



## Investor Conference Call

April 19, 2010



## Safe Harbor Statement

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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 SEC filings which are available online at [www.sec.gov](http://www.sec.gov), [www.shentel.com](http://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

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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 effects 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 businesses and for budget planning purposes.



## Deal Highlights

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- Structured as an asset purchase
- Purchase Price = \$148
- 115 thousand homes passed and serves 66 thousand RGUs
  - ▶ 44 thousand video customers
  - ▶ 21 thousand data customers
  - ▶ 2 thousand voice customers
- Network
  - ▶ 3,200 miles
  - ▶ 900 miles of fiber
  - ▶ 84% two way
- Competition
  - ▶ No fiber to the home
  - ▶ CenturyLink and Verizon
  - ▶ Satellite providers



## Deal Highlights - Continued

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### ■ Operating Income before Interest and Depreciation

- ▶ \$15.5 before Corporate office costs
- ▶ \$13.8 after Corporate office costs

### ■ Financing

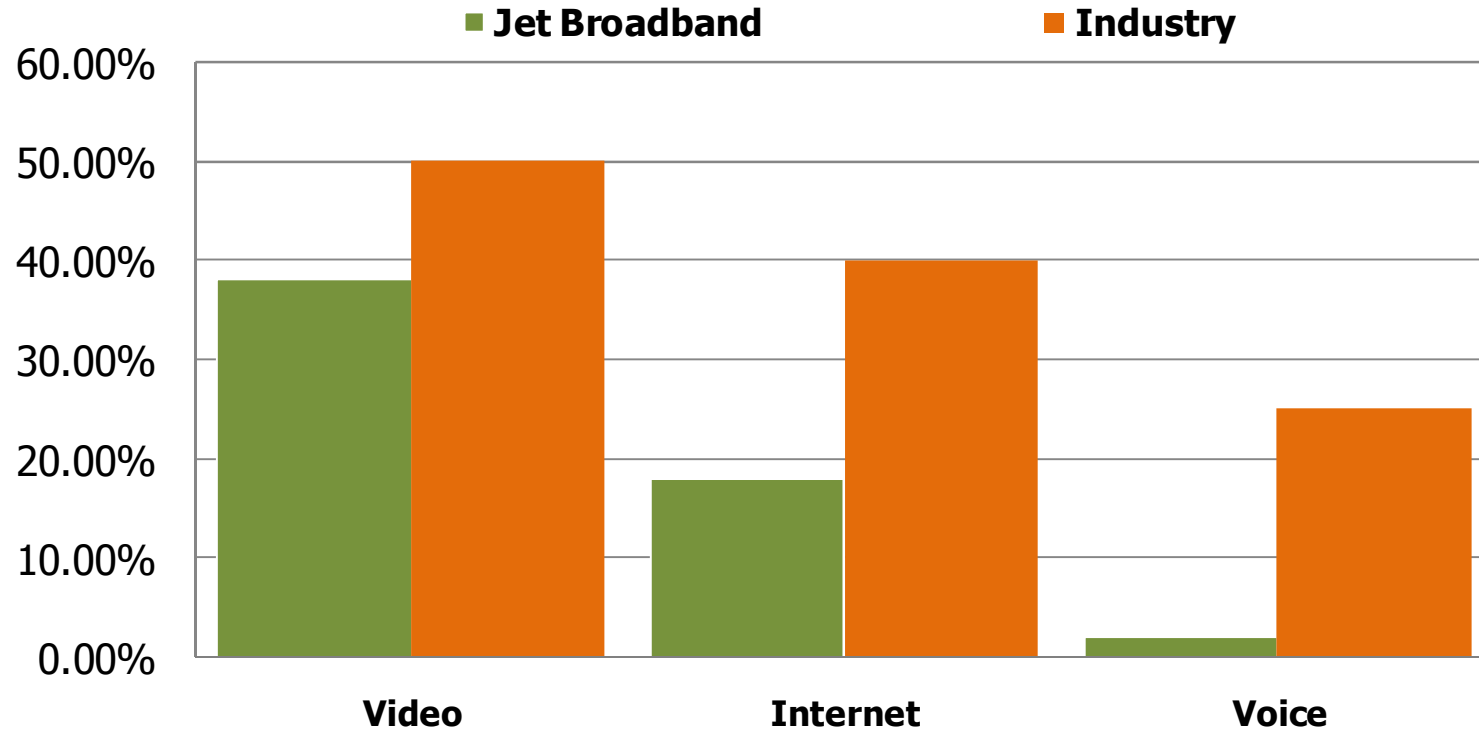
- ▶ Syndicated debt deal
- ▶ \$198m Term Loan
- ▶ \$50m Undrawn Revolver
- ▶ Oversubscribed at more than 150% of needs

