



Gray To Acquire KOSA-TV: The Number One Ranked Station In The Nation's Fastest Growing Television Market

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ATLANTA, May 20, 2015 /PRNewswire/ -- **Gray Television, Inc. ("Gray" or "we" or "our")** (NYSE: GTN and GTN.A) announced today that it has reached an agreement with Investment Company of America ("ICA") to acquire KOSA-TV, CBS7, in Odessa, Texas, for \$33.6 million in cash.

According to the most recent Nielsen and BIA data, KOSA-TV has achieved the highest all-day ratings of any station in the Odessa-Midland DMA over the past year as well as the largest share of advertising revenue. Between 2014 and 2015, the Odessa-Midland DMA grew by four market ranks, more than any other market in the country.

"Gray is thrilled to be selected by the esteemed local owners of KOSA-TV/CBS7 to become the new steward of the leading media institution in the rapidly growing Odessa-Midland area," said Hilton Howell, Gray's President and CEO. "Gray will build upon the station's strong foundation and enviable record of success to further propel CBS7 to dominance in its local market. We are also excited to expand our portfolio with a fourth number-one ranked CBS affiliate in Texas."

John Bushman, the Chairman of ICA, explained, "CBS7 is an integral part of the dynamic communities in which our family has lived, worked, and grown for decades. We welcome Gray to Odessa with the knowledge that its values, resources, and portfolio of similar stations will ensure that CBS7 continues providing strong journalism, community leadership, and workplace excellence for many more decades to come."

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.

Including expected synergies, the transaction purchase price represents a multiple of approximately 6.9 times a blended average of the station's 2014-2015 pro forma broadcast cash flow. As such, Gray's acquisition of KOSA-TV will be immediately free cash flow accretive to Gray. Gray plans 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. Kalil & Co., Inc. represented ICA in this transaction.

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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