
Section 1: 8-K (FORM 8-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **September 30, 2017**

SAGA COMMUNICATIONS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or other jurisdiction
of incorporation)

1-11588

(Commission File Number)

38-3042953

(IRS Employer
Identification No.)

**73 Kercheval Avenue
Grosse Pointe Farms, MI**

(Address of Principal Executive Offices)

48236

(Zip Code)

Registrant's telephone number, including area code: **(313) 886-7070**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On November 7, 2017, Saga Communications, Inc. issued a press release announcing its financial results for the three and nine months ended September 30, 2017. The press release, dated November 7, 2017, is attached as Exhibit 99.1 to this Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

[99.1](#) [Press Release dated November 7, 2017.](#)

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 hereunto duly authorized.

SAGA COMMUNICATIONS, INC.

Dated: November 7, 2017

By: /s/ Samuel D. Bush
Samuel D. Bush
Senior Vice President and Chief Financial Officer

INDEX OF EXHIBITS

| <u>Exhibit No.</u> | <u>Description</u> |
|----------------------|---|
| 99.1 | Press Release dated November 7, 2017. |

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Section 2: EX-99.1 (EXHIBIT 99.1)

Saga Communications, Inc. Reports 3rd Quarter 2017 Results

Net Revenue of \$30.3 Million

GROSSE POINTE FARMS, Mich., Nov. 7, 2017 /PRNewswire/ -- Saga Communications, Inc. (NYSE American: SGA) today reported net revenue increased 1.3% to \$30.3 million for the three months ended September 30, 2017. Station operating expense was flat with the same period last year at \$21.8 million and operating income was \$5.5 million compared to \$6.8 million for the same period last year with the reduction primarily due to a gain of \$1.4 million recognized from the sale of one of the Company's towers in Norfolk, VA during the third quarter last year. Gross political revenue from radio for the quarter was \$0.3 million compared to \$0.5 million for the same period last year.

On a same station basis net revenue declined 1.1% to \$29.6 million. Station operating expense was down 2.8% at \$21.2 million and operating income was \$5.4 million.

The Company's net revenue for the nine months ended September 30, 2017 was \$86.7 million compared to \$88.2 million for the same period last year. Station operating expense decreased to \$64.5 million for the nine month period compared to \$64.8 million last year and operating income was \$13.4 million for the nine month period compared to \$16.8 million last year. Gross political revenue from radio was \$0.6 million for the nine month period this year compared to \$1.9 million for the comparable period last year.

On a same station basis net revenue for the nine months was \$85.8 million compared to \$88.2 million for the same period last year. Station operating expense was \$63.8 million and operating income was \$13.2 million for the nine months ended September 30, 2017.

Net Income for the quarter was \$33.4 million (\$5.66 per fully diluted share) compared to \$5.4 million (\$0.92 per fully diluted share) for the same period last year and \$39.9 million (\$6.76 per fully diluted share) for the nine months ended September 30, 2017 compared to \$13.2 million (\$2.25 per fully diluted share) last year. During the quarter the Company realized a gain of \$29.9 million net of tax on the sale of its television assets.

Capital expenditures were \$1.4 million in the third quarter compared to \$1.6 million for the same period last year. The Company expects to spend approximately \$6.5 million for capital expenditures during 2017 including approximately \$750 thousand relating to our recent acquisitions in Charleston and Hilton Head, SC.

On September 1, 2017 the Company closed on the sale of its television stations for approximately \$66.6 million and on the purchase of radio stations in Charleston and Hilton Head, SC for approximately \$23.0 million. At the end of the quarter the Company had approximately \$81.0 million of cash on its balance sheet. As of this week we have approximately \$72.0 million of cash with \$25.0 million in outstanding debt. Approximately \$22.0 million of our cash will be used to pay taxes later this year based on the gain on the sale of our television assets. In addition to taxes the Company intends to utilize the cash for prospective future acquisitions, regular quarterly cash dividends as declared by the Board of Directors, and to consider its use for special cash dividends and stock buybacks.

Saga's 2017 Third Quarter call will be on Tuesday, November 7, 2017 at 11:00 a.m. EST. The dial-in number for the call is (612) 234-9959. A transcript of the call will be posted to the Company's website as soon as it is available after the call.

