

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES EXCHANGE ACT OF 1934 (AMENDMENT NO.)

FILED BY THE REGISTRANT [X] FILED BY A PARTY OTHER THAN THE REGISTRANT []

Check the appropriate box:

- Preliminary Proxy Statement
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to sec.240.14a-11(c) or sec.240.14a-12
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Saga Communications, Inc.
(Name of Registrant as Specified In Its Charter)

Saga Communications, Inc.
(Name of Person(s) Filing Proxy Statement)

PAYMENT OF FILING FEE (CHECK THE APPROPRIATE BOX):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
- 4) Proposed maximum aggregate value of transaction:
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- 1) Amount Previously Paid:
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-

SAGA COMMUNICATIONS, INC.
73 KERCHEVAL AVENUE
GROSSE POINTE FARMS, MICHIGAN 48236

NOTICE OF ANNUAL MEETING
MAY 10, 1999

To the Stockholders of
Saga Communications, Inc.

Notice is hereby given that the Annual Meeting of the Stockholders of Saga Communications, Inc. (the "Corporation"), will be held at the Georgian Inn, 31327 Gratiot, Roseville, Michigan, on Monday, May 10, 1999 at 10:00 A.M., Eastern Daylight Time, for the following purposes:

- (1) To elect directors of the Corporation for the ensuing year, and until their successors are elected and qualified.
- (2) To ratify the selection by the Board of Directors of Ernst & Young LLP as independent auditors to audit the Corporation's books and accounts for the fiscal year ending December 31, 1999.
- (3) To approve the adoption of the Saga Communications, Inc. Employee Stock Purchase Plan.
- (4) To transact such other business as may properly come before the meeting or any adjournment thereof.

By Order of the Board of Directors,

MARCIA LOBAITO
Secretary

April 6, 1999
Mailed at Boston, Massachusetts

PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED PROXY AND MAIL IT AS PROMPTLY AS POSSIBLE. IF YOU ATTEND THE MEETING AND VOTE IN PERSON, THE PROXY WILL NOT BE USED.

SAGA COMMUNICATIONS, INC.

73 KERCHEVAL AVENUE
GROSSE POINTE FARMS, MICHIGAN 48236

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS
MAY 10, 1999

INTRODUCTION

This Proxy Statement is furnished in connection with the solicitation of proxies to be used at the Annual Meeting of Stockholders of Saga Communications, Inc. (the "Corporation") to be held on May 10, 1999 and at any adjournment thereof, for the purposes set forth in the accompanying notice of such meeting. All stockholders of record of the Corporation's Common Stock at the close of business on March 31, 1999 will be entitled to vote. The stock transfer books will not be closed.

Proxies in the form enclosed are solicited on behalf of the Board of Directors. Any stockholder giving a proxy in such form has the power to revoke it at any time before it is exercised by filing a later proxy with the Corporation, by attending the meeting and voting in person, or by notifying the Corporation of the revocation in writing to its President at 73 Kercheval Avenue, Grosse Pointe Farms, Michigan 48236. Any such proxy, if received in time for the voting and not revoked, will be voted at the Annual Meeting in accordance with the directions of the stockholder. Any proxy which fails to specify a choice with respect to any matter to be acted upon will be voted for the election of each nominee for director and in favor of each proposal to be acted upon.

As of March 31, 1999, the Corporation had outstanding and entitled to vote 11,393,087 shares of Class A Common Stock and 1,510,637 shares of Class B Common Stock (the Class A and Class B Common Stock collectively, the "Common Stock"). Each share of Class A Common Stock entitles the holder thereof to one vote on the matters to be voted upon at the Annual Meeting and each share of Class B Common Stock entitles the holder thereof to one vote in the election of directors and ten votes on the other matters to be voted upon at the Annual Meeting. All holders of Common Stock vote together as one class, except that in the election of directors the holders of Class A Common Stock vote as a separate class to elect two directors. Abstentions and broker non-votes will be counted in determining if a quorum is present. With regard to the election of directors, votes that are withheld will be excluded entirely from the vote and will have no effect. Abstentions may be specified on all proposals other than the election of directors and will be counted as present for purposes of the item on which the abstention is noted. Abstentions on the ratification of accountants or approval of the Employee Stock Purchase Plan will have the same legal effect as a vote against such matter. Under the rules of the American Stock Exchange, brokers holding shares in street name have the authority to vote on certain matters when they have not received instructions from the beneficial owners. Brokers that do not receive instructions are permitted to vote on the outcome of the election of directors and the ratification of accountants. However, brokers that do not receive instructions are not entitled to vote on the approval of the Employee Stock Purchase Plan. As a result, broker non-votes will have no effect on the outcome of the election of directors, the ratification of accountants or the approval of the Employee Stock Purchase Plan.

The holders of a majority of the issued and outstanding shares of Common Stock entitled to vote, present in person or represented by proxy, shall constitute a quorum for the transaction of business. In the absence of a quorum, the Annual Meeting may be postponed from time to time until stockholders holding the requisite amount are present or represented by proxy.

