

CHINA EASTERN AIRLINES CORP LTD

Form 6-K

November 30, 2016

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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**FORM 6-K**

**Report of Foreign Private Issuer**

**Pursuant to Rule 13a-16 or 15d-16**

**under the Securities Exchange Act of 1934**

For the month of November 2016

Commission File Number: 001-14550

China Eastern Airlines Corporation Limited

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(Translation of Registrant's name into English)

Board Secretariat's Office

Kong Gang San Lu, Number 88

Shanghai, China 200335

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:  Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:  Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): n/a

**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.

**China Eastern Airlines**  
**Corporation Limited**  
**(Registrant)**

**Date** November 29, 2016 **By/s/** Wang Jian  
Name: Wang Jian  
Title: Company Secretary

*“Certain statements contained in this announcement may be regarded as “forward-looking statements” within the meaning of the U.S. Securities Exchange Act of 1934, as amended. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of the Company to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements. Further information regarding these risks, uncertainties and other factors is included in the Company’s filings with the U.S. Securities and Exchange Commission. The forward-looking statements included in this announcement represent the Company’s views as of the date of this announcement. While the Company anticipates that subsequent events and developments may cause the Company’s views to change, the Company specifically disclaims any obligation to update these forward-looking statements, unless required by applicable laws. These forward-looking statements should not be relied upon as representing the Company’s views as of any date subsequent to the date of this announcement.”*

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## **OVERSEAS REGULATORY ANNOUNCEMENT**

### **RESOLUTIONS PASSED BY THE SUPERVISORY COMMITTEE**

This overseas regulatory announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company and all members of its supervisory committee warrant that the information set out in this announcement is true, accurate and complete, and accept joint responsibility for any false information or misleading statements contained in, or material omissions from, this announcement.

Pursuant to the requirements under the articles of association (the “**Articles**”) and the rules of meeting of the supervisory committee ( ) of China Eastern Airlines

Corporation Limited (the “**Company**”) and as convened by Mr. Xi Sheng, the chairman of the supervisory committee of the Company (the “**Supervisory Committee**”), the fifth meeting (the “**Meeting**”) of the eighth session of the Supervisory Committee was held through the means of telecommunication on 29 November 2016.

The supervisors of the Company (the “**Supervisors**”) present at the Meeting confirmed that they had received the notice and materials in respect of the Meeting before it was held.

The number of Supervisors present at the Meeting satisfied the quorum requirements under the Company Law of the People’s Republic of China and the Articles. As such, the Meeting was legally and validly convened and held.

Mr. Xi Sheng, the chairman of the Supervisory Committee, together with Mr. Ba Shengji, Mr. Hu Jidong, Mr. Feng Jinxiong and Mr. Jia Shaojun, the Supervisors, have considered the relevant resolutions of the Meeting and passed the following resolutions:

Agreed to the following resolutions considered and approved by the Board: the resolution on “the entering into of the ‘Eastern Logistics Share Transfer Agreement’ between the Company and a wholly-owned subsidiary of CEA Holding and the transfer of 100% equity interest in Eastern Logistics; the resolution on “the entering into of the ‘Bellyhold Space Management Agreement’ between the Company and China Cargo Airlines and engaging in the transactions contemplated thereunder”; and the resolution on “the entering into of the ‘Freight Logistics Daily Connected Transactions Framework Agreement’ between the Company and Eastern Logistics and engaging in the transactions contemplated thereunder”.

The resolutions above are related to connected transactions. Mr. Xi Sheng, being a connected supervisor, abstained from voting at the Meeting in approving these resolutions. The supervisors present who participated in voting consider that the aforesaid connected transactions are in line with the usual needs of business and asset management of the Company, the modes of transaction comply with market regulations, the transaction prices are fair and they are not detrimental to the legitimate interests of the shareholders of the Company.

By order of the Board

**CHINA EASTERN AIRLINES CORPORATION LIMITED**

**Wang Jian**

*Company Secretary*

Shanghai, the People's Republic of China

29 November 2016

*As at the date of this announcement, the directors of the Company include Liu Shaoyong (Chairman), Ma Xulun (Vice Chairman, President), Li Yangmin (Director, Vice President), Xu Zhao (Director), Gu Jiadan (Director), Tang Bing (Director, Vice President), Tian Liuwen (Director, Vice President), Li Ruoshan (Independent non-executive Director), Ma Weihua (Independent non-executive Director), Shao Ruiqing (Independent non-executive Director) and Cai Hong Ping (Independent non-executive Director).*

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("NOLs"). The Company's NOLs are available to reduce future taxable income if utilized before their expiration. The Company has provided a valuation allowance for certain deferred tax assets as it does not believe they are more likely than not to be realized through future taxable earnings.

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8. FCC Regulatory Matters

Television broadcasting is subject to the jurisdiction of the FCC under the Communications Act of 1934, as amended (the "Communications Act"). The Communications Act prohibits the operation of television broadcasting stations except under a license issued by the FCC, and empowers the FCC, among other things, to issue, revoke, and modify broadcasting licenses, determine the location of television stations, regulate the equipment used by television stations, adopt regulations to carry out the provisions of the Communications Act and impose penalties for the violation of such regulations. The FCC's ongoing rule making proceedings could have a significant future impact on the television industry and on the operation of the Company's stations and the stations to which it provides services. In addition, the U.S. Congress may act to amend the Communications Act or adopt other legislation in a manner that could impact the Company's stations, the stations to which it provides services and the television broadcast industry in general.

The FCC has adopted rules with respect to the final conversion of existing low power and television translator stations to digital operations. The FCC has established a September 1, 2015 deadline by which low power and television translator stations must cease analog operations, and low power and television translator stations operating on channels 52-69 were required to cease operation on those channels by December 31, 2011. The Company holds three low power analog station licenses and 13 analog television translator station licenses, three of which, although they were required to cease analog operations by December 31, 2011, have been granted temporary authority to continue analog operations until June 19, 2012, with the remainder to transition to digital operations by September 1, 2015.

Media Ownership

In 2006, the FCC initiated a rulemaking proceeding to review all of its media ownership rules, as required by the Communications Act. The FCC considered rules relating to ownership of two or more TV stations in a market, ownership of local TV and radio stations by daily newspapers in the same market, cross-ownership of local TV and radio stations, and changes to how the national TV ownership limits are calculated. In February 2008, the FCC adopted modest changes to its newspaper/broadcast cross-ownership rule while retaining the rest of its ownership rules then currently in effect. On July 7, 2011, the U.S. Court of Appeals for the Third Circuit vacated the FCC's changes to its newspaper/ broadcast cross-ownership rule while upholding the FCC's retention of its other media ownership rules. A petition for Supreme Court review of the Third Circuit's decision is pending.

