

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): May 17, 2016 (May 17, 2016)

Gray Television, Inc.

(Exact name of registrant as specified in its charter)

Georgia

(State or other jurisdiction
of incorporation)

001-13796

(Commission File Number)

58-0285030

(IRS employer
Identification No.)

4370 Peachtree Road, Atlanta GA

(Address of principal executive offices)

30319

(Zip Code)

Registrant's telephone number, including area code (404) 504-9828

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 – Regulation FD Disclosure

Beginning on May 17, 2016, Gray Television, Inc. (the “Company”) intends to meet from time to time and make presentations to prospective investors. Exhibit 99.1 provides a copy of the slides that may be used in connection with and/or referenced in such meetings. Exhibit 99.1 is incorporated herein by reference.

The information set forth under this Item 7.01 is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as may be expressly set forth by specific reference in such filing.

Item 9.01 – Financial Statements and Exhibits

Number Name

99.1 Prospective investor meeting slides

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GRAY TELEVISION, INC.

By: /s/ James C. Ryan
Name: James C. Ryan
Title: Executive Vice President and Chief Financial Officer

Date: May 17, 2016

EXHIBIT INDEX

<u>Number</u>	<u>Name</u>
99.1	Prospective investor meeting slides



Gray Television, Inc.
Investor Presentation
NYSE:GTN



May 2016 Edition – Updated for March 31, 2016 Financial Information

Disclaimer



This presentation contains certain forward looking statements that are based largely on Gray's current expectations and reflect various estimates and assumptions by Gray. These statements may be identified by words such as "expect," "anticipate," "will," "implied," "assume" and similar expressions. Forward looking statements are subject to certain risks, trends and uncertainties that could cause actual results and achievements to differ materially from those expressed in such forward looking statements. Such risks, trends and uncertainties, which in some instances are beyond Gray's control, include Gray's ability to maintain relationships with cable operators, satellite providers and other key commercial partners of any acquired business, the ability to retain key employees of any acquired business, the ability to successfully integrate the acquired business into its operations, and the ability to realize the expected benefits and synergies from the acquisition, including the expected accretion in earnings. Gray is subject to additional risks and uncertainties described in Gray's quarterly and annual reports filed with the Securities and Exchange Commission from time to time, including in the "Risk Factors," financial statements, and management's discussion and analysis of financial condition and results of operations sections contained therein, which reports are made publicly available via its website, www.Gray.tv. Any forward-looking statements in this presentation should be evaluated in light of these important risk factors. This presentation reflects management's views as of the date hereof. Except to the extent required by applicable law, Gray undertakes no obligation to update or revise any information contained in this presentation beyond the published date, or for changes made to this presentation by wire services, internet service providers or other media, whether as a result of new information, future events or otherwise.

See the appendix to this presentation for the definition of certain capitalized terms used herein. Reconciliations of the Company's non-GAAP measures of broadcast cash flow, broadcast cash flow less cash corporate expenses, operating cash flow as defined in Gray's senior credit agreement, and free cash flow are contained in the appendix.

Company Overview

An Industry Leading Power



Snapshot: High Quality, Diverse Station Group



50 markets

179 total program streams across **91** stations

93 “Big 4” network program streams

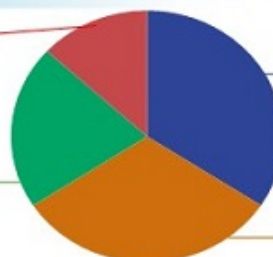
23 markets with two or more “Big 4” network affiliations

49/50 markets with #1 or #2 ranked television station

FOX
13 channels



19 channels



CBS
35 channels



26 channels

Pro Forma ⁽²⁾⁽³⁾ (in millions except for per share data)	2014	2015	2014/2015 Average
Revenue:			
Total	\$746	\$729	\$737
Political	\$118	\$19	\$69
Cash Flow:			
Broadcast Cash Flow	\$337	\$285	\$311
Operating Cash Flow ⁽¹⁾	\$317	\$259	\$288
Free Cash Flow	\$189	\$138	\$163
Free Cash Flow Per Share (Basic)	\$3.26	\$2.01	\$2.64
Total leverage net of all cash			5.4X

Standalone metrics fully pro forma for all closed transactions

(1) OCF as defined in the existing Senior Secured Facilities Credit Agreement

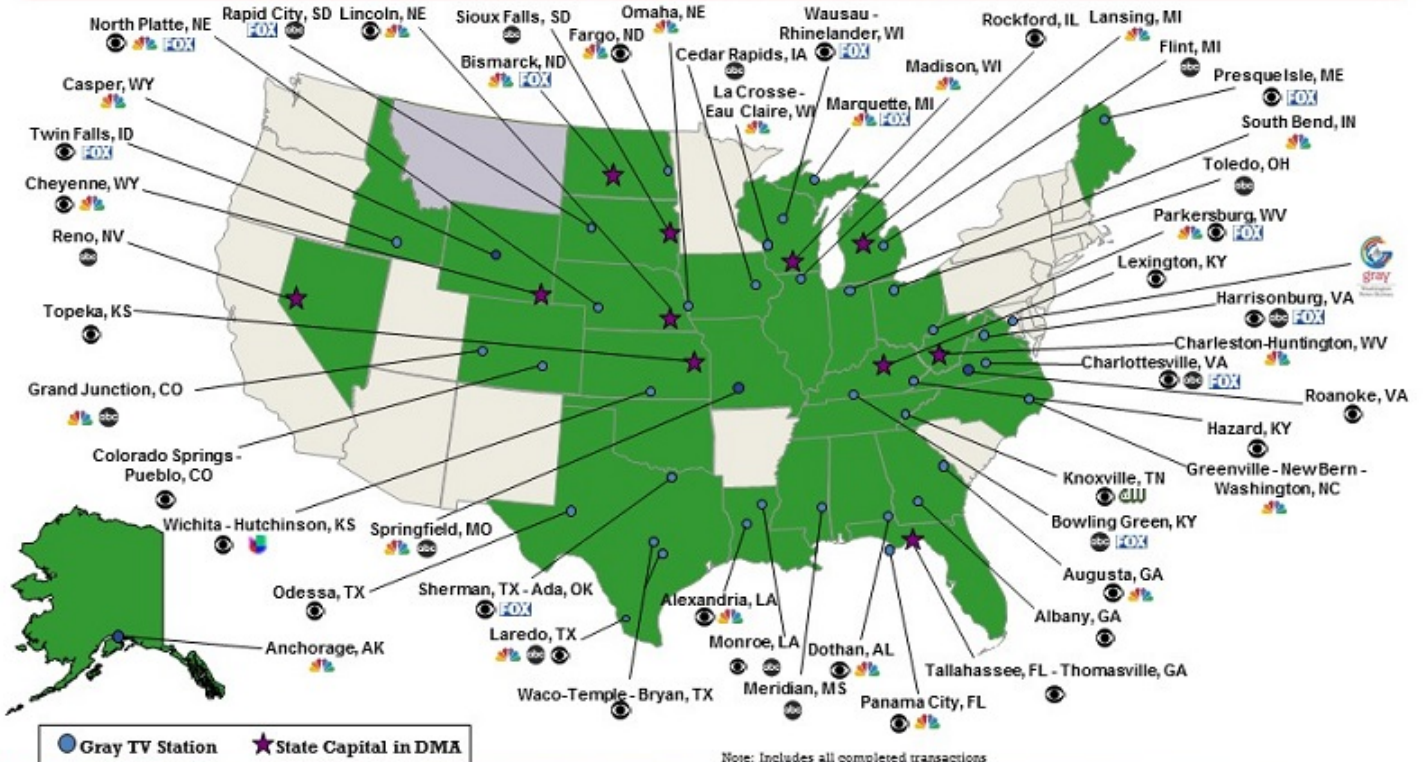
(2) Including the KOTA stub period before Schurz acquired KOTA

(3) Including operating synergies and excluding Schurz corporate expense

Gray National Footprint



Ranked #1 or #2 in 49 of 50 Markets
Reaching approximately 9.4% of US TV households



Note: Includes all completed transactions

Gray Television, Inc.

Combined Historical Basis Results – Pro Forma



	Combined Historical Basis Year Ended December 31,						
	2015	2014	% Change 2015 to 2014	2013	% Change 2015 to 2013	2012	% Change 2015 to 2012
	(in thousands, except per share data)						
Revenue (less agency commissions):							
Total	\$728,917	\$745,765	(2)%	\$609,917	20%	\$684,884	6%
Political	\$ 18,620	\$118,469	(84)%	\$ 10,806	72%	\$143,067	(87)%
Operating expenses (1):							
Broadcast	\$465,837	\$425,894	9%	\$387,745	20%	\$367,676	27%
Corporate and Administrative	\$ 34,343	\$ 29,203	18%	\$ 19,810	73%	\$ 15,927	116%
Net income	\$ 49,952	\$100,845	(50)%	\$50,911	(2)%	\$ 96,027	(48)%
Non-GAAP Cash Flow (2):							
Broadcast Cash Flow	\$284,767	\$336,961	(15)%	\$247,189	15%	\$346,239	(18)%
Broadcast Cash Flow Less Cash Corporate Expenses	\$253,544	\$311,290	(19)%	\$229,323	11%	\$331,190	(23)%
Operating Cash Flow as defined in the Senior Credit Facility	\$258,818	\$316,822	(18)%	\$233,201	11%	\$329,662	(21)%
Free Cash Flow	\$137,510	\$188,704	(27)%	\$111,756	23%	\$201,150	(32)%
Free Cash Flow Per Share:							
Basic	\$ 2.01	\$ 3.26		\$ 1.94		\$ 3.52	
Diluted	\$ 1.99	\$ 3.23		\$ 1.93		\$ 3.51	
Weighted-average shares outstanding:							
Basic	68,330	57,862		57,630		57,170	
Diluted	68,987	58,364		57,972		57,262	

(1) Excludes depreciation, amortization, and loss on disposal of assets.

(2) See definition of non-GAAP terms and reconciliation of the non-GAAP amounts to net income included elsewhere herein.

