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

FORM 10-Q

(Mark one)

☒ **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the quarterly period ended June 30, 2024 or**

☐ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the transition period from _________ to ________ .**

Commission file number: 1-13796

Gray Television, Inc.
(Exact name of registrant as specified in its charter)

Georgia	**58-0285030**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
4370 Peachtree Road, NE, Atlanta, Georgia	**30319**
(Address of principal executive offices)	(Zip code)

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

Not Applicable
(Former name, former address and former fiscal year, if changed since last report.)

Securities registered pursuant to Section 12(b) of the Act:

Title of each Class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock (no par value)	**GTN.A**	**New York Stock Exchange**
common stock (no par value)	**GTN**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common Stock (No Par Value)	**Class A Common Stock (No Par Value)**
90,824,445 **shares outstanding as of August 2, 2024**	8,842,764 **shares outstanding as of August 2, 2024**

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GRAY TELEVISION, INC.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

GRAY TELEVISION, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(in millions)

	June 30, 2024	December 31, 2023
Assets:		
Current assets:		
Cash	$ 75	$ 21
Accounts receivable, less allowance for credit losses of $16 and $17, respectively	344	342
Current portion of program broadcast rights, net	5	18
Income tax refunds receivable	-	21
Prepaid income taxes	65	18
Prepaid and other current assets	49	48
Total current assets	538	468
Property and equipment, net	1,582	1,601
Operating leases right of use asset	70	75
Broadcast licenses	5,320	5,320
Goodwill	2,643	2,643
Other intangible assets, net	352	415
Investments in broadcasting and technology companies	86	85
Deferred pension assets	19	17
Other	24	16
Total assets	$ 10,634	$ 10,640

See notes to condensed consolidated financial statements.

GRAY TELEVISION, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(in millions, except for share data)

	June 30, 2024	December 31, 2023
Liabilities and stockholders' equity:		
Current liabilities:		
Accounts payable	$ 32	$ 23
Employee compensation and benefits	85	110
Accrued interest	49	63
Accrued network programming fees	39	37
Other accrued expenses	49	57
Federal and state income taxes	11	22
Current portion of program broadcast obligations	5	20
Deferred revenue	23	23
Dividends payable	15	14
Current portion of operating lease liabilities	10	11
Current portion of long-term debt	13	15
Total current liabilities	331	395
Long-term debt, less current portion and deferred financing costs	6,125	6,145
Program broadcast obligations, less current portion	1	1
Deferred income taxes	1,349	1,359
Operating lease liabilities, less current portion	64	69
Other	59	50
Total liabilities	7,929	8,019
Commitments and contingencies (Note 9)		
Series A Perpetual Preferred Stock, no par value; cumulative; redeemable; designated 1,500,000 shares, issued and outstanding 650,000 shares at each date and $650 aggregate liquidation value at each date	650	650
Stockholders' equity:		
Common stock, no par value; authorized 200,000,000 shares, issued 111,166,022 shares and 107,179,827 shares, respectively, and outstanding 90,824,445 shares and 87,227,481 shares, respectively	1,191	1,174
Class A common stock, no par value; authorized 25,000,000 shares, issued 11,237,386 shares and 10,413,993 shares, respectively, and outstanding 8,842,764 shares and 8,162,266 shares, respectively	54	50
Retained earnings	1,152	1,084
Accumulated other comprehensive loss, net of income tax benefit	(25)	(23)
	2,372	2,285
Treasury stock at cost, common stock, 20,341,577 shares and 19,952,346 shares, respectively	(284)	(282)
Treasury stock at cost, Class A common stock, 2,394,622 shares and 2,251,727 shares, respectively	(33)	(32)
Total stockholders' equity	2,055	1,971
Total liabilities and stockholders' equity	$ 10,634	$ 10,640

See notes to condensed consolidated financial statements.

GRAY TELEVISION, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
(in millions, except for per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Revenue (less agency commissions):				
Broadcasting	$ 808	$ 801	$ 1,607	$ 1,580
Production companies	18	12	42	34
Total revenue (less agency commissions)	826	813	1,649	1,614
Operating expenses before depreciation, amortization and gain on disposal of assets, net:				
Broadcasting	565	552	1,148	1,107
Production companies	14	11	35	70
Corporate and administrative	28	30	56	56
Depreciation	36	35	72	70
Amortization of intangible assets	32	50	63	99
(Gain) loss on disposal of assets, net	(1)	16	(1)	26
Operating expenses	674	694	1,373	1,428
Operating income	152	119	276	186
Other income (expense):				
Miscellaneous income (expense), net	2	(1)	112	(3)
Interest expense	(118)	(109)	(233)	(213)
Loss from early extinguishment of debt	(7)	-	(7)	(3)
Income (loss) before income taxes	29	9	148	(33)
Income tax expense (benefit)	7	5	38	(6)
Net income (loss)	22	4	110	(27)
Preferred stock dividends	13	13	26	26
Net income (loss) attributable to common stockholders	$ 9	$ (9)	$ 84	$ (53)
Basic per share information:				
Net income (loss) attributable to common stockholders	$ 0.09	$ (0.10)	$ 0.89	$ (0.58)
Weighted-average shares outstanding	95	93	94	92
Diluted per share information:				
Net income (loss) attributable to common stockholders	$ 0.09	$ (0.10)	$ 0.88	$ (0.58)
Weighted-average shares outstanding	96	93	95	92
Dividends declared per common share	$ 0.08	$ 0.08	$ 0.16	$ 0.16

See notes to condensed consolidated financial statements.

GRAY TELEVISION, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (Unaudited)
(in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Net income (loss)	$ 22	$ 4	$ 110	$ (27)
Other comprehensive (loss) income:				
Adjustment - fair value of interest rate caps	(3)	11	(3)	(4)
Income tax (benefit) expense	(1)	3	(1)	(1)
Other comprehensive (loss) income, net	(2)	8	(2)	(3)
Comprehensive income (loss)	$ 20	$ 12	$ 108	$ (30)

See notes to condensed consolidated financial statements.

GRAY TELEVISION, INC.
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (Unaudited)
(in millions, except for number of shares)

	Class A Common Stock		Common Stock		Retained Earnings	Class A Treasury Stock		Common Treasury Stock		Accumulated Other Comprehensive Loss	Total
	Shares	Amount	Shares	Amount		Shares	Amount	Shares	Amount		
Balance at December 31, 2022	**9,675,139**	**$ 45**	**105,104,057**	**$ 1,150**	**$ 1,242**	**(2,130,724)**	**$ (31)**	**(19,636,786)**	**$ (278)**	**$ (12)**	**$ 2,116**
Net loss	-	-	-	-	(31)	-	-	-	-	-	(31)
Preferred stock dividends	-	-	-	-	(13)	-	-	-	-	-	(13)
Common stock dividends	-	-	-	-	(7)	-	-	-	-	-	(7)
Adjustment to fair value of interest rate cap, net of tax										(11)	(11)
Issuance of common stock:											
401(k) Plan	-	-	819,898	9	-	-	-	-	-	-	9
2022 Equity and Incentive Compensation Plan:											
Restricted stock awards	25,022	-	12,227	-	-	(92,196)	(1)	(129,636)	(2)	-	(3)
Restricted stock unit awards	-	-	247,953	-	-	-	-	(80,622)	(1)	-	(1)
Stock-based compensation	-	-	-	2	-	-	-	-	-	-	2
Balance at March 31, 2023	**9,700,161**	**$ 45**	**106,184,135**	**$ 1,161**	**$ 1,191**	**(2,222,920)**	**$ (32)**	**(19,847,044)**	**$ (281)**	**$ (23)**	**$ 2,061**
Net income	-	-	-	-	4	-	-	-	-	-	4
Preferred stock dividends	-	-	-	-	(13)	-	-	-	-	-	(13)
Common stock dividends	-	-	-	-	(7)	-	-	-	-	-	(7)
Adjustment to fair value of interest rate cap, net of tax										8	8
Issuance of common stock:											
2017 Equity and Incentive Compensation Plan:											
Restricted stock awards	713,832	-	995,692	-	-	-	-	(69,028)	-	-	-
Repurchase of common stock								-	-		-
Stock-based compensation	-		-	7	-	-	-	-	-	-	7
Balance at June 30, 2023	**10,413,993**	**$ 45**	**107,179,827**	**$ 1,168**	**$ 1,175**	**(2,222,920)**	**$ (32)**	**(19,916,072)**	**$ (281)**	**$ (15)**	**$ 2,060**
Balance at December 31, 2023	**10,413,993**	**$ 50**	**107,179,827**	**$ 1,174**	**$ 1,084**	**(2,251,727)**	**$ (32)**	**(19,952,346)**	**$ (282)**	**$ (23)**	**$ 1,971**
Net income	-	-	-	-	88	-	-	-	-	-	88
Preferred stock dividends	-	-	-	-	(13)	-	-	-	-	-	(13)
Common stock dividends	-	-	-	-	(8)	-	-	-	-	-	(8)
Adjustment to fair value of interest rate cap, net of tax	-	-	-	-	-	-	-	-	-	-	-
Issuance of common stock:											
401(k) Plan	-	-	1,765,444	9	-	-	-	-	-	-	9
2022 Equity and Incentive Compensation Plan:											
Restricted stock awards	823,393	-	1,126,296	-	-	(142,895)	(1)	(146,470)	(1)	-	(2)
Restricted stock unit awards	-	-	564,793	-	-	-	-	(188,400)	(1)	-	(1)
Stock-based compensation	-	2	-	4	-	-	-	-	-	-	6
Balance at March 31, 2024	**11,237,386**	**$ 52**	**110,636,360**	**$ 1,187**	**$ 1,151**	**(2,394,622)**	**$ (33)**	**(20,287,216)**	**$ (284)**	**$ (23)**	**$ 2,050**
Net income	-	-	-	-	22	-	-	-	-	-	22
Preferred stock dividends	-	-	-	-	(13)	-	-	-	-	-	(13)
Common stock dividends	-	-	-	-	(8)	-	-	-	-	-	(8)
Adjustment to fair value of interest rate cap, net of tax	-	-	-	-	-	-	-	-	-	(2)	(2)
Issuance of common stock:											
2022 Equity and Incentive Compensation Plan:											
Restricted stock awards	-	-	529,662	-	-	-	-	(54,361)	-	-	-
Stock-based compensation	-	2	-	4	-	-	-	-	-	-	6
Balance at June 30, 2024	**11,237,386**	**$ 54**	**111,166,022**	**$ 1,191**	**$ 1,152**	**(2,394,622)**	**$ (33)**	**(20,341,577)**	**$ (284)**	**$ (25)**	**$ 2,055**

See notes to condensed consolidated financial statements.

GRAY TELEVISION, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(in millions)

	Six Months Ended June 30,	
	2024	2023
Operating activities:		
Net income (loss)	$ 110	$ (27)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	72	70
Amortization of intangible assets	63	99
Amortization of deferred loan costs	7	7
Amortization of restricted stock awards	12	9
Amortization of program broadcast rights	13	20
Payments on program broadcast obligations	(15)	(21)
Deferred income taxes	(10)	(6)
(Gain) loss on disposal of assets, net	(1)	26
Gain on sale of investment	(110)	-
Loss from early extinguishment of debt	7	3
Other	1	11
Changes in operating assets and liabilities:		
Accounts receivable, net	(1)	321
Income tax receivable or prepaid	(26)	(24)
Other current assets	(1)	4
Accounts payable	8	(21)
Employee compensation, benefits and pension cost	(25)	(27)
Accrued network fees and other expenses	7	16
Accrued interest	(14)	2
Income taxes payable	(11)	(3)
Net cash provided by operating activities	86	459
Investing activities:		
Acquisitions of television businesses and licenses, net of cash acquired	-	(6)
Proceeds from sale of television station	-	6
Purchases of property and equipment	(63)	(213)
Proceeds from asset sales	7	22
Proceeds from sale of investment	110	-
Reimbursement of development costs	-	11
Investment in broadcast, production and technology companies	(4)	(7)
Net cash provided by (used in) investing activities	50	(187)
Financing activities:		
Proceeds from borrowings on long-term debt	2,025	150
Repayments of borrowings on long-term debt	(2,015)	(403)
Payment of common stock dividends	(16)	(14)
Payment of preferred stock dividends	(26)	(26)
Deferred and other loan costs	(47)	-
Payment of taxes related to net share settlement of equity awards	(3)	(4)
Net cash used in financing activities	(82)	(297)
Net increase (decrease) in cash	54	(25)
Cash at beginning of period	21	61
Cash at end of period	$ 75	$ 36

See notes to condensed consolidated financial statements.

GRAY TELEVISION, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of Presentation

The accompanying condensed consolidated balance sheet of Gray Television, Inc. (and its consolidated subsidiaries, except as the context otherwise provides, “Gray Media,” “Gray,” the “Company,” “we,” “us,” and “our”) as of December 31, 2023, which was derived from the Company’s audited financial statements as of December 31, 2023, and our accompanying unaudited condensed consolidated financial statements as of June 30, 2024 and for the three and six month periods ended June 30, 2024 and 2023, have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, certain information and note disclosures normally included in annual financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to those rules and regulations, although we believe that the disclosures made are adequate to make the information not misleading. In our opinion, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation have been included. We manage our business on the basis of two operating segments: broadcasting and production companies. Unless otherwise indicated, all station rank, in-market share and television household data herein are derived from reports prepared by The Nielsen Company, LLC (“Nielsen”) and/or Comscore, Inc. (“Comscore”). While we believe this data to be accurate and reliable, we have not independently verified such data nor have we ascertained the underlying assumptions relied upon therein, and cannot guarantee the accuracy or completeness of such data. For further information, refer to the consolidated financial statements and footnotes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023 (the “2023 Form 10-K”). Our financial condition as of, and operating results for the three and six-months ended June 30, 2024, are not necessarily indicative of the financial condition or results that may be expected for any future interim period or for the year ending December 31, 2024.

