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

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 31, 2018

SAGA COMMUNICATIONS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

1-11588

(State or other jurisdiction of incorporation)

(Commission File Number)

38-3042953 (IRS Employer Identification No.)

73 Kercheval Avenue Grosse Pointe Farms, MI

(Address of Principal Executive Offices)

48236 (Zip Code)

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

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

□ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

□ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

□ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

□ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Emerging growth company \Box

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

Item 2.02. Results of Operations and Financial Condition.

On March 12, 2019, Saga Communications, Inc. issued a press release announcing its financial results for the three and twelve months ended December 31, 2018. The press release, dated March 12, 2019, is attached as Exhibit 99.1 to this Form 8-K.

Item 9.01. Financial Statements and Exhibits.

- (d) Exhibits.
 - <u>99.1</u> Press Release dated March 12, 2019.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SAGA COMMUNICATIONS, INC.

Dated: March 12, 2019

By: /s/ Samuel D. Bush

Samuel D. Bush Senior Vice President and Chief Financial Officer

Exhibit No.	Description
<u>99.1</u>	Press Release dated March 12, 2019.

Saga Communications, Inc. Reports 4th Quarter and Year End 2018 Results; Net Operating Revenue increased 4.7% for the Quarter and 5.7% for the Year

GROSSE POINTE FARMS, Mich., March 12, 2019 /PRNewswire/ -- Saga Communications, Inc. (Nasdaq: SGA) today reported net revenue increased 4.7% to \$32.9 million for the quarter ended December 31, 2018. Income from continuing operations before tax increased \$2.3 million to \$6.0 million compared to \$3.7 million last year. Operating income increased \$2.1 million to \$6.0 million and station operating expense increased \$523 thousand to \$23.8 million for the quarter. Diluted earnings per share from continuing operations was \$0.72/share in the fourth quarter of 2018 compared to \$2.52/share during the same period in 2017. During the 4th quarter of 2017 the Company recognized an income tax benefit of \$11.2 million compared to an income tax expense of \$1.7 million for the same period in 2018. The income tax benefit in 2017 was primarily due to an \$11.5 million reduction in our deferred tax liability as a result of the Tax Cuts and Jobs Act. Free cash flow from continuing operations was \$5.9 million for the quarter ended December 31, 2018 compared to \$6.6 million for the same period in 2017.

Net revenue increased 5.7% to \$124.8 million for the twelve months ended December 31, 2018. Income from continuing operations before tax increased \$3.1 million to \$19.4 million compared to \$16.3 million last year. Operating income increased \$2.5 million to \$19.7 million and station operating expense increased \$6.0 million to \$93.7 million for the twelve month period. Diluted earnings per share from continuing operations was \$2.30/share for the twelve month period in 2018 compared to \$3.77/share during the same period in 2017. Free cash flow from continuing operations was \$19.5 million for the twelve months ended December 31, 2018 compared to \$17.4 million for the same period in 2017.

On a same station basis for the twelve months ended December 31, 2018 net revenue increased 1.1% to \$116.5 million. Operating income increased \$2.6 million to \$19.4 million and station operating expense increased \$642 thousand to \$86.0 million.

The Company had \$44.7 million in cash on hand as of December 31, 2018 and \$40.7 million as of March 11, 2019. The Company's total bank debt was \$20 million as of December 31, 2018 and \$15 million as of March 11, 2019. Including the recently announced \$0.30 per share dividend which will be paid on March 29, 2019, the Company will have paid over \$64 million in dividends since December 3, 2012.

The results for the twelve month period ended December 31, 2017 were affected by the sale of the Company's television stations and purchase of radio stations in Charleston and Hilton Head, SC on September 1, 2017.

Capital expenditures from continuing operations were \$1.5 million in the fourth quarter of 2018 which was flat with the same period in 2017. For the total year capital expenditures from continuing operations were \$5.9 million in 2018 compared to \$6.3 million in 2017. The Company expects to spend approximately \$5.0 to 5.5 million for capital expenditures during 2019.

The Company closed on its purchase of the assets of radio stations WOGK(FM), WNDT(FM), WNDD(FM) and WNDN(FM), from Ocala Broadcasting Corporation, LLC on December 31, 2018. All the stations serve the Gainesville-Ocala, Florida radio market.

Saga's 2018 4th Quarter and Year End conference call will be on Tuesday, March 12, 2019 at 11:00 a.m. EDT. The dial-in number for the call is 612/288-0329. A transcript of the call will be posted to the Company's website as soon as it is available after the call.

The Company requests that all parties that have a question that they would like to submit to the Company to please email the inquiry by 10:00 a.m. EDT on March 12, 2019 to SagaIR@sagacom.com. The Company will discuss, during the limited period of the conference call, those inquiries it deems of general relevance and interest. Only inquiries made in compliance with the foregoing will be discussed during the call.

