

United States  
Securities and Exchange Commission  
Washington, D.C. 20549

FORM 10-Q

(MARK ONE)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period ended March 31, 1999

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  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, 1999 was 11,501,214 and 1,510,637, 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, 1999 ----- (UNAUDITED)	DECEMBER 31, 1998 -----
Assets		
Current assets:		
Cash and cash equivalents	\$ 12,479	\$ 6,664
Accounts receivable, net	13,534	14,445
Prepaid expenses	1,344	1,461
Other current assets	1,667	1,374
	-----	-----
Total current assets	29,024	23,944
Property and equipment	78,297	75,606
Less accumulated depreciation	(41,034)	(40,042)
	-----	-----
Net property and equipment	37,263	35,564
Other assets:		
Excess of cost over fair value of assets acquired, net	20,670	19,765
Broadcast licenses, net	45,644	41,190
Other intangibles, deferred costs and investments, net	9,937	9,550
	-----	-----
Total other assets	76,251	70,505
	-----	-----
	\$ 142,538	\$ 130,013
	=====	=====

See notes to unaudited condensed consolidated financial statements.

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

	MARCH 31, 1999	DECEMBER 31, 1998
	-----	-----
	(UNAUDITED)	
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 919	\$ 1,871
Other current liabilities	6,906	6,637
Current portion of long-term debt	262	181
	-----	-----
Total current liabilities	8,087	8,689
Deferred income taxes	5,486	5,401
Long-term debt	81,194	70,725
Broadcast program rights	242	295
Other	168	180
<b>STOCKHOLDERS' EQUITY:</b>		
Common stock	129	128
Additional paid-in capital	38,563	37,355
Note receivable from principal stockholder	(658)	(648)
Retained earnings	9,307	8,755
Accumulated other comprehensive income	31	31
Treasury stock	(11)	(898)
	-----	-----
Total stockholders' equity	47,361	44,723
	-----	-----
	\$ 142,538	\$ 130,013
	=====	=====

Note: The balance sheet at December 31, 1998 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

See notes to unaudited condensed consolidated financial statements.

Saga Communications, Inc.  
Condensed Consolidated Statements of Operations and Comprehensive Income  
(dollars in thousands except per share data)  
Unaudited

	THREE MONTHS ENDED	
	MARCH 31,	
	1999	1998
	-----	-----
Net operating revenue	\$18,267	\$15,620
Station operating expense:		
Programming and technical	4,671	4,019
Selling	4,978	4,447
Station general and administrative	3,085	2,736
	-----	-----
Total station operating expense	12,734	11,202
	-----	-----
Station operating income before corporate general and administrative, depreciation and amortization	5,533	4,418
Corporate general and administrative	1,167	1,017
Depreciation and amortization	1,803	1,628
	-----	-----
Operating profit	2,563	1,773
Other expenses:		
Interest expense	1,377	1,140
Other	214	11
	-----	-----
Income before income tax	972	622
Income tax provision	416	266
	-----	-----
Net income and comprehensive income	\$ 556	\$ 356
	=====	=====
Earnings per share (basic and diluted)	\$ .04	\$ .03
	=====	=====
Weighted average common shares	12,864	12,695
	=====	=====
Weighted average common and common equivalent shares	13,143	12,960
	=====	=====

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,	
	----- 1999	----- 1998
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash provided by operating activities	\$ 2,572	\$ 2,401
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	(1,576)	(1,326)
Increase in intangibles and other assets	(216)	(69)
Acquisition of stations	(6,045)	(828)
	-----	-----
Net cash used in investing activities	(7,837)	(2,223)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	10,250	2,000
Payments on long-term debt	(20)	(1,958)
Net proceeds from exercise of stock options	850	--
	-----	-----
Net cash provided by financing activities	11,080	42
Net increase in cash and cash equivalents	5,815	220
Cash and cash equivalents, beginning of period	6,664	2,209
	-----	-----
Cash and cash equivalents, end of period	\$ 12,479	\$ 2,429
	=====	=====

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 the opinion of management, 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, 1999 are not necessarily indicative of the results that may be expected for the year ending December 31, 1999. 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, 1998.

