeited/Expired	—	—		
Options outstanding at end of period ⁽¹⁾	969	\$ 9	2	\$ 22,534
Options exercisable at end of period	969	\$ 9	2	\$ 22,534

⁽¹⁾ All outstanding options are vested as of December 29, 2019.

The total intrinsic value for stock options exercised was \$8.6 million in 2019, \$12.3 million in 2018 and \$7.0 million in 2017.

Restricted Stock Units

The 2010 Incentive Plan provides for grants of other stock-based awards, including restricted stock units.

Outstanding stock-settled restricted stock units have been granted with a stated vesting period up to 5 years. Each restricted stock unit represents our obligation to deliver to the holder one share of Class A Common Stock upon vesting. The fair value of stock-settled restricted stock units is the average market price on the grant date. Changes in our Company's stock-settled restricted stock units in 2019 were as follows:

(Shares in thousands)	December 29, 2019	
	Restricted Stock Units	Weighted Average Grant-Date Fair Value
Unvested stock-settled restricted stock units at beginning of period	623	\$ 20
Granted	298	32
Vested	(341)	18
Forfeited	(33)	26
Unvested stock-settled restricted stock units at end of period	547	\$ 27
Unvested stock-settled restricted stock units expected to vest at end of period	514	\$ 27

The intrinsic value of stock-settled restricted stock units vested was \$11.0 million in 2019, \$12.4 million in 2018 and \$7.9 million in 2017.

Long-Term Incentive Compensation

The 2010 Incentive Plan provides for grants of cash and stock-settled awards to key executives payable at the end of a multi-year performance period.

Cash-settled awards have been granted with three-year performance periods and are based on the achievement of specified financial performance measures. Cash-settled awards have been classified as a liability in our Consolidated Balance Sheets. There were payments of approximately \$2 million in 2019, \$3 million in 2018 and \$3 million in 2017.

Stock-settled awards have been granted with three-year performance periods and are based on relative Total Shareholder Return ("TSR"), which is calculated at stock appreciation plus deemed reinvested dividends, and another performance measure. Stock-settled awards are payable in Class A Common Stock and are classified within equity.

The fair value of TSR awards is determined at the date of grant using a Monte Carlo simulation model. The fair value of awards under the other performance measure is determined by the average market price on the grant date.

Unrecognized Compensation Expense

As of December 29, 2019, unrecognized compensation expense related to the unvested portion of our Stock-Based Awards was approximately \$16 million and is expected to be recognized over a weighted-average period of 1.40 years.

Reserved Shares

We generally issue shares for the exercise of stock options and vesting of stock-settled restricted stock units from unissued reserved shares.

Shares of Class A Common Stock reserved for issuance were as follows:

(Shares in thousands)	December 29, 2019	December 30, 2018
Stock options, stock-settled restricted stock units and stock-settled performance awards		
Stock options and stock-settled restricted stock units	1,648	2,165
Stock-settled performance awards ⁽¹⁾	1,371	2,009
Outstanding	3,019	4,174
Available	7,475	7,404
Employee Stock Purchase Plan⁽²⁾⁽⁴⁾		
Available	—	6,410
401(k) Company stock match⁽³⁾⁽⁴⁾		
Available	—	3,045
Total Outstanding	3,019	4,174
Total Available	7,475	16,859

⁽¹⁾ The number of shares actually earned at the end of the multi-year performance period will vary, based on actual performance, from 0% to 200% of the target number of performance awards granted. The maximum number of shares that could be issued is included in the table above.

⁽²⁾ We have not had an offering under the Employee Stock Purchase Plan since 2010.

⁽³⁾ Effective 2014, we no longer offer a Company stock match under the Company's 401(k) plan.

⁽⁴⁾ As of December 29, 2019, these shares were no longer reserved.

17. Stockholders' Equity

Shares of our Company's Class A and Class B Common Stock are entitled to equal participation in the event of liquidation and in dividend declarations. The Class B Common Stock is convertible at the holders' option on a share-for-share basis into Class A Common Stock. Upon conversion, the previously outstanding shares of Class B Common Stock that were converted are automatically and immediately retired, resulting in a reduction of authorized Class B Common Stock. As provided for in our Company's Certificate of Incorporation, the Class A Common Stock has limited voting rights, including the right to elect 30% of the Board of Directors, and the Class A and Class B Common Stock have the right to vote together on the reservation of our Company shares for stock options and other stock-based plans, on the ratification of the selection of a registered public accounting firm and, in certain circumstances, on acquisitions of the stock or assets of other companies. Otherwise, except as provided by the laws of the State of New York, all voting power is vested solely and exclusively in the holders of the Class B Common Stock.

There were 803,404 shares as of December 29, 2019, and 803,408 as of December 30, 2018, of Class B Common Stock issued and outstanding that may be converted into shares of Class A Common Stock.

The Adolph Ochs family trust holds approximately 90% of the Class B Common Stock and, as a result, has the ability to elect 70% of the Board of Directors and to direct the outcome of any matter that does not require a vote of the Class A Common Stock.

