

# FORM 8-K

## CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) February 25, 2022 (February 25, 2022)

### Gray Television, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Georgia

(State or Other Jurisdiction of Incorporation)

001-13796

(Commission File Number)

58-0285030

(IRS Employer Identification No.)

4370 Peachtree Road, NE, Atlanta, Georgia

(Address of Principal Executive Offices)

30319

(Zip Code)

404-504-9828

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 (no par value)	GTN.A	New York Stock Exchange
common stock (no par value)	GTN	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by 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.

**Item 7.01. Regulation FD Disclosure.**

On February 25, 2022, Gray Television, Inc. published on its corporate website certain unaudited selected historical operating data for the three month and year-to-date periods ended March 31, June 30, September 30, and December 31, 2021, 2020, 2019 and 2018. A copy of such unaudited selected historical operating data is furnished as Exhibit 99.1 to this Form 8-K and incorporated herein by reference.

Beginning on March 2, 2022, Gray Television, Inc. intends to meet from time to time and make presentations to prospective investors. Exhibit 99.2 provides a copy of the slides that may be used in connection with and/or referenced in such meetings. Exhibit 99.2 is incorporated herein by reference.

The information set forth under this Item 7.01 is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as may be expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.****(d) Exhibits**

99.1 [Unaudited selected historical operating data](#)

99.2 [Prospective Investor Meeting Slides](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Gray Television, Inc.

February 25, 2022

By: /s/ James C. Ryan

Name: James C. Ryan

Title: Executive Vice President and  
Chief Financial Officer

**Gray Television, Inc.**  
**Selected Operating Data (Unaudited)**  
(in millions)

## As Reported Basis

	2021						
	Three Months Ended				Year To Date Ended		
	March 31	June 30	September 30	December 31	June 30	September 30	December 31
Revenue (less agency commissions):							
Broadcast:							
Local (including internet/digital/mobile)	\$ 203	\$ 222	\$ 232	\$ 277	\$ 425	\$ 657	\$ 934
National	57	57	60	82	114	174	256
Political	9	6	9	20	15	24	44
Retransmission consent	247	242	266	294	489	755	1,049
Other	14	10	14	19	24	38	57
Total Broadcast revenue	<u>530</u>	<u>537</u>	<u>581</u>	<u>692</u>	<u>1,067</u>	<u>1,648</u>	<u>2,340</u>
Production companies revenue	14	10	20	29	24	44	73
Total revenue	<u>\$ 544</u>	<u>\$ 547</u>	<u>\$ 601</u>	<u>\$ 721</u>	<u>\$ 1,091</u>	<u>\$ 1,692</u>	<u>\$ 2,413</u>
Operating expenses before depreciation, amortization and gain or loss on disposal of assets, net:							
Broadcast:							
Station expenses	\$ 215	\$ 209	\$ 229	\$ 274	\$ 425	\$ 654	\$ 928
Retransmission expenses	145	144	154	171	289	444	615
Transaction Related Expenses	-	-	-	3	-	-	3
Non-cash stock-based compensation	1	1	1	1	1	1	2
Total broadcast expenses	<u>\$ 361</u>	<u>\$ 354</u>	<u>\$ 384</u>	<u>\$ 449</u>	<u>\$ 715</u>	<u>\$ 1,099</u>	<u>\$ 1,548</u>
Production companies expense	<u>\$ 17</u>	<u>\$ 9</u>	<u>\$ 13</u>	<u>\$ 23</u>	<u>\$ 26</u>	<u>\$ 39</u>	<u>\$ 62</u>
Corporate and administrative:							
Corporate expenses	\$ 14	\$ 15	\$ 19	\$ 29	\$ 29	\$ 47	\$ 76
Transaction Related Expenses	1	7	11	52	8	19	71
Non-cash stock-based compensation	3	3	2	3	6	9	12
Total corporate and administrative expense	<u>\$ 18</u>	<u>\$ 25</u>	<u>\$ 32</u>	<u>\$ 84</u>	<u>\$ 43</u>	<u>\$ 75</u>	<u>\$ 159</u>
Total Transaction Related Operating Expenses (1)	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 11</u>	<u>\$ 55</u>	<u>\$ 8</u>	<u>\$ 19</u>	<u>\$ 74</u>
Total non-cash stock-based compensation	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 7</u>	<u>\$ 10</u>	<u>\$ 14</u>

See last page of exhibit for notes

**Gray Television, Inc.**  
**Selected Operating Data (Unaudited)**  
(in millions)

**As Reported Basis**

	2020						
	Three Months Ended				Year To Date Ended		
	March 31	June 30	September 30	December 31	June 30	September 30	December 31
Revenue (less agency commissions):							
Broadcast:							
Local (including internet/digital/mobile)	\$ 199	\$ 162	\$ 188	\$ 222	\$ 361	\$ 549	\$ 771
National	51	36	49	62	87	136	198
Political	36	21	128	245	57	185	430
Retransmission consent	213	220	217	217	433	650	867
Other	16	10	11	17	26	37	54
Total Broadcast revenue	<u>515</u>	<u>449</u>	<u>593</u>	<u>763</u>	<u>964</u>	<u>1,557</u>	<u>2,320</u>
Production companies revenue	19	2	11	29	21	32	61
Total revenue	<u>\$ 534</u>	<u>\$ 451</u>	<u>\$ 604</u>	<u>\$ 792</u>	<u>\$ 985</u>	<u>\$ 1,589</u>	<u>\$ 2,381</u>
Operating expenses before depreciation, amortization and gain or loss on disposal of assets, net:							
Broadcast:							
Station expenses	\$ 211	\$ 199	\$ 200	\$ 230	\$ 410	\$ 610	\$ 839
Retransmission expenses	122	124	125	125	246	371	496
Transaction Related Expenses	-	-	-	-	-	-	-
Non-cash stock-based compensation	2	1	1	-	3	4	5
Total broadcast expenses	<u>\$ 335</u>	<u>\$ 324</u>	<u>\$ 326</u>	<u>\$ 355</u>	<u>\$ 659</u>	<u>\$ 985</u>	<u>\$ 1,340</u>
Production companies expense	<u>19</u>	<u>5</u>	<u>8</u>	<u>20</u>	<u>24</u>	<u>32</u>	<u>52</u>
Corporate and administrative:							
Corporate expenses	\$ 13	\$ 15	\$ 10	\$ 13	\$ 28	\$ 38	\$ 53
Transaction Related Expenses	-	-	1	1	-	1	1
Non-cash stock-based compensation	2	2	4	4	4	8	11
Total corporate and administrative expense	<u>\$ 15</u>	<u>\$ 17</u>	<u>\$ 15</u>	<u>\$ 18</u>	<u>\$ 32</u>	<u>\$ 47</u>	<u>\$ 65</u>
Total Transaction Related Operating Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
Total non-cash stock-based compensation	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 4</u>	<u>\$ 7</u>	<u>\$ 12</u>	<u>\$ 16</u>

See last page of exhibit for notes

**Gray Television, Inc.**  
**Selected Operating Data (Unaudited)**  
(in millions)

**As Reported Basis**

	2019						
	Three Months Ended				Year To Date Ended		
	March 31	June 30	September 30	December 31	June 30	September 30	December 31
Revenue (less agency commissions):							
Broadcast:							
Local (including internet/digital/mobile)	\$ 211	\$ 226	\$ 218	\$ 243	\$ 437	\$ 655	\$ 898
National	50	56	56	67	106	162	229
Political	3	5	22	38	8	30	68
Retransmission consent	204	201	196	195	405	601	796
Other	13	11	9	11	24	33	44
Total Broadcast revenue	481	499	501	554	980	1,481	2,035
Production companies revenue	37	9	16	25	46	62	87
Total revenue	<u>\$ 518</u>	<u>\$ 508</u>	<u>\$ 517</u>	<u>\$ 579</u>	<u>\$ 1,026</u>	<u>\$ 1,543</u>	<u>\$ 2,122</u>
Operating expenses before depreciation, amortization and gain or loss on disposal of assets, net:							
Broadcast:							
Station expenses	\$ 216	\$ 208	\$ 208	\$ 223	\$ 424	\$ 632	\$ 855
Retransmission expenses	104	104	105	107	208	313	420
Transaction Related Expenses	36	1	1	7	37	38	45
Non-cash stock-based compensation	-	1	2	2	1	3	5
Total broadcast expenses	<u>\$ 356</u>	<u>\$ 314</u>	<u>\$ 316</u>	<u>\$ 339</u>	<u>\$ 670</u>	<u>\$ 986</u>	<u>\$ 1,325</u>
Production companies expense	<u>\$ 35</u>	<u>\$ 9</u>	<u>\$ 13</u>	<u>\$ 17</u>	<u>\$ 44</u>	<u>\$ 57</u>	<u>\$ 74</u>
Corporate and administrative:							
Corporate expenses	\$ 13	\$ 18	\$ 10	\$ 17	\$ 31	\$ 42	\$ 59
Transaction Related Expenses	32	1	1	-	33	34	34
Non-cash stock-based compensation	3	2	3	4	5	7	11
Total corporate and administrative expense	<u>\$ 48</u>	<u>\$ 21</u>	<u>\$ 14</u>	<u>\$ 21</u>	<u>\$ 69</u>	<u>\$ 83</u>	<u>\$ 104</u>
Total Transaction Related Operating Expenses	<u>\$ 68</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 7</u>	<u>\$ 70</u>	<u>\$ 72</u>	<u>\$ 79</u>
Total non-cash stock-based compensation	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 10</u>	<u>\$ 16</u>

