

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Please see attachment.

Multiple horizontal lines for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ Please see attachment.

Multiple horizontal lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Please see attachment.

Multiple horizontal lines for providing other necessary information for the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ 
Print your name ▶ KEVIN PORCHOW

Date ▶ 6/8/2017
Title ▶ VICE PRESIDENT, TAX

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

TEGNA INC.
EIN: 16-0442930
ATTACHMENT TO IRS FORM 8937 – PART II
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

CONSULT YOUR TAX ADVISOR

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Distribution (as defined below) on the tax basis of TEGNA Inc. (“Parent”) stock and the allocation of tax basis between the stock of Parent and Cars.com Inc. (“SpinCo”) following the Distribution. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. Neither Parent nor SpinCo provides tax advice to its shareholders. The example provided below is illustrative and is being provided pursuant to Section 6045B of the Code and as a convenience to shareholders and their tax advisors when establishing their specific tax position. You are urged to consult your own tax advisor regarding the particular consequences of the Distribution to you, including the applicability and effect of all U.S. federal, state and local and foreign tax laws. We urge you to read the amended registration statement on Form 10 of Parent, as filed with the Securities and Exchange Commission on May 4, 2017 (the “Form 10”), as amended, noting especially the discussion on page 111 therein under the heading “Material U.S. Federal Income Tax Consequences.” You may access the Form 10 at SpinCo’s website at www.cars.com in the Investor Relations section, under SEC filings, or at www.sec.gov.

This notice does not apply to shares of Parent common stock sold, exchanged or otherwise disposed of prior to the time of the Distribution.

14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders’ ownership is measured for the action:

On May 31, 2017, pursuant to the terms and conditions of the Separation and Distribution Agreement also dated May 31, 2017 between Parent and SpinCo, Parent distributed to its shareholders all of the outstanding common stock of SpinCo (the “Distribution”). Parent shareholders also received cash in lieu of any fractional shares of SpinCo.

SpinCo’s common stock is listed on the New York Stock Exchange under the symbol “CARS.” Parent trades on the New York Stock Exchange under the symbol “TGNA.”

Each Parent shareholder received one share of SpinCo common stock for every three shares of Parent common stock held as of the close of business on May 18, 2017, the record date for the Distribution.

15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis:

As a result of the Distribution, Parent Shareholders will be required to allocate the aggregate tax basis in their Parent common stock held immediately before the Distribution among the shares of SpinCo common stock received in the Distribution and their shares of Parent common stock held immediately after the Distribution. A shareholder's aggregate tax basis in his or her shares of Parent common stock held immediately before the Distribution should be allocated in proportion to the relative fair market value of the Parent common stock and the SpinCo common stock. Shareholders that acquired Parent common stock at different times or different prices will need to calculate their tax basis in each block of stock and then allocate a portion of that tax basis to the Parent common stock and the SpinCo common stock received with respect thereto.

Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the facts. U.S. federal income tax law does not specifically prescribe how you should determine the fair market values of Parent common stock and SpinCo common stock for purposes of allocating your tax basis. You should consult your tax advisor to determine what measure of fair market value is appropriate.

There are several possible methods for determining the fair market values of Parent common stock and SpinCo common stock. One possible approach is to utilize the New York Stock Exchange market closing price on May 31, 2017 for Parent common stock (\$15.21 per share), and the New York Stock Exchange market closing price on May 31, 2017 for SpinCo common stock (\$25.59 per share) as an indication of the fair market value. Based on that approach and the assumptions and calculations set forth in Item 16 below, 64.0691% of a Parent shareholder's aggregate tax basis in his or her shares of Parent common stock before the Distribution would be allocated to such shareholder's shares of Parent common stock and 35.9309% would be allocated to such shareholder's shares of SpinCo common stock. You are not bound by this approach and may, in consultation with your tax advisor, use another approach in determining the fair market values for Parent and SpinCo common stock.

16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates:

The following is an example of how the previously-described approach to basis allocation would be applied:

Assumptions:

Shares of Parent common stock owned: 1,200

Parent shareholder's aggregate tax basis (assumed to be \$10 per share): \$12,000

Shares of SpinCo common stock received in the Distribution (1,200 shares of Parent common stock multiplied by the distribution ratio of 1/3): 400

Tax basis allocation:

	# Shares Owned	Assumed Beginning Basis (A)	Price	FMV of Shares Owned Post Distribution	Percentage of Total FMV (B)	Allocated Tax Basis = (A) x (B)
Parent common stock	1,200	\$12,000	\$15.21 ¹	\$18,252.00 ³	64.0691% ⁵	\$7,688.29
SpinCo common stock	400		\$25.59 ²	\$10,236.00 ⁴	35.9309% ⁶	\$4,311.71
Total				\$28,488.00	100.0000%	\$12,000.00

¹ Closing market price of Parent common stock on May 31, 2017.

² Closing market price of SpinCo common stock on May 31, 2017.

³ 1,200 shares x \$15.21

⁴ 400 shares x \$25.59

⁵ \$18,252.00/\$28,488.00

⁶ \$10,236.00/\$28,488.00

17. List the applicable Internal Revenue Code sections(s) and subsection(s) upon which the tax treatment is based:

Parent shareholders will not recognize income, gain or loss for U.S. federal income tax purposes on the receipt of the SpinCo stock in the Distribution pursuant to Sections 355(a) and 368(a)(1)(D) of the Code.

Under Sections 1001 and 1221 of the Code, in general, the receipt by Parent shareholders of cash in lieu of a fractional share of SpinCo common stock will be treated as if the fractional share had been distributed to Parent shareholders in the distribution and then had been disposed of by such shareholders (in a sale or exchange) for the amount of such cash.

Under Section 1223(1) of the Code the holding period of a Parent shareholder in SpinCo stock received in the distribution will include the holding period of the pre-distribution Parent stock with respect to which the distribution of SpinCo stock was made.

The tax basis calculations resulting from the Distribution are governed by Section 358 of the Code.

You should consult your own tax advisor as to the particular consequences of the Distribution to you, including the applicability and effect of any U.S. federal, state and local tax laws, as well as foreign tax laws, which may result in the Distribution being taxable to you.

18. Can any resulting loss be recognized?

No loss may be recognized by a Parent shareholder upon the receipt of SpinCo common stock in the Distribution, except possibly with respect to cash received in lieu of a fractional share of SpinCo common stock.

19. Provide any other information necessary to implement the adjustment, such as the reportable taxable year:

The distribution was effective on May 31, 2017. For a Parent shareholder whose taxable year is a calendar year, the reportable tax year is 2017.