The attached Selected Supplemental Financial Data tables disclose "actual", "same station", "proforma", and discontinued operations information as well as the Company's trailing 12 month consolidated EBITDA. The "actual" amounts reflect our historical financial results and include the results of operations for stations that we did not own for the entire comparable period. The "same station" amounts reflect only the results of operations for stations that we owned for the entire comparable period. The "proforma" amounts assume all acquisitions in 2017 and 2018 occurred as of January 1, 2017.

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

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

Saga is a broadcasting company whose business is devoted to acquiring, developing and operating broadcast properties. Saga owns or operates broadcast properties in 27 markets, including 79 FM radio stations, 34 AM radio stations and 76 metro signals. For additional information, contact us at (313) 886-7070 or visit our website at <u>www.sagacom.com</u>.

Selected Consolidated Financial Data For The Three and Twelve Months Ended December 31, 2018 and 2017 (amounts in 000's except per share data) (Unaudited)

	Three Mon	ths E	nded	Twelve Months Ended					
	 Decem	ber 3	1,		Decen	nber 31,			
	 2018		2017		2018		2017		
Operating Results									
Net operating revenue	\$ 32,938	\$	31,464	\$	124,829	\$	118,149		
Station operating expense	23,761		23,238		93,727		87,759		
Corporate general and administrative	3,154		2,782		11,359		11,657		
Other operating expense	14		124		61		55		
Impairment of intangible assets	-		1,449		-		1,449		
Operating income	6,009		3,871		19,682		17,229		
Interest expense	229		212		946		903		
Interest income	(187)		-		(631)		-		
Other expense (income), net	 2		-		(23)		-		
Income from continuing operations, before tax	5,965		3,659		19,390		16,326		
Income tax expense (benefit)	1,670		(11,200)		5,700		(5,920)		
Income from continuing operations, net of tax	4,295		14,859		13,690		22,246		
Income (loss) from discontinued operations, net of tax	 -		(30)		-		32,471		
Net income	\$ 4,295	\$	14,829	\$	13,690	\$	54,717		
Basic Earnings (loss) per share:									
From continuing operations	\$ 0.72	\$	2.52	\$	2.30	\$	3.77		
From discontinued operations	-		(0.01)		-		5.50		
Basic earnings per share	\$ 0.72	\$	2.51	\$	2.30	\$	9.27		
Diluted Earnings (loss) per share:									
From continuing operations	\$ 0.72	\$	2.52	\$	2.30	\$	3.77		
From discontinued operations	 -		(0.01)		-		5.50		
Diluted earnings per share	\$ 0.72	\$	2.51	\$	2.30	\$	9.27		
Weighted average common shares	5,820		5,815		5,829		5,803		
Weighted average common and common									
equivalent shares	5,820		5,815		5,829		5,807		
Free Cash Flow									
Net income	\$ 4,295	\$	14,829	\$	13,690	\$	54,717		
Plus: Depreciation and amortization:									
Station	1,718		1,749		6,507		5,962		
Corporate	70		75		279		289		
Discontinued operations	-		-				445		
Deferred tax provision (benefit)	780		(10,690)		2,660		(8,670)		
Non-cash compensation	526		518		2,201		2,279		
Other operating expense from continuing operations	14		124		61		55		
Other operating expense from discontinued operations Gain on the disposal of discontinued operations, net of tax	-		-		:		31 (29,902)		
Impairment of intangible assets			1,449		-		1,449		
Other expense (income), net	2		-		(23)		-		
Less: Capital expenditures from continuing operations	_ (1,472)		(1,521)		(5,922)		(6,246)		
Capital expenditures from discontinued operations	(, ·· _)		(210)		(=,)		(335)		
Free cash flow	\$ 5,933	\$	6,323	\$	19,453	\$	20,074		
	 		,		,				

Balance Sheet Data Working capital Net fixed assets Net intangible assets and other assets Total assets	\$ <u>2018</u> 45,430		2017
Working capital Net fixed assets Net intangible assets and other assets	\$ 45,430	•	
Net fixed assets Net intangible assets and other assets	\$ 45,430		
Net intangible assets and other assets	.,	\$	55,269
5	\$ 59,103	\$	56,235
Total assets	\$ 120,779	\$	116,360
	\$ 248,477	\$	248,769
Long-term debt (including current portion			
of \$5,000 and \$0, respectively)	\$ 20,000	\$	25,000
Stockholders' equity	\$ 184,999	\$	179,465

Saga Communications, Inc.

