



1Q 2011 Earnings Conference Call

May 6, 2011

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 SEC filings which 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.

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Chris French

CEO and President

1Q'11 Highlights

- ❑ Total wireless customers increased by five percent to a total of 318 thousand at end of the quarter
- ❑ Over 13 thousand additional prepaid customers in Q1 2011, over 30 thousand added since the initial purchase of approximately 50 thousand Virgin Mobile customers in July 2010
- ❑ Postpaid net additions of nearly six percent since 3/31/10
- ❑ Total Cable RGUs 130,700 at end of year

Cable Highlights

□ Sales Momentum

- ▶ 1Q 2011 net RGU additions of 2,438

□ Triple Play

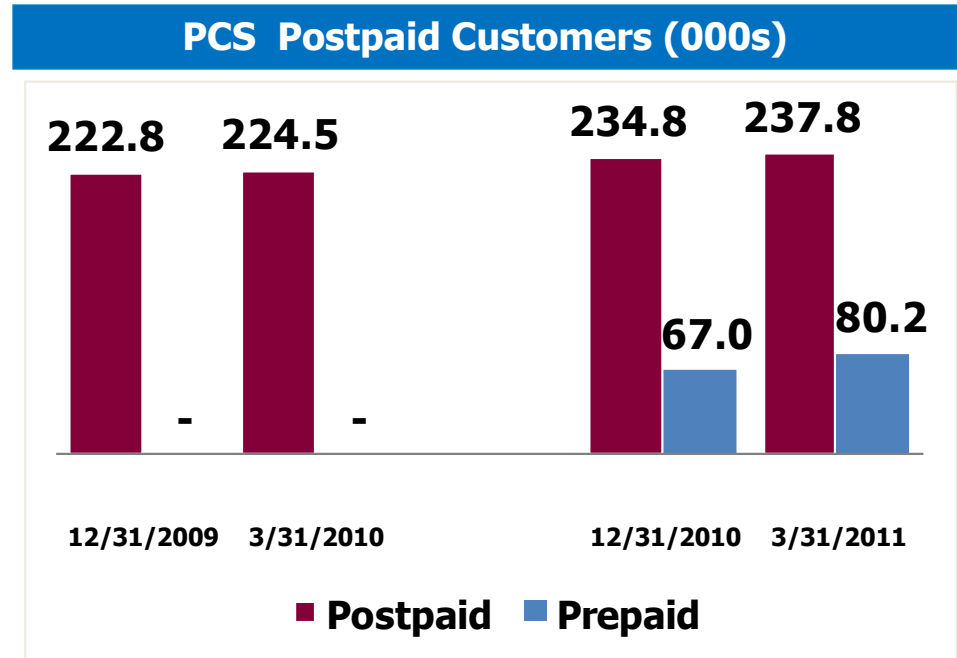
- ▶ Gains in digital video, high-speed Internet, and voice services

□ Cable Upgrades

- ▶ Former JetBroadband markets work underway

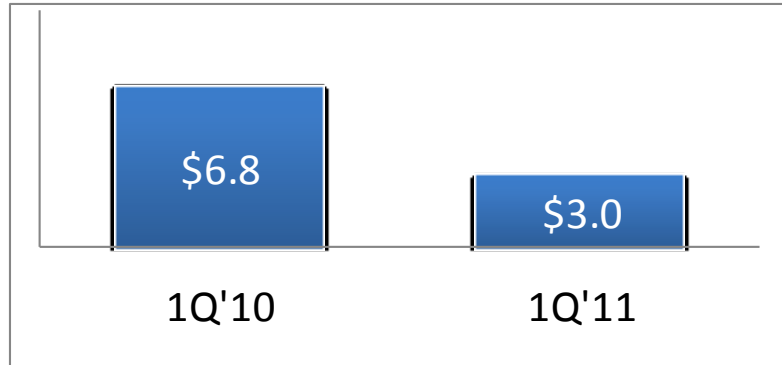
Wireless Highlights

- ❑ **Prepaid** – Q1'11 net additions of 13,287 and 80,243 prepaid subs at 12/31
- ❑ **Steady Wireless growth** – Postpaid customers up 6% in the last year
- ❑ **Postpaid Churn improves** – Annual churn of 1.8% compared to 1.9% for Q1'10

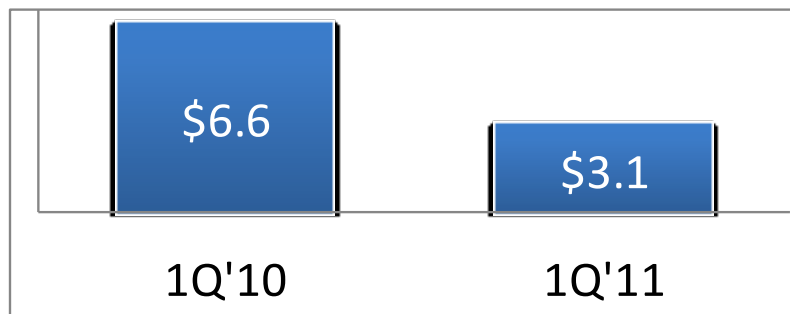


2011 Financial Highlights

Net Income (in millions)



