

SHENANDOAH TELECOMMUNICATIONS COMPANY

124 South Main Street
Edinburg, Virginia

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD APRIL 20, 1999

March 26, 1999

TO THE STOCKHOLDERS OF SHENANDOAH TELECOMMUNICATIONS COMPANY:

The annual meeting of stockholders of Shenandoah Telecommunications Company will be held in the Social Hall of the Edinburg Fire Department, Stoney Creek Boulevard, Edinburg, Virginia, on Tuesday, April 20, 1999, at 11:00 a.m. for the following purposes:

1. To elect three Class I Directors to serve until the 2002 Annual Stockholders' Meeting;
2. To transact such other business as may properly come before the meeting or any adjournment thereof.

Only stockholders of record at the close of business March 23, 1999, will be entitled to vote at the meeting.

Lunch will be provided.

By Order of the Board of Directors

Harold Morrison, Jr.
Secretary

IMPORTANT

YOU ARE URGED TO COMPLETE, SIGN, AND RETURN THE ENCLOSED PROXY CARD IN THE SELF-ADDRESSED STAMPED (FOR U. S. MAILING) ENVELOPE PROVIDED AS PROMPTLY AS POSSIBLE, WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON. IF YOU DO ATTEND THE MEETING IN PERSON, YOU MAY THEN WITHDRAW YOUR PROXY AND VOTE YOUR OWN SHARES. SEE PROXY STATEMENT ON THE FOLLOWING PAGES.

PROXY STATEMENT

P. O. Box 459
Edinburg, VA 22824

March 26, 1999

TO THE STOCKHOLDERS OF SHENANDOAH TELECOMMUNICATIONS COMPANY:

Your proxy in the enclosed form is solicited by the management of the Company for use at the Annual Meeting of Stockholders to be held in the Social Hall of the Edinburg Fire Department, Stoney Creek Boulevard, Edinburg, Virginia, on Tuesday, April 20, 1999, at 11:00 a.m., and any adjournment thereof.

The mailing address of the Company's executive offices is P. O. Box 459, Edinburg, Virginia 22824.

The Company has 8,000,000 authorized shares of common stock, of which 3,755,760 shares were outstanding on March 23, 1999. This proxy statement and the Company's annual report, including financial statements for 1998, are being mailed on or about March 26, 1999, to approximately 3,700 stockholders of record on March 23, 1999. Only stockholders of record on that date are entitled to vote. Each outstanding share will entitle the holder to one vote at the Annual Meeting. No director, officer, or other party beneficially owns as much as five percent of the outstanding shares of the common stock of the Company. The Company intends to solicit proxies by the use of the mail, in person, and by telephone. The cost of soliciting proxies will be paid by the Company.

Executed proxies may be revoked at any time prior to exercise. Proxies will be voted as indicated by the stockholders. Executed but unmarked proxies will be voted "FOR" the election of the three nominees for Class I Directors.

THE ELECTION OF DIRECTORS

Directors Standing for Election

There are currently nine directors (constituting the entire Board of Directors of the Company), divided into three classes. The current term of Class I Directors expires at the 1999 Annual Meeting. The Board of Directors proposes that the nominees described below, all of whom are currently serving as Class I Directors, be re-elected to Class I for a new term of three years and until their successors are duly elected and qualified.

The proxy holders will vote the proxies received by them (unless contrary instructions are noted on the proxies) for the election of the three nominees as directors, all of whom are now members of and constitute the Class I Directors. If any such nominees should be unavailable, the proxy holders will vote for substitute nominees in their discretion. Stockholders may withhold the authority to vote for the election of directors or one or more of the nominees. Directors will be elected by a plurality of the votes cast. Abstentions and shares held in street name that are not voted in the election of directors will not be included in determining the number of votes cast. The names and principal occupation of the three nominees, six current directors and executive officers are indicated in the following table, and the number and percentage of shares of Common Stock beneficially owned by each as of the Record Date is also shown.