The FCC is required to review its media ownership rules every four years and to eliminate those rules it finds no longer serve the "public interest, convenience and necessity." During 2009, the FCC held a series of hearings designed to evaluate possible changes to its rules. In May 2010, the FCC formally initiated its 2010 review of its media ownership rules with the issuance of a Notice of Inquiry (NOI). Numerous parties filed comments and reply comments in response to the NOI. In June and July 2011, the FCC released to the public eleven economic studies related to its media ownership rules. In December 2011, the FCC issued a Notice of Proposed Rulemaking (NPRM) to seek comment on specific proposed changes to its ownership rules. Among the specific changes proposed in the NPRM are (1) elimination of the contour overlap provision of the local television ownership rule (making the rule entirely DMA-based), (2) elimination of the radio/television cross-ownership rule, and (3) modest relaxation of the newspaper/broadcast cross-ownership rule along the lines of the changes in the 2006 proceeding that the court vacated. The NPRM also seeks comment on shared services agreements (SSAs) and other joint operating arrangements between television stations, and whether such agreements should be considered attributable. Comments and reply comments on the NPRM were filed in March and April 2012. The Company cannot predict what rules the FCC will adopt or when they will be adopted.

## Spectrum

The FCC has initiated various proceedings to assess the availability of spectrum to meet future wireless broadband needs. The FCC's March 2010 "National Broadband Plan" recommends the reallocation of 120 megahertz of the spectrum currently used for broadcast television for wireless broadband use. The FCC has thus far adopted rules permitting television stations to share a single 6 megahertz channel and requested comment on proposals that include, among other things, whether to add new frequency allocations in the television bands for licensed fixed and mobile wireless uses and whether to implement technical rule modifications to improve the viability of certain channels that are underutilized by digital television stations. In February 2012, Congress adopted legislation authorizing the FCC to conduct an incentive auction whereby television broadcasters could voluntarily relinquish all or part of their spectrum in exchange for consideration. A reallocation of television spectrum for wireless broadband use would likely involve a "repacking" of the television broadcast band, which would require some television stations to change channel or otherwise modify their technical facilities. Future steps to reallocate television spectrum to broadband use may be to the detriment of the Company's investment in digital facilities, could require substantial additional investment to continue current operations, and may require viewers to invest in additional equipment or subscription services to continue receiving broadcast television signals. The Company cannot predict the timing or results of television spectrum reallocation efforts or their impact to its business.

## Retransmission Consent

On March 3, 2011, the FCC initiated a Notice of Proposed Rulemaking to reexamine its rules (i) governing the requirements for good faith negotiations between multichannel video program distributors (MVPDs) and broadcasters, including implementing a prohibition on one station negotiating retransmission consent terms for another station under a local service agreement; (ii) for providing advance notice to consumers in the event of dispute; and (iii) to extend certain cable-only obligations to all MVPDs. The FCC has also asked for comment on eliminating the network non-duplication and syndicated exclusivity protection rules, which may permit MVPDs to import out-of-market television stations during a retransmission consent dispute. If the FCC prohibits joint negotiations or modifies the network non-duplication and syndicated exclusivity protection rules, such changes likely would affect the Company's ability to sustain its current level of retransmission consent revenues or grow such revenues in the future and could have an adverse effect on the Company's business, financial condition and results of operations. The Company cannot predict the resolution of the proposals or their impact to its business.

## 9. Commitments and Contingencies

### Guarantee of Mission Debt

Nexstar and its subsidiaries guarantee full payment of all obligations incurred under Mission's senior secured credit facility. In the event that Mission is unable to repay amounts due, Nexstar will be obligated to repay such amounts. The maximum potential amount of future payments that Nexstar would be required to make under this guarantee would be generally limited to the amount of borrowings outstanding. As of March 31, 2012, Mission had a maximum commitment of \$48.3 million under its senior secured credit facility, of which \$45.0 million of debt was outstanding.

### Indemnification Obligations

In connection with certain agreements into which the Company enters in the normal course of its business, including local service agreements, business acquisitions and borrowing arrangements, the Company enters into contractual arrangements under which the Company agrees to indemnify the third party to such arrangement from losses, claims and damages incurred by the indemnified party for certain events as defined within the particular contract. Such indemnification obligations may not be subject to maximum loss clauses and the maximum potential amount of future

payments the Company could be required to make under these indemnification arrangements may be unlimited. Historically, payments made related to these indemnifications have been immaterial and the Company has not incurred significant costs to defend lawsuits or settle claims related to these indemnification agreements.

#### Litigation

From time to time, the Company is involved with claims that arise out of the normal course of its business. In the opinion of management, any resulting liability with respect to these claims would not have a material adverse effect on the Company's financial position, results of operations or cash flows.

10. Condensed Consolidating Financial Information

The following condensed consolidating financial information presents the financial position, results of operations and cash flows of the Company, each of its 100%, directly or indirectly, owned subsidiaries and its consolidated VIE. This information is presented in lieu of separate financial statements and other related disclosures pursuant to Regulation S-X Rule 3-10 of the Securities Exchange Act of 1934, as amended, "Financial Statements of Guarantors and Issuers of Guaranteed Securities Registered or Being Registered."

The Nexstar column presents the parent company's financial information (not including any subsidiaries). The Nexstar Holdings column presents its financial information (not including any subsidiaries). The Nexstar Broadcasting column presents its financial information. The Mission column presents the financial information of Mission, an entity which Nexstar Broadcasting is required to consolidate as a VIE (see Note 2). Neither Mission nor Nexstar Broadcasting has any subsidiaries.

As discussed in Note 3 to the Company's Financial Statements included in its Annual Report on Form 10-K for the year ended December 31, 2011, the acquisition of WTVW by Mission was deemed under U.S. GAAP to be a change in reporting entity of Mission, thus the historical results of Mission have been presented as if WTVW was owned and operated by Mission as of the earliest period presented.