Selected Supplemental Financial Data

For The Three and Twelve Months Ended

December 31, 2018 and 2017

(amounts in 000's except per share data)

(Unaudited)

	Three Months Ended					Twelve Months Ended				
		Dece	mber 3	81,		Decer	nber	31,		
	201	8 (1)		2017 ⁽¹⁾	20	18 ⁽¹⁾		2017 ⁽¹⁾		
Results of Discontinued Operations										
Net operating revenue	\$	-	\$	-	\$	-	\$	14,238		
Station operating expense		-		30		-		9,757		
Other operating expense		-		-		-		31		
Operating income (loss)		-		(30)		-		4,450		
Interest expense		-		-		-		21		
Income (loss) before income taxes		-		(30)		-		4,429		
Gain on the disposal of discontinued operations, before tax		-		-		-		50,842		
Income (loss) from discontinued operations, before tax		-		(30)		-		55,271		
Income tax expense		-		-		-		22,800		
Income (loss) from discontinued operations, net of tax	\$	-	\$	(30)	\$	-	\$	32,471		
Free Cash Flow from Discontinued Operations										
Income (loss) from discontinued operations, net of tax	\$	-	\$	(30)	\$	-	\$	32,471		
Plus: Depreciation and amortization Other operating expense (income) from discontinued operations		-		-		-		445 31		
Less: Gain on the disposal of discontinued operations, net of tax		-		-		-		(29,902)		
Capital expenditures from discontinued operations		-		(210)		-		(335)		
Free cash flow from discontinued operations	\$	-	\$	(240)	\$	-	\$	2,710		

(1) Results of operations for the Television stations are reflected through August 31, 2017. The effective date of the sale was September 1, 2017. The three months ended December 31, 2017 activity was a result of additional expenses incurred after the sale of the television stations was completed.

Saga Communications, Inc. Selected Supplemental Financial Data For the Three Months Ended December 31, 2018 and 2017 (amounts in 000's except per share data) (Unaudited)

	Actual Three Months Ended December 31,					Same S Three Mo	nths	Ended	Pro Forma ⁽²⁾ Three Months Ended			
			ber	,		Decen	nber			Decen	1ber :	
		2018		2017		2018		2017		2018		2017
Consolidated												
Net operating revenue	\$	32,938	\$	31,464	\$	32,938	\$	31,464	\$	34,008	\$	32,447
Station operating expense		23,761		23,238		23,761		23,238		24,697		24,106
Corporate general and administrative		3,154		2,782		3,154		2,782		3,154		2,782
Other operating expense		14		124		14		124		14		124
Impairment of intangible assets		-		1,449		-		1,449		-		1,449
Operating income		6,009		3,871	\$	6,009	\$	3,871		6,143		3,986
Interest expense		229		212						229		212
Interest income		(187)		-						(187)		-
Other expense (income), net	-	2		-						2		-
Income from continuing operations, before tax		5,965		3,659						6,099		3,774
Income tax expense (benefit)	-	1,670		(11,200)						1,711		(11,153)
Income from continuing operations, net of tax		4,295		14,859						4,388		14,927
Income (loss) from discontinued operations, net of tax		-		(30)						-		(30)
Net income	\$	4,295	\$	14,829					\$	4,388	\$	14,897
Basic Earnings (loss) per share:												
From continuing operations	\$	0.72	\$	2.52					\$	0.74	\$	2.52
From discontinued operations		-		(0.01)						-		(0.01)
Basic earnings per share	\$	0.72	\$	2.51					\$	0.74	\$	2.51
Diluted Earnings (loss) per share:												
From continuing operations	\$	0.72	\$	2.52					\$	0.74	\$	2.52
From discontinued operations		-		(0.01)						-		(0.01)
Diluted earnings per share	\$	0.72	\$	2.51					\$	0.74	\$	2.51
		Act	ual			Same S	tatio	n ⁽¹⁾		Pro Fo	orma	(2)
	1	Three Mon	ths	Ended		Three Mo	nths	Ended		Three Mo	1ths	Ended
	December 31,				Decen	nber	31,		Decen	ber :	31,	
	2018 2017			2018		2017		2018		2017		
Depreciation and amortization												
by segment												
Radio Stations	\$	1,718	\$	1,749	\$	1,718	\$	1,749	\$	1,851	\$	1,882
Corporate and Other		70	-	75	-	70		75	,	70		75
	\$	1,788	\$	1,824	\$	1,788	\$	1,824	\$	1,921	\$	1,957

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

(2) Pro Forma results assume all acquisitions in 2017 and 2018 occurred as of January 1, 2017.