Overview. We are a multimedia company headquartered in Atlanta, Georgia. We are the nation’s largest owner of top-rated local television stations and digital assets serving 113 television markets that collectively reach approximately 36 percent of US television households. The portfolio includes 77 markets with the top-rated television station and 100 markets with the first and/or second highest rated television station, as well as the largest Telemundo Affiliate group with 43 markets totaling nearly 1.5 million Hispanic TV Households. We also own Gray Digital Media, a full-service digital agency offering national and local clients digital marketing strategies with the most advanced digital products and services. Our additional media properties include video production companies Raycom Sports, Tupelo Media Group, and PowerNation Studios, and studio production facilities Assembly Atlanta and Third Rail Studios. Gray also owns a majority interest in Swirl Films.

Investments in Broadcasting, Production and Technology Companies. We have investments in several television, production and technology companies. We account for all material investments in which we have significant influence over the investee under the equity method of accounting. Upon initial investment, we record equity method investments at cost. The amounts initially recognized are subsequently adjusted for our appropriate share of the net earnings or losses of the investee. We record any investee losses up to the carrying amount of the investment plus advances and loans made to the investee, and any financial guarantees made on behalf of the investee. We recognize our share in earnings and losses of the investee as miscellaneous expense, net in our consolidated statements of operations. Investments are also increased by contributions made to, and decreased by the distributions from, the investee. We evaluate equity method investments for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may be impaired.

Investments in non-public businesses that do not have readily determinable pricing, and for which we do not have control or do not exert significant influence, are carried at cost less impairments, if any, plus or minus changes in observable prices for those investments. Gains or losses resulting from changes in the carrying value of these investments are included as miscellaneous expense, net in our consolidated statements of operations. These investments are reported together as a non-current asset on our condensed consolidated balance sheets.

BMI Investment Proceeds. On February 8, 2024, we received $110 million from the sale of our investment in Broadcast Music, Inc. (“BMI”). These proceeds are included in miscellaneous income (expense), net, in our condensed consolidated statement of operations for the six-month period ended June 30, 2024.

Use of Estimates. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Our actual results could differ materially from these estimated amounts. Our most significant estimates are our allowance for credit losses in receivables, valuation of goodwill and intangible assets, amortization of program rights and intangible assets, pension costs, income taxes, employee medical insurance claims, useful lives of property and equipment and contingencies.

Earnings Per Share. We compute basic earnings per share by dividing net income available to common stockholders by the weighted-average number of common shares outstanding during the relevant period. The weighted-average number of common shares outstanding does not include restricted shares. These shares, although classified as issued and outstanding, are considered contingently returnable until the restrictions lapse and, in accordance with U.S. GAAP, are not included in the basic earnings per share calculation until the shares vest. Diluted earnings per share is computed by including all potentially dilutive common shares, including restricted shares, in the diluted weighted-average shares outstanding calculation, unless their inclusion would be antidilutive.

The following table reconciles basic weighted-average shares outstanding to diluted weighted-average shares outstanding for the three and six-month periods ended June 30, 2024 and 2023, respectively (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Weighted-average shares outstanding-basic	95	93	94	92
Common stock equivalents for restricted shares	1	-	1	-
Weighted-average shares outstanding-diluted	96	93	95	92

Accumulated Other Comprehensive Loss. Our accumulated other comprehensive loss balances as of June 30, 2024 and December 31, 2023, consist of adjustments to our pension liability and changes in the fair value of our interest rate caps, each net of tax. Our comprehensive income for the six-months ended June 30, 2024 and 2023 consisted of our net income and recognition of the fair value adjustment related to our interest rate caps, and the related income tax benefit. As of June 30, 2024 and December 31, 2023 the balances were as follows (in millions):

	June 30, 2024	December 31, 2023
Items included in accumulated other comprehensive loss:		
Adjustment to pension liability	$ (7)	$ (7)
Adjustment to fair value of interest rate caps	(26)	(23)
Income tax benefit	(8)	(7)
Accumulated other comprehensive loss	$ (25)	$ (23)

Property and Equipment. Property and equipment are carried at cost, or in the case of acquired businesses, at fair value. Depreciation is computed principally by the straight-line method. The following table lists the components of property and equipment by major category (dollars in millions):

	June 30, 2024	December 31, 2023	Estimated Useful Lives (in years)
Property and equipment:			
Land	$ 381	$ 368	
Buildings and improvements	893	868	7 to 40
Equipment	1,089	1,082	3 to 20
Construction in progress	73	81	
	2,436	2,399	
Accumulated depreciation	(854)	(798)	
Total property and equipment, net	$ 1,582	$ 1,601	

Maintenance, repairs and minor replacements are charged to operations as incurred; major replacements and betterments are capitalized. The cost of any assets divested, sold or retired and the related accumulated depreciation are removed from the accounts at the time of disposition, and any resulting gain or loss is reflected in income or expense for the period.

We incurred costs to build public infrastructure within the Assembly Atlanta project. Pursuant to our Purchase and Sale Agreement with the Doraville Community Improvement District (the "CID"), we receive cash reimbursements for the transfer of specific infrastructure projects to the CID and for other construction costs previously incurred. During the three and six-month periods ended June 30, 2024 and 2023, we received cash proceeds from the CID. The following table lists the type of proceeds received (dollars in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Proceeds from asset sold	$ -	$ -	$ -	$ -
Proceeds received in advance of asset sale	-	-	-	9
Total proceeds received for asset transfer to CID	-	-	-	9
Proceeds for reimbursement of development costs	1	12	6	29
Total proceeds received from CID	$ 1	$ 12	$ 6	$ 38

The following tables provide additional information related to loss on disposal of assets, net included in our condensed consolidated statements of operations and purchases of property and equipment included in our condensed consolidated statements of cash flows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Loss (gain) on disposal of assets, net:				
Proceeds from sale of fixed assets	$ -	$ (14)	$ (7)	$ (22)
Net book value of assets disposed	(1)	16	6	25
Non-cash loss on divestiture	-	14	-	14
Discount - Securitization Facility	-	(1)	-	8
Other	-	1	-	1
Total	$ (1)	$ 16	$ (1)	$ 26

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Purchase of property and equipment:		
Recurring purchases - operations	$ 41	$ 45
Assembly Atlanta development	22	168
Total	$ 63	$ 213

Accounts Receivable and Allowance for Credit Losses. We record accounts receivable from sales and service transactions in our condensed consolidated balance sheets at amortized cost adjusted for any write-offs and net of allowance for credit losses. We are exposed to credit risk primarily through sales of broadcast and digital advertising with a variety of direct and agency-based advertising customers, retransmission consent agreements with multichannel video program distributors and program production sales and services.

Our allowance for credit losses is an estimate of expected losses over the remaining contractual life of our receivables based on an ongoing analysis of collectability, historical collection experience, current economic and industry conditions and reasonable and supportable forecasts. The allowance is calculated using a historical loss rate applied to the current aging analysis. We may also apply additional allowance when warranted by specific facts and circumstances. We generally write off account receivable balances when the customer files for bankruptcy or when all commonly used methods of collection have been exhausted.

On February 23, 2023, we, certain of our subsidiaries and a wholly-owned special purpose subsidiary (the “SPV”), entered into a three-year $300 million revolving accounts receivable securitization facility (the “Securitization Facility”) with Wells Fargo Bank, N.A., as administrative agent, and certain third-party financial institutions (the “Purchasers”). The Securitization Facility permits the SPV to draw up to a total of $300 million, subject to the outstanding amount of the receivables pool and other factors. The Securitization Facility matures on February 23, 2026, and is subject to customary termination events related to transactions of this type. The sale of receivables from the SPV is accounted for in the Company’s financial statements as a "true-sale" under Accounting Standards Codification ("ASC") Topic 860.

Under the Securitization Facility, the SPV sells to the Purchasers certain receivables, including all rights, title, and interest in the related receivables (“Sold Receivables”). The parties intend that the conveyance of accounts receivables to the Purchasers, for the ratable benefit of the Purchasers will constitute a purchase and sale of receivables and not a pledge for security. The SPV has guaranteed to each Purchaser the prompt payment of Sold Receivables, and to secure the prompt payment and performance of such guaranteed obligations, the SPV has granted a security interest to the Purchasers in all assets of the SPV. In our capacity as servicer under the Securitization Facility, we are responsible for administering and collecting receivables and have made customary representations, warranties, covenants and indemnities. We do not record a servicing asset or liability since the estimated fair value of the servicing of the receivables approximates the servicing income. We also provided a performance guarantee for the benefit of the Purchasers.

The Securitization Facility is subject to interest charges, at the adjusted one-month Secured Overnight Financing Rate (“SOFR”) plus a margin (100 basis points) on the amount of the outstanding facility. The SPV was required to pay an upfront fee and a commitment fee in connection with the Securitization Facility. Servicing fee income recognized during the six-months ended June 30, 2024 and 2023, was $3 million and $2 million, respectively. The SPV is a separate legal entity with its own separate creditors who will be entitled to access the SPV’s assets before the assets become available to us. As a result, the SPV’s assets are not available to pay our creditors or any of our subsidiaries, although collections from the receivables in excess of amounts required to repay the Purchasers under the Securitization Facility and other creditors of the SPV may be remitted to us.

The proceeds of the Securitization Facility are classified as operating activities in our condensed consolidated statements of cash flows. Cash received from collections of Sold Receivables is used by the SPV to fund additional purchases of receivables on a revolving basis or to return all or any portion of outstanding capital of the Purchasers. Subsequent collections on the pledged receivables, which have not been sold, will be classified as operating cash flows at the time of collection.

The amount sold to the Purchasers was $300 million at each of June 30, 2024 and December 31, 2023, which was derecognized from the condensed consolidated balance sheets. As collateral against sold receivables, the SPV maintains a certain level of unsold receivables, which was $297 million and $296 million at June 30, 2024 and December 31, 2023, respectively. Total receivables sold under the Securitization Facility were $597 million and $577 million in the six-months ended June 30, 2024 and 2023, respectively. Pursuant to the Securitization Facility, we recognized a charge of $9 million in the six-months ended June 30, 2023, and the charge recognized in the six-months ended June 30, 2024 was not material. These charges represented the discount on the accounts receivable balance transferred to the SPV. This discount is included in our loss on disposal of assets in our condensed consolidated statements of operations.

The following table provides a roll-forward of the allowance for credit losses. The allowance is deducted from the amortized cost basis of accounts receivable in our condensed consolidated balance sheets (in millions):

	Six Months Ended June 30,	
	2024	**2023**
Beginning balance	$ 17	$ 16
Provision for credit losses	-	17
Amounts written off	(1)	(1)
Ending balance	$ 16	$ 32

Recent Accounting Pronouncements. In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280), Improvements to Reportable Segment Disclosures.* The purpose of this amendment was to improve disclosures related to reportable segments. The amendments in this ASU are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Currently we do not expect that the implementation of these changes will have a material effect on our financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740), Improvements to Income Tax Disclosures.* The purpose of this amendment was to enhance the transparency and decision usefulness of income tax disclosures. The amendments in this ASU are effective for annual periods beginning after December 15, 2024. Currently we do not expect that the implementation of these changes will have a material effect on our financial statements.

In June 2024, the FASB voted to require publicly traded businesses to provide additional disclosures about their operations in the notes to their financial statements. The purpose of this amendment was to provide more information about the cost of goods sold and selling, general and administrative expenses for companies. We expect that this action will be formally published in an ASU later in 2024. This ASU is expected to be effective for annual periods beginning after December 15, 2026, and quarterly periods thereafter. Currently we do not expect that the implementation of these changes will have a material effect on our financial statements.

In addition to the accounting standards described above, certain amounts in the condensed consolidated balance sheets and condensed consolidated statements of cash flows have also been reclassified to conform to the current presentation.

2. Revenue

Revenue Recognition. We recognize revenue when we have completed a specified service and effectively transferred the control of that service to a customer in return for an amount of consideration we expect to be entitled to receive. The amount of revenue recognized is determined by the amount of consideration specified in a contract with our customers. We have elected to exclude taxes assessed by a governmental authority on transactions with our customers from our revenue. Any unremitted balance is included in current liabilities on our balance sheets.

Deferred Revenue. We record a deferred revenue for cash deposits received from our customers that are to be applied as payment once the performance obligation arises and is satisfied. These deposits are recorded as deferred revenue on our balance sheet as advertising deposit liabilities. When we invoice our customers for completed performance obligations, we are unconditionally entitled to receive payment of the invoiced amounts. Therefore, we record invoiced amounts in accounts receivable on our balance sheet. We generally require amounts payable under advertising contracts with our political advertising customers to be paid for in advance. We record the receipt of this cash as an advertising deposit liability. Once the advertisement has been broadcast, the revenue is earned, and we record the revenue and reduce the balance in this deposit liability account. We recorded $13 million of revenue in the six-months ended June 30, 2024 that was included in the advertising deposit liability balance as of December 31, 2023. We also record other deposit liabilities for cash received in advance for other arrangements, for which revenue is as earned in future periods.