Nexstar Broadcasting has the following notes outstanding (See Note 5):

- (a) 7% Senior subordinated notes ("7% Notes"). The 7% Notes are fully and unconditionally guaranteed by Nexstar and Mission, subject to certain customary release provisions. These notes are not guaranteed by any other entities.
- (b) 7% Senior subordinated PIK notes ("7% PIK Notes"). The 7% PIK Notes are fully and unconditionally guaranteed by Nexstar and Mission, subject to certain customary release provisions. These notes are not guaranteed by any other entities.
- (c) 8.875% Senior secured second lien notes ("8.875% Notes"). The 8.875% Notes are co-issued by Nexstar Broadcasting and Mission, jointly and severally, and fully and unconditionally guaranteed by Nexstar and all of Nexstar Broadcasting's and Mission's future 100% owned domestic subsidiaries, subject to certain customary release provisions. The net proceeds to Mission and Nexstar from the sale of the 8.875% Notes were \$316.8 million, net of \$8.2 million original issuance discount. Mission received \$131.9 million of the net proceeds and \$184.9 million was received by Nexstar Broadcasting. As the obligations under the 8.875% Notes are joint and several to Nexstar Broadcasting and Mission, each entity reflects the full amount of the 8.875% Notes and related accrued interest in their separate Financial Statements. Further, the portions of the net proceeds and related accrued interest attributable to the respective co-issuer are reflected as a reduction to equity (due from affiliate) in their separate financial statements given the contractual relationships between the entities.

## CONDENSED CONSOLIDATING BALANCE SHEET

As of March 31, 2012

(in thousands)

	Nexstar	Nexstar Broadcasting	Mission	Nexstar Holdings	Eliminations	Consolidated Company
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$—	\$ 11,126	\$723	\$—	\$—	\$ 11,849
Due from Nexstar						
Broadcasting	—	—	1,318	—	(1,318 )	—
Other current assets	—	72,663	5,694	—	—	78,357
Total current assets	—	83,789	7,735	—	(1,318 )	90,206
Amounts due from subsidiary eliminated upon consolidation	10,574	—	—	—	(10,574 )	—
Amounts due from parents eliminated upon consolidation	—	4,666	—	—	(4,666 )	—
Property and equipment, net	—	120,194	23,468	—	—	143,662
Goodwill	—	93,845	18,730	—	—	112,575
FCC licenses	—	119,569	21,939	—	—	141,508
Other intangible assets, net	—	61,909	14,006	—	—	75,915
Other noncurrent assets	—	11,645	2,693	—	—	14,338
Total assets	\$10,574	\$ 495,617	\$88,571	\$—	\$ (16,558 )	\$ 578,204
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>						
Current liabilities:						
Current portion of debt	\$—	\$ 1,110	\$390	\$—	\$—	\$ 1,500
Due to Mission	—	1,318	—	—	(1,318 )	—
Other current liabilities	—	49,900	17,535	—	(13,220 )	54,215
Total current liabilities	—	52,328	17,925	—	(14,538 )	55,715
Debt	—	576,610	363,235	—	(318,607 )	621,238
Deficiencies in subsidiaries eliminated upon consolidation	211,272	—	—	196,030	(407,302 )	—
Amounts due to subsidiary eliminated upon consolidation	—	—	—	15,240	(15,240 )	—
Other noncurrent liabilities	(3 )	62,709	18,435	2	—	81,143
Total liabilities	211,269	691,647	399,595	211,272	(755,687 )	758,096
Stockholders' deficit:						
Common stock	288	—	—	—	—	288
Other stockholders' deficit	(200,983 )	(196,030 )	(311,024 )	(211,272 )	739,129	(180,180 )
Total stockholders' deficit	(200,695 )	(196,030 )	(311,024 )	(211,272 )	739,129	(179,892 )
Total liabilities and stockholders' deficit	\$10,574	\$ 495,617	\$88,571	\$—	\$ (16,558 )	\$ 578,204

## CONDENSED CONSOLIDATING BALANCE SHEET

As of December 31, 2011

(in thousands)

	Nexstar	Nexstar Broadcasting	Mission	Nexstar Holdings	Eliminations	Consolidated Company
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$—	\$ 5,648	\$ 1,898	\$—	\$ —	\$ 7,546
Due from Mission	—	4,729	—	—	(4,729 )	—
Other current assets	—	83,417	5,886	—	—	89,303
Total current assets	—	93,794	7,784	—	(4,729 )	96,849
Amounts due from subsidiary eliminated upon consolidation	10,077	—	—	—	(10,077 )	—
Amounts due from parents eliminated upon consolidation	—	5,163	—	—	(5,163 )	—
Property and equipment, net	—	122,473	24,140	—	—	146,613
Goodwill	—	93,845	18,730	—	—	112,575
FCC licenses	—	119,569	21,939	—	—	141,508
Other intangible assets, net	—	66,243	15,276	—	—	81,519
Other noncurrent assets	—	12,783	3,187	—	—	15,970
Total assets	\$ 10,077	\$ 513,870	\$ 91,056	\$—	\$ (19,969 )	\$ 595,034
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>						
Current liabilities:						
Current portion of debt	\$—	\$ 1,110	\$ 390	\$—	\$ —	\$ 1,500
Due to Nexstar Broadcasting	—	—	4,729	—	(4,729 )	—
Other current liabilities	—	50,517	11,222	—	(6,009 )	55,730
Total current liabilities	—	51,627	16,341	—	(10,738 )	57,230
Debt	—	594,136	363,087	—	(318,362 )	638,861
Deficiencies in subsidiaries eliminated upon consolidation	210,753	—	—	195,511	(406,264 )	—
Amounts due to subsidiary eliminated upon consolidation	—	—	—	15,240	(15,240 )	—
Other noncurrent liabilities	(3 )	63,618	18,730	2	—	82,347
Total liabilities	210,750	709,381	398,158	210,753	(750,604 )	778,438
Stockholders' deficit:						
Common stock	288	—	—	—	—	288
Other stockholders' deficit	(200,961 )	(195,511 )	(307,102 )	(210,753 )	730,635	(183,692 )
Total stockholders' deficit	(200,673 )	(195,511 )	(307,102 )	(210,753 )	730,635	(183,404 )
Total liabilities and stockholders' deficit	\$ 10,077	\$ 513,870	\$ 91,056	\$—	\$ (19,969 )	\$ 595,034

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS  
Three Months Ended March 31, 2012  
(in thousands)