In early 2015, the Board of Directors authorized up to \$101.1 million of repurchases of shares of the Company's Class A common stock. As of December 29, 2019, repurchases under this authorization totaled \$84.9 million (excluding commissions) and \$16.2 million remained. Our Board of Directors has authorized us to purchase shares from time to time, subject to market conditions and other factors. There is no expiration date with respect to this authorization.

We may issue preferred stock in one or more series. The Board of Directors is authorized to set the distinguishing characteristics of each series of preferred stock prior to issuance, including the granting of limited or full voting rights; however, the consideration received must be at least \$100 per share. No shares of preferred stock were issued or outstanding as of December 29, 2019.

The following table summarizes the changes in AOCI by component as of December 29, 2019:

(In thousands)	Foreign Currency Translation Adjustments	Funded Status of Benefit Plans	Net unrealized gain on Available- for-sale Securities	Total Accumulated Other Comprehensive Loss
Balance as of December 30, 2018	\$ 4,677	\$ (520,308)	\$ (2,093)	\$ (517,724)
Other comprehensive (loss)/income before reclassifications, before tax	(1,684)	9,290	3,624	11,230
Amounts reclassified from accumulated other comprehensive loss, before tax	—	19,697	—	19,697
Income tax (benefit)/expense	(445)	7,665	959	8,179
Net current-period other comprehensive (loss)/income, net of tax	(1,239)	21,322	2,665	22,748
Balance as of December 29, 2019	\$ 3,438	\$ (498,986)	\$ 572	\$ (494,976)

The following table summarizes the reclassifications from AOCI for the period ended December 29, 2019:

(In thousands) Detail about accumulated other comprehensive loss components	Amounts reclassified from accumulated other comprehensive loss	Affected line item in the statement where net income is presented
Funded status of benefit plans:		
Amortization of prior service credit ⁽¹⁾	\$ (6,698)	Other components of net periodic benefit costs
Amortization of actuarial loss ⁽¹⁾	26,395	Other components of net periodic benefit costs
Total reclassification, before tax	19,697	
Income tax expense	5,208	Income tax expense
Total reclassification, net of tax	\$ 14,489	

⁽¹⁾ These accumulated other comprehensive income components are included in the computation of net periodic benefit cost for pension and other retirement benefits. See Notes 10 and 11 for additional information.

18. Segment Information

The Company identifies a business as an operating segment if: (i) it engages in business activities from which it may earn revenues and incur expenses; (ii) its operating results are regularly reviewed by the Chief Operating Decision Maker (who is the Company's President and Chief Executive Officer) to make decisions about resources to be allocated to the segment and assess its performance; and (iii) it has available discrete financial information. The Company has determined that it has one reportable segment. Therefore, all required segment information can be found in the Consolidated Financial Statements.

19. Leases

Lessee activities

Operating leases

We have operating leases for office space and equipment. After the adoption of ASU 2016-02 in 2019, for all leases, a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, are recognized in the Consolidated Balance Sheet as of December 29, 2019, as described below.

The table below presents the lease-related assets and liabilities recorded on the balance sheet:

(In thousands)	Classification in the Consolidated Balance Sheet	December 29, 2019
Operating lease right-of-use assets	Miscellaneous assets	\$ 53,549
Current operating lease liabilities	Accrued expenses and other	\$ 7,853
Noncurrent operating lease liabilities	Other	55,136
Total operating lease liabilities		\$ 62,989

The total lease cost for operating leases included in *Selling, general and administrative costs* in our Consolidated Statement of Operations was as follows:

(In thousands)	For the Twelve Months Ended December 29, 2019
Operating lease cost	\$ 9,980
Short term and variable lease cost	1,814
Total lease cost	\$ 11,794

Prior to the adoption of ASU 2016-02, rental expense was approximately \$14 million in 2018 and \$19 million in 2017.

The table below presents additional information regarding operating leases:

(In thousands, except lease term and discount rate)	December 29, 2019	
Cash paid for amounts included in the measurement of operating lease liabilities	\$	9,101
Right-of-use assets obtained in exchange for operating lease liabilities	\$	61,270
Weighted-average remaining lease term		9.7 years
Weighted-average discount rate		4.64%

Maturities of lease liabilities on an annual basis for the Company's operating leases as of December 29, 2019, were as follows:

(In thousands)	Amount	
2020	\$	10,092
2021		9,146
2022		8,689
2023		8,079
2024		7,042
Later Years		35,113
Total lease payments	\$	78,161
Less: Interest		(15,172)
Present value of lease liabilities	\$	62,989

Finance lease

We had a finance lease in connection with the land at our College Point, N.Y., printing and distribution facility. Interest on the lease liability was recorded in *Interest expense and other, net* in our Consolidated Statement of Operations. Repayments of the principal portion of our lease liability are recorded within financing activities section and payments of interest on our lease liability are recorded within operating activities section in the Consolidated Statement of Cash Flows for our finance lease. On August 1, 2019, using existing cash, we purchased the assets under the finance lease for \$6.9 million, which resulted in the settlement of our finance lease obligation. See Note 7 for more information.

Lessors activities

Our leases to third parties predominantly relate to office space in the Company Headquarters.

