Gray
Television, Inc.

NEWS RELEASE

Gray Reports Operating Results
for the Three Months and Year Ended December 31, 2002

Atlanta, Georgia – February 27, 2003 . . . Gray Television, Inc. (NYSE: GTN) today announced its results for the three months (the "fourth quarter") and year ended December 31, 2002.

Summary Highlights:

For the year ended December 31, 2002 the Company reported pro forma(1) Operating Cash Flow(2) of $112.7 million exceeding previously issued guidance of total year 2002 pro forma(1) Operating Cash Flow(2) ranging between $110.0 million and $112.0 million.

The Company's ratio of debt, net of cash on hand, to pro forma(1) Operating Cash Flow(2) was 5.73 times as of December 31, 2002 surpassing the Company's year end 2002 target of 5.9 times.

The Company recorded net income before non-cash extraordinary charges of $7.6 million for the three months ended December 31, 2002 compared to a net loss of $1.4 million in the fourth quarter of 2001.

For the year ended December 31, 2002 the Company recorded net income before non-cash extraordinary charges and non-cash cumulative effect of accounting changes of $13.6 million in comparison to a corresponding loss of $13.3 million for 2001.

On October 25, 2002 the Company completed its acquisition of Stations Holding Company, Inc. ("Stations Holding"). With this transaction the Company acquired 15 network affiliated television stations serving 13 television markets. Effective with the completion of the transaction, Stations Holding changed its name to Gray MidAmerica Television, Inc. ("Gray MidAmerica Television"). On December 18, 2002 the Company completed its acquisition of KOLO-TV, the ABC affiliate serving Reno, Nevada.

With these completed acquisitions, the Company owns 29 television stations serving 25 television markets. The stations include 15 CBS affiliates, seven NBC affiliates and seven ABC affiliates. The combined station group has 22 stations ranked #1 in local news audience and 22 stations ranked #1 in overall audience within their respective markets based on the results of the Nielsen November 2002 ratings reports. The combined TV station group reaches approximately 5.3% of total U.S. TV households. In addition, with 15 CBS affiliated stations, the Company is the largest independent owner of CBS affiliates in the country.

Summary Highlights (dollars in thousands):

Summary Selected Operating Data:	Three Months Ended December 31, Actual 2002	Actual 2001	%	Pro Forma[1] 2002	Pro Forma[1] 2001	%
Total Net Broadcast Revenues	$ 62,173	$ 29,433	111%	$ 75,404	$ 62,498	21%
Net Political Revenues	$ 11,213	$ 75	NA	$ 15,062	$ 538	NA
Broadcast Media Cash Flow[3]	$ 28,882	$ 12,161	137%	$ 35,545	$ 29,034	22%
Broadcast Media Cash Flow[3] Margin	46%	41%	NA	47%	46%	NA
Total Net Operating Revenues	$ 75,826	$ 42,672	78%	$ 89,057	$ 75,737	18%
Total Media Cash Flow[3]	$ 32,527	$ 15,494	110%	$ 39,190	$ 32,367	21%
Total Media Cash Flow[3] Margin	43%	36%	NA	44%	43%	NA

Summary Selected Operating Data:	Year Ended December 31, Actual 2002	Actual 2001	%	Pro Forma[1] 2002	Pro Forma[1] 2001	%
Total Operating Cash Flow[2]	$ 74,283	$ 49,459	50%	$ 112,656	$ 92,792	21%
Total Net Broadcast Revenues	$146,714	$106,430	38%	$ 253,824	$ 224,599	13%
Net Political Revenues	$ 16,612	$ 287	NA	$ 25,349	$ 1,669	NA
Broadcast Media Cash Flow[3]	$ 65,145	$ 40,768	60%	$ 106,921	$ 87,737	22%
Broadcast Media Cash Flow[3] Margin	44%	38%	NA	42%	39%	NA
Total Net Operating Revenues	$198,640	$156,344	27%	$ 305,750	$ 274,513	11%
Total Media Cash Flow[3]	$ 79,890	$ 53,074	51%	$ 121,666	$ 100,043	22%
Total Media Cash Flow[3] Margin	40%	34%	NA	40%	36%	NA

Balance Sheet Data:	December 31, Actual 2002	Pro Forma[1] 2001
Cash and cash equivalents [6]	$ 12,915	$ 558
Total Debt [5] [6]	$658,220	$671,244
Total Debt net of Cash	$645,305	$670,686
	Pro Forma[1]	
Debt net of cash to Trailing 12 Month Operating Cash Flow [2],[4],[5] and [6]	5.73	7.23

See Further Details on pages 12, 13, and 14.

Comments on a "Actual Basis" for the Quarter Ended December 31, 2002 Compared to the Quarter Ended December 31, 2001:

The Company recorded net income available to common shareholders of $3.1 million for the three months ended December 31, 2002 compared to a net loss of $1.6 million for the fourth quarter of 2001.

