



Gray To Acquire KMVT (CBS) And KSVT (FOX) In Twin Falls, Idaho

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ATLANTA, March 12, 2015 /PRNewswire/ -- **Gray Television, Inc. ("Gray" or "we" or "our") (NYSE: GTN and GTN.A)** announced today that it has reached an agreement with Neuhoff Corp. to acquire KMVT-TV and KSVT-TV in Twin Falls, Idaho, for \$17.5 million in cash.

KMVT-TV is the highest rated and highest grossing television station in the Twin Falls DMA according to Nielsen and BIA data. It is a CBS affiliate with a multicast channel affiliated with the CW Network. KSVT-TV is the market's Fox affiliate. Despite the relatively small size of the local market, both television stations produce and broadcast local newscasts in high definition.

"A long list of awards and accolades recognize how KMVT and KSVT excel at serving Southern Idaho's Magic Valley and Sun Valley," said Hilton Howell, Gray's President and CEO. "This success makes them a perfect fit for Gray Television. And with the resources of Gray behind them, the stations will enjoy even greater success in the future."

Beth Neuhoff, President of Neuhoff Communications, said, "While it is difficult for us to part with KMVT/KSVT, we know that the stations require a larger company to move to the next level, and Gray is the only logical owner for such great properties. We are therefore excited for the stations, the employees, and the local communities that Gray will soon be the steward of our proud investment."

The transaction advances Gray's transformative growth strategy as we continue to acquire quality assets in attractive markets. As such, the transaction is consistent with our strategy of enhancing shareholder value through select acquisitions of market-leading stations that share the culture and values of our existing television stations.

The transaction purchase price represents a multiple of approximately 6.0 times a blended average of 2014-2015 pro forma broadcast cash flow of the stations including expected synergies. As such, Gray's acquisition of KMVT-TV and KSVT-TV will be immediately free cash flow accretive to Gray. Gray expects to finance the transaction with cash on hand. The transaction is subject to receipt of regulatory and other approvals and is expected to close in the third quarter of 2015.

About Gray Television

Gray Television, Inc. (NYSE: GTN and GTN.A) is a television broadcast company headquartered in Atlanta, Georgia, that owns and operates television stations and leading digital assets in markets throughout the United States. We currently own and operate television stations in 44 television markets broadcasting 140 program streams including 76 affiliates of the Big Four networks (ABC, CBS, NBC and FOX). Our owned and operated stations include 26 channels affiliated with the CBS Network, 24 channels affiliated with the NBC Network, 16 channels affiliated with the ABC Network and 10 channels affiliated with the FOX Network. We own and operate the number-one ranked television station in 31 of those 44 markets and the number-one or number-two ranked television station operations in 41 of those 44 markets. We reach approximately 8.0 percent of total United States television households.

www.gray.tv

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SOURCE Gray Television, Inc.

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