The approximate date on which the Proxy Statement and accompanying proxy card will first be mailed to the stockholders of the Corporation is April 6, 1999.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of March 31, 1999, certain information concerning the ownership of shares of Common Stock by (i) each person or group who is known by the Corporation to own beneficially more than five percent of the issued and outstanding Common Stock, (ii) each director of the Corporation, (iii) the Corporation's Chief Executive Officer and the other most highly compensated executive officers whose salary and bonus exceeded \$100,000 for the Corporation's last fiscal year, and (iv) all directors and executive officers as a group. Except as otherwise indicated, each person named has sole investment and voting power with respect to the securities shown.

NAME -----	NUMBER OF SHARES		PERCENT OF CLASS	
	CLASS A -----	CLASS B -----	CLASS A -----	CLASS B -----
T. Rowe Price Associates, Inc..... 100 E. Pratt Street Baltimore, MD 21202	1,079,890(1)	--	9.5%	--
Ronald Baron..... 767 Fifth Avenue New York, NY 10153	4,878,260(2)	--	42.8%	--
Goldman, Sachs & Co.....	578,353(3)	--	5.1%	--
The Goldman Sachs Group, L.P..... 85 Broad Street New York, NY 1004	578,353(3)	--	5.1%	--
Edward K. Christian.....	--	1,825,660(4)	*	100%
Jonathan Firestone.....	12,695	--	*	--
Joseph P. Misiewicz.....	1,802(5)(6)	--	*	--
Gary Stevens.....	1,378(5)	--	*	--
Donald Alt.....	1,014(5)	--	--	--
Kristin Allen.....	844(5)	--	--	--
Samuel D. Bush.....	93,054(7)	--	*	--
Steven J. Goldstein.....	232,123(7)	--	2.0%	--
Catherine A. Bobinski.....	18,703	--	*	--
All directors and executive officers as a group...	515,366(5)(7)	1,825,660(4)	4.4%	100%

- (1) These securities are owned by various individual and institutional investors, including T. Rowe Price Small Cap Value Fund, Inc. (which owns 1,025,390 shares, representing 9.0% of the shares outstanding), which T. Rowe Price Associates, Inc. ("Price Associates") serves as investment adviser with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Securities Exchange Act of 1934, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities. According to their joint Schedule 13G on file with the Securities and Exchange Commission ("SEC"), Price Associates, Inc. and T. Rowe Price Small Cap Value Fund, Inc. have sole voting power with respect to 52,000 and 1,025,390 shares, respectively, have sole dispositive power with respect to 1,079,890 and 0 shares, respectively, and have no shared voting or dispositive power.
- (2) According to their joint Form 13D on file with the SEC, Mr. Baron, Baron Capital Group, Inc., ("BCG"), Baron Capital, Inc. ("BCI"), and Baron Capital Management, Inc. ("BCM") have sole voting and dispositive power with respect to 596,875 shares, and Mr. Baron, BCG, BCI, BAMCO, Inc., BCM and Baron Asset Fund have shared voting and dispositive power with respect to 3,971,433 shares, 3,971,433 shares, 737,183 shares, 3,234,250 shares, 737,183 shares, and 2,890,500 shares, respectively.
- (3) According to their joint Schedule 13G on file with the SEC, Goldman, Sachs & Co. and the Goldman Sachs Group, L.P. each have shared voting power as to 378,753 shares and have shared dispositive power as to 578,353 shares and have no sole voting or dispositive power.
- (4) Includes 315,023 shares of Class B Common Stock reserved for issuance upon exercise of stock options outstanding pursuant to the Corporation's 1992 Stock Option Plan.

- (5) Includes the following shares of Class A Common Stock reserved for issuance upon exercise of stock options outstanding pursuant to the Corporation's 1997 Non-Employee Directors Stock Option Plan: Mr. Misiewicz, 1,162 shares; Mr. Stevens, 1,378 shares; Mr. Alt, 1,014 shares; Ms. Allen, 844 shares; and all executive officers and directors as a group, 4,398 shares.
- (6) Mr. Misiewicz has shared voting power with his son as to 191 of these shares.
- (7) Includes the following shares of Class A Common Stock reserved for issuance upon exercise of stock options outstanding pursuant to the Corporation's 1992 Stock Option Plan: Mr. Bush, 93,054 shares; Mr. Goldstein, 141,188 shares; Ms. Bobinski, 18,107 shares; and all directors and executive officers as a group, 406,423 shares.

* Less than 1%.

ELECTION OF DIRECTORS

The persons named below have been nominated for election at the Annual Meeting as directors of the Corporation. The directors who are elected shall hold office until their respective successors shall have been duly elected and qualified. It is intended that the two persons named in the first part of the following list will be elected by the holders of the Class A Common Stock and that the four persons named in the second part of the list will be elected by the holders of the Class A Common Stock and Class B Common Stock, voting together as a single class, with each share entitling the holder thereof to one vote. In accordance with Delaware General Corporation Law, directors are elected by a plurality of the votes of the shares present in person or represented by proxy at the Annual Meeting.