Net Income from Continuing Operations (in millions)



❑ Prepaid Customer Growth

- Added \$2.4 million to acquisition costs, after taxes

❑ Cable Growth

- Added \$1.0 million in after tax acquisition costs

Adele Skolits

CFO and VP of Finance

Profitability

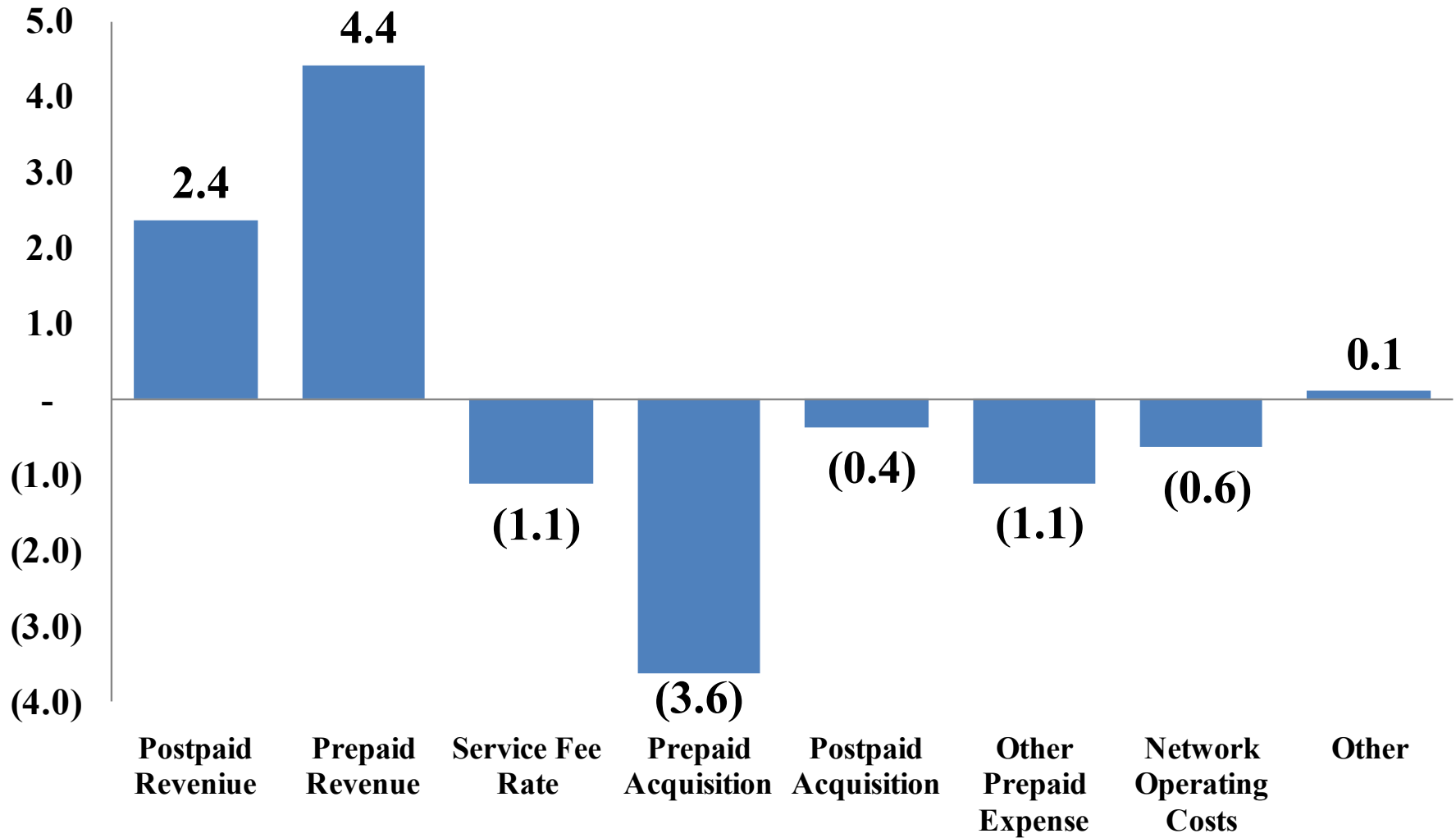
Adjusted OIBDA (\$ millions)

<i>(in thousands)</i>	For the Quarter Ended:		
	3/31/10	3/31/11	Change
Operating Income	\$11,518	\$7,091	(\$4,427)
Depreciation and Amortization	8,327	13,938	5,611
OIBDA	\$19,845	\$21,029	\$1,184
Share Based Compensation	142	310	168
Adjusted OIBDA	\$19,987	\$21,339	\$1,352