Saga Communications, Inc. Selected Supplemental Financial Data For the Twelve Months Ended December 31, 2018 and 2017 (amounts in 000's except per share data) (Unaudited)

Station operating expense 93,727 87,759 85,959 85,317 97,314 96,2 Corporate general and administrative 11,359 11,657 11,359 11,657 11,359 11,667 Other operating expense (income), net 61 55 (191) 53 61 1449 - 1449 Operating expense (income), net 19,682 17,229 \$ 19,377 \$ 16,788 20,494 18,89 Interest income (33) - - 1449 - 14,49 - 14,49 Interest income (33) - - (23) - (23) - (23) - 20,044 18,89 Income from continuing operations, het of tax 19,390 16,326 - 20,022 17,8 20,022 17,8 24,458 55,65 5,475 \$ 2,40 \$ 3,4258 5,550 \$ 2,40 \$ 3,2,471 - - 5,55 \$ 2,40 \$ 3,5 2,40 \$ 3,5 - 5,50 \$ 2,40 \$		Actual Twelve Months Ended December 31, 2018 2017			Т	Same Sta welve Mor Decemi	nths E	Ended	T	Pro Fo Welve Mo Decem	nths	Ended	
Net operating revenue \$ 124.829 \$ 118,149 \$ 116,504 \$ 115,264 \$ 129,228 \$ 128,129,228 Station operating expense 93,727 87,759 88,959 85,317 97,314 90,228 Other operating expense (income), net 61 55 (193) 53 61 11.359 Other operating expense (income), net 61 55 (193) 53 61 91 Other operating expense (income), net 10.682 17.229 \$ 19.377 \$ 16.768 20.444 93 Interest expense 946 903 - 1.449 - 1.449 - 1.459 Other expense (income), net (23) - (23) - (23) - (23) Income from continuing operations, het of tax 19.390 16.326 - - 20.44 (52) Income from discontinued operations \$ 2.30 \$ 3.77 - \$ 2.40 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 \$ 3.240 <th></th> <th>203</th> <th>18</th> <th>2</th> <th>2017</th> <th></th> <th>2018</th> <th></th> <th>2017</th> <th></th> <th>2018</th> <th></th> <th>2017</th>		203	18	2	2017		2018		2017		2018		2017
Station operating expense 93,727 87,759 85,959 85,317 97,314 96,2 Corporate general and administrative 11,359 11,657 11,359 11,657 11,359 11,667 11,359 11,667 11,359 11,667 11,359 11,667 11,359 11,677 11,359 11,677 11,359 11,677 11,359 11,677 1449 - - 1,449 1,4657 1,4268 1,4268 1,4268 1,4268 1,5464 1,4258 1,567 1,569 2,0,022 1,76,8 2,0,022 1,76,8 1,4258 2,56,8 1,4258 2,56,4 1,4258 2,56,4 1,4258 2,56,4 <	Consolidated												
Corporate general and administrative 11,359 11,657 11,359 11,557 11,359 11,557 10,58 20,455 11,557 11,35	Net operating revenue	\$ 12	24,829	\$	118,149	\$	116,504	\$	115,264	\$	129,228	\$	128,180
Other operating expense (income), net 61 55 (191) 53 61 Impairment of intangible assets - 1,449 - 1,449 - 1,449 Operating income 19,682 17,229 \$ 19,377 \$ 16,768 20,494 18,8 Interest expense 946 903 - (631) - (631) - (631) - (631) - (631) - (631) - (631) - (631) - (632) - 20,020 17,8 14,258 20,202 17,8 14,258 23,20 14,258 23,1 - - 22,44 - - 24,40 \$ 3,3690 5,4,717 - 3 14,258 5,556 - - 5,240 \$ 3,3690 5,2,30 \$ 3,77 \$ 2,40 \$ 3,3690 5,2,30 \$ 3,77 \$ 2,40 \$ 3,3690 \$ 2,30 \$	Station operating expense	ę	93,727		87,759		85,959		85,317		97,314		96,218
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Corporate general and administrative	:	11,359		11,657		11,359		11,657		11,359		11,657
Operating income 19,682 17,229 \$ 19,377 \$ 16,788 20,494 18,88 Interest expense 946 903 946 903 946 9 Interest income (631) - (631) - (631) - Income from continuing operations, before tax 19,390 16,326 20,202 17,8 Income from continuing operations, before tax 19,390 16,326 20,202 17,8 Income from discontinued operations, net of tax 13,690 2,241 - 32,471 Income from discontinued operations \$ 13,690 \$ 54,717 \$ 14,258 \$ 5,50 Basic Earnings (loss) per share: From continuing operations \$ 2,30 \$ 3,77 \$ 2,40 \$ 3,377 Diluted Earnings (loss) per share: From discontinued operations \$ 2,30 \$ 3,77 \$ 2,40 \$ 3,377 Diluted Earnings (loss) per share: From discontinued operations \$ 2,30 \$ 3,77 \$ 2,40 \$ 3,377 Diluted Earnings (loss) per share: From discontinued operations \$ 2,30 \$ 3,77 </td <td>Other operating expense (income), net</td> <td></td> <td>61</td> <td></td> <td>55</td> <td></td> <td>(191)</td> <td></td> <td>53</td> <td></td> <td>61</td> <td></td> <td>55</td>	Other operating expense (income), net		61		55		(191)		53		61		55
