



Gray To Acquire Fox Stations In Rapid City Market

December 18, 2013

ATLANTA, Dec. 18, 2013 /PRNewswire/ -- **Gray Television, Inc.** ("**Gray**" or "**we**" or "**our**") (NYSE: GTN and GTN.A) announced today that it has agreed to acquire KEVN-TV in Rapid City, South Dakota, from Mission TV, LLC for \$7.75 million in cash. KEVN-TV serves as the Fox affiliate for the Rapid City television market.

KEVN-TV's network programming, strong local newscasts, and leading syndicated programming make it the number-two ranked television station in its market, according to BIA Kelsey revenue data. The transaction includes KEVN-TV's satellite station in Lead, South Dakota, KIVV-TV. Mission TV, LLC is not affiliated with Mission Broadcasting, Inc.

William Reyner, President of Mission TV, LLC remarked, "Over the past 15 years, our dedicated staff has excelled in building and growing a Station committed to providing the finest service possible to the Black Hills. While the decision to sell is a difficult one, I am confident that Gray Television's resources, fine leadership and supportive management team will provide KEVN and its fine employees with tremendous opportunities to build upon their successes and better serve our loyal viewers."

"We are excited to add to the Gray family another leading news station in the Upper Midwest, as well as our first stand-alone full-power Fox affiliate," said Kevin Latek, Gray's Senior Vice President for Business Affairs. "We expect KEVN-TV will integrate well with our recently announced proposed acquisition of the ABC affiliate in Sioux Falls, South Dakota, and the NBC affiliates in the Fargo and the Minot-Bismarck, North Dakota, markets from Hoak Media," he added.

The transaction purchase price represents a multiple of approximately 5.0 times a blended average of 2012-2013 pro forma broadcast cash flow of the stations including expected synergies. As such, Gray's acquisition of KEVN-TV and KIVV-TV will be immediately free cash flow accretive to Gray. The transaction is subject to receipt of regulatory and other approvals and is expected to close in the first or second quarter of 2014. Additional terms were not disclosed.

About Gray Television, Inc.

We are a television broadcast company headquartered in Atlanta, Georgia, that owns and/or operates television stations and leading digital assets in dozens of markets across the country. Upon completion of all previously announced and pending transactions, we will own and/or operate television stations in 40 television markets broadcasting a total of 124 distinct channels of programming, including 72 channels affiliated with one of the Big Four networks (ABC, CBS, FOX and NBC). At that time, our owned and/or operated stations will include twenty-six channels affiliated with the CBS Network, twenty-two channels affiliated with the NBC Network, fourteen channels affiliated with the ABC Network and ten channels affiliated with the FOX Network. We will then own and/or operate the number-one ranked television station in 29 of the 40 markets and the number-one or number-two ranked television station operations in 39 of 40 markets. We will reach approximately 7.3 percent of total United States television households.

SOURCE Gray Television, Inc.

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