	Nexstar	Nexstar Broadcasting	Mission	Nexstar Holdings	Eliminations	Consolidated Company
Net broadcast revenue (including trade and barter)	\$—	\$ 79,056	\$4,586	\$—	\$ —	\$ 83,642
Revenue between consolidated entities	—	1,935	7,363	—	(9,298 )	—
Net revenue	—	80,991	11,949	—	(9,298 )	83,642
Operating expenses:						
Direct operating expenses, excluding depreciation and amortization	—	20,345	1,783	—	—	22,128
Selling, general, and administrative expenses, excluding depreciation and amortization	—	26,508	620	—	—	27,128
Local service agreement fees between consolidated entities	—	7,363	1,935	—	(9,298 )	—
Amortization of broadcast rights	—	4,418	1,130	—	—	5,548
Amortization of intangible assets	—	4,334	1,270	—	—	5,604
Depreciation	—	5,019	729	—	—	5,748
Loss on asset disposal, net	—	(19 )	—	—	—	(19 )
Total operating expenses	—	67,968	7,467	—	(9,298 )	66,137
Income from operations	—	13,023	4,482	—	—	17,505
Interest expense, net	—	(9,181 )	(3,728 )	—	—	(12,909 )
Loss on extinguishment of debt	—	—	—	—	—	—
Equity in loss of subsidiaries	2,585	—	—	2,585	(5,170 )	—
Income (loss) before income taxes	2,585	3,842	754	2,585	(5,170 )	4,596
Income tax expense	—	(1,257 )	(323 )	—	—	(1,580 )
Net income (loss)	\$2,585	\$ 2,585	\$431	\$2,585	\$ (5,170 )	\$ 3,016

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS  
 Three Months Ended March 31, 2011  
 (in thousands)

	Nexstar	Nexstar Broadcasting	Mission	Nexstar Holdings	Eliminations	Consolidated Company
Net broadcast revenue (including trade and barter)	\$—	\$ 65,009	\$4,936	\$—	\$ —	\$ 69,945
Revenue between consolidated entities	—	1,785	6,509	—	(8,294 )	—
Net revenue	—	66,794	11,445	—	(8,294 )	69,945
Operating expenses:						
Direct operating expenses, excluding depreciation and amortization	—	17,213	1,890	—	—	19,103
Selling, general, and administrative expenses, excluding depreciation and amortization	—	23,854	1,158	—	—	25,012
Local service agreement fees between consolidated entities	—	6,509	1,785	—	(8,294 )	—
Amortization of broadcast rights	—	4,400	1,187	—	—	5,587
Amortization of intangible assets	—	4,511	1,328	—	—	5,839
Depreciation	—	4,441	789	—	—	5,230
(Gain) loss on asset disposal, net	—	26	(18 )	—	—	8
Total operating expenses	—	60,954	8,119	—	(8,294 )	60,779
Income from operations	—	5,840	3,326	—	—	9,166
Interest expense, net	—	(9,023 )	(3,642 )	(1,040 )	—	(13,705 )
Gain on extinguishment of debt	—	36	—	(383 )	—	(347 )
Equity in loss of subsidiaries	(5,684 )	—	—	(4,261 )	9,945	—
Loss before income taxes	(5,684 )	(3,147 )	(316 )	(5,684 )	9,945	(4,886 )
Income tax expense	—	(1,114 )	(312 )	—	—	(1,426 )
Net loss	\$(5,684 )	\$(4,261 )	\$(628 )	\$(5,684 )	\$ 9,945	\$(6,312 )

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS  
 Three Months Ended March 31, 2012  
 (in thousands)

	Nexstar	Nexstar Broadcasting	Mission	Nexstar Holdings	Eliminations	Consolidated Company
Cash flows provided by (used in) operating activities	\$—	\$ 27,046	\$(1,004 )	\$—	\$—	\$ 26,042
Cash flows from investing activities:						
Purchases of property and equipment	—	(4,002 )	(74 )	—	—	(4,076 )
Other investing activities	—	33	—	—	—	33
Net cash used in investing activities	—	(3,969 )	(74 )	—	—	(4,043 )
Cash flows from financing activities:						
Proceeds from issuance of long-term debt	—	6,000	—	—	—	6,000
Repayments of long-term debt	—	(23,878 )	(97 )	—	—	(23,975 )
Inter-company payments	(279 )	279	—	—	—	—
Other financing activities	279	—	—	—	—	279
Net cash (used in) financing activities	—	(17,599 )	(97 )	—	—	(17,696 )
Net increase (decrease) in cash and cash equivalents	—	5,478	(1,175 )	—	—	4,303
Cash and cash equivalents at beginning of period	—	5,648	1,898	—	—	7,546
Cash and cash equivalents at end of period	\$—	\$ 11,126	\$723	\$—	\$—	\$ 11,849

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS  
 Three Months Ended March 31, 2011  
 (in thousands)

	Nexstar	Nexstar Broadcasting	Mission	Nexstar Holdings	Eliminations	Consolidated Company
Cash flows provided by (used in) operating activities	\$—	\$ 14,261	\$4,108	\$(663 )	\$—	\$ 17,706
Cash flows from investing activities:						
Purchases of property and equipment	—	(4,122 )	(46 )	—	—	(4,168 )
Other investing activities	—	—	18	—	—	18
Net cash used in investing activities	—	(4,122 )	(28 )	—	—	(4,150 )
Cash flows from financing activities:						
Repayments of long-term debt	—	(3,552 )	(97 )	(12,749 )	—	(16,398 )
Inter-company payments	—	(13,412 )	—	13,412	—	—
Other financing activities	—	—	—	—	—	—
Net cash (used in) provided by financing activities	—	(16,964 )	(97 )	663	—	(16,398 )
Net (decrease) increase in cash and cash equivalents	—	(6,825 )	3,983	—	—	(2,842 )
Cash and cash equivalents at beginning of period	—	22,408	1,250	—	—	23,658
Cash and cash equivalents at end of period	\$—	\$ 15,583	\$5,233	\$—	\$—	\$ 20,816

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Subsequent Events

On April 12, 2012, Nexstar Broadcasting elected to redeem \$34.0 million of the \$37.9 million outstanding of its 7% Notes. The redemption price is the outstanding principal amount of notes, plus accrued and unpaid interest to the scheduled redemption date of May 11, 2012. The Company expects to record approximately \$0.5 million of loss on extinguishment of debt related to this transaction. Nexstar intends to fund the redemption of the notes from cash on hand, borrowings under its revolving credit facility or a combination thereof.

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

The following discussion and analysis should be read in conjunction with our Condensed Consolidated Financial Statements and related Notes included elsewhere in this Quarterly Report on Form 10-Q and the Consolidated Financial Statements and related Notes contained in our Annual Report on Form 10-K for the year ended December 31, 2011.

As used in the report, unless the context indicates otherwise, "Nexstar" refers to Nexstar Broadcasting Group, Inc. and its consolidated subsidiaries Nexstar Finance Holdings, Inc. ("Nexstar Holdings") and Nexstar Broadcasting, Inc. ("Nexstar Broadcasting"), and "Mission" refers to Mission Broadcasting, Inc. All references to "we," "our," "ours," and "us" refer to Nexstar. All references to the "Company" refer to Nexstar and Mission collectively.

