

GRAY TELEVISION INC
Form 10-Q
August 04, 2016
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, 2016 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

(State or other jurisdiction of
incorporation or organization)

58-0285030

(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.)

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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 and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes No

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

Large accelerated filer Accelerated filer
Non-accelerated filer (do not check if a smaller reporting company) Smaller reporting company

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)
66,285,029 shares outstanding as of July 29, 2016	6,404,862 shares outstanding as of July 29, 2016

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GRAY TELEVISION, INC.

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PART I. FINANCIAL INFORMATION**Item 1. Financial Statements****GRAY TELEVISION, INC.****CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)**

(in thousands)

	June 30, 2016	December 31, 2015
Assets:		
Current assets:		
Cash	\$ 176,345	\$ 97,318
Accounts receivable, less allowance for doubtful accounts of \$2,509 and \$1,794, respectively	147,839	121,473
Current portion of program broadcast rights, net	4,505	10,511
Deferred tax asset	49,444	49,690
Prepaid and other current assets	19,228	6,462
Total current assets	397,361	285,454
Property and equipment, net	320,720	234,475
Broadcast licenses	1,338,861	1,114,626
Goodwill	485,597	423,236
Other intangible assets, net	64,675	53,280
Investments in broadcasting and technology companies	16,599	13,599
Other	21,463	3,038
Total assets	\$2,645,276	\$2,127,708

See notes to condensed consolidated financial statements.

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

(in thousands except for share data)

	June 30, 2016	December 31, 2015
Liabilities and stockholders' equity:		
Current liabilities:		
Accounts payable	\$3,357	\$4,532
Employee compensation and benefits	24,777	28,983
Accrued interest	14,025	12,717
Accrued network programming fees	11,754	11,945
Other accrued expenses	8,027	14,370
Federal and state income taxes	751	771
Current portion of program broadcast obligations	5,148	10,785
Deferred revenue	6,113	3,514
Total current liabilities	73,952	87,617
Long-term debt	1,705,361	1,220,084
Program broadcast obligations, less current portion	4,021	2,171
Deferred income taxes	368,861	351,546
Accrued pension costs	34,784	36,337
Other	1,254	679
Total liabilities	2,188,233	1,698,434
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Common stock, no par value; authorized 100,000,000 shares, issued 71,228,023 shares and 70,989,426 shares, respectively	656,806	655,446
Class A common stock, no par value; authorized 15,000,000 shares, issued 8,073,993 shares and 7,855,381 shares, respectively	20,535	19,325
Accumulated deficit	(136,986)	(163,638)
Accumulated other comprehensive loss, net of income tax benefit	(17,284)	(17,284)
Treasury stock at cost, common stock, 4,943,223 shares and 4,882,705 shares, respectively	523,071	493,849
Treasury stock at cost, Class A common stock, 1,669,131 shares and 1,611,371 shares, respectively	(42,688)	(41,890)
Treasury stock at cost, Class A common stock, 1,669,131 shares and 1,611,371 shares, respectively	(23,340)	(22,685)
Total stockholders' equity	457,043	429,274

Total liabilities and stockholders' equity

\$2,645,276