2. INCOME TAXES

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

3. ACQUISITIONS

On January 1, 1999, the Company acquired an AM and FM radio station (KAFE-FM and KPUG-AM), serving the Bellingham, Washington market for approximately \$6,350,000.

On January 14, 1999, the Company acquired a regional and state farm information network (The Michigan Farm Radio Network) for approximately \$1,661,000, including approximately \$1,036,000 of the Company's Class A common stock.

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

Saga Communications, Inc.  
Notes to Condensed Consolidated Financial Statements (Continued)  
Unaudited

4. COMMITMENTS

In February, 1999, the Company entered into an agreement to purchase WXVT-TV (a CBS affiliate) serving the Greenville, Mississippi market for approximately \$5,200,000, including approximately \$600,000 of the Company's Class A common stock. The transaction is subject to the approval of the Federal Communications Commission and is expected to close during the third quarter of 1999.

5. SUBSEQUENT EVENTS

On April 1, 1999 the Company acquired KAVU-TV (an ABC affiliate) and a low power Univision affiliate, serving the Victoria, Texas market for approximately \$11,875,000, including approximately \$2,000,000 of the Company's Class A common stock. The Company also assumed an existing Local Marketing Agreement for KVCT-TV (a Fox affiliate).

On May 1, 1999 the Company acquired an AM radio station (KBFW-AM) serving the Bellingham, Washington market for approximately \$1,000,000.



## 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

The Company's 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 quarterly 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 and amortization, programming expenses, solicitation of advertising, and promotion expenses. In addition to these expenses, owning and operating television stations involve the cost of acquiring certain syndicated programming.

During the years ended December 31, 1998 and 1997, and the three month periods ended March 31, 1999 and 1998, none of the Company's operating locations represented more than 15% of the Company's station operating income (i.e., net operating revenue less station operating expense), other than the Columbus, Ohio and Milwaukee, Wisconsin stations. For the years ended December 31, 1998 and 1997, Columbus accounted for an aggregate of 22% and 24%, respectively, and Milwaukee accounted for an aggregate of 24%, of the Company's station operating income. For the three months ended March 31, 1999 and 1998, Columbus accounted for an aggregate of 16% and 23%, respectively, and Milwaukee accounted for an aggregate of 21% and 27%, respectively, of the Company's 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 these location's relative market position could have a significant impact on the Company's operating results as a whole.

Because audience ratings in the local market are crucial to a station's financial success, the Company endeavors to develop strong listener/viewer loyalty. The Company believes that the diversification of formats on its radio stations helps the Company to insulate itself 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. The Company's 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. The Company minimizes its use of trade agreements and historically has sold over 95% of its advertising time for cash.

Most advertising contracts are short-term, and generally run only for a few weeks. Most of the Company's revenue is generated from local advertising, which is sold primarily by each station's sales staff. For the three months ended March 31, 1999 and 1998, approximately 82% and 83%, respectively, of the Company's gross revenue was from local advertising. To generate national advertising sales, the Company engages an independent advertising sales representative that specializes in national sales for each of its stations.

The Company's revenue varies throughout the year. Advertising expenditures, the Company's primary source of revenue, generally have been lowest during the winter months, which comprise the first quarter.

As of March 31, 1998, the Company owned and operated thirty-seven radio stations, one TV station and one radio information network. As a result of acquisitions, as of March 31, 1999 the Company owned and operated forty-one radio stations, one TV station, and three radio information networks.

#### THREE MONTHS ENDED MARCH 31, 1999 COMPARED TO THREE MONTHS ENDED MARCH 31, 1998

For the three months ended March 31, 1999, the Company's net operating revenue was \$18,267,000 compared with \$15,620,000 for the three months ended March 31, 1998, an increase of \$2,647,000 or 17%. Approximately \$1,578,000 or 60% of the increase was attributable to revenue generated by stations which were not owned or operated by the Company for the comparable period in 1998. The balance of the increase in net operating revenue represented a 7% increase in revenue generated by stations owned and operated by the Company for the entire comparable period. This increase was primarily the result of increased advertising rates at the majority of such stations.