All nominees are members of the present Board. Each of the nominees for director has consented to being named a nominee in this Proxy Statement and has agreed to serve as a director, if elected at the Annual Meeting. It is the intention of the persons named in the proxy to vote for the following nominees.

NAME AND AGE -----	PRINCIPAL OCCUPATION DURING THE PAST FIVE YEARS -----	DIRECTOR SINCE -----
DIRECTORS TO BE ELECTED BY HOLDERS OF CLASS A COMMON STOCK:		
Jonathan Firestone, 54.....	President and Chief Executive Officer of BBDO Minneapolis and director of BBDO, North America (advertising agency) since 1989	12/92
Joseph P. Misiewicz, 52.....	Chairperson, Telecommunications Department since 1998; Professor, Telecommunications Department at Ball State University from 1996 to 1998 and Chairperson from 1990 to 1996	12/92
DIRECTORS TO BE ELECTED BY HOLDERS OF COMMON STOCK:		
Edward K. Christian, 54.....	President, Chief Executive Officer and Chairman of the Corporation and its predecessor since 1986	3/92
Kristin Allen, 39.....	Managing Director, Credit Suisse First Boston Corporation since 1997 and in various other positions since 1992	7/97
Donald Alt, 53.....	Broadcasting investor; Chairman of Forever Broadcasting since 1996; Chief Financial Officer of Keymarket Radio Companies from 1984 to 1996	7/97

NAME AND AGE -----	PRINCIPAL OCCUPATION DURING THE PAST FIVE YEARS -----	DIRECTOR SINCE -----
Gary Stevens, 59.....	Managing Director, Gary Stevens & Co. (media broker) since 1986	7/95

COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors has a Compensation Committee, currently comprised of Ms. Allen and Messrs. Alt, Firestone, Misiewicz and Stevens (Chair), which is charged with the responsibility of reviewing certain of the Corporation's compensation programs and making recommendations to the Board of Directors with respect to compensation. The Compensation Committee met four times during the Corporation's last fiscal year. The Compensation Committee also administers the Corporation's 1992 Stock Option Plan.

The Board of Directors has a Finance and Audit Committee, currently comprised of Ms. Allen and Messrs. Alt (Chair), Firestone, Misiewicz and Stevens, which is charged with the responsibility of reviewing the Corporation's internal auditing procedures and accounting controls and considers the selection and independence of the Corporation's outside auditors. The Finance and Audit Committee met twice during the Corporation's last fiscal year.

The Board of Directors does not have a nominating committee as the Board as a whole considers the qualifications and recommends to the stockholders the election of directors of the Corporation. Stockholders may recommend nominees for election as directors by writing to the President of the Corporation.

The Board of Directors held a total of four meetings during 1998. Each member of the Board of Directors attended at least 75% of the aggregate number of meetings of the Board and all committees on which he or she served.

COMPENSATION OF DIRECTORS AND OFFICERS

DIRECTORS COMPENSATION

Each director of the Corporation who is not an employee receives fees of \$4,000 per year, plus \$1,000 for each Board or committee meeting attended in person and \$200 for each telephonic meeting attended. In addition, the Chairs of the Committees receive \$2,000 per year. Under the Corporation's 1997 Non-Employee Directors Stock Option Plan, options are granted to the directors in lieu of these fees. On the last business day of January of each year each eligible director is automatically granted an option to purchase that number of shares of the Corporation's Class A Common Stock equal to the amount of the retainer divided by the fair market value of the Class A Common Stock on the last trading day of the December immediately preceding the date of grant less \$.01 per share. The options are immediately vested and exercisable at an exercise price of \$.01 per share and may be exercised for a period of 10 years from the date of grant. Directors may elect to receive life insurance premiums in lieu of their compensation. Mr. Firestone is the only director to make such election and, as a result, the Corporation paid life insurance premiums on his behalf in the amount of \$16,992 in 1998. Directors who are employees receive no additional compensation for serving as directors or attending Board or Committee meetings.

EXECUTIVE COMPENSATION

The following table summarizes the compensation for the years ended December 31, 1998, 1997, and 1996 of the Corporation's chief executive officer and the other most highly compensated executive officers whose salary and bonus exceeded \$100,000.