The Company requests that all parties that have a question that they would like to submit to the Company to please email the inquiry by 10:00 a.m. EST on November 7, 2017 to SagaIR@sagacom.com. The Company will discuss, during the limited period of the conference call, those inquiries it deems of general relevance and interest. Only inquiries made in compliance with the foregoing will be discussed during the call.

The attached Selected Supplemental Financial Data tables disclose "actual", "same station", "proforma", and discontinued operations information as well as the Company's trailing 12 month consolidated EBITDA. The "actual" amounts reflect our historical financial results and include the results of operations for stations that we did not own for the entire comparable period. The "same station" amounts reflect only the results of operations for stations that we owned for the entire comparable period. The "proforma" amounts assume all acquisitions in 2016 and 2017 occurred as of January 1, 2016.

Saga utilizes certain financial measures that are not calculated in accordance with generally accepted accounting principles (GAAP) to assess its financial performance. Such non-GAAP measures include same station financial information, free cash flow, trailing 12 month consolidated EBITDA, and consolidated net leverage ratio. These non-GAAP measures are generally recognized by the broadcasting industry as measures of performance and are used by Saga to assess its financial performance including, but not limited to, evaluating individual station and market-level performance, evaluating overall operations, as a primary measure for incentive based compensation of executives and other members of management and as a measure of financial position. Saga's management believes these non-GAAP measures are used by analysts who report on the industry and by investors to provide meaningful comparisons between broadcasting groups, as well as an indicator of their market value. These measures are not measures of liquidity or of performance in accordance with GAAP, and should be viewed as a supplement to and not as a substitute for the results of operations presented on a GAAP basis including net operating revenue, operating income, and net income. Reconciliations for all of the non-GAAP financial measures to the most directly comparable GAAP measure are attached in the Selected Consolidated and Supplemental Financial Data tables.

This press release contains certain forward-looking statements that are based upon current expectations and involve certain risks and uncertainties within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as "believes," "expects," "anticipates," "guidance" and similar expressions are intended to identify forward-looking statements. Key risks, including risks associated with Saga's ability to effectively integrate the stations it acquires and the impact of federal regulation on Saga's business, are described in the reports Saga periodically files with the U.S. Securities and Exchange Commission, including Item 1A of our Annual Report on Form 10-K. Readers should note that these statements may be impacted by several factors, including national and local economic changes and changes in the radio and television broadcast industry in general, as well as Saga's actual performance. Results may vary from those stated herein and Saga undertakes no obligation to update the information contained here.

Saga is a broadcasting company whose business is devoted to acquiring, developing and operating broadcast properties. Saga owns or operates broadcast properties in 26 markets, including 75 FM and 33 AM radio stations and 64 metro signals. For additional information, contact us at (313) 886-7070 or visit our website at www.sagacom.com.

Saga Communications, Inc.
Selected Consolidated Financial Data
For The Three and Nine Months Ended
September 30, 2017 and 2016
(amounts in 000's except per share data)
(Unaudited)