BOARD OF DIRECTORS

Name of Director	Year Elected Director	Age	Principal Occupation and Other Directorships for Past Five Years
(1)	(2)		(3)
Nominees for Election of Directors			
Class I (Terms expires 2002) - The directors standing for election are:			
Douglas C. Arthur	1997	56	Attorney-at-Law; Dir., First National Corp.
Harold Morrison, Jr. Secretary of the Co.	1979	69	Chairman of the Board, Woodstock Garage, Inc. (an auto sales & repair firm); Dir., First Virginia Bank-BR
Zane Neff Asst. Secretary of the Co.	1976	70	Retired Manager, Hugh Saum Co., Inc. (a hardware and furniture store); Dir., Crestar Bank

Directors Continuing in Office

Class II (Terms expires 2000)			
Noel M. Borden Vice President	1972	62	Pres., H. L. Borden Lumber Co. (a retail building materials firm); Chairman of the Board, First National Corp.
Ken L. Burch	1995	54	Farmer
Grover M. Holler, Jr.	1952	78	Pres., Valley View, Inc. (a real estate developer)
Class III (Terms expires 2001)			
Dick D. Bowman Treasurer of the Co.	1980	70	Pres., Bowman Bros., Inc.; Dir., Shen. Valley Elec. Coop.; Dir., The Rockingham Group; Dir., Old Dominion Electric Coop.
Christopher E. French President	1996	41	Pres., Shenandoah Telecommunications Co. & its Subsidiaries; Dir., First National Corp.
James E. Zerkel II	1985	54	Vice Pres., James E. Zerkel, Inc. (a hardware firm); Dir., Shen. Valley Elec. Coop.; Member, Shenandoah County Industrial Development Auth.

- (1) The directors who are not full-time employees of the Company were compensated in 1998 for their services on the Board and one or more of the Boards of the Company's subsidiaries at the rate of \$385 per month plus \$385 for each Board meeting attended. Additional compensation was paid to certain non-employee directors who also serve as Vice President, Secretary, Assistant Secretary, and Treasurer, for their services in these capacities, in the amounts of \$1,420, \$2,960, \$1,420, and \$2,960, respectively.
- (2) Years shown are when first elected to the Board of the Company or the Company's predecessor, Shenandoah Telephone Company. Each nominee has served continuously since the year he joined the Board.
- (3) Each director also serves as a director of one or more of the Company's subsidiaries.

Attendance of Board Members at Board and Committee Meetings

During 1998, the Board of Directors held 14 meetings. All of the directors attended at least 75 percent of the aggregate of: (1) the total number of meetings of the Board of Directors; and (2) the total number of meetings held by all committees of the Board on which they served.

Standing Audit, Nominating, and Compensation Committees
of the Board of Directors

1. Audit Committee - The Finance Committee of the Board of Directors, consisted of the following directors: Dick D. Bowman (Chairman), Grover M. Holler, Jr., and Noel M. Borden. It performed a function similar to that of an Audit Committee. This committee is responsible for the employment of outside auditors and for receiving and reviewing the auditor's report. During 1998 there was one meeting of the Finance Committee. Additional business of the committee was conducted in connection with the regular Board meetings.
2. Nominating Committee - The Board of Directors does not have a standing Nominating Committee.
3. Compensation Committee - The Personnel Committee of the Board of Directors, consisted of the following directors: Noel M. Borden (Chairman), Harold Morrison, Jr., and James E. Zerkel. This committee performed a function similar to that of a Compensation Committee. It is responsible for the wages, salaries, and benefit programs for all employees. During 1998 there were two meetings of this committee.

CERTAIN TRANSACTIONS

In 1998, the Company purchased vehicles and received services from Mr. Morrison's company in the amount of \$147,965.31; and, purchased supplies and received services from Mr. Zerkel's company in the amount of \$9,649. Management believes that each of the companies provides these services to the Company on terms comparable to those available to the Company from other similar companies. No other director is an officer, director, employee, or owner of a significant supplier or customer of the Company.

STOCK OWNERSHIP

The following table presents information relating to the beneficial ownership of the Company's outstanding shares of common stock by all directors, executive officers, and all directors and officers as a group.

