

RBC Capital Markets

2009 Technology, Media and Communications Conference



Earle MacKenzie – EVP / COO

June 9, 2009

Safe Harbor Statement

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, regarding, among other things, our business strategy, our prospects and our financial position. These statements can be identified by the use of forward-looking terminology such as “believes,” “estimates,” “expects,” “intends,” “may,” “will,” “should,” “could,” or “anticipates” or the negative or other variation of these similar words, or by discussions of strategy or risks and uncertainties. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from the Company’s expectations and projections. Important factors that could cause actual results to differ materially from such forward-looking statements include, without limitation, risks related to the following:

- Increasing competition in the communications industry; and
- A complex and uncertain regulatory environment.

A further list and description of these risks, uncertainties and other factors can be found in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2008. Copies of this Form 10-K, as well as subsequent filings, are available online at www.sec.gov, www.shentel.com or on request from the Company. The Company does not undertake to update any forward-looking statements as a result of new information or future events or developments.

Use of Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures that are not determined in accordance with US generally accepted accounting principles. These financial performance measures are not indicative of cash provided or used by operating activities and exclude the effectors of certain operating, capital and financing costs and may differ from comparable information provided by other companies, and they should not be considered in isolation, as an alternative to, or more meaningful than measures of financial performance determined in accordance with US generally accepted accounting principles. These financial performance measures are commonly used in the industry and are presented because Shentel believes they provide relevant and useful information to investors. Shentel utilizes these financial performance measures to assess its ability to meet future capital expenditure and working capital requirements, to incur indebtedness if necessary, return investment to shareholders and to fund continued growth. Shentel also uses these financial performance measures to evaluate the performance of its business and for budget planning purposes.

Agenda

Introduction and Shentel Overview

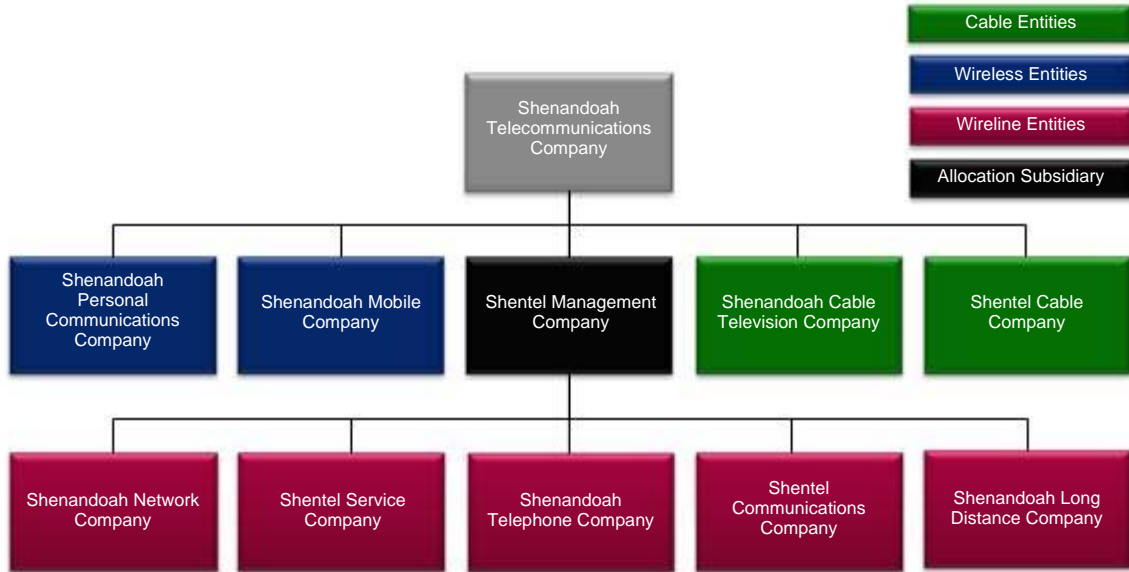
Overview of Wireless

Overview of Wireline

Overview of Cable

Financials

Shenandoah Telecommunications Company



- Reporting Segments: Wireless, Wireline and Cable
- Shentel Management Company: Allocation subsidiary for all employees and shared expenses

Business Overview

- Public company with 4,400+ shareholders
 - ▶ ≈ 70% individual / 30% institutional
- Sprint PCS Affiliate of Sprint Nextel
- Profitable
- Strong growth
- Healthy balance sheet
- Continuity of ownership & management
- Focused business plan

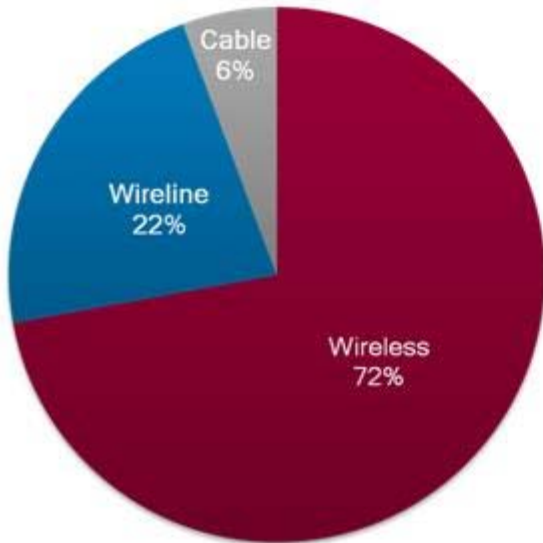
Growth Strategy – Capitalize on Core Competencies

- Wireless
 - ▶ Increase penetration in existing PCS footprint
 - ▶ Look for new wireless opportunities in surrounding geographic areas
- Wireline
 - ▶ Attractive markets at reasonable prices
- Cable
 - ▶ Focus on smaller less competitive markets
 - ▶ Build clusters to gain operating efficiencies
 - ▶ Upgrade networks to offer “Triple Play”

Segment Overview

12 Months Ending March 31, 2009

Revenue by Segment



Total External Revenues = \$150.9 million

Operating Income Before Depreciation & Amortization (OIBDA) by Segment

Segment	OIBDA	% Margin	% of Total
Wireless	\$58.3	54%	77%
Wireline	22.0	66%	29%
Cable	0.1	1%	0%
Other	(4.3)	N/A	-6%
Total	\$76.1	50%	