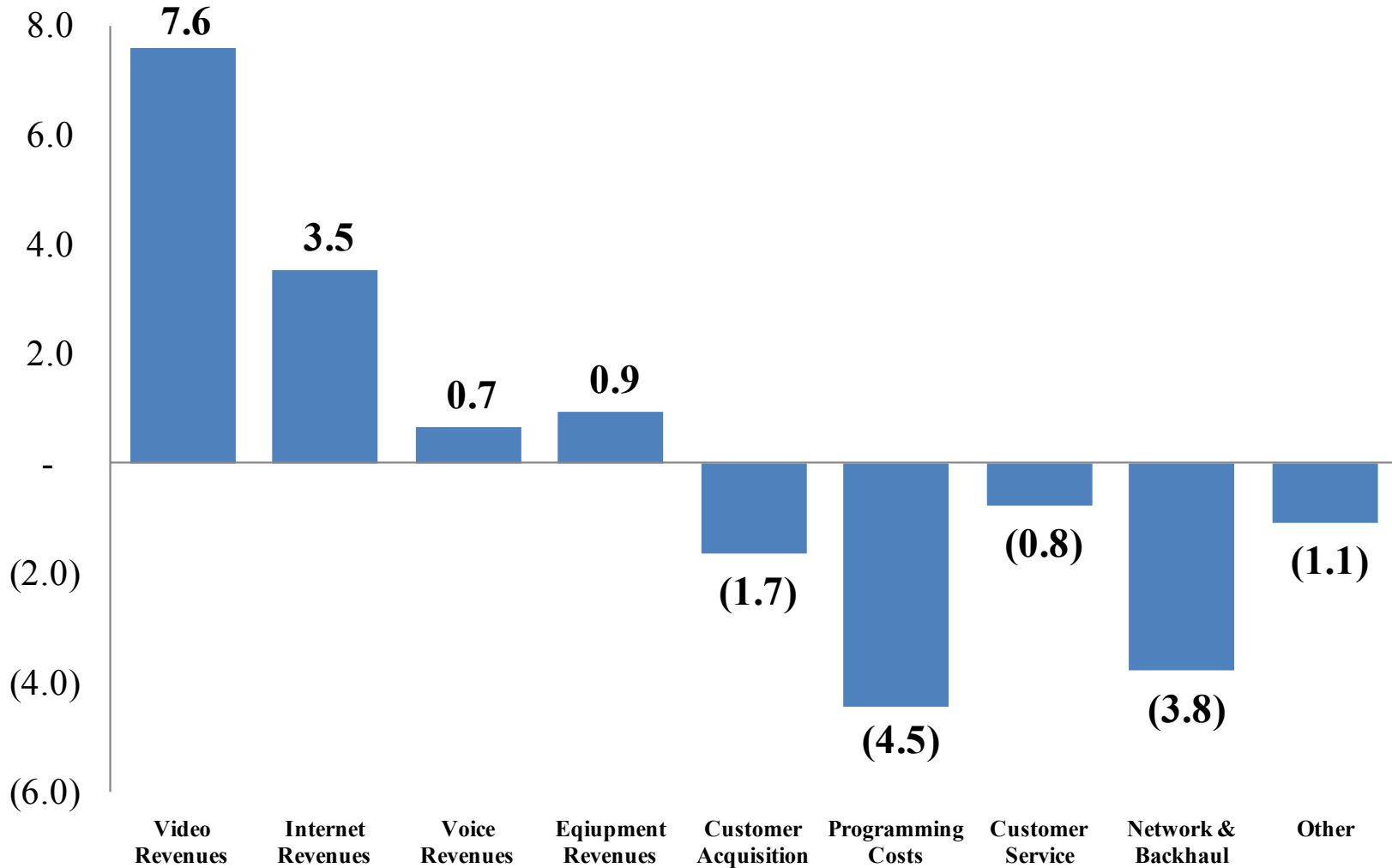
Adjusted OIBDA by Segment

	<u>Wireless</u>		<u>Wireline</u>		<u>Cable</u>	
	<u>Q1'10</u>	<u>Q1'11</u>	<u>Q1'10</u>	<u>Q1'11</u>	<u>Q1'10</u>	<u>Q1'11</u>
Operating Income	\$ 11.0	\$ 10.1	\$ 3.5	\$ 3.8	\$ (2.0)	\$ (5.7)
Depreciation and Amortization	5.2	6.2	1.9	1.9	1.1	5.7
OIBDA	<u>16.2</u>	<u>16.3</u>	<u>5.4</u>	<u>5.7</u>	<u>(0.9)</u>	<u>-</u>
Share Based Compensation	-	0.1	-	0.1	-	0.1
Adjusted OIBDA	<u>\$ 16.2</u>	<u>\$ 16.4</u>	<u>\$ 5.4</u>	<u>\$ 5.8</u>	<u>\$ (0.9)</u>	<u>\$ 0.1</u>