Combined Historical Basis Results – Pro Forma



	Combined Historical Basis				
	Three Months Ended March 31,				
	2016	2015	% Change 2016 to 2015	2014	% Change 2016 to 2014
	(dollars in thousands, except per share data)				
Revenue (less agency commissions):					
Total	\$187,076	\$167,421	12%	\$153,228	22%
Political	\$ 9,863	\$ 1,238	697%	\$ 4,881	102%
Operating expenses (1):					
Broadcast	\$120,730	\$111,415	8%	\$100,204	20%
Corporate and Administrative	\$ 15,678	\$ 6,847	129%	\$ 6,499	141%
Net income	\$ 6,406	\$ 6,679	(4)%	\$ 10,600	(40)%
Non-GAAP Cash Flow (2):					
Broadcast Cash Flow	\$ 69,292	\$ 62,399	11%	\$ 56,895	22%
Broadcast Cash Flow Less Cash Corporate Expenses	\$ 54,584	\$ 56,302	(3)%	\$ 51,749	5%
Operating Cash Flow as defined in the Gray senior credit facility	\$ 60,839	\$ 58,703	4%	\$ 52,360	16%
Free Cash Flow	\$ 30,924	\$ 28,469	9%	\$ 19,626	58%
Free Cash Flow Per Share Data:					
Basic	\$ 0.43	\$ 0.49		\$ 0.34	
Diluted	\$ 0.43	\$ 0.48		\$ 0.34	
Weighted Average Shares Outstanding:					
Basic	71,791	58,224		57,847	
Diluted	72,582	58,737		58,286	

(1) Excludes depreciation, amortization, and loss on disposal of assets.

(2) See definition of non-GAAP terms and reconciliation of the non-GAAP amounts to net income included elsewhere herein.

Gray Leads the Industry with the Highest Quality Portfolio of Local Television Stations



The Importance of Being #1

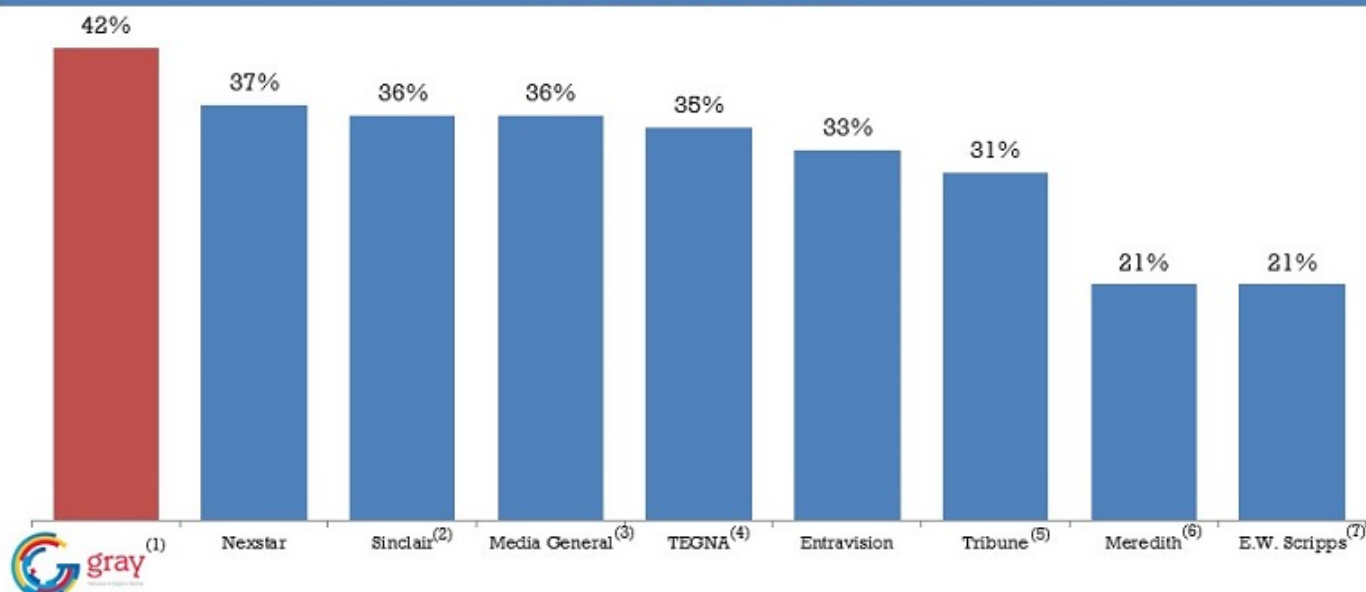


- Dominate local and political revenue with highly-rated news platforms
- #1 Stations can secure more than half of a market's political ad buys
- Greater purchasing power and leverage with MVPDs, programmers, and other vendors
- Deliver higher margins
- Maximize free cash flow
- Exploit best practices
- Attract and retain high quality talent
- Leverage new Washington DC News Bureau

Gray Leads Industry In Operating Margins



2014 EBITDA Margins



⁽¹⁾ Source: Company filings, Company investor presentations and Company earnings calls

Note: Based on net operating revenue and "as-reported" financials for all companies unless otherwise noted

(1) Based on operating cash flow as defined in the existing Senior Secured Facilities Credit Agreement; pro forma for all completed transactions

(2) Based on Non-GAAP reconciliation available on Sinclair's website

(3) Media General 2014 financials pro forma for LIN, including \$16 million in Young synergies and \$40 million in LIN run-rate synergies achieved in 2015 as reported in its Investor Presentation dated 3/12/2015

(4) TEGNA 2014 financials based on broadcasting segment numbers as reported in its Q4 2015 S-K

(5) Tribune 2014 financials based on broadcasting segment numbers as reported in its Q4 2015 S-K; EBITDA excludes cash contribution from equity investments

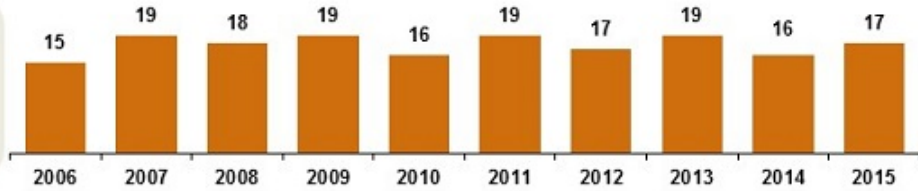
(6) Meredith 2014 financials pro forma for impact of historical acquisitions as reported in its Investor Presentation dated 9/8/2015; financials based on consolidated, calendarized numbers; Fiscal year ends 6/30

(7) E.W. Scripps 2014 financials based on "adjusted combined" numbers as reported in its Investor Presentation dated 5/12/2015

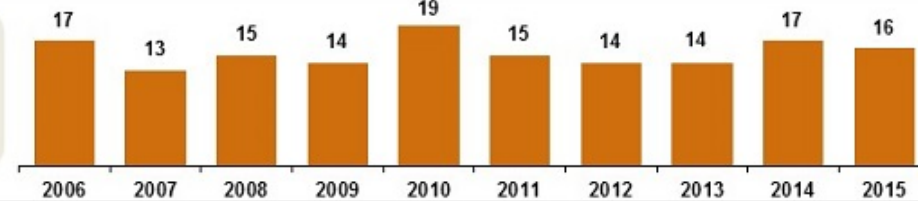
The Importance of Being #1



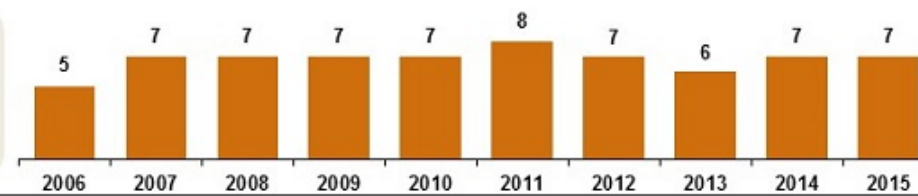
Long History of Being #1 in the Market⁽¹⁾



CBS National Ranking	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	1	1	1	1	1	1	1	1	1	1



NBC National Ranking	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	3	3	4	4	4	4	4	3	2	2

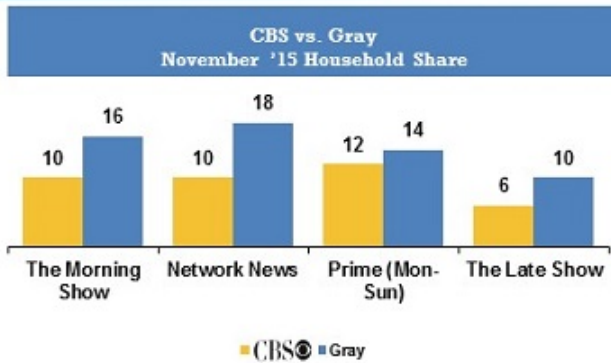


ABC National Ranking	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	2	2	2	3	2	2	2	2	3	3

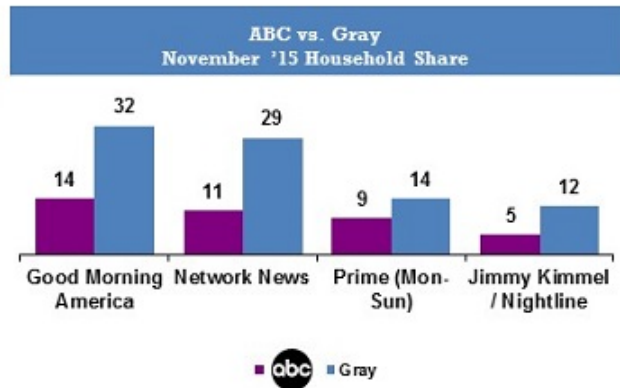
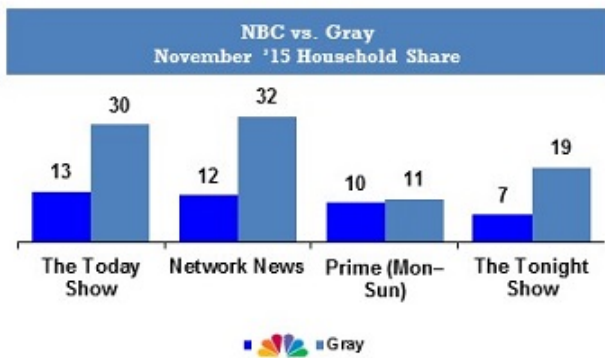
Source: Nielsen Media Research

