



## NEWS RELEASE

### GRAY TO ACQUIRE WDTV AND WVFX IN CLARKSBURG, WV

Atlanta, Georgia – May 13, 2016. . . Gray Television, Inc. (“Gray,” “we,” “us” or “our”) (NYSE: GTN and GTN.A) announced today that it has reached an agreement with Withers Broadcasting Company to acquire WDTV (CBS) and WVFX (FOX/CW) in Clarksburg, West Virginia, for \$26.5 million in cash.

WDTV is the second highest rated and grossing television station in the Clarksburg-Weston designated market area or DMA according to Nielsen and BIA data. For the past several years, Withers has owned and operated WDTV and WVFX as a legal duopoly, under an FCC Failing Station Waiver, an arrangement that Gray expects to continue. The Clarksburg-Weston market is the 169th largest DMA.



“WDTV/WVFX present a perfect addition to Gray’s existing cluster of top television stations serving Virginia, West Virginia, Kentucky and Tennessee,” said Kevin Latek, Gray’s Chief Legal and Development Officer. “As a result, this acquisition will allow increased collaboration in news, sales and community service across the entire region, which in turn should benefit all stakeholders – viewers, clients, employees and investors alike.”

Dana Withers, President of Withers Broadcasting Company, said, “The challenges facing family owned television stations led us to conclude that only a larger company can move WDTV/WVFX to the next level. Gray’s investments and leadership in this region make it the best possible owner for the stations, and we are excited for the opportunities Gray will bring to our employees and community.”

The transaction advances Gray’s strategy of enhancing shareholder value through select acquisitions of highly rated stations that share the culture and values of our existing television stations. The transaction purchase price represents a multiple of approximately 5.9 times a blended average of the stations’ 2015-2016 expected broadcast cash flow adjusted for expected synergies. As such, we anticipate that the acquisition will be immediately free cash flow accretive to Gray. Gray plans to finance the transaction with cash on hand.

The transaction is subject to receipt of regulatory and other approvals. We plan to close the acquisition in multiple steps between June 2016 and a date after the conclusion of the pending FCC spectrum auction, subject to certain contingencies and possible price adjustments.

Larry Patrick of Patrick Communications represented the seller in this transaction.

**About Gray Television:**

Gray Television, Inc. (NYSE: GTN and GTN.A) is a television broadcast company headquartered in Atlanta, Georgia, that owns and operates television stations and leading digital assets in markets throughout the United States. We currently own and/or operate 92 television stations across 50 television markets that collectively broadcast approximately 180 program streams including 35 channels affiliated with the CBS Network, 26 channels affiliated with the NBC Network, 19 channels affiliated with the ABC Network and 13 channels affiliated with the FOX Network. We own number-one or number-two ranked television station operations in essentially all of our markets, which collectively cover approximately 9.4 percent of total United States television households.

**Gray Contacts:**

[www.gray.tv](http://www.gray.tv)

Hilton H. Howell, Jr., President and Chief Executive Officer, 404-266-5512

Jim Ryan, Executive Vice President and Chief Financial Officer, 404-504-9828

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

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