Broadcast revenues increased 111%, or $32.8 million, to $62.2 million from $29.4 million. From the respective dates of acquisition in the fourth quarter of 2002, the Company earned $25.0 million of net revenue from Gray MidAmerica Television and $367,000 from KOLO-TV. The increase in broadcast revenues also reflects, in part, the cyclical increase in political advertising revenue. With respect to the Company's television stations which were owned for the entire fourth quarter of 2002, the Company had revenues from political advertising of $7.8 million compared to $75,000 during the fourth quarter of 2001. With respect to the Company's television stations which were owned for the entire fourth quarter of 2002 local commercial time sales revenues, excluding political revenues, decreased less than 1% and national time sales, excluding political revenues, decreased 5% reflecting the utilization of the Company's advertising time during the fourth quarter for political advertising. Network compensation declined reflecting the ongoing phase out of network compensation at certain of our television stations. Broadcast operating expenses, excluding depreciation and amortization, increased 91%, or $15.9 million, to $33.4 million from $17.4 million. From the respective dates of acquisition during the fourth quarter of 2002, the Company incurred operating expenses, excluding depreciation and amortization, of $13.0 million for Gray MidAmerica Television and $203,000 for KOLO-TV. With respect to the Company's television stations which were owned for the entire fourth quarter of 2002, broadcast operating expenses, excluding depreciation and amortization increased 16%, or $2.7 million reflecting, in part, approximately $2.0 million of certain incentive compensation and approximately $500,000 of national sales representatives commissions earned on political time sale in the fourth quarter of 2002.

Publishing revenues increased 4%, or $459,000 to $11.6 million from $11.1 million for the three months ended December 31, 2002 compared to the three months ended December 31, 2001. Retail advertising and classified advertising for the publishing segment increased 5% and 2%, respectively, while circulation revenues were consistent with the prior period. The increased retail and classified advertising revenue is attributable to a general increase in ad placement by retail advertisers. Publishing operating expenses for the fourth quarter of 2002 increased 1%, or $97,000, to $8.4 million from $8.3 million as compared to the fourth quarter of 2001. Aggregate non-newsprint operating costs increased $219,000 as compared with the fourth quarter of 2001. Newsprint costs decreased approximately $122,000 due to lower newsprint prices.

Corporate and administrative expenses increased 144%, or $1.4 million to $2.3 million from $953,000 for the three months ended December 31, 2002 compared to the three months ended December 31, 2001. This increase reflects, in part, approximately $660,000 of costs in the fourth quarter of 2002 directly attributable to the operations of Gray

MidAmerica Television and approximately $265,000 of other payroll and incentive compensation costs which are not anticipated to recur in 2003.

Total Media Cash Flow(3) increased 110%, or $17.0 million, to $32.5 million from $15.5 million. Total revenues increased 78%, or $33.1 million, to $75.8 million from $42.7 million. The increase in total Media Cash Flow(3) and operating revenues primarily reflects the effect of the acquisitions that were completed during the fourth quarter of 2002, the cyclical increase in political advertising revenue as well as increases in publishing advertising revenues. Total operating costs and expenses before depreciation and amortization increased 61%, or $17.4 million, to $45.7 million from $28.3 million reflecting, in part, the effect of the acquisitions that were completed during fourth quarter of 2002 as well as an overall increase in operating expenses in the broadcast and publishing segments as well as corporate overhead for the three months ended December 31, 2002 when compared to the three months ended December 31, 2001.

During the three months ended December 31, 2002, the Company made $3.6 million of capital expenditures of which $1.6 million is related to the Company's on-going efforts to install digital television broadcast systems at its television stations.

Comments on a "Pro Forma(1) Basis" for the Quarter Ended December 31, 2002 Compared to the Quarter Ended December 31, 2001:

The following comments give effect to the acquisitions of Gray MidAmerica Television and KOLO-TV as if each had occurred on January 1, 2001.

Broadcast revenues increased 21%, or $12.9 million, to $75.4 million from $62.5 million. The increase in broadcast revenues reflects, in part, the cyclical increase in political advertising revenue offset by decreases in other broadcast advertising revenue and network compensation. For the fourth quarter of 2002, the Company had revenues from political advertising of $15.1 million compared to $538,000 during the fourth quarter of 2001. During the fourth quarter of 2002 local and national commercial time sales revenues, excluding political revenues, decreased 1% and 5%, respectively as compared to the fourth quarter of 2001. These decreases reflect the utilization of the Company's advertising time during the fourth quarter for political advertising. Network compensation declined reflecting the ongoing phase out of network compensation at certain of our television stations. Broadcast operating expenses, excluding depreciation and amortization, increased 18%, or $6.2 million, to $40.2 million from $33.9 million reflecting, in part certain incentive compensation of $2.4 million and approximately $1.0 million of national sales representatives commissions on political revenues each earned in the fourth quarter of 2002. Also in 2001, the Gray MidAmerica Television stations received a benefit from non-recurring reductions in national sales representative fees of approximately $1.4 million and pension expense of approximately $350,000 both of which decreased 2001 expenses in comparison to 2002 expenses.

Corporate and administrative expenses increased 35%, or $706,000 to $2.7 million from $2.0 million for the three months ended December 31, 2002 compared to the three months ended December 31, 2001. This increase reflects, in part, approximately $265,000 of payroll and incentive compensation costs incurred in 2002 which is not anticipated to recur in 2003.

Total Media Cash Flow(3) increased 21%, or $6.8 million, to $39.2 million from $32.4 million. Total revenues increased 18%, or $13.3 million, to $89.1 million from $75.7 million. The increase in total Media Cash Flow(3) and operating revenues primarily reflects the cyclical increase in political revenue as well as increases in publishing advertising revenues. Total operating costs and expenses before depreciation and amortization increased 15%, or $7.1 million, to $52.9 million from $45.9 million reflecting, in part, an overall increase in operating expenses in the broadcast and publishing segments and corporate overhead for the three months ended December 31, 2002 when compared to the three months ended December 31, 2001.

