United States

Securities and Exchange Commission

Washington, D.C. 20549

FORM 10-Q

(MARK ONE)

[x] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the Quarterly Period ended September 30, 2002

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 1-11588

Saga Communications, Inc.
(Exact name of registrant as specified in its charter)

Delaware	38-3042953
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

73 Kercheval Avenue Grosse Pointe Farms, Michigan	48236
(Address of principal executive offices)	(Zip Code)

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

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 period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No .

The number of shares of the registrant's Class A Common Stock, $.01 par value, and Class B Common Stock, $.01 par value, outstanding as of October 31, 2002 was 18,330,294 and 2,360,370, respectively.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Saga Communications, Inc.

Condensed Consolidated Balance Sheets

(dollars in thousands)

	SEPTEMBER 30, 2002 (UNAUDITED)	DECEMBER 31, 2001
ASSETS		
Current assets:		
Cash and cash equivalents	$ 15,066	$ 11,843
Accounts receivable, net	19,505	19,185
Prepaid expenses	1,747	2,811
Other current assets	2,180	1,680
Total current assets	38,498	35,519
Property and equipment	117,456	110,172
Less accumulated depreciation	(59,325)	(55,003)
Net property and equipment	58,131	55,169
Other assets:		
Broadcast licenses, net	94,380	86,835
Goodwill, net	23,338	20,929
Other intangibles	746	1,118
Deferred costs and investments, net	4,292	3,151
Total other assets	122,756	112,033
	$ 219,385	$ 202,721

See notes to unaudited condensed consolidated financial statements.

Saga Communications, Inc.

Condensed Consolidated Balance Sheets

(dollars in thousands)

	SEPTEMBER 30, 2002 (UNAUDITED)	DECEMBER 31, 2001
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 946	$ 944
Other current liabilities	12,969	10,217
Current portion of long-term debt	8,930	275
Total current liabilities	22,845	11,436
Deferred income taxes	12,345	9,990
Long-term debt	96,322	105,226
Other	1,398	1,007
STOCKHOLDERS' EQUITY:		
Common stock	208	166
Additional paid-in capital	44,675	43,185
Note receivable from principal stockholder	--	(171)
Retained earnings	44,291	34,483
Accumulated other comprehensive income	(604)	(340)
Treasury stock	(2,095)	(2,198)
Unearned compensation on restricted stock	--	(63)
Total stockholders' equity	86,475	75,062
	$ 219,385	$ 202,721

Note: The balance sheet at December 31, 2001 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

See notes to unaudited condensed consolidated financial statements.

Saga Communications, Inc.

Condensed Consolidated Statements of Income
(in thousands except per share data)
Unaudited

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2002	2001	2002	2001
Net operating revenue	$ 29,783	$ 26,251	$ 83,474	$ 77,058
Operating expenses:				
Programming and technical	6,753	6,230	19,517	18,365
Selling	6,620	6,037	20,500	19,300
Station general and administrative	4,495	4,021	13,348	11,740
Corporate general and administrative	1,511	1,191	4,345	4,086
Depreciation	1,523	1,450	4,498	4,255
Amortization	125	1,156	375	3,213
Operating profit	8,756	6,166	20,891	16,099
Other (income) expense:				
Interest expense	1,344	1,896	4,052	5,641
Other	(150)	(315)	(147)	(5)
Income before income tax	7,562	4,585	16,986	10,463
Income tax provision	3,176	1,870	7,135	4,364
Net income	$ 4,386	$ 2,715	$ 9,851	$ 6,099
Earnings per share:				
Basic	$ .21	$ .13	$ .48	$ .30
Diluted	$ .21	$ .13	$ .47	$ .29
Weighted average common shares	20,667	20,475	20,590	20,466
Weighted average common and common equivalent shares	21,016	20,910	20,990	20,869

See notes to unaudited condensed consolidated financial statements.

Saga Communications, Inc.

Condensed Consolidated Statements of Cash Flows
(dollars in thousands)
Unaudited

	NINE MONTHS ENDED SEPTEMBER 30, 2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash provided by operating activities	$ 20,589	$ 14,990
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	(5,855)	(5,130)
Proceeds from sale of assets	606	12
Increase in intangibles and other assets	(1,376)	(1,697)
Acquisition of stations	(11,753)	(18,358)
Net cash used in investing activities	(18,378)	(28,593)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	--	11,250
Payments on long-term debt	(249)	(365)
Net proceeds from exercise of stock options	1,261	311
Purchase of shares held in treasury	--	(986)
Net cash provided by financing activities	1,012	10,210
Net increase in cash and cash equivalents	3,223	27
Cash and cash equivalents, beginning of period	11,843	8,670
Cash and cash equivalents, end of period	$ 15,066	$ 8,697

See notes to unaudited condensed consolidated financial statements.

Saga Communications, Inc.

Notes to Condensed Consolidated Financial Statements

Unaudited

1. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for annual financial statements. In our opinion, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine months ended September 30, 2002 are not necessarily indicative of the results that may be expected for the year ending December 31, 2002. For further information, refer to the consolidated financial statements and footnotes thereto included in the Saga Communications, Inc. Annual Report (Form 10-K) for the year ended December 31, 2001.

2. RECLASSIFICATION

Certain amounts previously reported in the 2001 financial statements have been reclassified to conform to the 2002 presentation.

3. STOCK SPLIT

On June 15, 2002 we consummated a five-for-four split of our Class A and Class B Common Stock, resulting in additional shares being issued of approximately 3,685,000 and 472,000, respectively, for holders of record on May 31, 2002. All share and per share information in the accompanying financial statements has been restated retroactively to reflect the split.

4. ADOPTION OF ACCOUNTING POLICIES

In June 2001, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 141 ("Statement 141"), Business Combinations, and No. 142 ("Statement 142"), Goodwill and Other Intangible Assets. The requirements of Statement 141 are effective for any business combination after June 30, 2001. Statement 141 eliminates the pooling-of-interests method of accounting for business combinations and changes the criteria to recognize intangible assets apart from goodwill. We have historically used the purchase method to account for all business combinations and therefore, the adoption of Statement 141 did not have a material impact on our financial position, cash flows or results of operations.

