

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): **May 4, 2006**

**SAGA COMMUNICATIONS, INC.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-11588**  
(Commission File Number)

**38-3042953**  
(IRS Employer  
Identification No.)

**73 Kercheval Avenue**  
**Grosse Pointe Farms, MI**  
(Address of Principal Executive Offices)

**48236**  
(Zip Code)

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

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

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

[Item 2.02. Results of Operations and Financial Condition.](#)

[Item 9.01. Financial Statements and Exhibits.](#)

[SIGNATURES](#)

[INDEX OF EXHIBITS](#)

[EX-99.1 Press Release dated May 4, 2006](#)

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[Table of Contents](#)

**Item 2.02. Results of Operations and Financial Condition.**

On May 4, 2006, Saga Communications, Inc. issued a press release announcing its financial results for the three months ended March 31, 2006. The press release, dated May 4, 2006, is attached as Exhibit 99.1 to this Form 8-K.

**Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits.

99.1 Press Release dated May 4, 2006.

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**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: May 4, 2006

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

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**INDEX OF EXHIBITS**

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
99.1	Press Release dated May 4, 2006.

Saga Communications, Inc.  
Reports 1st Quarter 2006 Results

**Contact:**  
Samuel D. Bush  
313/886-7070

Grosse Pointe Farms, MI — May 4, 2006 — Saga Communications, Inc. (NYSE-SGA) today reported net operating revenue for the three month period decreased 2.0% from the comparable period in 2005 to \$31.2 million, operating income decreased 15.8% to \$4.5 million and station operating expense was approximately flat with the same period last year at \$24.7 million (station operating expense includes depreciation and amortization attributable to the stations). Net income decreased 29.6% to \$1.5 million (\$.07 per fully diluted share) for the quarter ended March 31, 2006 compared to \$2.2 million (\$.10 per fully diluted share) for 2005. Free cash flow increased to \$1.9 million for the quarter from \$696 thousand for the comparable period last year. On a same station basis for the year, net operating revenue decreased 3.9% to \$30.6 million, operating income decreased 15.8% to \$4.5 million and station operating expense decreased 2.5% to \$24.1 million.

Capital expenditures in the first quarter of 2006 were approximately \$2.0 million with approximately \$0.4 million being spent as a result of acquisitions.

The attached Selected Supplemental Financial Data table discloses “as reported,” “same station” and “pro forma” information by segment. The “as reported” 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 “pro forma” amounts assume the 2006 and 2005 acquisitions and dispositions occurred as of January 1, 2005.

Saga Communications 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 and free cash flow. 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

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performance, evaluating overall operations and as a primary measure for incentive based compensation of executives and other members of management. 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 Financial Data Non-GAAP Disclosures tables.

Saga Communications, Inc. is a broadcasting company whose business is devoted to acquiring, developing and operating broadcast properties. The company owns or operates broadcast properties in 26 markets, including 57 FM and 30 AM radio stations, 3 state radio networks, 2 farm radio networks, 5 television stations and 4 low-power television stations. As previously disclosed, Saga has entered into an agreement to acquire an FM station serving the Asheville, NC radio market. The closing of this transaction is subject to receiving FCC approval. For additional information, contact us at (313) 886-7070 or visit our website at [www.sagacommunications.com](http://www.sagacommunications.com).

Saga's first quarter 2006 results conference call will be on Thursday, May 4 at 10:00AM. The dial in number for domestic calls is 877/209-0397. For international callers the number is 612/332-1213. The call can be replayed for 7 days by calling domestically 800/475-6701 or internationally 320/365-3844 and referring to access code 824873. Thereafter, a transcript of the call will be available on our website.

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 Communications, Inc. periodically files with the U.S. Securities and Exchange Commission. 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.

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**Saga Communications, Inc.**  
**Selected Consolidated Financial Data**  
**For The Three and Twelve Month Periods**  
**Ended March 31, 2006 and 2005**  
(amounts in 000's except per share data)

	Three Months Ended	
	March 31,	
	2006	2005
<b>Operating Results</b>		
Net Operating Revenue	\$ 31,191	\$ 31,830
Station operating expense	24,703	24,698
Corporate general and administrative	1,981	1,778
Operating income	4,507	5,354
Interest expense	2,277	1,623
Other (income) expense, net	(355)	67
Income before income tax	2,585	3,664
Income tax expense	1,060	1,499
Net income	<u>\$ 1,525</u>	<u>\$ 2,165</u>
Earnings per share		
Basic	<u>\$ 0.07</u>	<u>\$ 0.10</u>
Diluted	<u>\$ 0.07</u>	<u>\$ 0.10</u>
Weighted average common shares	20,480	20,631
Weighted average common shares and common shares equivalents	20,503	20,941
<b>Free Cash Flow</b>		
Net Income	\$ 1,525	\$ 2,165
Plus: Depreciation and amortization:		
Station	1,931	2,095
Corporate	48	50
Deferred tax provision	460	561
Other (income) expense, net	(355)	67
Non-cash compensation	230	25
Less: Capital expenditures	(1,967)	(4,267)
Free cash flow	<u>\$ 1,872</u>	<u>\$ 696</u>
<b>Balance Sheet Data</b>		
Working capital	\$ 24,222	\$ 17,141
Net fixed assets	69,621	71,268
Net intangible assets and other assets	206,116	196,568
Total assets	312,061	302,243
Long term debt (including current portion of \$0 and \$1,061, respectively)	141,911	140,911
Stockholders' equity	127,610	118,665