Operating results for the Company's non-broadcast operations were not affected by the Company's television station acquisitions during 2002.

Comments on a "Actual Basis" for the Year Ended December 31, 2002 Compared to the Year Ended December 31, 2001:

Broadcast revenues increased 38%, or $40.3 million, to $146.7 million from $106.4 million. From the respective dates of acquisition in the fourth quarter of 2002, the Company earned $25.0 million of net revenue from Gray MidAmerica Television and $367,000 from KOLO-TV. The increase in broadcast revenues also reflects, in part, the cyclical increase in political advertising revenue. With respect to the Company's television stations which were owned for the entire year of 2002, the Company had revenues from political advertising of $13.2 million compared to $287,000 during 2001. With respect to the Company's television stations which were owned for the entire year of 2002 local and national commercial time sales revenues, excluding political revenues, increased 4% and 5%, respectively. Network compensation declined reflecting the ongoing phase out of network compensation at certain of our television stations. Broadcast operating expenses for all stations, excluding depreciation and amortization, increased 24%, or $15.8 million, to $82.0 million from $66.2 million. From the respective dates of acquisition during the fourth quarter of 2002, the Company incurred operating expenses, excluding depreciation and amortization, of $13.0 million for Gray MidAmerica Television and $203,000 for KOLO-TV. With respect to the Company's television stations which were owned for the entire year of 2002, broadcast operating expenses, excluding depreciation and amortization increased 4%, or $2.5 million, to $68.8 million from $66.2 million primarily reflecting, in part, approximately $2.0 million of certain incentive compensation and approximately $1.0 million of national sales representatives commissions earned on political time sales during 2002. These expense increases were partially offset by savings from cost control measures taken during 2002.

Publishing revenues increased 6%, or $2.5 million to $43.7 million from $41.2 million for the year ended December 31, 2002 compared to the year ended December 31, 2001.

Retail advertising and circulation revenues for the publishing segment increased 9% and 5%, respectively, while classified advertising increased 2%. The increased retail and classified advertising revenue is attributable to a general increase in ad placement by advertisers. The increased circulation revenue is attributable to increased pricing. Publishing operating expenses for 2002 decreased 1%, or $332,000, to $31.6 million from $31.9 million as compared to 2001. Aggregate non-newsprint operating costs increased $488,000 as compared with 2001. Newsprint costs decreased approximately $820,000 due to lower newsprint prices.

Corporate and administrative expenses increased 55%, or $2.0 million to $5.6 million from $3.6 million for the year ended December 31, 2002 compared to the year ended December 31, 2001. This increase reflects, in part, approximately $660,000 of costs in 2002 directly attributable to the operations of Gray MidAmerica Television and approximately $850,000 of other payroll and incentive compensation costs incurred in 2002 of which approximately $350,000 is not anticipated to recur in 2003.

Total Media Cash Flow(3) increased 51%, or $26.8 million, to $79.9 million from $53.1 million. Total revenues increased 27%, or $42.3 million, to $198.6 million from $156.3 million. The increase in total Media Cash Flow(3) and operating revenues reflects, in part, the effect of the acquisitions that were completed during the fourth quarter of 2002, the cyclical increase in political revenue as well as increases in general advertising revenues. Total operating costs and expenses before depreciation and amortization increased 16%, or $17.3 million, to $125.0 million from $107.6 million reflecting, in part, the effect of the acquisitions that were completed during the fourth quarter of 2002 as well as an overall increase in operating expenses in the broadcast segment and corporate overhead for the year ended December 31, 2002 when compared to the year ended December 31, 2001.

During the year ended December 31, 2002, the Company made $15.0 million of capital expenditures of which $9.7 million is related to the Company's on-going efforts to install digital television broadcast systems at its television stations.

Comments on a "Pro Forma(1) Basis" for the Year Ended December 31, 2002 Compared to the Year Ended December 31, 2001:

The following comments give effect to the acquisitions of Gray MidAmerica Television and KOLO-TV as if each had occurred on January 1, 2001.

Broadcast revenues increased 13%, or $29.2 million, to $253.8 million from $224.6 million. The increase in broadcast revenues reflects, in part, the cyclical increase in political advertising revenue. For the full year of 2002, the Company had revenues from political advertising of $25.3 million compared to $1.7 during 2001. For the full year of 2002 local and national commercial time sales revenues, excluding political revenues, increased 5% and 3%, respectively when compared to the full year of 2001. Network compensation declined reflecting the ongoing phase out of network compensation at certain of our television stations. Broadcast operating expenses, excluding depreciation and amortization, increased 6%, or $8.8 million, to $146.6 million from $137.8 million reflecting approximately $2.4 million of certain incentive compensation earned and approximately $1.7 million of national sales representatives commissions earned on political time sales during 2002. Also in 2001, the Gray MidAmerica Television stations received a benefit from non-recurring reductions in national sales representative fees of approximately $1.4 million and pension expense of approximately $350,000 both of which decreased 2001 expenses in comparison to 2002 expenses.

Corporate and administrative expenses increased 24%, or $1.8 million to $9.0 million from $7.2 million for the year ended December 31, 2002 compared to the year ended December 31, 2001. This increase reflects, in part, approximately $850,000 of payroll and incentive compensation costs incurred in 2002 of which approximately $350,000 is not anticipated to recur in 2003.

Operating results for the Company's non-broadcast operations were not affected by the Company's television station acquisitions during 2002.