As of December 29, 2019, the cost and accumulated depreciation related to the Company Headquarters included in *Property, plant and equipment* in our Consolidated Balance Sheet was approximately \$510 million and \$204 million, respectively. Office space leased to third parties represents approximately 39% of rentable square feet of the Company Headquarters.

We generate building rental revenue from the floors in the Company Headquarters that we lease to third parties. The building rental revenue was as follows:

(In thousands)	For the Twelve Months Ended	
	December 29, 2019	
Building rental revenue ⁽¹⁾	\$	30,595

⁽¹⁾ Building rental revenue includes approximately \$10.8 million related to subleases for the fiscal year ended December 29, 2019.

Maturities of lease payments to be received on an annual basis for the Company's office space operating leases as of December 29, 2019, were as follows:

(In thousands)	Amount
2020	\$ 32,242
2021	32,259
2022	32,254
2023	19,329
2024	15,529
Later Years	126,633
Total building rental revenue from operating leases	\$ 258,246

20. Commitments and Contingent Liabilities

Restricted Cash

We were required to maintain \$17.1 million of restricted cash as of December 29, 2019, and \$18.3 million as of December 30, 2018, the majority of which is set aside to collateralize workers' compensation obligations.

Legal Proceedings

We are involved in various legal actions incidental to our business that are now pending against us. These actions are generally for amounts greatly in excess of the payments, if any, that may be required to be made. Although the Company cannot predict the outcome of these matters, it is possible that an unfavorable outcome in one or more matters could be material to the Company's consolidated results of operations or cash flows for an individual reporting period. However, based on currently available information, management does not believe that the ultimate resolution of these matters, individually or in the aggregate, is likely to have a material effect on the Company's financial position.

21. Subsequent Event

Quarterly Dividend

In February 2020, our Board of Directors approved a quarterly dividend of \$0.06 per share on our Class A and Class B common stock, an increase of \$0.01 per share from the previous quarter. The dividend is payable on April 23, 2020, to all stockholders of record as of the close of business on April 8, 2020.

SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

For the Years Ended December 29, 2019, December 30, 2018, and December 31, 2017:

(In thousands)	Balance at beginning of period	Additions charged to operating costs and other	Deductions ⁽¹⁾	Balance at end of period
Accounts receivable allowances:				
Year ended December 29, 2019	\$ 13,249	\$ 14,807	\$ 13,698	\$ 14,358
Year ended December 30, 2018	\$ 14,542	\$ 11,830	\$ 13,123	\$ 13,249
Year ended December 31, 2017	\$ 16,815	\$ 11,747	\$ 14,020	\$ 14,542

⁽¹⁾ Includes write-offs, net of recoveries.

QUARTERLY INFORMATION (UNAUDITED)

Quarterly financial information for each quarter in the years ended December 29, 2019, and December 30, 2018 is included in the following tables.

Earnings/(loss) per share amounts for the quarters do not necessarily equal the respective year-end amounts for earnings or loss per share due to the weighted-average number of shares outstanding used in the computations for the respective periods. Earnings/(loss) per share amounts for the respective quarters and years have been computed using the average number of common shares outstanding.

One of our largest sources of revenue is advertising. Our business has historically experienced higher advertising volume in the fourth quarter than the remaining quarters because of holiday advertising.

(In thousands, except per share data)	2019 Quarters				Full Year (52 weeks)
	March 31, 2019 (13 weeks)	June 30, 2019 (13 weeks)	September 29, 2019 (13 weeks)	December 29, 2019 (13 weeks)	
Revenues	\$ 439,062	\$ 436,258	\$ 428,501	\$ 508,363	\$ 1,812,184
Operating costs	404,464	398,325	401,452	430,398	1,634,639
Restructuring charge ⁽¹⁾	—	—	4,008	—	4,008
Gain from pension liability adjustment ⁽²⁾	—	—	(2,045)	—	(2,045)
Operating profit	34,598	37,933	25,086	77,965	175,582
Other components of net periodic benefit costs	1,835	1,833	1,834	1,800	7,302
Interest expense and other, net	1,303	1,514	755	248	3,820
Income from continuing operations before income taxes	31,460	34,586	22,497	75,917	164,460
Income tax expense	1,304	9,415	6,070	7,705	24,494
Net income attributable to The New York Times Company common stockholders	\$ 30,156	\$ 25,171	\$ 16,427	\$ 68,212	\$ 139,966
Average number of common shares outstanding:					
Basic	165,674	166,152	166,148	166,239	166,042
Diluted	167,129	167,549	167,555	167,728	167,545
Basic earnings per share attributable to The New York Times Company common stockholders:					
Net income	\$ 0.18	\$ 0.15	\$ 0.10	\$ 0.41	\$ 0.84
Diluted earnings per share attributable to The New York Times Company common stockholders:					
Net income	\$ 0.18	\$ 0.15	\$ 0.10	\$ 0.41	\$ 0.83
Dividends declared per share	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.20

⁽¹⁾ In the third quarter of 2019, the Company recognized a \$4.0 million of pre-tax expense related to restructuring charges, including impairment and severance charges related to the closure of our digital marketing agency, HelloSociety, LLC.

⁽²⁾ In the third quarter of 2019, the Company recorded a \$2.0 million gain from a multiemployer pension plan liability adjustment.