Name and Address	No. of Shares Owned as of 2-1-99	Percent of Class
-----	(1)	(2)
Douglas C. Arthur Strasburg, VA 22657	1,440	*
Noel M. Borden Strasburg, VA 22657	18,546	*
Dick D. Bowman Edinburg, VA 22824	45,364	1.21
Ken L. Burch Quicksburg, VA 22847	45,172	1.20
Christopher E. French Woodstock, VA 22664	139,527	3.72
Grover M. Holler, Jr Edinburg, VA 22824	70,736	1.88
Harold Morrison, Jr Woodstock, VA 22664	21,028	*
Zane Neff Edinburg, VA 22824	7,716	*
James E. Zerkel II Mt. Jackson, VA 22842	4,498	*
David E. Ferguson Edinburg, VA 22824	1,036	*
William L. Pirtle Woodstock, VA 22664	305	*
Total shares beneficially owned by 14 directors and officers as a group	366,332	9.75

- (1) Includes shares held by relatives and in certain trust relationships, which may be deemed to be beneficially owned by the nominees under the rules and regulations of the Securities and Exchange Commission; however, the inclusion of such shares does not constitute an admission of beneficial ownership.
- (2) Asterisk indicates less than 1%.

SUMMARY COMPENSATION TABLE

The following Summary Table is furnished as to the salary and incentive payment paid by the Company and its subsidiaries on an accrual basis during the fiscal years 1996, 1997, and 1998 to, or on behalf of, the chief executive officer and each of the other executive officers who earn more than \$100,000 per year.

Name and Principal Position (\$)(1)	Year	Annual Compensation		Long-Term Compensation	
		Salary(\$)	Incentive Payment(\$)	Options(#)	Other Compensation
Christopher E. French President	1998	\$148,318	\$ 38,041	489	\$ 7,849
	1997	136,491	12,405	471	7,291
	1996	130,612	11,013	--	6,778
David E. Ferguson Vice President- Customer Service	1998	101,204	16,232	361	7,096
	1997	94,141	5,981	352	6,647
	1996	91,270	6,134	--	5,807
William L. Pirtle Vice President- Personal Comm. Service	1998	96,990	15,991	329	6,196
	1997	84,904	5,981	307	5,773
	1996	86,035	6,134	--	5,325

(1) Includes amounts contributed by the Company under its 401(k) and Flexible Benefits Plans, each of which is available to all regular Company employees.

OPTION GRANTS TABLE
Option Grants in Last Fiscal Year

Name	Individual Grants				Potential Realizable Value at Assumed Annual Appreciation For	
	Options Granted (Shares)	Granted To Employees Year	Or Base Price Per Share	Expiration Date	Option Term 5%(1)	Option Term 10%(1)
Christopher E. French	489	3.1%	\$20.59	2/09/2003	\$2,782	\$6,147
David E. Ferguson	361	2.3%	20.59	2/09/2003	2,054	4,538
William L. Pirtle	329	2.1%	20.59	2/09/2003	1,872	4,136

(1) In order to realize the potential value set forth, the price per share of the Company's common stock would be approximately \$26.28 and \$33.16, respectively, at the end of the five-year option term.

OPTION EXERCISES AND YEAR END VALUE TABLE
Aggregated Option Exercises in Last Fiscal Year and FY-End Option Value

Name	Shares Acquired on Exercise	Value Realized	No. of Unexercised Options/ FY-End (Shares)		Value of Unexercised in the Money Options/FY-End (\$)	
			Exercisable/ Unexercisable	Exercisable/ Unexercisable	Exercisable/ Unexercisable	Exercisable/ Unexercisable
Christopher E. French	0	0	235 / 725	0 / 0	0 / 0	0 / 0
David E. Ferguson	0	0	176 / 537	0 / 0	0 / 0	0 / 0
William L. Pirtle	0	0	153 / 483	0 / 0	0 / 0	0 / 0

Average reported price for transactions reported to the Company during 1998 was \$19.94.