Total Media Cash Flow(3) increased 22%, or $21.6 million, to $121.7 million from $100.0 million. Total revenues increased 11%, or $31.2 million, to $305.7 million from $274.5 million. The increase in total Media Cash Flow(3) and operating revenues primarily reflects the cyclical increase in political revenue as well as increases in general advertising revenues. Total operating costs and expenses before depreciation and amortization increased 6%, or $10.2 million, to $193.0 million from $182.9 million reflecting, in part, an overall increase in operating expenses in the broadcast segment and corporate overhead for the year ended December 31, 2002 when compared to the year ended December 31, 2001.

Tax Litigation Update:

On February 14, 2003 the Internal Revenue Service ("IRS") and the Company filed a stipulation agreement with the United States Tax Court acknowledging that the IRS has withdrawn its claim for $12.1 million of taxes plus related interest and penalties. In connection with an audit of the Company's 1996 and 1998 federal income tax returns, the IRS had asserted a deficiency in income taxes and also asserted that the Company's purchase of certain assets in 1996 should instead be treated as a purchase of stock. The Company filed a petition in the United States Tax Court on January 18, 2002 to contest the IRS assertions. The only matter now pending before the tax court is the IRS assertion that the Company's purchase of certain assets in 1996 should be treated as a purchase of stock. The Company believes it has a meritorious position with respect to the issue before the tax court. However, the Company cannot be certain when, and if, this matter will be resolved in our favor, and if it is not, we could incur additional taxes in future years.

Completed Acquisitions:

On October 25, 2002, the Company completed its acquisition of Stations Holding. With this transaction the Company acquired 15 network affiliated television stations serving 13 television markets. Eleven of the 15 television stations are the leading news station in their market. Effective with the completion of the transaction, Stations Holding changed its name to Gray MidAmerica Television, Inc.

Aggregate cash consideration paid included a base purchase price of $502.5 million plus certain net working capital adjustments and fees associated with the transaction. The Company funded the acquisition and related fees and expenses by issuing 30,000,000 shares of Gray Common Stock (GTN) to the public for net proceeds of $232.7 million, issuing additional debt totaling $275.0 million and cash on hand.

The Company completed the acquisition of KOLO-TV on December 18, 2002. KOLO-TV is the ABC affiliate serving Reno, Nevada and the station is the leading station in the market in terms of local news and overall audience viewing. The purchase price for KOLO-TV was $41.5 million. The Company financed this transaction by utilizing cash on hand and net proceeds of $34.9 million from the issuance of an additional 4,500,000 shares of Gray Common Stock (GTN).

Expansion of Regional Vice Presidents:

With the acquisitions discussed above, the Company has named three additional Regional Vice Presidents of Television. Each Regional Vice President serves as the General Manager of one station and has oversight responsibilities for the other stations. The Company's Regional Vice Presidents and the stations they are responsible for are as follows:

Name	Stations
Mr. Rich Adams	KWTX – Waco TX*; KBTX – Bryan TX; KXII-Sherman, TX
Mr. Patrick Dalbey**	WJHG – Panama City, FL; WTVY – Dothan, AL*; WTOK – Meridian, MS
Mr. Frank Jonas	KAKE – Wichita, KS; WOWT – Omaha, NE; KOLN – Lincoln, NE*; KOLO – Reno, NV; WIBW – Topeka, KS
Ms. Tracey Jones**	WHSV – Harrisonburg, VA*; WTAP – Parkersburg, WV
Mr. Wayne Martin	WVLT – Knoxville, TN; WKYT – Lexington, KY*; WBKO – Bowling Green, KY; WYMT – Hazard, KY
Mr. Robert Smith**	WMTV – Madison, WI*; WEAU – Eau Claire, WI; WSAW – Wausau, WI; WIFR – Rockford, IL

* Station with General Manager responsibilities
** Newly named Regional Vice President of Television
The Company's remaining television stations report directly to the Company's President.

Guidance on the First Quarter of 2003:

The Company currently anticipates that total net revenues for the first quarter of 2003 will range between $64.0 million and $65.0 million. We believe total Media Cash

Flow[3] will range between $20.0 million and $21.0 million and that total Operating Cash Flow[2] for the first quarter of 2003 will range between $18.0 million and $19.0 million.

We also believe our broadcast net revenues for the first quarter of 2003 will range between $52.0 million and $52.5 million and broadcast Media Cash Flow[3] will range between approximately $17.5 million and $18.0 million

The Company estimates first quarter 2003 publishing revenues will exceed the results of the first quarter of 2002 by approximately 4% to 5% with a corresponding increase in publishing Media Cash Flow[3] of approximately 12% to 15% over the results of the first quarter of 2002.

Digital Television Conversion and Other Capital Expenditures:

The Company is currently broadcasting a digital signal at 13 of its 29 stations. The Company currently intends to have all such required installations completed as soon as practicable. The FCC required that all commercial stations be operational by May of 2002. As necessary, the Company has requested and received approval from the FCC to extend the May 2002 deadline by varying periods of time for all of the Company's remaining stations that are not currently broadcasting in digital. Given the Company's good faith efforts to comply with the existing deadline and the facts specific to each extension request, the Company believes the FCC will grant any further deadline extension requests that become necessary.

As of December 31, 2002, the Company, on a pro forma basis, has paid in cash during 2002 approximately $14.5 million in capital expenditures toward the cost of digital television broadcast systems. The Company currently anticipates an additional $12.0 million and $10.5 million of cash payments for equipment and services to be paid in 2003 and 2004, respectively.