(In thousands, except per share data)	2018 Quarters				
	April 1, 2018 (13 weeks)	July 1, 2018 (13 weeks)	September 30, 2018 (13 weeks)	December 30, 2018 (13 weeks)	Full Year (52 weeks)
Revenues	\$ 413,948	\$ 414,560	\$ 417,346	\$ 502,744	\$ 1,748,598
Operating costs	378,005	373,306	380,754	426,713	1,558,778
Headquarters redesign and consolidation ⁽¹⁾	1,888	1,252	—	1,364	4,504
Gain from pension liability adjustment ⁽²⁾	—	—	(4,851)	—	(4,851)
Operating profit	34,055	40,002	41,443	74,667	190,167
Other components of net periodic benefit costs	2,028	1,863	2,335	2,048	8,274
Gain/(loss) from joint ventures	15	(8)	(16)	10,773	10,764
Interest expense and other, net	4,877	4,536	4,026	3,127	16,566
Income from continuing operations before income taxes	27,165	33,595	35,066	80,265	176,091
Income tax expense	5,251	9,999	10,092	23,289	48,631
Net income	21,914	23,596	24,974	56,976	127,460
Net (income)/loss attributable to the noncontrolling interest	(2)	1	2	(1,777)	(1,776)
Net income attributable to The New York Times Company common stockholders	\$ 21,912	\$ 23,597	\$ 24,976	\$ 55,199	\$ 125,684
Average number of common shares outstanding:					
Basic	164,094	165,027	165,064	165,154	164,845
Diluted	166,237	166,899	166,966	167,249	166,939
Basic earnings/(loss) per share attributable to The New York Times Company common stockholders:					
Net income/(loss)	\$ 0.13	\$ 0.14	\$ 0.15	\$ 0.33	\$ 0.76
Diluted earnings/(loss) per share attributable to The New York Times Company common stockholders:					
Net income/(loss)	\$ 0.13	\$ 0.14	\$ 0.15	\$ 0.33	\$ 0.75
Dividends declared per share	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.04	\$ 0.16

⁽¹⁾ We recognized expenses related to the redesign and consolidation of space in our Company Headquarters.

⁽²⁾ In the third quarter of 2018, the Company recorded a \$4.9 million gain from a multiemployer pension plan liability adjustment.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our management, with the participation of our principal executive officer and our principal financial officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934) as of December 29, 2019. Based upon such evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective to ensure that the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management's report on internal control over financial reporting and the attestation report of our independent registered public accounting firm on our internal control over financial reporting are set forth in Item 8 of this Annual Report on Form 10-K and are incorporated by reference herein.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in our internal control over financial reporting during the quarter ended December 29, 2019, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not applicable.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

In addition to the information set forth under the caption “Executive Officers of the Registrant” in Part I of this Annual Report on Form 10-K, the information required by this item is incorporated by reference to the sections titled “Proposal Number 1 — Election of Directors,” “Interests of Related Persons in Certain Transactions of the Company,” “Board of Directors and Corporate Governance,” beginning with the section titled “Independence of Directors,” but only up to and including the section titled “Board Committees and Audit Committee Financial Experts,” “Board Committees,” “Nominating & Governance Committee” and “Delinquent Section 16(a) Reports” of our Proxy Statement for the 2020 Annual Meeting of Stockholders.

The Board of Directors has adopted a code of ethics that applies to the principal executive officer, principal financial officer and principal accounting officer. The current version of this code of ethics can be found on the Corporate Governance section of our website at <http://investors.nytc.com/investors/corporate-governance>. We intend to post any amendments to or waivers from the code of ethics that apply to our principal executive officer, principal financial officer or principal accounting officer on our website.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference to the sections titled “Compensation Committee,” “Directors’ Compensation,” “Directors’ and Officers’ Liability Insurance” and “Compensation of Executive Officers” of our Proxy Statement for the 2020 Annual Meeting of Stockholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is incorporated by reference to the sections titled “Principal Holders of Common Stock,” “Security Ownership of Management and Directors,” “The 1997 Trust,” “Compensation of Executive Officers” and “Proposal Number 2 — Adoption of The New York Times Company 2020 Incentive Compensation Plan,” beginning with the section titled “Equity Compensation Plan Information,” but only up to and not including the section titled “Recommendation and Vote Required” of our Proxy Statement for the 2020 Annual Meeting of Stockholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference to the sections titled “Interests of Related Persons in Certain Transactions of the Company,” “Board of Directors and Corporate Governance — Independence of Directors” and “Board of Directors and Corporate Governance — Board Committees and Audit Committee Financial Experts” of our Proxy Statement for the 2020 Annual Meeting of Stockholders.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item is incorporated by reference to the section titled “Proposal Number 4 — Selection of Auditors,” beginning with the section titled “Audit Committee’s Pre-Approval Policies and Procedures,” but only up to and not including the section titled “Recommendation and Vote Required” of our Proxy Statement for the 2020 Annual Meeting of Stockholders.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(A) DOCUMENTS FILED AS PART OF THIS REPORT

(1) Financial Statements

As listed in the index to financial information in “Item 8 — Financial Statements and Supplementary Data.”