4. ADOPTION OF ACCOUNTING POLICIES (CONTINUED)

Under Statement 142, goodwill and intangible assets deemed to have indefinite lives are no longer amortized and are subject to annual (or more frequent if impairment indicators arise) impairment tests. Separable intangible assets that have finite lives will continue to be amortized over their useful lives. The amortization provisions of Statement 142 apply to goodwill and intangible assets acquired after June 30, 2001. With respect to goodwill and intangible assets acquired prior to July 1, 2001, the amortization provisions of Statement 142 are effective upon adoption.

We adopted Statement 142 on January 1, 2002. Reported income and earnings per share adjusted to exclude broadcast license and goodwill amortization are as follows:

ADJUSTED NET INCOME FOR ADOPTION OF STATEMENT 142 (UNAUDITED) (IN THOUSANDS EXCEPT PER SHARE DATA)	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2002	2001	2002	2001
Reported net income	$ 4,386	$ 2,715	$ 9,851	$ 6,099
Add back: amortization of goodwill, net of tax provision of $126 and $380	--	173	--	517
Add back: amortization of broadcast licenses, net of tax provision of $274 and $714	--	373	--	971
Adjusted net income	$ 4,386	$ 3,261	$ 9,851	$ 7,587
Basic earnings per share:				
Reported net income per share - basic	$ .21	$ .13	$ .48	$ .30
Add back: amortization of goodwill, net of taxes	--	.01	--	.02
Add back: amortization of broadcast licenses, net of taxes	--	.02	--	.05
Adjusted net income per share - basic	$ .21	$ .16	$ .48	$ .37
Diluted earnings per share:				
Reported net income per share - diluted	$ .21	$ .13	$ .47	$ .29
Add back: amortization of goodwill, net of taxes	--	.01	--	.02
Add back: amortization of broadcast licenses, net of taxes	--	.02	--	.05
Adjusted net income per share - diluted	$ .21	$ .16	$ .47	$ .36

During the first quarter of 2002, we completed the required transitional impairment test prescribed by Statement 142 for our broadcast licenses (which we have deemed as indefinite lived since the licenses are expected to generate cash flows indefinitely). The results of these tests indicate that there was no impairment for these intangibles as of January 1, 2002.

4. ADOPTION OF ACCOUNTING POLICIES (CONTINUED)

During the second quarter of 2002, we completed the required transitional impairment test prescribed by Statement 142 for goodwill. The results of these tests indicate that there was no impairment for goodwill as of January 1, 2002.

We have recorded amortizable intangible assets at September 30, 2002 as follows:

	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION
	(In thousands)	
Non-competition agreements	$ 4,315	$ 4,005
Favorable lease agreements	4,807	4,371
Total amortizable intangible assets	$ 9,122	$ 8,376

Aggregate amortization expense for these amortizable intangible assets for the nine months ended September 30, 2002 was $375,000.

Effective January 1, 2002 we adopted Statement No. 144 ("Statement 144"), Accounting for the Impairment or Disposal of Long-Lived Assets. Statement 144 provides a consistent method to value long-lived assets to be disposed of and broadens the presentation of discontinued operations to include more disposal transactions. The adoption of Statement 144 did not have a material effect on our financial position, cash flows or results of operations.

5. TOTAL COMPREHENSIVE INCOME AND ACCUMULATED OTHER COMPREHENSIVE INCOME

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
TOTAL COMPREHENSIVE INCOME CONSISTS OF:	2002	2001	2002	2001
	(In thousands)			
Net income	$ 4,386	$ 2,715	$ 9,851	$ 6,099
Accumulated other comprehensive income:				
Change in fair value of derivative instruments, net of taxes	(166)	(490)	(264)	(490)
Total comprehensive income	$ 4,220	$ 2,225	$ 9,587	$ 5,609

Accumulated Other Comprehensive Income is comprised solely of the changes in the fair value of derivatives at September 30, 2002 and December 31, 2001.

6. INCOME TAXES

Our effective tax rate is higher than the federal statutory rate as a result of certain non-deductible depreciation and amortization expenses and the inclusion of state taxes in the income tax amount.

7. ACQUISITIONS

We actively seek and explore opportunities for expansion through the acquisition of additional broadcast properties. This activity is part of our strategy to be the leading broadcaster in the markets where we own properties.

On February 1, 2001, we acquired two FM and two AM radio stations (WCVQ-FM, WZZP-FM, WDXN-AM and WJMR-AM) serving the Clarksville, Tennessee / Hopkinsville, Kentucky market for approximately $6,700,000.

On February 1, 2001, we acquired an FM radio station (WVVR-FM) serving the Clarksville, Tennessee / Hopkinsville, Kentucky market for approximately $7,000,000, including approximately $1,000,000 of our Class A Common Stock. The radio station was owned by a company in which a member of our Board of Directors had a 35% beneficial ownership interest. The purchase price was determined on an arm's length basis. We also obtained an opinion from an independent appraiser that the purchase price was fair from a financial point of view.

On April 1, 2001, we acquired an AM and FM radio station (WHAI-FM and WHMQ-AM) serving the Greenfield, Massachusetts market for approximately $2,200,000.

The following transactions have been accounted for in accordance with Statement 141 as summarized in Note 4. The effect of applying Statement 141 is immaterial to the accompanying financial statements.

On July 1, 2001, we acquired two FM radio stations (KMIT-FM and KUQL-FM) serving the Mitchell, South Dakota market for approximately $4,050,000.

On May 1, 2002, we acquired two FM and two AM radio stations (WKBK-AM, WKNE-FM and WKVT-AM/FM) serving the Keene, New Hampshire and Brattleboro, Vermont markets, respectively, for approximately $9,075,000 plus approximately $300,000 in additional transaction costs, which have been included in goodwill.

On July 1, 2002, we acquired an FM and AM radio station (WOQL-FM and WZBK-AM) serving the Keene, New Hampshire market, for approximately $2,625,000 plus approximately $76,000 in additional transaction costs, which have been included in goodwill.

7. ACQUISITIONS (CONTINUED)

The consolidated statements of income include the operating results of the acquired stations from their respective dates of acquisition. All acquisitions were accounted for as purchases and, accordingly, the total costs were allocated to the acquired assets and assumed liabilities based on their estimated fair values as of the respective acquisition dates. The excess of the consideration paid over the estimated fair value of net assets acquired have been recorded as goodwill, which is deductible for tax purposes. The following condensed balance sheet represents the estimated fair value assigned to the related assets and liabilities of the 2002 and 2001 acquisitions at their respective acquisition dates. Since we are in the process of finalizing the allocations, this allocation is preliminary.