RETIREMENT PLAN

The Company maintains a noncontributory defined benefit Retirement Plan for its employees. The following table illustrates normal retirement benefits based upon Final Average Compensation and years of credited service. The normal retirement benefit is equal to the sum of:

- (1) 1.14% times Final Average Compensation plus 0.65% times Final Average Compensation in excess of Covered Compensation (average annual compensation with respect to which Social Security benefits would be provided at Social Security retirement age) times years of service (not greater than 30); and
- (2) 0.29% times Final Average Compensation times years of service in excess of 30 years (such excess service not to exceed 15 years).

Estimated Annual Pension

Years of Credited Service

Final Average Compensation	15	20	25	30	35
\$ 20,000	\$ 3,420	\$ 4,560	\$ 5,700	\$ 6,840	\$ 7,130
35,000	6,174	8,232	10,290	12,348	12,856
50,000	10,202	13,602	17,003	20,403	21,128
75,000	16,914	22,552	28,190	33,828	34,916
100,000	23,627	31,502	39,378	47,253	48,703
125,000	30,339	40,452	50,565	60,678	62,491
150,000	37,052	49,402	61,753	74,103	76,278
160,000	39,737	52,982	66,228	79,473	81,793

Covered Compensation for those retiring in 1999 is \$33,060. Final Average Compensation equals an employee's average annual compensation for the five consecutive years of credited service for which compensation was the highest. The amounts shown as estimated annual pensions were calculated on a straight-life basis assuming the employee retires in 1999. The Company did not make a contribution to the Retirement Plan in 1998, as the Plan was adequately funded. Christopher French, David Ferguson, and William Pirtle had 17 years, 31 years and 6 years, respectively, of credited service under the plan as of January 1, 1999.

COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The members of the Personnel Committee of the Board of Directors of the Company perform the function of a Compensation Committee. The Committee's approach to compensation of the Company's executive officers, including the chief executive officer, is to award a total compensation package consisting of salary, annual and long-term incentives, and fringe benefit components, which recognizes that the compensation of executive officers should be established at levels which are consistent with the Company's objectives and achievements. The compensation package, and the Committee's approach to setting compensation, is to provide base salaries at levels that are competitive with amounts paid to senior executives with comparable qualifications, experience, and responsibilities. The annual incentive compensation is approved upon achievement of corporate objectives. The longer-term incentive compensation, consisting of the Company's Incentive Stock Option Plan, is closely tied to the Company's success in achieving increases in the Company's stock price, thereby benefiting all shareholders. The Committee reviews industry compensation surveys, and compares compensation data from public filings by other publicly held companies in our industry and market region. In setting the compensation of the executive officers other than the Chief Executive Officer, the Committee receives and accords significant weight to the input of the Chief Executive Officer.

The Committee has recognized the success of the Company's executives in accomplishing the Company's various strategic objectives, and has taken into account management's commitment to the long-term success of the Company. The Company has continued to expand its product and service offerings and has also continued its expansion beyond its traditional geographic base. The Company has also continued to focus its efforts on increasing earnings and

on providing superior customer service while controlling operating costs. These actions in turn will assist the Company in meeting the challenge of achieving growth in an increasingly competitive telecommunications industry. Based upon its evaluation of these and other relevant factors, the Committee is satisfied that the executives have contributed positively to the Company's long-term financial performance.

The annual base salary of the Chief Executive Officer is determined by the Committee in recognition of his leadership role in formulating and executing strategies for responding to the challenges of our industry, and the Committee's assessment of his past performance and its expectation for his future contributions in leading the Company. The 1998 base salary was not set in response to attainment of any specific goals by the Company, although the Committee took into consideration his individual contributions to the Company's performance, reflected by the 25% increase in operating income and net income.

The annual incentive plan stresses improvement in both financial performance, as measured by increases in net income, and service provided to the Company's customers, as measured by trouble reports from customers. Specific target goals are set each year. In 1998, as a result of its large increase in earnings and significant improvement in service, the Company reached over 165 percent of its combined goals. These improvements resulted in increases to incentive payments made to the Company's president and other executive officers.

The long-term incentive plan involves most employees of the company, and incentive stock options are currently being granted on a formula related to base salary. Rewards under this plan for the executive officers, as well as all participating employees, is dependent upon increases in the market price of the Company's stock.