Wireless Segment – Change in Adjusted OIBDA Q1'10 vs. Q1'11



Cable Segment – Change in Adjusted OIBDA Q1'10 vs. Q1'11

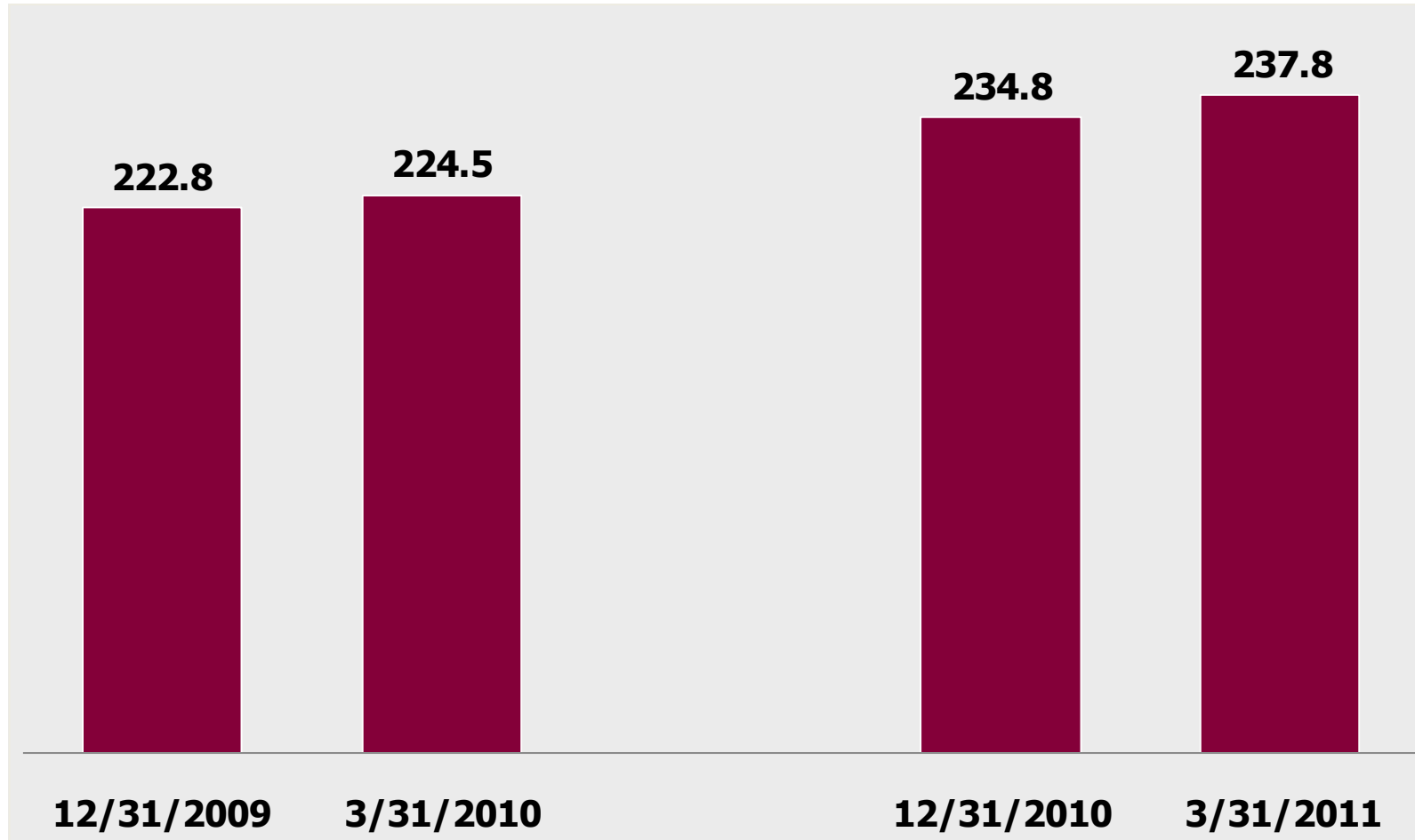


Earle MacKenzie

EVP and COO

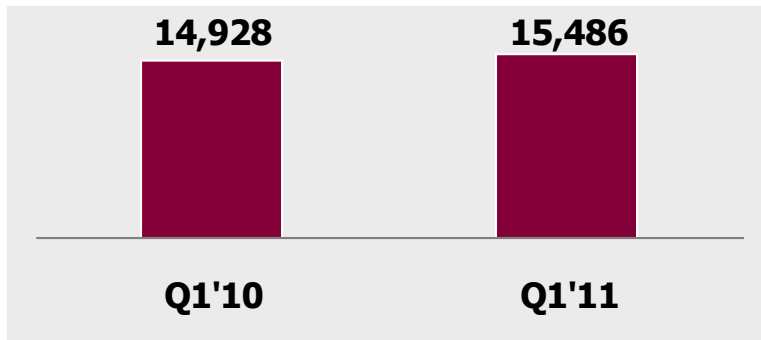
Key Operational Results – Wireless

PCS Postpaid Customers (000s)