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION		LONG-TERM COMPENSATION	ALL OTHER COMPENSATION(2)
		SALARY	BONUS	AWARDS SECURITIES UNDERLYING OPTIONS/SARS (SHARES)(1)	
Edward K. Christian.....	1998	\$360,516	\$606,502(3)	250,965	\$2,878
President, CEO	1997	\$350,012	\$275,000	9,375	\$3,247
	1996	\$335,000	\$250,000	7,812	\$3,427
Steven J. Goldstein.....	1998	\$279,996	\$ 70,000	25,594	\$2,048
Executive Vice President and Group	1997	\$247,000	\$ 60,000	6,250	\$1,914
Program Director	1996	\$240,000	\$ 56,000	3,125	\$2,181
Samuel D. Bush(4).....	1998	\$176,057	\$ 17,500	88,054	\$ 854
Vice President, Chief	1997	\$ 72,868	\$ 5,500	5,000	\$ 256
Financial Officer					
Catherine A. Bobinski.....	1998	\$ 90,000	\$ 12,500	10,969	\$ 495
Vice President, Controller					

(1) Restated to reflect five-for-four stock splits effective July 31, 1995, April 30, 1996, April 1, 1997 and May 29, 1998.

(2) Consists of life insurance premiums or payments in lieu thereof in 1998, 1997, and 1996.

(3) Includes bonus of \$331,502 to forgive 20% of a loan from the Corporation and federal and state income tax liabilities related to such loan. See "Employment Contracts" below and "Certain Transactions."

(4) Mr. Bush commenced employment with the Corporation on September 8, 1997.

The following table sets forth certain information relating to option grants pursuant to the Corporation's 1992 Stock Option Plan (the "Option Plan") in the year ended December 31, 1998 to the individuals named in the Summary Compensation Table above.

OPTION/SAR GRANTS IN LAST FISCAL YEAR

NAME	NUMBER OF SECURITIES UNDERLYING OPTIONS/SARS GRANTED(1)	% OF TOTAL OPTIONS/SARS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE (\$/SH)	GRANT-DATE MARKET PRICE PER SHARE	EXPIRATION DATE	POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM(4)(5)	
						5%	10%
Edward K. Christian.....	250,965(2)	46%	\$16.50	\$16.50	7/23/08	\$2,604,204	\$6,599,564
Steven J. Goldstein.....	25,594(3)	5%	\$16.50	\$16.50	7/23/08	\$ 265,583	\$ 673,039
Samuel D. Bush.....	98,054(2)	16%	\$16.50	\$16.50	7/23/08	\$ 913,715	\$2,315,534
Catherine A. Bobinski.....	10,969(3)	2%	\$16.50	\$16.50	7/23/08	\$ 113,823	\$ 288,449

(1) None of the options granted were options with tandem SARs and no free-standing SARs were granted.

(2) Granted to the named executive officers on July 23, 1998 pursuant to the Option Plan. The options become exercisable in 20% increments on March 1, 1999, 2000, 2001, 2002 and 2003, respectively, provided that the fair market value of Class A Common Stock attains \$29.08 per share at any time within the five-year period commencing on the date of grant and the average fair market value remains at or above such price for a period of at least 40 consecutive trading days. If such price is not attained and

maintained as set forth, the options will not vest or be exercisable to any extent. If a Change of Control (as defined in the Option Plan) occurs, these options would become immediately exercisable.

- (3) Granted to the named executive officers on July 23, 1998 pursuant to the Option Plan. The options become exercisable in 20% increments on March 1, 1999, 2000, 2001, 2002 and 2003, respectively. If a Change of Control (as defined in the Option Plan) occurs, these options would become immediately exercisable.
- (4) Potential Realizable Value is based on the assumed growth rates for the ten-year option term. 5% annual growth results in a stock price per share of \$26.88 and 10% results in a stock price per share of \$42.80.
- (5) The actual value, if any, an executive may realize will depend on the excess of the stock price over the exercise price on the date the option is exercised, so that there is no assurance the value realized by an executive will be at or near the amounts reflected in this table.

The following table sets forth certain information with respect to options exercised during the year ended December 31, 1998 by the individuals named in the Summary Compensation Table and unexercised options to purchase the Corporation's Common Stock granted under the Option Plan to the individuals named in the Summary Compensation Table above.

AGGREGATED OPTIONS/SAR EXERCISES IN LAST FISCAL YEAR AND
FY-END OPTION/SAR VALUES

NAME	SHARES ACQUIRED ON EXERCISE	VALUE REALIZED	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS/SARS AT FY-END(1)		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS/ SARS AT FY-END(2)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Edward K. Christian.....	--	--	40,154	274,869	\$ 823,157	\$5,634,815
Steven J. Goldstein.....	65,896	\$840,475	100,419	40,769	\$2,058,590	\$ 835,765
Samuel D. Bush.....	--	--	1,000	92,054	\$ 20,500	\$1,887,107
Catherine A. Bobinski.....	--	--	4,852	13,255	\$ 99,466	\$ 271,728

(1) Reflects five-for-four stock splits effective July 31, 1995, April 30, 1996, April 1, 1997 and May 29, 1998.

(2) Based on the closing price on the American Stock Exchange of the Corporation's Common Stock on December 31, 1998 (\$20.50).