For the full year of 2003, the Company currently anticipates that the aggregate cash payments with respect to capital expenditures, including digital television broadcast systems, will range between $15 million and $16 million.

Investment in Sarkes Tarzian, Inc. Update:

The Company owns 301,119 shares of the outstanding common stock, $4.00 par value, of Sarkes Tarzian, Inc. ("Tarzian"). On February 12, 1999, Tarzian filed suit in the United States District Court for the Southern District of Indiana against U.S. Trust Company of Florida Savings Bank as Personal Representative of the Estate of Mary Tarzian (the "Estate"), claiming that Tarzian had a binding and enforceable contract to purchase the Tarzian shares from the Estate. On February 3, 2003, the Court entered judgment on a jury verdict in favor of Tarzian for breach of contract and awarding Tarzian $4.0 million in damages. The Estate has filed a renewed motion for judgment as a matter of law, and alternatively, for a new trial on the issue of liability. Tarzian has filed a motion to amend the judgment, requesting that the court award Tarzian specific performance of the contract and title to the Tarzian shares, or, in the alternative, award pre-judgment interest on the $4.0 million damage award. The Company cannot predict when the final resolution of this litigation will occur. If the Court awards specific performance and awards title to the shares to Tarzian (the court may not have jurisdiction to enter such an order), that could ultimately lead to litigation against the Company as the current owner of the shares. The stock purchase agreement with the Estate provides that if a court of competent jurisdiction awards title to the Tarzian shares to a person or entity other than the purchaser, the stock purchase agreement will be rescinded and the Estate will be required to pay to the Company, as a successor in interest to the original purchaser, the full $10.0 million purchase price, plus interest.

Accounting Rule Change in 2002 for Goodwill:

In 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 142 "Goodwill and Other Intangible Assets" ("SFAS 142"). Under this new accounting rule, goodwill and other intangible assets deemed to have indefinite lives will no longer be amortized as an expense but will be subject to annual impairment tests. The Company adopted this new accounting rule on January 1, 2002. The new accounting rule does not affect the tax deductibility of goodwill or other intangible assets and therefore the new rule will have no impact on the Company's liquidity. Under this new accounting rule, FCC licenses and current network affiliation agreements will no longer be subject to amortization charges. Like goodwill, they will be subject to annual impairment tests. For the year ended December 31, 2002, the Company recognized a non-cash charge to its intangible assets of $30.6 million after income taxes. This non-cash charge was reflected as a cumulative effect of an accounting change. In accordance with SFAS 142, amortization of intangible assets decreased 49%, or $1.7 million to $1.8 million from $3.6 million for the three months ended December 31, 2002 compared to the three months ended December 31, 2001. For the year ended December 31, 2002 amortization of intangible assets decreased 85%, or $12.1 million to $2.2 from $14.3 million compared to the year ended December 31, 2001. This change in accounting policy does not affect Media Cash Flow(3) .

Accounting for Derivatives:

In 1999, the Company entered into an interest rate swap agreement that was designated as a hedge against fluctuations in interest expense resulting from a portion of its variable rate debt. Due to the terms of the interest rate swap agreement, it did not qualify for hedge accounting under Statement of Financial Accounting Standard No. 133 "Accounting for Derivative Instruments and for Hedging Activities, as amended" ("SFAS 133") which was adopted in January 2001.

The Company recognized $1.6 million appreciation in the value of its derivative in the year ended December 31, 2002 which offset the recognized $1.6 million depreciation in the value of the same derivative for the year ended December 31, 2001. This swap agreement expired on October 7, 2002.

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Conference Call Information:

Gray Television, Inc. will be hosting a conference call to discuss its fourth quarter operating results on Thursday, February 27, 2003. The call will begin at 3:00 P.M. Eastern Time, and it will be available for replay via telephone until March 6, 2003. The live dial-in number is (877) 461-2814 and the reservation number is T401283G. The call will be webcast live and available for replay at www.graycommunications.com. The taped replay will be available at (877) 677-0845 and the access code for the taped replay is 1283.

The Company

Gray Television, Inc. is a communications company headquartered in Atlanta, Georgia, and currently operates 15 CBS-affiliated television stations, seven NBC-affiliated television stations, seven ABC-affiliated television stations and four daily newspapers.