The following table presents our deferred revenue by type (in millions):

	June 30, 2024	December 31, 2023
Advertising deposit liabilities	$ 13	$ 13
Other deposit liabilities	10	10
Total deferred revenue	$ 23	$ 23

Disaggregation of Revenue. Revenue from our production companies segment, is generated through our direct sales channel. Revenue from our broadcast and other segment, is generated through both our direct and advertising agency intermediary sales channels. The following table presents our revenue from contracts with customers disaggregated by type of service and sales channel (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Market and service type:				
Broadcast advertising:				
Core advertising	$ 373	$ 379	$ 745	$ 736
Political	47	12	74	20
Total advertising	420	391	819	756
Retransmission consent	371	394	752	789
Production companies	18	12	42	34
Other	17	16	36	35
Total revenue	$ 826	$ 813	$ 1,649	$ 1,614
Sales channel:				
Direct	$ 551	$ 559	$ 1,107	$ 1,117
Advertising agency intermediary	275	254	542	497
Total revenue	$ 826	$ 813	$ 1,649	$ 1,614

3. Long-term Debt

As of June 30, 2024 and December 31, 2023, long-term debt consisted of obligations under our Senior Credit Facility (as defined below), our 5.875% senior notes due 2026 (the “2026 Notes”), our 7.0% senior notes due 2027 (the “2027 Notes”), our 10.5% senior notes due 2029 (the “2029 Notes”), our 4.75% senior notes due 2030 (the “2030 Notes”) and our 5.375% notes due 2031 (the “2031 Notes”), as follows (in millions):

	June 30, 2024	December 31, 2023
Long-term debt :		
Senior Credit Facility:		
2019 Term Loan (matures January 2, 2026)	$ -	$ 1,190
2021 Term Loan (matures December 1, 2028)	1,455	1,470
2024 Term Loan (matures June 4, 2029)	500	-
Revolving Credit Facility (matures December 31, 2027)	200	-
2026 Notes (matures July 15, 2026)	10	700
2027 Notes (matures May 15, 2027)	700	750
2029 Notes (matures July 15, 2029)	1,250	-
2030 Notes (matures October 15, 2030)	800	800
2031 Notes (matures November 15, 2031)	1,300	1,300
Total outstanding principal, including current portion	6,215	6,210
Unamortized deferred loan costs - Senior Credit Facility	(36)	(18)
Unamortized deferred loan costs - 2026 Notes	-	(3)
Unamortized deferred loan costs - 2027 Notes	(5)	(6)
Unamortized deferred loan costs - 2029 Notes	(14)	-
Unamortized deferred loan costs - 2030 Notes	(9)	(10)
Unamortized deferred loan costs - 2031 Notes	(13)	(14)
Unamortized premium - 2026 Notes	-	1
Less current portion	(13)	(15)
Long-term debt, less current portion and deferred financing costs	$ 6,125	$ 6,145
Borrowing availability under Revolving Credit Facility	$ 474	$ 494

2024 Refinancing Activities. On June 3, 2024, we issued $1.25 billion in aggregate principal amount of 10.5% Senior Secured First Lien Notes due 2029 (the “2029 Notes”) pursuant to an indenture, dated as of June 3, 2024, between us, the guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee and collateral agent (the “2029 Notes Indenture”). The 2029 Notes were issued at par. Interest in the 2029 Notes accrues from June 3, 2024, and is payable semiannually, on January 15 and July 15 of each year, beginning on January 15, 2025.

The net proceeds from the 2029 Notes were used, together with the net proceeds from a $500 million tranche F term loan (the “2024 Term Loan”) and a $150 million draw under our Revolving Credit Facility (as defined below), both under the Senior Credit Facility (as defined below), and cash on hand, to pre-pay our $1.2 billion tranche E 2019 Term Loan under the Senior Credit Facility; repurchase in a tender offer $690 million of face value of our outstanding 5.875% 2026 Notes; and pay all costs and accrued interest in connection with the offering.

The 2029 Notes and related guarantees are our senior secured first lien obligations. The 2029 Notes rank:

- equally in right of payment with all of our existing and future *pari passu* senior debt;

- senior in right of payment to all of our existing and future subordinated debt;
- effectively senior to all of our existing and future unsecured debt or junior lien debt to the extent of the value of the collateral securing the 2029 Notes;
- effectively subordinated to any existing and future debt that is secured by a lien on any assets not constituting collateral securing the 2029 Notes to the extent of the value of such assets; and
- structurally subordinated to any existing and future debt and liabilities of our subsidiaries that do not guarantee the 2029 Notes.

On June 4, 2024, we entered into a third amendment to the Fifth Amended and Restated Credit Agreement (the "Third Amendment" and as amended, including by the Third Amendment, the "Senior Credit Facility"), dated as of December 1, 2021.

The Third Amendment, among other things, provided for (i) the new $500 million 2024 Term Loan and (ii) increased aggregate commitments under our existing $552.5 million revolving credit facility (the "Revolving Credit Facility") that matures December 31, 2027 by $127.5 million, and a concurrent termination of the separate commitments under a $72.5 million tranche of revolving commitments that were to mature on December 1, 2026, resulting in aggregate commitments under the Revolving Credit Facility of $680 million.

The 2024 Term Loan bears interest, at our option, at either the Secured Overnight Financing Rate ("SOFR") plus an applicable margin or the Base Rate plus an applicable margin. "Base Rate" is defined as the greatest of (i) the administrative agent's prime rate, (ii) the overnight federal funds rate plus 0.50% and (iii) Adjusted Term SOFR (as defined in the Senior Credit Facility) for a one-month tenor in effect on such day plus 1.0%. The applicable margin with respect to the 2024 Term Loan is 5.25% for all SOFR borrowings and 4.25% for all Base Rate borrowings. The 2024 Term Loan also requires us to make quarterly principal reductions of $1.25 million beginning September 30, 2024. To the extent all or any portion of the 2024 Term Loan is repaid or prepaid prior to the one year anniversary of the effective date of the Third Amendment, a prepayment fee equal to 1.0% of the amount of the 2024 Term Loan being repaid or prepaid will apply.

The Revolving Credit Facility bears interest, at our option, based on SOFR plus 1.75%-2.75% or the Base Rate plus 0.75%-1.75%, in each case based on a first lien leverage ratio (the "First Lien Leverage Ratio") as set forth in the Senior Credit Facility. The Company is required to pay a commitment fee on the average daily unused portion of the Revolving Credit Facility, which rate may range from 0.375% to 0.5%, based on the First Lien Leverage Ratio.

The costs associated with these 2024 refinancing activities totaled $47 million, of which $43 million were capitalized as deferred loan costs, to be amortized over the lives of the respective debt obligations. Our loss from the early extinguishment of debt for these 2024 refinancing activities was $12 million, which was composed of expensing of the remaining $4 million of costs and the write-off of $8 million of unamortized deferred loan costs and premiums related to the debts that were pre-paid.

Repurchase of Debt. On May 6, 2024, our Board of Directors authorized us to use up to $250 million of available liquidity to repurchase our outstanding indebtedness through December 31, 2025. The extent of such repurchases, including the amount and timing of any repurchases, will depend on general market conditions, regulatory requirements, alternative investment opportunities and other considerations. This repurchase program does not require us to repurchase a minimum amount of debt, and it may be modified, suspended or terminated at any time without prior notice. During the second quarter of 2024, we used $45 million of cash to repurchase and retire $50 million of the face value of our outstanding 2027 Notes, resulting in a $5 million gain from early extinguishment of debt.

On June 24, 2024, we entered into a debt repurchase agreement under rule 10b5-1 to repurchase up to $50 million of our 2027 Notes between July 8, 2024 and August 16, 2024 at a maximum purchase price of $931 per $1,000 of face value. So far in the third quarter of 2024, as a result of such plan, we have repurchased $29 million of the face value of our outstanding 2027 Notes, at an average price of $921 per $1,000 of face value, under this plan.

Interest Rate Caps. On February 23, 2023, we entered into two interest rate caps pursuant to an International Swaps and Derivatives Association Master Agreement (the "ISDA Master Agreement") with two counterparties, Wells Fargo Bank, NA and Truist Bank, respectively. On June 25, 2024, we amended the notional amount of the interest rate caps in order to better match the outstanding amounts of the related outstanding indebtedness. At June 30, 2024, the caps had a combined notional value of approximately $2 billion and mature on December 31, 2025. The interest rate caps protect us against adverse fluctuations in interest rates by reducing our exposure to variability in cash flows on a portion of our variable-rate debt. The interest rate caps are designated as cash flow hedges of our risk of changes in our cash flows attributable to changes in 1-month SOFR on our outstanding variable-rate debt in accordance with ASC 815. We elected to apply the optional expedient in ASC 848, Reference Rate Reform, that enabled us to consider the amended swaps a continuation of the existing contracts. As a result, the transition did not have an impact on our hedge accounting or a material impact to our financial statements.

The interest rate caps, as amended, effectively limit the annual interest charged on our 2021 Term Loan and our 2024 Term Loan to a maximum of 1-month Term SOFR of 4.96% and 5.047%. We are required to pay aggregate fees in connection with the interest rate caps of approximately $34 million that is due and payable at maturity on December 31, 2025. On the initial designation date, we recognized an asset and corresponding liability for the deferred premium payable equal to $34 million. The asset is amortized into interest expense straight-line over the term of the hedging relationship. At June 30, 2024 and December 31, 2023, the recorded value of the asset was $18 million and $24 million, net of accumulated amortization, respectively. At June 30, 2024 and December 31, 2023, the fair value of the derivative liability was $26 million and $23 million, respectively. We present the deferred premium, the asset, and the fair value of the derivative, net within other non-current liabilities in our condensed consolidated balance sheets.

The ISDA Master Agreement, together with its related schedules, contain customary representations, warranties and covenants. The interest rate caps were not entered into for speculative trading purposes. Changes in the fair value of the interest rate caps are reported as a component of other comprehensive income. Actual gains and losses are reclassified into earnings in the same period or periods during which the hedged transaction affects earnings and are presented in the same income statement line item as the earnings effect of the hedged transaction. Gains and losses on the derivative instrument representing hedge components excluded from the assessment of effectiveness are recognized currently in earnings and are presented in the same line of the income statement for the hedged item. We recognized $6 million and $4 million, respectively, of amortization expense for the asset during the six-months ended June 30, 2024 and 2023, which is included as a component of cash flows from operating activities in our condensed consolidated statements of cash flows. Cash flows received from the counterparties pursuant to the interest rate caps are included as components of cash flows from financing activities in our condensed consolidated statements of cash flows. During the six-months ended June 30, 2024 and 2023, we received $4 million and $0.3 million, respectively, of cash payments from the counterparties that we reclassified as reductions of interest expense from the interest rate caps in our condensed consolidated statements of operations.

For all of our interest bearing obligations, we made interest payments of approximately $210 million and $208 million during the six-months ended June 30, 2024 and 2023, respectively. During the six-months ended June 30, 2024 and 2023, we capitalized $1 million and $13 million of interest payments, respectively, related to the Assembly Atlanta project.

As of June 30, 2024, the aggregate minimum principal maturities of our long-term debt for the remainder of 2024 and the succeeding 5 years were as follows (in millions):

	Minimum Principal Maturities						
Year	**2019 Senior Credit Facility**	**2026 Notes**	**2027 Notes**	**2029 Notes**	**2030 Notes**	**2031 Notes**	**Total**
Remainder of 2024	$ 3	$ -	$ -	$ -	$ -	$ -	$ 3
2025	20	-	-	-	-	-	20
2026	20	10	-	-	-	-	30
2027	220	-	700	-	-	-	920
2028	1,415	-	-	-	-	-	1,415
2029	477	-	-	1,250	-	-	1,727
Thereafter	-	-	-	-	800	1,300	2,100
Total	$ 2,155	$ 10	$ 700	$ 1,250	$ 800	$ 1,300	$ 6,215

As of June 30, 2024, there were no significant restrictions on the ability of Gray Television, Inc.'s subsidiaries to distribute cash to Gray or to the guarantor subsidiaries. The Senior Credit Facility contains affirmative and restrictive covenants with which we must comply. The 2026 Notes, the 2027 Notes, the 2029 Notes, the 2030 Notes and the 2031 Notes also include covenants with which we must comply.

4. Fair Value Measurement

We measure certain assets and liabilities at fair value, which are classified by the FASB Codification within the fair value hierarchy as level 1, 2, or 3, on the basis of whether the measurement employs observable or unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's own assumptions and consider information about readily available market participant assumptions.

- Level 1: Quoted prices for identical instruments in active markets
- Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets
- Level 3: Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The use of different market assumptions or methodologies could have a material effect on the fair value measurement.

The carrying amounts of accounts receivable, prepaid and other current assets, accounts payable, employee compensation and benefits, accrued interest, other accrued expenses, and deferred revenue approximate fair value at both June 30, 2024 and December 31, 2023.

At June 30, 2024 and December 31, 2023, the carrying amount of our long-term debt was $6.1 billion and $6.2 billion, respectively, and the fair value was $5.1 billion and $5.6 billion, respectively. The fair value of our long-term debt is based on observable estimates provided by third-party financial professionals as of each date, and as such is classified within Level 2 of the fair value hierarchy.

5. Stockholders' Equity

We are authorized to issue 245 million shares in total of all classes of stock consisting of 25 million shares of Class A common stock, 200 million shares of common stock, and 20 million shares of "blank check" preferred stock for which our Board of Directors has the authority to determine the rights, powers, limitations and restrictions. The rights of our common stock and Class A common stock are identical, except that our Class A common stock has 10 votes per share and our common stock has one vote per share.

Our common stock and Class A common stock are entitled to receive cash dividends if declared, on an equal per-share basis. The Board of Directors declared a quarterly cash dividend of $0.08 per share on our common stock and Class A common stock to shareholders of record on March 15, 2024, June 14, 2024, March 15, 2023 and June 15, 2023, payable on March 28, 2024, June 28, 2024, March 31, 2023 and June 30, 2023, respectively. The total dividends declared and paid during the six-months ended June 30, 2024 and 2023 was $16 million and $14 million, respectively.