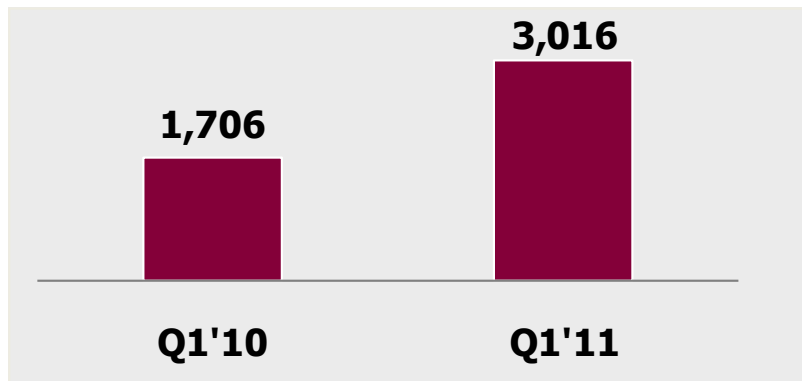
Key Operational Results – Wireless

Gross Additions - Postpaid



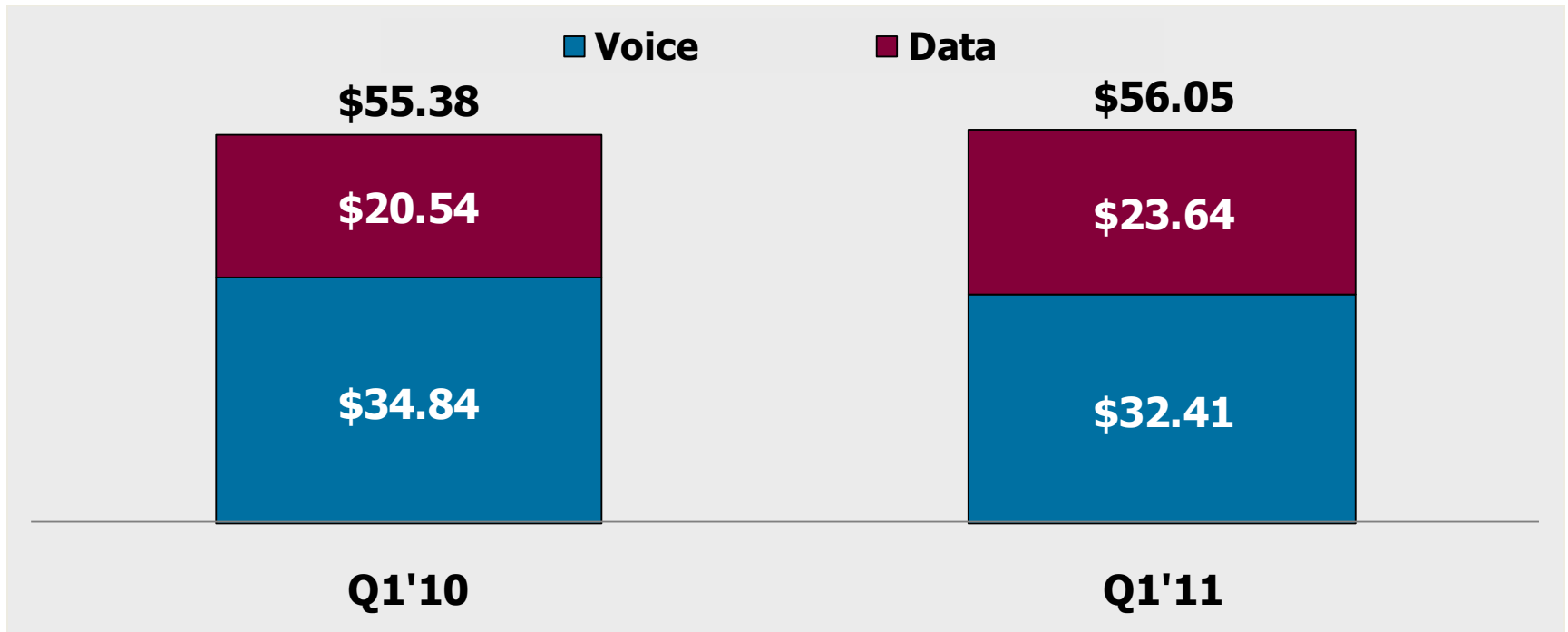
- Gross postpaid customer additions up 4%
- Q1 2011 net adds of 3,016, a 77% increase over Q1 2010
- Q4 2010 churn of 1.8% improved from 1.9% in Q1 2010