| | Three Months Ended | | Nine Months Ended | |
|---|--------------------|-----------|-------------------|-----------|
| | September 30, | | September 30, | |
| | 2017 | 2016 | 2017 | 2016 |
| Operating Results | | | | |
| Net operating revenue | \$ 30,269 | \$ 29,878 | \$ 86,685 | \$ 88,208 |
| Station operating expense | 21,755 | 21,775 | 64,521 | 64,757 |
| Corporate general and administrative | 3,132 | 2,728 | 8,875 | 8,065 |
| Other operating (income) expense, net | (127) | (1,393) | (69) | (1,388) |
| Operating income | 5,509 | 6,768 | 13,358 | 16,774 |
| Interest expense | 254 | 187 | 691 | 548 |
| Income from continuing operations, before tax | 5,255 | 6,581 | 12,667 | 16,226 |
| Income tax expense | 2,290 | 2,678 | 5,280 | 6,665 |
| Income from continuing operations, net of tax | 2,965 | 3,903 | 7,387 | 9,561 |
| Income from discontinued operations, net of tax | 30,451 | 1,511 | 32,501 | 3,688 |
| Net income | \$ 33,416 | \$ 5,414 | \$ 39,888 | \$ 13,249 |
| Basic Earnings per share: | | | | |
| From continuing operations | \$ 0.50 | \$ 0.66 | \$ 1.25 | \$ 1.63 |
| From discontinued operations | 5.16 | 0.26 | 5.51 | 0.63 |
| Basic earnings per share | \$ 5.66 | \$ 0.92 | \$ 6.76 | \$ 2.26 |
| Diluted Earnings per share: | | | | |
| From continuing operations | \$ 0.50 | \$ 0.66 | \$ 1.25 | \$ 1.62 |
| From discontinued operations | 5.16 | 0.26 | 5.51 | 0.63 |
| Diluted earnings per share | \$ 5.66 | \$ 0.92 | \$ 6.76 | \$ 2.25 |
| Weighted average common shares | 5,807 | 5,755 | 5,800 | 5,753 |
| Weighted average common and common equivalent shares | 5,807 | 5,764 | 5,804 | 5,762 |
| Free Cash Flow | | | | |
| Net income | \$ 33,416 | \$ 5,414 | \$ 39,888 | \$ 13,249 |
| Plus: Depreciation and amortization: | | | | |
| Station | 1,483 | 1,363 | 4,213 | 4,115 |
| Corporate | 71 | 69 | 214 | 207 |
| Discontinued operations | - | 370 | 445 | 1,023 |
| Deferred tax provision | 340 | 675 | 2,020 | 2,165 |
| Non-cash compensation | 629 | 536 | 1,761 | 1,594 |
| Other operating expense from continuing operations | (127) | (1,393) | (69) | (1,388) |
| Other operating expense from discontinued operations | - | - | 31 | 3 |
| Gain on the disposal of discontinued operations, net of tax | (29,902) | - | (29,902) | - |
| Less: Capital expenditures from continuing operations | (1,410) | (1,463) | (4,725) | (3,432) |
| Capital expenditures from discontinued operations | (15) | (136) | (125) | (717) |
| Free cash flow | \$ 4,485 | \$ 5,435 | \$ 13,751 | \$ 16,819 |

| | September 30, | |
|---|---------------|------------|
| | 2017 | 2016 |
| Balance Sheet Data | | |
| Working capital | \$ 56,294 | \$ 32,840 |
| Net fixed assets | \$ 56,345 | \$ 57,627 |
| Net intangible assets and other assets | \$ 117,947 | \$ 110,847 |
| Total assets | \$ 277,954 | \$ 216,631 |
| Long-term debt including \$10,287 of current portion of long term debt at September 30, 2017. | \$ 35,287 | \$ 36,365 |
| Stockholders' equity | \$ 171,555 | \$ 133,223 |

Saga Communications, Inc.
Selected Supplemental Financial Data
For The Three and Nine Months Ended
September 30, 2017 and 2016
(amounts in 000's except per share data)
(Unaudited)

| | Three Months Ended | | Nine Months Ended | |
|--|---------------------|-----------------|---------------------|-----------------|
| | September 30, | | September 30, | |
| | 2017 ⁽¹⁾ | 2016 | 2017 ⁽¹⁾ | 2016 |
| Results of Discontinued Operations | | | | |
| Net operating revenue | \$ 3,296 | \$ 6,241 | \$ 14,238 | \$ 17,094 |
| Station operating expense | 2,372 | 3,684 | 9,727 | 10,807 |
| Other operating expense | - | - | 31 | 3 |
| Operating income | 924 | 2,557 | 4,480 | 6,284 |
| Interest expense | 5 | 9 | 21 | 26 |
| Income before income taxes | 919 | 2,548 | 4,459 | 6,258 |
| Pretax gain on the disposal of discontinued operations | 50,842 | - | 50,842 | - |
| Total pretax gain on discontinued operations | 51,761 | 2,548 | 55,301 | 6,258 |
| Income tax expense | 21,310 | 1,037 | 22,800 | 2,570 |
| Income from discontinued operations, net of tax | <u>\$ 30,451</u> | <u>\$ 1,511</u> | <u>\$ 32,501</u> | <u>\$ 3,688</u> |

(1) Results of operations for the Television stations are reflected through August 31, 2017. The effective date of the sale was September 1, 2017.