SAGA COMMUNICATIONS, INC.
CONDENSED CONSOLIDATED BALANCE SHEET OF 2002 AND 2001 ACQUISITIONS
(IN THOUSANDS)

	2002 ACQUISITIONS	2001 ACQUISITIONS
ASSETS ACQUIRED:		
Current assets	$ 403	$ 684
Property and equipment	2,014	4,737
Other assets:		
Broadcast licenses	7,545	14,941
Goodwill	2,050	113
Other intangibles, deferred costs and investments	2	227
Total other assets	9,597	15,281
Total assets acquired	12,014	20,702
LIABILITIES ASSUMED:		
Current liabilities	261	471
Deferred income taxes	--	245
Total liabilities assumed	261	716
Net assets acquired	$ 11,753	$ 19,986

The following unaudited pro forma results of our operations for the three and nine months ended September 30, 2002 and 2001 assume the 2002 and 2001 acquisitions occurred as of January 1, 2001. The pro forma results give effect to certain adjustments, including depreciation, amortization of intangible assets, increased interest expense on acquisition debt and related income tax effects. The pro forma results have been prepared for comparative purposes only and do not purport to indicate the results of operations which would actually have occurred had the combinations been in effect on the dates indicated or which may occur in the future.

7. ACQUISITIONS (CONTINUED)

PRO FORMA RESULTS OF OF OPERATIONS FOR ACQUISITIONS:

CONSOLIDATED RESULTS OF OPERATIONS	THREE MONTHS ENDED SEPTEMBER 30, 2002	THREE MONTHS ENDED SEPTEMBER 30, 2001	NINE MONTHS ENDED SEPTEMBER 30, 2002	NINE MONTHS ENDED SEPTEMBER 30, 2001
	(In thousands except per share data)			
Net operating revenue	$ 29,783	$ 27,232	$ 84,650	$ 80,703
Station operating expense	17,868	16,918	54,366	52,220
Station operating income	11,915	10,314	30,284	28,483
Corporate general and administrative	1,511	1,191	4,345	4,086
Depreciation	1,523	1,490	4,557	4,464
Amortization	125	1,156	375	3,257
Operating profit	8,756	6,477	21,007	16,676
Interest expense	1,344	1,896	4,052	5,695
Other	(150)	(315)	(147)	(5)
Income tax provision	3,176	2,002	7,184	4,587
Net income	$ 4,386	$ 2,894	$ 9,918	$ 6,399
Basic earnings per share	$ .21	$ .14	$ .48	$ .31
Diluted earnings per share	$ .21	$ .14	$ .47	$ .31

RADIO BROADCASTING SEGMENT	THREE MONTHS ENDED SEPTEMBER 30, 2002	THREE MONTHS ENDED SEPTEMBER 30, 2001	NINE MONTHS ENDED SEPTEMBER 30, 2002	NINE MONTHS ENDED SEPTEMBER 30, 2001
	(In thousands)			
Net operating revenue	$ 26,643	$ 24,659	$ 75,750	$ 72,962
Station operating expense	15,584	14,840	47,516	46,101
Station operating income	11,059	9,819	28,234	26,861
Corporate general and administrative	--	--	--	--
Depreciation	1,119	1,042	3,346	3,122
Amortization	119	953	357	2,721
Operating profit	$ 9,821	$ 7,824	$ 24,531	$ 21,018

7. ACQUISITIONS (CONTINUED)

TELEVISION BROADCASTING SEGMENT	THREE MONTHS ENDED SEPTEMBER 30, 2002	THREE MONTHS ENDED SEPTEMBER 30, 2001	NINE MONTHS ENDED SEPTEMBER 30, 2002	NINE MONTHS ENDED SEPTEMBER 30, 2001
	(In thousands)			
Net operating revenue	$ 3,140	$ 2,573	$ 8,900	$ 7,741
Station operating expense	2,284	2,078	6,850	6,119
Station operating income	856	495	2,050	1,622
Corporate general and administrative	--	--	--	--
Depreciation	354	403	1,062	1,210
Amortization	6	98	18	293
Operating profit (loss)	$ 496	$ (6)	$ 970	$ 119

8. SEGMENT INFORMATION

Our operations are aligned into two business segments: Radio and Television. These business segments are consistent with our management of these businesses and our financial reporting structure.

The Radio segment includes all 63 of our radio stations and three radio information networks. The Television segment consists of 7 television stations. The Radio and Television segments both derive their revenue from the sale of commercial broadcast inventory.

The category "Corporate and Other" represents the income and expense not allocated to reportable segments.

We evaluate performance of our operating entities based on operating profit (loss) before corporate general and administrative, depreciation and amortization ("station operating income"). We believe that station operating income is useful because it provides a meaningful comparison of operating performance between companies in the broadcasting industry and serves as an indicator of the market value of a group of stations. Station operating income is generally recognized by the broadcasting industry as a measure of performance and is used by analysts who report on the performance of broadcasting groups. Station operating income is not necessarily indicative of amounts that may be available to us for debt service requirements, other commitments, reinvestment or other discretionary uses. Station operating income is not a measure of liquidity or of performance in accordance with generally accepted accounting principles, and should be viewed as a supplement to and not a substitute for the results of operations presented on the basis of generally accepted accounting principles.