(1) Pro Forma - All completed transactions

Gray's Stations Over-Index Every Major Network⁽¹⁾



CBS, NBC, and ABC perform far better on Gray's stations than national averages across all key day-parts



Source: Nielsen Media Research, November 2015

(1) Pro Forma - All completed transactions

Gray Dominates Local News and Information⁽¹⁾



+93%

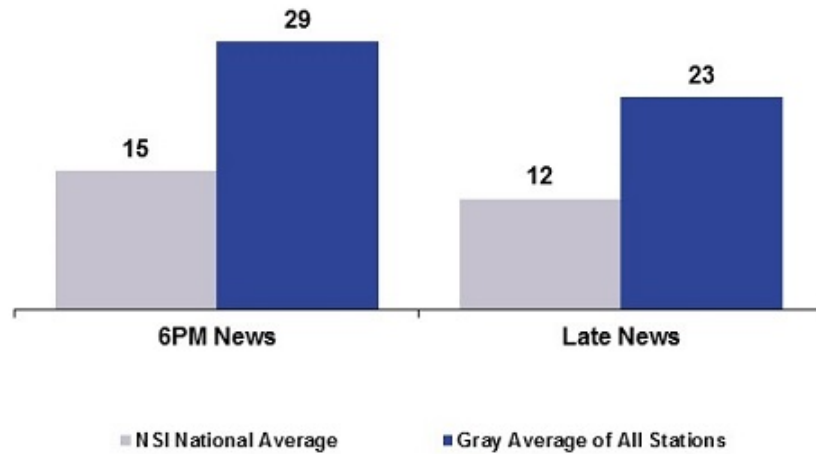
Amount by which Gray's 6PM newscasts outperform the national average...

+92%

Amount by which Gray's late local newscasts outperform the national average...

Gray's national Household Share average exceeds all major affiliate news programs

National Average vs. Gray November '15 Household Share



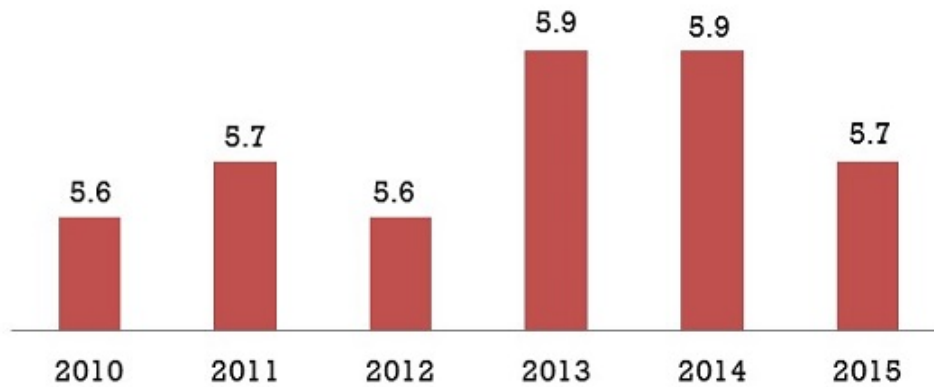
Source: Nielsen Media Research, November 2015
Note: Pro Forma - All completed transactions

Gray Has Long-Term Ratings STABILITY



November DMA Rating – All Viewing⁽¹⁾

Ratings Stable Since 2010 – Averaging 5.7

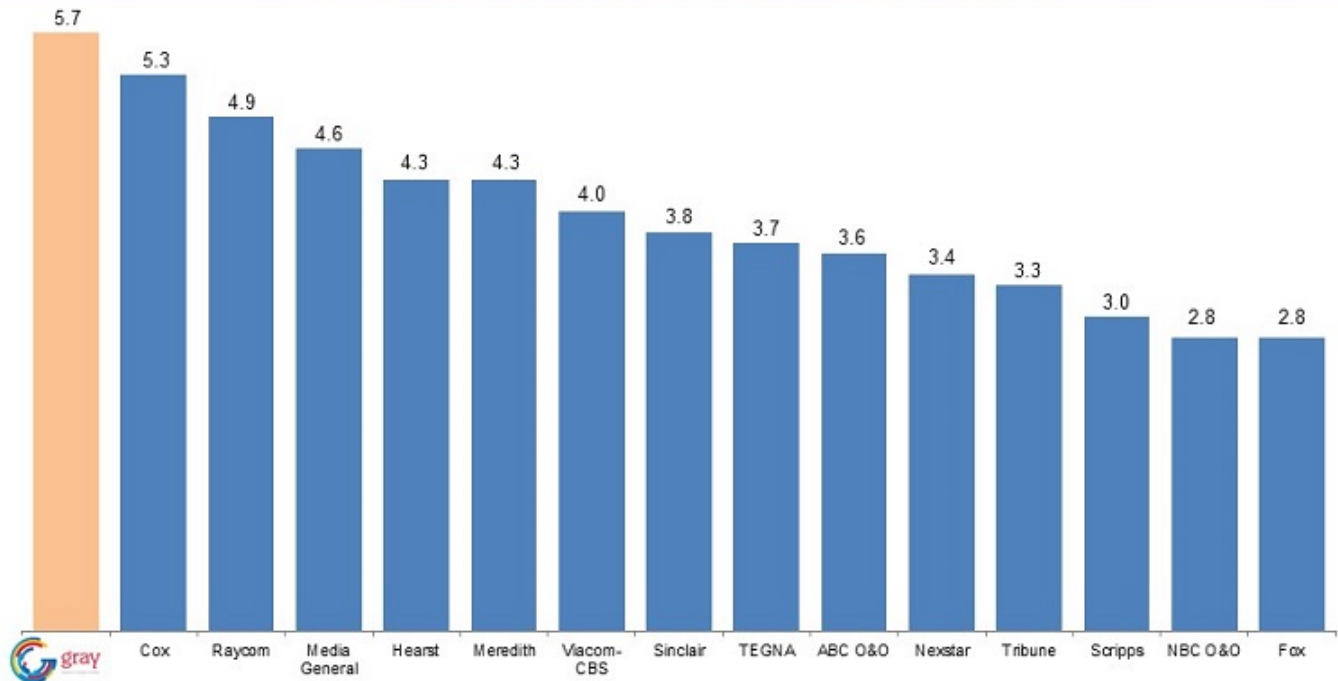


⁽¹⁾ Nielsen November DMA Average Rating in DMA TV HH Monday-Sunday 6:00am to 2:00am
Note: Pro forma for all completed transactions

Gray Leads the Industry in Household Ratings



Household Rating Analysis – November 2015⁽¹⁾



(1) Nielsen November DMA Average Rating in DMA TV HH Monday-Sunday 6:00am to 2:00am
Note: Pro forma for all completed transactions

Recognized Industry Leader



TVNewscheck's 2016 Station Group of the Year

EVERY EMPLOYEE.
EVERY MARKET.
EVERY COMMUNITY.
EVERY DAY.

2016 Station Group of the Year TVNewsCheck

Earning the distinction of being the 2016 Station Group of the Year was made possible by our Gray employees, over 3,000 strong, and their unparalleled dedication to the communities they serve. Thank you to each of them and to TVNewsCheck for recognizing their achievements.



2016 NAB's National Winner: Service to America Award



KWTX/CBS,
Waco, Texas

2016 NAB's National Winner: Service to Community Award

KOLO/ABC, **KOLO8**
Reno, Nevada **newsNOW**

2016 Strategic Investment in Technology Company Sincbak

"Gray's forward-thinking approach was instrumental in helping us create a solution that is as simple to deploy in New York as it is in Glendive, Montana. And we are therefore honored to have Gray, a clear market leader and innovator, as an investor in our company."

- Sincbak CEO and Founder Jack Perry

Gray's National Sales: Now Direct



Effective January 1, 2016: Gray terminated all contracts with National Advertising Representation firms except one DMA. The first and only broadcast group to take this innovative step to streamline our process and reduce our costs.

BEFORE	NOW ⁽³⁾
Stations directly transact with local and regional accounts	Stations directly transact with ALL local, regional, national and political accounts
National rep firm transacts with national advertisers and national political agencies	EXPEDITED & STREAMLINED communications, work flow and transaction time
National rep firm charges commission/fee on all national and national political sales	NO national rep commission/fee paid

	National & Political Revenue Total ⁽⁴⁾	Rep Fee ⁽⁴⁾
2014	\$222.2	\$12.2
2015	\$125.5	\$13.1 ⁽⁴⁾
2016	\$243 "plus" to \$248 "plus" ⁽²⁾	Less than \$1.5 ⁽²⁾