Saga Communications, Inc.
Selected Supplemental Financial Data
For the Three Months Ended
September 30, 2017 and 2016
(amounts in 000's except per share data)
(Unaudited)

| | Actual | | Same Station ⁽¹⁾ | | Pro Forma ⁽²⁾ | |
|---|--------------------|-----------------|-----------------------------|---------------|--------------------------|-----------------|
| | Three Months Ended | | Three Months Ended | | Three Months Ended | |
| | September 30, | September 30, | September 30, | September 30, | September 30, | September 30, |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Consolidated | | | | | | |
| Net operating revenue | \$ 30,269 | \$ 29,878 | \$ 29,552 | \$ 29,878 | \$ 31,546 | \$ 31,888 |
| Station operating expense | 21,755 | 21,775 | 21,174 | 21,775 | 23,000 | 23,478 |
| Corporate general and administrative | 3,132 | 2,728 | 3,132 | 2,728 | 3,132 | 2,728 |
| Other operating (income) expense, net | (127) | (1,393) | (127) | (1,393) | (127) | (1,393) |
| Operating income | 5,509 | 6,768 | 5,373 | 6,768 | 5,541 | 7,075 |
| Interest expense | 254 | 187 | | | 254 | 187 |
| Income from continuing operations, before tax | 5,255 | 6,581 | | | 5,287 | 6,888 |
| Income tax expense | 2,290 | 2,678 | | | 2,430 | 2,804 |
| Income from continuing operations, net of tax | 2,965 | 3,903 | | | 2,857 | 4,084 |
| Income from discontinued operations, net of tax | 30,451 | 1,511 | | | 30,451 | 1,511 |
| Net income | <u>\$ 33,416</u> | <u>\$ 5,414</u> | | | <u>\$ 33,308</u> | <u>\$ 5,595</u> |
| Basic Earnings per share: | | | | | | |
| From continuing operations | \$ 0.50 | \$ 0.66 | | | \$ 0.47 | \$ 0.70 |
| From discontinued operations | 5.16 | 0.26 | | | 5.16 | 0.26 |
| Basic earnings per share | <u>\$ 5.66</u> | <u>\$ 0.92</u> | | | <u>\$ 5.63</u> | <u>\$ 0.96</u> |
| Diluted Earnings per share: | | | | | | |
| From continuing operations | \$ 0.50 | \$ 0.66 | | | \$ 0.47 | \$ 0.70 |
| From discontinued operations | 5.16 | 0.26 | | | 5.16 | 0.26 |
| Diluted earnings per share | <u>\$ 5.66</u> | <u>\$ 0.92</u> | | | <u>\$ 5.63</u> | <u>\$ 0.96</u> |

| | Actual | | Same Station ⁽¹⁾ | | Pro Forma ⁽²⁾ | |
|--------------------------------------|--------------------|-----------------|-----------------------------|-----------------|--------------------------|-----------------|
| | Three Months Ended | | Three Months Ended | | Three Months Ended | |
| | September 30, | September 30, | September 30, | September 30, | September 30, | September 30, |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Depreciation and amortization | | | | | | |
| by segment | | | | | | |
| Radio Stations | \$ 1,483 | \$ 1,363 | \$ 1,397 | \$ 1,363 | \$ 1,647 | \$ 1,609 |
| Discontinued Operations | - | 370 | - | - | - | - |
| Corporate and Other | 71 | 69 | 71 | 69 | 71 | 69 |
| | <u>\$ 1,554</u> | <u>\$ 1,802</u> | <u>\$ 1,468</u> | <u>\$ 1,432</u> | <u>\$ 1,718</u> | <u>\$ 1,678</u> |

(1) Same station includes only the results of stations we owned and operated for the entire comparable period.

(2) Pro Forma results assume all acquisitions in 2016 and 2017 occurred as of January 1, 2016.

