

**Gray Television, Inc.**  
(in thousands, except per share data)

**Selected pro forma operating data:**

	Pro Forma(1)						
	Quarter To Date				Year to Date		
	March 31, 2005	June 30, 2005	Sept. 30, 2005	Dec. 31, 2005	June 30, 2005	Sept. 30, 2005	Dec. 31, 2005
Revenues (less agency commissions)	\$ 66,631	\$ 77,942	\$ 71,280	\$ 81,197	\$ 144,573	\$ 215,853	\$ 297,050
Expenses:							
Operating expenses before depreciation, amortization and (gain) loss on disposal of assets, net	44,257	45,121	45,262	48,296	89,378	134,640	182,936
Corporate and administrative	2,744	3,033	3,155	2,964	5,777	8,932	11,896
Depreciation and amortization of intangible assets	7,579	7,624	8,561	9,172	15,203	23,764	32,936
Loss on disposal of assets, net	33	51	8	1,309	84	92	1,401
Total expenses	<u>54,613</u>	<u>55,829</u>	<u>56,986</u>	<u>61,741</u>	<u>110,442</u>	<u>167,428</u>	<u>229,169</u>
Operating income	12,018	22,113	14,294	19,456	34,131	48,425	67,881
Other income (expense):							
Miscellaneous income (expense), net	295	158	255	(150)	453	708	558
Interest expense	(14,030)	(14,854)	(14,425)	(16,202)	(28,884)	(43,309)	(59,511)
Loss on early extinguishment of debt	-	(4,770)	-	(1,773)	(4,770)	(4,770)	(6,543)
Income (loss) from continuing operations before income tax expense	(1,717)	2,647	124	1,331	930	1,054	2,385
Income tax expense (benefit)	(670)	1,032	48	519	363	411	930
Income (loss) from continuing operations	(1,047)	1,615	76	812	567	643	1,455
Income (loss) from operations of discontinued publishing and wireless operations net of income tax expense	1,826	1,140	770	(4,978)	2,966	3,736	(1,242)
Net income (loss)	779	2,755	846	(4,166)	3,533	4,379	213
Preferred dividends	815	814	815	814	1,629	2,444	3,258
Preferred dividends - non cash deemed dividend	-	-	-	2,390	-	-	2,390
Net income (loss) available to common stockholders	<u>\$ (36)</u>	<u>\$ 1,941</u>	<u>\$ 31</u>	<u>\$ (7,370)</u>	<u>\$ 1,904</u>	<u>\$ 1,935</u>	<u>\$ (5,435)</u>

**Diluted per share information:**

Income (loss) from continuing operations available to common stockholders	\$ (0.04)	\$ 0.02	\$ (0.02)	\$ (0.05)	\$ (0.02)	\$ (0.04)	\$ (0.09)
Income (loss) from discontinued operations, net of tax	0.04	0.02	0.02	(0.10)	0.06	0.08	(0.03)
Net income (loss) available to common stockholders	<u>\$ (0.00)</u>	<u>\$ 0.04</u>	<u>\$ 0.00</u>	<u>\$ (0.15)</u>	<u>\$ 0.04</u>	<u>\$ 0.04</u>	<u>\$ (0.11)</u>
Weighted average shares outstanding	<u>48,599</u>	<u>48,851</u>	<u>48,725</u>	<u>48,630</u>	<u>48,948</u>	<u>48,939</u>	<u>48,649</u>

**Political revenue (less agency commission)**

	\$ 370	\$ 929	\$ 647	\$ 1,713	\$ 1,299	\$ 1,946	\$ 3,659
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**Reconciliation to Broadcast Cash Flow and Adj. Broadcast Cash Flow:**

Net Income (loss)	\$ 779	\$ 2,755	\$ 846	\$ (4,166)	\$ 3,533	\$ 4,379	\$ 213
Adjustments to reconcile to Broadcast Cash Flow:							
Depreciation and amortization of intangible assets	7,579	7,624	8,561	9,172	15,203	23,764	32,936
Amortization of non-cash stock based compensation	98	98	98	97	196	294	391
Loss on disposal of assets, net	33	51	8	1,309	84	92	1,401
Miscellaneous income (expense), net	(295)	(158)	(255)	150	(453)	(708)	(558)
Interest expense	14,030	14,854	14,425	16,202	28,884	43,309	59,511
Loss on early extinguishment of debt	-	4,770	-	1,773	4,770	4,770	6,543
Income tax expense (benefit)	(670)	1,032	48	519	363	411	930
Income (loss) from operations of discontinued publishing and wireless operations net of income tax expense	(1,826)	(1,140)	(770)	4,978	(2,966)	(3,736)	1,242
Amortization of program broadcast rights	2,815	2,842	2,961	2,959	5,657	8,618	11,577
Common stock contributed to 401(k) Plan excluding corporate 401(k) contributions	504	461	469	476	965	1,434	1,910
Network compensation revenue recognized	(1,643)	(1,407)	(986)	(1,060)	(3,050)	(4,036)	(5,096)
Network compensation per network affiliation agreement	2,102	2,060	1,935	1,935	4,162	6,097	8,032
Payments for program broadcast rights	(2,815)	(2,853)	(2,904)	(2,880)	(5,668)	(8,572)	(11,452)
Adjusted broadcast cash flow	20,691	30,989	24,436	31,464	51,680	76,116	107,580
Corporate and administrative excluding non-cash stock based compensation	2,646	2,935	3,057	2,867	5,581	8,638	11,505
Broadcast cash flow	<u>\$ 23,337</u>	<u>\$ 33,924</u>	<u>\$ 27,493</u>	<u>\$ 34,331</u>	<u>\$ 57,261</u>	<u>\$ 84,754</u>	<u>\$ 119,085</u>

(1) The pro forma presentation gives effect to the results of operations for the acquisition of television stations WSAZ, Charleston - Huntington, WV on November 30, 2005 and WNDU, South Bend, IN on March 3, 2006 as if each station had been acquired on January 1, 2005. Due to the relative size of the acquisition of KKCO, Grand Junction CO and WSWG, Albany Georgia, the results of operations for KKCO and WSWG are included as of their respective acquisition date in the "Pro Forma" results.