Station operating expense (i.e., programming, technical, selling and station general and administrative expenses) increased by \$1,532,000 or 14% to \$12,734,000 for the three months ended March 31, 1999, compared with \$11,202,000 for the three months ended March 31, 1998. Of the total increase, approximately \$1,066,000 or 70% was the result of the impact of the operation of stations which were not owned or operated by the Company for the comparable period in 1998. The remaining balance of the increase in station operating expense of \$466,000 represents a total increase of 4% in station operating expense generated by stations owned and operated by the Company for the comparable period in 1998.

Operating profit increased by \$790,000 or 45% to \$2,563,000 for the three months ended March 31, 1999, compared with \$1,773,000 for the three months ended March 31, 1998. The improvement was primarily the result of the \$2,647,000 increase in net operating revenue, offset by the \$1,532,000 increase in station operating expense, a \$175,000 or 11% increase in depreciation and amortization, and a \$150,000 or 15% increase in corporate general and administrative charges. The increase in depreciation and amortization expense was principally the result of the recent acquisitions. The increase in corporate general and administrative charges was primarily attributable to deferred compensation charges of \$40,000 pertaining to a discretionary contribution to the 401(k) plan. The remaining increase in corporate general and administrative expenses of approximately \$110,000 represents additional costs due to the growth of the Company as a result of the Company's recent acquisitions.

The Company generated net income in the amount of approximately \$556,000 (\$0.04 per share) during the three months ended March 31, 1999, compared with net income of \$356,000 (\$0.03 per share) for the three months ended March 31, 1998, an increase of approximately \$200,000. The increase in net income was principally the result of the \$790,000 improvement in operating profit offset by a \$237,000 increase in interest expense, a \$203,000 increase in other expense, a \$150,000 increase in income taxes directly associated with the improved operating performance of the Company. The increase in interest expense was principally the result of the Company's additional borrowings to finance acquisitions. The increase in other expense was principally the result of the Company's equity in the operating results of an investment in Reykjavik, Iceland.

#### LIQUIDITY AND CAPITAL RESOURCES

The Company's policy is generally to repay its long-term debt with excess cash on hand to reduce its financing costs. As of March 31, 1999, the Company had \$81,456,000 of long-term debt (including the current portion thereof) outstanding and approximately \$69,750,000 of unused borrowing capacity under the Credit Agreement (as defined below).

The Company has a credit agreement (the "Credit Agreement") with BankBoston, N.A.; Fleet Bank, N.A.; Summit Bank; The Bank of New York; Union Bank of California, N.A.; Bank One Indiana, N.A.; Bank of Scotland; Bank of Montreal; First National Bank of Maryland; Rabobank Nederland; and Michigan National Bank (collectively, the "Lenders"), with three facilities (the "Facilities"): a \$70,000,000 senior secured term loan (the "Term Loan"), a \$60,000,000 senior secured acquisition loan facility (the "Acquisition Facility"), and a \$20,000,000 senior secured revolving credit facility (the "Revolving Facility"). The Facilities mature June 30, 2006. The Company's indebtedness under the Facilities is secured by a first priority lien on substantially all the assets of the Company and its subsidiaries, by a pledge of its subsidiaries' stock and by a guarantee of its subsidiaries.

The Acquisition Facility may be used for permitted acquisitions. 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 December 30,

2000, the Acquisition Facility will convert to a five and a half year term loan. The outstanding amounts of the Term Loan and the Acquisition Facility are required to be reduced quarterly in amounts ranging from 2.5% to 7.5% of the initial commitment commencing on March 31, 2001. Any outstanding amount under the Revolving Facility will be due on the maturity date of June 30, 2006. 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 the Company's option, at alternatives equal to LIBOR plus 1.0% to 1.75% or the Agent bank's base rate plus 0% to .75%. The spread over LIBOR and the prime rate vary from time to time, depending upon the Company's financial leverage. The Company also pays quarterly commitment fees equal of 0.375% to 0.5% 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 the Company to maintain specified financial ratios and impose certain limitations on the Company with respect to investments, additional indebtedness, dividends, distributions, guarantees, liens and encumbrances.