See last page of exhibit for notes

**Gray Television, Inc.**  
**Selected Operating Data (Unaudited)**  
(in millions)

**As Reported Basis**

	2018						
	Three Months Ended				Year To Date Ended		
	March 31	June 30	September 30	December 31	June 30	September 30	December 31
Revenue (less agency commissions):							
Broadcast:							
Local (including internet/digital/mobile)	\$ 105	\$ 113	\$ 106	\$ 117	\$ 219	\$ 325	\$ 443
National	24	30	29	31	54	84	114
Political	6	18	48	83	24	72	155
Retransmission consent	86	85	92	93	171	262	355
Other	5	4	4	4	9	13	17
Total Broadcast revenue	<u>226</u>	<u>250</u>	<u>279</u>	<u>328</u>	<u>477</u>	<u>756</u>	<u>1,084</u>
Production companies revenue	-	-	-	-	-	-	-
Total revenue	<u>\$ 226</u>	<u>\$ 250</u>	<u>\$ 279</u>	<u>\$ 328</u>	<u>\$ 477</u>	<u>\$ 756</u>	<u>\$ 1,084</u>
Operating expenses before depreciation, amortization and gain or loss on disposal of assets, net:							
Broadcast:							
Station expenses	\$ 107	\$ 100	\$ 104	\$ 117	\$ 207	\$ 311	\$ 426
Retransmission expenses	42	39	41	43	81	122	165
Transaction Related Expenses	-	3	-	-	3	3	3
Non-cash stock-based compensation	1	-	-	-	1	1	2
Total broadcast expenses	<u>\$ 150</u>	<u>\$ 142</u>	<u>\$ 145</u>	<u>\$ 160</u>	<u>\$ 292</u>	<u>\$ 437</u>	<u>\$ 596</u>
Production companies expense	-	-	-	-	-	-	-
Corporate and administrative:							
Corporate expenses	\$ 7	\$ 6	\$ 7	\$ 7	\$ 13	\$ 20	\$ 28
Transaction Related Expenses	-	4	3	2	4	7	8
Non-cash stock-based compensation	1	1	1	2	2	3	5
Total corporate and administrative expense	<u>\$ 8</u>	<u>\$ 11</u>	<u>\$ 11</u>	<u>\$ 11</u>	<u>\$ 19</u>	<u>\$ 30</u>	<u>\$ 41</u>
Total Transaction Related Operating Expenses	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 7</u>	<u>\$ 10</u>	<u>\$ 11</u>
Total non-cash stock-based compensation	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 7</u>

See last page of exhibit for notes

**Gray Television, Inc.**  
**Selected Operating Data (Unaudited)**  
(in millions)

**Combined Historical Basis(1)**

	2021						
	Three Months Ended				Year To Date Ended		
	March 31	June 30	September 30	December 31	June 30	September 30	December 31
Revenue (less agency commissions):							
Broadcast:							
Local (including internet/digital/mobile)	\$ 267	\$ 287	\$ 287	\$ 317	\$ 554	\$ 841	\$ 1,158
National	84	82	85	105	166	251	357
Political	13	8	14	25	21	35	60
Retransmission consent	356	351	364	358	707	1,071	1,429
Other	19	16	18	23	35	53	76
Total Broadcast revenue	<u>739</u>	<u>744</u>	<u>768</u>	<u>828</u>	<u>1,483</u>	<u>2,251</u>	<u>3,080</u>
Production companies revenue	14	10	20	29	24	44	73
Total revenue	<u>\$ 753</u>	<u>\$ 754</u>	<u>\$ 788</u>	<u>\$ 857</u>	<u>\$ 1,507</u>	<u>\$ 2,295</u>	<u>\$ 3,153</u>
Operating expenses before depreciation, amortization and gain or loss on disposal of assets, net:							
Broadcast:							
Station expenses	\$ 295	\$ 291	\$ 303	\$ 321	\$ 586	\$ 889	\$ 1,210
Retransmission expenses	209	207	214	211	416	630	842
Transaction Related Expenses	-	-	-	3	-	-	3
Non-cash stock-based compensation	1	1	1	1	2	3	4
Total broadcast expenses	<u>\$ 505</u>	<u>\$ 499</u>	<u>\$ 518</u>	<u>\$ 536</u>	<u>\$ 1,004</u>	<u>\$ 1,522</u>	<u>\$ 2,059</u>
Production companies expense	<u>17</u>	<u>9</u>	<u>13</u>	<u>23</u>	<u>26</u>	<u>39</u>	<u>62</u>
Corporate and administrative:							
Corporate expenses	\$ 15	\$ 15	\$ 18	\$ 29	\$ 30	\$ 48	\$ 77
Transaction Related Expenses	1	7	11	52	8	19	71
Non-cash stock-based compensation	3	3	3	3	6	9	12
Total corporate and administrative expense	<u>\$ 19</u>	<u>\$ 25</u>	<u>\$ 32</u>	<u>\$ 84</u>	<u>\$ 44</u>	<u>\$ 76</u>	<u>\$ 160</u>
Total Transaction Related Operating Expenses (2)	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ 11</u>	<u>\$ 55</u>	<u>\$ 8</u>	<u>\$ 19</u>	<u>\$ 74</u>
Total non-cash stock-based compensation	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 8</u>	<u>\$ 12</u>	<u>\$ 16</u>

See last page of exhibit for notes



**Gray Television, Inc.**  
**Selected Operating Data (Unaudited)**  
(in millions)

**Combined Historical Basis(1)**

	2020						
	Three Months Ended				Year To Date Ended		
	March 31	June 30	September 30	December 31	June 30	September 30	December 31
Revenue (less agency commissions):							
Broadcast:							
Local (including internet/digital/mobile)	\$ 262	\$ 209	\$ 242	\$ 287	\$ 471	\$ 713	\$ 1,000
National	76	52	70	92	128	198	289
Political	50	29	190	383	79	269	652
Retransmission consent	316	322	319	319	638	957	1,276
Other	21	14	15	23	35	50	74
Total Broadcast revenue	<u>725</u>	<u>626</u>	<u>836</u>	<u>1,104</u>	<u>1,351</u>	<u>2,187</u>	<u>3,291</u>
Production companies revenue	19	2	11	29	21	32	61
Total revenue	<u>\$ 744</u>	<u>\$ 628</u>	<u>\$ 847</u>	<u>\$ 1,133</u>	<u>\$ 1,372</u>	<u>\$ 2,219</u>	<u>\$ 3,352</u>
Operating expenses before depreciation, amortization and gain or loss on disposal of assets, net:							
Broadcast:							
Station expenses	\$ 295	\$ 272	\$ 288	\$ 331	\$ 567	\$ 855	\$ 1,184
Retransmission expenses	180	182	184	186	362	546	732
Transaction Related Expenses	-	-	-	-	-	-	-
Non-cash stock-based compensation	2	1	1	1	3	4	7
Total broadcast expenses	<u>\$ 477</u>	<u>\$ 455</u>	<u>\$ 473</u>	<u>\$ 518</u>	<u>\$ 932</u>	<u>\$ 1,405</u>	<u>\$ 1,923</u>
Production companies expense	<u>\$ 19</u>	<u>\$ 5</u>	<u>\$ 8</u>	<u>\$ 20</u>	<u>\$ 24</u>	<u>\$ 32</u>	<u>\$ 53</u>
Corporate and administrative:							
Corporate expenses	\$ 13	\$ 14	\$ 11	\$ 13	\$ 27	\$ 38	\$ 53
Transaction Related Expenses	-	-	1	1	-	1	1
Non-cash stock-based compensation	2	3	3	4	5	8	11
Total corporate and administrative expense	<u>\$ 15</u>	<u>\$ 17</u>	<u>\$ 15</u>	<u>\$ 18</u>	<u>\$ 32</u>	<u>\$ 47</u>	<u>\$ 65</u>
Total Transaction Related Operating Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
Total non-cash stock-based compensation	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 5</u>	<u>\$ 8</u>	<u>\$ 12</u>	<u>\$ 18</u>