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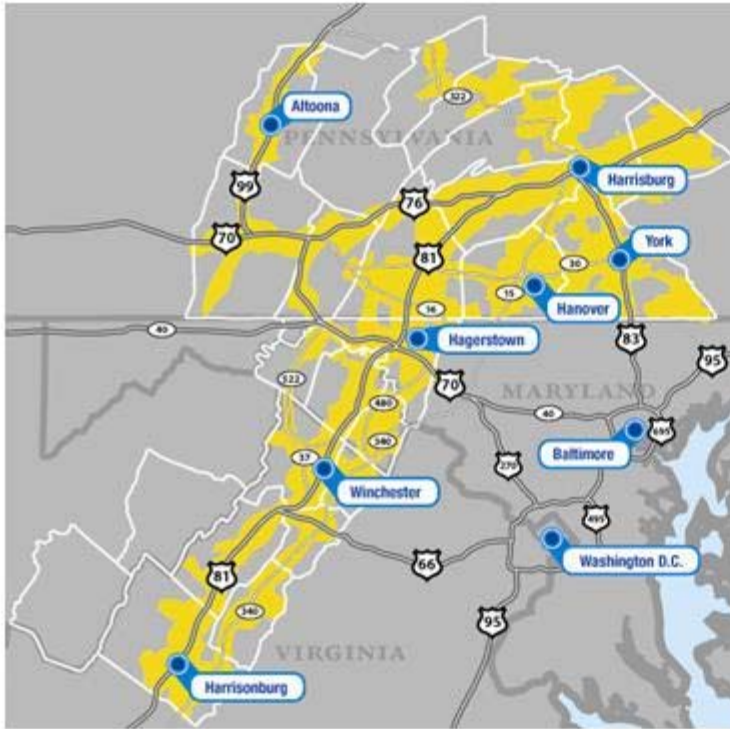
Overview of Wireless

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Financials

PCS Overview

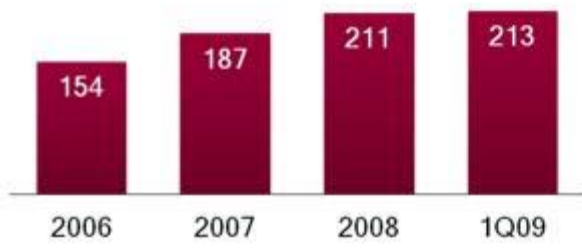


- One of 3 remaining Sprint Nextel affiliates
- 2.3 million licensed POPs
- 2.0 million covered POPs
- 213k total subscribers
 - ▶ 10.85% penetration of covered POPs
- 419 CDMA base stations
- 237 EVDO enabled cell sites
 - ▶ 87.5% EVDO covered POPs
- \$41,000 Estimated Average household income

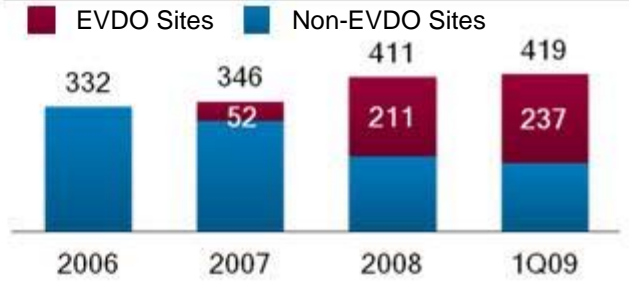
Key Operational Metrics – PCS

Period Ending

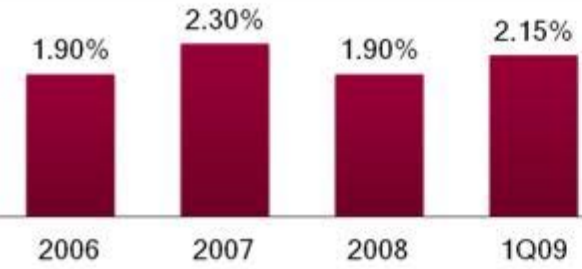
Retail Subscribers (000s)



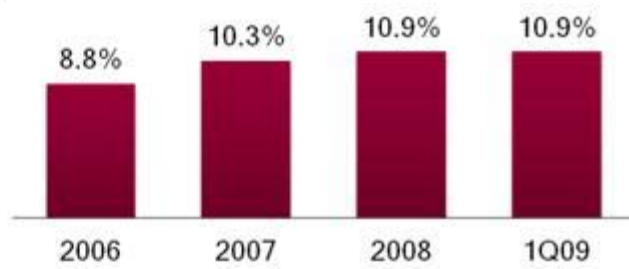
Number of Cell Sites



Churn (%)