Interest supense 946 903 946 903 Interest supense (631) - (631) - Other expense (income), net (23) - (23) - Income from continuing operations, hefore tax 19,390 16,326 - 20,202 17,8 Income from continuing operations, net of tax 13,690 2,246 -	Impairment of intangible assets		-		1,449		-		1,449		-		1,449
Interest income (631) (631) (631) Other expense (income), net (23) (23) (23) Income from continuing operations, net of tax $19,390$ $16,326$ $20,202$ Income from continuing operations, net of tax $13,690$ $22,246$ $14,258$ Income from discontinued operations, net of tax $-32,471$ $-23,2471$ Net income\$ 13,690\$ 54,717\$ 14,258Basic Earnings (loss) per share: $-5,504$ $-5,504$ From continuing operations\$ 2,30\$ 3,77Basic earnings per share: $-5,50$ $-5,50$ Diluted Earnings (loss) per share: $-5,50$ From continuing operations $5,230$ \$ 3,77From continuing operations $5,230$ \$ 3,77From continuing operations $5,230$ \$ 9,27Diluted Earnings (loss) per share: $-5,50$ From continuing operations $5,230$ \$ 9,27Diluted earnings per share: $-5,50$ $2,230$ $5,230$ $9,27$ Diluted earnings per share: $-5,50$ $2,230$ $5,230$ $9,27$ Diluted earnings per share: $-5,50$ $2,230$ $5,230$ $2,230$ $2,277$ 2018 2017 2018 2017 2018 2017 2018 2017 2018 2017 2018 2017 2018 2017 2018 2017 2018 2017 2018 2017 2018 <t< td=""><td>Operating income</td><td>:</td><td>19,682</td><td></td><td>17,229</td><td>\$</td><td>19,377</td><td>\$</td><td>16,788</td><td></td><td>20,494</td><td></td><td>18,801</td></t<>	Operating income	:	19,682		17,229	\$	19,377	\$	16,788		20,494		18,801
Other expense (income), net(23).Income from continuing operations, before tax19,39016,32620,20217,8Income from continuing operations, net of tax13,69022,24614,25823,241Income from discontinued operations, net of tax.32,471.32,471Income from continuing operations\$13,690\$5,710.32,471Net income32,471Net income\$13,690\$5,717\$2,240\$3.77Basic Earnings (loss) per share:From discontinued operations Basic earnings per share:\$2.30\$3.77.\$2.40\$3.Diluted Earnings (loss) per share:From continuing operations Diluted earnings per share\$2.30\$3.77.\$2.40\$3Diluted Earnings (loss) per share: <td>Interest expense</td> <td></td> <td>946</td> <td></td> <td>903</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>946</td> <td></td> <td>903</td>	Interest expense		946		903						946		903
Income from continuing operations, before tax19,39016,32620,20217.8Income tax expense (benefit) $5,700$ $(5,920)$ $14,258$ $5,944$ $(5,2)$ Income from continuing operations, net of tax $13,690$ $22,246$ $14,258$ $23,211$ Income from discontinued operations, net of tax $-32,471$ $-32,471$ $-32,471$ Net income\$ 13,690\$ 54,717\$ 2,40\$ 3.Basic Earnings (loss) per share:From continuing operations $5,230$ \$ 3,77 $5,240$ \$ 3.From discontinued operations Basic earnings per share\$ 2,30\$ 9,27 $5,240$ \$ 3.Diluted Earnings (loss) per share:From continuing operations From discontinued operations Diluted earnings per share $5,230$ \$ 3,77 $5,240$ \$ 3.Diluted Earnings (loss) per share: $5,230$ \$ 2,30\$ 9,27 $5,240$ \$ 3.Diluted earnings per share $5,230$ \$ 3,77 $5,240$ \$ 3.From discontinued operations Diluted earnings per share $5,230$ \$ 9,27 $5,240$ \$ 9.Diluted earnings per share $2,230$ \$ 9,27 $5,240$ \$ 9. $5,240$ \$ 9.Diluted stations $5,650$ $5,629$ $7,039$ $8,7,1$ 2018 2017 2018 2017 Depreciation and amortization by segment $2,79$ 289 $2,79$ 289 $2,79$ 289 $2,79$ 289	Interest income		(631)		-						(631)		-