See last page of exhibit for notes

**Gray Television, Inc.**  
**Selected Operating Data (Unaudited)**  
(in millions)

**Combined Historical Basis(1)**

	2019						
	Three Months Ended				Year To Date Ended		
	March 31	June 30	September 30	December 31	June 30	September 30	December 31
Revenue (less agency commissions):							
Broadcast:							
Local (including internet/digital/mobile)	\$ 284	\$ 299	\$ 287	\$ 321	\$ 583	\$ 870	\$ 1,191
National	77	84	84	101	161	245	346
Political	4	6	24	45	10	34	79
Retransmission consent	301	297	286	291	598	884	1,175
Other	17	15	15	16	32	47	63
Total Broadcast revenue	<u>683</u>	<u>701</u>	<u>696</u>	<u>774</u>	<u>1,384</u>	<u>2,080</u>	<u>2,854</u>
Production companies revenue	37	9	16	25	46	62	87
Total revenue	<u>\$ 720</u>	<u>\$ 710</u>	<u>\$ 712</u>	<u>\$ 799</u>	<u>\$ 1,430</u>	<u>\$ 2,142</u>	<u>\$ 2,941</u>
Operating expenses before depreciation, amortization and gain or loss on disposal of assets, net:							
Broadcast:							
Station expenses	\$ 306	\$ 289	\$ 298	\$ 311	\$ 595	\$ 893	\$ 1,204
Retransmission expenses	156	156	158	161	312	470	631
Transaction Related Expenses	36	1	1	7	37	38	45
Non-cash stock-based compensation	-	1	2	2	1	3	5
Total broadcast expenses	<u>\$ 498</u>	<u>\$ 447</u>	<u>\$ 459</u>	<u>\$ 481</u>	<u>\$ 945</u>	<u>\$ 1,404</u>	<u>\$ 1,885</u>
Production companies expense	<u>\$ 35</u>	<u>\$ 9</u>	<u>\$ 13</u>	<u>\$ 17</u>	<u>\$ 44</u>	<u>\$ 57</u>	<u>\$ 74</u>
Corporate and administrative:							
Corporate expenses	\$ 13	\$ 18	\$ 12	\$ 16	\$ 31	\$ 43	\$ 59
Transaction Related Expenses	32	1	1	-	33	34	34
Non-cash stock-based compensation	3	2	2	4	5	7	11
Total corporate and administrative expense	<u>\$ 48</u>	<u>\$ 21</u>	<u>\$ 15</u>	<u>\$ 20</u>	<u>\$ 69</u>	<u>\$ 84</u>	<u>\$ 104</u>
Total Transaction Related Operating Expenses	<u>\$ 68</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 7</u>	<u>\$ 70</u>	<u>\$ 72</u>	<u>\$ 79</u>
Total non-cash stock-based compensation	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 10</u>	<u>\$ 16</u>

See last page of exhibit for notes

**Gray Television, Inc.**  
**Selected Operating Data (Unaudited)**  
(in millions)

**Combined Historical Basis(1)**

	2018						
	Three Months Ended				Year To Date Ended		
	March 31	June 30	September 30	December 31	June 30	September 30	December 31
Revenue (less agency commissions):							
Broadcast:							
Local (including internet/digital/mobile)	\$ 287	\$ 305	\$ 290	\$ 322	\$ 592	\$ 882	\$ 1,204
National	81	89	88	98	170	258	356
Political	13	43	111	205	56	167	372
Retransmission consent	242	247	253	261	489	742	1,003
Other	14	15	15	14	29	44	58
Total Broadcast revenue	<u>637</u>	<u>699</u>	<u>757</u>	<u>900</u>	<u>1,336</u>	<u>2,093</u>	<u>2,993</u>
Production companies revenue	35	9	19	22	44	63	85
Total revenue	<u>\$ 672</u>	<u>\$ 708</u>	<u>\$ 776</u>	<u>\$ 922</u>	<u>\$ 1,380</u>	<u>\$ 2,156</u>	<u>\$ 3,078</u>
Operating expenses before depreciation, amortization and gain or loss on disposal of assets, net:							
Broadcast:							
Station expenses	\$ 303	\$ 297	\$ 309	\$ 345	\$ 600	\$ 909	\$ 1,254
Retransmission expenses	128	127	133	136	255	388	524
Transaction Related Expenses	-	3	-	-	3	3	3
Non-cash stock-based compensation	1	-	1	1	1	2	3
Total broadcast expenses	<u>\$ 432</u>	<u>\$ 427</u>	<u>\$ 443</u>	<u>\$ 482</u>	<u>\$ 859</u>	<u>\$ 1,302</u>	<u>\$ 1,784</u>
Production companies expense	<u>\$ 33</u>	<u>\$ 9</u>	<u>\$ 15</u>	<u>\$ 16</u>	<u>\$ 42</u>	<u>\$ 57</u>	<u>\$ 73</u>
Corporate and administrative:							
Corporate expenses	\$ 14	\$ 11	\$ 13	\$ 25	\$ 25	\$ 38	\$ 63
Transaction Related Expenses	-	4	3	2	4	7	9
Non-cash stock-based compensation	3	3	3	4	6	9	13
Total corporate and administrative expense	<u>\$ 17</u>	<u>\$ 18</u>	<u>\$ 19</u>	<u>\$ 31</u>	<u>\$ 35</u>	<u>\$ 54</u>	<u>\$ 85</u>
Total Transaction Related Operating Expenses	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 7</u>	<u>\$ 10</u>	<u>\$ 12</u>
Total non-cash stock-based compensation	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 5</u>	<u>\$ 7</u>	<u>\$ 11</u>	<u>\$ 16</u>

See last page of exhibit for notes

(1) Due to the significant effect that our acquisitions and divestitures have had on our results of operations, and in order to provide more meaningful period over period comparisons, we present herein certain financial information on a "Combined Historical Basis." Combined Historical Basis (or "CHB") reflects financial results that have been compiled by adding Gray's historical revenue and broadcast expenses to the historical revenue and broadcast expenses of stations (or other businesses as applicable) acquired by Gray and acquired businesses and removing the historical revenues and historical broadcast expenses of divested by Gray and acquired businesses (or other businesses as applicable) as if they had been acquired or divested, respectively, on January 1, 2018 (the beginning of the earliest period presented). Combined Historical Basis financial information reflects station (or other businesses as applicable) acquisition and divestitures occurring between January 1, 2018 and December 31, 2021. Combined Historical Basis financial information does not reflect all purchase accounting and other adjustments required to comply with accounting principles generally accepted in the United States of America ("GAAP"), and includes certain other amounts not included, in pro forma financial information under Regulation S-X under the Securities Act. Combined Historical Basis information also does not include expected synergies from any transaction during the periods presented.

(2) Excludes \$7 million of Transaction Related Expenses recorded as "Miscellaneous income (expense), net" in the quarter ended June 30 2021.



**gray**  
Television • Digital • Mobile

**Gray Television, Inc.  
Investor Presentation  
NYSE:GTN**

February 2022

Updated for December 31, 2021 Financial Information

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# A Leading Multimedia Company



gray

Washington  
News Bureau

POWER NATION  
STUDIOS

INVESTIGATE

TUPELO HONEY

RAYCOM  
Sports



Due to the significant effect that material transactions have had on our results of our operations, we present the financial information herein consistent with both U.S. Generally Accepted Accounting Principles ("GAAP" or "As Reported Basis") and on a Combined Historical Basis ("CHB"), which incorporates certain historical results of acquired businesses, less the historical results of divested businesses. We also furnish certain other detailed non-GAAP metrics to provide more meaningful period-over-period comparisons to assist the public in its analysis and valuation of the Company. Operating Cash Flow is defined in our Senior Credit Facility. Ratings refer to all-day Household Live Rating and Share Averages during 2021 for all US broadcast television stations from Comscore, Inc. ("Comscore"). DMA estimates and ranks from Nielsen Company. Financial data on other companies derived from the respective companies' SEC filings. See Glossary at end for definitions.