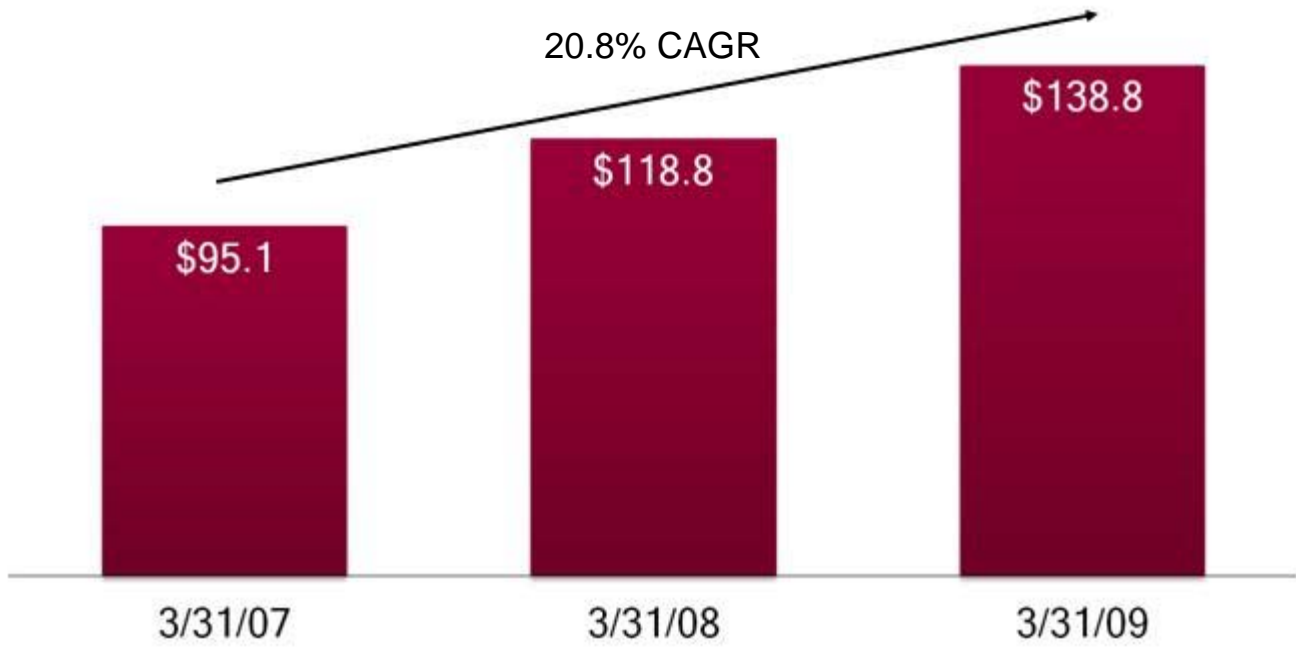
Penetration (%)



Attractive Service Revenue Growth – PCS

12 Months Ending

Gross Billed PCS Revenue (\$ millions)¹

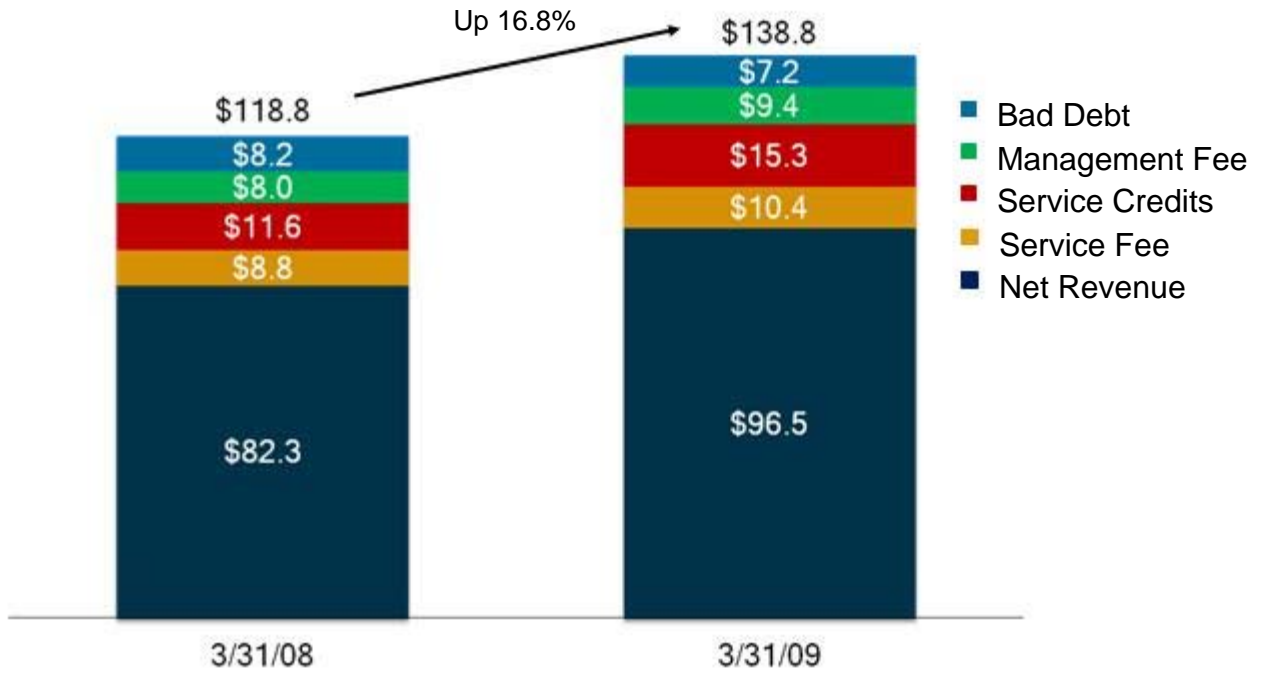


¹ Before credits and fees

PCS Revenues

12 Months Ending

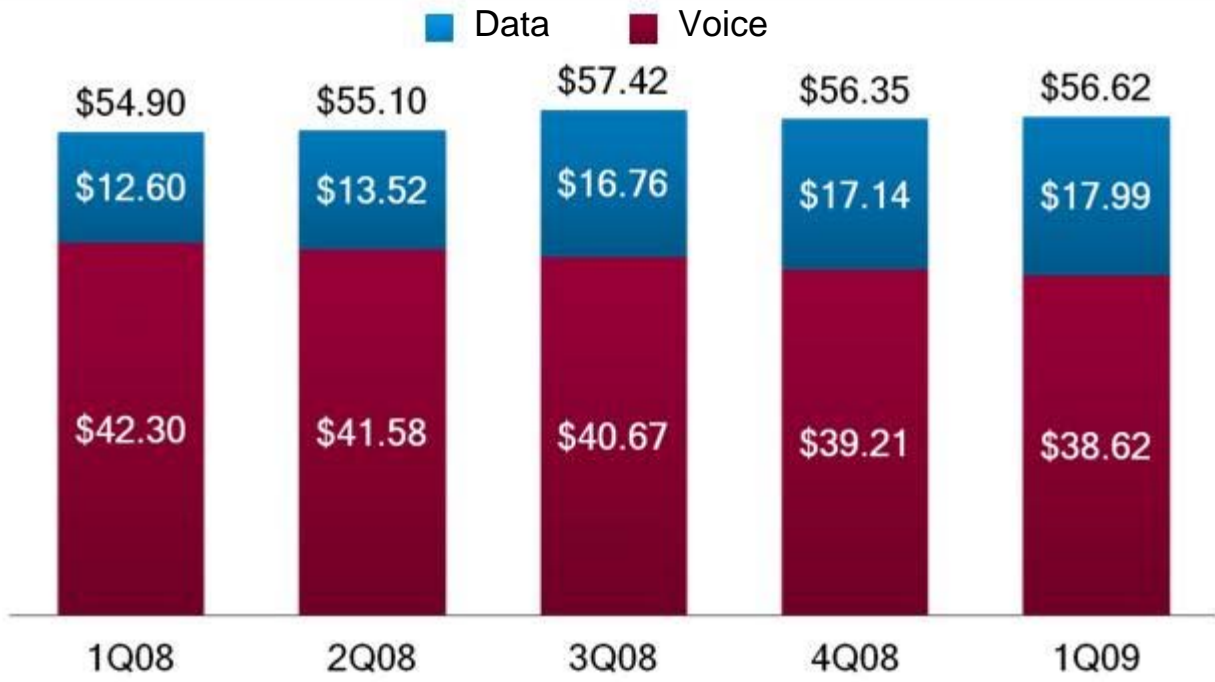
Billed Revenue (\$ millions)