Income tax expense (benefit) $5,700$ $(5,920)$ $5,944$ $(5,2)$ Income from continuing operations, net of tax $13,690$ $22,246$ $14,258$ $23,1$ Income from discontinued operations, net of tax $32,471$ $-2,246$ $-2,246$ Net income\$ 13,690\$ 54,717\$ 14,258 $23,1$ Basic Earnings (loss) per share:From continuing operations\$ 2,30\$ 3,77\$ 2,40\$ 3,27Basic earnings per share: -550 -550 $-5,50$ $-5,50$ $-5,50$ Diluted Earnings (loss) per share:From continuing operations $5,230$ \$ 3,77 $5,240$ \$ 3,27Diluted earnings per share:From continuing operations $-5,50$ $-5,50$ $-5,50$ $-5,50$ Diluted earnings per share:From continuing operations $-5,50$ $-5,50$ $-5,50$ $-5,50$ Diluted earnings per share: $-5,50$ $-5,50$ $-5,50$ $-5,50$ $-5,50$ $-5,50$ Diluted earnings per share: $-5,50$ $-5,50$ $-5,50$ $-5,50$ $-5,50$ $-5,50$ Diluted earnings per share: $-5,50$ $-5,50$ $-5,50$ $-5,50$ $-5,50$ $-5,240$ $-5,50$ Diluted earnings per share: $-5,201$ $-5,201$ $-5,210$ $-5,210$ $-5,210$ $-5,210$ Diluted earnings per share: $-5,201$ $-5,210$ $-5,210$ $-5,210$ $-5,210$ $-5,210$ Diluted earnings per share: $-2,218$ 2017 2018 2017 2018 2017 2018 <t< td=""><td>Other expense (income), net</td><td></td><td>(23)</td><td></td><td>-</td><td></td><td></td><td></td><td></td><td></td><td>(23)</td><td></td><td>-</td></t<>	Other expense (income), net		(23)		-						(23)		-
Income from continuing operations, net of tax13,69022,24614,25823,1Income from discontinued operations, net of tax $32,471$ $32,471$ $32,471$ $32,471$ Net income\$ 13,690\$ 54,717\$ 14,258\$ 32,471Basic Earnings (loss) per share:From continuing operations $5,50$ $-5,50$ $-5,50$ Basic earnings (loss) per share: $5,230$ \$ 9,277\$ 2,40\$ 3.77Diluted Earnings (loss) per share:From continuing operations $5,230$ \$ 9,277\$ 2,40\$ 3.77Diluted earnings per share: $-5,50$ $-5,50$ $-5,50$ $-5,50$ $-5,50$ Diluted earnings per share: $-2,018$ 2017 $-7,078$ December 31,2018 2017 2018 2017 2018 2017 2018 2017 2018 2017 2018 2017 2018 2017 2018 20	Income from continuing operations, before tax	-	19,390		16,326						20,202		17,898
Income from discontinued operations, net of tax $32,471$ $32,47$	Income tax expense (benefit)		5,700		(5,920)						5,944		(5,276)
Net income\$ 13,690\$ 54,717\$ 14,258\$ 55,60Basic Earnings (loss) per share: From discontinued operations Basic earnings per share\$ 2,30\$ 3,77\$ 2,40\$ 3,37Diluted Earnings (loss) per share: From continuing operations Diluted Earnings (loss) per share: From discontinued operations Diluted earnings per share\$ 2,30\$ 9,27\$ 2,40\$ 3,37Diluted Earnings (loss) per share: From discontinued operations Diluted earnings per share\$ 2,30\$ 3,77\$ 2,40\$ 3,37Diluted Earnings (loss) per share: From discontinued operations Diluted earnings per share\$ 2,30\$ 3,77\$ 2,40\$ 3,37Diluted earnings per share: S $3,273$ \$ 2,30\$ 9,27\$ 2,40\$ 3,37Diluted earnings per share $5,550$ \$ 2,30\$ 9,27\$ 2,40\$ 3,37Diluted earnings per share $5,230$ \$ 9,27\$ 2,40\$ 3,37Diluted earnings per share $5,230$ \$ 9,27\$ 2,40\$ 3,37Diluted earnings per share $5,230$ \$ 9,27\$ 2,40\$ 9,27Diluted earnings per share $5,230$ \$ 9,27\$ 2,40\$ 2,90Diluted earnings per share $2,230$ \$ 9,27 $2,120$ $2,120$ $2,140$ Diluted earnings per share $2,130$ $2,17$ $2,18$ $2,17$ $2,18$ $2,17$ Diluted earnings per share $2,120$ $2,17$ $2,18$ $2,17$ $2,18$ $2,17$ $2,18$ $2,17$ Diluted earnings per share $5,6,507$ $5,962$ $5,475$ </td <td>Income from continuing operations, net of tax</td> <td>:</td> <td>13,690</td> <td></td> <td>22,246</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>14,258</td> <td></td> <td>23,174</td>	Income from continuing operations, net of tax	:	13,690		22,246						14,258		23,174