# National Footprint in 2022



- |  |   |   |  |   |
|--|---|---|--|---|
| 1 Albany, GA (10) KALB, WAOB                 | 32 Dallas, TX (10) KDFW, KRLD, KRM                | 65 Lansing, MI (10) WILX                            | 79 Panama City, FL (10) WJHG, WOPF             | 161 Tampa St. Pete (St. Petersburg), FL (10) WWSB           |
| 2 Alexandria, LA (10) KALB                   | 33 Evansville, IN (10) WISB                       | 66 Laredo, TX (10) KRDS, WFLX, KRNU                 | 79 Parkersburg, WV (10) WTAR, WTYE, WDM        | 162 Toledo, OH (10) WTVG                                    |
| 3 Amarillo, TX (10) WPTA, KSTZ               | 34 Fairbanks, AK (10) KTVU, KSGK, KTFP            | 67 Las Vegas, NV (10) KVVU                          | 80 Pierre, SD (10) WPTD                        | 163 Topeka, KS (10) WJHM                                    |
| 4 Anchorage, AK (10) KTVU, KTVL, KASU        | 35 Fargo, ND (10) WFLA, KXJB                      | 68 Lexington, KY (10) WXTV, WYMT                    | 81 Phoenix, AZ (10) WPMI, KTVN                 | 164 Tuscon, AZ (10) KOLB                                    |
| 5 Atlanta, GA (10) WDCB, WPCW                | 36 Flint, MI (10) WJLB                            | 69 Louisville, NE (10) KOLR, KQMG, KQML, KQNL, KQNL | 82 Portland, OR (10) KPXT, KPDX                | 165 Twin Falls, ID (10) KMYT, KMYT                          |
| 6 Augusta, GA (10) WAOB, WAGT                | 37 Ft. Wayne, IN (10) WPTA, WWSB                  | 70 Louisville, KY (10) WAVE                         | 83 Prosser, IA (10) WAGL, WWSB                 | 166 Tyler, TX (10) KUTV, KTRG                               |
| 7 Bangor, ME (10) WBSB                       | 38 Gainesville, FL (10) WFLB                      | 81 Lubbock, TX (10) KLBK, KLDN, KRTS, KRFI          | 84 Quincy, IL (10) WQDR                        | 167 Waco, TX (10) WFTX, KFTX, KACT                          |
| 8 Baton Rouge, LA (10) WBRV, WBRV            | 39 Grand Junction, CO (10) WDCB, KJCT             | 82 Madison, WI (10) WMTV                            | 85 Rapid City, SD (10) KOTA, KFYR, KQSD        | 168 Washington, MI (10) WZZM, WZZM                          |
| 9 Boise, ID (10) WBOA                        | 40 Green Bay, WI (10) WISN                        | 83 Markham, MN (10) WTCN, KSNP                      | 86 Reno, NV (10) KTNV                          | 169 Waterloo, WI (10) WISN, WISN, WISN                      |
| 10 Birmingham, AL (10) WABC                  | 41 Greenville, NC (10) WTN                        | 84 Marietta, GA (10) WWSB                           | 87 Richmond, VA (10) WISN, WWSB                | 170 West Palm Beach, FL (10) WPTA                           |
| 11 Birmingham, AL (10) WABC                  | 42 Greenville-Spartanburg, SC (10) WISN           | 85 Memphis, TN (10) WMC                             | 88 Roanoke, VA (10) WISN, KQMD                 | 171 Wichita, KS (10) WISN, KQMD, KQSD, KQSD, KQSD           |
| 12 Birmingham, AL (10) WABC                  | 43 Harrisburg, PA (10) WISN, WWSB, WWSB           | 86 Norfolk, NE (10) WTVR                            | 89 Rockford, IL (10) WISN, WWSB                | 172 Wichita Falls, TX (10) KSTW, KSTW                       |
| 13 Birmingham, AL (10) WABC                  | 44 Hartford, CT (10) WISN                         | 87 Norfolk, VA (10) WISN                            | 90 Rochester, MN (10) WISN, WWSB               | 173 Wilmington, NC (10) WISN                                |
| 14 Boise, ID (10) WBOA                       | 45 Harrisburg, PA (10) WISN                       | 88 Houston, TX (10) KPRC, KPRC                      | 91 Savannah, GA (10) WISN                      | 174 Charlotte, NC - Operations, Regional Sports             |
| 15 Bowling Green, KY (10) WWSB               | 46 Honolulu, HI (10) KNLN, KSNL, KPNL, KQQL, KSNL | 89 Montgomery, AL (10) WISN                         | 92 Sherman, TX (10) KSL, KSL                   | 175 Montgomery, AL - Operations, Shared Services            |
| 16 Burlington, VT (10) WISN, WISN            | 47 Huntsville, AL (10) WISN                       | 90 Myrtle Beach, SC (10) WISN                       | 93 Shreveport, LA (10) KSL                     | 176 Tallahassee, FL - Operations, Shared Services           |
| 17 Casper, WY (10) KSNL                      | 48 Jackson, MS (10) WISN                          | 91 Nashville, TN (10) WISN                          | 94 Sioux City, IA (10) WISN                    | 177 Nashville, TN - Shared Services, Cycle Health           |
| 18 Cedar Rapids, IA (10) KCRG                | 49 Jacksonville, AR (10) KATV                     | 92 New Orleans, LA (10) WISN                        | 95 Sioux Falls, SD (10) KSPX, KSTP, KPNL, KPNL | 178 New York, NY - Talent Relations                         |
| 19 Charleston, SC (10) WISN                  | 50 Jaxson, AK (10) KATV, KVEA, KSCZ, KJRB         | 93 North Platte, NE (10) WISN, KATV, KAT            | 96 South Bend, IN (10) WISN, WISN              | 179 Washington, DC - Gray DC Bureau, Full Coast Press       |
| 20 Charleston-Huntington, WV (10) WISN, WISN | 51 Kansas City, MO (10) WISN, KSHB                | 94 Omaha, NE (10) WISN, KSHB, KSHB, KSHB            | 97 Springfield, MA (10) WISN, WISN             | 180 Grand Rapids, MI - Systems Engineering                  |
| 21 Charlotte, NC (10) WISN                   | 52 Knoxville, TN (10) WISN, WISN                  | 95 Omaha, NE (10) WISN                              | 98 Springfield, MO (10) KPTV, KPTV, KPTV, KPTV | 181 Atlanta, GA - Gray Corporate Headquarters, Shared Press |
| 22 Charlottesville, VA (10) WISN             | 53 La Crosse-Eau Claire, WI (10) WISN             | 96 Oklahoma, OK (10) KOTV                           | 99 St. Louis, MO (10) KMOU                     |   |
| 23 Cheyenne, WY (10) KSNL, KSNL              | 54 Lake Charles, LA (10) KSLA                     | 97 Patuxent, KY-Cape Girardeau, MO (10) KPTV        | 100 Tallahassee, FL (10) WCTV, WWSB            |   |
| 24 Cincinnati, OH (10) WISN                  |   |   |  |   |
| 25 Cleveland, OH (10) WISN, WISN             |   |   |  |   |
| 26 Cleveland, OH (10) WISN, WISN             |   |   |  |   |
| 27 Colorado Springs, CO (10) KATV            |   |   |  |   |
| 28 Columbia, SC (10) WISN                    |   |   |  |   |
| 29 Columbia, GA (10) WISN                    |   |   |  |   |
| 30 Danvers, MA (10) WISN                     |   |   |  |   |
| 31 Daphn, AL (10) WISN, WISN                 |   |   |  |   |





In 2021, Gray Television  
Acquired Meredith  
Corporation's Local  
Media Group and  
Quincy Media,  
Transforming Gray  
Into the Nation's Second  
Largest Broadcaster

**\$3.25**

Billion Average 2020/21  
Revenue (CHB)

**\$1.2**

Billion Average 2020/21  
Operating Cash Flow (CHB)

**37%**

Average 2020/21 OCF/  
Revenue Margin (CHB)





# The Highest Quality and Most Diverse Station Group

Owned and/or Operated  
Big Four Affiliates

**113**

Markets with owned and/or operated TV stations reaching 36% of US TVHH

**71%**

Markets with #1 ranked local TV stations

**88%**

Markets with #1 and/or #2 ranked local TV stations

**10.2**

Billion minutes in 2021 spent on our digital platforms (29 million minutes/day)

