



Gray Television, Inc. Announces Issuance of Additional Shares of Common Stock To Cover 'Greenshoe'

November 15, 2002

ATLANTA, Nov. 15 /PRNewswire-FirstCall/ -- Gray Television, Inc. (NYSE: GTN) today announced that the underwriters for the Company's follow-on offering of Gray Common Stock, which took place on October 16, 2002, have exercised their right to purchase an additional 4,500,000 shares of Gray Common Stock at a price of \$8.25 per share, before underwriting discounts, to cover over-allotments (the "Greenshoe"). Net proceeds to Gray approximated \$34.9 million after underwriting discounts.

As of November 15, 2002 Gray had approximately \$60 million of cash on hand including the cash proceeds received from the Greenshoe. The Company's outstanding debt approximated \$660 million as of the same date. Gray intends to use a portion of its cash on hand to finance the pending acquisition of KOLO-TV in Reno, Nevada for \$41.5 million. That acquisition is currently expected to be completed by December 31, 2002. Pro forma for the acquisitions of Gray MidAmerica Television and the pending acquisition of KOLO-TV the Company expects that its ratio of debt, net of cash, to pro forma Operating Cash Flow(1) to be less than 5.9 times as of December 31, 2002.

Gray's follow-on offering on October 16, 2002 was for 30 million shares of Common Stock (GTN) with the Company receiving net proceeds after underwriting discounts of approximately \$232.7 million. Those net proceeds were used on October 25, 2002 to fund, in part, the \$502.5 million acquisition of Stations Holding Company, Inc. ("Stations Holding") which operated 15 network affiliated television stations. Concurrent with the acquisition, the name of Stations Holding was changed to Gray MidAmerica Television.

Deutsche Bank Securities and Merrill Lynch & Co. were joint book-running managers for the offering. Bear, Stearns & Co. Inc. was a co-lead manager for the offering. Allen & Company LLC, Wachovia Securities, Inc. and SunTrust Robinson Humphrey were co-managers for the offering. Gabelli & Company, Inc. and The Shemano Group also participated as underwriters.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

Gray Television, Inc. is headquartered in Atlanta, Georgia, and currently operates 15 CBS-affiliated television stations, seven NBC-affiliated television stations, six ABC-affiliated television stations and four daily newspapers.

Note (1): Operating Cash Flow is defined as operating income, plus depreciation and amortization (including amortization of program broadcast rights) and non-cash compensation less payments for program broadcast obligations.

The preceding comments on Gray's current expectations of pro forma operating results for the full year 2002 and its pending acquisition of KOLO-TV are "forward looking" for purposes of the Private Securities Litigation Reform Act of 1995. Actual results of operations may differ materially from the current expectations discussed in this press release.

SOURCE Gray Television, Inc.

/CONTACT: Bob Prather, President, +1-404-266-8333, or Jim Ryan, Chief Financial Officer, +1-404-504-9828, both of Gray Television, Inc./