Basic Earnings (loss) per share: From continuing operations Basic earnings per share From discontinued operations Basic earnings per share From continuing operations From discontinued operations Diluted Earnings (loss) per share: From continuing operations Diluted earnings per share From discontinued operations Diluted earnings per share S 2.30 \$ 3.77 From discontinued operations Diluted earnings per share S 2.30 \$ 3.77 S 2.40 \$ 3. From discontinued operations Diluted earnings per share S 2.30 \$ 9.27 S 2.40 \$ 9.27 S 2.40 \$ 3. From discontinued operations Diluted earnings per share S 2.30 \$ 9.27 S 2.40 \$ 3. From discontinued operations Diluted earnings per share S 2.30 \$ 9.27 S 2.40 \$ 9. S 2.40 \$ 9. S 2.40 \$ 9. S 2.40 \$ 3. From discontinued operations Diluted earnings per share S 2.30 \$ 9.27 S 2.40 \$ 9. S 2.40 \$ 9	Income from discontinued operations, net of tax		-		32,471						-		32,471
From continuing operations From discontinued operations Basic earnings per share\$ 2.30 \$ 3.77 \$ 2.40 \$ 3.37 Diluted Earnings (loss) per share: From discontinued operations Diluted earnings per share 3.77	Net income	\$	13,690	\$	54,717					\$	14,258	\$	55,645
From continuing operations From discontinued operations Diluted earnings per share \$ 2.30 \$ 3.77 \$ 2.40 \$ 3.7 Actual 5.50 \$ 2.30 \$ 9.27 \$ 2.40 \$ 9.2 Actual Same Station (1) Pro Forma (2) Twelve Months Ended December 31, Decemb	From continuing operations From discontinued operations		-		5.50						-		3.93 5.50 9.43
From discontinued operations Diluted earnings per share - 5.50 \$ 2.30 \$ 9.27 - 5.50 \$ 2.40 \$ 9.27 Actual Twelve Months Ended December 31, 2018 Same Station (1) Twelve Months Ended December 31, 2018 Pro Forma (2) Twelve Months Ended December 31, 2018 Depreciation and amortization by segment \$ 6,507 \$ 5,962 \$ 5,475 \$ 5,629 \$ 7,039 \$ 7,1.4 Radio Stations \$ 6,507 \$ 5,962 \$ 5,475 \$ 5,629 \$ 7,039 \$ 7,1.4 Discontinued Operations - - - - - 445 - - - 445 Corporate and Other 279 289 279 289 279 289 279 289	Diluted Earnings (loss) per share:												
Diluted earnings per share \$ 2.30 \$ 9.27 \$ 2.40 \$ 9.27 Actual Same Station (1) Pro Forma (2) Actual Same Station (1) Twelve Months Ended December 31,	From continuing operations	\$	2.30	\$	3.77					\$	2.40	\$	3.93
Diluted earnings per share \$ 2.30 \$ 9.27 \$ 2.40 \$ 9.27 Actual Same Station (1) Pro Forma (2) Twelve Months Ended December 31, December 31, Depreciation and amortization 2017 2018 2017 2018 2017 Radio Stations \$ 6,507 \$ 5,962 \$ 5,475 \$ 5,629 \$ 7,039 \$ 7,14 Discontinued Operations - 445 - - - - 4 Corporate and Other 279 289 279 <td< td=""><td></td><td></td><td>-</td><td></td><td>5.50</td><td></td><td></td><td></td><td></td><td></td><td>-</td><td></td><td>5.50</td></td<>			-		5.50						-		5.50
Twelve Months Ended December 31, December 31,		\$	2.30	\$						\$	2.40	\$	9.43
Depreciation and amortization by segment Subscript of the segment			Twelve Months End December 31,			Twelve Months En December 31,			Ended 1,	Twelve Mo Decen			Ended 31,
by segment Radio Stations \$ 6,507 \$ 5,962 \$ 5,475 \$ 5,629 \$ 7,039 \$ 7,1 Discontinued Operations - 445 - - 4 Corporate and Other 279 289 279 289 279 289	Depreciation and amortization												
Radio Stations \$ 6,507 \$ 5,962 \$ 5,475 \$ 5,629 \$ 7,039 \$ 7,1 Discontinued Operations - 445 - - 4 Corporate and Other 279 289 279 289 279 289	•												
Discontinued Operations - 445 - - 4 Corporate and Other 279 289 279 289 279 2		\$	6.507	\$	5.962	\$	5.475	\$	5.629	\$	7.039	\$	7,148
Corporate and Other 279 289 279 289 279 2		+	-,	+		Ŷ	,	Ŧ		+	- ,000	-	445
			279				279				279		289
\$ 6.786 \$ 6.696 \$ 5.754 \$ 5.918 \$ 7.318 \$ 7.8		\$	6,786	\$	6,696	\$	5,754	\$	5,918	\$	7,318	\$	7,882