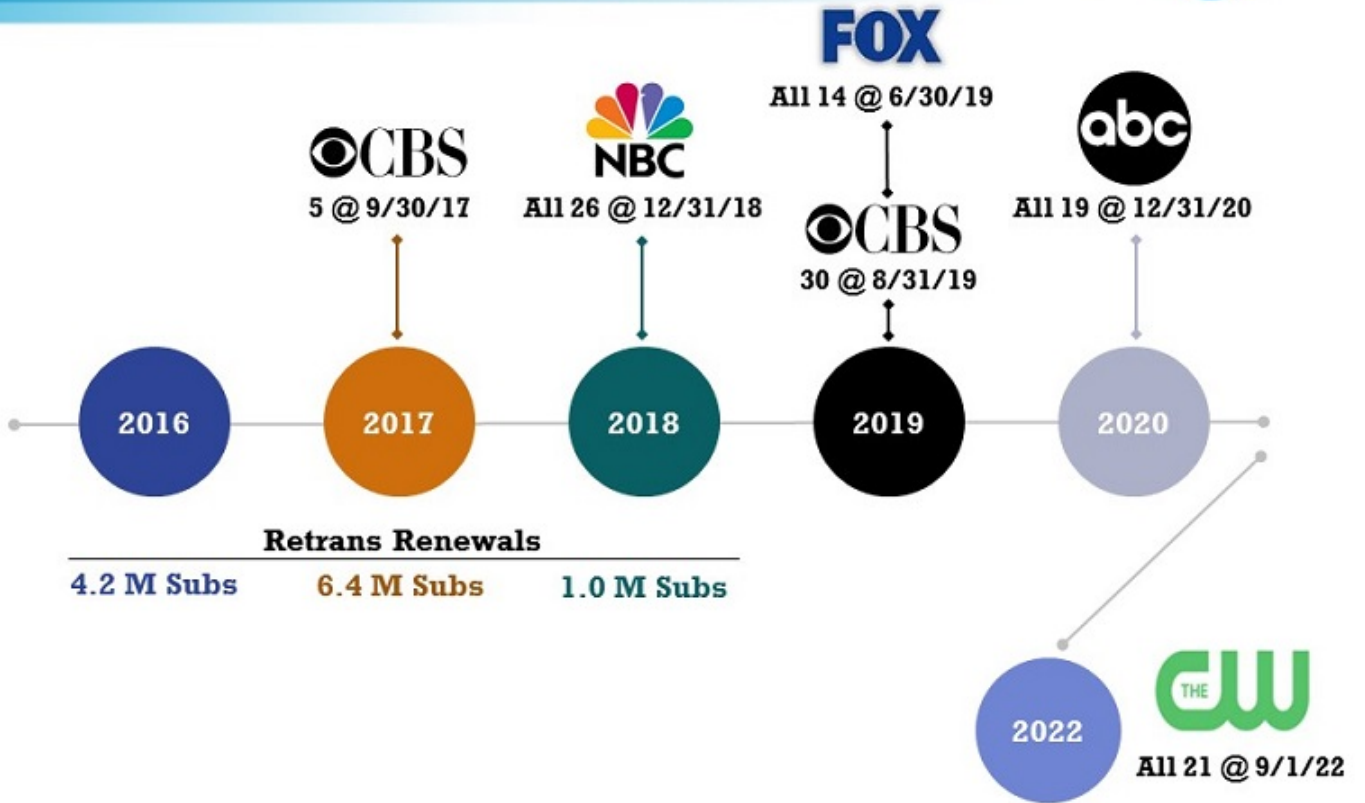
(1) Pro Forma for all completed transactions

(2) Company Estimates

(3) All but one Gray DMA

(4) Includes \$6.3 million one time only termination fee

Network and Retrans Visibility

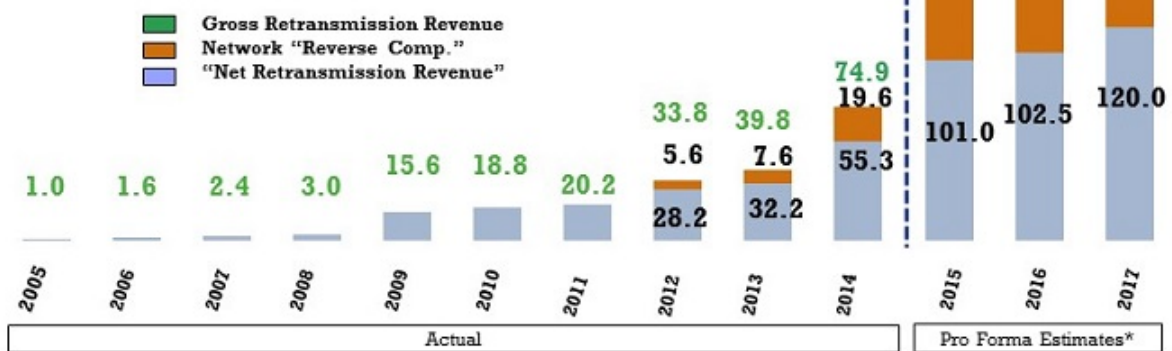


Gray Excels at Retrans



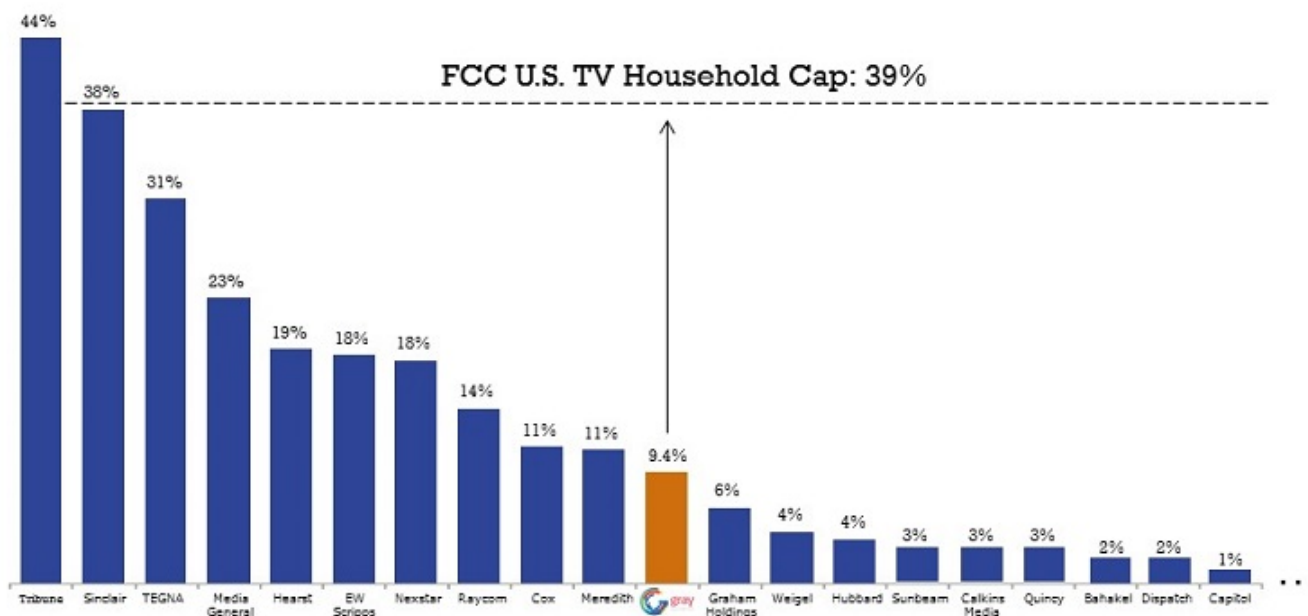
Gray Retransmission Revenue in Millions

- STABLE Sub Count 2012-2015 for continuously owned Big-4 stations (data unavailable for acquired stations)
- As Network Reverse Comp has increased from 0% to 50% over past five years, Gray's net retrans revenue increased five-fold, from \$20.2 million in 2011 to an estimated \$102.5 million in 2016.



* Per current Company estimate. 2016 & 2017 projecting Network Affiliation fees (a.k.a. "Network Reverse Compensation") will equal approximately 50% of Gross Retransmission Revenue. Actual results may vary from current estimates. Pro Forma estimates include KSPR, Springfield, MO owned by Schurz to which Gray provides certain services.

Significant Opportunity for Continued M&A



Source: Company filings, EIA, company websites
Note: Excludes Big Four networks and Univision



gray
Television • Digital • Mobile



Investment Highlights



Key Credit Highlights



A Leading Television Broadcaster in Diverse Mid-Markets with Dominant Market Positions

Stable Advertising Market and Diversification of Revenue Mix

Large Political Upside in Election Years with Presence in Key States. Larger Political Upside in Presidential Election Years

Strong Growth in Net Retransmission Revenue and Increasing Leverage With MVPDS and Networks

Successful New Media Initiatives and Spectrum Upside

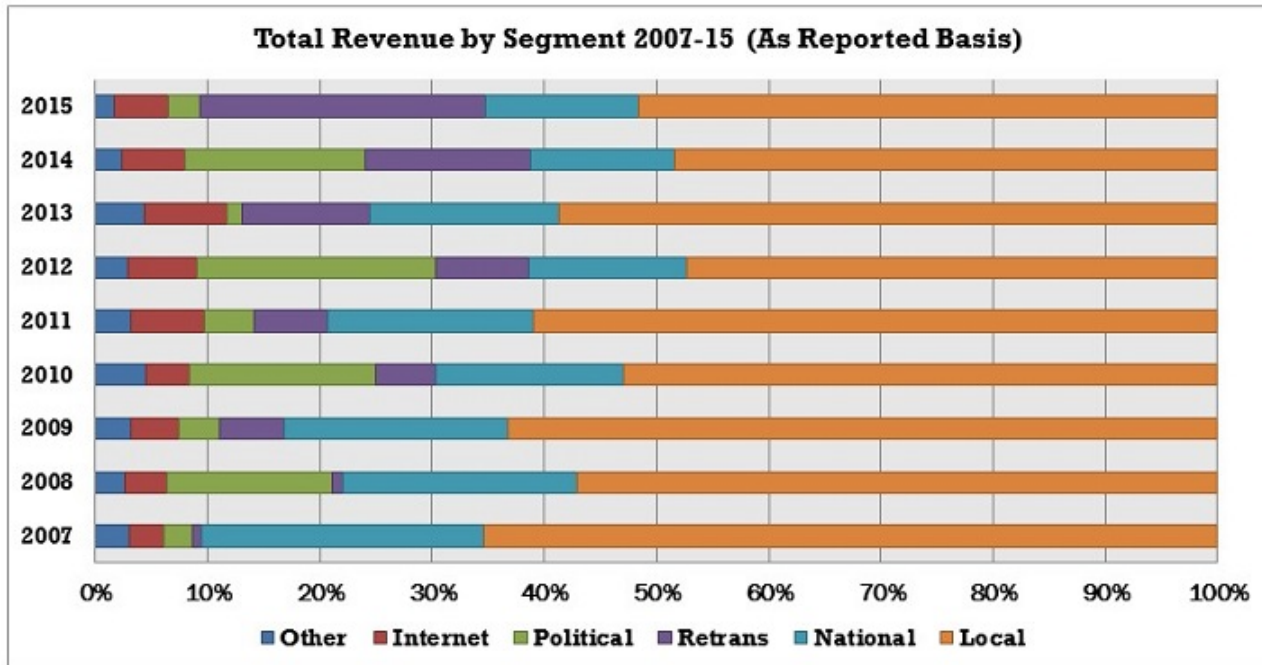
Robust Free Cash Flow Generation Over a Two Year Cycle

Experienced Management with a Track Record of Accretive Transactions and Successful Integrations

Diverse Revenue Mix



In 2008, 99% of revenue derived from advertising, 1% from subscription/fee income.
 By 2015, 75% of revenue derived from advertising, 25% from retransmission fee income.



