

Gray Television, Inc.
Reconciliation of Net Income (Loss) to Broadcast Cash Flow
(in millions)

	Twelve		Year Ended	
	Months Ended June 30, 2012	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011	December 31, 2011
Net income (loss)	\$ 23,924	\$ 14,365	\$ (524)	9,035
Adjustments to reconcile from net income (loss) to Broadcast Cash Flow Less Cash Corporate Expenses:				
Depreciation	24,154	11,607	13,636	26,183
Amortization of intangible assets	94	37	68	125
Non-cash stock based compensation	222	154	68	136
Gain on disposals of assets, net	(2,532)	(482)	(844)	(2,894)
Miscellaneous (income) expense, net	(2)	(2)	(3)	(3)
Interest expense	60,723	30,289	31,343	61,777
Income tax expense (benefit)	14,036	9,215	(282)	4,539
Amortization of program broadcast rights	11,547	5,477	7,414	13,484
Common stock contributed to 401(k) plan excluding corporate 401(k) contributions	25	12	16	29
Network compensation revenue recognized	(660)	(313)	(351)	(698)
Network compensation per network affiliation agreement	(180)	(60)	(120)	(240)
Payments for program broadcast rights	(12,773)	(5,596)	(8,738)	(15,915)
Broadcast Cash Flow Less Cash Corporate Expenses	118,578	64,703	41,683	95,558
Corporate and administrative expenses excluding depreciation, amortization of intangible assets and non-cash stock-based compensation	14,246	6,581	6,372	14,037
Broadcast Cash Flow	\$ 132,824	\$ 71,284	\$ 48,055	\$ 109,595

Gray Television, Inc.
Reconciliation of Net Income (Loss) to Free Cash Flow
(in millions)

	Twelve		Year Ended	
	Months Ended June 30, 2012	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011	December 31, 2011
Net income (loss)	\$ 23,924	\$ 14,365	\$ (524)	9,035
Adjustments to reconcile from net income (loss) to Operating Cash Flow (as defined in our senior credit facility):				
Depreciation	24,154	11,607	13,636	26,183
Amortization of intangible assets	94	37	68	125
Non-cash stock based compensation	222	154	68	136
Gain on disposals of assets, net	(2,532)	(482)	(844)	(2,894)
Miscellaneous (income) expense, net	(2)	(2)	(3)	(3)
Interest expense	60,723	30,289	31,343	61,777
Income tax expense (benefit)	14,036	9,215	(282)	4,539
Amortization of program broadcast rights	11,547	5,477	7,414	13,484
Common stock contributed to 401(k) plan excluding corporate 401(k) contributions	25	12	16	29
Network compensation revenue recognized	(660)	(313)	(351)	(698)
Network compensation per network affiliation agreement	(180)	(60)	(120)	(240)
Payments for program broadcast rights	(12,773)	(5,596)	(8,738)	(15,915)
Pension expense	6,148	3,742	2,714	5,120
Contributions to pension plans	(4,317)	(2,324)	(1,116)	(3,109)
Other	(358)	(204)	(423)	(577)
Operating Cash Flow (as defined in our senior credit facility)	120,051	65,917	42,858	96,992
Adjustments to reconcile from Operating Cash Flow to Free Cash Flow:				
Interest expense	(60,723)	(30,289)	(31,343)	(61,777)
Amortization of deferred loan costs	3,012	1,506	1,437	2,943
Amortization of discount on our 10½% senior secured second lien notes	1,353	676	676	1,353
Purchase of property and equipment	(19,183)	(11,561)	(16,652)	(24,274)
Proceeds from asset sales	3,072	775	1,027	3,324
Federal and state cash taxes (paid) or refunds received, net	(308)	(225)	(382)	(465)
Free Cash Flow	\$ 47,274	\$ 26,799	\$ (2,379)	\$ 18,096