8. SEGMENT INFORMATION (CONTINUED)

THREE MONTHS ENDED SEPTEMBER 30,2002:	RADIO	TELEVISION	CORPORATE AND OTHER	CONSOLIDATED
		(In thousands)		
Net operating revenue	$ 26,643	$ 3,140	--	$ 29,783
Station operating expense	15,584	2,284	--	17,868
Station operating income	11,059	856	--	11,915
Corporate general and administrative	--	--	$ 1,511	1,511
Depreciation	1,119	354	50	1,523
Amortization	119	6	--	125
Operating profit (loss)	$ 9,821	$ 496	$ (1,561)	$ 8,756

THREE MONTHS ENDED SEPTEMBER 30, 2001:	RADIO	TELEVISION	CORPORATE AND OTHER	CONSOLIDATED
		(In thousands)		
Net operating revenue	$ 23,678	$ 2,573	--	$ 26,251
Station operating expense	14,210	2,078	--	16,288
Station operating income	9,468	495	--	9,963
Corporate general and administrative	--	--	$ 1,191	1,191
Depreciation	1,002	403	45	1,450
Amortization	953	98	105	1,156
Operating profit (loss)	$ 7,513	$ (6)	$ (1,341)	$ 6,166

8. SEGMENT INFORMATION (CONTINUED)

NINE MONTHS ENDED SEPTEMBER 30, 2002:

	RADIO	TELEVISION	CORPORATE AND OTHER	CONSOLIDATED
		(In thousands)		
Net operating revenue	$ 74,574	$ 8,900	--	$ 83,474
Station operating expense	46,515	6,850	--	53,365
Station operating income	28,059	2,050	--	30,109
Corporate general and administrative	--	--	$ 4,345	4,345
Depreciation	3,287	1,062	149	4,498
Amortization	357	18	--	375
Operating profit (loss)	$ 24,415	$ 970	$ (4,494)	$ 20,891
Total assets	$ 174,120	$ 26,375	$ 18,890	$ 219,385

NINE MONTHS ENDED SEPTEMBER 30, 2001:

	RADIO	TELEVISION	CORPORATE AND OTHER	CONSOLIDATED
		(In thousands)		
Net operating revenue	$ 69,317	$ 7,741	--	$ 77,058
Station operating expense	43,286	6,119	--	49,405
Station operating income	26,031	1,622	--	27,653
Corporate general and administrative	--	--	$ 4,086	4,086
Depreciation	2,913	1,210	132	4,255
Amortization	2,677	293	243	3,213
Operating profit (loss)	$ 20,441	$ 119	$ (4,461)	$ 16,099
Total assets	$ 159,210	$ 26,033	$ 13,339	$ 198,582

9. SUBSEQUENT EVENTS

On November 1, 2002 we acquired three FM radio stations (KDEZ-FM, KDXY-FM, and KJBX-FM) serving the Jonesboro, Arkansas market for approximately $12,000,000 including approximately $2,000,000 of our Class A common stock.

On November 1, 2002 we entered into two time brokerage agreements for WISE-AM and WOXL-FM serving the Asheville, North Carolina market.

On November 1, 2002 we acquired an AM and FM radio station (WJQY-AM and WJOI-FM) serving the Springfield, Tennessee market for approximately $1,500,000.

On November 13, 2002 we entered into an agreement to acquire an FM radio station (WODB-FM) Delaware, Ohio, serving the Columbus, Ohio market for approximately $9,000,000 and the exchange of one of our AM radio stations (WVKO-AM) serving the Columbus, Ohio market. The transaction is subject to the approval of the Federal Communications Commission and is expected to close during the first quarter 2003.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto of Saga Communications, Inc. and its subsidiaries contained elsewhere herein.

GENERAL

Our financial results are dependent on a number of factors, the most significant of which is the ability to generate advertising revenue through rates charged to advertisers. The rates a station is able to charge are, in large part, based on a station's ability to attract audiences in the demographic groups targeted by its advertisers, as measured principally by periodic reports by independent national rating services. Various factors affect the rate a station can charge, including the general strength of the local and national economies, population growth, ability to provide popular programming, local market competition, relative efficiency of radio and/or television broadcasting compared to other advertising media, signal strength and government regulation and policies. The primary operating expenses involved in owning and operating radio stations are employee salaries, depreciation, programming expenses, solicitation of advertising, and promotion expenses. In addition to these expenses, owning and operating television stations involves the cost of acquiring certain syndicated programming.

During the years ended December 31, 2001 and 2000 and the nine month periods ended September 30, 2002 and 2001, our Columbus, Ohio and Milwaukee, Wisconsin stations were the only operating locations representing more than 15% of our station operating income (i.e., net operating revenue less station operating expense). For the years ended December 31, 2001 and 2000, Columbus accounted for an aggregate of 15% and 16%, respectively, and Milwaukee accounted for an aggregate of 23% and 22%, respectively, of station operating income. For the nine months ended September 30, 2002 and 2001, Columbus accounted for an aggregate of 15% and 15%, respectively, and Milwaukee accounted for an aggregate of 23% and 24%, respectively, of station operating income. While radio revenues in each of the Columbus and Milwaukee markets have remained relatively stable historically, an adverse change in these radio markets or in the relative market position of these locations could have a significant impact on our operating results as a whole.

Because audience ratings in the local market are crucial to a station's financial success, we endeavor to develop strong listener/viewer loyalty. We believe that the diversification of formats on our radio stations helps to insulate us from the effects of changes in musical tastes of the public on any particular format.

The number of advertisements that can be broadcast without jeopardizing listening/viewing levels (and the resulting ratings) is limited in part by the format of a particular radio station and, in the case of television stations, by restrictions imposed by the terms of certain network affiliation and syndication agreements. Our stations strive to maximize revenue by constantly managing the number of commercials available for sale and adjusting prices based upon local market conditions. In the broadcasting industry, stations often utilize trade (or barter) agreements to generate advertising time sales in exchange for goods or services used or useful in the operation of the stations, instead of for cash. We minimize our use of trade agreements and historically have sold over 95% of our advertising time for cash.

Most advertising contracts are short-term, and generally run only for a few weeks. Most of our revenue is generated from local advertising, which is sold primarily by each station's sales staff. For the nine months ended September 30, 2002 and 2001, approximately 81% and 82%, respectively, of our gross revenue was from local advertising. To generate national advertising sales, we engage independent advertising sales representatives that specialize in national sales for each of our stations.

Our revenue varies throughout the year. Advertising expenditures, our primary source of revenue, generally have been lowest during the winter months, which comprise the first quarter.

As of September 30, 2001 we owned and/or operated 57 radio stations, four TV stations, two LPTV stations, and three radio information networks. As a result of acquisitions, as of September 30, 2002 we owned and/or operated 63 radio stations, four TV stations, three LPTV stations and three radio information networks.