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

Selected operating data:	**Actual Three Months Ended December 31, 2002**	**2001**	**% Change**	**Pro Forma(1) Three Months Ended December 31, 2002**	**2001**	**% Change**
OPERATING REVENUES						
Broadcasting	$ 62,173	$ 29,433	111 %	$ 75,404	$ 62,498	21 %
Publishing	11,583	11,124	4 %	11,583	11,124	4 %
Paging	2,070	2,115	(2)%	2,070	2,115	(2)%
TOTAL OPERATING REVENUES	75,826	42,672	78 %	89,057	75,737	18 %
EXPENSES						
Broadcasting	33,374	17,429	91 %	40,167	33,919	18 %
Publishing	8,373	8,276	1 %	8,373	8,276	1 %
Paging	1,684	1,674	1 %	1,684	1,674	1 %
Corporate and administrative	2,322	953	144 %	2,706	2,000	35 %
Depreciation and amortization	6,663	7,204	(8)%	5,503	9,115	(40)%
TOTAL EXPENSES	52,416	35,536	48 %	58,433	54,984	6 %
Operating income	23,410	7,136	228 %	30,624	20,753	48 %
Miscellaneous income (expense), net	(451)	156	(389)%	(451)	156	(389)%
Appreciation (depreciation) in value of derivatives, net	-0-	(196)	NA	-0-	(196)	NA
Interest expense	10,759	9,009	19 %	11,654	13,895	(16)%
INCOME (LOSS) BEFORE INCOME TAXES AND EXTRAORDINARY CHARGE	12,200	(1,913)	NA	18,519	6,818	172 %
Income tax expense (benefit)	4,630	(494)	NA	7,032	2,824	149 %
NET INCOME (LOSS) BEFORE EXTRAORDINARY CHARGE	7,570	(1,419)	NA	11,487	3,994	188 %
Extraordinary charge on extinguishment of debt, net of $1,947 income tax benefit	(3,615)	-0-	NA	(3,615)	-0-	NA
NET INCOME (LOSS)	3,955	(1,419)	NA	7,872	3,994	97 %
Preferred dividends	858	154	457 %	858	154	457 %
NET INCOME (LOSS) AVAILABLE TO COMMON STOCKHOLDERS	$ 3,097	$ (1,573)	NA	$ 7,014	$ 3,840	83 %
Diluted per share information:						
Net income (loss) before extraordinary charge available to common stockholders	$ 0.16	$ (0.10)	NA	$ 0.21	$ 0.08	177 %
Extraordinary charge, net	(0.08)	-0-	NA	(0.07)	-0-	NA
Net income (loss) per share available to common stockholders	$ 0.08	$ (0.10)	NA	$ 0.14	$ 0.08	83 %
Weighted average shares outstanding	41,232	15,750	162 %	50,281	50,250	0 %
Political advertising revenue	$ 11,213	$ 75	14851 %	$ 15,062	$ 538	2700 %
Capital expenditures	$ 3,584	$ 2,393	50 %	NA	NA	NA
Media Cash Flow(3):						
Broadcasting	$ 28,882	$ 12,161	137 %	$ 35,545	$ 29,034	22 %
Publishing	3,252	2,884	13 %	3,252	2,884	13 %
Paging	393	449	(12)%	393	449	(12)%
Consolidated	$ 32,527	$ 15,494	110 %	$ 39,190	$ 32,367	21 %
Media Cash Flow(3) margins:						
Broadcasting	46 %	41 %		47 %	46 %	
Publishing	28 %	26 %		28 %	26 %	
Paging	19 %	21 %		19 %	21 %	
Consolidated	43 %	36 %		44 %	43 %	
Operating Cash Flow(2)	$ 30,205	$ 14,541	108 %	$ 36,484	$ 30,367	20 %
Trailing 12 Month Operating Cash Flow (2) & (4)	$ 74,283	$ 49,459	50 %	$112,656	$ 92,792	21 %
Debt net of cash to Trailing 12 Month Operating Cash Flow (2),(4),(5) &(6)				5.73	7.23	NA

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

Selected operating data:	Actual Year Ended December 31, 2002	2001	% Change	Pro Forma[1] Year Ended December 31, 2002	2001	% Change
OPERATING REVENUES						
Broadcasting	$ 146,714	$ 106,430	38 %	$ 253,824	$ 224,599	13 %
Publishing	43,657	41,189	6 %	43,657	41,189	6 %
Paging	8,269	8,725	(5)%	8,269	8,725	(5)%
TOTAL OPERATING REVENUES	198,640	156,344	27 %	305,750	274,513	11 %
EXPENSES						
Broadcasting	81,996	66,233	24 %	146,648	137,836	6 %
Publishing	31,583	31,915	(1)%	31,583	31,915	(1)%
Paging	5,798	5,877	(1)%	5,798	5,877	(1)%
Corporate and administrative	5,607	3,615	55 %	9,010	7,251	24 %
Depreciation and amortization	17,728	30,824	(42)%	22,152	42,329	(48)%
TOTAL EXPENSES	142,712	138,464	3 %	215,191	225,208	(4)%
Operating income	55,928	17,880	213 %	90,559	49,305	84 %
Miscellaneous income (expense), net	(396)	194	(304)%	(396)	194	(304)%
Appreciation (depreciation) in value of derivatives, net	1,581	(1,581)	NA	1,581	(1,581)	NA
Interest expense	35,674	35,783	(0)%	49,731	55,327	(10)%
INCOME (LOSS) BEFORE INCOME TAXES , EXTRAORDINARY CHARGE AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE	21,439	(19,290)	NA	42,013	(7,409)	NA
Income tax expense (benefit)	7,801	(5,972)	NA	15,620	(1,457)	NA
NET INCOME (LOSS) BEFORE EXTRAORDINARY CHARGE AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE	13,638	(13,318)	NA	26,393	(5,952)	NA
Extraordinary charge on extinguishment of debt, net of $5,905 income tax benefit	(10,933)	-0-	NA	(10,933)	-0-	NA
NET LOSS BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	2,705	(13,318)	NA	15,460	(5,952)	NA
Cumulative effect of accounting change, net of $8,873 income tax benefit	(30,592)	-0-	NA	(30,592)	-0-	NA
NET LOSS	(27,887)	(13,318)	109 %	(15,132)	(5,952)	154 %
Preferred dividends	2,461	616	300 %	2,461	616	300 %
Non-cash preferred dividends associated with redemption of preferred stock	3,969	-0-	NA	3,969	-0-	NA
NET LOSS AVAILABLE TO COMMON STOCKHOLDERS	$ (34,317)	$ (13,934)	146 %	$ (21,562)	$ (6,568)	228 %
Diluted per share information:						
Net income (loss) before extraordinary charge and cumulative effect of accounting change available to common stockholders	$ 0.32	$ (0.89)	NA	$ 0.40	$ (0.13)	NA
Extraordinary charge, net	(0.48)	-0-	NA	(0.22)	-0-	NA
Cumulative effect of accounting change, net	(1.37)	-0-	NA	(0.61)	-0-	NA
Net loss per share available to common stockholders	$ (1.53)	$ (0.89)	72 %	$ (0.43)	$ (0.13)	226 %
Weighted average shares outstanding	22,377	15,605	43 %	50,462	50,105	1 %
Political advertising revenue	$ 16,612	$ 287	5688 %	$ 25,349	$ 1,669	1419 %
Capital expenditures	$ 14,970	$ 7,593	97 %	NA	NA	NA
Media Cash Flow[3]:						
Broadcasting	$ 65,145	$ 40,768	60 %	$ 106,921	$ 87,737	22 %
Publishing	12,241	9,423	30 %	12,241	9,423	30 %
Paging	2,504	2,883	(13)%	2,504	2,883	(13)%
Consolidated	$ 79,890	$ 53,074	51 %	$ 121,666	$ 100,043	22 %
Media Cash Flow[3] margins:						
Broadcasting	44 %	38 %		42 %	39 %	
Publishing	28 %	23 %		28 %	23 %	
Paging	30 %	33 %		30 %	33 %	
Consolidated	40 %	34 %		40 %	36 %	
Trailing 12 Month Operating Cash Flow[2] & [4]	$ 74,283	$ 49,459	50 %	$ 112,656	$ 92,792	21 %
Debt net of cash to Trailing 12 Month Operating Cash Flow[2],[4],[5] & [6]				5.73	7.23	NA