  
64 channels

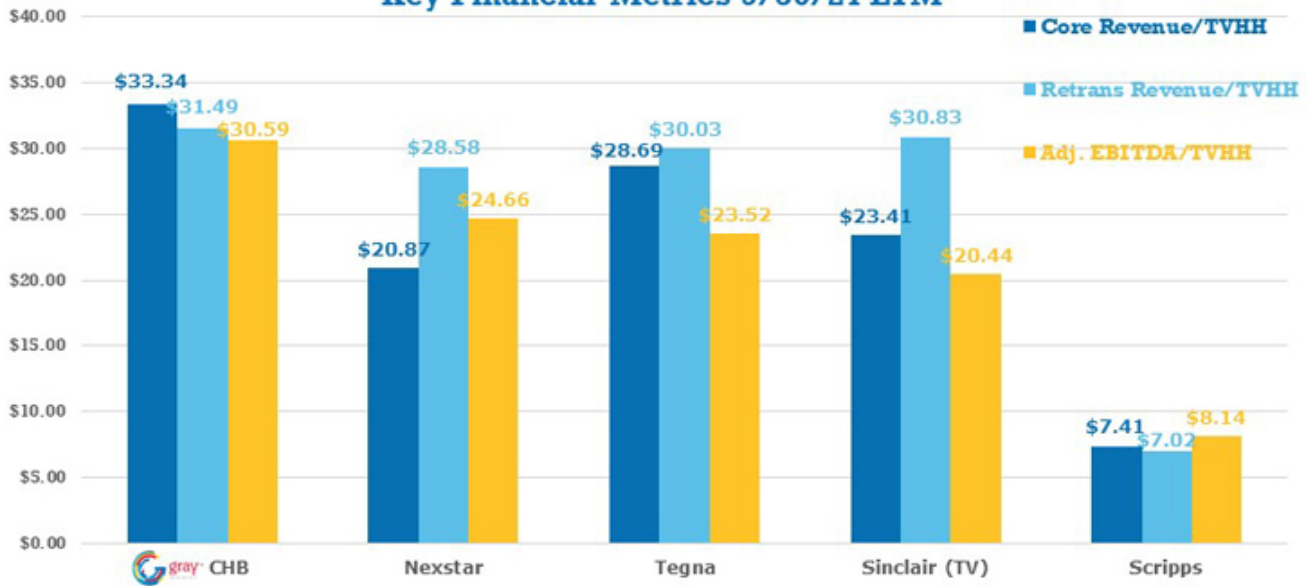
  
29 channels

  
30 channels

  
32 channels

# The Power of #1 Stations

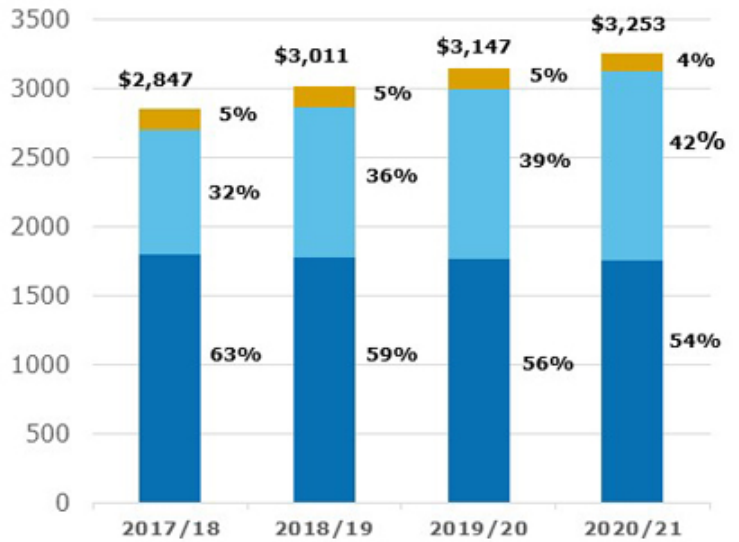
## Key Financial Metrics 9/30/21 LTM



Full Year 2021 Owned Stations	gray-CHB	Nexstar	Tegna	Sinclair (TV)	Scripps
<b>Markets with #1/#2 Ranked Owned Stations</b>	<b>88%</b>	59%	50%	47%	18%
<b>Markets with Owned Stations</b>	113	115	51	86	76
<b>Nielsen TVHH (mm)</b>	44	83	48	47	88
<b>Reach of Owned Stations (Total Nielsen TVHH)</b>	36%	68%	39%	38%	72%

Sources: Company filings, Nielsen TVHH estimates, Comscore average all-day live HH ratings for calendar year 2021.

## Growing and Diversifying Revenue (CHB, \$ in millions)



### Approximate Advertising Revenue Contributions

- 56% News
  - 50% Local News
  - 6% Network News
- 12% Network Prime
- 13% Network Other
- 13% Syndication
- 3% Network Sports
- 3% Other

Revenue Type CHB (\$ in Millions)	2017/ 2018	2018/ 2019	2019 /2020	2020 /2021
Advertising	1,801	1,774	1,779	1,758
Retransmission	903	1,089	1,225	1,352
All Other	143	147	142	142

# Solid Distribution Profile

**Retransmission Revenue (CHB)**  
(\$ in millions)



2022

**All Network Renewals:**

MVPD Retrans Renewals (subs): **21%**

2023

**All Network Renewals:**

Legacy Meredith Renewals:

MVPD Retrans Renewals (subs): **56%**

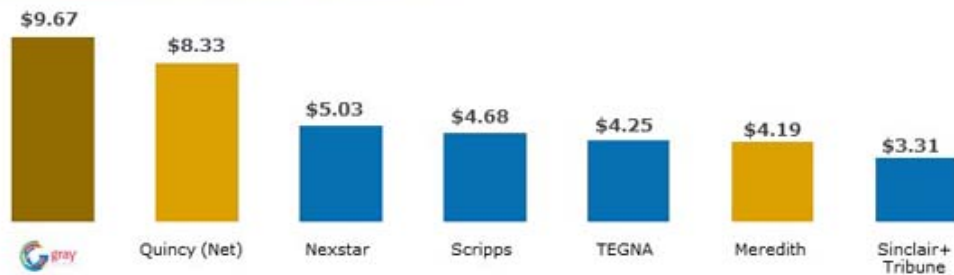
2024

**Legacy Gray Network Renewals:**

MVPD Retrans Renewals (subs): **23%**

# Gray Excels at Political Revenue

## 2016 Political Revenue Per TV Household



**2016 Political Revenue**  
**2016 TV Households**

Gray	\$118	\$15	\$228	\$101	\$155	\$52	\$276
	12.2	1.8	45.3	21.6	36.5	12.4	83.4

## 2020 Political Revenue Per TV Household



**2020 Political Revenue**  
**2020 TV Households**

Gray (CHB)	\$652	\$430	\$186	\$446	\$374	\$508	\$265
	36.1	24.5	10.9	38.3	39.3	62.5	72.5

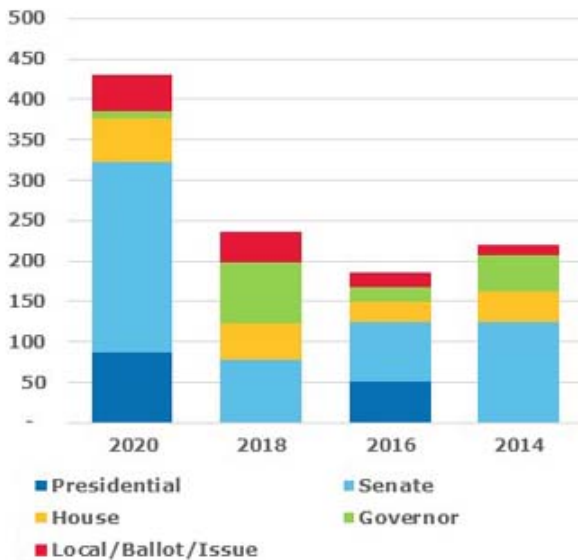
Revenue per company filings shown in millions of dollars. TV Household estimates from Comscore shown in millions for applicable year. 2020 Gray data is CHB and As Reported, as noted. For All 2016 Data: Gray is CHB for all transactions completed as of 12/31/16. Nexstar is shown pro forma for Media General acquisition. Quincy (Net) is Quincy Media, Inc. excluding stations divested to Allen Media on August 2, 2021. Sinclair+Tribune shown on a combined basis prior to any contemplated divestitures.