Diversification Across Networks and Markets



Station Mix⁽¹⁾

179 Total Program Streams:

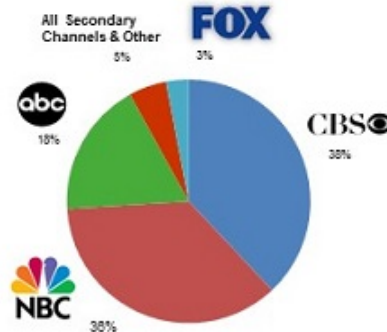
93 Big 4 Affiliates:

- 35 CBS
- 26 NBC
- 19 ABC
- 13 FOX

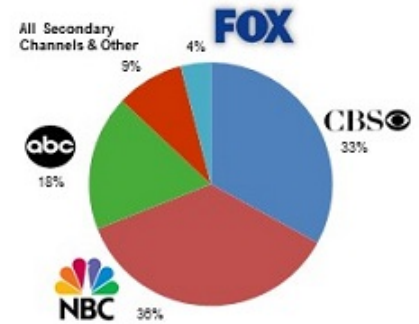
98 Additional Program Streams:⁽²⁾

- 21 CW
- 2 Telemundo
- 22 MyNetwork TV
- 20 MeTV Network
- 9 Antenna TV
- 2 This TV Network
- 3 MOVIES! Network
- 2 Decades
- 10 Local News/Weather
- 7 Other

2015PF Revenue by Affiliate: \$729mm⁽¹⁾



2015PF BCF by Affiliate: \$285mm^{(1), (3)}



**No single market represents >5% of total revenue
or >8% of BCF**

(1) Pro Forma
 (2) Certain program channels are affiliated with more than one additional network simultaneously
 (3) Excludes corporate expenses

Stable Markets – Concentration on DMAs 62-209 with Focus on State Capitals / Collegiate Presence

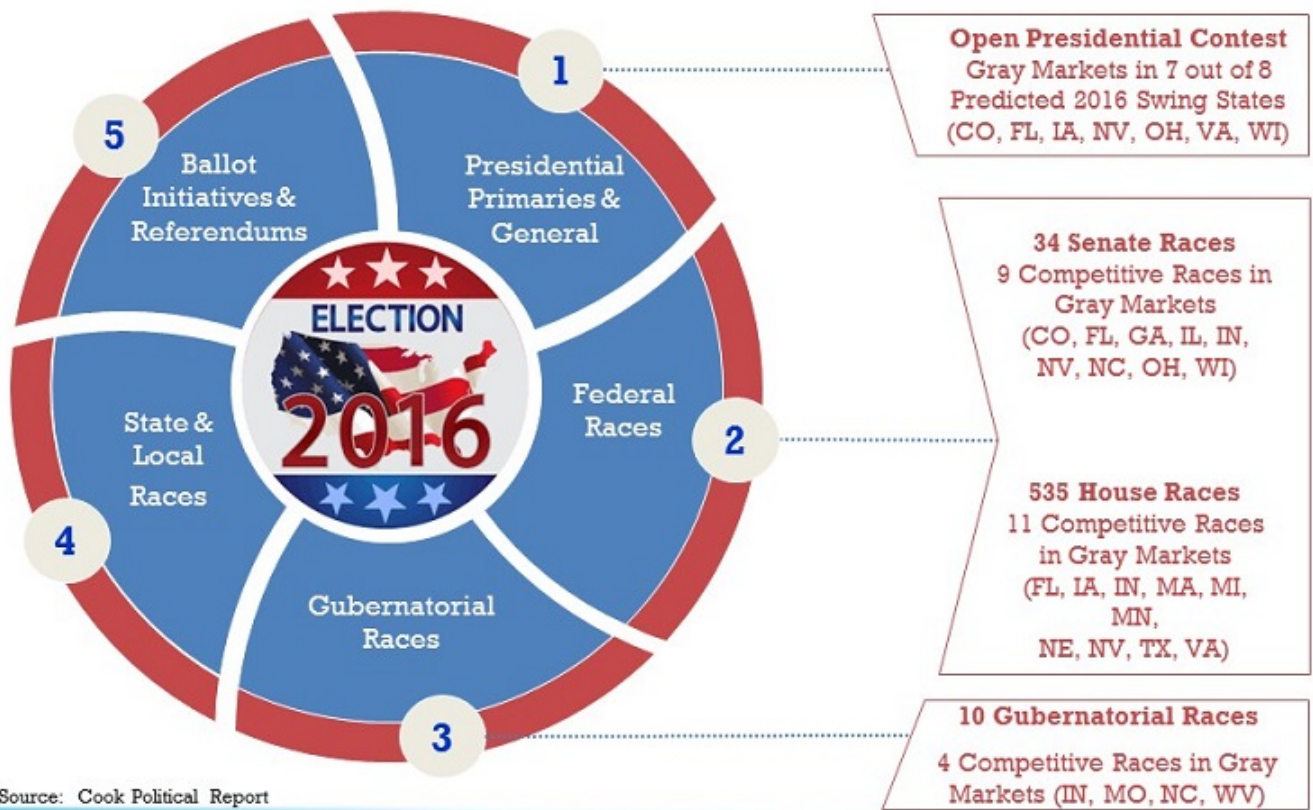


- Gray stations cover 11 state capitals and 27 university towns
- Enrollment of approximately 634,000 students
- Better demographics, more stable economies

Market	College(s)	Approximate Enrollment
Waco, TX		75
Topeka, KS		53
Lansing, MI		50
Cedar Rapids, IA		45
Tallahassee, FL		43
Madison, WI		43
Lexington, KY		30
Knoxville, TN		27
Lincoln, NE		25
Greenville, NC		22
Toledo, OH		21
Charlottesville, VA		21
Bowling Green, KY		21

Source: College/University website
Note: Shading indicates DMA includes state capital. Enrollment in thousands.

Market	College(s)	Approximate Enrollment
Reno, NV		20
Harrisonburg, VA		20
Anchorage, AK		17
Wichita, KS		15
Sioux Falls, SD		13
Cheyenne, WY		11
Charleston-Huntington, WV		10
Monroe, LA		9
Flint, MI		9
Colorado Springs, CO		9
South Bend, IN		8
Twin Falls, ID		8
Odessa, TX		5
Bismarck, ND		4

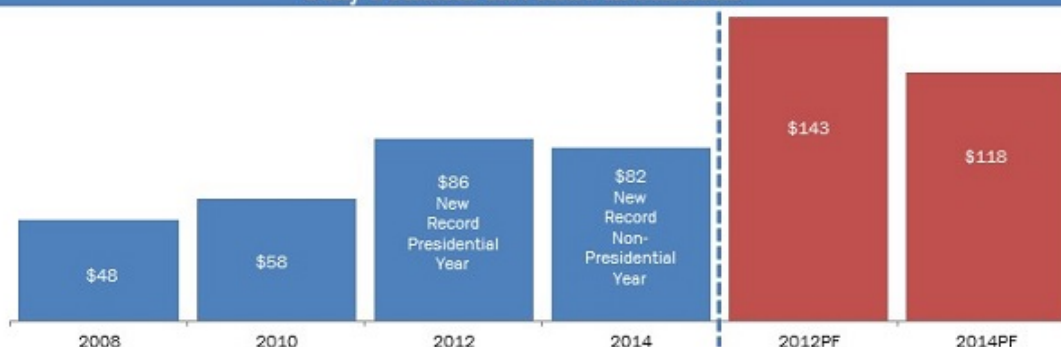


Source: Cook Political Report
Gray Television, Inc.

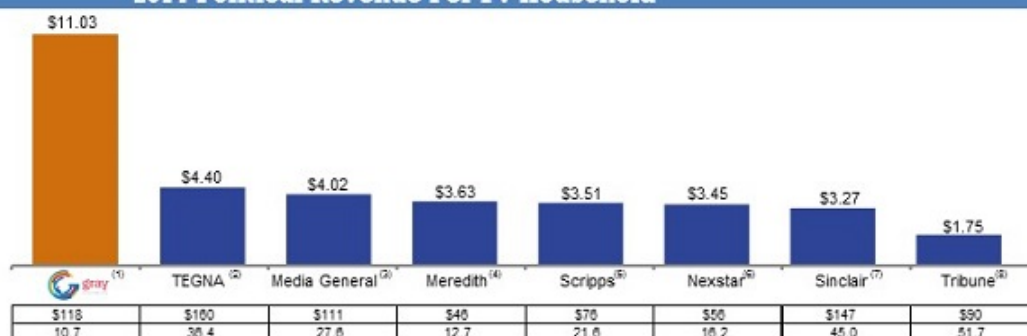
Gray is a Leading Beneficiary of Political Revenue with Large Upside in Presidential Years



Gray Political Revenue in Millions



2014 Political Revenue Per TV Household



2014 Political Revenue (\$mm)
2014 TV Households (mm)

\$118	\$100	\$111	\$46	\$76	\$56	\$147	\$90
10.7	30.4	27.6	12.7	21.6	16.2	45.0	51.7

Source: Company filings, investor presentations, BIA data

(1) Pro Forma

(2) Pro Forma for Belo and London transactions

(3) Media General pro forma for M&A; Reported in Media General's Investor Presentation dated 9/18/2014

(4) Based on Calendar year ending 12/31/14; Fiscal year ends 6/30

(5) Scripps pro forma for Journal; Reported in Scripps' and Journal's 2014 10-Ks

(6) Political revenue on gross "as reported basis" net of implied 1% agency commission; TV

Households incorporate closed acquisitions only; Reported in Nexstar's 2014 10-K

(7) On a Pro Forma basis; Reported in Sinclair's March 2015 Investor Presentation

(8) As reported in Tribune Media Company's 2014 Earnings Presentation and Earnings Call


Successful Digital Media Initiatives



Gray Digital Media

- Total 2015 Page views – 2.3 billion (Up 26%)
- Mobile makes up 74% of all digital traffic
- Fully responsive websites
- Gray Connect App allows reporters to post news directly from the field
- Fully integrated newsrooms between digital and broadcast. Post once distribute to all screens, mobile, desktop, OTT, and TV

 3.8 million 'Likes' in 2015 (Up 31%)

 875,000 'Followers' in 2015 (Up 73%)

 Gray is live with facebook's 'Instant Articles'



600k iOS Downloads to date



1.2 million Android Downloads to date



195k Roku Downloads to date



7 million minutes watched on CBS All Access

LOCALX MARKETING

Your Local Digital Marketing Experts.