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, 2002	June 30, 2002	Sept. 30, 2002	Dec. 31, 2002	June 30, 2002	Sept. 30, 2002	Dec. 31, 2002
OPERATING REVENUES							
Broadcasting	$ 53,162	$ 62,293	$ 62,965	$ 75,404	$ 115,455	$ 178,420	$ 253,824
Publishing	10,143	11,073	10,858	11,583	21,216	32,074	43,657
Paging	2,009	2,074	2,116	2,070	4,083	6,199	8,269
TOTAL OPERATING REVENUES	65,314	75,440	75,939	89,057	140,754	216,693	305,750
EXPENSES							
Broadcasting	33,930	35,844	36,707	40,167	69,774	106,481	146,648
Publishing	7,651	7,769	7,790	8,373	15,420	23,210	31,583
Paging	1,383	1,371	1,360	1,684	2,754	4,114	5,798
Corporate and administrative	1,960	1,972	2,372	2,706	3,932	6,304	9,010
Depreciation and amortization	5,594	5,562	5,493	5,503	11,156	16,649	22,152
TOTAL EXPENSES	50,518	52,518	53,722	58,433	103,036	156,758	215,191
Operating income	14,796	22,922	22,217	30,624	37,718	59,935	90,559
Miscellaneous income (expense), net	38	59	(42)	(451)	97	55	(396)
Appreciation in value of derivatives, net	389	341	851	-0-	730	1,581	1,581
Interest expense	13,382	12,367	12,328	11,654	25,749	38,077	49,731
INCOME BEFORE INCOME TAXES , EXTRAORDINARY CHARGE AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE	1,841	10,955	10,698	18,519	12,796	23,494	42,013
Income tax expense	722	4,020	3,846	7,032	4,742	8,588	15,620
NET INCOME BEFORE EXTRAORDINARY CHARGE AND CUMULATIVE EFFECT OF ACCOUNTING CHANGE	1,119	6,935	6,852	11,487	8,054	14,906	26,393
Extraordinary charge on extinguishment of debt, net of income tax benefit	(7,318)	-0-	-0-	(3,615)	(7,318)	(7,318)	(10,933)
NET INCOME (LOSS) BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	(6,199)	6,935	6,852	7,872	736	7,588	15,460
Cumulative effect of accounting change, net of income tax benefit	(30,592)	-0-	-0-	-0-	(30,592)	(30,592)	(30,592)
NET INCOME (LOSS)	(36,791)	6,935	6,852	7,872	(29,856)	(23,004)	(15,132)
Preferred dividends	154	649	800	858	803	1,603	2,461
Non-cash preferred dividends associated with redemption of preferred stock	-0-	3,969	-0-	-0-	3,969	3,969	3,969
NET INCOME (LOSS) AVAILABLE TO COMMON STOCKHOLDERS	$ (36,945)	$ 2,317	$ 6,052	$ 7,014	$ (34,628)	$ (28,576)	$ (21,562)
Diluted per share information:							
Net income before extraordinary charge and cumulative effect of accounting change available to common stockholders	$ 0.02	$ 0.05	$ 0.12	$ 0.21	$ 0.06	$ 0.18	$ 0.40
Extraordinary charge, net	(0.14)	-0-	-0-	(0.07)	(0.14)	(0.14)	(0.22)
Cumulative effect of accounting change, net	(0.61)	-0-	-0-	-0-	(0.61)	(0.61)	(0.61)
Net income (loss) per share available to common stockholders	$ (0.73)	$ 0.05	$ 0.12	$ 0.14	$ (0.69)	$ (0.57)	$ (0.43)
Weighted average shares outstanding	50,377	50,699	50,527	50,281	50,539	50,522	50,462
Political advertising revenue	$ 908	$ 2,885	$ 6,494	$ 15,062	$ 3,793	$ 10,287	$ 25,349
Media Cash Flow[(3)]:							
Broadcasting	$ 19,079	$ 26,357	$ 25,940	$ 35,545	$ 45,436	$ 71,376	$ 106,921
Publishing	2,535	3,344	3,110	3,252	5,879	8,989	12,241
Paging	638	711	762	393	1,349	2,111	2,504
Consolidated	$ 22,252	$ 30,412	$ 29,812	$ 39,190	$ 52,664	$ 82,476	$ 121,666