# Well Positioned for 2022 Political Revenue

## Approximate Political Advertising Revenue by Race Type 2014-20

(Excluding Meredith and Quincy Transactions, figures in millions of dollars)



## Gray's Local News Stations Located Throughout the Most Competitive Political Areas in 2022

### 2022 Senate Races

Gray Stations have a strong position throughout 8 of 9 Most Competitive Races (per Cook Political Report) - AZ, FL, GA, NC, NH, OH, NV, WI.

### 2022 Gubernatorial Races

Gray Stations in 31 of 36 States with Races - AK, AL, AR, AZ, CO, CT, FL, GA, HI, IA, ID, IL, KS, MA, MI, ME, MN, NE, NH, NV, NY, OH, OK, OR, SC, SD, TN, TX, VT, WI, WY.

Significantly expanded map versus just 11 States with Gubernatorial Races in 2020

### 2022 House Races

All 435 Districts, All Gray Markets.

**Gray's Current Political Advertising Estimate for 2022: \$575 Million (~55% Increase over 2018)**

Gray's digital revenue (included in "Local Advertising Revenue") is derived from **organically created and sold inventory** across virtually all online/digital platforms including OTT and Connected TV platforms and owned and third-party mobile apps.



## 2021 Digital Metrics

- Digital teams across Gray produced over **2 million pieces of unique content**.
- Gray-owned station-branded digital platforms ("Gray Digital Platforms") transmitted **600 million video streams**.
- Gray Digital Platforms attracted **11 billion page views**.
- Each month, **1.1 Billion aggregate users** visited Gray Digital Platforms.
- That's an average of **150 visits every second** to Gray Digital Platforms.

# Multifaceted Digital Ventures



Gray's in-house Digital Agency serves over 5,500 clients and executes more than 11,000 campaigns monthly.



Premion delivers brand-safe CTV and OTT impressions at scale, with full transparency for advertisers.



All stations participate on VUit, a free, ad-supported streaming service ("F.A.S.T.") with live and on-demand local and unique programming from multiple broadcasters owners across 174 DMAs (out of 210).



Gray's stations broadcasting in the NextGenTV standard reached approximately 11% of US TV households at YE2021 - a figure expected to increase to 21% by YE2022.



## Focus on Shareholder Returns

### Task One: Focus on Execution and Growth to Drive Stock Price Growth



The infographic features a background image of a modern office interior with large windows and a desk. Overlaid on this are several callout boxes and a central circular graphic. A large orange circle on the left contains the text '\$600M+' and 'TWO-YEAR AVG. ANNUAL FCF TARGET'. To the right, three rounded rectangular boxes contain the following text: 'Deleverage Balance Sheet' (top, blue), 'Opportunistic Stock Buybacks approx. \$174 million authority remaining' (middle, green), and 'Quarterly Cash Dividend re-instituted in early 2021' (bottom, blue). Dotted lines connect the central circle to each of the three boxes on the right.


**\$600M+**  
TWO-YEAR AVG.  
ANNUAL FCF  
TARGET

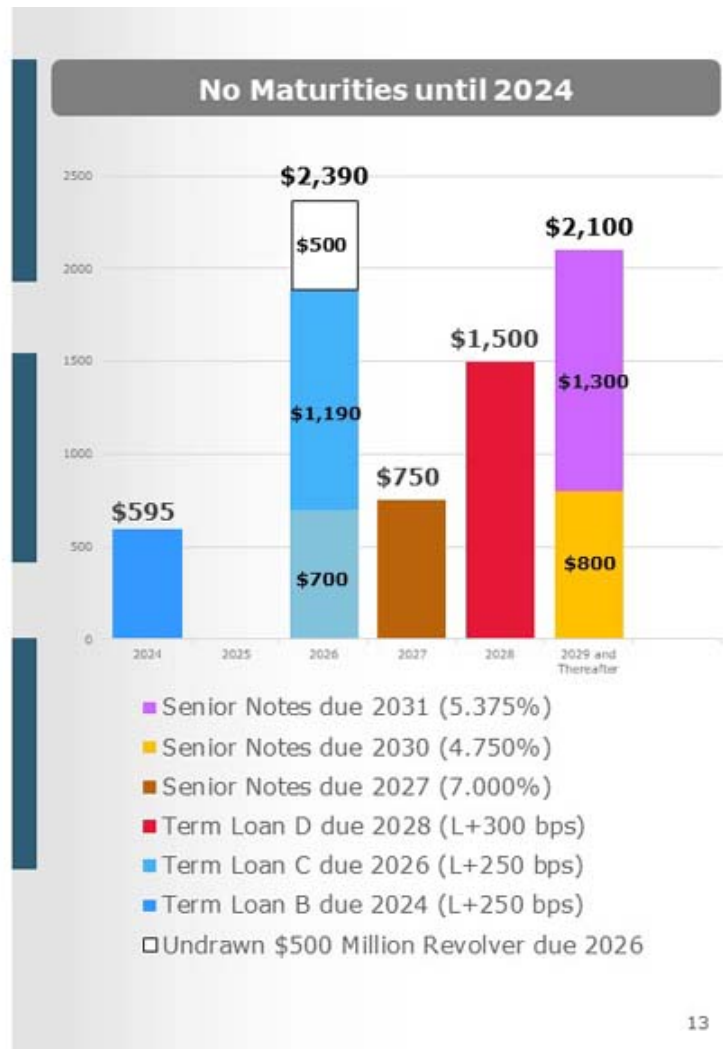
**Deleverage Balance Sheet**

**Opportunistic Stock Buybacks**  
approx. \$174 million authority remaining

**Quarterly Cash Dividend**  
re-instituted in early 2021

## Robust Free Cash Flow Allows Rapid Deleveraging.

Gray's staggered debt maturity profile is well supported by its industry-leading margins, efficient cost controls and significant free cash flow generation. 



# Robust Free Cash Flow Generation and Conversion



Non-Election Year 2017 OCF Buildup		Midterm Election Year 2018 OCF Buildup		Non-Election Year 2019 OCF Buildup		Presidential Election Year 2020 OCF Buildup		Non-Election Year 2021 OCF Buildup		2020 CHB 2021 Average	
FCF Per Diluted Share \$2.32    \$3.53		FCF Per Diluted Share \$2.96    \$5.32		FCF Per Diluted Share \$2.72    \$3.58		FCF Per Diluted Share \$5.76    \$8.34		FCF Per Diluted Share \$2.83    \$4.99		FCF Per Diluted Share \$4.30    \$6.66	
FCF as a Percentage of OCF 57%    44%		FCF as a Percentage of OCF 58%    58%		FCF as a Percentage of OCF 43%    50%		FCF as a Percentage of OCF 59%    58%		FCF as a Percentage of OCF 41%    46%		FCF as a Percentage of OCF 50%    52%	

(\$ in millions)



■ Taxes   
 ■ Cash Interest excludng amortization of deferred financing costs/premiums <sup>(1)</sup>   
 ■ Preferred Dividends   
 ■ Capex   
 ■ Free Cash Flow

- (1) CHB interest expense for 2017, 2018, 2019, 2020 and 2021 estimated with incremental indebtedness and estimated cash interest relating to acquisition debt financing as if the acquisition debt financing had occurred on the first day of the period reported
- (2) As reported OCFs equal to Broadcast Cash Flow less Cash Corporate Expenses plus Pension Expense less Pension Contributions
- (3) As Reported and CHB 2021 FCF excludes approximately \$31 million of common stock dividends, \$109 million of Capex for Assembly Atlanta and \$89 million of income tax payments related to the Meredith Divestiture and the Quincy Divestiture.

# Additional Related Businesses

## Owned Video Production Companies



## Owned Real Estate/Studio Companies



## Investments in Content, Physical Sports and E-Sports, OTT and Technology Companies



# Appendix: Non-GAAP Reconciliations, Disclaimers, and Definitions





# As Reported 2021

Dollars in millions



	Year Ended December 31,				
	2021	2020	% Change 2021 to 2020	2019	% Change 2021 to 2019
	(dollars in millions)				
Revenue (less agency commissions):					
Broadcasting	\$ 2,340	\$ 2,320	1 %	\$ 2,035	15 %
Production companies	73	61	20 %	87	(16)%
Total revenue	<u>\$ 2,413</u>	<u>\$ 2,381</u>	1 %	<u>\$ 2,122</u>	14 %
Political advertising revenue	\$ 44	\$ 430	(90)%	\$ 68	(35)%
Operating expenses (1):					
Broadcasting	\$ 1,548	\$ 1,340	16 %	\$ 1,325	17 %
Production companies	\$ 62	\$ 52	19 %	\$ 74	(16)%
Corporate and administrative	\$ 159	\$ 65	145 %	\$ 104	53 %
Net income	\$ 90	\$ 410	(78)%	\$ 179	(50)%
Non-GAAP Cash Flow (2):					
Broadcast Cash Flow	\$ 813	\$ 999	(19)%	\$ 729	12 %
Broadcast Cash Flow Less Cash Corporate Expenses	\$ 666	\$ 945	(30)%	\$ 636	5 %
Free Cash Flow	\$ 238	\$ 559	(57)%	\$ 273	(13)%
Transaction related expenses included in expenses (3):					
Broadcasting	\$ 3	\$ -		\$ 45	
Production companies	\$ -	\$ -		\$ -	
Corporate and administrative	\$ 71	\$ 1		\$ 34	
Miscellaneous expense	\$ 7	\$ -		\$ -	

(1) Excludes depreciation, amortization and (gain) loss on disposal of assets.