From January 1, 2001 to September 30, 2002, we have acquired the following stations serving the markets indicated:

- February 1, 2001: two FM and two AM radio stations (WCVQ-FM, WZZP-FM, WDXN-AM, and WJMR-AM) serving the Clarksville, Tennessee / Hopkinsville, Kentucky market for approximately $6,700,000.

- February 1, 2001: one FM radio station (WVVR-FM) serving the Clarksville, Tennessee / Hopkinsville, Kentucky market for approximately $7,000,000, including approximately $1,000,000 of the Company's Class A Common Stock.

- April 1, 2001: an AM and FM radio station (WHAI-AM and WHMQ-FM) serving the Greenfield, Massachusetts market for approximately $2,200,000.

- July 1, 2001: two FM radio stations (KMIT-FM and KUQL-FM) serving the Mitchell, South Dakota market for approximately $4,050,000.

- May 1, 2002: two AM and two FM radio stations (WKBK-AM, WKNE- FM and WKVT-AM/FM) serving the Keene, New Hampshire and Brattleboro, Vermont markets, respectively, for approximately $9,075,000.

- July 1, 2002: an AM and FM radio station (WZBK-AM and WOQL-FM) serving the Keene, New Hampshire markets for approximately $2,625,000.

Since September 30, 2002, we have entered into the following transactions:

- November 1, 2002: acquired three FM radio stations (KDEZ-FM, KDXY-FM and KJBX-FM) serving the Jonesboro, Arkansas market for approximately $12,000,000 including approximately $2,000,000 of our Class A common stock.

- November 1, 2002: entered into two time brokerage agreements for WISE-AM and WOXL-FM serving the Asheville, North Carolina market.

- November 1, 2002: acquired an AM and FM radio station (WJQY-AM and WJOI-FM) serving the Springfield, Tennessee market for approximately $1,500,000.

- November 13, 2002: entered into an agreement to acquire an FM radio station (WODB-FM) Delaware, Ohio, serving the Columbus, Ohio market for approximately $9,000,000 and the exchange of one of our AM radio stations (WVKO-AM) serving the Columbus, Ohio market. The transaction is subject to the approval of the Federal Communications Commission and is expected to close during the first quarter 2003.

For additional information with respect to these acquisitions, see Notes 7 and 9 of the Notes to Condensed Consolidated Financial Statements and "Liquidity and Capital Resources" below.

We actively seek and explore opportunities for expansion through the acquisition of additional broadcast properties. We review acquisition opportunities on an ongoing basis.

THREE MONTHS ENDED SEPTEMBER 30, 2002 COMPARED TO THREE MONTHS ENDED SEPTEMBER 30, 2001

The following tables summarize our results of operations for the three months ended September 30, 2002 and 2001. The as-reported percentages 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 percentages reflect the results of operations for stations that we owned for the entire comparable period.

CONSOLIDATED RESULTS OF OPERATIONS
(In thousands of dollars)

	Three Months Ended September 30, 2002	2001	As-Reported % Increase (Decrease)	Same Station % Increase (Decrease)
Net operating revenue	$ 29,783	$ 26,251	13.45%	9.52%
Station operating expense *	17,868	16,288	9.70%	4.95%
Station operating income	11,915	9,963	19.59%	16.98%
Corporate G&A	1,511	1,191	26.87%	N/A
Depreciation	1,523	1,450	5.03%	1.93%
Amortization	125	1,156	(89.19%)	(89.28%)
Operating profit	8,756	6,166	42.00%	38.52%
Interest expense	1,344	1,896	(29.11%)	
Other (income)expense	(150)	(315)	(52.38%)	
Income taxes	3,176	1,870	69.84%	
Net income	$ 4,386	$ 2,715	61.55%	
Basic earnings per share	$ .21	$ .13	60.05%	
Diluted earnings per share	$ .21	$ .13	60.73%	

RADIO BROADCASTING SEGMENT
(In thousands of dollars)

	Three Months Ended September 30, 2002	2001	As-Reported % Increase (Decrease)	Same Station % Increase (Decrease)
Net operating revenue	$ 26,643	$ 23,678	12.52%	8.16%
Station operating expense *	15,584	14,210	9.67%	4.22%
Station operating income	11,059	9,468	16.80%	14.06%
Depreciation	1,119	1,002	11.68%	7.17%
Amortization	119	953	(87.51%)	(87.63%)
Operating profit	$ 9,821	$ 7,513	30.72%	27.87%

TELEVISION BROADCASTING SEGMENT
(In thousands of dollars)

	Three Months Ended September 30, 2002	2001	As-Reported % Increase (Decrease)	Same Station % Increase (Decrease)
Net operating revenue	$ 3,140	$ 2,573	22.04%	22.04%
Station operating expense *	2,284	2,078	9.91%	9.91%
Station operating income	856	495	72.93%	72.93%
Depreciation	354	403	(12.16%)	(12.16%)
Amortization	6	98	(93.88%)	(93.88%)
Operating profit (loss)	$ 496	$ (6)	N/A	N/A

* Programming, technical, selling and station general and administrative expenses.

For the three months ended September 30, 2002, net operating revenue was $29,783,000 compared with $26,251,000 for the three months ended September 30, 2001, an increase of $3,532,000 or 13%. Approximately $1,034,000 or 29% of the increase was attributable to revenue generated by stations that we did not own or operate for the comparable period in 2001. Net operating revenue generated by stations that we owned and operated for the entire comparable period ("same station") increased by approximately 10% ($2,498,000). This increase was primarily the result of increased advertising rates at a majority of our stations.

Station operating expense (i.e., programming, technical, selling and station general and administrative expenses) increased by $1,580,000 or 10% to $17,868,000 for the three months ended September 30, 2002, compared with $16,288,000 for the three months ended September 30, 2001. Of the total increase, approximately $776,000 or 49% was the result of the impact of the operation of stations that we did not own or operate for the comparable period in 2001. Station operating expense increased by approximately $804,000 or 5% on a same station basis. The increase in station operating expense was primarily attributable to the increase in net operating revenue.

Operating profit increased by $2,590,000 or 42% to $8,756,000 for the three months ended September 30, 2002, compared with $6,166,000 for the three months ended September 30, 2001. The increase was primarily the result of the $3,532,000 increase in net operating revenue offset by the $1,580,000 increase in station operating expense, and an $1,031,000 or 89% decrease in amortization expense that was principally the result of the non-amortization provisions of the adoption of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets". See Note 4 of the Notes to Condensed Consolidated Financial Statements.