(2) Supplemental Schedules

The following additional consolidated financial information is filed as part of this Annual Report on Form 10-K and should be read in conjunction with the Consolidated Financial Statements set forth in “Item 8 — Financial Statements and Supplementary Data.” Schedules not included with this additional consolidated financial information have been omitted either because they are not applicable or because the required information is shown in the Consolidated Financial Statements.

	Page
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Consolidated Schedule for the Three Years Ended December 29, 2019	
II – Valuation and Qualifying Accounts	100

(3) Exhibits

The exhibits listed in the accompanying index are filed as part of this report.

INDEX TO EXHIBITS

Exhibit numbers 10.14 through 10.21 are management contracts or compensatory plans or arrangements.

Exhibit Number	Description of Exhibit
(3.1)	Certificate of Incorporation as amended and restated to reflect amendments effective July 1, 2007 (filed as an Exhibit to the Company's Form 10-Q dated August 9, 2007, and incorporated by reference herein).
(3.2)	By-laws as amended effective January 1, 2018 (filed as an Exhibit to the Company's Form 8-K dated December 14, 2017, and incorporated by reference herein).
(4)	The Company agrees to furnish to the Commission upon request a copy of any instrument with respect to long-term debt of the Company and any subsidiary for which consolidated or unconsolidated financial statements are required to be filed, and for which the amount of securities authorized thereunder does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis.
(4.1)	Securities Purchase Agreement, dated January 19, 2009, among the Company, Inmobiliaria Carso, S.A. de C.V. and Banco Inbursa S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa (including forms of notes, warrants and registration rights agreement) (filed as an Exhibit to the Company's Form 8-K dated January 21, 2009, and incorporated by reference herein).
(4.2)	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
(10.1)	New York City Public Utility Service Power Service Agreement, dated as of May 3, 1993, between The City of New York, acting by and through its Public Utility Service, and The New York Times Newspaper Division of the Company (filed as an Exhibit to the Company's Form 10-K dated March 21, 1994, and incorporated by reference herein).
(10.2)	Letter Agreement, dated as of April 8, 2004, amending Agreement of Lease, between the 42nd St. Development Project, Inc., as landlord, and The New York Times Building LLC, as tenant (filed as an Exhibit to the Company's Form 10-Q dated November 3, 2006, and incorporated by reference herein).
(10.3)	Agreement of Sublease, dated as of December 12, 2001, between The New York Times Building LLC, as landlord, and NYT Real Estate Company LLC, as tenant (filed as an Exhibit to the Company's Form 10-Q dated November 3, 2006, and incorporated by reference herein).
(10.4)	First Amendment to Agreement of Sublease, dated as of August 15, 2006, between 42nd St. Development Project, Inc., as landlord, and NYT Real Estate Company LLC, as tenant (filed as an Exhibit to the Company's Form 10-Q dated November 3, 2006, and incorporated by reference herein).
(10.5)	Second Amendment to Agreement of Sublease, dated as of January 29, 2007, between 42nd St. Development Project, Inc., as landlord, and NYT Real Estate Company LLC, as tenant (filed as an Exhibit to the Company's Form 8-K dated February 1, 2007, and incorporated by reference herein).
(10.6)	Third Amendment to Agreement of Sublease (NYT), dated as of March 6, 2009, between 42nd St. Development Project, Inc., as landlord, and NYT Real Estate Company LLC, as tenant (filed as an Exhibit to the Company's Form 8-K dated March 9, 2009, and incorporated by reference herein).
(10.7)	Fourth Amendment to Agreement of Sublease (NYT), dated as of March 6, 2009, between 42nd St. Development Project, Inc., as landlord, and 620 Eighth NYT (NY) Limited Partnership, as tenant (filed as an Exhibit to the Company's Form 8-K dated March 9, 2009, and incorporated by reference herein).
(10.8)	Fifth Amendment to Agreement of Sublease (NYT), dated as of August 31, 2009, between 42nd St. Development Project, Inc., as landlord, and 620 Eighth NYT (NY) Limited Partnership, as tenant (filed as an Exhibit to the Company's Form 10-Q dated November 4, 2009, and incorporated by reference herein).
(10.9)	Agreement of Sublease (NYT-2), dated as of March 6, 2009, between 42nd St. Development Project, Inc., as landlord, and NYT Real Estate Company LLC, as tenant (filed as an Exhibit to the Company's Form 8-K dated March 9, 2009, and incorporated by reference herein).
(10.10)	First Amendment to Agreement of Sublease (NYT-2), dated as of March 6, 2009, between 42nd St. Development Project, Inc., as landlord, and NYT Building Leasing Company LLC, as tenant (filed as an Exhibit to the Company's Form 8-K dated March 9, 2009, and incorporated by reference herein).
(10.11)*	Letter Agreement, dated as of October 18, 2017, between the Company and Massachusetts Mutual Life Insurance Company (filed as an Exhibit to the Company's Form 10-K dated February 27, 2018, and incorporated by reference herein).
(10.12)*	Letter Agreement, dated as of October 18, 2017, between the Company and Massachusetts Mutual Life Insurance Company (filed as an Exhibit to the Company's Form 10-K dated February 27, 2018, and incorporated by reference herein).
(10.13)	Credit Agreement, dated as of September 10, 2019, among The New York Times Company, as borrower, the financial institutions party thereto, as lenders, Bank of America, N.A., as administrative agent, swing line lender and L/C Issuer, Wells Fargo Securities, LLC and J.P. Morgan Chase Bank, National Association, and BOFA Securities, Inc., as joint lead arrangers and joint book runners (filed as an Exhibit to the Company's Form 8-K dated September 11, 2019, and incorporated by reference herein).