(2) See definition of non-GAAP terms and a reconciliation of the non-GAAP amounts to net income included elsewhere herein.

(3) Transaction Related Expenses are incremental expenses incurred specific to acquisitions and divestitures, including but not limited to, legal and professional fees, severance and incentive compensation and contract termination fees.

# Combined Historical Basis 2021

Dollars in millions



	Year Ended December 31,				
	2021	2020	% Change 2021 to 2020	2019	% Change 2021 to 2019
	(dollars in millions)				
<b>Revenue (less agency commissions):</b>					
Broadcast	\$ 3,080	\$ 3,291	(6)%	\$ 2,854	8 %
Production companies	73	61	20 %	87	(16)%
<b>Total revenue</b>	<b>\$ 3,153</b>	<b>\$ 3,352</b>	<b>(6)%</b>	<b>\$ 2,941</b>	<b>7 %</b>
Political advertising revenue	\$ 60	\$ 652	(91)%	\$ 79	(24)%
<b>Operating expenses (1):</b>					
Broadcast	\$ 2,059	\$ 1,923	7 %	\$ 1,885	9 %
Production companies	\$ 62	\$ 53	17 %	\$ 74	(16)%
Corporate and administrative	\$ 160	\$ 65	146 %	\$ 104	54 %
<b>Non-GAAP Cash Flow (2):</b>					
Broadcast Cash Flow	\$ 1,105	\$ 1,459	(24)%	\$ 1,121	(1)%
Broadcast Cash Flow Less Cash Corporate Expenses	\$ 958	\$ 1,405	(32)%	\$ 1,028	(7)%
Operating Cash Flow as Defined in our Senior Credit Agreement	\$ 1,029	\$ 1,403	(27)%	\$ 1,060	(3)%
Free Cash Flow	\$ 443	\$ 809	(45)%	\$ 533	(17)%
<b>Transaction related expenses included in expenses (3):</b>					
Broadcast	\$ 3	\$ -		\$ 45	
Production companies	\$ -	\$ -		\$ -	
Corporate and administrative	\$ 71	\$ 1		\$ 34	
Miscellaneous expense	\$ 7	\$ -		\$ -	

(1) Excludes depreciation, amortization and (gain) loss on disposal of assets.

(2) See definition of non-GAAP terms and a reconciliation of the non-GAAP amounts to net income included elsewhere herein

(3) Transaction Related Expenses are incremental expenses incurred specific to acquisitions and divestitures, including but not limited to, legal and professional fees, severance and incentive compensation and contract termination fees.

# Non-GAAP Reconciliation

Reconciliation of Non-GAAP terms on As Reported Basis, in millions



	Year Ended December 31,				
	2021	2020	2019	2018	2017
Net income	\$ 90	\$ 410	\$ 179	\$ 211	\$ 262
Adjustments to reconcile from net income to					
Free Cash Flow:					
Depreciation	104	96	80	54	52
Amortization of intangible assets	117	105	115	21	25
Non-cash stock-based compensation	14	16	16	7	8
Non-cash 401(k) expense, excluding corporate portion	8	6	5	4	-
Loss (gain) on disposal of assets, net	42	(29)	(54)	(17)	(74)
Miscellaneous expense (income), net	8	5	(4)	(6)	-
Interest expense	205	191	227	107	95
Loss on early extinguishment of debt	-	12	-	-	3
Income tax expense (benefit)	78	134	76	77	(69)
Amortization of program broadcast rights	38	38	39	21	21
Payments for program broadcast rights	(38)	(39)	(43)	(22)	(21)
Corporate and administrative expenses before depreciation, amortization of intangible assets and non-cash stock-based compensation	147	54	93	36	27
<b>Broadcast Cash Flow (1)</b>	<b>813</b>	<b>999</b>	<b>729</b>	<b>493</b>	<b>329</b>
Corporate and administrative expenses before depreciation, amortization of intangible assets and non-cash stock-based compensation	(147)	(54)	(93)	(36)	(27)
<b>Broadcast Cash Flow Less Cash Corporate Expenses (1)</b>	<b>666</b>	<b>945</b>	<b>636</b>	<b>457</b>	<b>302</b>
Contributions to pension plans	(4)	(3)	(3)	(2)	(3)
Interest expense	(205)	(191)	(227)	(107)	(95)
Amortization of deferred financing costs	11	11	11	5	4
Preferred stock dividends	(52)	(52)	(52)	-	-
Common stock dividends	(31)	-	-	-	-
Purchase of property and equipment (2)	(98)	(110)	(110)	(70)	(35)
Reimbursements of property and equipment purchases	11	29	41	14	-
Income taxes paid, net of refunds (3)	(60)	(70)	(23)	(34)	(2)
<b>Free Cash Flow</b>	<b>\$ 238</b>	<b>\$ 659</b>	<b>\$ 273</b>	<b>\$ 263</b>	<b>\$ 171</b>

(1) Amounts in 2017 have been reclassified to give effect to the implementation of ASU 2017-07.

(2) Excludes approximately \$109 million related to the Assembly Atlanta project in 2021.

(3) Excludes approximately \$89 million of income tax payments related to the Meredith Divestiture and the Quincy Divestiture in 2021.



# Non-GAAP Reconciliation

Reconciliation of Non-GAAP terms on A Combined Historical Basis, in millions



	Year Ended December 31,				
	2021	2020	2019	2018	2017
Net income	\$ 265	\$ 635	\$ 310	\$ 523	\$ 782
Adjustments to reconcile from net income to Free Cash Flow:					
Free Cash Flow:					
Depreciation	128	128	111	114	116
Amortization of intangible assets	123	114	127	127	134
Non-cash stock-based compensation	16	18	17	16	16
Non-cash 401(k) expense, excluding corporate portion	8	6	5	4	-
Gain on disposal of assets, net	(10)	(32)	(41)	(11)	(154)
Miscellaneous expense (income), net	8	27	(5)	8	3
Interest expense	311	311	311	311	311
Loss from early extinguishment of debt	-	12	-	-	5
Income tax expense (benefit)	46	117	65	65	(367)
Amortization of program broadcast rights	55	58	60	63	61
Payments for program broadcast rights	(56)	(59)	(64)	(63)	(61)
Corporate and administrative expenses excluding depreciation, amortization of intangible assets and non-cash stock-based compensation	147	54	93	73	55
Broadcast Transaction Related Expenses	3	-	45	3	3
Broadcast other adjustments	61	70	87	93	91
<b>Broadcast Cash Flow (1)</b>	<b>1,105</b>	<b>1,459</b>	<b>1,121</b>	<b>1,326</b>	<b>995</b>
Corporate and administrative expenses excluding depreciation, amortization of intangible assets and non-cash stock-based compensation	(147)	(54)	(93)	(73)	(55)
<b>Broadcast Cash Flow Less Cash Corporate Expenses (1)</b>	<b>958</b>	<b>1,405</b>	<b>1,028</b>	<b>1,253</b>	<b>940</b>
Contributions to pension plans	(4)	(3)	(3)	(3)	(3)
Adjustments for unrestricted subsidiaries	4	-	-	-	-
Corporate Transaction Related Expenses	71	1	35	8	1
Synergies for Raycom Acquisition	-	-	-	80	80
<b>Operating Cash Flow as Defined in Senior Credit Facility</b>	<b>1,029</b>	<b>1,403</b>	<b>1,060</b>	<b>1,338</b>	<b>1,018</b>
Interest expense	(311)	(311)	(311)	(311)	(311)
Amortization of deferred financing costs	12	12	12	12	12
Preferred dividends	(52)	(52)	(52)	(52)	(52)
Common stock dividends	(31)	-	-	-	-
Purchase of property and equipment (2)	(107)	(127)	(154)	(107)	(57)
Reimbursement of purchases of property and equipment	13	36	55	20	-
Income taxes paid, net of refunds (3)	(110)	(152)	(77)	(112)	(52)
<b>Free Cash Flow</b>	<b>\$ 443</b>	<b>\$ 809</b>	<b>\$ 633</b>	<b>\$ 788</b>	<b>\$ 668</b>

(1) Amounts in 2017 have been reclassified to give effect to the implementation of ASU 2017-07.