Under our various employee benefit plans, we may, at our discretion, issue authorized and unissued shares, or previously issued shares held in treasury, of our Class A common stock or common stock. As of June 30, 2024, we had reserved 13.4 million shares and 1.2 million shares of our common stock and Class A common stock, respectively, for future issuance under various employee benefit plans.

6. Retirement Plans

The components of our net periodic pension benefit are included in miscellaneous expense, net in our condensed consolidated statements of operations. During the six-months ended June 30, 2024, the amount recorded as a benefit was $2 million and we did not make a contribution to our defined benefit pension plans. During the remainder of 2024, we expect to contribute $4 million to these plans.

During the six-month period ended June 30, 2024, we contributed $15 million in matching cash contributions, and shares of our common stock valued at $9 million for our 2023 discretionary profit-sharing contributions, to the 401(k) plan. The discretionary profit-sharing contribution was recorded as an expense in 2023 and accrued as of December 31, 2023. Based upon employee participation as of June 30, 2024, during the remainder of 2024, we expect to contribute $13 million of matching cash contributions to this plan.

7. Stock-based Compensation

We recognize compensation expense for stock-based payment awards made to our employees, consultants and directors. The following table provides our stock-based compensation expense and related income tax benefit for the three and six-month periods ended June 30, 2024 and 2023 (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock-based compensation expense, gross	$ 6	$ 7	$ 12	$ 9
Income tax benefit at our statutory rate associated with stock-based compensation	(2)	(2)	(3)	(2)
Stock-based compensation expense, net	$ 4	$ 5	$ 9	$ 7

All shares of common stock and Class A common stock underlying outstanding restricted stock units and performance awards are counted as issued at target levels under the 2022 EICP for purposes of determining the number of shares available for future issuance.

A summary of restricted common stock and Class A common stock activity for the six-month periods ended June 30, 2024 and 2023, respectively, is as follows:

	Six Months Ended			
	June 30, 2024		June 30, 2023	
	Number of Shares	Weighted-average Grant Date Fair Value Per Share	Number of Shares	Weighted-average Grant Date Fair Value Per Share
Restricted stock - common:				
Outstanding - beginning of period (1)	1,467,936	$ 12.17	997,745	$ 20.62
Granted (1)	1,785,958	7.47	1,007,921	8.15
Vested	(480,412)	11.23	(461,953)	20.27
Forfeited	(130,000)	8.10	-	0.00
Outstanding - end of period (1)	2,643,482	$ 9.36	1,543,713	$ 12.58
Restricted stock - Class A common:				
Outstanding - beginning of period (1)	1,148,233	$ 12.37	677,238	$ 19.36
Granted (1)	823,393	8.25	738,854	8.34
Vested	(318,733)	13.17	(203,986)	18.76
Outstanding - end of period (1)	1,652,893	$ 10.16	1,212,106	$ 12.74
Restricted stock units - common stock:				
Outstanding - beginning of period	587,168	$ 11.50	274,145	$ 23.60
Granted	1,229,390	5.72	587,168	11.50
Vested	(564,793)	11.50	(247,953)	23.64
Forfeited	(22,375)	11.50	(26,192)	23.15
Outstanding - end of period	1,229,390	$ 5.72	587,168	$ 11.50

(1) For awards subject to future performance conditions, amounts assume target performance.

8. Leases

We determine if an arrangement is a lease at its inception. Operating lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. We generally use our incremental borrowing rate based on the information available at the lease commencement date in determining the present value of future payments, because the implicit rate of the lease is generally not known. Right-of-use ("ROU") assets related to our operating lease liabilities are measured at lease inception based on the initial measurement of the lease liability, plus any prepaid lease payments and less any lease incentives. Our lease terms that are used in determining our operating lease liabilities at lease inception may include options to extend or terminate the leases when it is reasonably certain that we will exercise such options. We amortize our ROU assets as operating lease expense generally on a straight-line basis over the lease term and classify both the lease amortization and imputed interest as operating expenses. We have lease agreements with lease and non-lease components, and in such cases, we generally account for the components separately with only the lease component included in the calculation of the ROU asset and lease liability.

We have operating leases that primarily relate to certain of our facilities, data centers and vehicles. As of June 30, 2024, our operating leases substantially have remaining terms of one year to 99 years, some of which include options to extend and/or terminate the leases. We do not recognize lease assets and lease liabilities for any lease with an original lease term of less than one year.

Cash flow movements related to our lease activities are included in other assets and accounts payable and other liabilities as presented in net cash provided by operating activities in our condensed consolidated statement of cash flows for the six-months ended June 30, 2024 and 2023.

As of June 30, 2024, the weighted-average remaining term of our operating leases was approximately 9 years. The weighted-average discount rate used to calculate the values associated with our operating leases was 6.6%. The table below describes the nature of our lease expense and classification of operating lease expense recognized in the three and six-months ended June 30, 2024 and 2023, respectively (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Lease expense				
Operating lease expense	$ 4	$ 5	$ 8	$ 9
Short-term lease expense	1	1	2	2
Total lease expense	$ 5	$ 6	$ 10	$ 11

The maturities of operating lease liabilities as of June 30, 2024, for the remainder of 2024 and the succeeding five years were as follows (in millions):

Year ending December 31, 2024	**Operating Leases**
Remainder of 2024	$ 7
2025	14
2026	12
2027	11
2028	8
Thereafter	47
Total lease payments	99
Less: Imputed interest	(25)
Present value of lease liabilities	$ 74

As a Lessor: We lease or sublease our owned or leased production facilities, land, towers and office space through operating leases with third parties. Payments received associated with these leases consist of fixed and variable payments. Fixed payments are received for the rental of space including fixed rate rent escalations over the applicable term of the lease agreements. Variable payments are received for short-term rental of space, variable rent escalations and reimbursement of operating costs related to the asset leased or subleased.

We recognize revenue from fixed payments on a straight-line basis over the applicable term of the lease agreements, whose lives range between one and 15 years. The excess of straight-line revenue recognized over the fixed payments received is recorded as deferred rent receivable in other assets on our condensed consolidated balance sheets. The deferred rent receivable balance was $7 million and $6 million as of June 30, 2024 and December 31, 2023, respectively. We recognize revenue from variable payments each period as earned.

Cash flow activities related to our lease activities for assets we lease to third parties are included in other assets and accounts receivable as presented in net cash provided by operating activities in our condensed consolidated statement of cash flows.

The following table describes the nature of our lease revenue and classification of operating lease revenue recognized in the three and six-months ended June 30, 2024 and 2023 (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Operating lease revenue:				
Fixed lease revenue	$ 5	$ -	$ 11	$ -
Variable lease revenue	4	4	8	8
Total operating lease revenue	$ 9	$ 4	$ 19	$ 8

The following table presents our future minimum rental receipts for non-cancelable leases and subleases as of June 30, 2024 (in millions):

Year ending December 31,	Operating Leases
Remainder of 2024	$ 9
2025	19
2026	20
2027	20
2028	20
Thereafter	229
Total lease receipts	$ 317

9. Commitments and Contingencies

We are and expect to continue to be subject to legal actions, proceedings and claims that arise in the normal course of our business. In the opinion of management, the amount of ultimate liability, if any, with respect to these actions, proceedings and claims will not materially affect our financial position, results of operations or cash flows, although legal proceedings are subject to inherent uncertainties, and unfavorable rulings or events could have a material adverse impact on our financial position, results of operations or cash flows.

10. Goodwill and Intangible Assets

A summary of changes in our goodwill and other intangible assets, on a net basis, for the six-months ended June 30, 2024 is as follows (in millions):

	As of June 30, 2024			As of December 31, 2023		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Intangible assets not currently subject to amortization:						
Broadcast licenses	$ 5,374	$ (54)	$ 5,320	$ 5,374	$ (54)	$ 5,320
Goodwill	2,643	-	2,643	2,643	-	2,643
	$ 8,017	$ (54)	$ 7,963	$ 8,017	$ (54)	$ 7,963
Intangible assets subject to amortization:						
Network affiliation agreements	$ 216	$ (143)	$ 73	$ 216	$ (126)	$ 90
Other finite lived intangible assets	992	(713)	279	992	(667)	325
	$ 1,208	$ (856)	$ 352	$ 1,208	$ (793)	$ 415
Total intangibles	$ 9,225	$ (910)	$ 8,315	$ 9,225	$ (847)	$ 8,378

Amortization expense for the six-months ended June 30, 2024 and 2023 was $63 million and $99 million, respectively. Based on the current amount of intangible assets subject to amortization, we expect that amortization expense for the remainder of 2024 will be approximately $62 million, and, for the succeeding five years, amortization expense will be approximately as follows: 2025, $113 million; 2026, $83 million; 2027, $47 million; 2028, $13 million; and 2029, $3 million. If and when acquisitions and dispositions occur in the future, actual amounts may vary materially from these estimates.

11. Income Taxes

For the three and six-month periods ended June 30, 2024 and 2023, our income tax expense and effective income tax rates were as follows (dollars in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Income tax expense (benefit)	$ 7	$ 5	$ 38	$ (6)
Effective income tax rate	24%	56%	26%	18%

We estimate our differences between taxable income or loss and recorded income or loss on an annual basis. Our tax provision for each quarter is based upon these full year projections, which are revised each reporting period. These projections incorporate estimates of permanent differences between U.S. GAAP income or loss and taxable income or loss, state income taxes and adjustments to our liability for unrecognized tax benefits to adjust our statutory federal income tax rate of 21% to our effective income tax rate. For the 2024 six-month period, these estimates increased or decreased our statutory federal income tax rate of 21% to our effective income tax rate as a result of state income taxes that resulted in an increase of 5%, permanent differences resulted in an increase of 1% and changes to our reserves resulted in a decrease of 2%. For the six-months ended June 30, 2023, these estimates increased or decreased our statutory federal income tax rate of 21% to our effective income tax rate as a result of state income taxes that resulted in an increase of 4% and permanent differences resulted in a decrease of 1% and discrete items that resulted in a decrease of 6%.

During the six-months ended June 30, 2024, we made $85 million of federal and state income tax payments, net of refunds. During the remainder of 2024, we anticipate making income tax payments (net of expected refunds) of approximately $92 million to $102 million. As of June 30, 2024, we have an aggregate of approximately $282 million of various state operating loss carryforwards, of which we expect that approximately $201 million will not be utilized due to section 382 limitations and those that will expire prior to utilization. After applying our state effective tax rate, this amount is included in our valuation allowance for deferred tax assets.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") was enacted in response to the COVID-19 pandemic. The CARES Act, among other things, contains modifications on the limitation of business interest for tax years beginning in 2019 and 2020, and permits net operating loss ("NOL") carryovers and carrybacks to offset 100% of taxable income for taxable years beginning before 2021. In addition, the CARES Act allows NOLs incurred in 2018, 2019, and 2020 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes. During 2020, we carried back certain net operating losses resulting in a refund of $23 million, including interest, that was collected in the second quarter of 2024.

12. Segment Information

We operate in two business segments: broadcasting and production companies. The broadcasting segment operates television stations in local markets in the U.S. The production companies segment includes production facilities and the production of television and event content. Costs identified as other are primarily corporate and administrative expenses. The following tables present certain financial information concerning the Company's operating segments (in millions):

As of and for the six months ended June 30, 2024:	Broadcasting	Production Companies	Other	Consolidated
Revenue (less agency commissions)	$ 1,607	$ 42	$ -	$ 1,649
Operating expenses before depreciation, amortization and gain on disposal of assets, net:	1,148	35	56	1,239
Depreciation and amortization	124	10	1	135
Gain on disposal of assets, net	(1)	-	-	(1)
Operating expenses	1,271	45	57	1,373
Operating income (loss)	$ 336	$ (3)	$ (57)	$ 276
Interest expense	$ -	$ -	$ 233	$ 233
Capital expenditures (excluding business combinations)	$ 41	$ 22	$ -	$ 63
Goodwill	$ 2,615	$ 28	$ -	$ 2,643
Total assets	$ 9,846	$ 653	$ 135	$ 10,634
For the six months ended June 30, 2023:				
Revenue (less agency commissions)	$ 1,580	$ 34	$ -	$ 1,614
Operating expenses before depreciation, amortization and gain on disposal of assets, net:	1,107	70	56	1,233
Depreciation and amortization	160	7	2	169
Loss on disposal of assets, net	24	2	-	26
Operating expenses	1,291	79	58	1,428
Operating income (loss)	$ 289	$ (45)	$ (58)	$ 186
Interest expense	$ -	$ -	$ 213	$ 213
Capital expenditures (excluding business combinations)	$ 41	$ 168	$ 4	$ 213
As of December 31, 2023:				
Goodwill	$ 2,615	$ 28	$ -	$ 2,643
Total assets	$ 9,897	$ 658	$ 85	$ 10,640

13. Subsequent Event

On July 1, 2024, we and Marquee Broadcasting, Inc. ("Marquee") completed transactions in which we sold our television stations KCWY (NBC) in the Casper, Wyoming market (DMA 198) and KGWN (CBS) in the Cheyenne, Wyoming market (DMA 194) in exchange for Marquee's FCC permit authorizing the construction of a new television station, that will be built in the Salt Lake City, Utah market (DMA 27), and will be known as KCBU. No cash or other consideration was exchanged to fulfill the terms of this exchange.

The value of the construction permit acquired from Marquee will be based upon management's estimate of the fair value using valuation techniques including income, cost and market approaches. In determining the fair value of the acquired assets, the fair values will be determined based on, among other factors, expected future revenue and cash flows, expected future growth rates and estimated discount rates.