- Website Development
- SEO/SEM
- Social Intelligence
- eCommerce
- Audience Targeting
- Database Marketing
- Reputation Management

MomsEveryday

MomsEveryday is a sustainable content and revenue solution built by Gray for our stations, as well as stations interested in licensing the product. This market-exclusive program allows local and national businesses to tell their story with a unique marketing plan while surrounded by quality content created for an essential target demographic...Mom.



- Award-Winning Weekly Television Program
- Daily News Content
- Localized Responsive Sites
- Eat@MomsEveryday Mobile App
- Unique Revenue Opportunities
- Social Media and Marketing Solutions
- Deep Station and Client Support Focused on Sustainability



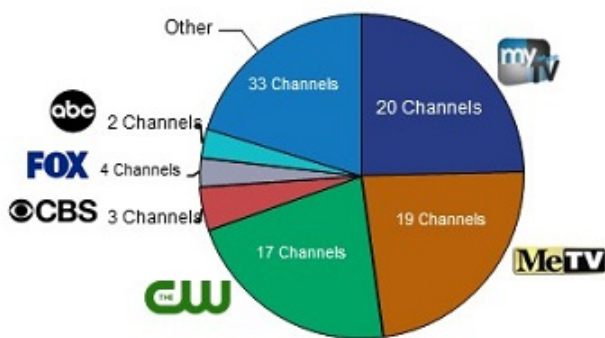
Significant Potential Upside from Spectrum Monetization Opportunities



- One of first to monetize digital spectrum
- Opportunities to benefit from the 2016 FCC Broadcast Incentive Auction
- Potential opportunities from future changes to new broadcast technical standard

Secondary Channel 2015 PF Financials

98 Secondary (D2) Channels ⁽¹⁾



\$98
million in revenue

\$55
million in BCF

56%
margin on digital
secondary
channels

(1) Certain program channels are affiliated with more than one additional network simultaneously



gray
Television • Digital • Mobile



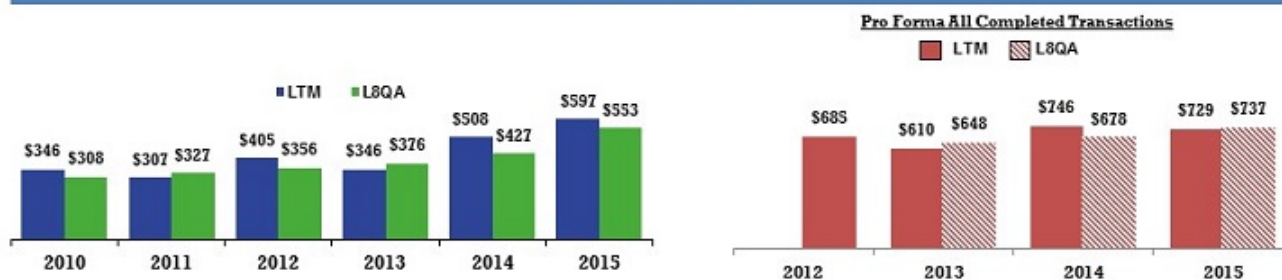
Financial Overview



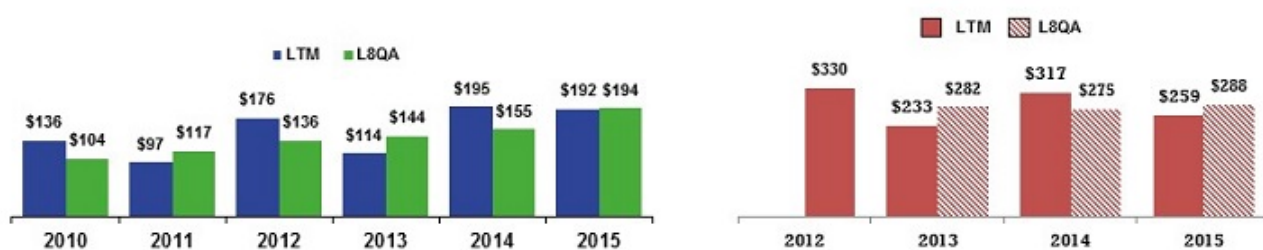
Gray's Financial Scale Continues to Increase



Net Revenue

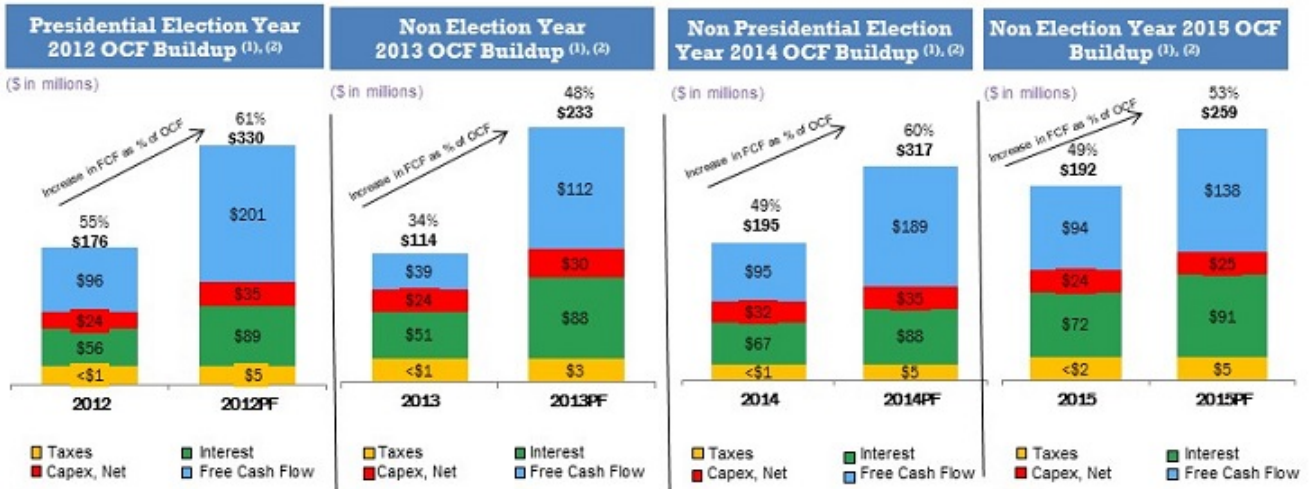


Operating Cash Flow



Source: Nielsen Media Research, November 2015

Robust Free Cash Flow Generation



2015 and 2016 FCF Drivers	Local	Presidential Political	Net Retransmission	NOLs	Accretive M&A	Cost Efficiencies
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(1) Pro Forma interest expense estimated with Pro Forma incremental indebtedness and estimated cash interest
 (2) Gray actual data per Company; 2012PF, 2013PF, 2014PF and 2015PF

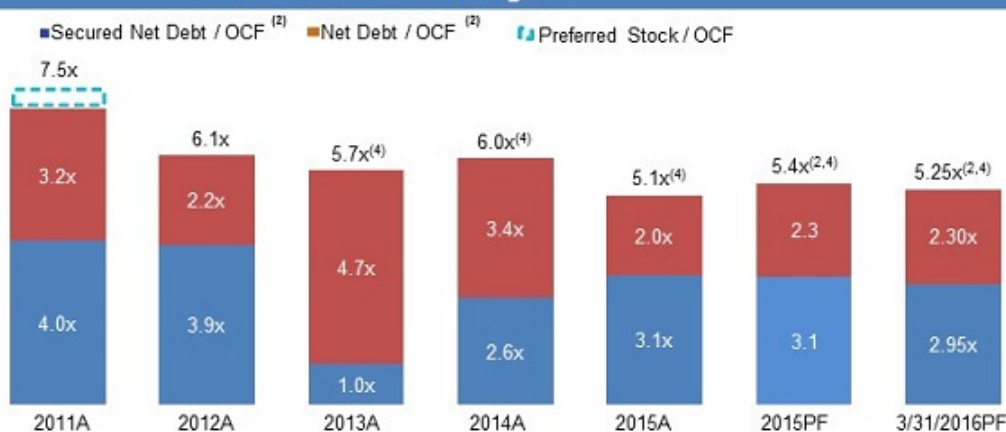
Prudent Balance Sheet Management Leads to Deleveraging



- Gray has significantly reduced secured and total leverage from historical levels
- Gray has diversified its revenue base, allowing for significant free cash flow in both political and non-political years

Net Financial Leverage⁽¹⁾

(\$ in millions)



Net Debt ⁽²⁾ + Preferred Stock ⁽³⁾	\$872	\$824	\$824	\$1,200	\$1,201	\$1,565	\$1,535
L8QA OCF	\$117	\$136	\$147	\$200	\$235	\$288	\$292

(1) Gray actual data per company filings

(2) Total debt less all cash on hand as of 12/31/2015 and 3/31/2016, respectively

(3) Liquidation value plus accrued dividends

(4) Pro forma for all transactions completed as of the respective date as required by our senior credit facility

Capitalization



Current Capitalization

(\$ in millions)

	Actual 3/31/2016	Cum. X L8QA OCF ⁽¹⁾	Cum. X LTM OCF ⁽²⁾
Cash & Equivalents	\$121		
Priority Revolver	--		
Term Loan B due 2021	556		
2016 Incremental Term Loan due June 2021	424		
Total Secured Debt	\$980	3.3x	3.8x
7.5% Senior Notes	675		
Total Debt	\$1,655	5.7x	6.3x
Net Debt ⁽³⁾	\$1,625	5.6x	6.2x
Net Debt (Net All Cash)	\$1,535	5.3x	5.9x

\$292

\$261

⁽¹⁾Based on Gray's L8QA 3/31/16 Pro Forma OCF for transactions closed on/before 3/31/16 and Gray's sale of its stations in Montana;
⁽²⁾Based on Gray's LTM 3/31/16 Pro Forma OCF for transactions closed on/before 3/31/16 and Gray's sale of its stations in Montana;
⁽³⁾Total debt less up to \$30 million of cash on hand, based on credit facility definition.