(2) Excludes approximately \$109 million related to the Assembly Atlanta project in 2021.

(3) Excludes approximately \$89 million of income tax payments related to the Meredith Divestiture and the Quincy Divestiture in 2021.

# Non-GAAP Terms



From time to time, Gray supplements its financial results prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") by disclosing the non-GAAP financial measures Broadcast Cash Flow, Broadcast Cash Flow Less Cash Corporate Expenses, Operating Cash Flow as defined in Gray's Senior Credit Agreement, Free Cash Flow and Total Leverage Ratio, Net of All Cash. These non-GAAP amounts are used by us to approximate the amount used to calculate key financial performance covenants contained in our debt agreements and are used with our GAAP data to evaluate our results and liquidity. These non-GAAP amounts may be provided on an As-Reported Basis as well as a Combined Historical Basis.

<b>"Broadcast Cash Flow" or "BCF"</b>	Net income or loss plus loss from early extinguishment of debt, non-cash corporate and administrative expenses, non-cash stock based compensation, depreciation and amortization (including amortization of intangible assets and program broadcast rights), any loss on disposal of assets, any miscellaneous expense, interest expense, any income tax expense, non-cash 401(k) expense, Broadcast Transactions Related Expenses and broadcast other adjustments less any gain on disposal of assets, any miscellaneous income, any income tax benefits and payments for program broadcast rights.
<b>"Broadcast Cash Flow Less Cash Corporate Expenses"</b>	Net income or loss plus loss from early extinguishment of debt, non-cash stock based compensation, depreciation and amortization (including amortization of intangible assets and program broadcast rights), any loss on disposal of assets, any miscellaneous expense, interest expense, any income tax expense, non-cash 401(k) expense, Broadcast Transactions Related Expenses and broadcast other adjustments less any gain on disposal of assets, any miscellaneous income, any income tax benefits and payments for program broadcast rights.
<b>"Free Cash Flow" or "FCF"</b>	Net income or loss plus loss from early extinguishment of debt, non-cash stock based compensation, depreciation and amortization (including amortization of intangible assets and program broadcast rights), any loss on disposal of assets, any miscellaneous expense, any income tax expense, non-cash 401(k) expense, Broadcast Transactions Related Expenses, broadcast other adjustments, certain pension expenses, Corporate Transaction Related Expenses, synergies, other adjustments and amortization of deferred financing costs less any gain on disposal of assets, any miscellaneous income, any income tax benefits, payments for program broadcast rights, pension income, contributions to pension plans, preferred dividends, purchase of property and equipment (net of reimbursements) and income taxes paid (net of any refunds received).
<b>"Operating Cash Flow" or "OCF"</b>	Defined in our Senior Credit Agreement as net income or loss plus loss from early extinguishment of debt, non-cash stock based compensation, depreciation and amortization (including amortization of intangible assets and program broadcast rights), any loss on disposal of assets, any miscellaneous expense, interest expense, any income tax expense, non-cash 401(k) expense, Broadcast Transactions Related Expenses, broadcast other adjustments, certain pension expenses, Corporate Transaction Related Expenses, synergies and other adjustments less any gain on disposal of assets, any miscellaneous income, any income tax benefits, payments for program broadcast rights, pension income and contributions to pension plans.
<b>"Total Leverage Ratio, Net of All Cash"</b>	Our Total Leverage Ratio, Net of All Cash is determined by dividing our Adjusted Total Indebtedness, Net of All Cash by our Operating Cash Flow as defined in our Senior Credit Agreement, divided by two. Our Adjusted Total Indebtedness, Net of All Cash represents the total outstanding principal of our long-term debt, plus certain other obligations as defined in our Senior Credit Agreement, less all cash (excluding restricted cash). Our Operating Cash Flow as defined in our Senior Credit Agreement, divided by two, represents our average annual Operating Cash Flow as defined in our Senior Credit Agreement for the preceding eight quarters.

*These non-GAAP terms are not defined in GAAP and our definitions may differ from, and therefore not be comparable to, similarly titled measures used by other companies, thereby limiting their usefulness. Such terms are used by management in addition to and in conjunction with results presented in accordance with GAAP and should be considered as supplements to, and not as substitutes for, net income and cash flows reported in accordance with GAAP.*

## Disclaimers, Definitions, and Non-GAAP Financial Data



This presentation contains certain forward-looking statements that are based largely on Gray Television, Inc.'s ("Gray", "Gray Television", "GTN" or the "Company") current expectations and reflect various estimates and assumptions by Gray. These statements may be identified by words such as "estimates", "expect", "anticipate", "will", "implied", "assume" and similar expressions. Forward looking statements are subject to certain risks, trends and uncertainties that could cause actual results and achievements to differ materially from those expressed in such forward-looking statements. Such risks, trends and uncertainties which in some instances are beyond Gray's control, include Gray's inability to complete the integration of our acquisitions and/or to achieve expected synergies from our acquisitions on a timely basis or at all, estimates of future retransmission revenue, future expenses and other future events. Gray is subject to additional risks and uncertainties described in Gray's quarterly and annual reports filed with the Securities and Exchange Commission from time to time, including in the "Risk Factors," and management's discussion and analysis of financial condition and results of operations sections contained therein. Any forward-looking statements in this presentation should be evaluated in light of these important risk factors. This presentation reflects management's views as of the date hereof. Except to the extent required by applicable law, Gray undertakes no obligation to update or revise any information contained in this presentation beyond the published date, whether as a result of new information, future events or otherwise.

The financial information attributable to acquired businesses for each of the periods presented are based on good faith estimates and assumptions of Gray management derived entirely from financial information provided by each respective entity in the due diligence process prior to our ownership and control thereof. Accordingly, although we believe such information to be accurate, such information cannot be independently verified by our management. This financial information also includes certain non-GAAP financial measures that are dependent on financial results that are not yet determinable with certainty. We are unable to present a quantitative reconciliation of the estimated non-GAAP financial measures to their most directly comparable GAAP financial measures because such information is not yet available and management cannot reliably estimate all of the necessary components of such GAAP measures without unreasonable effort or expense. In addition, we believe such reconciliation would imply a degree of precision that would be confusing or misleading to investors.

Combined Historical Basis reflects financial results that have been compiled by adding Gray's historical revenue and broadcast expenses to the historical revenue and broadcast expenses of the stations acquired in the completed transactions and subtracting the historical revenues and broadcast expenses of stations divested in the completed transactions as if they had been acquired or divested, respectively, on January 1, 2017.

Combined Historical Basis financial information does not include any adjustments for other events attributable to the completed transactions except "Broadcast Cash Flow," "Broadcast Cash Flow Less Cash Corporate Expenses," "Operating Cash Flow," "Operating Cash Flow as Defined in the Senior Credit Agreement" and "Total Leverage Ratio, Net of All Cash" each give effect to expected synergies, and "Free Cash Flow" on a Combined Historical Basis gives effect to the financings and certain expected operating synergies related to the completed transactions. "Operating Cash Flow," "Operating Cash Flow as Defined in the Senior Credit Agreement" and "Total Leverage Ratio, Net of All Cash" on a Combined Historical Basis also reflect the add-back of legal and other professional fees incurred in completing acquisitions. Certain of the Combined Historical Basis financial information has been derived from, and adjusted based on, unaudited, unreviewed financial information prepared by other entities, which Gray cannot independently verify. We cannot assure you that such financial information would not be materially different if such information were audited or reviewed and no assurances can be provided as to the accuracy of such information, or that our actual results would not differ materially from the Combined Historical Basis financial information if the completed transactions had been completed at the stated date. In addition, the presentation of Combined Historical Basis, "Broadcast Cash Flow," "Broadcast Cash Flow Less Cash Corporate Expenses," "Operating Cash Flow," "Operating Cash Flow as Defined in the Senior Credit Agreement," "Total Leverage Ratio, Net of All Cash," "Free Cash Flow," and the adjustments to such information, including expected synergies resulting from such transactions, may not comply with GAAP or the requirements for pro forma financial information under Regulation S-X under the Securities Act.





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