As a result of our deemed controlling financial interest in Mission, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), we consolidate the financial position, results of operations and cash flows of Mission as if it were a wholly-owned entity. We believe this presentation is meaningful for understanding our financial performance. Refer to Note 2 to our Condensed Consolidated Financial Statements for a discussion of our determination that we are required to consolidate Mission's financial position, results of operations and cash flows under the authoritative guidance for variable interest entities. Therefore, the following discussion of our financial condition and results of operations includes Mission's financial position and results of operations.

Executive Summary

2012 Highlights

Net revenue for the first quarter of 2012 increased by \$13.7 million, or 19.6 % as compared to the same period in 2011. The increase in net revenue was primarily due to the second half of 2011 acquisitions of WFRV, WJMN, and WEHT along with increases in retransmission compensation, political advertising, and management fee, which was partially offset by reduced revenue from stations associated with terminated FOX affiliation agreements. Newly acquired stations contributed approximately \$6.4 million to the consolidated net revenue for the first quarter.

On January 3, 2012, Four Points sold its stations to Sinclair Broadcast Group. We served Four Points' seven stations in four markets through a management services agreement, which comprised our management fee revenue. The management services agreement terminated upon the closing of the sale. On January 3, 2012, we received a payment of \$6.7 million which included a contract termination fee of \$1.9 million, which was recognized in the first quarter of 2012.

- During the quarter, we repaid \$17.6 million, net, of our revolving loan under our senior secured credit facility.

On April 12, 2012, we announced the redemption of \$34.0 million of the \$37.9 million outstanding of our 7% Notes. The redemption price is the outstanding principal amount of notes, plus accrued and unpaid interest to the scheduled redemption date of May 11, 2012. We intend to fund the redemption of the notes from cash on hand, borrowings under our revolving credit facility or a combination thereof.

## Overview of Operations

We owned and operated 36 television stations and seven digital multicast channels as of March 31, 2012. Additionally, as of March 31, 2012, we programmed or provided sales and other services to 19 additional television stations and four digital multicast channels through various local service agreements with their owners, including 17 television stations and four digital multicast channels owned and operated by Mission. All of the stations to which we provide programming, sales, or other services, including Mission, are wholly owned by independent third parties.

The following table summarizes the various local service agreements we had in effect as of March 31, 2012 with Mission:

Service Agreements	Mission Stations
TBA Only(1)	WFXP and KHMT
SSA & JSA(2)	KJTL, KJBO-LP, KOLR, KCIT, KCPN-LP, KAMC, KRBC, KSAN, WUTR, WAWV, WYOU, KODE, WTVO, KTVE and WTVW

- (1) We have a time brokerage agreement (“TBA”) with each of these stations which allows us to program most of each station’s broadcast time, sell each station’s advertising time and retain the advertising revenue generated in exchange for monthly payments to Mission.
- (2) We have both a shared services agreement (“SSA”) and a joint sales agreement (“JSA”) with each of these stations. Each SSA allows our station in the market to provide services including news production, technical maintenance and security, in exchange for our right to receive certain payments from Mission as described in the SSAs. Each JSA permits us to sell the station’s advertising time and retain a percentage of the net revenue from the station’s advertising time in return for monthly payments to Mission of the remaining percentage of net revenue as described in the JSAs.

Our ability to receive cash from Mission is governed by these local service agreements. Under the local service agreements, we have received substantially all of Mission’s available cash, after satisfaction of its operating costs and debt obligations. We anticipate we will continue to receive substantially all of Mission’s available cash, after satisfaction of its operating costs and debt obligations.

We also guarantee all obligations incurred under Mission’s senior secured credit facility. Similarly, Mission is a guarantor of our senior secured credit facility and senior subordinated notes. In consideration of our guarantee of Mission’s senior secured credit facility, Mission has granted us a purchase option to acquire the assets and assume the liabilities of each Mission station, subject to FCC consent, for an amount equal to the greater of (1) seven times the station’s cash flow, as defined in the option agreement, less the amount of its indebtedness, as defined in the option agreement, or (2) the amount of its indebtedness. Additionally, on November 29, 2011, Mission granted us an option to purchase any or all of Mission’s stock, subject to FCC consent, for a price equal to the pro rata portion of the greater of (1) five times the stations’ cash flow, as defined in the agreement, reduced by the amount of indebtedness, as defined in the agreement, or (2) \$100,000. These option agreements (which expire on various dates between 2012 and 2021) are freely exercisable or assignable by us without consent or approval by Mission. We expect these option agreements to be renewed upon expiration.

We do not own Mission or its television stations. However, we are deemed under U.S. GAAP to have a controlling financial interest in Mission because of (1) the local service agreements Nexstar has with the Mission stations, (2) Nexstar’s guarantee of the obligations incurred under Mission’s senior secured credit facility, (3) Nexstar having power over significant activities affecting Mission’s economic performance, including budgeting for advertising

revenue, advertising and hiring and firing of sales force personnel and (4) purchase options granted by Mission that permit Nexstar to acquire the assets and assume the liabilities of each Mission station, subject to FCC consent. In compliance with FCC regulations for both us and Mission, Mission maintains complete responsibility for and control over programming, finances and personnel for its stations.

#### Seasonality

Advertising revenue is positively affected by strong local economies, national and regional political election campaigns, and certain events such as the Olympic Games or the Super Bowl. The Company's stations' advertising revenue is generally highest in the second and fourth quarters of each year, due in part to increases in consumer advertising in the spring and retail advertising in the period leading up to, and including, the holiday season. In addition, advertising revenue is generally higher during even-numbered years, when state, congressional and presidential elections occur and advertising airs during the Olympic Games. As 2012 is an election year, we expect an increase in political advertising revenue to be reported in 2012 compared to 2011.