## JBB Acquisition - Rationale

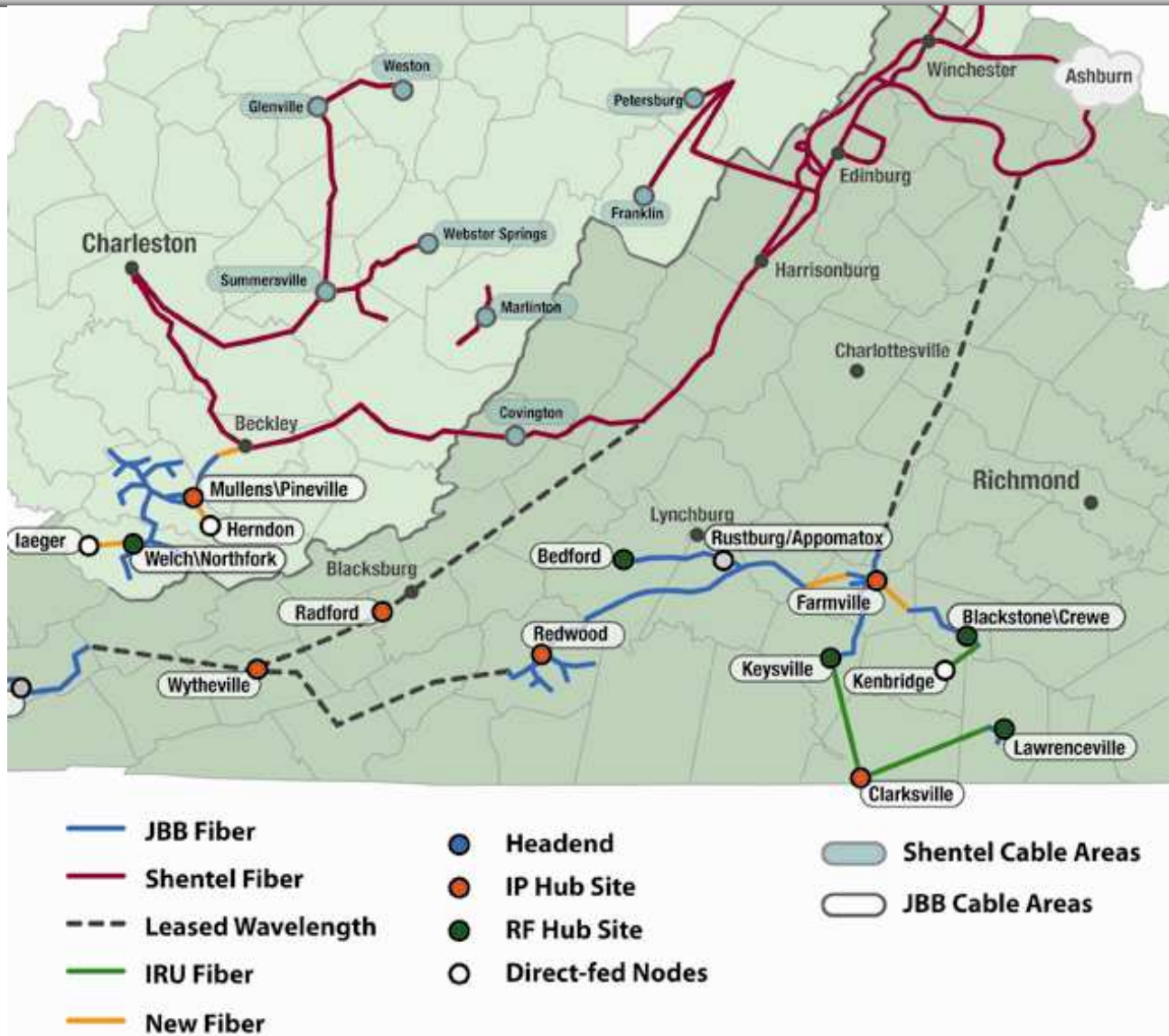
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- Diversification
- Scale
- Below Market Penetration
- Geographic Fit
- Synergies
- Leveraging Core Competencies
- Coaxial Network