Record Combined Historical Basis Results for Q1 2016



Combined Historical Basis

Three Months Ended March 31,

	2016	2015	% Change 2016 to 2015	2014	% Change 2016 to 2014
(dollars in thousands, except per share data)					
Revenue (less agency commissions):					
Total	\$ 187,076	\$ 167,421	12 %	\$ 153,228	22 %
Political	\$ 9,863	\$ 1,238	697 %	\$ 4,881	102 %
Operating expenses (1):					
Broadcast	\$ 120,730	\$ 111,415	8 %	\$ 100,204	20 %
Corporate and administrative	\$ 15,678	\$ 6,847	129 %	\$ 6,499	141 %
Net income	\$ 6,406	\$ 6,679	(4) %	\$ 10,600	(40) %
Non-GAAP Cash Flow (2):					
Broadcast Cash Flow	\$ 69,292	\$ 62,399	11 %	\$ 56,895	22 %
Broadcast Cash Flow Less Cash Corporate Expenses	\$ 54,584	\$ 56,302	(3) %	\$ 51,749	5 %
Operating Cash Flow as defined in the Gray senior credit facility	\$ 60,839	\$ 58,703	4 %	\$ 52,360	16 %
Free Cash Flow	\$ 30,924	\$ 28,469	9 %	\$ 19,626	58 %
Free Cash Flow Per Share:					
Basic	\$ 0.43	\$ 0.49		\$ 0.34	
Diluted	\$ 0.43	\$ 0.48		\$ 0.34	

(1) Excludes depreciation, amortization, and loss on disposal of assets.

(2) See definition of non-GAAP terms and reconciliation of the non-GAAP amounts to net income included elsewhere herein.

Combined Historical Basis Results – Pro Forma



	Combined Historical Basis Year Ended December 31,						
	2015	2014	% Change 2015 to 2014	2013	% Change 2015 to 2013	2012	% Change 2015 to 2012
	(in thousands, except per share data)						
Revenue (less agency commissions):							
Total	\$728,917	\$745,765	(2)%	\$609,917	20%	\$684,884	6%
Political	\$ 18,620	\$118,469	(84)%	\$ 10,806	72%	\$143,067	(87)%
Operating expenses (1):							
Broadcast	\$465,837	\$425,894	9%	\$387,745	20%	\$367,676	27%
Corporate and Administrative	\$ 34,343	\$ 29,203	18%	\$ 19,810	73%	\$ 15,927	116%
Net income	\$ 49,952	\$100,845	(50)%	\$50,911	(2)%	\$ 96,027	(48)%
Non-GAAP Cash Flow (2):							
Broadcast Cash Flow	\$284,767	\$336,961	(15)%	\$247,159	15%	\$346,239	(18)%
Broadcast Cash Flow Less Cash Corporate Expenses	\$253,544	\$311,290	(19)%	\$229,323	11%	\$331,190	(23)%
Operating Cash Flow as defined in the Senior Credit Facility	\$258,818	\$316,822	(18)%	\$233,201	11%	\$329,662	(21)%
Free Cash Flow	\$137,510	\$188,704	(27)%	\$111,756	23%	\$201,160	(32)%
Free Cash Flow Per Share:							
Basic	\$ 2.01	\$ 3.26		\$ 1.94		\$ 3.52	
Diluted	\$ 1.99	\$ 3.23		\$ 1.93		\$ 3.51	
Weighted-average shares outstanding:							
Basic	68,330	57,862		57,630		57,170	
Diluted	68,987	58,364		57,972		57,262	

(1) Excludes depreciation, amortization, and loss on disposal of assets.

(2) See definition of non-GAAP terms and reconciliation of the non-GAAP amounts to net income included elsewhere herein.

Record As Reported Basis Results for Q1 2016



As-Reported Basis

	Three Months Ended March 31,				% Change 2016 to 2014
	2016	2015	% Change 2016 to 2015	2014	
	(dollars in thousands, except per share data)				
Revenue (less agency commissions):					
Total	\$ 173,723	\$ 133,303	30 %	\$ 91,297	90 %
Political	\$ 9,655	\$ 1,159	733 %	\$ 2,792	246 %
Operating expenses (1):					
Broadcast	\$ 108,568	\$ 86,847	25 %	\$ 60,384	80 %
Corporate and administrative	\$ 15,678	\$ 6,847	129 %	\$ 6,499	141 %
Net income	\$ 8,990	\$ 5,595	61 %	\$ 1,277	604 %
Non-GAAP Cash Flow (2):					
Broadcast Cash Flow	\$ 65,894	\$ 46,724	41 %	\$ 30,619	115 %
Broadcast Cash Flow Less					
Cash Corporate Expenses	\$ 51,186	\$ 40,627	26 %	\$ 25,473	101 %
Free Cash Flow	\$ 24,215	\$ 21,991	10 %	\$ 7,453	225 %
Free Cash Flow Per Share:					
Basic	\$ 0.34	\$ 0.38		\$ 0.13	
Diluted	\$ 0.33	\$ 0.37		\$ 0.13	

(1) Excludes depreciation, amortization, and loss on disposal of assets.

(2) See definition of non-GAAP terms and reconciliation of the non-GAAP amounts to net income included elsewhere herein.

Record As Reported Basis Results for 2015



As-Reported Results

	Year Ended December 31,				% Change 2015 to 2013
	2015	2014	% Change 2015 to 2014	2013	
	(dollars in thousands, except per share data)				
Revenue (less agency commissions):					
Total	\$ 597,356	\$ 508,134	18 %	\$ 346,298	73 %
Political	\$ 17,163	\$ 81,975	(79) %	\$ 4,598	273 %
Operating expenses (1):					
Broadcast	\$ 374,182	\$ 285,990	31 %	\$ 217,411	72 %
Corporate and administrative	\$ 34,343	\$ 29,203	18 %	\$ 19,810	73 %
Net income	\$ 39,301	\$ 48,061	(18) %	\$ 18,288	115 %
Non-GAAP Cash Flow (2):					
Broadcast Cash Flow	\$ 224,484	\$ 220,977	2 %	\$ 128,234	75 %
Broadcast Cash Flow Less					
Cash Corporate Expenses	\$ 193,261	\$ 195,306	(1) %	\$ 110,398	75 %
Free Cash Flow	\$ 93,984	\$ 95,240	(1) %	\$ 39,153	140 %
Free Cash Flow Per Share:					
Basic	\$ 1.38	\$ 1.65		\$ 0.68	
Diluted	\$ 1.36	\$ 1.63		\$ 0.68	

(1) Excludes depreciation, amortization, and loss on disposal of assets.

(2) See definition of non-GAAP terms and reconciliation of the non-GAAP amounts to net income included elsewhere herein.



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Questions





Appendix: Non-GAAP Reconciliation and Glossary



As Reported Basis Non-GAAP Reconciliation



	As Reported Basis		
	Three Months Ended		
	March 31,		
	2016	2015	2014
Net Income	\$ 8,990	\$ 5,595	\$ 1,277
Adjustments to reconcile from net income to Broadcast Cash Flow Less Cash Corporate Expenses:			
Depreciation	11,128	8,798	6,384
Amortization of intangible assets	3,888	2,771	289
Non-cash stock-based compensation	1,284	993	2,071
Gain on disposal of assets, net	(1,648)	(18)	331
Miscellaneous income, net	(589)	(7)	-
Interest expense	21,275	18,530	15,274
Income tax expense	8,415	3,940	859
Amortization of program broadcast rights	4,398	3,807	2,913
Common stock contributed to 401(k) plan excluding corporate 401(k) contributions	0	0	0
Network compensation revenue recognized	-	-	(108)
Payments for program broadcast rights	(3,977)	(3,588)	(3,823)
Corporate and administrative expenses excluding depreciation, amortization of intangible assets and non-cash stock-based compensation	14,708	8,097	5,148
Broadcast Cash Flow	65,894	46,724	30,619
Corporate and administrative expenses excluding depreciation, amortization of intangible assets and non-cash stock-based compensation	(14,708)	(8,097)	(5,148)
Broadcast Cash Flow Less Cash Corporate Expenses	51,186	40,627	25,473
Pension expense	40	2,401	1,573
Contributions to pension plans	(520)	-	(962)
Interest expense	(21,275)	(18,530)	(15,274)
Amortization of deferred financing costs	1,071	799	692
Amortization of net original issue discount premium on 7 3/4% senior notes due 2020	(216)	(216)	(216)
Purchase of property and equipment	(5,931)	(2,849)	(3,802)
Income taxes paid, net of refunds	(140)	(241)	(31)
Free Cash Flow	\$24,215	\$21,991	\$7,453

(1) Excludes depreciation, amortization, and loss on disposal of assets.

(2) See definition of non-GAAP terms and reconciliation of the non-GAAP amounts to net income included elsewhere herein.