Saga Communications, Inc.
Selected Supplemental Financial Data
For the Nine Months Ended

September 30, 2017 and 2016
(amounts in 000's except per share data)
(Unaudited)

| | Actual | | Same Station (1) | | Pro Forma (2) | |
|---|-------------------|-----------|-------------------|-----------|-------------------|-----------|
| | Nine Months Ended | | Nine Months Ended | | Nine Months Ended | |
| | September 30, | | September 30, | | September 30, | |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Consolidated | | | | | | |
| Net operating revenue | \$ 86,685 | \$ 88,208 | \$ 85,811 | \$ 88,208 | \$ 92,187 | \$ 93,993 |
| Station operating expense | 64,521 | 64,757 | 63,825 | 64,757 | 69,325 | 69,874 |
| Corporate general and administrative | 8,875 | 8,065 | 8,875 | 8,065 | 8,875 | 8,065 |
| Other operating (income) expense, net | (69) | (1,388) | (69) | (1,388) | (69) | (1,388) |
| Operating income | 13,358 | 16,774 | 13,180 | 16,774 | 14,056 | 17,442 |
| Interest expense | 691 | 548 | | | 691 | 548 |
| Income from continuing operations, before tax | 12,667 | 16,226 | | | 13,365 | 16,894 |
| Income tax expense | 5,280 | 6,665 | | | 5,566 | 6,939 |
| Income from continuing operations, net of tax | 7,387 | 9,561 | | | 7,799 | 9,955 |
| Income from discontinued operations, net of tax | 32,501 | 3,688 | | | 32,501 | 3,688 |
| Net income | \$ 39,888 | \$ 13,249 | | | \$ 40,300 | \$ 13,643 |
| Basic Earnings per share: | | | | | | |
| From continuing operations | \$ 1.25 | \$ 1.63 | | | \$ 1.32 | \$ 1.70 |
| From discontinued operations | 5.51 | 0.63 | | | 5.51 | 0.63 |
| Basic earnings per share | \$ 6.76 | \$ 2.26 | | | \$ 6.83 | \$ 2.33 |
| Diluted Earnings per share: | | | | | | |
| From continuing operations | \$ 1.25 | \$ 1.62 | | | \$ 1.32 | \$ 1.70 |
| From discontinued operations | 5.51 | 0.63 | | | 5.51 | 0.63 |
| Diluted earnings per share | \$ 6.76 | \$ 2.25 | | | \$ 6.83 | \$ 2.33 |

| | Actual | | Same Station (1) | | Pro Forma (2) | |
|--------------------------------------|-------------------|----------|-------------------|----------|-------------------|----------|
| | Nine Months Ended | | Nine Months Ended | | Nine Months Ended | |
| | September 30, | | September 30, | | September 30, | |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Depreciation and amortization | | | | | | |
| by segment | | | | | | |
| Radio Stations | \$ 4,213 | \$ 4,115 | \$ 4,125 | \$ 4,115 | \$ 4,867 | \$ 4,851 |
| Discontinued Operations | 445 | 1,023 | - | - | - | - |
| Corporate and Other | 214 | 207 | 214 | 207 | 214 | 207 |
| | \$ 4,872 | \$ 5,345 | \$ 4,339 | \$ 4,322 | \$ 5,081 | \$ 5,058 |

(1) Same station includes only the results of stations we owned and operated for the entire comparable period.

(2) Pro Forma results assume all acquisitions in 2016 and 2017 occurred as of January 1, 2016.

Saga Communications, Inc.
Selected Supplemental Financial Data
September 30, 2017
(amounts in 000's except ratios)
(Unaudited)

| | Less: | | Plus: | | Add: Proforma Acquisitions | Trailing 12 Mos Ended September 30, 2017 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|----------------------------------|---|
| | 12 Mos Ended December 31, 2016 | 9 Mos Ended September 30, 2016 | 9 Mos Ended September 30, 2017 | 9 Mos Ended September 30, 2017 | | |
| Trailing 12 Month Consolidated Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") (1) | | | | | | |
| Net income | \$ 18,186 | \$ 13,249 | \$ 39,888 | \$ 499 | \$ 45,324 | |
| Exclusions: | | | | | | |
| Gain (loss) on sale of assets from continuing operations | 1,393 | 1,385 | 69 | - | 77 | |
| Gain (loss) on sale of assets from discontinued operations | - | - | (31) | - | (31) | |
| Gain (loss) on sale of television stations | - | - | 50,842 | - | 50,842 | |
| Other | 298 | 236 | 332 | - | 394 | |
| | 1,691 | 1,621 | 51,212 | - | 51,282 | |
| Total exclusions | 1,691 | 1,621 | 51,212 | - | 51,282 | |
| Consolidated adjusted net income (1) | 16,495 | 11,628 | (11,324) | 499 | (5,958) | |
| Plus: Interest expense | 776 | 574 | 712 | - | 914 | |
| Income tax expense | 12,500 | 9,235 | 28,080 | 346 | 31,691 | |

