



Gray Teams with iBlast Networks to Utilize Digital Spectrum

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ATLANTA, July 11 /PRNewswire/ -- Gray Communications Systems, Inc. (NYSE: GCS GCS.B) announced today that its 13 television stations will partner with iBlast Networks(TM) to utilize a portion of Gray's digital broadcast spectrum. Gray's stations will license a portion of their digital spectrum to iBlast for use in iBlast's national digital distribution network. Through the network's partner stations, popular content such as music, video games, movie trailers, newspapers, magazines, e-books, computer software and other applications will be broadcast at high speed to personal computers and other receiving devices that are iBlast enabled. iBlast's free service will be compatible with both the stations' traditional over-the-air broadcasts and high definition television programming.

iBlast Networks is a broadcaster-owned company and the nation's largest digital network for over-the-air distribution of popular content. iBlast Networks represents 19 major television station groups providing 225 stations in 143 markets and covers 90 percent of U.S. television households. The iBlast Networks stations cover 47 of the top 50 local television markets (including the entire top 25) and 89 of the top 100.

Gray has already commenced digital broadcasting at WRDW its Augusta, Georgia station and desires to be the first digital broadcaster in each of its remaining television markets. Gray currently expects that five additional stations will be transmitting digital signals by early 2001 and plans to implement digital broadcasting at all of its stations by May of 2002. Gray's iBlast participating stations are:

Station	City	Market Rank
WVLT	Knoxville, TN	63
WKYT	Lexington, KY	66
WYMT	Hazard, KY	66
KWTX	Waco, TX	94
KBTX	Bryan, TX	94
KOLN	Lincoln, NE	101
KGIN	Grand Island, NE	101
WITN	Washington, NC	106
WCTV	Tallahassee, FL	109
WRDW	Augusta, GA	115
WEAU	Eau Claire, WI	129
WJHG	Panama City, FL	157
KXII	Sherman, TX	160

Gray Communications Systems, Inc. is a communications company headquartered in Atlanta, Georgia, and operates ten CBS-affiliated television stations, three NBC-affiliated television stations, four daily newspapers, an advertising weekly shopper, a satellite uplink and production business and a paging business. Gray's current operations are concentrated in the Southeast, Southwest and Midwest United States.

Cautionary Statements for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act:

This press release contains "forward-looking" statements. In particular, the statements regarding iBlast's plans and Gray's expectations regarding the roll out of digital service are forward-looking. Readers of this release are cautioned that forward-looking statements are not guarantees of future performance, results or events and involve risks and uncertainties, and that actual results and events may differ materially from those suggested by the forward-looking statements as a result of various factors including, but not limited to, (i) consumer demand (or the lack thereof) for iBlast's services, (ii) the need to complete the technological and commercial development of iBlast's systems and (iii) Gray's and the other station group's ability to complete the acquisition and installation of digital broadcast equipment. The forward-looking statements included in this release are made only as of the date hereof. Gray undertakes no obligation to update such forward-looking statements to reflect subsequent events or circumstances. SOURCE Gray Communications Systems, Inc.

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