We generated net income in the amount of approximately $4,386,000 ($0.21 per share on a diluted basis) during the three months ended September 30, 2002, compared with net income of $2,715,000 ($0.13 per share on a diluted basis) for the three months ended September 30, 2001, an increase of approximately $1,671,000. The increase in net income was principally the result of the $2,590,000 increase in operating profit, a $552,000 decrease in interest expense and a $165,000 increase in other expense, offset by a $1,306,000 increase in income taxes. The decrease in interest expense was the result of lower interest rates over the prior period.

NINE MONTHS ENDED SEPTEMBER 30, 2002 COMPARED TO NINE MONTHS ENDED SEPTEMBER, 30, 2001

The following tables summarize our results of operations for the nine months ended September 30, 2002 and 2001. The as-reported percentages 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 percentages reflect the results of operations for stations that we owned for the entire comparable period.

CONSOLIDATED RESULTS OF OPERATIONS
(In thousands of dollars)

	Nine Months Ended September 30, 2002	Nine Months Ended September 30, 2001	As-Reported % Increase (Decrease)	Same Station % Increase (Decrease)
Net operating revenue	$ 83,474	$ 77,058	8.33%	3.90%
Station operating expense *	53,365	49,405	8.02%	2.77%
Station operating income	30,109	27,653	8.88%	5.82%
Corporate G&A	4,345	4,086	6.34%	N/A
Depreciation	4,498	4,255	5.71%	(4.16%)
Amortization	375	3,213	(88.33%)	(88.60%)
Operating profit	20,891	16,099	29.77%	25.12%
Interest expense	4,052	5,641	(28.17%)	
Other (income)expense	(147)	(5)	N/A	
Income taxes	7,135	4,364	63.50%	
Net income	$ 9,851	$ 6,099	61.52%	
Basic earnings per share	$ .48	$ .30	60.55%	
Diluted earnings per share	$ .47	$ .29	60.59%	

RADIO BROADCASTING SEGMENT
(In thousands of dollars)

	Nine Months Ended September 30, 2002	Nine Months Ended September 30, 2001	As-Reported % Increase (Decrease)	Same Station % Increase (Decrease)
Net operating revenue	$74,574	$69,317	7.58%	2.62%
Station operating expense *	46,515	43,286	7.46%	1.40%
Station operating income	28,059	26,031	7.79%	4.54%
Depreciation	3,287	2,913	12.84%	(1.37%)
Amortization	357	2,677	(86.66%)	(86.84%)
Operating profit	$24,415	$20,441	19.44%	15.99%

TELEVISION BROADCASTING SEGMENT
(In thousands of dollars)

	Nine Months Ended September 30, 2002	Nine Months Ended September 30, 2001	As-Reported % Increase (Decrease)	Same Station % Increase (Decrease)
Net operating revenue	$ 8,900	$ 7,741	14.97%	14.97%
Station operating expense *	6,850	6,119	11.95%	11.95%
Station operating income	2,050	1,622	26.39%	26.39%
Depreciation	1,062	1,210	(12.23%)	(12.23%)
Amortization	18	293	(93.86%)	(93.86%)
Operating profit	$ 970	$ 119	715.13%	715.13%

* Programming, technical, selling and station general and administrative expenses.

For the nine months ended September 30, 2002, net operating revenue was $83,474,000 compared with $77,058,000 for the nine months ended September 30, 2001, an increase of $6,416,000 or 8%. Approximately $3,504,000 or 55% of the increase was attributable to revenue generated by stations that we did not own or operate for the comparable period in 2001. Net operating revenue generated by stations that we owned and operated for the entire comparable period ("same station") increased by approximately 4% ($2,912,000). This increase was primarily attributable to an increase in advertising rates at a majority of our stations.

Station operating expense (i.e., programming, technical, selling and station general and administrative expenses) increased by $3,960,000 or 8% to $53,365,000 for the nine months ended September 30, 2002, compared with $49,405,000 for the nine months ended September 30, 2001. Of the total increase, approximately $2,660,000 or 67% was the result of the impact of the operation of stations that we did not own or operate for the comparable period in 2001. Station operating expense increased by approximately $1,300,000 or 3% on a same station basis primarily due to the increase in revenue.

Operating profit increased by $4,792,000 or 30% to $20,891,000 for the nine months ended September 30, 2002, compared with $16,099,000 for the nine months ended September 30, 2001. The increase was primarily the result of the $6,416,000 increase in net operating revenue offset by the $3,960,000 increase in station operating expense, and an $2,838,000 or 88% decrease in amortization expense that was principally the result of the non-amortization provisions of the adoption of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets". See note 4 of the Notes to Condensed Consolidated Financial Statements.

We generated net income in the amount of approximately $9,851,000 ($0.47 per share on a diluted basis) during the nine months ended September 30, 2002, compared with net income of $6,099,000 ($0.29 per share on a diluted basis) for the nine months ended September 30, 2001, an increase of approximately $3,752,000. The increase in net income was principally the result of the $4,792,000 increase in operating profit, a $1,589,000 decrease in interest expense and a $142,000 decrease in other expense, offset by a $2,771,000 increase in income taxes. The decrease in interest expense was the result of lower interest rates over the prior period. The increase in income taxes was due to higher income levels.

OUTLOOK

The following statements are forward-looking statements and should be read in conjunction with "Forward-Looking Statements" below.

Based on the economic and market conditions as of October 29, 2002, for the quarter ending December 31, 2002 we anticipate net operating revenue of approximately $29,200,000, station operating expense of approximately $18,300,000, station operating income of approximately $10,900,000, operating profit of approximately $7,700,000, and net income of approximately $3,500,000 or $.17 per share on a fully diluted basis.

Based on the economic and market conditions as of October 29, 2002, for the year ending December 31, 2002 we anticipate net operating revenue of approximately $112,700,000, station operating expense of approximately $71,700,000, station operating income of approximately $41,000,000, operating profit of approximately $28,700,000, and net income of approximately $13,400,000 or $.64 per share on a fully diluted basis.