Exhibit Number	Description of Exhibit
(10.14)	The Company's 2010 Incentive Compensation Plan, as amended and restated effective April 30, 2014 (filed as an exhibit to the Company's Form 8-K dated April 30, 2014, and incorporated by reference herein).
(10.15)	Form of Restricted Stock Unit Award Agreement under the Company's 2010 Incentive Compensation Plan (filed as an Exhibit to the Company's Form 10-K dated February 22, 2017, and incorporated by reference herein).
(10.16)	The Company's Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2015 (filed as an Exhibit to the Company's Form 10-Q dated November 4, 2015, and incorporated by reference herein).
(10.17)	The Company's Deferred Executive Compensation Plan, as amended and restated effective January 1, 2015 (filed as an Exhibit to the Company's Form 10-Q dated November 4, 2015, and incorporated by reference herein).
(10.18)	The Company's 2004 Non-Employee Directors' Stock Incentive Plan, effective April 13, 2004 (filed as an Exhibit to the Company's Form 10-Q dated May 5, 2004, and incorporated by reference herein).
(10.19)	The Company's Non-Employee Directors Deferral Plan, as amended through October 11, 2007 (filed as an Exhibit to the Company's Form 8-K dated October 12, 2007, and incorporated by reference herein).
(10.20)	The Company's Savings Restoration Plan, amended and restated effective February 19, 2015 (filed as an Exhibit to the Company's Form 10-Q filed November 4, 2015, and incorporated by reference herein).
(10.21)	The Company's Supplemental Executive Savings Plan, amended and restated effective February 19, 2015 (filed as an Exhibit to the Company's Form 10-Q filed November 4, 2015, and incorporated by reference herein).
(21)	Subsidiaries of the Company.
(23.1)	Consent of Ernst & Young LLP.
(24)	Power of Attorney (included as part of signature page).
(31.1)	Rule 13a-14(a)/15d-14(a) Certification.
(31.2)	Rule 13a-14(a)/15d-14(a) Certification.
(32.1)	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
(32.2)	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
(101.INS)	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
(101.SCH)	Inline XBRL Taxonomy Extension Schema Document.
(101.CAL)	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
(101.DEF)	Inline XBRL Taxonomy Extension Definition Linkbase Document.
(101.LAB)	Inline XBRL Taxonomy Extension Label Linkbase Document.
(101.PRE)	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
(104)	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Portions of this exhibit (indicated by asterisks) have been omitted and are subject to a confidential treatment order granted by the SEC pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 27, 2020

THE NEW YORK TIMES COMPANY
(Registrant)

BY: /s/ Roland A. Caputo

Roland A. Caputo

Executive Vice President and Chief Financial Officer

We, the undersigned directors and officers of The New York Times Company, hereby severally constitute Diane Brayton and Roland A. Caputo, and each of them singly, our true and lawful attorneys with full power to them and each of them to sign for us, in our names in the capacities indicated below, any and all amendments to this Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Mark Thompson	Chief Executive Officer, President and Director (principal executive officer)	February 27, 2020
/s/ Roland A. Caputo	Executive Vice President and Chief Financial Officer (principal financial officer)	February 27, 2020
/s/ R. Anthony Bente	Senior Vice President, Treasurer and Chief Accounting Officer (principal accounting officer)	February 27, 2020
/s/ A.G. Sulzberger	Publisher and Director	February 27, 2020
/s/ Arthur Sulzberger, Jr.	Chairman of the Board	February 27, 2020
/s/ Amanpal S. Bhutani	Director	February 27, 2020
/s/ Robert E. Denham	Director	February 27, 2020
/s/ Rachel Glaser	Director	February 27, 2020
/s/ Hays N. Golden	Director	February 27, 2020
/s/ Brian P. McAndrews	Director	February 27, 2020
/s/ David Perpich	Director	February 27, 2020
/s/ John W. Rogers, Jr.	Director	February 27, 2020
/s/ Doreen Toben	Director	February 27, 2020
/s/ Rebecca Van Dyck	Director	February 27, 2020

EXHIBIT 4.2

Description of Class A Common Stock

The summary below is not complete and is qualified in its entirety by reference to our certificate of incorporation and by-laws, each as amended. The terms of these securities also may be affected by the New York Business Corporation Law.

Our authorized common stock consists of 300,000,000 shares of Class A common stock, par value \$0.10 per share, and 803,404 shares of Class B common stock, par value \$0.10 per share. As of February 24, 2020, there were 165,595,573 shares of Class A common stock and 803,404 shares of Class B common stock issued and outstanding.