Combined Historical Basis Non-GAAP Reconciliation



	Combined Historical Basis		
	Three Months Ended		
	March 31,		
	2016	2015	2014
Net income	\$ 8,408	\$ 8,679	\$10,600
Adjustments to reconcile from net income to Broadcast Cash Flow Less Cash Corporate Expenses:			
Depreciation	11,772	11,289	10,724
Amortization of intangible assets	4,707	4,482	1,910
Non-cash stock-based compensation	1,284	993	2,071
(Gain)/loss on disposal of assets, net	(1,432)	36	(13)
Miscellaneous income, net	(587)	(21)	37
Interest expense	23,589	23,317	23,210
Income tax expense	6,211	3,380	68
Amortization of program broadcast rights	4,396	3,607	2,913
Common stock contributed to 401(k) plan excluding corporate 401(k) contributions	6	6	6
Network compensation revenue recognized	-	-	-
Payments for program broadcast rights	(3,977)	(3,588)	(3,823)
Corporate and administrative expenses excluding depreciation, amortization of intangible assets and non-cash stock-based compensation	14,708	6,097	5,146
Other	2,209	6,123	4,056
Broadcast Cash Flow	69,292	62,399	56,895
Corporate and administrative expenses excluding depreciation, amortization of intangible assets and non-cash stock-based compensation	(14,708)	(6,097)	(5,146)
Broadcast Cash Flow Less Cash Corporate Expenses	54,584	56,302	51,749
Pension expense	40	2,401	1,573
Contributions to pension plans	(520)	-	(962)
Other	6,735	-	-
Operating Cash Flow as defined in Senior Credit Agreement	\$60,839	\$58,703	\$52,360
Interest expense	(23,589)	(23,317)	(23,210)
Amortization of deferred financing costs	1,071	799	692
Amortization of net original issue premium on 7 3/4% senior notes due 2020	(216)	(216)	(216)
Purchase of property and equipment	(5,931)	(6,250)	(6,750)
Income taxes paid, net of refunds	(1,250)	(1,250)	(1,250)
Free Cash Flow	\$30,924	\$28,469	\$19,626

(1) Excludes depreciation, amortization, and loss on disposal of assets.

(2) See definition of non-GAAP terms and reconciliation of the non-GAAP amounts to net income included elsewhere herein.

Combined Historical Basis Non-GAAP Reconciliation



Combined Historical Basis
Year Ended December 31,

	2012	2013	2014	2015	L8QA 2015
Net income	\$ 96,027	\$ 50,911	\$ 100,845	\$ 49,952	\$ 75,398
Adjustments to reconcile from net income to Broadcast Cash Flow Less Cash Corporate Expenses:					
Flow Less Cash Corporate Expenses:					
Depreciation	40,643	42,910	42,907	46,093	44,500
Amortization of intangible assets	2,773	1,940	15,207	18,772	16,989
Non-cash stock-based compensation	878	1,974	5,012	4,020	4,516
Loss (gain) on disposal of assets, net	91	1,072	876	757	817
Miscellaneous expense (income), net	1,360	449	(226)	14	(105)
Interest expense	92,362	90,339	90,225	93,639	91,932
Loss from early extinguishment of debt	46,683	-	5,088	-	2,543
Income tax expense	23,754	13,313	33,913	19,818	26,866
Amortization of program broadcast rights	13,053	13,179	13,004	14,900	13,982
Common stock contributed to 401(k) plan excluding corporate 401(k) contributions	26	28	25	26	26
Network compensation revenue recognized	(887)	(615)	(456)	-	(228)
Payments for program broadcast rights	(13,818)	(13,252)	(15,153)	(14,576)	(14,865)
Corporate and administrative expenses excluding depreciation, amortization of intangible assets and non-cash stock-based compensation	15,049	17,836	25,671	31,223	28,447
Other	28,044	27,075	20,025	20,069	20,047
Broadcast Cash Flow	346,239	247,189	336,961	284,767	310,864
Corporate and administrative expenses excluding depreciation, amortization of intangible assets and non-cash stock-based compensation	(15,049)	(17,836)	(25,671)	(31,223)	(28,447)
Broadcast Cash Flow Less Cash Corporate Expenses	331,190	229,323	311,290	253,544	282,417
Pension expense	7,874	8,626	6,126	4,207	5,167
Contributions to pension plans	(9,402)	(4,748)	(6,770)	(5,421)	(6,096)
Other	-	-	6,178	6,488	6,332
Operating Cash Flow as defined in Senior Credit Agreement	329,662	233,201	316,822	258,818	287,820
Interest expense	(92,362)	(90,339)	(90,225)	(93,639)	(91,932)
Amortization of deferred financing costs	2,723	1,903	2,970	3,194	3,082
Amortization of net original issue discount (premium) on 7 3/4% senior notes due 2020	1,127	(9)	(863)	(863)	(863)
Purchase of property and equipment	(35,000)	(30,000)	(35,000)	(25,000)	(30,000)
Income taxes paid, net of refunds	(5,000)	(3,000)	(5,000)	(5,000)	(5,000)
Free Cash Flow	\$201,150	\$111,756	\$188,704	\$137,510	\$163,107

(1) Excludes depreciation, amortization, and loss on disposal of assets.

(2) See definition of non-GAAP terms and reconciliation of the non-GAAP amounts to net income included elsewhere herein.

Glossary



"Combined Historical Basis":	Combined Historical Basis reflects financial results, position or statistics that have been prepared by adding Gray's historical financial results, position or statistics with the historical financial results, position or statistics of the Completed Acquisitions and Completed Dispositions. It does not include any adjustments for other events attributable to the Completed Acquisitions and Completed Dispositions except "Broadcast Cash Flow," "Broadcast Cash Flow Less Cash Corporate Expenses" and "Operating Cash Flow" gives effect to expected synergies and "Combined Historical Free Cash Flow" gives effect to the financings and certain expected operating synergies related to the Completed Acquisitions and Completed Dispositions
"Completed Acquisitions":	All previously disclosed acquisitions completed since November 2013 through March 31, 2016, unless otherwise specified
"Completed Dispositions":	The disposition on November 1, 2015 of NBC stations in Montana: KGBF-LP, Great Falls and KMTF, Helena for an aggregate price of \$3.0 million
"Gray" (Gray Television, Inc.):	A television broadcast company headquartered in Atlanta, Georgia, that owns and operates television stations and digital properties in markets throughout the United States
"Operating Cash Flow" or "OCF":	Operating cash flow as defined in Gray's existing senior credit facility; includes Pro Forma adjustments and synergies for Completed Acquisitions and Completed Dispositions. See appendix herein for definition and reconciliations of non-GAAP terms
"Schurz and Related Transactions":	On September 14, 2015, we announced that we agreed to acquire all of the television and radio stations of Schurz Communications, Inc. ("Schurz") for approximately \$442.5 million (the "Schurz Acquisition"). On October 1, 2015, we announced agreements to sell Gray's KAKE-TV in Wichita, Kansas and Schurz's WSBT-TV in South Bend, Indiana, as well as certain assets of Schurz's KOTA-TV in Rapid City, South Dakota to facilitate regulatory approvals for the Schurz Acquisition, and we simultaneously announced the acquisition of WBXX-TV in Knoxville, Tennessee, and WLUC-TV in Marquette, Michigan. On November 2, 2015, we announced that we reached agreements to divest the Schurz radio stations to other radio broadcasters upon the closing of the Schurz Acquisition for an aggregate sales price of \$16 million. The net purchase price for the foregoing transactions is \$416.2 million before related fees and expenses. These transactions were closed in Q1 2016.
"Pro Forma" or "PF":	Reflects Combined Historical Basis Results, position, or statistics of (i) Gray, (ii) the Completed Acquisitions (including the Schurz and Related Transactions), (iii) the Completed Dispositions, and (iv) the pending acquisition of KYES, Anchorage, AK unless explicitly stated otherwise. Pro Forma financial results give effect to the specified acquisitions and/or dispositions as if they had occurred at the beginning of the relevant period. Pro forma financial information for Schurz and Related Transactions is based on previously disclosed amounts and does not reflect all purchase accounting and other adjustments required for Regulation S-X pro formas. Such preliminary purchase accounting and other adjustments will be reflected in the pro formas to be filed with the Securities and Exchange Commission on Form 8-K/A.

Non-GAAP Terms



From time to time, Gray supplements its financial results prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") by disclosing the non-GAAP financial measures Broadcast Cash Flow, Broadcast Cash Flow Less Cash Corporate Expenses, Free Cash Flow and operating cash flow as defined in Gray's 2014 senior credit facility ("Operating Cash Flow"). These non-GAAP amounts are used by us to approximate the amount used to calculate a key financial performance covenant contained in our debt agreements. These non-GAAP amounts may also be provided on an As-Reported Basis as well as a Combined Historical Basis.

"Broadcast Cash Flow":	Net income plus loss on early extinguishment of debt, corporate and administrative expenses, broadcast non-cash stock based compensation, depreciation and amortization (including amortization of intangible assets and program broadcast rights), any loss on disposal of assets, any miscellaneous expense, interest expense, any income tax expense, non-cash 401(k) expense, less any gain on disposal of assets, any miscellaneous income, any income tax benefits, payments for program broadcast obligations and network compensation revenue
"Broadcast Cash Flow Less Cash Corporate Expenses":	Net income plus loss from early extinguishment of debt, non-cash stock based compensation, depreciation and amortization (including amortization of intangible assets and program broadcast rights), any loss on disposal of assets, any miscellaneous expense, interest expense, any income tax expense, non-cash 401(k) expense less any gain on disposal of assets, any miscellaneous income, any income tax benefits, payments for program broadcast obligations and network compensation revenue
"Free Cash Flow":	Net income plus loss on early extinguishment of debt, non-cash stock based compensation, depreciation and amortization (including amortization of intangible assets and program broadcast rights), any loss on disposal of assets, any miscellaneous expense, amortization of deferred financing costs, any income tax expense, non-cash 401(k) expense, pension expense less any gain on disposal of assets, any miscellaneous income, any income tax benefits, payments for program broadcast obligations, network compensation revenue, contributions to pension plans, amortization of original issue discount on our debt, capital expenditures (net of any insurance proceeds) and the payment of income taxes (net of any refunds received)
"Operating Cash Flow":	Defined in Gray's 2014 senior credit facility as net income plus loss from early extinguishment of debt, non-cash stock based compensation, depreciation and amortization (including amortization of intangible assets and program broadcast rights), any loss on disposal of assets, any miscellaneous expense, interest expense, any income tax expense, non-cash 401(k) expense less any gain on disposal of assets, any miscellaneous income, any income tax benefits, payments for program broadcast obligations, network compensation revenue, plus pension expense but less cash contributions to pension plans

These non-GAAP terms are not defined in GAAP and our definitions may differ from, and therefore not be comparable to, similarly titled measures used by other companies, thereby limiting their usefulness. Such terms are used by management in addition to and in conjunction with results presented in accordance with GAAP and should be considered as supplements to, and not as substitutes for, net income and cash flows reported in accordance with GAAP.



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