FORWARD-LOOKING STATEMENTS

Statements contained in this Form 10-Q that are not historical facts are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. In addition, words such as "believes," "anticipates," "estimates," "plans", "expects," and similar expressions are intended to identify forward-looking statements. These statements are made as of the date of this report or as otherwise indicated, based on current expectations. We undertake no obligation to update this information. A number of important factors could cause our actual results for 2002 and beyond to differ materially from those expressed in any forward-looking statements made by or on our behalf. Forward looking statements are not guarantees of future performance as they involve a number of risks, uncertainties and assumptions that may prove to be incorrect and that may cause our actual results and experiences to differ materially from the anticipated results or other expectations expressed in such forward-looking statements. The risks, uncertainties and assumptions that may affect our performance include our financial leverage and debt service requirements, dependence on key personnel, dependence on key stations, U.S. and local economic conditions, our ability to successfully integrate acquired stations, regulatory requirements, new technologies, natural disasters and terrorist attacks. We cannot be sure that we will be able to anticipate or respond timely to changes in any of these factors, which could adversely affect the operating results in one or more fiscal quarters. Results of operations in any past period should not be considered, in and of itself, indicative of the results to be expected for future periods. Fluctuations in operating results may also result in fluctuations in the price of our stock.

For a more complete description of the prominent risks and uncertainties inherent in our business, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward Looking Statements; Risk Factors" in our Form 10-K for the year ended December 31, 2001.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2002, we had $105,252,000 of long-term debt (including the current portion thereof) outstanding and approximately $95,000,000 of unused borrowing capacity under our Credit Agreement.

Our Credit Agreement has three financing facilities (the "Facilities"): a $105,000,000 senior secured term loan (the "Term Loan"), a $75,000,000 senior secured acquisition loan facility (the "Acquisition Facility"), and a $20,000,000 senior secured revolving credit facility (the "Revolving Facility"). The Facilities mature September 30, 2008. Our indebtedness under the Facilities is secured by a first priority lien on substantially all of our assets and of our subsidiaries, by a pledge of our subsidiaries' stock and by a guarantee of our subsidiaries.

As of September 30, 2002 we had $105,000,000 outstanding under the Term Loan. The Acquisition Facility may be used for permitted acquisitions and to pay related transaction expenses. The Revolving Facility may be used for general corporate purposes, including working capital, capital expenditures, permitted acquisitions (to the extent that the Acquisition Facility has been fully utilized and limited to $10,000,000) and permitted stock buybacks. On March 28, 2003, the Acquisition Facility will convert to a five and a half year term loan. The Term Loan is required to be reduced quarterly in amounts ranging from 3.125% to 7.5% of the initial commitment commencing on March 31, 2003. The outstanding amount of the Acquisition Facility is required to be reduced quarterly in amounts ranging from 3.125% to 7.5% commencing on March 31, 2003. Any outstanding amount under the Revolving Facility will be due on the maturity date of September 30, 2008. In addition, the Facilities may be further reduced by specified percentages of Excess Cash Flow (as defined in the Credit Agreement) based on leverage ratios.

Interest rates under the Facilities are payable, at our option, at alternatives equal to LIBOR plus 1.25% to 2.0% or the Agent bank's base rate plus .25% to 1.0%. The spread over LIBOR and the base rate vary from time to time, depending upon our financial leverage. We also pay quarterly commitment fees of 0.375% to 0.625% per annum on the aggregate unused portion of the Acquisition and Revolving Facilities.

The Credit Agreement contains a number of financial covenants which, among other things, require us to maintain specified financial ratios and impose certain limitations on us with respect to investments, additional indebtedness, dividends, distributions, guarantees, liens and encumbrances.

We use interest rate swap agreements to reduce our risk of rising interest rates. Our swap agreements are used to convert the variable Eurodollar interest rate of a portion of our bank borrowings to a fixed interest rate.

At September 30, 2002, we had four interest rate swap agreements with the following terms:

- Notional amount of $13,125,000. We pay 4.11% calculated on the notional amount. We receive LIBOR (1.79813% at September 30, 2002) calculated on the notional amount of $13,125,000. This agreement expires in March 2003.

- Notional amount of $13,125,000. We pay 4.11% calculated on the notional amount. We receive LIBOR (1.79813% at September 30, 2002) calculated on the notional amount of $13,125,000. This agreement expires in March 2003.

- Notional amount of $6,875,000 through March 2003, then notional amount increases to $20,000,000. We pay 3.67% calculated on the notional amount. We receive LIBOR (1.79813% at September 30, 2002) calculated on the notional amount of $6,875,000 ($20,000,000 after March 2003). This agreement expires in September 2003.

- Notional amount of $6,875,000 through March 2003, then notional amount increases to $20,000,000. We pay 3.67% calculated on the notional amount. We receive LIBOR (1.79813% at September 30, 2002) calculated on the notional amount of $6,875,000 ($20,000,000 after March 2003). This agreement expires in September 2003.

Net receipts or payments under the agreements are recognized as an adjustment to interest expense. Approximately $614,000 in additional interest expense was recognized as a result of these interest rate swap agreements for the nine months ended September 30, 2002. An aggregate increase in interest expense of approximately $759,000 has been recognized since the inception of the agreements. The fair value of these swap agreements at September 30, 2002 was approximately ($915,000), which has been recorded as a liability in our balance sheet.

During the nine months ended September 30, 2002 and 2001, we had net cash flows from operating activities of $20,589,000 and $14,990,000, respectively. We believe that cash flow from operations will be sufficient to meet quarterly debt service requirements for interest and scheduled payments of principal under the Credit Agreement. However, if such cash flow is not sufficient we may be required to sell additional equity securities, refinance our obligations or dispose of one or more of our properties in order to make such scheduled payments. There can be no assurance that we would be able to effect any such transactions on favorable terms, if at all.

On May 1, 2002 we acquired an AM and FM radio station (WKBK-AM, WKNE-FM) serving the Keene, New Hampshire market, and an AM and FM radio station (WKVT-AM/FM) serving the Brattleboro, Vermont market for approximately $9,075,000.

On July 1, 2002 we acquired an AM and FM radio station (WZBK-AM and WOQL-FM) serving the Keene, New Hampshire market for approximately $2,625,000.