PCS Revenue per Subscriber

Period Ending

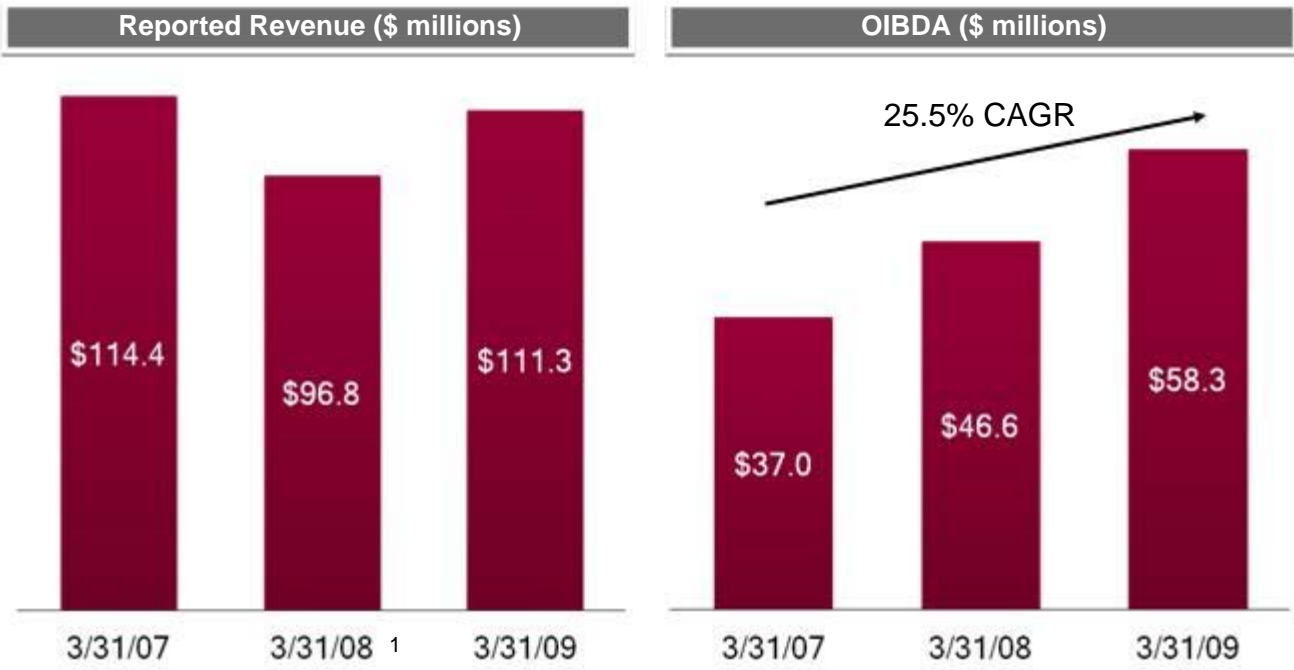
Gross Billed Revenue per Subscriber¹



¹ Before credits and fees

Wireless Segment

12 Months Ending

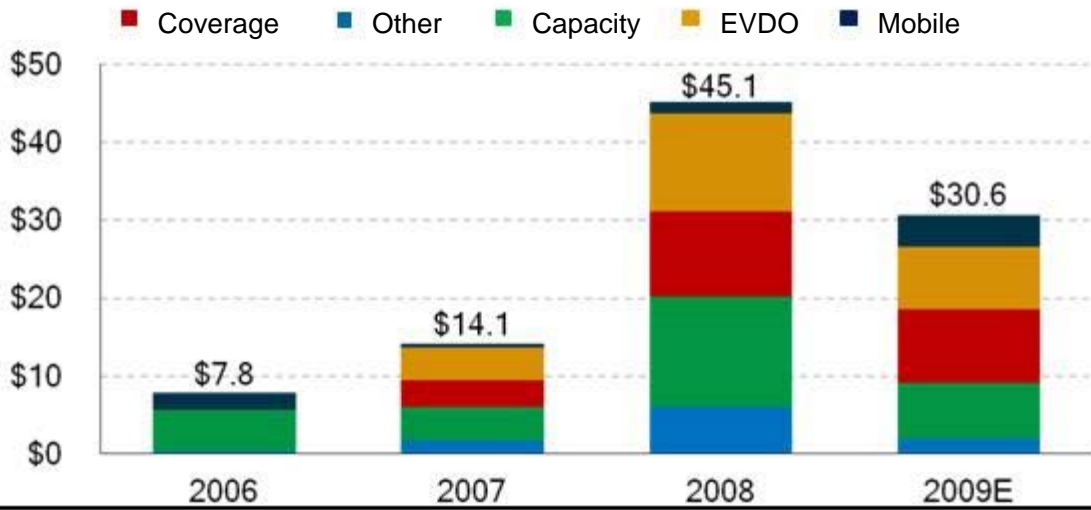


¹ Decrease in revenue between 3/31/2007 and 3/31/2008 is the result of the change in accounting for the Sprint Nextel contract amendment.