Net Additions - Postpaid



Key Operational Results – PCS

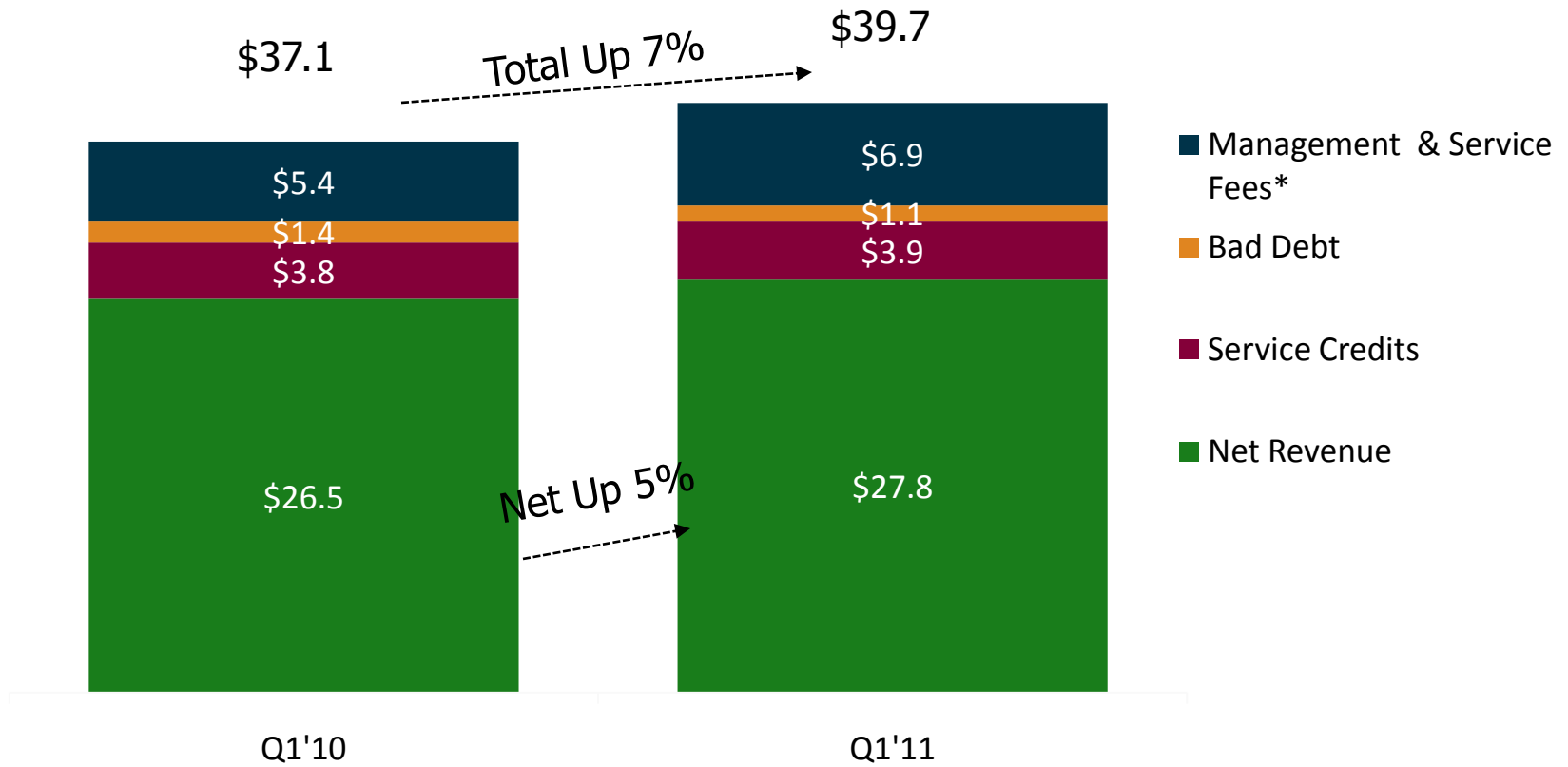
Gross Billed Revenue per Postpaid User – Data & Voice ¹



¹ – Before Service credits, bad debt, Sprint Nextel fees.

PCS Revenues

Gross Billed Revenues - Postpaid (\$ millions)



*-The Net Service Fee percentage increased from 8.8% to 12% effective 6/1/10

Postpaid PCS Customers Top Picks Q1 2011

■ Top Service Plans - 63% of Gross Adds

- ▶ Everything Data Family 1500 – 51%
- ▶ Everything 450 – 16%
- ▶ Everything Messaging Family 1500 – 7%

■ Top Devices – New Activations - All Channels

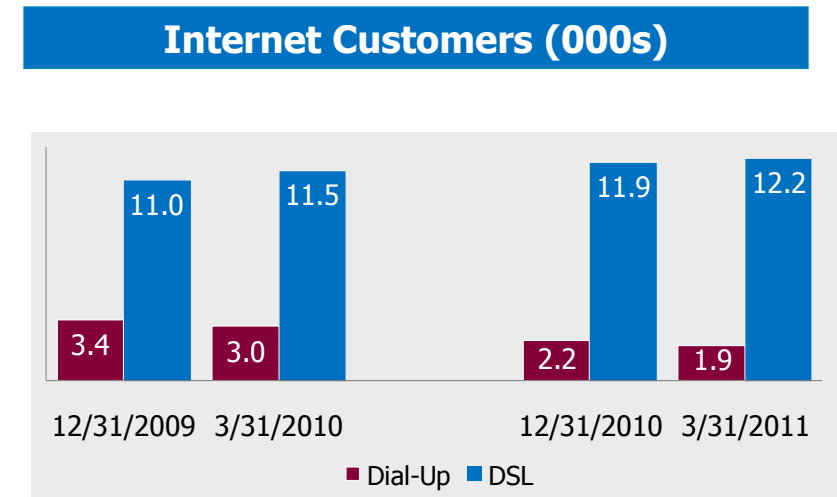
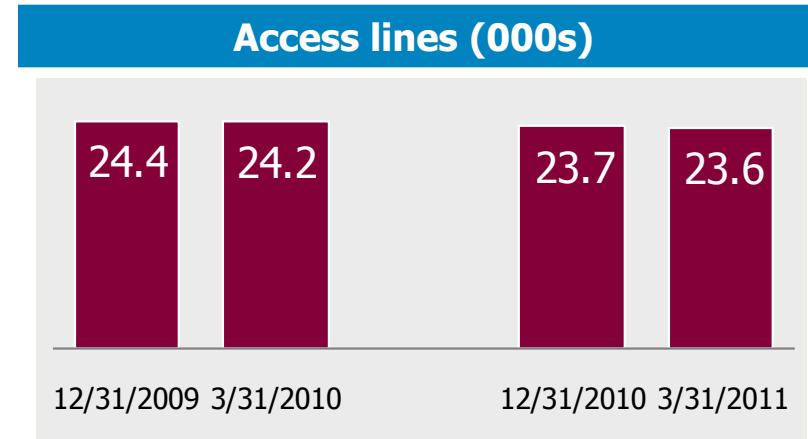
- ▶ LG Optimus 20%
- ▶ LG Rumor Touch 15%
- ▶ HTC EVO 4G 13%
- ▶ Sanyo Vero 5%
- ▶ HTC EVO Shift 4g 5%
- ▶ Mobile Data Cards 5%
- ▶ Mobile Computing 1%