## Percent of Homes Passed with Services



# JBB Network

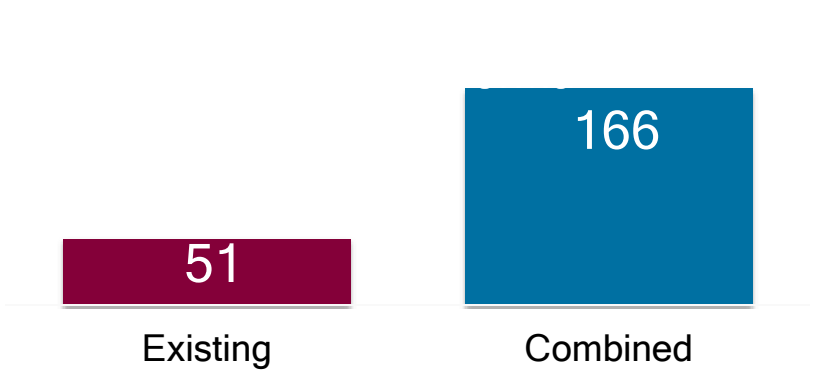




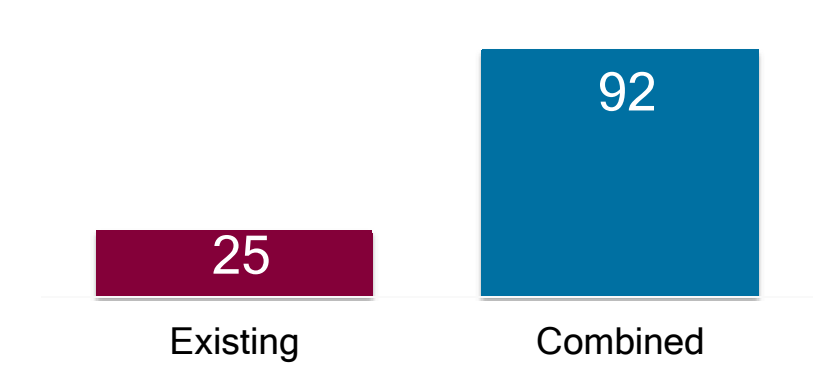
# Key Operational Metrics – With Acquisition

Pro Forma for Periods Ending December 31, 2009

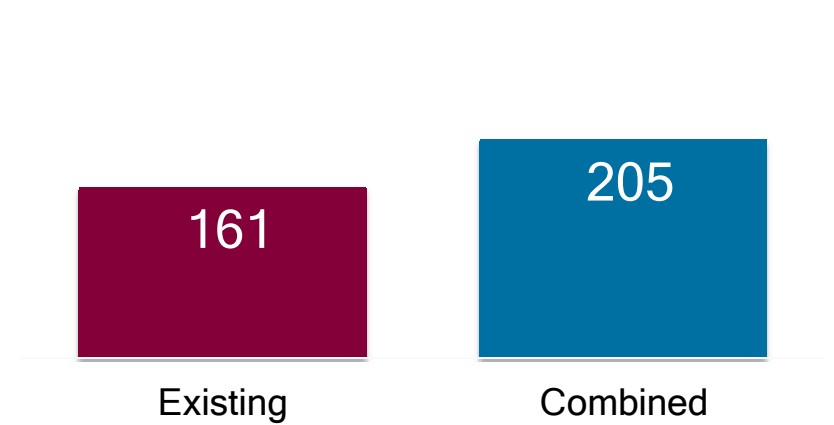
Cable Homes Passed (in 000's)