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

(2) Pro Forma results assume all acquisitions in 2017 and 2018 occurred as of January 1, 2017.

Saga Communications, Inc. Selected Supplemental Financial Data December 31, 2018 (amounts in 000's except ratios) (Unaudited)

	Dec	nths Ended ember 31, 2018	Pro	Add: oforma uisitions	onths Ended ember 31, 2018
Trailing 12 Month Consolidated Earnings Before Interest,					
Taxes, Depreciation and Amortization ("EBITDA") (1)					
Net income	\$	13,690	\$	568	\$ 14,258
Exclusions:					
Gain (loss) on sale of assets from continuing operations		(61)		-	(61)
Gain on insurance proceeds		23		-	23
Interest or other non-operating income		631		-	631
Other		(107)		-	 (107)
Total exclusions		486			 486
Consolidated adjusted net income (1)		13,204		568	13,772
Plus: Interest expense		946		-	946
Income tax expense		5,700		244	5,944
Depreciation & amortization expense		6,786		532	7,318
Non-cash stock based compensation expense		2,201		-	 2,201

Trailing twelve month consolidated EBITDA (1) \$ 28,837 \$ 1,344 \$	30,181
Total long-term debt, including current maturities \$	20,000
Divided by trailing twelve month consolidated EBITDA (1)	30,181
Leverage ratio	0.66

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

Saga Communications, Inc. Selected Financial Data Non-GAAP Disclosures For the Three and Twelve Months Ended December 31, 2018 and 2017 (amounts in 000's) (Unaudited)

Reconciliation of Actual Information to Same Station Operating Income

			Adjustr	ment					Adjustr	nent			
		Actual	For Acqui	isitions	San	ne Station		Actual	For Acqui	sitions	Sam	ne Station	
	Thre	Three Monthsand DispositionsThree MonthsEndedNot Included inEndedDecember 31,Entire ComparableDecember 31,			Thr	e Months	and Dispo	sitions	Three Months Ended				
					d in Ended			Ended				Not Inclue	ded in
	Dec				Dec	ember 31,	Entire Comparable		December 31,				
		2018	Period		2018		2017		Period		2017		
Consolidated													
Net operating revenue	\$	32,938	\$	-	\$	32,938	\$	31,464	\$	-	\$	31,464	
Station operating expense		23,761		-		23,761		23,238		-		23,238	
Corporate general and administrative		3,154		-		3,154		2,782		-		2,782	
Other operating expense		14		-		14		124		-		124	
Impairment of intangible assets		-		-		-		1,449		-		1,449	
Operating income	\$	6,009	\$	-	\$	6,009	\$	3,871	\$	-	\$	3,871	
Depreciation and amortization	\$	1,788	\$		\$	1,788	\$	1,824	\$		\$	1,824	

			Adju	stment					Adju	istment			
		Actual	For Ac	For Acquisitions		ne Station		Actual	For Ac	quisitions	San	ne Station	
	Twe	lve Months	and Dis	positions	Twe	lve Months	Twe	lve Months	and Dis	spositions	Twelve Months		
		Ended	Not Inc	cluded in		Ended		Ended	Not Inc	cluded in		Ended	
	December 31,		Entire Comparable		December 31,		December 31,		Entire Comparable		Dec	ember 31,	
		2018	Pe	eriod		2018	2017		Pe	eriod		2017	
Consolidated													
Net operating revenue	\$	124,829	\$	(8,325)	\$	116,504	\$	118,149	\$	(2,885)	\$	115,264	
Station operating expense		93,727		(7,768)		85,959		87,759		(2,442)		85,317	
Corporate general and administrative		11,359		-		11,359		11,657		-		11,657	
Other operating (income) expense		61		(252)		(191)		55		(2)		53	
Impairment of intangible assets		-		-		-		1,449		-		1,449	
Operating income	\$	19,682	\$	(305)	\$	19,377	\$	17,229	\$	(441)	\$	16,788	
Depreciation and amortization	\$	6,786	\$	(1,032)	\$	5,754	\$	6,696	\$	(778)	\$	5,918	



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