PCS Prepaid Statistics

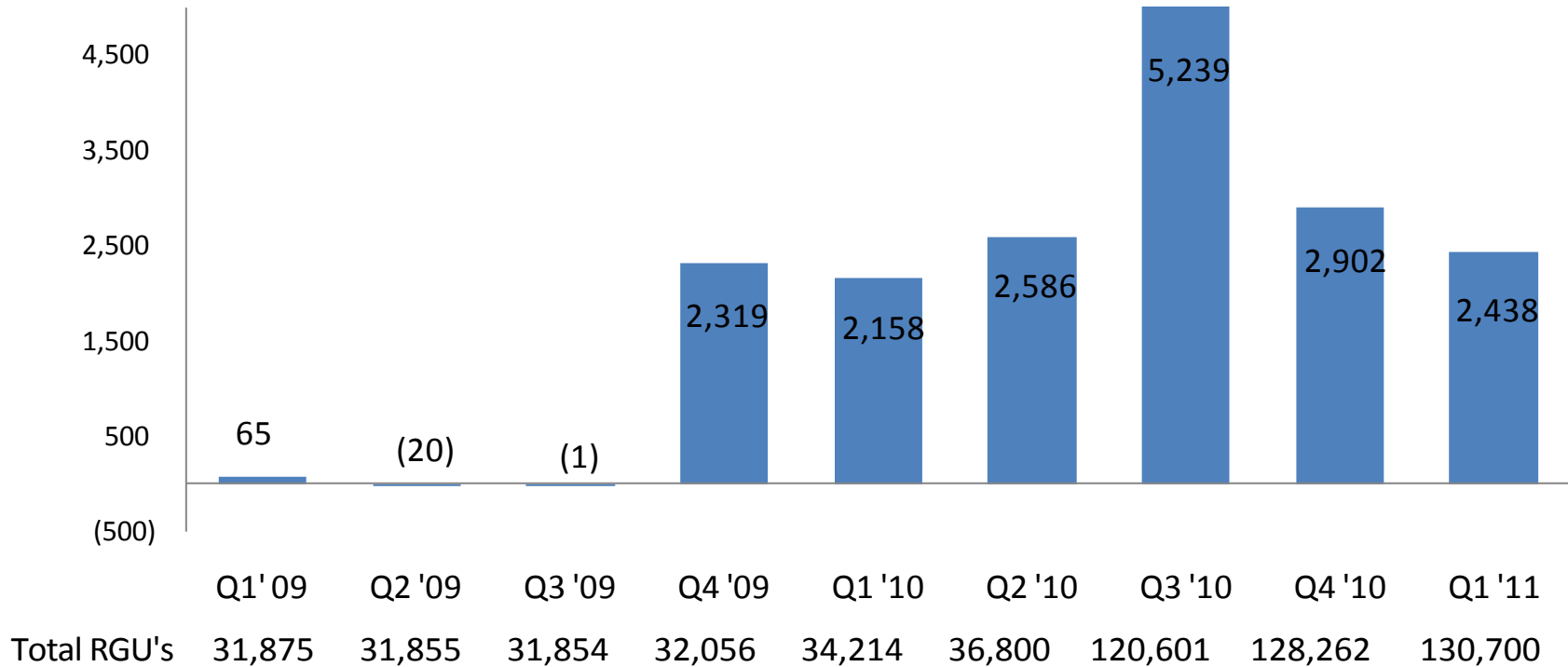
- Acquired 49,885 prepaid subscribers effective 7/1/10
 - Paid \$138 per sub
- Gross adds of 23,170 in Q1 2011 and 56,568 since 7/1/10
- Net adds of 13,287 in Q1 2011 and 30,358 since 7/1/10
- Ending subscribers of 80,243
- Churn rate of 4.5% for Q1 2011 down from 4.6% for Q4 2010
- Average Gross Billed Revenue of \$21.91 for Q1 2011 up from \$18.42 in Q4 2010

Key Operational Results - Wireline

- Modest access line loss
- Improved broadband penetration in LEC area to over 51%
- 6% growth in DSL customers since 3/31/10