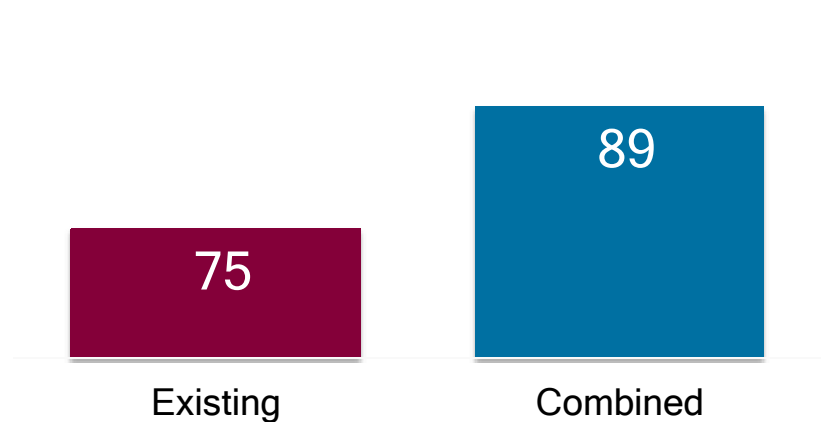
RGUs (in 000's)



Revenues (in millions)



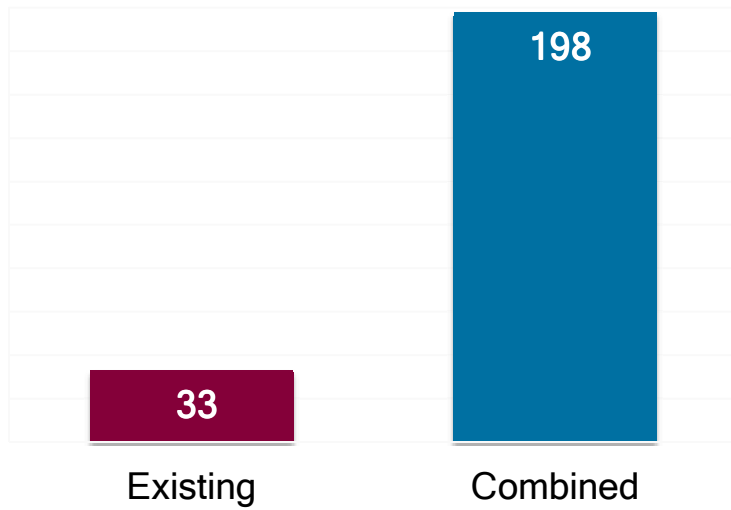
OIBDA (in millions)



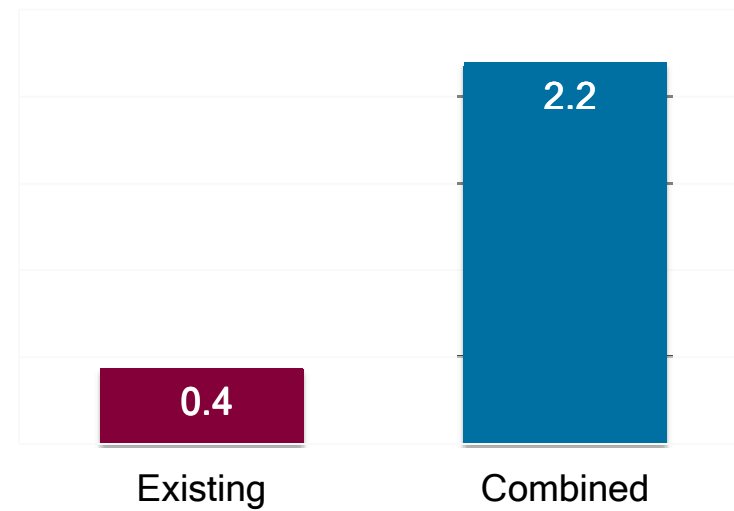
# Level of Debt

## Pro Forma for Periods Ending December 31, 2009

Debt (in millions)