At March 31, 1999, the Company had an interest rate swap agreement with a total notional amount of \$32,000,000 that it uses to convert the variable Eurodollar interest rate of a portion of its bank borrowings to a fixed interest rate. The swap agreement was entered into to reduce the risk to the Company of rising interest rates. In accordance with the terms of the swap agreement, dated November 21, 1995, the Company pays 6.15% calculated on a \$32,000,000 notional amount. The Company receives LIBOR (5.30% at March 31, 1999) calculated on a notional amount of \$32,000,000. Net receipts or payments under the agreement are recognized as an adjustment to interest expense. The swap agreement expires in December 1999. As the LIBOR increases, interest payments received and the market value of the swap position increase. Approximately \$77,000 in additional interest expense was recognized as a result of the interest rate swap agreement for the three months ended March 31, 1999 and an aggregate amount of \$584,000 in additional interest expense has been recognized since the inception of the agreement.

During the three months ended March 31, 1999, and 1998, the Company had net cash flows from operating activities of \$2,572,000, and \$2,401,000, respectively. The Company believes 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. If such cash flow is not sufficient to meet such debt service requirements, the Company may be required to sell additional equity securities, refinance its obligations or dispose of one or more of its properties in order to make such scheduled payments. There can be no assurance that the Company would be able to effect any such transactions on favorable terms.

On January 1, 1999, the Company acquired an AM and FM radio station (KAFE-FM and KPUG-AM), serving the Bellingham, Washington market for approximately \$6,350,000.

On January 14, 1999, the Company acquired a regional and state farm information network (The Michigan Farm Radio Network) for approximately \$1,661,000, including approximately \$1,036,000 of the Company's Class A common stock.

The acquisitions in the first quarter of 1999 were financed through funds generated from operations and additional borrowings of \$10,250,000 under the Acquisition Facility.

On April 1, 1999 the Company acquired KAVU-TV (an ABC affiliate) and a low power Univision affiliate, serving the Victoria, Texas market for approximately \$11,875,000, including approximately \$2,000,000 of the Company's Class A common stock. The Company also assumed an existing Local Marketing Agreement for KVCT-TV (a Fox affiliate).

On May 1, 1999 the Company acquired an AM radio station (KBFW-AM) serving the Bellingham, Washington market for approximately \$1,000,000.

In February, 1999, the Company entered into an agreement to purchase WXVT-TV (a CBS affiliate) serving the Greenville, Mississippi market for approximately \$5,200,000, including approximately \$600,000 of the Company's Class A common stock. The transaction is subject to the approval of the Federal Communications Commission and is expected to close during the third quarter of 1999.

The Company anticipates that the above and any future acquisitions of radio and television stations 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.

The Company's capital expenditures for the three months ended March 31, 1999 were approximately \$1,576,000 (\$1,326,000 in the comparable period in 1998). The Company anticipates capital expenditures in 1999 to be approximately \$3,000,000, which it expects to finance through funds generated from operations.

#### IMPACT OF THE YEAR 2000

The Year 2000 Issue ("Y2K") is the result of computer programs being written using two digits rather than four to define the applicable year. Any of the Company's computer programs or hardware that have date-sensitive software or embedded chips may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure or miscalculations causing disruptions of operations, including, among other things, a temporary inability to produce broadcast signals, process financial transactions, or engage in similar normal business activities. In addition, disruptions in the economy generally resulting from Y2K issues could also materially adversely affect the Company. The Company could be subject to litigation for computer systems failure, equipment shutdown or failure to properly date business records. The amount of potential liability and lost revenue cannot be reasonably estimated at this time.