COMPENSATION COMMITTEE REPORT

OVERVIEW

The Compensation Committee of the Board of Directors (the "Committee") is comprised of five independent non-employee members of the Board of Directors. The responsibilities of the Committee include reviewing the Corporation's management compensation programs and making recommendations to the Board of Directors with respect to compensation.

The Committee believes that in order to maximize shareholder value the Corporation must have a compensation program designed to attract and retain superior management at all levels in the organization. The objective of the management compensation program is to both reward short-term performance and motivate long-term performance in such a way that management's incentives are aligned with the interests of the stockholders. The Committee believes that management at all levels should have a meaningful equity participation in the ownership of the Corporation, although no specific target level of equity holdings has been established by the Committee.

EXECUTIVE COMPENSATION PROGRAM

In order to meet these objectives, the Corporation's executive compensation program consists of three primary components: salary, bonuses, and stock options. The Committee has established guidelines for the

annual cash compensation for the four senior executives named in the Summary Compensation Table, the other executive officers and the station managers (the "executives"). Under these guidelines, the executives' aggregate budgeted cash compensation should not exceed a targeted percentage of budgeted operating profits (i.e., earnings before taxes, interest, depreciation, amortization and extraordinary items) before deduction of the executives' budgeted cash compensation. Salaries are established for each executive officer on the basis of the scope of responsibility and accountability within the Corporation, and take into account publicly available compensation levels for comparable positions in the entities which comprise the Peer Group used for the Performance Graph set forth on page 9 hereof. The Committee attempts to set compensation at levels approximating the median compensation rates of comparable positions in the Peer Group. Bonuses for the executives are determined based on the Committee's judgment of the Corporation's operating profitability, growth in revenues and profits and overall financial condition, and the individual executive's contribution to these results.

Grants of stock options are a major part of the Corporation's long-term incentive strategy. The Committee believes that options provide executives with an economic stake in the Corporation's future parallel to that of the stockholders. In 1998, the options that were granted to Mr. Christian, as well as those granted to Mr. Bush and Mr. Warren Lada, the Vice President of Operations, were based on a five year plan whereby the total number of options that would normally have been granted over the period 1998 to 2003 were granted in 1998. However, in addition to the historic five year vesting period that would be normal for past grants, the options granted Mr. Christian, Mr. Bush and Mr. Lada require that a target stock price representing minimally accepted annual stock price growth be obtained and maintained for a period of 40 consecutive days. It is believed that this structure assures that these three members of the management team are directly tied to shareholder interests, mainly growing the stock price.

On the basis of the factors described above and the Committee's subjective judgment of each officer's performance, none of which factors are given specific numerical weighting, the Committee set the salaries, bonuses and stock option grants of the executives, including the President and Chief Executive Officer. The compensation of the senior executives was determined based on the Company's overall performance. Comparison of the Company's stock performance to its Peer Group was not a significant consideration in the determination of bonus amounts and stock option awards since the Committee believes the Company's operating performance is not directly reflected in the Company's stock valuation, owing in part to its relatively small capitalization and consequent lack of broad-based institutional ownership. The Committee intends to reevaluate its compensation policies on an annual basis.

CEO COMPENSATION

In 1998, the Corporation's most highly compensated executive officer was Edward K. Christian, President and Chief Executive Officer. Options to purchase 250,965 shares of Class B Common Stock at a price of \$16.50 per share were granted to Mr. Christian in 1998. In addition to the options granted to Mr. Christian, his salary was increased by \$10,815 or 3% effective January 1, 1999.

In determining the 1998 bonus paid to Mr. Christian and the salary increase for 1999, the Committee took into account the Corporation's financial performance in 1998 and the criteria discussed above. During the year ended December 31, 1998, the Corporation's net revenue increased by 14.5% over the year ended December 31, 1997 to \$75.9 million. Broadcast cash flow (defined as station operating income excluding depreciation, amortization and corporate general and administrative expenses) increased by 21.7% and net income for the year ended December 31, 1998 was \$6.4 million compared to \$4.5 million for the year ended December 31, 1997. After-tax cash flow (defined as net income plus depreciation, amortization [excluding film rights], loss on the sale of assets, and deferred taxes) increased by 29.3% over the year ended December 31, 1997. Set forth below is a chart summarizing the Corporation's operating results over the past three fiscal years.

YEARS ENDED DECEMBER 31,

	1998	1997	1996

(IN THOUSANDS)

Net Operating Revenue.....	\$75,871	\$66,258	\$56,240
Broadcast Cash Flow.....	\$27,327	\$22,462	\$19,611
Net Income.....	\$ 6,351	\$ 4,492	\$ 3,935
After-tax Cash Flow.....	\$14,328	\$11,083	\$10,143

IRS MATTERS

Under section 162(m) of the Internal Revenue Code and the regulations promulgated thereunder, deductions for employee remuneration in excess of \$1 million which is not performance-based are disallowed for publicly-traded companies. The Committee has determined that it is unnecessary at this time to seek to qualify the components of its compensation program as performance-based compensation within the meaning of Section 162(m).

