



## Gray Television Amends Senior Credit Facility

March 31, 2010

ATLANTA, March 31 /PRNewswire-FirstCall/ -- Gray Television, Inc. ("Gray," the "Company," "we" or "us") (NYSE:[GTN](#) - [News](#)) today announced that the Company and its lenders have entered into an amendment to Gray's senior credit facility. The amendment resets the applicable leverage ratio test, modifies certain other terms of the facility, and is intended to provide the Company with additional operating flexibility thereunder in the future.

"We are pleased to have the support of our lenders in amending our senior credit facility," said Robert S. Prather, Jr., President and Chief Operating Officer. "This amendment provides additional flexibility to improve our capital structure, and to strategically access the capital markets, subject to market and other conditions, to enable us to repay existing obligations, and strengthens our position as we move forward in these challenging economic conditions."

Among other things, the senior credit facility amendment increases the Company's flexibility under the maximum total net leverage ratio covenant with which it must comply, immediately setting the leverage ratio at 9.00 for the quarter ending March 31, 2010, and also reduces the lenders' revolving commitments thereunder from \$50.0 million to \$40.0 million. In addition, the amendment provides the Company with additional flexibility to issue certain debt securities, with the proceeds thereof to be used to repay outstanding amounts under the senior credit facility.

Pursuant to the amendment, from and after the time the Company completes a new debt issuance and repays at least \$200.0 million of existing obligations under the senior credit facility, the Company would obtain further operating and financial flexibility, including the elimination of the requirement to comply with the total net leverage ratio covenant, which will be replaced with a first lien leverage test and a minimum fixed charge coverage ratio, and the elimination or reduction of certain additional fees paid by the Company under the senior credit facility as amended.

Further details of the senior credit facility amendment will be available in a report to be filed with the SEC as soon as practicable.

### **Gray Television, Inc.**

Gray Television, Inc. is a television broadcast company headquartered in Atlanta, Georgia. We currently operate 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, we currently operate 39 digital second channels including 1 ABC, 4 FOX, 7 CW, 18 MyNetworkTV, 2 Universal Sports Network affiliates and 7 local news/weather channels in certain of our existing markets.

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

This press release contains statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and the federal securities laws. These "forward-looking statements" are not statements of historical fact, and may include, among other things, statements regarding our current expectations and beliefs concerning operating results, future revenues and expenses, the provisions contained in our senior credit facility as amended, the timing, costs and ability to consummate any future transactions, and other future events. Actual results are subject to a number of risks and uncertainties and may differ materially from the current expectations and beliefs discussed in this press release. All information set forth in this release is as of March 31, 2010. We do not intend, and undertake no duty, to update this information to reflect future events or circumstances. Information about certain potential factors that could affect our business and financial results and cause actual results to differ materially from those expressed or implied in any forward-looking statements is included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our Annual Report on Form 10-K for the year ended December 31, 2008 and in subsequently filed quarterly reports on Form 10-Q, which are on file with the SEC and available at the SEC's website at <http://www.sec.gov/>.