**Saga Communications, Inc.**  
**Selected Supplemental Financial Data**  
**For the Three Months Ended**  
**March 31, 2006 and 2005**  
(amounts in 000's except per share data)  
(Unaudited)

	As-Reported Three Months Ended March 31,		Same Station Three Months Ended March 31,		Pro Forma (1) Three Months Ended March 31,	
	2006	2005	2006	2005	2006	2005
<b>Consolidated</b>						
Net operating revenue	\$ 31,191	\$ 31,830	\$ 30,577	\$ 31,830	\$ 31,191	\$ 32,397
Station operating expense	24,703	24,698	24,087	24,698	24,703	25,281
Corporate general and administrative	1,981	1,778	1,981	1,778	1,981	1,778
Impairment of intangible assets	—	—	—	—	—	—
Operating income	4,507	5,354	<u>\$ 4,509</u>	<u>\$ 5,354</u>	4,507	5,338
Interest expense	2,277	1,623			2,277	1,755
Other expense, net	(355)	67			(355)	57
Income tax expense	1,060	1,499			1,060	1,447
Net income	<u>\$ 1,525</u>	<u>\$ 2,165</u>			<u>\$ 1,525</u>	<u>\$ 2,079</u>
Earnings per share:						
Basic	<u>\$ 0.07</u>	<u>\$ 0.10</u>			<u>\$ 0.07</u>	<u>\$ 0.10</u>
Diluted	<u>\$ 0.07</u>	<u>\$ 0.10</u>			<u>\$ 0.07</u>	<u>\$ 0.10</u>
<b>Radio Segment</b>						
Net operating revenue	\$ 27,280	\$ 28,372	\$ 26,666	\$ 28,372	\$ 27,280	\$ 28,939
Station operating expense	21,415	21,409	20,799	21,409	21,415	21,992
Operating income	<u>\$ 5,865</u>	<u>\$ 6,963</u>	<u>\$ 5,867</u>	<u>\$ 6,963</u>	<u>\$ 5,865</u>	<u>\$ 6,947</u>
<b>Television Segment</b>						
Net operating revenue	\$ 3,911	\$ 3,458	\$ 3,911	\$ 3,458	\$ 3,911	\$ 3,458
Station operating expense	3,288	3,289	3,288	3,289	3,288	3,289
Operating income	<u>\$ 623</u>	<u>\$ 169</u>	<u>\$ 623</u>	<u>\$ 169</u>	<u>\$ 623</u>	<u>\$ 169</u>
<b>Depreciation and amortization by segment</b>						
Radio Segment	\$ 1,539	\$ 1,653	\$ 1,399	\$ 1,653	\$ 1,539	\$ 1,791
Television Segment	392	442	392	442	392	442
Corporate and Other	48	50	48	50	48	50
	<u>\$ 1,979</u>	<u>\$ 2,145</u>	<u>\$ 1,839</u>	<u>\$ 2,145</u>	<u>\$ 1,979</u>	<u>\$ 2,283</u>

(1) Pro Forma results assume all acquisitions and dispositions in 2005 and 2006 occurred as of January 1, 2005.



**Saga Communications, Inc.**  
**Selected Financial Data Non-GAAP Disclosures**  
**For the Three Months Ended**  
**March 31, 2006 and 2005**  
**(Unaudited)**

**Reconciliation of As Reported (historical) information to Same Station Operating Income**

	As-Reported Three Months Ended March 31, 2006	Adjustment For Acquisitions and Dispositions Not Included in Entire Comparable Period	Same Station Three Months Ended March 31, 2006	As-Reported Three Months Ended March 31, 2005	Adjustment For Acquisitions and Dispositions Not Included in Entire Comparable Period	Same Station Three Months Ended March 31, 2005
<b>Consolidated</b>						
Net operating revenue	\$ 31,191	(\$614)	\$ 30,577	\$ 31,830	\$ —	\$ 31,830
Station operating expense	24,703	(616)	24,087	24,698	—	24,698
Corporate general and administrative	1,981	—	1,981	1,778	—	1,778
Operating income	<u>\$ 4,507</u>	<u>\$ 2</u>	<u>\$ 4,509</u>	<u>\$ 5,354</u>	<u>\$ —</u>	<u>\$ 5,354</u>
<b>Radio Segment</b>						
Net operating revenue	\$ 27,280	(\$614)	\$ 26,666	\$ 28,372	\$ —	\$ 28,372
Station operating expense	21,415	(616)	20,799	21,409	—	21,409
Operating income	<u>\$ 5,865</u>	<u>\$ 2</u>	<u>\$ 5,867</u>	<u>\$ 6,963</u>	<u>\$ —</u>	<u>\$ 6,963</u>
<b>Television Segment</b>						
Net operating revenue	\$ 3,911	\$ —	\$ 3,911	\$ 3,458	\$ —	\$ 3,458
Station operating expense	3,288	—	3,288	3,289	—	3,289
Operating income	<u>\$ 623</u>	<u>\$ —</u>	<u>\$ 623</u>	<u>\$ 169</u>	<u>\$ —</u>	<u>\$ 169</u>