Capital Expenditures – Wireless

12 Months Ending

Capital Expenditures by Category (\$ millions)



	2006	2007	2008	2009E
# Cell Sites	332	346	411	489
% Covered POPs	77%	79%	85%	89%
# EVDO Sites	0	52	211	318
% POPs Covered	N/A	27%	86%	92%

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Wireline Customers

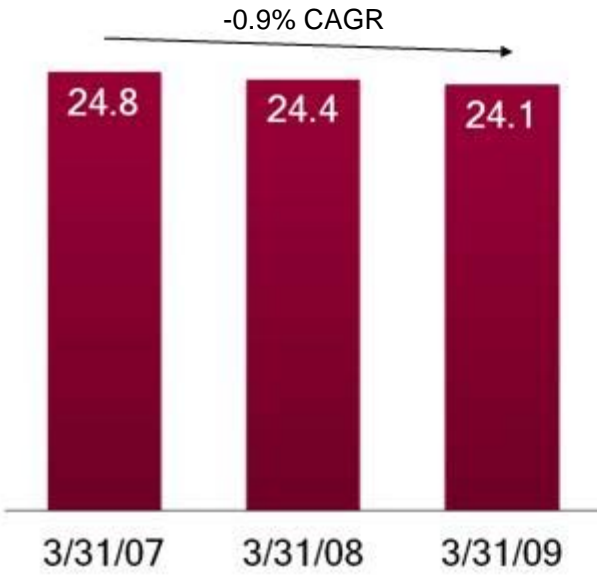
12 Months Ending March 31, 2009

- 24.1k LEC access lines
- 10.3k DSL subscribers
- 4.8k dial-up Internet subscribers
- 10.7k long distance subscribers
- Pending Acquisition of North River Telephone
 - ▶ 1.0k access lines
- One FTTH community in service outside of LEC area
- Fiber Network
 - ▶ Route miles: 756
 - ▶ Fiber miles: 46,733

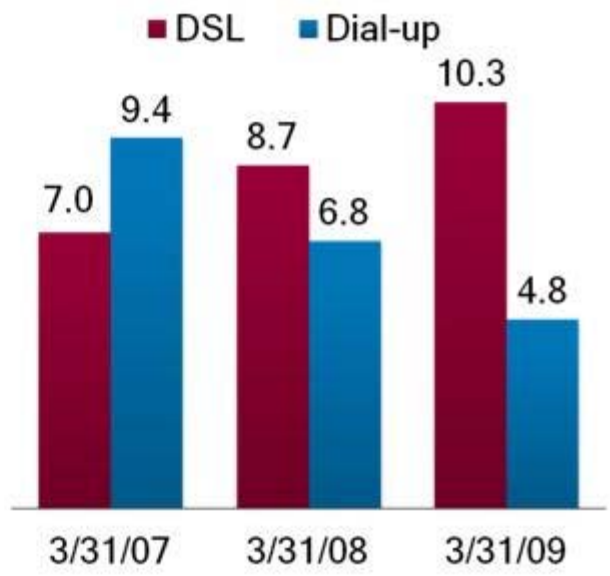
Wireline Customers

12 Months Ending

Access lines (000s)



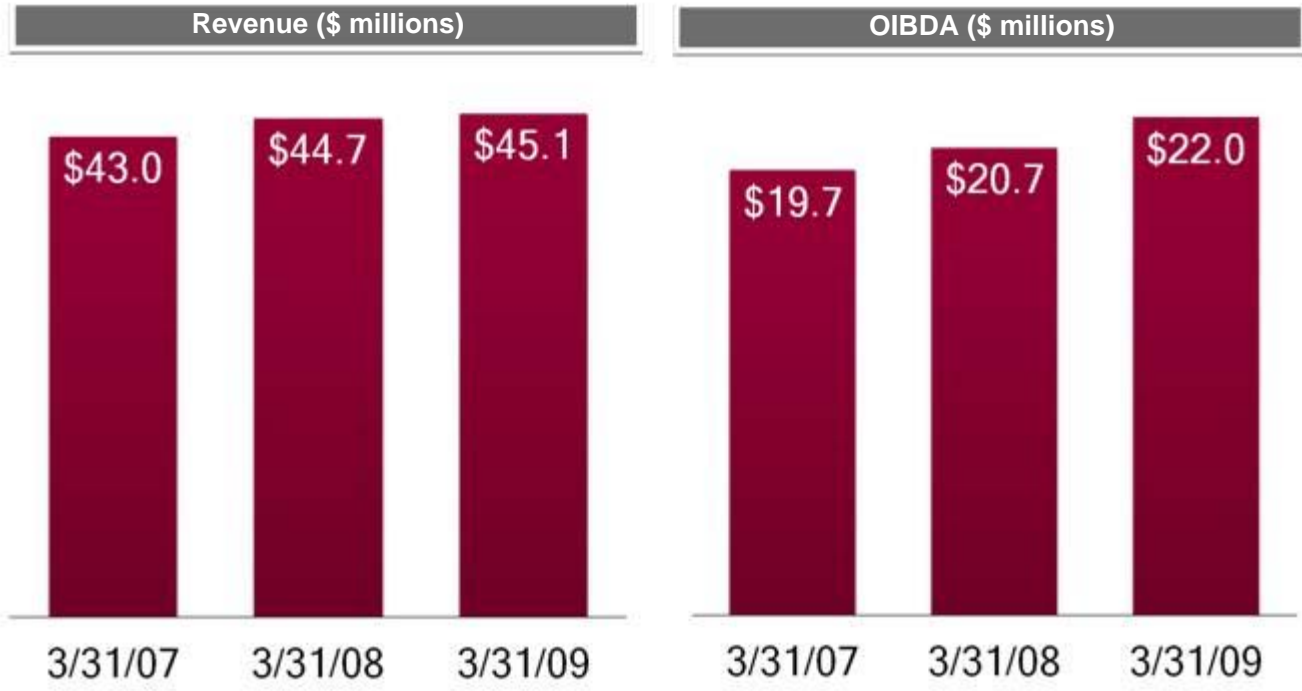
Internet Customers (000s)



