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 March 31, 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 April 30, 2002 was 14,558,398 and 1,888,296, respectively.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Saga Communications, Inc.
Condensed Consolidated Balance Sheets
(dollars in thousands)

	MARCH 31, 2002 (UNAUDITED)	DECEMBER 31, 2001
ASSETS		
Current assets:		
Cash and cash equivalents	$ 16,236	$ 11,843
Accounts receivable, net	16,321	19,185
Prepaid expenses	3,343	2,811
Other current assets	2,231	1,680
Total current assets	38,131	35,519
Property and equipment	112,313	110,172
Less accumulated depreciation	(56,348)	(55,003)
Net property and equipment	55,965	55,169
Other assets:		
Broadcast licenses, net	86,835	86,835
Goodwill, net	20,929	20,929
Other intangibles	993	1,118
Deferred costs and investments, net	3,383	3,151
Total other assets	112,140	112,033
	$ 206,236	$ 202,721

See notes to unaudited condensed consolidated financial statements.

Saga Communications, Inc.
Condensed Consolidated Balance Sheets
(dollars in thousands)

	MARCH 31, 2002 (UNAUDITED)	DECEMBER 31, 2001
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 874	$ 944
Other current liabilities	10,187	10,217
Current portion of long-term debt	275	275
Total current liabilities	11,336	11,436
Deferred income taxes	10,811	9,990
Long-term debt	105,124	105,226
Other	1,010	1,007
STOCKHOLDERS' EQUITY:		
Common stock	166	166
Additional paid-in capital	43,771	43,185
Note receivable from principal stockholder	--	(171)
Retained earnings	36,282	34,483
Accumulated other comprehensive income	(62)	(340)
Treasury stock	(2,160)	(2,198)
Unearned compensation on restricted stock	(42)	(63)
Total stockholders' equity	77,955	75,062
	$ 206,236	$ 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 MARCH 31, 2002	2001
Net operating revenue	$ 23,928	$22,793
Operating expenses:		
Programming and technical	6,401	6,060
Selling	5,872	5,902
Station general and administrative	4,360	3,976
Corporate general and administrative	1,292	1,356
Depreciation	1,441	1,383
Amortization	125	993
Operating profit	4,437	3,123
Other (income) expenses:		
Interest expense	1,341	1,803
Other	(7)	358
Income before income tax	3,103	962
Income tax provision	1,303	428
Net income	$ 1,800	$ 534
Earnings per share (basic and diluted)	$ .11	$ .03
Weighted average common shares	16,413	16,354
Weighted average common and common equivalent shares	16,835	16,655

See notes to unaudited condensed consolidated financial statements.

Saga Communications, Inc.
Condensed Consolidated Statements of Cash Flows
(dollars in thousands)
Unaudited

	THREE MONTHS ENDED MARCH 31, 2002	THREE MONTHS ENDED MARCH 31, 2001
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash provided by operating activities	$ 6,546	$ 3,560
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	(2,243)	(1,769)
Proceeds from sale of assets	20	3
Increase in intangibles and other assets	(335)	(3,639)
Acquisition of stations	--	(12,207)
Net cash used in investing activities	(2,558)	(17,612)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	--	11,250
Payments on long-term debt	(102)	(103)
Net proceeds from exercise of stock options	507	304
Purchase of shares held in treasury	--	(491)
Net cash provided by financing activities	405	10,960
Net increase (decrease) in cash and cash equivalents	4,393	(3,092)
Cash and cash equivalents, beginning of period	11,843	8,670
Cash and cash equivalents, end of period	$ 16,236	$ 5,578

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 three months ended March 31, 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. 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.

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.

3. ADOPTION OF ACCOUNTING POLICIES (CONTINUED)

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

ADJUSTED NET INCOME FOR ADOPTION OF STATEMENT 142 (UNAUDITED) (IN THOUSANDS EXCEPT PER SHARE DATA)	FOR THE THREE MONTHS ENDED MARCH 31, 2002	2001
Reported net income	$ 1,800	$ 534
Add back: amortization of goodwill, net of tax provision of $133	--	167
Add back: amortization of broadcast licenses, net of tax provision of $230	--	289
Adjusted net income	$ 1,800	$ 990
Basic and diluted earnings per share:		
Reported net income per share	$ .11	$ .03
Add back: amortization of goodwill, net of taxes	--	.01
Add back: amortization of broadcast licenses, net of tax	--	.02
Adjusted net income per share	$ .11	$ .06

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 is no impairment for these intangibles as of January 1, 2002.

During the second quarter of 2002, we will test goodwill for impairment as prescribed in Statement 142. We have not yet determined the effect, if any, of these impairment tests. However, any impairment as a result of this test would be reflected as a cumulative effect of a change in accounting principle in the first quarter of 2002.