| | | | | | |
|---|------------------|------------------|------------------|-----------------|------------------|
| Depreciation & amortization expense | 7,263 | 5,345 | 4,872 | 890 | 7,680 |
| Amortization of television syndicated programming contracts | 628 | 467 | 418 | - | 579 |
| Non-cash stock based compensation expense | 2,101 | 1,594 | 1,761 | - | 2,268 |
| Less: Cash television programming payments | (625) | (466) | (418) | - | (577) |
| Trailing twelve month consolidated EBITDA (1) | <u>\$ 39,138</u> | <u>\$ 28,377</u> | <u>\$ 24,101</u> | <u>\$ 1,735</u> | <u>\$ 36,597</u> |
| Total long-term debt, including current maturities | | | | | \$ 35,287 |
| Divided by trailing twelve month consolidated EBITDA (1) | | | | | <u>36,597</u> |
| Leverage ratio | | | | | <u>0.96</u> |

(1) As defined in the Company's credit facility.

Saga Communications, Inc.
Selected Financial Data Non-GAAP Disclosures
For the Three and Nine Months Ended
September 30, 2017 and 2016
(amounts in 000's)
(Unaudited)

Reconciliation of Actual Information to Same Station Operating Income

| | Actual Three Months Ended September 30, 2017 | Adjustment For Acquisitions and Dispositions Not Included in Entire Comparable Period | Same Station Three Months Ended September 30, 2017 | Actual Three Months Ended September 30, 2016 | Adjustment For Acquisitions and Dispositions Not Included in Entire Comparable Period | Same Station Three Months Ended September 30, 2016 |
|---------------------------------------|--|--|--|--|--|--|
| Consolidated | | | | | | |
| Net operating revenue | \$ 30,269 | \$ (717) | \$ 29,552 | \$ 29,878 | \$ - | \$ 29,878 |
| Station operating expense | 21,755 | (581) | 21,174 | 21,775 | - | 21,775 |
| Corporate general and administrative | 3,132 | - | 3,132 | 2,728 | - | 2,728 |
| Other operating (income) expense, net | (127) | - | (127) | (1,393) | - | (1,393) |
| Operating income | <u>\$ 5,509</u> | <u>\$ (136)</u> | <u>\$ 5,373</u> | <u>\$ 6,768</u> | <u>\$ -</u> | <u>\$ 6,768</u> |
| Depreciation and amortization | <u>\$ 1,554</u> | <u>\$ (86)</u> | <u>\$ 1,468</u> | <u>\$ 1,802</u> | <u>\$ (370)</u> | <u>\$ 1,432</u> |

| | Actual Nine Months Ended September 30, 2017 | Adjustment For Acquisitions and Dispositions Not Included in Entire Comparable Period | Same Station Nine Months Ended September 30, 2017 | Actual Nine Months Ended September 30, 2016 | Adjustment For Acquisitions and Dispositions Not Included in Entire Comparable Period | Same Station Nine Months Ended September 30, 2016 |
|--------------------------------------|---|--|---|---|--|---|
| Consolidated | | | | | | |
| Net operating revenue | \$ 86,685 | \$ (874) | \$ 85,811 | \$ 88,208 | \$ - | \$ 88,208 |
| Station operating expense | 64,521 | (696) | 63,825 | 64,757 | - | 64,757 |
| Corporate general and administrative | 8,875 | - | 8,875 | 8,065 | - | 8,065 |
| Other operating (income) expense | (69) | - | (69) | (1,388) | - | (1,388) |
| Operating income | <u>\$ 13,358</u> | <u>\$ (178)</u> | <u>\$ 13,180</u> | <u>\$ 16,774</u> | <u>\$ -</u> | <u>\$ 16,774</u> |
| Depreciation and amortization | <u>\$ 4,872</u> | <u>\$ (533)</u> | <u>\$ 4,339</u> | <u>\$ 5,345</u> | <u>\$ (1,023)</u> | <u>\$ 4,322</u> |