EXECUTIVE COMPENSATION COMMITTEE

Kristin Allen
Donald Alt
Jonathan Firestone
Joseph P. Misiewicz
Gary Stevens (Chair)

CORPORATE PERFORMANCE

Set forth below is a line graph comparing the cumulative total stockholder return for the years ended December 31, 1994, 1995, 1996, 1997 and 1998 of the Corporation's Class A Common Stock against the cumulative total return of the AMEX Market Value Index, and of a peer group consisting of the following radio broadcast companies: Sinclair Broadcast Group Inc., Chancellor Media Corp., Triathlon Broadcasting Co., Clear Channel Communications Inc., Jacor Communications Inc., Children's Broadcasting Corp., Emmis Broadcasting Corp., Heftel Broadcasting Corp. and Cox Radio, Inc. (the "Peer Group"). The graph and table assume that \$100 was invested on December 31, 1993 in each of the Corporation's Class A Common Stock, the AMEX Market Value Index and the Peer Group and that all dividends were reinvested.

	SAGA COMMUNICATIONS -----	AMEX MARKET VALUE INDEX -----	PEER GROUP -----
'12/31/93'	100.00	100.00	100.00
'12/31/94'	83.90	93.30	115.90
'12/31/95'	118.60	120.00	190.70
'12/31/96'	177.90	121.90	280.20
'12/31/97'	242.40	152.40	636.50
'12/31/98'	292.30	162.80	805.40

EMPLOYMENT CONTRACTS

Mr. Christian has an employment agreement with the Corporation which expires in 2002. The agreement provides for certain compensation, death, disability and termination benefits, as well as the use of an automobile. The 1998 base annual salary under the agreement was \$360,516, subject to annual cost of living adjustments. The Board of Directors has increased Mr. Christian's salary under the agreement to \$371,331 effective January 1, 1999. The agreement also provides that he is eligible for annual bonuses and stock options to be awarded at the discretion of the Board of Directors. The agreement provides that Mr. Christian's aggregate compensation in any year may not be less than his average aggregate annual compensation for 1994, 1995 and 1996 unless his or the Corporation's performance shall have declined substantially. The agreement may be terminated by either party in the event of Mr. Christian's disability for a continuous period of six months or an aggregate period of nine months within any 18 month period. In addition, the Corporation may terminate the agreement for cause and Mr. Christian may terminate the agreement at any time after the sale of all or substantially all of the Corporation's assets or the merger of the Corporation if the Corporation is not the surviving entity.

The employment agreement also provides that upon the sale or transfer of control of the Corporation, Mr. Christian's employment will be terminated and he will be paid an amount equal to five times the average of his total compensation for the preceding three years plus an additional amount as is necessary for applicable income taxes related to the payment.

The employment agreement was amended effective December 8, 1998 to provide that the unpaid balance of his note to the Corporation in the amount of \$690,700 (see "Certain Transactions -- Loan to Principal Stockholder") will be ratably forgiven 20% per year in each of the years 1998, 1999, 2000, 2001 and 2002.

The employment agreement also contains a covenant not to compete restricting Mr. Christian from competing with the Corporation in any of its markets during the term of the agreement and for a three year period thereafter.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE; OTHER INFORMATION

Section 16(a) of the Securities Exchange Act of 1934 requires the Corporation's officers and directors, and persons who own more than 10% of a registered class of the Corporation's equity securities ("insiders"), to file reports of ownership and changes in ownership with the SEC. Insiders are required by SEC regulation to furnish the Corporation with copies of all Section 16(a) forms they file. Based solely on review of the copies of such forms furnished to the Corporation, the Corporation believes that during 1997 all Section 16(a) filing requirements applicable to its insiders were complied with.

CERTAIN TRANSACTIONS

LOAN TO PRINCIPAL STOCKHOLDER

In 1990, Boston Ventures Limited Partnership made a loan to Mr. Christian in the amount of \$690,700 to finance his capital contribution to Saga Communications Limited Partnership. Pursuant to the reorganization of the Corporation in December 1992, the original note evidencing such loan was cancelled and a new note in such amount was issued to the Corporation by Mr. Christian. The loan from the Corporation bears interest at a rate per annum equal to the lowest rate necessary to avoid the imputation of income for federal income tax purposes. Although the loan had been secured by the Class B Common Stock owned by Mr. Christian, in December 1998 the Board of Directors authorized the termination of the pledge agreement. As described above, the loan is being ratably forgiven 20% per year in each of the years 1998, 1999, 2000, 2001 and 2002. See "Compensation of Directors and Officers -- Employment Contracts."