The sale of television station KCWY and KGWN will result in a non-cash loss on disposal that is expected to be $14 million.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Executive Overview

Introduction. The following discussion and analysis of the financial condition and results of operations of Gray Television, Inc. and its consolidated subsidiaries (except as the context otherwise provides, "Gray Media," "Gray," the "Company," "we," "us" or "our") should be read in conjunction with our unaudited condensed consolidated financial statements and notes thereto included elsewhere herein, as well as with our audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 Form 10-K") filed with the SEC.

BusinessOverview. We are a multimedia company headquartered in Atlanta, Georgia. We are the nation's largest owner of top-rated local television stations and digital assets serving 113 television markets that collectively reach approximately 36 percent of US television households. The portfolio includes 77 markets with the top-rated television station and 100 markets with the first and/or second highest rated television station, as well as the largest Telemundo Affiliate group with 43 markets totaling nearly 1.5 million Hispanic TV Households. We also own Gray Digital Media, a full-service digital agency offering national and local clients digital marketing strategies with the most advanced digital products and services. Our additional media properties include video production companies Raycom Sports, Tupelo Media Group, and PowerNation Studios, and studio production facilities Assembly Atlanta and Third Rail Studios. Gray also owns a majority interest in Swirl Films.

Our operating revenues are derived primarily from broadcast and internet advertising, retransmission consent fees and, to a lesser extent, other sources such as production of television and event programming, television commercials, production studio rentals, tower rentals and management fees. For the six-months ended June 30, 2024 and 2023, we generated revenue of $1.6 billion in each period.

Revenues, Operations, Cyclicality and Seasonality. Broadcasting advertising is sold for placement generally preceding or following a television station's network programming and within local and syndicated programming. Broadcasting advertising is sold in time increments and is priced primarily on the basis of a program's popularity among the specific audience an advertiser desires to reach. In addition, broadcasting advertising rates are affected by the number of advertisers competing for the available time, the size and demographic makeup of the market served by the station and the availability of alternative advertising media in the market area. Broadcasting advertising rates are generally the highest during the most desirable viewing hours, with corresponding reductions during other hours. The ratings of a local station affiliated with a major network can be affected by ratings of network programming. Most advertising contracts are short-term, and generally run only for a few weeks.

We also sell internet advertising on our stations' websites and mobile apps. These advertisements may be sold as banner advertisements, video advertisements and other types of advertisements or sponsorships.

Our broadcasting and internet advertising revenues are affected by several factors that we consider to be seasonal in nature. These factors include:

- Spending by political candidates, political parties and special interest groups increases during the even-numbered "on-year" of the two-year election cycle. This political advertising spending typically is heaviest during the fourth quarter of such years;
- Broadcast advertising revenue is generally highest in the second and fourth quarters each year. This seasonality results partly from increases in advertising in the spring and in the period leading up to, and including, the holiday season;
- Core advertising revenue on our NBC-affiliated stations increases in certain years as a result of broadcasts of the Olympic Games; and
- Because our stations and markets are not evenly divided among the Big Four broadcast networks, our core advertising revenue can fluctuate between years related to which network broadcasts the Super Bowl.

We derived a material portion of our non-political broadcast advertising revenue from advertisers in a limited number of industries, particularly the services sector, comprising financial, legal and medical advertisers, and the automotive industry. The services sector has become an increasingly important source of advertising revenue over the past few years. During the six-months ended June 30, 2024 and 2023 approximately 23% and 26%, respectively, of our broadcast advertising revenue (excluding political advertising revenue) was obtained from advertising sales to the services sector. During the six-months ended June 30, 2024 and 2023 approximately 18% and 19%, respectively, of our broadcast advertising revenue (excluding political advertising revenue) was obtained from advertising sales to automotive customers. Revenue from these industries may represent a higher percentage of total revenue in odd-numbered years due to, among other things, the increased availability of advertising time, as a result of such years being the "off year" of the two-year election cycle.

Our primary broadcasting operating expenses are employee compensation, related benefits and programming costs. In addition, the broadcasting operations incur overhead expenses, such as maintenance, supplies, insurance, rent and utilities. A large portion of the operating expenses of our broadcasting operations is fixed. We continue to monitor our operating expenses and seek opportunities to reduce them where possible.

2024 Refinancing Activities. During 2024, we have undertaken several steps to implement our strategy to reduce our debt and extend the maturity of portions of our debt obligations that were scheduled to mature in the near future. Collectively, these actions are intended to resolve concerns over upcoming maturities, and to take advantage of other opportunities in the markets. Please refer to Note 3. "Long-Term Debt" for further information. During the six-months ended June 30, 2024, we have:

- Amended our Senior Credit Facility to:
  - Increase lender commitments under our Revolving Credit Facility to $680 million and extend the maturity date to December 31, 2027;
  - Fully repay the $1.15 billion 2019 Term Loan that was scheduled to mature on January 2, 2026;
  - Issue the $500 million 2024 Term loan that will mature on June 4, 2029;
- Pre-paid through a tender offer, $690 million of the $700 million in outstanding 2026 Notes that was scheduled to mature on July 15, 2026;
- Issued $1.25 billion of our 2029 Notes, that are secured pari passu with our Senior Credit Facility and that will mature on July 15, 2029; and
- Used available liquidity to repurchase and retire approximately $50 million of our outstanding 2027 Notes on the open market at an average price of approximately 90.5% of their face value.

Please see our "Results of Operations" and "Liquidity and Capital Resources" sections below for further discussion of our operating results.

Revenue

Set forth below are the principal types of revenue, less agency commissions, earned by us for the periods indicated and the percentage contribution of each type of revenue to our total revenue (dollars in millions):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024		2023		2024		2023	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Revenue:								
Core advertising	$ 373	45%	$ 379	47%	$ 745	45%	$ 736	46%
Political	47	6%	12	1%	74	4%	20	1%
Retransmission consent	371	45%	394	48%	752	46%	789	49%
Production companies	18	2%	12	2%	42	3%	34	2%
Other	17	2%	16	2%	36	2%	35	2%
Total	$ 826	100%	$ 813	100%	$ 1,649	100%	$ 1,614	100%

Results of Operations

Three-Months Ended June 30, 2024 ("the 2024 three-month period") Compared to Three-Months Ended June 30, 2023 ("the 2023 three-month period")

Revenue. Total revenue increased $13 million to $826 million, or 2%, in the 2024 three-month period. During the 2024 three-month period:

- Core advertising revenue decreased by $6 million or 2%;
- Consistent with 2024 being the "on-year" of the two-year election cycle, political advertising revenue increased by $35 million to $47 million or 292%;
- Retransmission consent revenue decreased by $23 million to $371 million or 6%, due to a decrease in subscribers, offset, in part, by an increase in rates; and
- Production company revenue increased by $6 million to $18 million or 50% in the 2024 three-month period due to the start-up of our operations at Assembly Atlanta.

Broadcasting Expenses. Broadcasting expenses (before depreciation, amortization and gain or loss on disposal of assets) increased $13 million, or 2%, to $565 million in the 2024 three-month period. During the 2024 three-month period:

- Broadcasting payroll and related benefits expenses increased by $14 million as a result of routine increases in compensation and by filling a number of open positions.
- Broadcasting non-payroll expenses decreased by $1 million primarily due to a decrease in network affiliation fees, consistent with the decrease in retransmission revenue.
- Broadcasting non-cash stock-based compensation expense was $1 million in each of the 2024 and 2023 three-month periods.

Production Company Expenses. Production company operating expenses increased $3 million or 27% in the 2024 three-month period compared to the 2023 three-month period due to increases in utilities, maintenance and property taxes now that Assembly Atlanta is operational.

Corporate and Administrative Expenses. Corporate and administrative expenses (before depreciation, amortization and gain or loss on disposal of assets) decreased by $2 million to $28 million or 7% in the 2024 three-month period due primarily to decreases in severance related compensation expense, compared to the 2023 three-month period. Non-cash stock-based compensation expenses were $5 million in each of the 2024 and 2023 three-month periods.

Depreciation. Depreciation of property and equipment totaled $36 million for the 2024 three-month period and $35 million for the 2023 three-month period. Depreciation increased primarily due to the addition of depreciable assets.

Amortization. Amortization of intangible assets totaled $32 million in the 2024 three-month period and $50 million in the 2023 three-month period. The decrease in amortization expense was the result of finite-lived intangible assets becoming fully amortized and the impairment of certain finite-lived intangible assets related to the bankruptcy of Diamond in 2023.

(Gain) Loss on Disposal of Assets, Net. Gain on disposal of assets was $1 million in the 2024 three-month period. In the 2023 three-month period we reported a loss of $16 million, primarily due to the $14 million loss from the sale of television station KNIN in the Boise, Idaho market in the 2023 three-month period.

Interest Expense. Interest expense increased $9 million to $118 million for the 2024 three-month period compared to $109 million in the 2023 three-month period. This increase was primarily attributable to increases in interest rates on our floating rate Senior Credit Agreement to 8.4% in the 2024 three-month period compared to 7.9% in the 2023 three-month period. Our average outstanding total long-term debt balance was $6.2 billion and $6.3 billion during the 2024 and 2023 three-month periods, respectively. Interest expense in the 2024 and 2023 three-month periods also included $3 million in each period, related to the non-cash amortization of fees for our interest rate cap agreement. Interest expense in each of the 2024 and 2023 three-month periods included $5 million, related to the amount outstanding under the Securitization Facility representing the amount outstanding under the facility at the one-month SOFR rate plus 1%.

Loss from Early Extinguishment of Debt. The actions taken in our 2024 refinaincing activities have resulted in a total net loss on early extinguishment of debt of $7 million in the 2024 three-month period. The components of this net loss include:

- A gain of $5 million from the repurchase of our 2027 Notes in the open market at a disount;
- A loss of $4 million from fees and expenses associated with the the 2024 refinancing activities that were not capitalized; and
- A loss of $8 million from the write-off of unamortized deferred financing costs related to the loans that were pre-paid in the 2024 refinancing activities.

Income Tax Expense. During the 2024 and 2023 three-month periods, we recognized income tax expense of $7 million and $5 million, respectively. For the 2024 three-month period and the 2023 three-month period, our effective income tax rate was 24% in the 2024 three-month period and 56% in the 2023 three-month period. We estimate our differences between taxable income or loss and recorded income or loss on an annual basis. Our tax provision for each quarter is based upon these full-year projections which are revised each reporting period. These projections incorporate estimates of permanent differences between U.S. GAAP income or loss and taxable income or loss, state income taxes and adjustments to our liability for unrecognized tax benefits. For the 2024 three-month period, these estimates increased or decreased our statutory federal income tax rate of 21% as a result of state income taxes that added 4%, permanent differences that added 1% and decreases in our reserves of 2%.

Six-months Ended June 30, 2024 ("the 2024 six-month period") Compared to Six-months Ended June 30, 2023 ("the 2023 six-month period")

Revenue. Total revenue increased $35 million, or 2%, to $1.6 billion in the 2024 six-month period. During the 2024 six-month period:

- Core advertising revenue increased by $9 million to $745 million or 1% due in part to advertising revenue of $18 million of net revenue from the broadcast of the Super Bowl on our 54 CBS channels in the 2024 six-month period, compared to $6 million of net revenue relating to the broadcast of the Super Bowl on our 27 FOX channels during the 2023 six-month period;
- Political advertising revenue increased by $54 million to $74 million or 270% resulting primarily from 2024 being the "on-year" of the two-year election cycle;
- Retransmission consent revenue decreased by $37 million to $752 million or 5% due to a decrease in subscribers, offset, in part, by an increase in rates; and
- Production company revenue increased by $8 million or 24% due to the start-up of our operations at Assembly Atlanta offset, in part, by decreases in revenue at our event production businesses.

Broadcasting Expenses. Broadcasting expenses (before depreciation, amortization and gain or loss on disposal of assets) increased $41 million, or 4%, to $1.1 billion in the 2024 six-month period. During the 2024 six-month period:

- Broadcasting payroll and related benefits expenses increased by $34 million as a result of routine increases in compensation and the filling of open positions.
- Broadcasting non-payroll expenses increased by $7 million primarily due to an increases in sports programming expenses partially offset by decreases in syndicated film and network affiliation fees, consistent with the decrease in retransmission revenue.
- Broadcast non-cash stock-based compensation expense was $3 million and $2 million in the 2024 and 2023 six-month periods, respectively.

Production Company Expenses. Production company operating expenses (before depreciation, amortization and gain or loss on disposal of assets) were $35 million in the 2024 six-month period, a decrease of $35 million compared to $70 million in the 2023 six-month period. In the 2023 six-month period, production company operating expenses included a $17 million allowance for credit losses related to the bankruptcy of Diamond Sports Group, LLC ("Diamond"), a counterparty in contracts with us and an $18 million charge to settle litigation related to the Assembly Atlanta project.

Corporate and Administrative Expenses. Corporate and administrative expenses (before depreciation, amortization and gain or loss on disposal of assets) were $56 million in each of the 2024 and 2023 six-month periods. Non-cash stock-based compensation expenses increased to $9 million in the 2024 six-month period compared to $7 million in the 2023 six-month period.

Depreciation. Depreciation of property and equipment totaled $72 million for the 2024 six-month period and $70 million for the 2023 six-month period. Depreciation increased primarily due to the addition of depreciable assets acquired in the 2024 six-month period.

Amortization. Amortization of intangible assets totaled $63 million in the 2024 six-month period and $99 million in the 2023 six-month period. The decrease in amortization expense was the result of finite-lived intangible assets becoming fully amortized and the impairment of certain finite-lived intangible assets related to the bankruptcy of Diamond in 2023.