Additionally, on November 1, 2002 we:

- acquired three FM radio stations (KDEZ-FM, KDXY-FM and KJBX-FM) serving the Jonesboro, Arkansas market for approximately $12,000,000 including approximately $2,000,000 of our Class A common stock.

- entered into two time brokerage agreements for WISE-AM and WOXL-FM serving the Asheville, North Carolina market.

- acquired an AM and FM radio station (WJQY-AM and WJOI-FM) serving the Springfield, Tennessee market for approximately $1,500,000.

All of the above transactions were financed through funds generated from operations.

On November 13, 2002 we entered into an agreement to acquire an FM radio station (WODB-FM) Delaware, Ohio, serving the Columbus, Ohio market for approximately $9,000,000 and the exchange of one of our AM radio stations (WVKO-AM) serving the Columbus, Ohio market. The transaction is subject to the approval of the Federal Communications Commission and is expected to close during the first quarter 2003. We expect to finance this acquisition through funds generated from operations or additional borrowings under the credit agreement.

We continue to actively seek and explore opportunities for expansion through the acquisition of additional broadcast properties.

In September 2000, we modified our Stock Buy-Back Program so that we may purchase up to $6,000,000 of our Class A Common Stock. From the inception of the Stock Buy-Back program in 1998 through September 30, 2002, we have repurchased 409,065 shares of our Class A Common Stock for approximately $4,832,000.

We anticipate that any future acquisitions of radio and television stations and purchases of Class A Common Stock under the Stock Buy-Back Program will be financed through funds generated from operations, borrowings under the Credit Agreement, additional debt or equity financing, or a combination thereof. However, there can be no assurances that any such financing will be available.

Our capital expenditures, exclusive of acquisitions, for the nine months ended September 30, 2002 were approximately $5,855,000 ($5,130,000 in 2001). We anticipate capital expenditures in 2002 to be approximately $7,500,000, which we expect to finance through funds generated from operations or additional borrowings under the Credit Agreement.

For additional information concerning our future cash obligations under various types of contracts under the terms of our Credit Agreement, operating leases, programming contracts, employment agreements, and other operating contracts. There have been no material changes to such contracts/commitments during the nine months ended September 30, 2002. We anticipate financing our contractual cash obligations through funds generated from operations or additional borrowings under the Credit Agreement, or a combination thereof.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States, which require us to make estimates, judgments and assumptions that affect the reported amounts of certain assets, liabilities, revenues, expenses and related disclosures and contingencies. We evaluate estimates used in preparation of our financial statements on a continual basis. Our critical accounting policies are described in Item 7. Managements Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies in our annual report on Form 10-K for the year ended December 31, 2001.

RECENT ACCOUNTING PRONOUNCEMENTS

In June 2001, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 141 ("Statement 141"), Business Combinations, and No. 142 ("Statement 142"), Goodwill and Other Intangible Assets. The requirements of Statement 141 are effective for any business combination after June 30, 2001. Statement 141 eliminates the pooling-of-interests method of accounting for business combinations and changes the criteria to recognize intangible assets apart from goodwill. We have historically used the purchase method to account for all business combinations and therefore, the adoption of Statement 141 did not have a material impact on our financial position, cash flows or results of operations.

Under Statement 142, goodwill and intangible assets deemed to have indefinite lives are no longer amortized and are subject to annual (or more frequent if impairment indicators arise) impairment tests. Separable intangible assets that have finite lives will continue to be amortized over their useful lives. The amortization provisions of Statement 142 apply to goodwill and intangible assets acquired after June 30, 2001. With respect to goodwill and intangible assets acquired prior to July 1, 2001, the amortization provisions of Statement 142 are effective upon adoption. We adopted Statement 142 on January 1, 2002.

During the first quarter of 2002, we completed the required transitional impairment test prescribed by Statement 142 for our broadcast licenses (which we have deemed as indefinite lived since the licenses are expected to generate cash flows indefinitely). The results of these tests indicate that there was no impairment for these intangibles as of January 1, 2002.

During the second quarter of 2002, we completed the required transitional impairment test prescribed by Statement 142 for goodwill. The results of these tests indicate that there was no impairment for these intangibles as of January 1, 2002.

Effective January 1, 2002 we adopted Statement No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets". Statement 144 provides a consistent method to value long-lived assets to be disposed of and broadens the presentation of discontinued operations to include more disposal transactions. The adoption of Statement 144 did not have a material effect on our financial position, cash flows or results of operations.

INFLATION

The impact of inflation on our operations has not been significant to date. There can be no assurance that a high rate of inflation in the future would not have an adverse effect on our operations.

Item 4. Controls and Procedures

(a) Based on an evaluation of the effectiveness of the Company's disclosure controls and procedures as of November 13, 2002, both the Chief Executive Officer and the Chief Financial Officer of the Company concluded that the Company's disclosure controls and procedures, as defined in Rules 13a-14(c) and 15d-14(c) promulgated under the Securities Exchange Act of 134, are effective.

(b) There have been no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation. There were no corrective actions with regard to significant deficiencies and material weaknesses.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

99.1 Certification of Chief Executive Officer

99.2 Certification of Chief Financial Officer

(b) Reports on Form 8-K

None

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.

SAGA COMMUNICATIONS, INC.

Date: November 13, 2002

/s/ Samuel D. Bush

Samuel D. Bush
Vice President, Chief Financial Officer, and Treasurer
(Principal Financial Officer)

Date: November 13, 2002

/s/ Catherine A. Bobinski

Catherine A. Bobinski
Vice President, Corporate Controller and Chief Accounting Officer
(Principal Accounting Officer)

CERTIFICATIONS

I, Edward K. Christian, Chief Executive Officer of Saga Communications, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Saga Communications, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
   a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 14, 2002

/s/ Edward K. Christian

Chief Executive Officer

CERTIFICATIONS

I, Samuel D. Bush, Chief Financial Officer of Saga Communications, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Saga Communications, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

    a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

    c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 14, 2002

/s/ Samuel D. Bush

Chief Financial Officer

EXHIBIT 99.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Quarterly Report of Saga Communications, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Edward K. Christian, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/S/ Edward K. Christian

Edward K. Christian
Chief Executive Officer

Exhibit 99.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Quarterly Report of Saga Communications, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Samuel D. Bush, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/S/ Samuel D. Bush

Samuel D. Bush
Chief Financial Officer