¹ DSL only available within LEC area
² Dial-up offered inside and outside the LEC area

Wireline Overview

12 Months Ending



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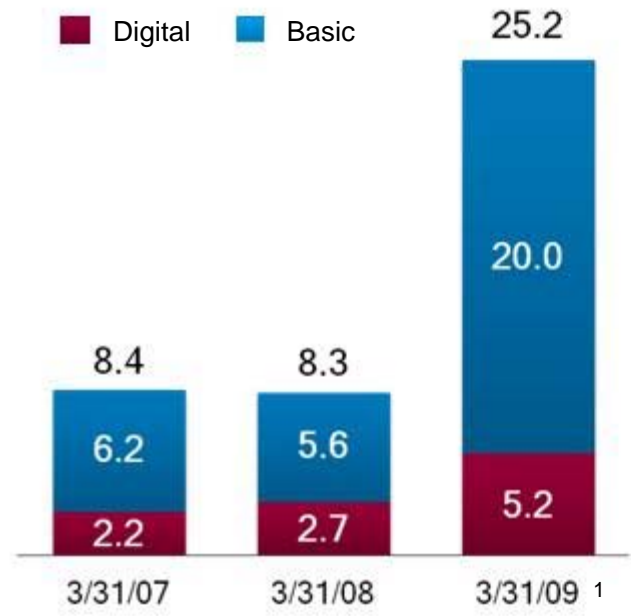
Cable TV Overview

- Complimentary (with LEC business)
 - ▶ 16k Homes Passed
 - ▶ 8.3k Video Subscribers
- Offensive positioning (Outside ILEC)
 - ▶ 44k Homes Passed
 - ▶ 17k Video, 1.2k Internet, 0 Voice Subscribers
- One-way now, two way in 2009/2010
- YE09 – HD, DVR, VOD, Internet, Voice

Cable TV

12 Months Ending

Subscribers (000s)



Revenue (\$ millions)



OIBDA (\$ millions)



¹ Includes Rapid Communications acquisition – December 2008

Agenda

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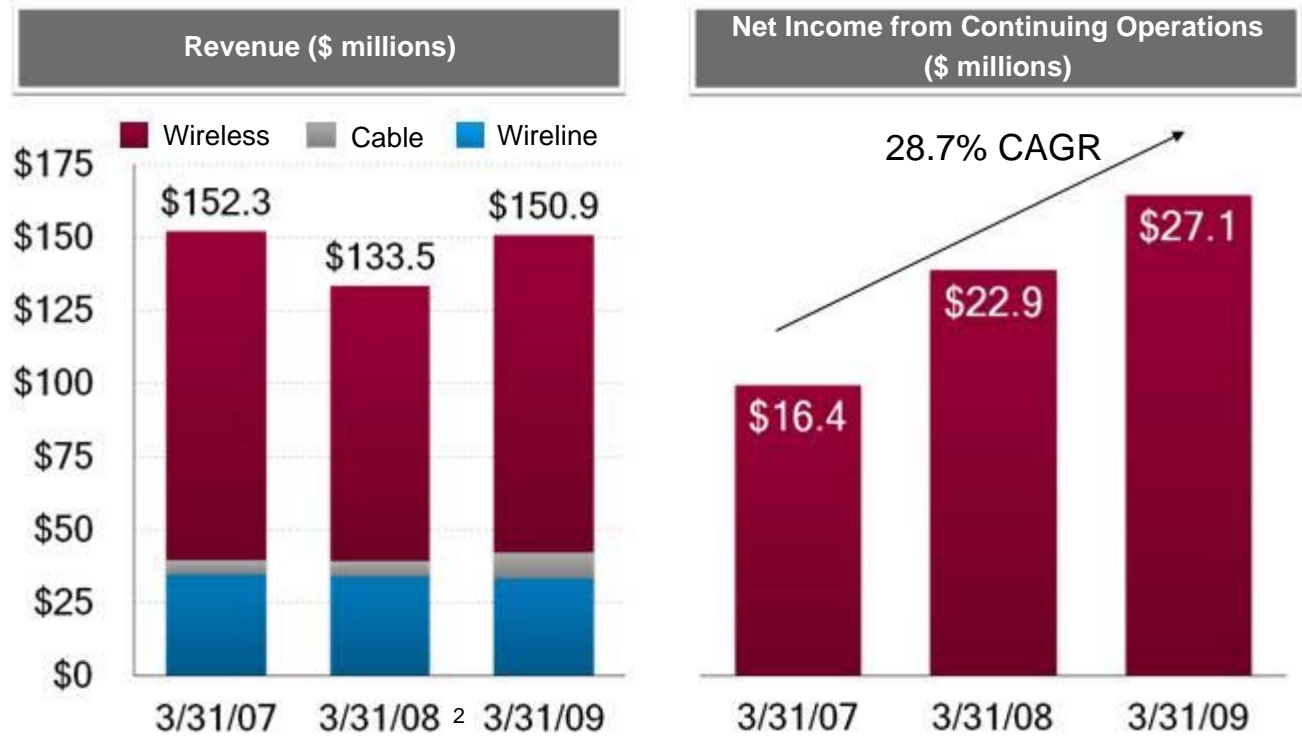
Overview of Wireline