Based on recent assessments, the Company has determined that it will be required to modify or replace portions of its software and certain hardware so that those systems will properly utilize dates beyond December 31, 1999. The Company presently believes that with modifications or replacements of existing software and certain hardware, Y2K can be mitigated. However, if such modifications and replacements are not made, or are not timely completed, Y2K could have a material impact on the operations of the Company.

The Company's plan to resolve Y2K involves the following four phases: assessment, remediation, testing, and implementation. To date, the Company has substantially completed its assessment of all systems that could be significantly affected by Y2K. The assessment indicated that some significant financial and operational systems could be affected by Y2K, including: i) accounting and financial reporting systems, ii) broadcast studio equipment and software necessary to deliver programming, iii) certain computer hardware not capable of recognizing a four digit code for the applicable year, iv) certain traffic and billing software, and v) certain local area networks. The assessment phase will be completed in the second quarter of 1999. The Company is also assessing the potential external risks associated with Y2K, including Y2K compliance status of its significant external agents. To date the Company is not aware of any external agent with a Y2K issue that would materially impact the Company's result of operations, liquidity or capital resources. However, the Company has no means of ensuring that external agents will be Y2K compliant. The inability of external agents to complete their Y2K resolution process in a timely fashion could materially impact the Company. The effect of non-compliance by external agents is not determinable.

The Company's remediation phase is to replace or upgrade to Y2K compliant software and hardware if applicable for related systems based upon its findings during the assessment phase. The Company anticipates completing this phase no later than June 30, 1999. The Company's testing and implementation phases will run concurrently for certain systems. Completion of the testing phase for all significant systems is expected by September 30, 1999.

The Company will utilize both internal and external resources to replace, upgrade, test and implement the software and operating equipment for Y2K modifications. The total Y2K project cost is estimated at approximately \$500,000, which includes the cost of new software and hardware, most of which will be capitalized. The project is estimated to be completed not later than September 30, 1999, which is prior to any anticipated impact on its operating systems.

The cost of the project and the date on which the Company believes it will complete the Y2K modifications are based on management's best estimates, which were derived utilizing numerous assumptions of future events, including the continued availability of certain resources and other factors. However, there can be no guarantee that these estimates will be achieved and actual results could differ materially from those anticipated. Specific factors that might cause such material differences include, but are not limited to, the availability and cost of personnel trained in this area, the ability to locate and correct all relevant computer codes, and similar uncertainties.

The Company has contingency plans for certain critical applications and is working on such plans for others. These contingency plans involve, among other actions, manual work arounds and adjusting staffing strategies.

#### INFLATION

The impact of inflation on the Company's 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 the Company's operations.

#### 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, when used in this Form 10-Q words such as "believes," "anticipates," "expects," and similar expressions are intended to identify forward looking statements. The Company cautions that a number of important factors could cause the Company's actual results for 1999 and beyond to differ materially from those expressed in any forward looking statements made by or on behalf of the Company. Forward looking statements involve a number of risks and uncertainties including, but not limited to, the Company's financial leverage and debt service requirements, dependence on key personnel, dependence on key stations, U.S. and local economic conditions, Y2K issues, the successful integration of acquired stations, and regulatory matters. The Company cannot assure that it will be able to anticipate or respond timely to changes in any of the factors listed above, 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 the Company's stock. See "Business - Forward Looking Statements; Risk Factors" 1998 Form 10-K.

## PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) EXHIBITS

27 Financial Data Schedule

(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, 1999

/s/ Samuel D. Bush

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

Date: May 14, 1999

/s/ Catherine A. Bobinski

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

5  
1,000  
U.S. DOLLARS

3-MOS	DEC-31-1999	JAN-01-1999	MAR-31-1999
		1	12,479
			0
	13,534		0
			0
	29,024		78,297
	(41,034)		
	142,538		
8,087			0
	0		0
			129
		47,232	
142,538			
		18,267	
	18,267		0
		12,734	
	3,184		
	0		
	1,377		
		972	
		416	
	556		
		0	
		0	
			0
		556	
		.04	
		.04	