



Gray Announces Proposed Addition To Senior Credit Facility Term Loan

March 27, 2017

ATLANTA, March 27, 2017 /PRNewswire/ -- **Gray Television, Inc.** ("Gray," "we," "us" or "our") (NYSE: **GTN** and **GTN.A**) announced today that it is proposing, subject to market and other conditions, to add on \$85 million to its existing term loan under its current senior credit facility (the "Senior Credit Facility"). The proposed addition to our existing term loan would be used to fund our previously announced acquisition of two television stations from Diversified Communications ("Diversified") and other general corporate purposes. We anticipate the terms of the proposed term loan addition will be essentially the same as our existing term loan.



On February 16, 2017, we announced that we had reached an agreement with Diversified to acquire WABI (CBS/CW) in the Bangor, Maine market (DMA 156) and WCJB (ABC/CW) in the Gainesville, Florida market (DMA 161) for a total purchase price of \$85 million. The transaction represents an attractive purchase price multiple of less than 7.0 times expected blended 2016-2017 pro forma broadcast cash flow, including expected synergies. Subject to receipt of regulatory and other approvals, we expect the transaction will close in the second quarter of 2017.

On February 6, 2017, we announced that we anticipate receiving \$90.8 million in proceeds resulting from the Federal Communication Commission's recently completed reverse auction for broadcast spectrum. The anticipated proceeds reflect the FCC's acceptance of one or more bids placed by Gray during the auction to modify and/or surrender spectrum used by certain of our television stations. We anticipate that the proceeds will be received by Gray in the second or third quarter of 2017. Due to prior planning in connection with our recently completed acquisitions, we anticipate that we will be able to defer any associated taxes on a long-term basis.

About Gray:

Gray currently owns and/or operates 100 television stations across 54 television markets that collectively broadcast over 200 program streams including 101 channels affiliated with the CBS Network, the NBC Network, the ABC Network and the FOX Network. Our portfolio includes the number-one and/or number-two ranked television station operations in essentially all of our markets, which collectively cover approximately 10.1 percent of total United States television households.

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 facts, and may include, among other things, statements regarding our current expectations and beliefs of the proposed add-on to our Senior Credit Facility term loan, pending acquisitions, results of the FCC spectrum auction, the impact of recently completed transactions, future expenses 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 the date of this release. 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 are 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, 2016 and may be contained in reports subsequently filed with the U.S. Securities and Exchange Commission (the "SEC") and available at the SEC's website at www.sec.gov.

www.gray.tv

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/gray-announces-proposed-addition-to-senior-credit->

facility-term-loan-300425581.html

SOURCE Gray Television, Inc.

Jim Ryan, Executive Vice President and Chief Financial Officer, 404-504-9828, Kevin P. Latek, Executive Vice President, Chief Legal and Development Officer, 404-504-9828