We have recorded amortizable intangible assets at March 31, 2002 as follows:

	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION
Non-competition agreements	$4,315	$3,835
Favorable lease agreements	$4,804	$4,291
Total amortizable intangible assets at March 31, 2002	$9,119	$8,126

Aggregate amortization expense for these amortizable intangible assets for the three months ended March 31, 2002 was $125,000.

3. ADOPTION OF ACCOUNTING POLICIES (CONTINUED)

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.

4. 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.

5. TOTAL COMPREHENSIVE INCOME AND ACCUMULATED OTHER COMPREHENSIVE INCOME

TOTAL COMPREHENSIVE INCOME CONSISTS OF:	THREE MONTHS ENDED MARCH 31, 2002	2001
Net income	$1,800	$534
Accumulated other comprehensive income:		
Change in fair value of derivative instruments, net of tax	278	--
Total comprehensive income	$2,078	$534

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

6. ACQUISITIONS

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.

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. This transaction has been accounted for in accordance with Statement 141 as summarized in Note 3. The effect of applying Statement 141 is immaterial to the accompanying financial statements.

The 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 acquisition date. The excess of consideration paid over the estimated fair value of the net assets acquired has been recorded as broadcast licenses.

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 acquisition dates. The excess of the consideration paid over the estimated fair value of net assets acquired have been recorded as broadcast licenses. The following condensed balance sheet represents the estimated fair value assigned to the related assets and liabilities of the 2001 acquisitions at their respective acquisition dates.

6. ACQUISITIONS (CONTINUED)

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

ASSETS ACQUIRED:	
Current assets	$ 684
Property and equipment	4,737
Other assets:	
Broadcast licenses	14,941
Excess of cost over fair value of assets acquired	113
Other intangibles, deferred costs and investments	227
Total other assets	15,281
Total assets acquired	20,702
LIABILITIES ASSUMED:	
Current liabilities	471
Deferred income taxes	245
Total liabilities assumed	716
Net assets acquired	$19,986

The following unaudited pro forma results of our operations for the three months ended March 31, 2002 and 2001 assume the 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.

6. ACQUISITIONS (CONTINUED)

PRO FORMA RESULTS OF OPERATIONS FOR ACQUISITIONS:

CONSOLIDATED RESULTS OF OPERATIONS:	THREE MONTHS ENDED MARCH 31, 2002	2001
	(In thousands except per share data)	
Net operating revenue	$ 23,928	$23,543
Station operating expense	16,633	16,670
Station operating income	7,295	6,873
Corporate general and administrative	1,292	1,356
Depreciation	1,441	1,445
Amortization	125	1,037
Operating profit	4,437	3,035
Interest expense	1,341	1,857
Other	(7)	358
Income taxes	1,303	369
Net income	$ 1,800	$ 451
Basic earnings per share	$ .11	$ .03
Diluted earnings per share	$ .11	$ .03

RADIO BROADCASTING SEGMENT	THREE MONTHS ENDED MARCH 31, 2002	2001
	(In thousands)	
Net operating revenue	$21,173	$21,073
Station operating expense	14,477	14,605
Station operating income	6,696	6,468
Corporate general and administrative	--	--
Depreciation	1,038	1,000
Amortization	119	887
Operating profit	$ 5,539	$ 4,581

6. ACQUISITIONS (CONTINUED)

TELEVISION BROADCASTING SEGMENT	THREE MONTHS ENDED MARCH 31, 2002	2001
	(In thousands)	
Net operating revenue	$2,755	$ 2,470
Station operating expense	2,156	2,065
Station operating income	599	405
Corporate general and administrative	--	--
Depreciation	354	403
Amortization	6	98
Operating profit (loss)	$ 239	$ (96)

7. 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 57 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.

7. SEGMENT INFORMATION (CONTINUED)

THREE MONTHS ENDED MARCH 31, 2002:	RADIO	TELEVISION	CORPORATE AND OTHER	CONSOLIDATED
Net operating revenue	$ 21,173	$ 2,755	--	$ 23,928
Station operating expense	14,477	2,156	--	16,633
Station operating income	6,696	599	--	7,295
Corporate general and administrative	--	--	$ 1,292	1,292
Depreciation	1,038	354	49	1,441
Amortization	119	6	--	125
Operating profit (loss)	$ 5,539	$ 239	$ (1,341)	$ 4,437
Total assets	$158,387	$26,412	$ 21,437	$206,236

THREE MONTHS ENDED MARCH 31, 2001:	RADIO	TELEVISION	CORPORATE AND OTHER	CONSOLIDATED
Net operating revenue	$ 20,323	$ 2,470	--	$ 22,793
Station operating expense	13,873	2,065	--	15,938
Station operating income	6,450	405	--	6,855
Corporate general and administrative	--	--	$ 1,356	1,356
Depreciation	938	403	42	1,383
Amortization	843	98	52	993
Operating profit (loss)	$ 4,669	$ (96)	$ (1,450)	$ 3,123
Total assets	$151,416	$ 26,210	$ 15,005	$192,631

8. SUBSEQUENT EVENTS

On April 4, 2002, we entered into an agreement to purchase WKBK-AM and WXOD-FM in Keene, New Hampshire for approximately $2,625,000. The acquisition, which is subject to the approval of the Federal Communications Commission, is expected to close during the third quarter of 2002.