Notes:

(1) Information in this earnings release has been presented under two different methods: actual and pro forma. The actual basis presentation gives effect to the acquisitions as of their respective acquisition dates. The pro forma presentation gives effect to the acquisitions of Stations Holding on October 25, 2002 and KOLO-TV on December 18, 2002 as if each had occurred on January 1, 2001. Accordingly, the pro forma presentation combines the Company's historical results of operations with the respective acquired operation's historical pre acquisition operating results. Certain amounts of corporate overhead were eliminated in the pro forma presentation. Depreciation and amortization expense in the pro forma presentation give effect to accounting for the respective acquisitions under the purchase method. Pro forma income tax expense or benefit assumes an effective tax rate of 38% on the pro forma incremental net pre tax income or loss. Pro forma interest expense and shares outstanding give effect to the Company's issuance of additional debt and common equity to finance, in part, the acquisitions.

(2) Operating Cash Flow is defined as Media Cash Flow(3) less corporate overhead.

(3) Media Cash Flow is defined as operating income, plus depreciation and amortization (including amortization of program broadcast rights), non-cash compensation and corporate overhead, less payments for program broadcast obligations.

(4) Trailing 12 Month Operating Cash Flow is the total of Operating Cash Flow(2) for the 12 months then ended.

(5) Total debt as of December 31, 2002 and 2001 does not include \$1.3 million and \$1.4 million, respectively, of unamortized debt discount on the Company's 9¼% Senior Subordinated Notes due December 2011.

(6) On December 21, 2001, the Company deposited \$168.6 million with the trustee of the Company's 10⅝% Senior Subordinated Notes due 2006 to redeem such notes. On January 22, 2002 those notes were redeemed and the obligations thereunder were extinguished. The presentation of pro forma balances as of December 31, 2001, assumes that the 10⅝% Senior Subordinated Notes due 2006 were redeemed and the restricted cash was paid to the appropriate parties as of December 31, 2001 rather than January 22, 2002.

[7] A reconciliation of operating income to Operating Cash Flow[2] and Media Cash Flow[3] follows (dollars in thousands):

	Three Months Ended December 31,			
	Actual		Pro Forma[1]	
	2002	2001	2002	2001
Operating Income	$ 23,410	$ 7,136	$ 30,624	$ 20,753
Add: Amortization of program broadcast rights	2,281	1,361	2,936	3,253
Depreciation and amortization	6,663	7,204	5,503	9,115
Non-cash compensation	177	154	177	154
Less: Payments for program broadcast	(2,326)	(1,314)	(2,756)	(2,908)
Operating Cash Flow[2]	30,205	14,541	36,484	30,367
Add: Corporate Overhead	2,322	953	2,706	2,000
Media Cash Flow[3]	$ 32,527	$ 15,494	$ 39,190	$ 32,367

	Year Ended December 31,			
	Actual		Pro Forma[1]	
	2002	2001	2002	2001
Operating Income	$ 55,928	$ 17,880	$ 90,559	$ 49,305
Add: Amortization of program broadcast rights	6,325	5,519	12,350	12,718
Depreciation and amortization	17,728	30,824	22,152	42,329
Non-cash compensation	723	659	723	659
Less: Payments for program broadcast	(6,421)	(5,423)	(13,128)	(12,219)
Operating Cash Flow[2]	74,283	49,459	112,656	92,792
Add: Corporate Overhead	5,607	3,615	9,010	7,251
Media Cash Flow[3]	$ 79,890	$ 53,074	$ 121,666	$ 100,043

The Company has included Media Cash Flow[3], Operating Cash Flow[2], Trailing 12 Month Operating Cash Flow[4] and certain related calculations because such data is commonly used as a measure of performance for media companies and is also used by investors to measure a company's ability to service debt. Media Cash Flow[3], Operating Cash Flow[2], Trailing 12 Month Operating Cash Flow[4] and certain related calculations are not, and should not, be used as an indicator or alternative to operating income, net income or cash flow as reflected in the Company's consolidated financial statements. Media Cash Flow[3], Operating Cash Flow[2], Trailing 12 Month Operating Cash Flow[4] and certain related calculations are not measures of financial performance under generally accepted accounting principles and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with generally accepted accounting principles.

Cautionary Statements for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act:

The preceding comments on Gray's current expectations of operating results for the first quarter of 2003 and its capital expenditure plans for the full year of 2003 are "forward looking" for purposes of the Private Securities Litigation Reform Act of 1995. Actual results of operations are subject to a number of risks and may differ materially from the current expectations discussed in this press release. See the Company's annual report of Form 10K for a discussion of risk factors that may affect the Company.