Submitted by the Company's Personnel Committee:

Noel M. Borden, Chairman
Harold Morrison, Jr.
James E. Zerkel II

FIVE-YEAR STOCKHOLDER RETURN COMPARISON

The Securities and Exchange Commission requires that the Company include in its Proxy Statement a line graph presentation comparing cumulative, five-year stockholder returns on an indexed basis with a performance indicator of the overall stock market and either a nationally recognized industry standard or an index of peer companies selected by the Company. The broad market index used in the graph is the NASDAQ Market Index. The S&P Telephone Index consists of the regional Bell Operating Companies, GTE, ALLTEL, and Frontier Corporation.

The Company's stock is not listed on any national exchange or NASDAQ; therefore, for purposes of the following graph, the value of the Company's stock, including the price at which dividends are assumed to have been reinvested, has been determined based upon the average of the prices of transactions in the Company's stock that were reported to the Company in each fiscal year.

Comparison of Five-Year Cumulative Total Return* among Shenandoah Telecommunications Company, NASDAQ Market Index, and S&P Telephone Index

	1993	1994	1995	1996	1997	1998
Shenandoah	100.00	95.52	103.00	107.13	103.02	102.32
NASDAQ Stock Market	100.00	97.75	138.26	170.01	208.58	293.21
S&P Telephone Index	100.00	95.87	144.42	145.86	203.68	299.21

Assumes \$100 invested December 31, 1993 in Shenandoah Telecommunications Company stock, NASDAQ Market Index, and S&P Telephone Index

*Total return assumes reinvestment of dividends

EMPLOYMENT OF AUDITORS

The Board of Directors, on the recommendation of the Audit Committee, has appointed the firm of McGladrey and Pullen, LLP as auditors to make an examination of the accounts of the Company for the 1999 fiscal year. It is not expected that representatives of the firm will be present at the annual meeting.

PROPOSALS OF SECURITY HOLDERS

Proposals of security holders to be included in management's proxy statement and form of proxy relating to next year's annual meeting must be received at the Company's principal executive offices not later than November 27, 1999.

OTHER MATTERS

Management does not intend to bring before the meeting any matters other than those specifically described above and knows of no matters other than the foregoing to come before the meeting. If any other matters properly come before the meeting, it is the intention of the persons named in the accompanying form of proxy to vote such proxy in accordance with their judgment on such matters, including any matters dealing with the conduct of the meeting.

FORM 10-K

The Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission is available to stockholders, without charge, upon request to Mr. Laurence F. Paxton, Vice President-Finance, Shenandoah Telecommunications Company, P. O. Box 459, Edinburg, VA 22824.

Shenandoah Telecommunications Company
124 South Main Street
Edinburg, VA 22824

PROXY

This proxy is solicited on behalf of the
Board of Directors

The undersigned hereby appoints Noel M. Borden, Christopher E. French, and Grover M. Holler, Jr., and each of them, as Proxies with full power of substitution, to vote all common stock of Shenandoah Telecommunications Company held of record by the undersigned as of March 23, 1999, at the Annual Meeting of Stockholders to be held on April 20, 1999, and at any and all adjournments thereof.

1. Election of Directors

FOR CLASS I Douglas C. Arthur, Harold Morrison, Jr., and Zane Neff

To withhold authority to vote for any individual nominee, strike a line through the nominee's name listed above.

Vote Withheld for all nominees listed above.

The Board of Directors unanimously recommends a vote "FOR" election of directors.

2. In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the meeting.

THIS PROXY, WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR PROPOSAL 1.

Please mark, sign exactly as name appears below, date, and return this proxy card promptly, using the enclosed envelope, whether or not you plan to attend the meeting.

When signing as attorney, executor, administrator, trustee, guardian, or agent, please give full title as such. If a corporation, please sign in full corporate name by president or other authorized officer. If a partnership, please sign in partnership name by authorized person.

Dated _____, 1999

I plan to attend the meeting
Number of persons attending

I cannot attend the meeting

SIGNATURE

ADDITIONAL SIGNATURE (if held jointly)