## Historical Performance

## Revenue

The following table sets forth the amounts of the Company's principal types of revenue (in thousands) and each type of revenue (other than trade and barter) and agency commissions as a percentage of total gross revenue:

	Three Months Ended March 31,			
	2012		2011	
	Amount	%	Amount	%
Local	\$45,433	52.2	\$43,257	59.7
National	17,406	20.0	15,061	20.8
Political	2,794	3.2	560	0.8
Retransmission compensation	14,496	16.7	8,517	11.7
eMedia revenue	4,133	4.7	3,673	5.1
Network compensation	172	0.2	264	0.4
Management fee	1,961	2.3	500	0.7
Other	620	0.7	577	0.8
Total gross revenue	87,015	100.0	72,409	100.0
Less: Agency commissions	(8,361 )	(9.6 )	(7,351 )	(10.2 )
Net broadcast revenue	78,654	90.4	65,058	89.8
Trade and barter revenue	4,988		4,887	
Net revenue	\$83,642		\$69,945	

## Results of Operations

The following table sets forth a summary of the Company's operations (in thousands) and each component of operating expense as a percentage of net revenue:

	Three Months Ended March 31,			
	2012		2011	
	Amount	%	Amount	%
Net revenue	\$83,642	100.0	\$69,945	100.0
Operating expenses (income):				
Corporate expenses	5,414	6.5	4,818	6.9
Station direct operating expenses, net of trade	20,570	24.6	17,588	25.2
Selling, general and administrative expenses	21,714	25.9	20,194	28.9
(Gain) loss on asset disposal, net	(19 )	(0.0 )	8	0.0
Trade and barter expense	4,995	6.0	4,852	6.9
Depreciation and amortization	11,352	13.6	11,069	15.8
Amortization of broadcast rights, excluding barter	2,111	2.5	2,250	3.2
Income from operations	\$17,505		\$9,166	

Three Months Ended March 31, 2012 Compared to Three Months Ended March 31, 2011

Revenue

Gross local advertising revenue was \$45.4 million for the three months ended March 31, 2012, compared to \$43.3 million for the same period in 2011, an increase of \$2.2 million, or 5.0%. The increase was primarily related to acquired stations which more than offset a decrease associated with the termination of certain FOX affiliation agreements. Gross national advertising revenue was \$17.4 million for the three months ended March 31, 2012, compared to \$15.1 million for the same period in 2011, an increase of \$2.3 million, or 15.6%, of which approximately half related to the acquired stations. Our largest advertiser category, automotive, represented 23.2% and 20.9% of local and national advertising revenue for the three months ended March 31, 2012 and 2011, respectively. Overall, this category increased by 19.1%, of which approximately half came from our acquired stations. The other categories representing our top five were fast food/restaurants, which increased 1.1%, paid programming, which increased 6.2%, furniture, which increased 9.5%, and medical/healthcare, which increased 11.0%.

Gross political advertising revenue was \$2.8 million for the three months ended March 31, 2012, compared to \$0.6 million for the same period in 2011, an increase of \$2.2 million, or almost four times the amount earned in 2011, as expected, due to 2012 being an election year.

Retransmission compensation was \$14.5 million for the three months ended March 31, 2012, compared to \$8.5 million for the same period in 2011, an increase of \$6.0 million, or 70.2%. The increase in retransmission compensation was primarily the result of renegotiated contracts providing for higher rates per subscriber and additional revenue from acquired stations.

eMedia revenue, representing web-based advertising revenue generated at the Company's stations, was \$4.1 million for the three months ended March 31, 2012, compared to \$3.7 million for the same period in 2011, an increase of \$0.5 million or 12.5%. The increase in eMedia revenue is attributable to our eMedia sales efforts and incremental revenue from acquired stations.

Management fee revenue was \$2.0 million for the three months ended March 31, 2012, which primarily represents a contract termination fee received upon closing of the sale of Four Points' stations to Sinclair Broadcast Group.

## Operating Expenses

Corporate expenses, related to costs associated with the centralized operation of Nexstar's and Mission's stations, were \$5.4 million for the three months ended March 31, 2012, compared to \$4.8 million for the same period in 2011, an increase of \$0.6 million, or 12.4%. The increase was due to an increase in payroll and payroll-related costs, primarily due to our acquisition of a software development company in July 2011 and severance payments to certain individuals.

Station direct operating expenses, consisting primarily of news, engineering and programming, and selling, general and administrative expenses (net of trade expense) were \$42.3 million for the three months ended March 31, 2012, compared to \$37.8 million for the same period in 2011, an increase of \$4.5 million, or 11.9%. The increase was primarily due to expenses of the newly acquired stations.

Amortization of broadcast rights, excluding barter, remained relatively consistent at \$2.1 million for the three months ended March 31, 2012, compared to \$2.2 million for the same period in 2011, a decrease of \$0.1 million, or 6.2%. The decrease was primarily due to the termination of syndication of The Oprah Winfrey Show which was partially offset by the incremental amortization of broadcast rights of newly acquired stations.

Amortization of intangible assets was \$5.6 million for the three months ended March 31, 2012, compared to \$5.8 million for the same period in 2011, a decrease of \$0.2 million, or 4.0%. The incremental amortization from acquired stations was offset by the 2011 termination of certain FOX affiliation contracts which were fully amortized in 2011.

While there are no known circumstances or events as of March 31, 2012 that indicate an impairment might exist, any future significant adverse change in the advertising marketplaces in which Nexstar and Mission operate could lead to an impairment and reduction of the carrying value of the Company's goodwill and intangible assets, including FCC licenses. If such a condition were to occur, the resulting non-cash charge could have a material adverse effect on Nexstar's and Mission's financial position and results of operations.

Depreciation of property and equipment was \$5.7 million for the three months ended March 31, 2012, compared to \$5.2 million for the same period in 2011, an increase of \$0.5 million, or 9.9%, primarily due to the incremental depreciation of fixed assets at our newly acquired stations.

## Interest Expense

Interest expense, net was \$12.9 million for the three months ended March 31, 2012, compared to \$13.7 million for the same period in 2011, a decrease of \$0.8 million, or 5.8%. The decrease in interest expense was primarily attributed to the buyback of notes with higher interest rates, financed with our senior secured credit facility, as well as an overall reduction in debt.

## Income Taxes

Income tax expense remained relatively consistent at \$1.6 million for the three months ended March 31, 2012, compared to \$1.4 million for the same period in 2011. Our provision for income taxes is primarily created by an increase in the deferred tax liability position arising from the amortization of goodwill and other indefinite-lived assets for income tax purposes, which are not amortized for financial reporting purposes. No tax expense or benefit was recorded with respect to the net income (loss) in 2012 and 2011 as the utilization of net operating losses is not more likely than not to be realized in the foreseeable future.