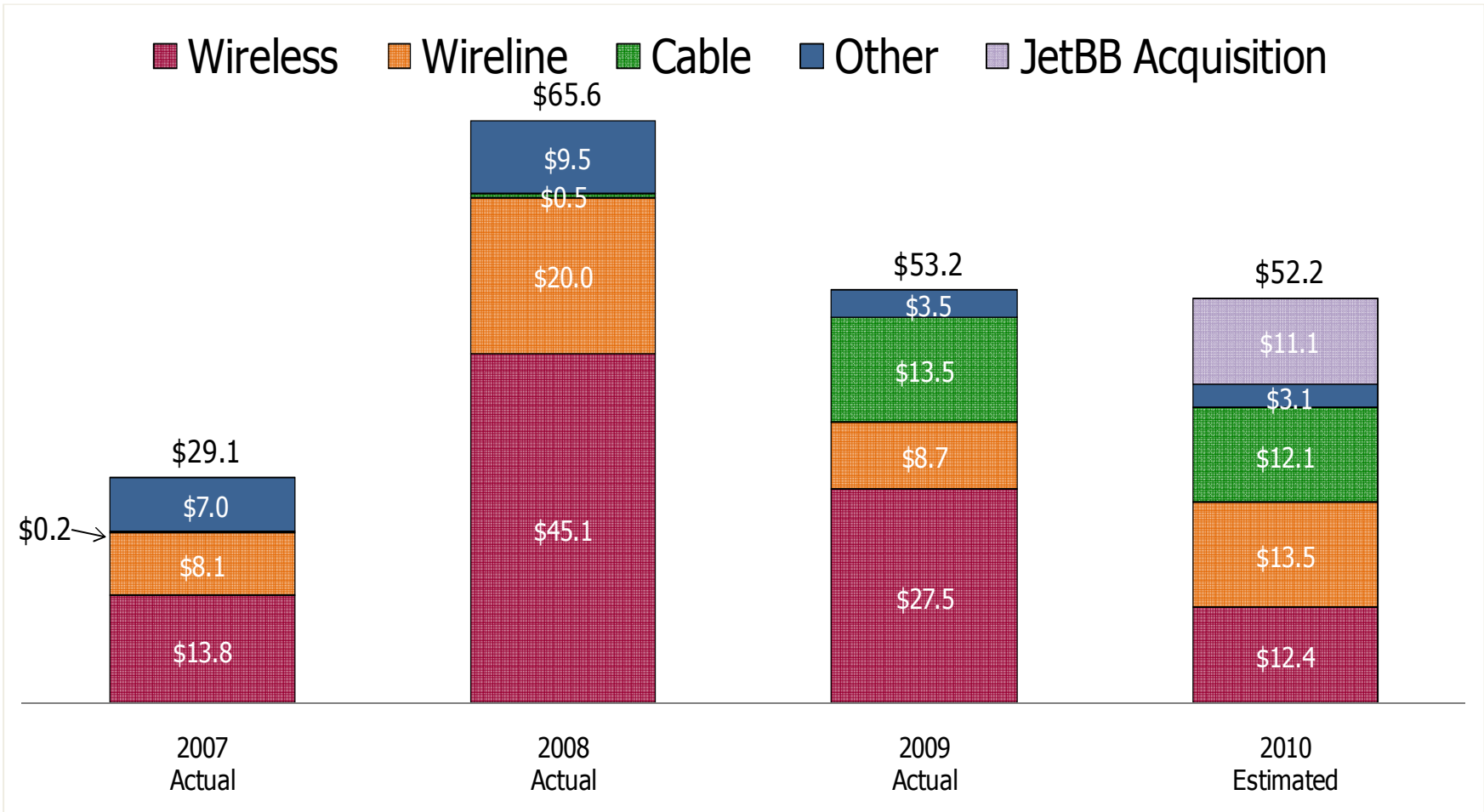


Debt to EBITDA Ratio



# Total Capital Expenditures

Capital Expenditures by Segment (\$ millions)



## JBB Execution

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- Success with Rapid Acquisition
- Network Interconnection
- Proven Technologies
- Similar Demographics
- Proximity
- Low Regulatory Risk
- Strategic Owner Appeal

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# Q&A