On May 1, 2002, we acquired the assets of WKNE-AM/FM in Keene, New Hampshire and WKVT-AM/FM in Brattleboro, Vermont for approximately $9,075,000. The acquisition is subject to the final approval of the Federal Communications Commission.

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 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 three month periods ended March 31, 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 three months ended March 31, 2002 and 2001, Columbus accounted for an aggregate of 15% and Milwaukee accounted for an aggregate of 20% 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 three months ended March 31, 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 March 31, 2002 we owned and/or operated fifty-seven radio stations, four TV stations, three LPTV stations and three radio information networks. As a result of acquisitions, as of March 31, 2001 we owned and/or operated fifty-three radio stations, four TV stations, two LPTV stations, and three radio information networks.

Since January 1, 2001, 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.

On February 15, 2002, we entered into an agreement to purchase the assets of WKNE-AM/FM in Keene, New Hampshire and WKVT-AM/FM in Brattleboro, Vermont for approximately $9,075,000. The acquisition closed during the second quarter of 2002.

On April 4, 2002, we entered into an agreement to purchase WKBK-AM and WXOD-FM in Keene, New Hampshire for approximately $2,625,000. The acquisition, which is subject to the approval of the Federal Communications Commission, is expected to close during the third quarter of 2002.

For additional information with respect to these acquisitions, see "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.

The following tables summarize our results of operations for the three months ended March 31, 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 March 31, 2002	Three Months Ended March 31, 2001	As-Reported % Increase (Decrease)	Same Station % Increase (Decrease)
Net operating revenue	$23,928	$22,793	4.98%	1.02%
Station operating expense *	16,633	15,938	4.36%	(.91%)
Station operating income	7,295	6,855	6.42%	5.41%
Corporate G&A	1,292	1,356	(4.72%)	N/A
Depreciation	1,441	1,383	4.19%	(3.94%)
Amortization	125	993	(87.41%)	(87.79%)
Operating profit	4,437	3,123	42.07%	40.70%
Interest expense	1,341	1,803	(25.62%)	
Other (income) expense	(7)	358	(101.96%)	
Income taxes	1,303	428	204.44%	
Net income	$ 1,800	$ 534	237.08%	
Earnings per share (basic and diluted)	$ .11	$ .03	266.67%	

RADIO BROADCASTING SEGMENT
(In thousands of dollars)

	Three Months Ended March 31, 2002	Three Months Ended March 31, 2001	As-Reported % Increase (Decrease)	Same Station % Increase (Decrease)
Net operating revenue	$21,173	$20,323	4.18%	(0.28%)
Station operating expense *	14,477	13,873	4.35%	(1.72%)
Station operating income	6,696	6,450	3.81%	2.73%
Depreciation	1,038	938	10.66%	(1.22%)
Amortization	119	843	(85.88%)	(86.22%)
Operating profit	$ 5,539	$ 4,669	18.63%	18.14%

TELEVISION BROADCASTING SEGMENT
(In thousands of dollars)

	Three Months Ended March 31, 2002	Three Months Ended March 31, 2001	As-Reported % Increase (Decrease)	Same Station % Increase (Decrease)
Net operating revenue	$ 2,755	$ 2,470	11.54%	11.54%
Station operating expense *	2,156	2,065	4.41%	4.41%
Station operating income	599	405	47.90%	47.90%
Depreciation	354	403	(12.16%)	(12.16%)
Amortization	6	98	(93.88%)	(93.88%)
Operating profit (loss)	$ 239	$ (96)	N/A	N/A

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

THREE MONTHS ENDED MARCH 31, 2002 COMPARED TO THREE MONTHS ENDED MARCH 31, 2001

For the three months ended March 31, 2002, net operating revenue was $23,928,000 compared with $22,793,000 for the three months ended March 31, 2001, an increase of $1,135,000 or 5%. Approximately $906,000 or 80% 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 1% ($229,000). This increase was primarily the result of an increase in revenue in our television segment, which was primarily attributable to an increase in advertising rates in the television local marketplace.