The shares of Class A common stock are listed on the New York Stock Exchange under the symbol "NYT". Computershare is the transfer agent and registrar of the shares of common stock.

The shares of Class A common stock, when issued against full payment of the purchase price, will be fully paid and nonassessable (except to the extent provided in Section 630 of the New York Business Corporation Law).

Our Class A common stock is not redeemable, does not have any conversion rights and is not subject to call. Holders of shares of Class A common stock have no preemptive rights to subscribe for any additional securities that we may issue. The holders of Class A common stock are entitled to receive dividends, if any, as and when declared from time to time by our Board of Directors out of funds legally available for distribution. Upon our liquidation, dissolution or winding up of our affairs, the holders of Class A common stock will be entitled to participate equally and ratably, with the holders of our Class B common stock, in proportion to the number of shares held, in our net assets available for distribution to holders of common stock.

The holders of the Class A common stock are entitled to one vote for each share thereof held by them in the election of 30% of the Board of Directors proposed to be elected at any meeting of stockholders held for that purpose (or the nearest larger whole number if such percentage is not a whole number), voting separately and as a class. The holders of Class B common stock are entitled to one vote for each share held by them in the election of the balance of the Board of Directors, voting separately and as a class. The holders of our Class A common stock and the holders of our Class B common stock are entitled to one vote for each share thereof, voting together and not as separate classes, upon:

- the reservation of any shares of capital stock for options granted or to be granted to our officers, directors or employees;
- the acquisition of the stock or assets of any other company in the following circumstances:
- If any officer, director or holder of 10% or more of any class of shares of our voting securities has an interest, directly or indirectly, in the company or assets to be acquired or in the consideration to be paid in the transaction;
- If the transaction involves the issuance of Class A common stock or Class B common stock or securities convertible into either, or any combination of the three, and if the aggregate number of shares of common stock so to be issued together with the common stock which could be issued upon conversion of such securities approximates (in the reasonable judgment of the Board of Directors) 20% of the aggregate number of shares of Class A common stock and Class B common stock outstanding immediately prior to such transaction; or
- If the transaction involves issuance of Class A common stock or Class B common stock and any additional consideration, and if the value of the aggregate consideration so to be issued (including the value of any common stock which may be issuable in the future in accordance with the terms of the transaction) has in the reasonable judgment of the Board of Directors a combined fair value of approximately 20% or more of the aggregate market value of shares of Class A common stock and Class B common stock outstanding immediately prior to such transaction; and
- any proposal submitted to a vote of stockholders in connection with the ratification of the selection of our auditors.

Pursuant to our certificate of incorporation, except as described above and as otherwise required by the laws of the State of New York, the entire voting power is vested solely and exclusively in the holders of our Class B common stock, the holders of Class B common stock being entitled to one vote for each share thereof held upon all matters requiring a vote of stockholders, and the holders of the Class A common stock shall have no voting power, and shall not have the right to participate in any meeting of stockholders or to have notice thereof.

Each share of Class B common stock may at any time be converted, at the option of the holder, into one fully paid and non-assessable (except to the extent provided in Section 630 of the New York Business Corporation Law) share of Class A common stock. When shares of Class B common stock have been converted, under the terms of our certificate of incorporation, they are cancelled and not reissued.

EXHIBIT 21

Our Subsidiaries*

Name of Subsidiary	Jurisdiction of Incorporation or Organization
The New York Times Company	New York
Fake Love LLC	Delaware
Hello Society, LLC	Delaware
Madison Paper Industries (partnership) (40%)	Maine
New York Times Canada Ltd.	Canada
New York Times Digital LLC	Delaware
Northern SC Paper Corporation (80%)	Delaware
NYT Administradora de Bens e Servicos Ltda.	Brazil
NYT App Holding Inc.	Delaware
NYT Building Leasing Company LLC	New York
NYT Capital, LLC	Delaware
Midtown Insurance Company	New York
NYT Shared Service Center, Inc.	Delaware
International Media Concepts, Inc.	Delaware
The New York Times Distribution Corporation	Delaware
The New York Times Sales Company	Massachusetts
The New York Times Syndication Sales Corporation	Delaware
NYT College Point LLC	Delaware
NYT Group Services, LLC	Delaware
NYT International LLC	Delaware
New York Times Limited	United Kingdom
New York Times (Zürich) GmbH	Switzerland
NYT B.V.	Netherlands
NYT France S.A.S.	France
International Herald Tribune U.S. Inc.	New York
New York Times France-Kathimerini Commercial S.A. (50%)	Greece
The Herald Tribune - Ha'aretz Partnership (50%)	Israel
NYT Germany GmbH	Germany
NYT Hong Kong Limited	Hong Kong
Beijing Shixun Zhihua Consulting Co. LTD.	People's Republic of China
NYT Japan GK	Japan
NYT Singapore PTE. LTD.	Singapore
NYT News Bureau (India) Private Limited	India
NYT Real Estate Company LLC	New York
The New York Times Building LLC (58%)	New York
Rome Bureau S.r.l.	Italy
The New York Times Company Pty Limited	Australia
Wirecutter, Inc.	Delaware

* 100% owned unless otherwise indicated.