RATIFICATION OF SELECTION OF AUDITORS

The selection, by a majority of the members of the Board who are not officers or employees of the Corporation, of Ernst & Young LLP as independent auditors to audit the books and accounts of the Corporation for the fiscal year ending December 31, 1999 shall be submitted to the Annual Meeting for ratification. Such ratification requires the affirmative vote of a majority of the shares entitled to vote thereon present in person or represented by proxy at the Annual Meeting when a quorum is present. Representatives of Ernst & Young LLP will be present at the Annual Meeting and will be given an opportunity to make a statement if they desire to do so and will respond to appropriate questions of stockholders.

The firm of Ernst & Young LLP has advised the Corporation that neither it nor any of its members has any direct financial interest in the Corporation as a promoter, underwriter, voting trustee, director, officer or employee.

All professional services rendered by Ernst & Young LLP during the year ended December 31, 1998 were furnished at customary rates.

The Board recommends a vote FOR ratification of Ernst & Young LLP as independent auditors for the fiscal year ending December 31, 1999.

APPROVAL OF EMPLOYEE STOCK PURCHASE PLAN

The Employee Stock Purchase Plan (the "Plan") was adopted by the Board of Directors on August 31, 1998 to provide a means to attract and retain highly-qualified employees and to promote ownership by employees of a proprietary interest in the Corporation, thereby aligning their interests more closely with the interests of the stockholders. Approval of the Plan requires the affirmative vote of a majority of the shares entitled to vote thereon present in person or represented by proxy at the Annual Meeting when a quorum is present. The Board of Directors recommends that you vote FOR the approval of the Plan.

DESCRIPTION OF THE PLAN

The principal features of the Plan are summarized below. However, such summary is qualified in its entirety by reference to the terms of the Plan, copies of which are available without charge upon written request to the Secretary of the Corporation.

Participation. Employees who have completed six consecutive months of service and who are customarily employed by the Corporation or any of its subsidiaries for a minimum of 20 hours per week will be eligible to participate in the Plan. However, any employee possessing 5% or more of the total combined voting power or value of all classes of stock of the Corporation or any subsidiary or any employee having rights under all employee stock purchase plans of the Corporation and its subsidiaries to purchase more than \$25,000 of the Corporation's Common Stock will not be eligible to participate.

Administration. The Plan will be administered by the Plan Administrator, Equiserve, the Corporation's stock transfer agent. The Plan Administrator will be responsible for the general operation, administration and interpretation of the Plan and for carrying out its provisions.

Terms. The Plan is intended to qualify as an "employee stock purchase plan" under Section 423 of the Internal Revenue Code. Pursuant to the terms of the Plan, participants will be permitted to elect to defer between 1% and 10% of their compensation and to apply such amount towards the purchase of the Corporation's Class A Common Stock. The number of shares of Class A Common Stock to be purchased will be equal to the cash value of the amount deferred in any calendar quarter divided by 85% of the closing price of the Class A Common Stock on the American Stock Exchange on the last day of such quarter. Shares will be purchased on a quarterly basis and allocated in full and fractional amounts to each participant as soon as practicable after the end of each quarter. The maximum number of shares available for sale under the Plan is 1,000,000.

A participant in the Plan is not permitted to dispose of any shares purchased under the Plan until two years after the later of the beginning of the quarter in which the compensation was deferred (the "commencement of an offering") or the expiration of one year from the date the shares were transferred to the participant.

Stock Dividends and Splits. Appropriate adjustments will be made to fairly preserve the intended benefits of the Plan in the event of any change in the Corporation's stock by reason of any stock dividend, stock split, combination and exchange of shares, recapitalization, merger, or consolidation.

Duration and Amendment of Plan. Unless extended with the approval of the stockholders, the Plan will terminate on the earlier of the issuance of 1,000,000 shares pursuant to the Plan or December 31, 2008. The Plan may be amended or terminated by the Board at any time. No amendment that would materially increase the benefits accruing to participants under the Plan, materially increase the number of shares issuable under

the Plan or materially modify the requirements as to eligibility for participation may be made without the approval of a majority of the stockholders.

Federal Income Tax Consequences. Participants do not realize taxable income at the commencement of an offering or at the time shares are purchased under the Plan.

If no disposition of shares purchased under the Plan is made by the participant within two years from the date of the commencement of an offering or within one year from the purchase date, then (a) upon sale of such shares, 15% of the fair market value of the stock at the commencement of the offering period (or, if less, the amount realized on sale of such shares in excess of the purchase price) is taxed to the participant as ordinary income with any additional gain taxed as a long-term capital gain and any loss sustained is treated as a long-term capital loss and (b) no deduction is allowed to the Corporation for Federal income tax purposes.

If the participant dies at any time while owning shares purchased under the Plan, then (a) 15% of the fair market value of the stock at the commencement of the offering period (or, if less, the fair market value of such shares on the date of death in excess of the purchase price) is taxed to the participant as ordinary income in the year of death and (b) no deduction is allowed to the Corporation for Federal income tax purposes.