Station operating expense (i.e., programming, technical, selling and station general and administrative expenses) increased by $695,000 or 4% to $16,633,000 for the three months ended March 31, 2002, compared with $15,938,000 for the three months ended March 31, 2001. Of the total increase, approximately $836,000 or 120% 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 decreased by approximately $141,000 or 1% on a same station basis.

Operating profit increased by $1,314,000 or 42% to $4,437,000 for the three months ended March 31, 2002, compared with $3,123,000 for the three months ended March 31, 2001. The increase was primarily the result of the $1,135,000 increase in net operating revenue offset by the $695,000 increase in station operating expense, and an $868,000 or 87% 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".

We generated net income in the amount of approximately $1,800,000 ($0.11 per share on a diluted basis) during the three months ended March 31, 2002, compared with net income of $534,000 ($0.03 per share on a diluted basis) for the three months ended March 31, 2001, an increase of approximately $1,266,000. The increase in net income was principally the result of the $1,314,000 increase in operating profit, a $462,000 decrease in interest expense and a $365,000 decrease in other expense, offset by an $875,000 increase in income taxes. The decrease in interest expense was principally the result of marginally lower interest rates over the prior period. Other expense of $358,000 in 2001 was primarily attributable to marking to market our swap agreements.

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 May 1, 2002, for the quarter ending June 30, 2002 we anticipate net operating revenue of approximately $29,500,000, station operating expense of approximately $18,600,000, station operating income of approximately $10,900,000, operating profit of approximately $7,600,000, and net income of approximately $3,500,000 or $.21 per share on a fully diluted basis.

Based on the economic and market conditions as of May 1, 2002, for the year ending December 31, 2002 we anticipate net operating revenue of approximately $109,700,000, station operating expense of approximately $70,200,000, station operating income of approximately $39,500,000, operating profit of approximately $27,300,000, and net income of approximately $11,900,000 or $.71 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 March 31, 2002, we had $105,399,000 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 March 31, 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 March 31, 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 (2.0475% at March 31, 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 (2.0475% at March 31, 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 (2.0475% at March 31, 2002) calculated on the notional amount of $13,125,000 ($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 (2.0475% at March 31, 2002) calculated on the notional amount of $13,125,000 ($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 $205,000 in additional interest expense was recognized as a result of these interest rate swap agreements for the three months ended March 31, 2002. An aggregate increase in interest expense of approximately $350,000 has been recognized since the inception of the agreements. The fair value of these swap agreements at March 31, 2002 was approximately ($93,000), which has been recorded as a liability in our balance sheet.

During the three months ended March 31, 2002 and 2001, we had net cash flows from operating activities of $6,546,000 and $3,560,000, 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 (WKNE-AM/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. We financed this acquisition through funds generated from operations. This acquisition is subject to the final approval of the Federal Communications Commission.

Additionally, in April 2002 we entered into an agreement to acquire an AM and FM radio station (WKBK-AM and WXOD-FM) serving the Keene, New Hampshire market for approximately $2,625,000. This acquisition is subject to the approval of the Federal Communications Commission and is expected to close during the third quarter of 2002.

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 March 31, 2002, we have repurchased 326,627 shares of our Class A Common Stock for approximately $4,814,000.

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 three months ended March 31, 2002 were approximately $2,243,000 ($1,769,000 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.

SUMMARY DISCLOSURES ABOUT CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

We have 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. The following tables reflect a summary of our contractual cash obligations and other commercial commitments as of December 31, 2001:

	Payments Due By Period (In thousands)				
CONTRACTUAL CASH OBLIGATIONS AND OTHER COMMERCIAL COMMITMENTS:	TOTAL	LESS THAN 1 YEAR	1 TO 3 YEARS	4 TO 5 YEARS	AFTER 5 YEARS
Long Term Debt	$105,501	$ 275	$26,476	$34,125	$44,625
Operating Leases	4,582	1,424	1,480	471	1,207
Acquisition Commitments	9,075	9,075	--	--	--
TV Syndicated Programming	533	210	250	73	--
Employment Agreements	17,588	5,483	5,512	2,859	3,734
Other Operating Contracts	7,062	3,016	3,066	955	25
Total Contractual Cash Obligations	$144,341	$19,483	$36,784	$38,483	$49,591

There have been no material changes to the above contracts/commitments during the three months ended March 31, 2002. We anticipate that the above contractual cash obligations will be financed 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 is no impairment for these intangibles as of January 1, 2002.

During the second quarter of 2002, we will test goodwill for impairment as prescribed in Statement 142. We have not yet determined the effect, if any, of these impairment tests. However, any impairment as a result of this test would be reflected as a cumulative effect of a change in accounting principle in the first quarter of 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.

PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

None

(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: May 14, 2002

/s/ Samuel D. Bush

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

Date: May 14, 2002

/s/ Catherine A. Bobinski

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