EXHIBIT 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in Registration Statements No. 333-43369, No. 333-43371, No. 333-37331, No. 333-09447, No. 33-31538, No. 33-43210, No. 33-43211, No. 33-50465, No. 33-50467, No. 33-56219, No. 333-49722, No. 333-70280, No. 333-102041, No. 333-114767, No. 333-166426 and No. 333-195731 on Form S-8 of The New York Times Company of our reports dated February 27, 2020 with respect to the consolidated financial statements and schedule of The New York Times Company, and the effectiveness of internal control over financial reporting of The New York Times Company, included in this Annual Report (Form 10-K) for the fiscal year ended December 29, 2019.

/s/ Ernst & Young LLP

New York, New York
February 27, 2020

EXHIBIT 31.1

Rule 13a-14(a)/15d-14(a) Certification

I, Mark Thompson, certify that:

1. I have reviewed this Annual Report on Form 10-K of The New York Times Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2020

/s/ MARK THOMPSON

Mark Thompson

Chief Executive Officer

EXHIBIT 31.2

Rule 13a-14(a)/15d-14(a) Certification

I, Roland A. Caputo, certify that:

1. I have reviewed this Annual Report on Form 10-K of The New York Times Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 27, 2020

/s/ ROLAND A. CAPUTO

Roland A. Caputo

Chief Financial Officer

EXHIBIT 32.1

Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K of The New York Times Company (the “Company”) for the year ended December 29, 2019, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mark Thompson, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 27, 2020

/s/ MARK THOMPSON

Mark Thompson

Chief Executive Officer

EXHIBIT 32.2

Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report on Form 10-K of The New York Times Company (the “Company”) for the year ended December 29, 2019, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Roland A. Caputo, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 27, 2020

/s/ ROLAND A. CAPUTO

Roland A. Caputo

Chief Financial Officer

Board of Directors

Amanpal S. Bhutani
C.E.O.
GoDaddy Inc.

Robert E. Denham
Partner
Munger, Tolles & Olson LLP

Rachel Glaser
C.F.O.
Etsy, Inc.

Hays N. Golden
Senior Director for
Science and Strategy
Crime Lab New York
University of Chicago

Brian P. McAndrews
Former President, C.E.O.
and Chairman
Pandora Media, Inc.

David Perpich
Head of Standalone Products
The New York Times Company

John W. Rogers Jr.
Founder, Chairman, co-C.E.O.
and C.I.O.
Ariel Investments, LLC

A.G. Sulzberger
Publisher
The New York Times

Arthur O. Sulzberger Jr.
Chairman of the Board
The New York Times Company

Mark Thompson
President and C.E.O.
The New York Times Company

Doreen Toben
Former Executive Vice
President and C.F.O.
Verizon Communications, Inc.

Rebecca Van Dyck
Chief Marketing Officer
AR/VR
Facebook, Inc.

Shareholder Information Online

investors.nytc.com

Visit our website for corporate governance information about the Company, including the Code of Ethics for our C.E.O. and senior financial officers and our Business Ethics Policy.

Office of the Secretary

(212) 556-8092

Corporate Communications and Investor Relations

(212) 556-4317

Stock Listing

The Company's Class A Common Stock is listed on the New York Stock Exchange. Ticker symbol: NYT

Registrar and Transfer Agent

If you are a registered shareholder and have a question about your account, or would like to report a change in your name or address, please contact:

Computershare
P.O. Box 505000
Louisville, KY 40233-5000

Overnight correspondence should be mailed to:

Computershare
462 South 4th Street, Suite 1600
Louisville, KY 40202

Shareholder Website

www.computershare.com/investor

Shareholder online inquiries

www.computershare.com/investor/contact

Domestic: (800) 240-0345; TDD Line: (800) 231-5469

Foreign: (201) 680-6578; TDD Line: (201) 680-6610

Career Opportunities

Employment applicants should apply online at www.nytc.com/careers. The Company is committed to a policy of providing equal employment opportunities without regard to race, color, religion, national origin, ancestry, gender, age, marital status, sexual orientation, disability, military or veteran status or any other characteristic covered by law.

Annual Meeting

Wednesday, April 22, 2020 at 9 a.m.

The New York Times Building
620 Eighth Ave., 15th Floor
New York, NY 10018

Auditors

Ernst & Young LLP
5 Times Square
New York, NY 10036

Forward-Looking Statements

This Annual Report contains forward-looking statements that relate to future events or our future financial performance. By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated in any such statements. You should bear this in mind as you consider forward-looking statements. Factors that we think could, individually or in the aggregate, cause our actual results to differ materially from expected and historical results include those described in the "Risk Factors" section of this Annual Report, as well as other risks detailed from time to time in the Company's publicly filed documents. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

2m

“The Daily” had more than 2 million daily downloads.

445 podcast episodes
39 TV episodes
3,900 videos
193,929 photos
59,995 articles

We have **1,700** employees in our newsroom.

1b

“The Daily” surpassed 1 billion total downloads.

159

We sent journalists to 159 countries to cover the world in 2019.



The New York Times
Company

620 Eighth Avenue
New York, NY 10018
Tel 212 556 1234

17% of our digital-only news subscriptions are international (non-U.S.).