Loss on Disposal of Assets, Net. We recognized a gain on disposal of assets of $1 million in the 2024 six-month period and a loss of $26 million in the 2023 six-month period. The loss in the 2023 six-month period was primarily related to the sale of television station KNIN in the Boise, Idaho market of $14 million and a charge related to our accounts receivable securitization totaling $9 million, representing the initial discount recognized on the accounts receivable balance transferred to the SPV upon the implementation of the accounts receivable securitization facility. We expect that this amount initially recognized will eventually be reversed at the conclusion of the facility.

Miscellaneous Income (Expense), Net. On February 8, 2024, we recorded a gain of $110 million from the sale of our investment in BMI.

Interest Expense. Interest expense increased $20 million to $233 million for the 2024 six-month period compared to $213 million in the 2023 six-month period. This increase was primarily attributable to increases in interest rates on our floating rate Senior Credit Agreement to 8.3% in the 2024 six-month period compared to 7.6% in the 2023 six-month period. Our average outstanding total long-term debt balance was $6.2 billion and $6.4 billion during the 2024 and 2023 six-month periods, respectively. Interest expense in the 2024 and 2023 six-month periods also included $6 million and $4 million, respectively, related to the non-cash amortization of fees for our interest rate cap agreement. Interest expense in the 2024 and 2023 six-month periods included $10 million and $4 million, respectively, related to the amount outstanding under the Securitization Facility representing the amount outstanding under the facility at the one-month SOFR rate plus 1%.

Loss from Early Extinguishment of Debt. The actions taken in our 2024 refainancing activities have resulted in a total net loss on early extinguishment of debt of $7 million in the 2024 six-month period. The components of this net loss include:

- A gain of $5 million from the repurchase of our 2027 Notes in the open market at a disount;
- A loss of $4 million from fees and expenses associated with the the 2024 refinancing activities that were not capitalized; and
- A loss of $8 million from the write-off of unamortized deferred financing costs related to the loans that were pre-paid in the 2024 refinancing activities.

Income Tax Expense. During the 2024 six-month period, we recognized income tax expense of $38 million. During the 2023 six-month period, we recognized income tax benefit of $6 million. For the 2024 six-month period and the 2023 six-month period, our effective income tax rate was 26% and 18%, respectively. We estimate our differences between taxable income or loss and recorded income or loss on an annual basis. Our tax provision for each quarter is based upon these full-year projections which are revised each reporting period. These projections incorporate estimates of permanent differences between U.S. GAAP income or loss and taxable income or loss, state income taxes and adjustments to our liability for unrecognized tax benefits. For the 2024 six-month period, these estimates increased or decreased our statutory federal income tax rate of 21% to our effective income tax rate as a result of state income taxes that resulted in an increase of 5%, permanent differences resulted in an increase of 1%, discrete items that resulted in an increase of 1% and adjustments to reserves resulted in a decrease of 2%.

Liquidity and Capital Resources

General. The following table presents data that we believe is helpful in evaluating our liquidity and capital resources (in millions):

	Six Months Ended June 30,	
	2024	2023
Net cash provided by operating activities	$ 86	$ 459
Net cash provided by (used in) investing activities	50	(187)
Net cash used in financing activities	(82)	(297)
Net increase (decrease) in cash	$ 54	$ (25)

	As of	
	June 30, 2024	December 31, 2023
Cash	$ 75	$ 21
Long-term debt, including current portion, less deferred financing costs	$ 6,138	$ 6,160
Series A Perpetual Preferred Stock	$ 650	$ 650
Borrowing availability under Revolving Credit Facility	$ 474	$ 494

Net Cash Provided By (Used in) Operating, Investing and Financing Activities. Net cash provided by operating activities was $86 million in the 2024 six-month period compared to $459 million in the 2023 six-month period, a net decrease of $373 million. The decrease was primarily the net result of changes in working capital accounts that represented a use of cash of $332 million, of which $300 million represented the sale of accounts receivable under our Securitization Facility in the 2023 six-month period. In addition, our net income increased by $137 million. The increase in net cash provided by operations resulting from the increases in net income was partially offset by decreased non-cash adjustments, primarily depreciation and amortization, of $68 million and the gain of $110 million from the sale of our investment in BMI.

Net cash provided by investing activities was $50 million in the 2024 six-month period compared to net cash used in investing activities of $187 million for the 2023 six-month period. The net increase was largely due to decreased purchases of property and equipment and the proceeds received from the sale of our investment in BMI in the 2024 six-month period compared to the 2023 six-month period.

Net cash used in financing activities was $82 million in the 2024 six-month period compared to net cash used in financing activities of $297 million in the 2023 six-month period. In the 2024 six-month period, we issued $1.25 billion in of our 2029 Notes and $500 million of the 2024 Term Loan and borrowed $200 million under our Revolving Credit Facility, both under the Senior Credit Facility, to pre-pay our $1.2 billion 2019 Term Loan under the Senior Credit Facility. In addition, we repurchased in a tender offer, $690 million of face value of our outstanding 2026 Notes. In connection with these transactions, we paid $47 million in fees and expenses. Furthermore, in the 2024 six-month period, we used $45 million, to repurchase a portion of our 2027 Notes on the open market. During each period, we used $26 million of cash to pay dividends to holders of our preferred stock. During 2024 and 2023 six-month periods, we used $16 million and $14 million, respectively, to pay dividends to holders of our common stock.

Liquidity. Based on our debt outstanding and interest rates as of June 30, 2024, we estimate that we will make approximately $507 million in debt interest payments over the twelve months immediately following June 30, 2024.

Although our cash flows from operations are subject to a number of risks and uncertainties, we anticipate that our cash on hand, future cash expected to be generated from operations, borrowings from time to time under the Senior Credit Facility (or any such other credit facility as may be in place at the appropriate time) and, potentially, external equity or debt financing, will be sufficient to fund any debt service obligations, estimated capital expenditures and acquisition-related obligations for the next twelve months and the forseeable future. Any potential equity or debt financing would depend upon, among other things, the costs and availability of such financing at the appropriate time. We also believe that our future cash expected to be generated from operations and borrowing availability under the Senior Credit Facility (or any such other credit facility) will be sufficient to fund our future capital expenditures and long-term debt service obligations for the next twelve months and theforseeable future.

Collateral, Covenants and Restrictions of our credit agreements. Our obligations under the Senior Credit Agreement and the 2029 Notes are secured by substantially all of our consolidated assets, excluding real estate. In addition, substantially all of our subsidiaries are joint and several guarantors of, and our ownership interests in those subsidiaries are pledged to collateralize, our obligations under the Senior Credit Agreement. Gray Television, Inc. is a holding company, and has no material independent assets or operations. For all applicable periods, the 2026 Notes, 2027 Notes, 2030 Notes and 2031 Notes have been fully and unconditionally guaranteed, on a joint and several, senior unsecured basis, by substantially all of Gray Television, Inc.'s subsidiaries. Any subsidiaries of Gray Television, Inc. that do not guarantee the 2026 Notes, 2027 Notes, 2030 Notes and 2031 Notes are not material or are designated as unrestricted under the Senior Credit Agreement. As of June 30, 2024 and March 31, 2024, there were no significant restrictions on the ability of Gray Television, Inc.'s subsidiaries to distribute cash to Gray or to the guarantor subsidiaries.

The Senior Credit Agreement contains affirmative and restrictive covenants with which we must comply, including: (a) limitations on additional indebtedness, (b) limitations on liens, (c) limitations on the sale of assets, (d) limitations on guarantees, (e) limitations on investments and acquisitions, (f) limitations on the payment of dividends and share repurchases, (g) limitations on mergers and (h) maintenance of the First Lien Leverage Ratio while any amount is outstanding under the revolving credit facility, as well as other customary covenants for credit facilities of this type. The 2026 Notes, 2027 Notes, 2029 Notes, 2030 Notes and 2031 Notes include covenants with which we must comply which are typical for financing transactions of their nature. As of June 30, 2024 and March 31, 2024, we were in compliance with all required covenants under all of our debt obligations."

In addition to results prepared in accordance with GAAP, "Leverage Ratio Denominator" is a metric that management uses to calculate our compliance with our financial covenants in our indebtedness agreements. This metric is calculated as specified in our Senior Credit Agreement and is a significant measure that represents the denominator of a formula used to calculate compliance with material financial covenants within the Senior Credit Agreement that govern our ability to incur indebtedness, incur liens, make investments and make restricted payments, among other limitations usual and customary for credit agreements of this type. Accordingly, management believes this metric is a very material metric to our debt and equity investors.

Leverage Ratio Denominator gives effect to the revenue and broadcast expenses of all completed acquisitions and divestitures as if they had been acquired or divested, respectively, on July 1, 2022. It also gives effect to certain operating synergies expected from the acquisitions and related financings, and adds back professional fees incurred in completing the acquisitions. Certain of the financial information related to the acquisitions, if applicable, has been derived from, and adjusted based on, unaudited, un-reviewed financial information prepared by other entities, which Gray cannot independently verify. We cannot assure you that such financial information would not be materially different if such information were audited or reviewed and no assurances can be provided as to the accuracy of such information, or that our actual results would not differ materially from this financial information if the acquisitions had been completed on the stated date. In addition, the presentation of Leverage Ratio Denominator as determined in the Senior Credit Agreement and the adjustments to such information, including expected synergies, if applicable, resulting from such transactions, may not comply with GAAP or the requirements for pro forma financial information under Regulation S-X under the Securities Act of 1933. Leverage Ratio Denominator, as determined in the Senior Credit Agreement, represents an average amount for the preceding eight quarters then ended.

Our "Adjusted Total Indebtedness", "First Lien Adjusted Total Indebtedness" and "Secured Adjusted Total Indebtedness", in each case "Net of All Cash", represents the amount of outstanding principal of our long-term debt, plus certain other obligations as defined in our Senior Credit Agreement, less all cash (excluding restricted cash) for the applicable amount of indebtedness.

Below is a calculation of our "Leverage Ratio", "First Lien Leverage Ratio" and "Secured Leverage Ratio" as defined in our Senior Credit Agreement as of June 30, 2024:

	Eight Quarters Ended June 30, 2024 (in millions)
Net income	$ 328
Adjustments to reconcile from net income to Leverage Ratio Denominator as defined in our Senior Credit Agreement:	
Depreciation	284
Amortization of intangible assets	360
Non-cash stock-based compensation	42
Non-cash 401(k) expense	19
Loss on disposal of assets, net	24
Gain on disposal of investment, not in the ordinary course	(110)
Interest expense	866
Loss on early extinguishment of debt	10
Income tax expense	132
Impairment of investments, goodwill and other intangible assets	74
Amortization of program broadcast rights	90
Payments for program broadcast rights	(76)
Pension gain	(5)
Contributions to pension plans	(7)
Adjustments for unrestricted subsidiaries	39
Adjustments for stations acquired or divested, financings and expected synergies during the eight quarter period	(1)
Transaction Related Expenses	5
Other	1
Total eight quarters ended June 30, 2024	$ 2,075
Leverage Ratio Denominator (total eight quarters ended June 30, 2024, divided by 2)	**$ 1,038**

	June 30, 2024 (dollars in millions)
Total outstanding principal, including current portion	$ 6,215
Letters of credit outstanding	6
Cash	(75)
Adjusted Total Indebtedness	**$ 6,146**
Leverage Ratio (maximum permitted incurrence is 7.00 to 1.00)	**5.92**
Total outstanding principal secured by a first lien	$ 3,405
Cash	(75)
First Lien Adjusted Total Indebtedness	**$ 3,330**
First Lien Leverage Ratio (maximum permitted incurrence is 4.00 to 1.00) (1)	**3.21**
Total outstanding principal secured by a liens	$ 3,405
Cash	(75)
Secured Adjusted Total Indebtedness	**$ 3,330**
Secured Leverage Ratio (maximum permitted incurrence is 5.50 to 1.00)	**3.21**

(1) At any time any amounts are outstanding under our revolving credit facility, our maximum First Lien Leverage Ratio cannot exceed 4.25 to 1.00.

Debt. As of June 30, 2024, long-term debt consisted of obligations under our Senior Credit Facility, the $10 million in aggregate principal amount outstanding under 2026 Notes, the $700 million in aggregate principal amount outstanding of our 2027 Notes, the $1.25 billion in aggregate principal amount of our 2029 Notes, the $800 million in aggregate principal amount outstanding of our 2030 Notes and the $1.3 billion outstanding of our 2031 Notes. As of June 30, 2024, the Senior Credit Facility provided total commitments of $2.2 billion, consisting of a $1.5 billion term loan facility, a $500 million term loan facility, $200 million outstanding under our Revolving Credit Facility and $474 million available under our revolving credit facility. We were in compliance with the covenants in these debt agreements at June 30, 2024.

Capital Expenditures. We currently expect that our routine capital expenditures, excluding Assembly Atlanta capital expenditures, will be in a range of approximately $54 million to $64 million for the remainder of 2024. In addition, we currently expect that our Assembly Atlanta capital expenditures will be approximately $21 million, offset by proceeds from Assembly Atlanta CID incentive payments that we expect will also be approximately $25 million for the remainder 2024. We can give no assurances of the actual proceeds to be received in the future from incentive payments, nor the timing of any such proceeds.

Completed Transaction. On July 1, 2024, we and Marquee Broadcasting, Inc. ("Marquee") completed transactions in which we sold our television stations KCWY (NBC) in the Casper, Wyoming market (DMA 198) and KGWN (CBS) in the Cheyenne, Wyoming market (DMA 194) in exchange for Marquee's FCC permit authorizing the construction of a new television station, that will be built in the Salt Lake City, Utah market (DMA 27), and will be known as KCBU. No cash or other consideration was exchanged to fulfill the terms of this exchange. The sale of television station KCWY and KGWN will result in a non-cash loss on disposal that is expected to be $14 million.