Overview of Cable

Financials

Key Financial Results – Continuing Operations¹

12 Months Ending

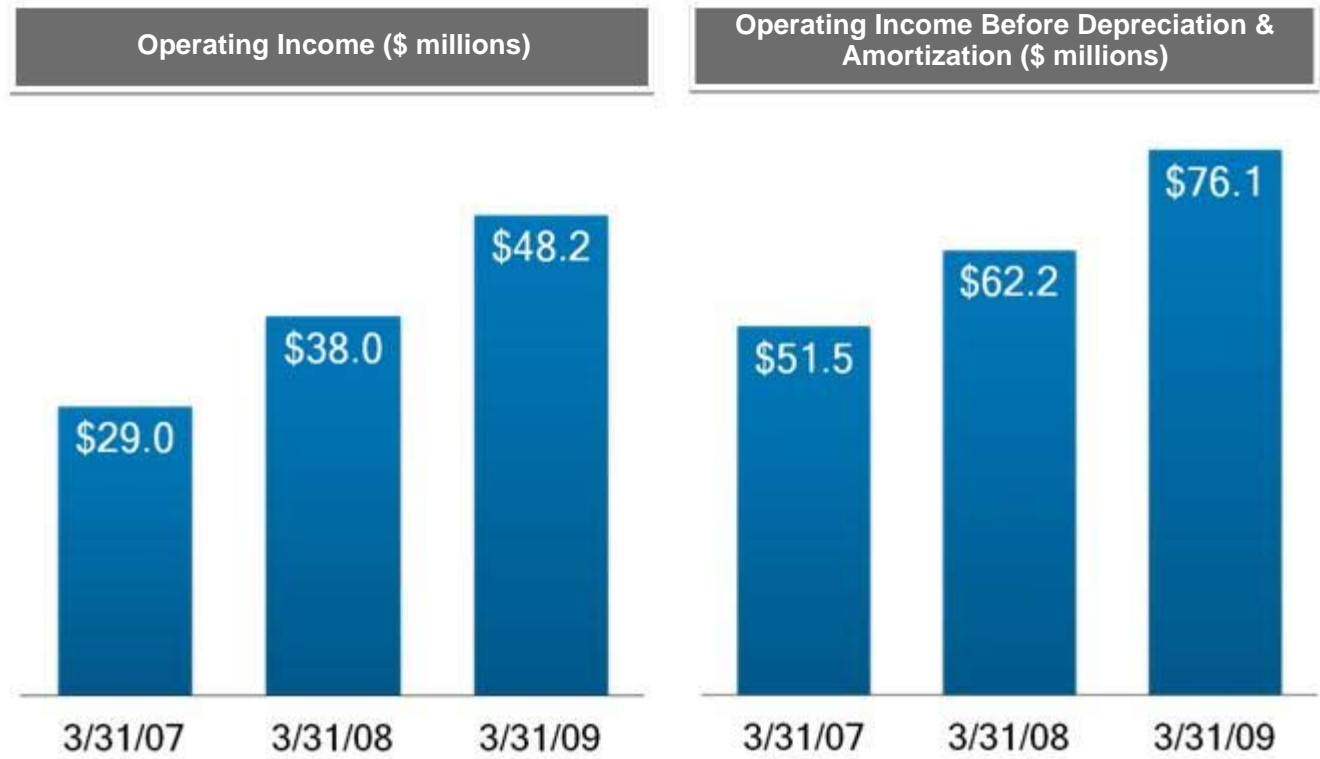


¹ Shentel Converged Services has been reclassified as discontinued operations. All results have been restated.

² Decrease in revenue between 3/31/2007 and 3/31/2008 is the result of the change in accounting for the Sprint Nextel contract amendment.

Key Financial Results – Continuing Operations¹

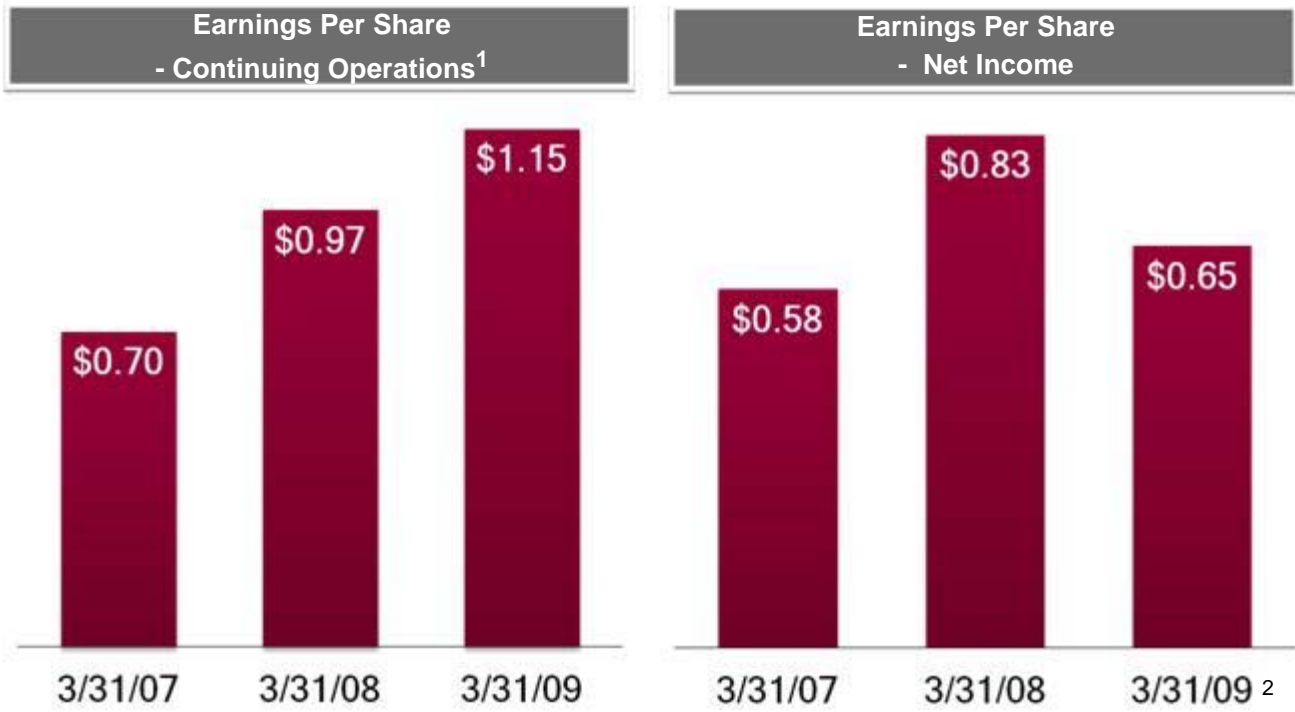
12 Months Ending



¹ Shentel Converged Services has been reclassified as discontinued operations. All results have been restated.