If shares of Class A Common Stock purchased under the Plan are disposed of prior to the expiration of the two-year and one-year holding periods described above, then (a) the participant realizes ordinary income in the year of disposition in an amount equal to the excess (if any) of the fair market value of the shares on the date of purchase (or, if less, the amount realized on sale of such shares) over the purchase price thereof, and (b) the Corporation is entitled to deduct such amount. Any further gain realized is taxed as a short-term or long-term capital gain and will not result in any deduction by the Corporation.

OTHER MATTERS

Management does not know of any matters which will be brought before the Annual Meeting other than those specified in the notice thereof. However, if any other matters properly come before the Annual Meeting, it is intended that the persons named in the form of proxy, or their substitutes acting thereunder, will vote therein in accordance with their best judgment.

FINANCIAL STATEMENTS

The financial statements of the Corporation are contained in the 1998 Annual Report to Stockholders, which has been provided to the stockholders concurrently herewith. Such report and the financial statements contained therein are not to be considered as a part of this soliciting material.

STOCKHOLDER PROPOSALS FOR 2000 ANNUAL MEETING

Under the regulations of the SEC, a record or beneficial owner of shares of the Corporation's Common Stock may submit proposals on proper subjects for action at the 2000 Annual Meeting of Stockholders of the Corporation. All such proposals must be mailed to the Corporation at 73 Kercheval Avenue, Grosse Pointe Farms, Michigan 48236 and must be received at that address on or before December 7, 1999, in order to be included in the Corporation's proxy statement relating to the 2000 Annual Meeting. All such proposals which are not to be included in the Corporation's proxy statement relating to the 2000 Annual Meeting must be received at the above address on or before February 20, 2000.

EXPENSE OF SOLICITATION OF PROXIES

All the expenses of preparing, assembling, printing and mailing the material used in the solicitation of proxies by the Board will be paid by the Corporation. In addition to the solicitation of proxies by use of the mails, officers and regular employees of the Corporation may solicit proxies on behalf of the Board by telephone, telegram or personal interview, the expenses of which will be borne by the Corporation. Arrangements may also be made with brokerage houses and other custodians, nominees and fiduciaries to forward soliciting materials to the beneficial owners of stock held of record by such persons at the expense of the Corporation.

By order of the Board of Directors,

MARCIA LOBAITO
Secretary

Grosse Pointe Farms, Michigan
April 6, 1999

SAGA COMMUNICATIONS, INC.

THIS IS YOUR PROXY.
YOUR VOTE IS IMPORTANT.

Regardless of whether you plan to attend the Annual Meeting of Stockholders, you can be sure your shares are represented at the meeting by returning your proxy in the enclosed envelope.

COMPANY'S RECENT DEVELOPMENTS

On February 23, 1999, the Company reported a 41% increase in net income for the year ended December 31, 1998.

On February 22, 1999, the Company announced that it had entered into an agreement to acquire the assets of WXVT-TV, Greenville, Mississippi for \$5,200,000. WXVT-TV is a CBS affiliate on Channel 15.

[1161-SAGA COMMUNICATIONS, INC.] [FILE NAME: SGA76A.ELX] [VERSION - 1] [3/30/99]

DETACH HERE

[X] Please mark
votes as in
this example.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU INSTRUCT THE PROXIES TO VOTE FOR ALL PROPOSALS.

1. ELECTION OF DIRECTORS:

Nominees: Jonathan Firestone, Joseph P. Misiewicz,
Edward K. Christian, Kristin M. Allen,
Donald J. Alt and Gary Stevens

FOR WITHHELD
ALL [] [] FROM ALL
NOMINEES NOMINEES

[]

INSTRUCTION: To withhold authority to vote for any individual nominee, write that nominee's name above.

2. To ratify the selection of Ernst & Young LLP as independent auditors of the Corporation for the fiscal year ending December 31, 1999. FOR [] AGAINST [] ABSTAIN []

3. To ratify the adoption of the Saga Communications, Inc. Employee Stock Purchase Plan. [] [] []

4. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the meeting or any adjournment thereof.

MARK HERE FOR ADDRESS CHANGE AND NOTE AT LEFT []

PLEASE SIGN, DATE AND RETURN THE PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.

Please sign exactly as name appears hereon. When shares are held in more than one name, including joint tenants, each party should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such.

Signature: _____ Date: _____ Signature: _____ Date: _____

PROXY

SAGA COMMUNICATIONS, INC.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby appoints Edward K. Christian, Samuel D. Bush and Marcia K. Lobaito, or any one or more of them, attorneys with full power of substitution to each for and in the name of the undersigned, with all powers the undersigned would possess if personally present to vote the Class A Common Stock, \$.01 par value, of the undersigned in Saga Communications, Inc. at the Annual Meeting of its Stockholders to be held May 10, 1999 or any adjournment thereof. This proxy when properly executed will be voted in the manner directed herein by the stockholder. If no direction is made, this proxy will be voted FOR Proposals 1,2,3 and 4.

SEE REVERSE
SIDE

CONTINUED AND TO BE SIGNED ON REVERSE SIDE

SEE REVERSE
SIDE