## Liquidity and Capital Resources

We and Mission are highly leveraged, which makes the Company vulnerable to changes in general economic conditions. Our and Mission's ability to meet the future cash requirements described below depends on our and Mission's ability to generate cash in the future, which is subject to general economic, financial, competitive, legislative, regulatory and other conditions, many of which are beyond our and Mission's control. Based on current operations and anticipated future growth, we believe that our and Mission's available cash, anticipated cash flow from operations and available borrowings under the Nexstar and Mission senior secured credit facilities will be sufficient to fund working capital, capital expenditure requirements, interest payments and scheduled debt principal payments for at least the next twelve months. In order to meet future cash needs, we may, from time to time, borrow under our existing senior secured credit facilities or issue other long- or short-term debt or equity, if the market and the terms of our existing debt arrangements permit, and Mission may, from time to time, borrow under its existing senior secured credit facility. We will continue to evaluate the best use of Nexstar's operating cash flow among its capital expenditures, acquisitions and debt reduction.

## Overview

The following tables present summarized financial information management believes is helpful in evaluating the Company's liquidity and capital resources (in thousands):

	Three Months Ended March 31,	
	2012	2011
Net cash provided by operating activities	\$26,042	\$17,706
Net cash used in investing activities	(4,043 )	(4,150 )
Net cash used in financing activities	(17,696 )	(16,398 )
Net increase (decrease) in cash and cash equivalents	\$4,303	\$(2,842 )
Cash paid for interest	\$7,508	\$4,515
Cash paid for income taxes, net	\$43	\$44
	As of	As of
	March 31,	December
	2012	31, 2011
Cash and cash equivalents	\$11,849	\$7,546
Long-term debt including current portion	\$622,738	\$640,361
Unused commitments under senior secured credit facilities(1)	\$68,300	\$50,700

(1)Based on covenant calculations, as of March 31, 2012, all of the \$68.3 million of total unused revolving loan commitments under the Nexstar and Mission senior secured credit facilities were available for borrowing.

## Cash Flows – Operating Activities

Net cash provided by operating activities increased by \$8.3 million during the three months ended March 31, 2012 compared to the same period in 2011. The increase was primarily due to an increase in net revenue of \$13.7 million which was partially offset by incremental expenses of newly acquired businesses and an increase in cash paid for interest of \$3.0 million.

Cash paid for interest increased by \$3.0 million during the three months ended March 31, 2012 compared to the same period in 2011. The increase was primarily due to the payment of interest of \$3.9 million on the 7% PIK Notes versus

no payment in 2011, when the notes accrued payment-in-kind interest. This increase was partially offset by \$0.9 million of interest paid in connection with note repurchases in 2011.

Due to our and Mission's recent history of net operating losses, we and Mission currently do not pay any federal income taxes. These net operating losses may be carried forward, subject to expiration and certain limitations, and used to reduce taxable earnings in future years. Through the use of available loss carryforwards, it is possible that we and Mission may not pay significant amounts of federal income taxes in the foreseeable future.

#### Cash Flows – Investing Activities

Net cash used in investing activities remained relatively consistent at \$4.0 million for the three months ended March 31, 2012 compared to \$4.1 for the same period in 2011.

## Cash Flows – Financing Activities

Net cash used in financing activities was \$17.7 million for the three months ended March 31, 2012 compared to \$16.4 million for the same period in 2011. In 2012, we repaid a net amount of \$17.6 million on our revolving loans and paid the contractual maturities under our senior secured credit facilities, for a total payment of \$0.4 million. These repayments were partially offset by \$0.3 million of proceeds from stock option exercises. In 2011, we completed a partial redemption of \$12.5 million of the 11.375% Notes and repurchased an additional \$0.2 million of 11.375% Notes, \$0.1 million of 7% Notes and \$3.8 million of 7% PIK Notes, as well as paid contractual maturities on the Company's senior secured credit facilities of \$250 thousand.

Although our senior secured credit facility limits, but does not prohibit, the payment of cash dividends to common stockholders, we and Mission do not currently intend to declare or pay a cash dividend.

## Future Sources of Financing and Debt Service Requirements

As of March 31, 2012, Nexstar and Mission had total combined debt of \$622.7 million, which represented 140.6% of Nexstar and Mission's combined capitalization. Our and Mission's high level of debt requires that a substantial portion of cash flow be dedicated to pay principal and interest on debt, which reduces the funds available for working capital, capital expenditures, acquisitions and other general corporate purposes.

On April 12, 2012, Nexstar Broadcasting elected to redeem \$34.0 million of the \$37.9 million outstanding of its 7% Notes. The redemption price is the outstanding principal amount of the notes, plus accrued and unpaid interest to the scheduled redemption date, which is May 11, 2012. We intend to fund the redemption of the notes from cash on hand, borrowings under our revolving credit facility or a combination thereof.

Nexstar and Mission had \$68.3 million of total unused revolving loan commitments under our respective senior secured credit facilities, all of which was available for borrowing, based on the covenant calculations as of March 31, 2012. Our ability to access funds under our Facility depends, in part, on our compliance with certain financial covenants. Any additional drawings under senior secured credit facilities, such as the redemption of \$34.0 million of the 7% Notes mentioned above, will reduce our future borrowing capacity and the amount of total unused revolving loan commitments.

The following table summarizes the approximate aggregate amount of principal indebtedness scheduled to mature for the periods referenced as of March 31, 2012 (in thousands):

	Total	Remainder of 2012	2013-2014	2015-2016	Thereafter
Nexstar senior secured credit facility	\$109,432	\$833	\$2,220	\$106,379	—
Mission senior secured credit facility	45,018	292	7,480	37,246	—
8.875% senior secured second lien notes due 2017	325,000	—	—	—	325,000
7% senior subordinated notes due 2014	37,912	—	37,912	—	—
7% senior subordinated PIK notes due 2014	112,593	—	112,593	—	—
	\$629,955	\$1,125	\$160,205	\$143,625	\$325,000

The Company makes semiannual interest payments on our 8.875% Notes on April 15 and October 15 of each year. We make semiannual interest payments on our 7% Notes on January 15 and July 15 of each year. We began paying cash interest on our 7% PIK Notes in July 2011. Interest payments on our and Mission's senior secured credit facilities

are generally paid every one to three months and are payable based on the type of interest rate selected.

The terms of the Nexstar and Mission senior secured credit facilities, as well as the indentures governing our respective notes, limit, but do not prohibit us or Mission from incurring substantial amounts of additional debt in the future.

We do not have any rating downgrade triggers that would accelerate the maturity dates of our debt. However, a downgrade in our credit rating could adversely affect our ability to renew existing credit facilities, obtain access to new credit facilities or otherwise issue debt in the future and could increase the cost of such debt.