Other. We file a consolidated federal income tax return and such state and local tax returns as are required. During the first half of 2024, we made federal or state income tax payments totaling $85 million, net of refunds. During the remainder of 2024, we anticipate making income tax payments within a range of $92 million to $102 million. As of June 30, 2024, we have an aggregate of approximately $282 million of various state operating loss carryforwards, of which we expect that approximately $201 million will not be utilized due to section 382 limitations and those that will expire prior to utilization. After applying our state effective tax rate, this amount is included in our valuation allowance for deferred tax assets.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") was enacted in response to the COVID-19 pandemic. The CARES Act, among other things, contains modifications on the limitation of business interest for tax years beginning in 2019 and 2020, and permits net operating loss ("NOL") carryovers and carrybacks to offset 100% of taxable income for taxable years beginning before 2021. In addition, the CARES Act allows NOLs incurred in 2018, 2019, and 2020 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes. During 2020, we carried back certain net operating losses resulting in a refund of $23 million, including interest, that was collected in the second quarter of 2024.

Critical Accounting Policies

The preparation of financial statements in conformity with U.S. GAAP requires management to make judgments and estimations that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. We consider our accounting policies relating to intangible assets and income taxes to be critical policies that require judgments or estimations in their application where variances in those judgments or estimations could make a significant difference to future reported results. These critical accounting policies and estimates are more fully discussed in our 2023 Form 10-K.

Cautionary Note Regarding Forward-Looking Statements

This quarterly report on Form 10-Q contains and incorporates by reference "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act. Forward-looking statements are all statements other than those of historical fact. When used in this annual report, the words "believes," "expects," "anticipates," "estimates," "will," "may," "should" and similar words and expressions are generally intended to identify forward-looking statements. These forward-looking statements reflect our then-current expectations and are based upon data available to us at the time the statements are made. Forward-looking statements may relate to, among other things, the economy in general, our strategies, expected results of operations, general and industry-specific economic conditions, future pension plan contributions, future capital expenditures, future proceeds from Assembly Atlanta CID infrastructure related payments and land sales, future income tax payments, future payments of interest and principal on our long-term debt, future interest expenses under our Securitization Facility, future interest expense under our interest rate caps, assumptions underlying various estimates and estimates of future obligations and commitments, and should be considered in context with the various other disclosures made by us about our business. Readers are cautioned that any forward-looking statements, including those regarding the intent, belief or current expectations of our management, are not guarantees of future performance, results or events and involve significant risks and uncertainties, and that actual results and events may differ materially from those contained in the forward-looking statements as a result of various factors including, but not limited to, those listed in Item 1A. of our Annual Report and the other factors described from time to time in our SEC filings. The forward-looking statements included in this quarterly report are made only as of the date hereof. We undertake no obligation to update such forward-looking statements to reflect subsequent events or circumstances.

Item 3. Quantitative and Qualitative Disclosure About Market Risk

We believe that the market risk of our financial instruments as of June 30, 2024 has not materially changed since December 31, 2023. Our market risk profile on December 31, 2023 is disclosed in our 2023 Annual Report on Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. As of the end of the period covered by this Quarterly Report, an evaluation was carried out under the supervision and with the participation of management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), of the design and operation of the Company's "disclosure controls and procedures" (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended. Based on this evaluation, the CEO and CFO have concluded that our controls and procedures were effective as of June 30, 2024.

Changes in Internal Control Over Financial Reporting. There have been no changes in the Company's internal control over financial reporting during the six-months ended June 30, 2024, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

As of the date of this filing, there have been no additional material legal proceedings or material developments in the legal proceedings disclosed in Part 1, Item 3, of our Annual Report on Form 10-K for the year ended December 31, 2023. For more information, see Note 9. "Commitments and Contingencies" within the accompanying condensed consolidated financial statements.

Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors that affect our business and financial results that are discussed in Part I, Item 1A, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. These factors could materially adversely affect our business, financial condition, liquidity, results of operations and capital position, and could cause our actual results to differ materially from our historical results or the results contemplated by the forward-looking statements contained in this report. There have been no material changes to such risk factors.

Item 5. Other Information

None of the Company's directors or officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement, as defined in Item 408 of Regulation S-K, during the Company's fiscal quarter ended June 30, 2024.

Item 6. Exhibits

The following exhibits are filed as part of this Quarterly Report:

Exhibit Number	Description of Document
4.1	Indenture, dated as of June 3, 2024, by and among Gray Television, Inc., the Guarantors party thereto and U.S. Bank Trust Company, National Association, as Trustee and Notes Collateral Agent (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed with the SEC on June 4, 2024).
4.2	Form of 10.500% Senior Secured First Lien Note due 2029 (incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K filed with the SEC on June 4, 2024).
10.1	Third Amendment to Senior Credit Facility, dated as of June 4, 2024, among Gray Television, Inc., the guarantors party thereto, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed with the SEC on June 4, 2024).
10.2	First Amendment to the Receivables Purchase Agreement, dated as of June 18, 2024, by and among Gray AR, LLC, as seller, and Gray Television, Inc., in its individual capacity and as initial Master Servicer (as defined therein), Bank of America, N.A. as purchaser, Truist Bank, as purchaser, Regions Bank, as purchaser, and Wells Fargo Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed with the SEC on June 21, 2024).
10.3	Second Amendment to the Receivables Purchase Agreement, dated as of July 19, 2024, by and among Gray AR, LLC, as seller, and Gray Television, Inc., in its individual capacity and as initial Master Servicer (as defined therein), Bank of America, N.A. as purchaser, Truist Bank, as purchaser, Regions Bank, as purchaser, and Wells Fargo Bank, N.A., as administrative agent
31.1	Rule 13(a) – 14(a) Certificate of Chief Executive Officer
31.2	Rule 13(a) – 14(a) Certificate of Chief Financial Officer
32.1	Section 1350 Certificate of Chief Executive Officer
32.2	Section 1350 Certificate of Chief Financial Officer
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page from Gray Television, Inc.’s Quarterly Report on Form 10-Q for the fiscal period ended June 30, 2024 has been formatted in Inline XBRL and contained in Exhibit 101.

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, thereunto duly authorized.

GRAY TELEVISION, INC.
(Registrant)

Date: August 8, 2024

By: /s/ Jeffrey R. Gignac
Jeffrey R. Gignac
Executive Vice President and Chief Financial Officer

Exhibit 10.3

EXECUTION VERSION

OMNIBUS AMENDMENT

This OMNIBUS AMENDMENT, dated as of July 19, 2024 (this "Amendment"), is:

(i) SECOND AMENDMENT TO THE RECEIVABLES PURCHASE AGREEMENT, among GRAY AR, LLC, a Delaware limited liability company, as seller (the "Seller"); GRAY TELEVISION, INC., a Georgia corporation, in its individual capacity ("Gray") and as initial Master Servicer (in such capacity, the "Master Servicer"); BANK OF AMERICA, N.A. ("BofA"), as a Purchaser; TRUIST BANK ("Truist"), as a Purchaser; REGIONS BANK ("Regions"), as a Purchaser; and WELLS FARGO BANK, N.A. ("Wells"), as Administrative Agent (the "Administrative Agent") and as a Purchaser; and

(ii) FIRST AMENDMENT TO RECEIVABLES SALE AGREEMENT, among the Seller, as buyer, the Originator (the "Originator") party to the Sale Agreement (as defined below) and the Master Servicer.

Capitalized terms used but not otherwise defined herein (including such terms used above) have the respective meanings assigned thereto in the Receivables Purchase Agreement or the Sale Agreement, as applicable.

BACKGROUND

A. The Seller, the Master Servicer, BofA, Truist, Regions and Wells have entered into a Receivables Purchase Agreement, dated as of February 23, 2023 (as amended, restated, supplemented or otherwise modified through the date hereof, the "Receivables Purchase Agreement").

B. The Seller, as buyer, the Master Servicer and the Originator have entered into a Receivables Sale Agreement, dated as of February 23, 2023 (as amended, restated, supplemented or otherwise modified through the date hereof, the "Sale Agreement"; together with the Receivables Purchase Agreement, each an "Agreement" and collectively, the "Agreements").

C. Effective on July 1, 2024, Gray Media Group, Inc., a Delaware corporation ("Gray Media") changed its name (such change, the "Gray Name Change") from "Gray Media Group, Inc." to "Gray Local Media, Inc.".

D. The parties hereto desire to amend the Agreements as set forth herein.

NOW THEREFORE, with the intention of being legally bound hereby, and in consideration of the mutual undertakings expressed herein, each party to this Amendment hereby agrees as follows:

SECTION 1. Amendment to the Receivables Purchase Agreement. The definition of "Gray Media" set forth in Section 1.01 of the Receivables Purchase Agreement is hereby deleted in its entirety and replaced with the following:

"Gray Media" means Gray Local Media, Inc., a Delaware corporation.

SECTION 2. Amendment to Sale Agreement. The Sale Agreement is hereby amended to incorporate the changes shown on the marked pages of the Sale Agreement attached hereto as Exhibit A.

SECTION 3. Notice; Limited Consents.

(a) Notice of the Gray Name Change. The Originator hereby provides notice of the occurrence of the Gray Name Change, effective as of July 1, 2024, and requests that each of the other parties hereto hereby acknowledges and consents to the Gray Name Change effective as of July 1, 2024.

(b) Limited Consent. Subject to the terms and conditions of this Amendment, including the accuracy of each of the representations and warranties set forth herein, each of the parties hereto hereby: (i) acknowledges the receipt of the notice set forth in clause (a) above, (ii) consents to the occurrence of the Gray Name Change and (iii) waives any notice or consent requirement with respect to the Gray Media Name Change set forth in the Agreements or in any other Transaction Document, as a prerequisite or condition precedent to the effectiveness of the Gray Name Change, including the requirement to (x) provide thirty (30) days prior written notice of any change in the Originator's name as set forth in Section 6.1(b)(v) of the Sale Agreement and Section 8.02(c)(v) of the Receivables Purchase Agreement and (y) obtain prior written consent from the Administrative Agent and the Majority Purchasers to make any change in the Originator's name as set forth in Section 6.1(i) of the Sale Agreement.

(c) General Limitations. The foregoing consent shall be strictly limited to its terms. Consistent with the foregoing, nothing contained herein shall be deemed to be a consent to any party to the Transaction Documents failing to perform its obligations under the Agreements or any other Transaction Documents other than solely to the extent set forth above. Notwithstanding anything to the contrary herein, in any Agreement or any other Transaction Documents, by executing this Amendment, no party hereto is now waiving or consenting to, nor has it agreed to waive or consent to in the future (i) the modification or breach of any provision of the Agreements or any other Transaction Documents, other than as expressly set forth in clause (b) above, (ii) any Event of Termination, Purchase and Sale Termination Event, Unmatured Event of Termination or Unmatured Purchase and Sale Event under the Agreements or the other Transaction Documents (whether presently or subsequently existing or arising), other than as expressly set forth in clause (b) above or (iii) any rights, powers or remedies presently or subsequently available to any of the parties hereto or any other Person against the Originator, the Buyer, the Seller or the Master Servicer under the Agreements, any of the other Transaction Documents, applicable law or otherwise, relating to any matter other than solely to the extent expressly consented to herein, each of which rights, powers or remedies is hereby specifically and expressly reserved and continue.

SECTION 4. Representations and Warranties of the Seller, the Buyer, the Originator and the Master Servicer. The Seller, the Buyer, the Originator and the Master Servicer hereby represent and warrant to each of the parties hereto as of the date hereof as follows:

(a) *Representations and Warranties*. Immediately after giving effect to this Amendment, the representations and warranties made by it in the Agreements and each of the other Transaction Documents to which it is a party are true and correct in all material respects on and as of the date hereof as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date.

(b) *Power and Authority; Due Authorization*. It (i) has all necessary corporate or limited liability company power and authority, as applicable to (A) execute and deliver this Amendment and (B) perform its obligations under this Amendment, each Agreement (as amended by this Amendment) and the other Transaction Documents to which it is a party and (ii) has duly authorized by all necessary corporate or limited liability company action, as applicable, the execution, delivery and performance of, and the consummation of the transactions provided for in, this Amendment, each Agreement (as amended by this Amendment) and the other Transaction Documents to which it is a party.

(c) *No Conflict or Violation*. The execution and delivery of this Amendment by it and the performance of the transactions contemplated by this Amendment, each Agreement (as amended by this Amendment) and the other Transaction Documents and the fulfillment of the terms of this Amendment, each Agreement (as amended by this Amendment) and the other Transaction Documents by it will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, its organizational documents, (ii) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, any Operating Agreement, or any indenture, sale agreement, credit agreement (including the Gray Credit Agreement), loan agreement, security agreement, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it or any of its property is bound, which could reasonably be expected to have a Material Adverse Effect, (iii) result in the creation or imposition of any Adverse Claim (other than any Permitted Adverse Claim) upon any of the Receivables, Related Rights, Sold Assets or Seller Collateral pursuant to the terms of any such indenture, credit agreement (including the Gray Credit Agreement), loan agreement, security agreement, mortgage, deed of trust or other agreement or instrument, other than this Amendment, each Agreement (as amended by this Amendment) and the other Transaction Documents or (iv) conflict with or violate any Communications Law or any other material Applicable Law respecting the Seller, the Buyer, the Master Servicer, the Originator or any other Gray Party.