RGU Growth by Quarter - Cable



Net RGU growth excludes 1,754 RGU's sold Q4'09 and 65,338 acquired Q3'10 and 4,245 acquired in Q4'10

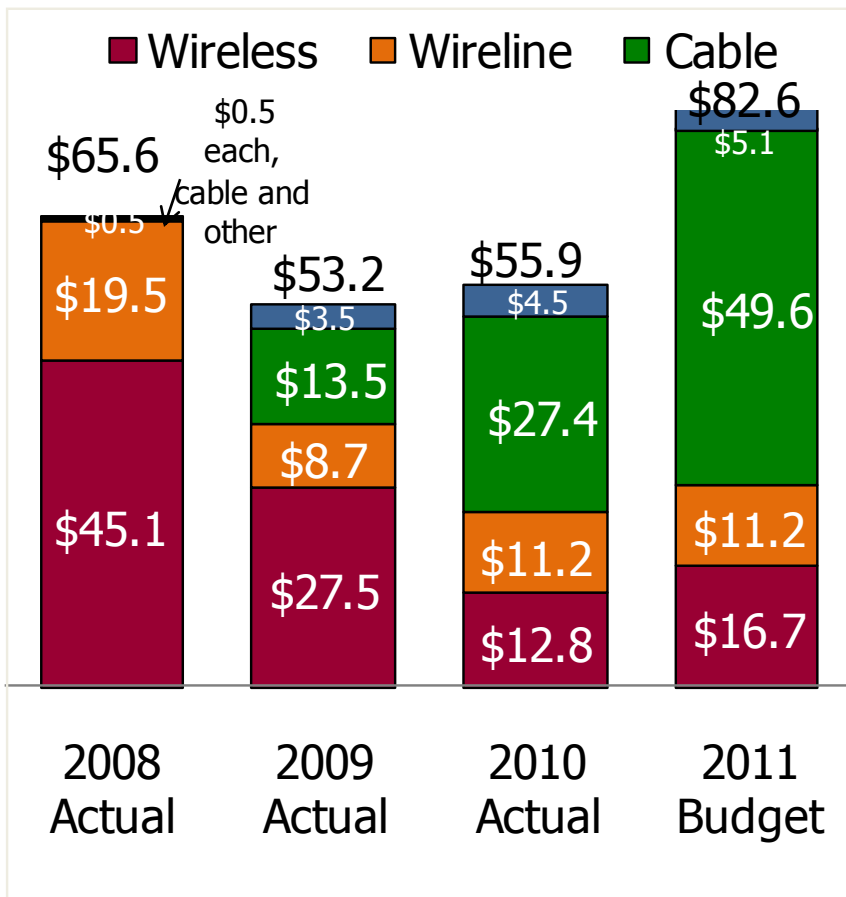
Key Operational Results - Cable

	<u>3/31/2011</u>	<u>12/31/2010</u>	<u>3/31/2010</u>	<u>12/31/2009</u>
Homes Passed	179,328	178,763	56,268	56,268
Basic Video				
Customers	66,861	67,235	23,455	23,022
Penetration	37.3%	37.6%	41.7%	40.9%
Digital video customers	23,278	22,855	7,475	6,487
Digital video penetration	34.8%	34.0%	31.9%	28.2%
High-speed Internet				
Available Homes	147,444	144,099	27,522	25,748
Customers	33,472	31,832	3,224	2,525
Penetration	22.7%	22.1%	11.7%	9.8%
Voice				
Available Homes	121,960	118,652	6,355	-
Customers	7,089	6,340	60	22
Penetration	5.8%	5.3%	0.9%	n/a
Revenue Generating Units	130,700	128,262	34,214	32,056

Note: Video homes passed includes 16K homes located in Shenandoah County, VA, where internet and voice services are not available from the cable company.

Investing in the Future

Capex Spending



- Completed hardening of Jet Network in Q4 2010
- Upgrade of Farmville system completed in Q1 2011 with other eastern VA systems to be completed in Q2 2011
- All Virginia systems upgrades projected to be completed in 2011
- West Virginia systems upgrades to be completed in 2012

Q&A

Appendix

Non-GAAP Financial Measure – Billed Revenue per Postpaid Subscriber

Dollars in thousands (except subscribers and revenue per subscriber)

	<u>1Q 2010</u>	<u>1Q 2011</u>
<u>Gross billed revenue</u>		
Wireless segment total operating revenues	\$30,233	\$36,469
Equipment revenue	(1,218)	(1,569)
Tower Lease Revenue	(1,948)	(2,177)
Prepaid Net Service Revenues		(4,424)
Other revenue	<u>(540)</u>	<u>(519)</u>
Wireless service revenue – postpaid	26,527	27,780
Service credits	3,756	3,948
Write-offs	1,422	1,060
Management fee	2,592	2,701
Service fee	<u>2,851</u>	<u>4,214</u>
Gross billed revenue – postpaid	<u>\$37,148</u>	<u>\$39,703</u>
Average postpaid subscribers	223,611	236,131
Billed revenue per postpaid subscriber	\$55.38	\$56.05