## Debt Covenants

Our senior secured credit facility contains covenants that require us to comply with certain financial ratios, including: (a) a maximum consolidated total leverage ratio, (b) a maximum consolidated first lien indebtedness ratio, and (c) a minimum consolidated fixed charge coverage ratio. The covenants, which are calculated on a quarterly basis, include the combined results of Nexstar Broadcasting and Mission. Mission's senior secured credit facility does not contain financial covenant ratio requirements; however, it does include an event of default if Nexstar does not comply with all covenants contained in its credit agreement. Our 7% Notes, 7% PIK Notes and 8.875% Notes contain restrictive covenants customary for borrowing arrangements of this type. We believe we and Mission will be able to maintain compliance with all covenants contained in the credit agreements governing our senior secured facilities and the indentures governing our respective notes for a period of at least the next twelve months from March 31, 2012.

## No Off-Balance Sheet Arrangements

As of March 31, 2012, we did not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. All of our arrangements with Mission are on-balance sheet arrangements. Our variable interests in other entities are obtained through local service agreements, which have valid business purposes and transfer certain station activities from the station owners to us. We are, therefore, not materially exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in such relationships.

## Critical Accounting Policies and Estimates

The Company's Condensed Consolidated Financial Statements have been prepared in accordance with U.S. GAAP, which require us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Condensed Consolidated Financial Statements and reported amounts of revenue and expenses during the period. On an ongoing basis, we evaluate our estimates, including those related to goodwill and intangible assets, bad debts, broadcast rights, trade and barter and income taxes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates. Results of operations for interim periods are not necessarily indicative of results for the full year.

Information with respect to our critical accounting policies which we believe could have the most significant effect on our reported results and require subjective or complex judgments by management is contained in our Annual Report on Form 10-K for the year ended December 31, 2011. Management believes that as of March 31, 2012 there has been no material change to this information.

## Recent Accounting Pronouncements

Refer to Note 2 of our Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for a discussion of recently issued accounting pronouncements, including our expected date of adoption and effects on results of operations and financial position.

## Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All

statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws, including: any projections or expectations of earnings, revenue, financial performance, liquidity and capital resources or other financial items; any assumptions or projections about the television broadcasting industry; any statements of our plans, strategies and objectives for our future operations, performance, liquidity and capital resources or other financial items; any statements concerning proposed new products, services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. Forward-looking statements may include the words “may,” “will,” “should,” “could,” “would,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” and similar words.

Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ from this projection or assumption in any of our forward-looking statements. Our future financial position and results of operations, as well as any forward-looking statements, are subject to change and inherent risks and uncertainties, including those described in our Annual Report on Form 10-K for the year ended December 31, 2011 and in our other filings with the Securities and Exchange Commission. The forward-looking statements made in this Quarterly Report on Form 10-Q are made only as of the date hereof, and we do not have or undertake any obligation to update any forward-looking statements to reflect subsequent events or circumstances unless otherwise required by law.

### ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

#### Interest Rate Risk

Our exposure to market risk for changes in interest rates relates primarily to our long-term debt obligations.

The term loan borrowings at March 31, 2012 under the Company's senior secured credit facilities bear interest at a rate of 5%, which represented the base rate, or LIBOR, plus the applicable margin, as defined. The revolving loans bear interest at LIBOR plus the applicable margin, which was 4.47% at March 31, 2012. Interest is payable in accordance with the credit agreements.

If LIBOR were to increase by 100 basis points, or one percentage point, from its March 31, 2012 level, the Company's annual interest expense would increase and cash flow from operations would decrease by approximately \$0.7 million, based on the outstanding balances of our and Mission's senior secured credit facilities as of March 31, 2012. Due to the LIBOR floor on our term loans, an increase of 50 basis points in LIBOR or any decrease in LIBOR would have a minimal impact on our operations and cash flows. Our 7% Notes, our 8.875% Notes and our 7% PIK Notes are fixed rate debt obligations and therefore are not exposed to market interest rate changes. As of March 31, 2012, we have no financial instruments in place to hedge against changes in the benchmark interest rates on the Company's senior secured credit facilities.

#### Impact of Inflation

We believe that our results of operations are not affected by moderate changes in the inflation rate.

### ITEM 4. Controls and Procedures

#### Evaluation of Disclosure Controls and Procedures

Nexstar's management, with the participation of its President and Chief Executive Officer along with its Chief Financial Officer, conducted an evaluation as of the end of the period covered by this report of the effectiveness of the design and operation of Nexstar's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934.

Based upon that evaluation, Nexstar's President and Chief Executive Officer and its Chief Financial Officer concluded that as of the end of the period covered by this report, Nexstar's disclosure controls and procedures were effective in ensuring that information required to be disclosed in the reports that it files or submits under the Securities Exchange Act of 1934 (i) is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) is accumulated and communicated to Nexstar's management, including its President and Chief Executive Officer and its Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

### Changes in Internal Control over Financial Reporting

During the quarterly period as of the end of the period covered by this report, there have been no changes in Nexstar's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

From time to time, Nexstar and Mission are involved in litigation that arises from the ordinary operations of business, such as contractual or employment disputes or other general actions. In the event of an adverse outcome of these proceedings, Nexstar and Mission believe the resulting liabilities would not have a material adverse effect on Nexstar's and Mission's financial condition or results of operations.

ITEM 1A. Risk Factors

There are no material changes from the risk factors previously disclosed in Part I, Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2011.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosure

None.

ITEM 5. Other Information

None.

ITEM 6. Exhibits

Exhibit No. Description

- |      |   |
|------|---|
| 10.1 | Letter notifying Mission Broadcasting, Inc. of the election to extend Shared Service Agreement (KODE-KSNF)*.  |
| 31.1 | Certification of Perry A. Sook pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.   |
| 31.2 | Certification of Thomas E. Carter pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.  |
| 32.1 | Certification of Perry A. Sook pursuant to 18 U.S.C. ss. 1350.  |
| 32.2 | Certification of Thomas E. Carter pursuant to 18 U.S.C. ss. 1350.   |
| 101  | The Company's unaudited Condensed Consolidated Financial Statements and related Notes for the quarter ended March 31, 2012 from this Quarterly Report on Form 10-Q, formatted in XBRL (eXtensible Business Reporting Language). |

\* Filed herewith



SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

NEXSTAR BROADCASTING GROUP, INC.

/S/ PERRY A. SOOK

By: Perry A. Sook

Its: President and Chief Executive Officer (Principal Executive Officer)

/S/ THOMAS E. CARTER

By: Thomas E. Carter

Its: Chief Financial Officer (Principal Accounting and Financial Officer)

Dated: May 9, 2012