Key Financial Results – Consolidated

12 Months Ending



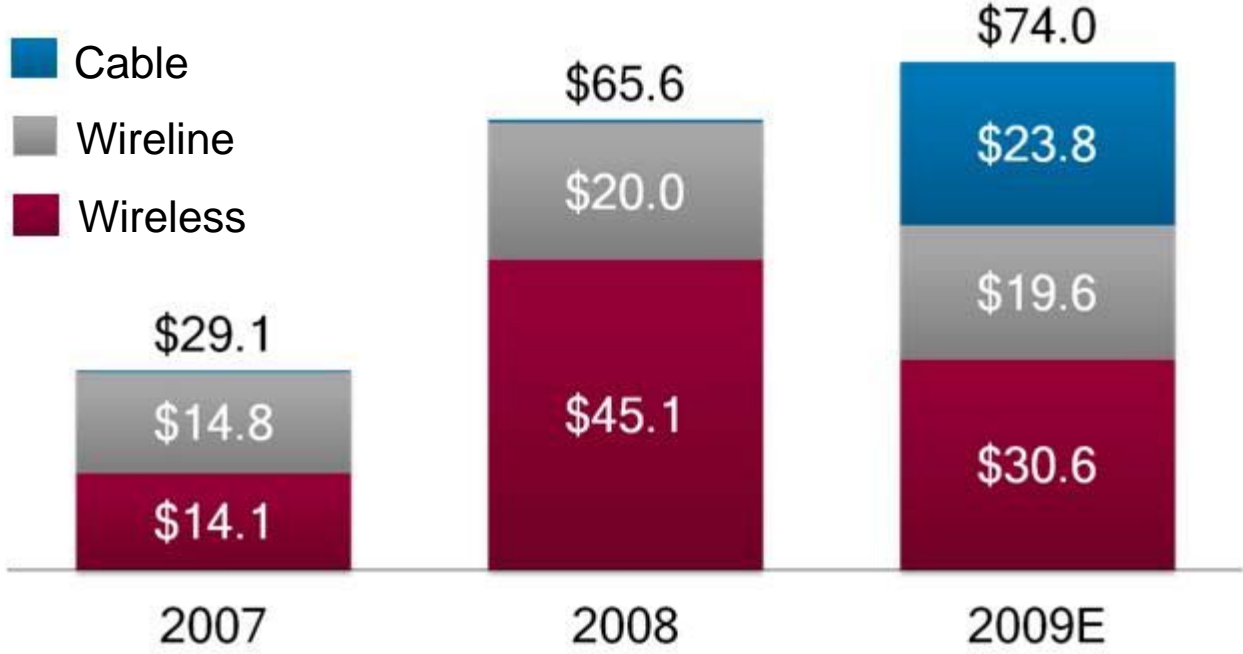
¹ Shentel Converged Services has been reclassified as discontinued operations. All results have been restated.

² Includes \$10.7 million write down of Converged Service Business Unit (\$0.45 per share) in Q1 2009

Total Capex

12 Months Ending

Capital Expenditures by Segment (\$ millions)



Q&A

Appendix

Non-GAAP Financial Measure – Billed Revenue per Subscriber

Period Ending

Dollars in thousands (except subscribers and revenue per subscriber)

<u>Gross billed revenue</u>	<u>1Q08</u>	<u>2Q08</u>	<u>3Q08</u>	<u>4Q08</u>	<u>1Q09</u>
Wireless segment total operating revenues	\$24,407	\$27,341	\$27,526	\$27,611	\$28,804
Equipment revenue	(1,300)	(1,511)	(1,410)	(994)	(1,270)
Other revenue	(2,055)	(3,320)	(1,876)	(2,270)	(2,174)
Wireless service revenue	21,052	22,510	24,240	24,347	25,360
Service credits	3,498	3,683	4,000	3,836	3,764
Write-offs	2,496	1,750	1,903	1,914	1,705
Management fee	2,091	2,203	2,336	2,404	2,482
Service fee	2,300	2,423	2,570	2,644	2,730
Gross billed revenue	<u>\$31,437</u>	<u>\$32,571</u>	<u>\$35,049</u>	<u>\$35,115</u>	<u>\$36,041</u>
Average subscribers	190,870	197,055	203,454	207,882	212,196
Voice Gross Revenue per Subscriber	\$42.30	\$41.58	\$40.67	\$39.21	\$38.62
Data Gross Revenue per Subscriber	12.6	13.52	16.76	17.14	17.99
Total Gross Billed Revenue per Subscriber	<u>\$54.90</u>	<u>\$55.10</u>	<u>\$57.42</u>	<u>\$56.35</u>	<u>\$56.62</u>



Non-GAAP Financial Measure – OIBDA

12 Months Ended 3/31/2009

Dollars in thousands

	<u>Wireless</u>	<u>Wireline</u>	<u>Cable</u>	<u>Other</u>	<u>Consolidated</u>
Operating Income	\$40,542	\$13,926	(\$1,684)	(\$4,589)	\$48,195
Depreciation and amortization	17,791	8,072	1,738	315	27,915
OIBDA	\$58,333	\$21,998	\$54	(\$4,274)	\$76,110



Non-GAAP Financial Measure – OIBDA

12 Months Ended 3/31/2008

Dollars in thousands

	<u>Wireless</u>	<u>Wireline</u>	<u>Cable</u>	<u>Other</u>	<u>Consolidated</u>
Operating Income	\$30,260	\$14,200	(\$1,336)	(\$5,082)	\$38,042
Depreciation and amortization	16,347	6,468	1,035	262	24,112
OIBDA	\$46,607	\$20,668	(\$301)	(\$4,820)	\$62,154



Non-GAAP Financial Measure – OIBDA

12 Months Ended 3/31/2007

Dollars in thousands

	<u>Wireless</u>	<u>Wireline</u>	<u>Cable</u>	<u>Other</u>	<u>Consolidated</u>
Operating Income	\$21,473	\$14,057	(\$1,071)	(\$5,473)	\$28,986
Depreciation and amortization	15,544	5,610	1,094	239	22,487
OIBDA	\$37,017	\$19,667	\$23	(\$5,234)	\$51,473

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