



Gray Television, Inc. Reduces Outstanding Term Loan by \$65 Million

June 27, 2008

ATLANTA, June 27 /PRNewswire-FirstCall/ -- Gray Television, Inc. (we, us or our) (NYSE: GTN and GTN.A) announced today that on June 26, 2008 it made a voluntary permanent reduction of \$65 million to its outstanding term loan. After this payment the current outstanding term loan balance now approximates \$858 million compared to approximately \$923 million on March 31, 2008. We used a portion of the net proceeds from our previously announced issuance of \$75 million liquidation value of Series D Perpetual Preferred Stock (the Series D Preferred Stock) to fund the voluntary permanent reduction of the term loan.

The \$75 million, liquidation value, of our Series D Preferred Stock represents an aggregate of approximately 8% of our total outstanding debt plus the liquidation value of the Series D Preferred Stock. Our total weighted average cost of capital for our outstanding debt and Series D Preferred Stock is estimated to approximate 6.3%. We believe this overall cost of capital compares favorably to that of other leveraged television broadcast companies.

Gray Television, Inc. is a television broadcast company headquartered in Atlanta, GA. Gray currently operates 36 television stations serving 30 markets. Each of the stations are affiliated with either CBS (17 stations), NBC (10 stations), ABC (8 stations) or FOX (1 station). In addition, Gray currently operates 40 digital second channels including 1 ABC, 5 Fox, 8 CW and 16 MyNetworkTV affiliates plus 8 local news/weather channels and 2 independent channels in certain of its existing markets.

SOURCE Gray Television, Inc. 06/27/2008

CONTACT:

Bob Prather, President, 1-404-266-8333,

Jim Ryan, Chief Financial Officer, 1-404-504-9828,

both of Gray Television, Inc.

Web site: <http://www.gray.tv> (GTN GTN.A)