(d) *No Event of Termination*. Immediately after giving effect to this Amendment, no Event of Termination, Purchase and Sale Termination Event, Unmatured Event of Termination or Unmatured Purchase and Sale Termination Event has occurred and is continuing, and no Event of Termination, Purchase and Sale Termination Event, Unmatured Event of Termination or Unmatured Purchase and Sale Termination Event would result from this Amendment or the transactions contemplated hereby.

(e) *Capital Coverage Deficit*. No Capital Coverage Deficit exists or would exist immediately after giving effect to this Amendment or the transactions contemplated hereby.

(f) *Termination Date*. The Termination Date has not occurred.

SECTION 5. Effect of Amendment; Ratification. All provisions of the Receivables Purchase Agreement, the Sale Agreement and the other Transaction Documents, as expressly amended and modified by this Amendment, shall remain in full force and effect. After this Amendment becomes effective, (i) all references in the Receivables Purchase Agreement to "this Receivables Purchase Agreement", "this Agreement", "hereof", "herein", and all references in any other Transaction Document to "the Receivables Purchase Agreement", "thereof", "therein", or in each case words of similar effect referring to the Receivables Purchase Agreement shall be deemed to be references to the Receivables Purchase Agreement as amended by this Amendment and (ii) all references in the Sale Agreement to "this Receivables Sale Agreement", "this Agreement", "hereof", "herein", and all references in any other Transaction Document to "the Receivables Sale Agreement", "thereof", "therein", or in each case words of similar effect referring to the Sale Agreement shall be deemed to be references to the Sale Agreement as amended by this Amendment. This Amendment shall not be deemed, either expressly or impliedly, to waive, amend or supplement any provision of the Receivables Purchase Agreement or the Sale Agreement, as applicable, other than as set forth herein. The Receivables Purchase Agreement and the Sale Agreement, as amended by this Amendment, are hereby ratified and confirmed in all respects.

SECTION 6. Effectiveness. This Amendment shall become effective as of the date hereof, subject to the conditions precedent that the Administrative Agent shall have received each of the following:

(a) counterparts to this Amendment executed by each of the parties hereto;

(b) a certificate of an officer of Gray Media, in form and substance reasonably satisfactory to the Administrative Agent, certifying the names and true signatures of the officers authorized on its behalf to sign this Amendment and the other Transaction Documents; and

(c) a copy of a search report by a national recognized search firm listing all financing statements that name "Gray Local Media, Inc." as a debtor and that are filed in the State of Delaware, together with all copies of such financing statements.

SECTION 7. Severability. Any provisions of this Amendment which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 8. Transaction Document. This Amendment shall be a "Transaction Document" for purposes of the Receivables Purchase Agreement and each other Transaction Document.

SECTION 9. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart hereof by electronic means shall be equally effective as delivery of an originally executed counterpart. The words "execute," "execution," "signed," "signature," "delivery" and words of like import in or related to this Amendment, any other Transaction Document or any document, amendment, approval, consent, waiver, modification, information, notice, certificate, report, statement, disclosure, or authorization to be signed or delivered in connection with this Amendment or any other Transaction Document or the transactions contemplated hereby shall be deemed to include Electronic Signatures or execution in the form of an Electronic Record, and contract formations on electronic platforms approved by the Administrative Agent, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 10. GOVERNING LAW. THIS AMENDMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF).

SECTION 11. CONSENT TO JURISDICTION.

(a) EACH PARTY HERETO HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN NEW YORK CITY, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT OR ANY OTHER TRANSACTION DOCUMENT, AND EACH PARTY HERETO HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING. THE PARTIES HERETO AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

(b) EACH OF THE SELLER, THE BUYER, THE ORIGINATOR AND THE MASTER SERVICER CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO IT AT ITS ADDRESS SPECIFIED IN THE RECEIVABLES PURCHASE AGREEMENT OR THE SALE AGREEMENT, AS APPLICABLE. NOTHING IN THIS SECTION 11 SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY OTHER PURCHASER PARTY TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

SECTION 12. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AMENDMENT OR ANY OTHER TRANSACTION DOCUMENT.

SECTION 13. Section Headings. The various headings of this Amendment are included for convenience only and shall not affect the meaning or interpretation of this Amendment, the Receivables Purchase Agreement or any provision hereof or thereof.

SECTION 14. Reaffirmation of the Performance Guarantee. The Performance Guarantor hereby consents to this Amendment. Immediately after giving effect to this Amendment, all provisions of the Performance Guarantee shall remain in full force and effect and the Performance Guarantor hereby ratifies and affirms the Performance Guarantee and acknowledges that the Performance Guarantee has continued and shall continue in full force and effect in accordance with its terms.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

GRAY AR, LLC

By: /s/ Jeffrey R. Gignac
Name: Jeffrey R. Gignac
Title: Vice President and Treasurer

GRAY TELEVISION, INC., as the Master Servicer and as Performance Guarantor

By: /s/ Jeffrey R. Gignac
Name: Jeffrey R. Gignac
Title: Executive Vice President, Chief Financial Officer

GRAY LOCAL MEDIA, INC.,
as the Originator

By: /s/ Jeffrey R. Gignac
Name: Jeffrey R. Gignac
Title: Executive Vice President, Chief Financial Officer

WELLS FARGO BANK, N.A.,
as Administrative Agent

By: /s/ Taylor Cloud
Name: Taylor Cloud
Title: Executive Director

WELLS FARGO BANK, N.A.,
as a Purchaser

By: /s/ Taylor Cloud
Name: Taylor Cloud
Title: Executive Director

BANK OF AMERICA, N.A.,
as a Purchaser

By: /s/ Ross Glynn
Name: Ross Glynn
Title: Senior Vice President

TRUST BANK,
as a Purchaser

By: /s/ Paul Cornely
Name: Paul Cornely
Title: Vice President

REGIONS BANK,
as a Purchaser

By: /s/ Mimi Bulow
Name: Mimi Bulow
Title: Assistant Vice President

EXHIBIT A
Amendments to Sale Agreement

(Attached)

RECEIVABLES SALE AGREEMENT

Dated as of February 23, 2023

among

VARIOUS ENTITIES LISTED ON SCHEDULE I HERETO,
as Originators,

GRAY TELEVISION, INC.,
as Master Servicer,

and

GRAY AR, LLC,
as Buyer

THIS RECEIVABLES SALE AGREEMENT, dated as of February 23, 2023 (as amended, restated, supplemented or otherwise modified from time to time, this "Agreement"), is entered into among the VARIOUS ENTITIES LISTED ON SCHEDULE I HERETO (the "Originators" and each, an "Originator"), GRAY TELEVISION, INC., a Georgia corporation, as initial Master Servicer (as defined below) ("Gray"), and GRAY AR, LLC, a Delaware limited liability company (the "Buyer").

DEFINITIONS

Unless otherwise indicated herein, capitalized terms used and not otherwise defined in this Agreement are defined in Article I of the Receivables Purchase Agreement, dated as of the date hereof (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Receivables Purchase Agreement"), among the Buyer, as seller, Gray, as initial Master Servicer (in such capacity, the "Master Servicer"), the Persons from time to time party thereto as Purchasers and Wells Fargo Bank, N.A., as Administrative Agent. All references hereto to months are to calendar months unless otherwise expressly indicated. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. All terms used in Article 9 of the UCC in the State of New York, and not specifically defined herein, are used herein as defined in such Article 9. Unless the context otherwise requires, "or" means "and/or," and "including" (and with correlative meaning "include" and "includes") means including without limiting the generality of any description preceding such term. Unless the context otherwise requires, the following terms have the meanings indicated below:

"Holder" has the meaning given in Exhibit B.

"Senior Interest Holders" has the meaning given in Exhibit B.

"Senior Interests" has the meaning given in Exhibit B.

"Subordinated Note" has the meaning given in Section 3.1(b).

"Subordination Provisions" has the meaning given in the Subordinated Note.

RECITALS

WHEREAS, the Buyer is a special purpose limited liability company, all of the issued and outstanding membership interests of which are owned by Gray Local Media ~~Group~~, Inc., a Delaware corporation (the "Contributing Originator");

WHEREAS, the Originators generate Receivables in the ordinary course of their businesses;

WHEREAS, the Originators wish to sell and/or, in the case of the Contributing Originator, contribute Receivables and the Related Rights to the Buyer, and the Buyer is willing to purchase and/or accept such Receivables and the Related Rights from the Originators, on the terms and subject to the conditions set forth herein;

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

BUYER:

GRAY AR, LLC

By:______________________________________
Name:
Title:

MASTER SERVICER:

GRAY TELEVISION, INC.

By:______________________________________
Name:
Title:

ORIGINATORS:

GRAY LOCAL MEDIA ~~GROUP~~, INC.

By:______________________________________
Name:
Title:

LIST AND LOCATION OF EACH ORIGINATOR

Originator	Jurisdiction of Incorporation	Chief Executive Office(s)
Gray Local Media ~~Group~~, Inc.	Delaware	4370 Peachtree Road, NE Atlanta, GA 30319 Dekalb County, GA (current)
		201 Monroe Street 20th Floor Montgomery, AL 36104 (previous)

LOCATION OF BOOKS AND RECORDS OF ORIGINATORS

Originator	Location of Books and Records
Gray Local Media ~~Group~~, Inc.	4370 Peachtree Road, NE Atlanta, GA 30319 201 Monroe Street, 20th Floor, Montgomery, AL 36104 445 Dexter Avenue, Suite 7000 Montgomery, AL 36104 1801 Halstead Boulevard Tallahassee, FL 32309 501 Hampshire Street Quincy, IL 62301

PRIOR LEGAL NAMES

Gray Local Media ~~Group~~, Inc.

Gray Local Media ~~Group~~, Inc. changed its name from “Raycom Media, Inc.” to “Gray Media Group, Inc.” on January 31, 2019.

Gray Local Media, Inc. changed its name from “Gray Media Group, Inc.” to “Gray Local Media, Inc.” on July 1, 2024.

TRADE NAMES

Gray Local Media ~~Group~~, Inc.

None

Schedule IV

NOTICE ADDRESSES

If to Gray Local Media ~~Group~~, Inc.:

Gray Local Media ~~Group~~, Inc.
4370 Peachtree Road, N.E.
Atlanta, Georgia 30319
Attention: ~~James C. Ryan~~Jeffrey R. Gignac
Telephone: (404) 504-9828
Telecopy: (404) 261-9607
Email: ~~Jim.Ryan@gray~~Jeff.Gignac@graymedia.~~tv~~com

with a copy to:

Gray Local Media ~~Group~~, Inc.
4370 Peachtree Road, N.E.
Atlanta, Georgia 30319
Attention: General Counsel
Telecopy:
Email: legalnotices@~~Gray.tv~~graymedia.com

Jones Day
1221 Peachtree Street, N.E., Suite 400
Atlanta, Georgia 30361
Attention: Todd Roach
Telephone: (404) 581-8274
Telecopy: (404) 581-8003
Email: troach@jonesday.com

If to the Buyer:

c/o Gray Local Media ~~Group~~, Inc.
4370 Peachtree Road, N.E.
Atlanta, Georgia 30319
Attention: ~~James C. Ryan~~Jeffrey R. Gignac
Telephone: (404) 504-9828
Telecopy: (404) 261-9607
Email: ~~Jim.Ryan@gray~~Jeff.Gignac@graymedia.~~tv~~com

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1221 Peachtree Street, N.E., Suite 400
Atlanta, Georgia 30361
Attention: Todd Roach
Telephone: (404) 581-8274
Telecopy: (404) 581-8003
Email: troach@jonesday.com

If to the Master Servicer:

Gray Television, Inc.
4370 Peachtree Road, N.E.
Atlanta, Georgia 30319
Attention: ~~James C. Ryan~~Jeffrey R. Gignac
Telephone: (404) 504-9828
Telecopy: (404) 261-9607
Email: ~~Jim.Ryan@gray~~Jeff.Gignac@graymedia.~~tv~~com

with a copy to:

Gray Television, Inc.
4370 Peachtree Road, N.E.
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Attention: General Counsel
~~Telecopy:~~
Email: ~~legalnotices@Gray.tv~~legalnotices@graymedia.com

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Atlanta, Georgia 30361
Attention: Todd Roach
Telephone: (404) 581-8274
Telecopy: (404) 581-8003
Email: troach@jonesday.com

EXHIBIT 31.1

CERTIFICATION

I, Hilton H. Howell, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gray Television, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2024

By: /s/ Hilton H. Howell, Jr.
Hilton H. Howell, Jr.
Executive Chairman and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Jeffrey R. Gignac, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Gray Television, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2024

By: /s/ Jeffrey R. Gignac
Jeffrey R. Gignac
Executive Vice President and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the accompanying quarterly report on Form 10-Q of Gray Television, Inc. (the "Company") for the quarterly period ended June 30, 2024 (the "Periodic Report"), the undersigned Chief Executive Officer of the Company, hereby certifies pursuant to Title 18, Section 1350 United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his individual knowledge and belief, that the Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 8, 2024

/s/ Hilton H. Howell, Jr.
Hilton H. Howell, Jr.
Executive Chairman and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Gray Television, Inc. and will be retained by Gray Television, Inc. and furnished to the SEC or its staff upon request.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the accompanying quarterly report on Form 10-Q of Gray Television, Inc. (the "Company") for the quarterly period ended June 30, 2024 (the "Periodic Report"), the undersigned Chief Financial Officer of the Company, hereby certifies pursuant to Title 18, Section 1350 United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his individual knowledge and belief, that the Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 8, 2024

/s/ Jeffrey R. Gignac
Jeffrey R. Gignac
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Gray Television, Inc. and will be retained by Gray Television, Inc. and furnished to the SEC or its staff upon request.