



Investor Conference Call
February 6, 2012

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.

Chris French

CEO and President

Network Vision Benefits

- Keeps Shentel's network aligned with Sprint's**
- Allows Shentel to remain competitive with Verizon and AT&T**
- Improve customers' experience**
- Launch LTE as early as Q3 2012**
- Provide better in building and overall coverage**
- Gives Shentel potential to leverage investment**
- Convert existing iDEN customers to our network**

Sprint Amendment Key Points

- ❑ **Complete upgrade by December 31, 2013**
 - ▶ **Best efforts requirement**

- ❑ **Initial 20 year contract extended five years from November 2019 to November 2024**
 - ▶ **Retain the two ten-year extensions**

- ❑ **Continues to limit level of future capital expenditures that Sprint can require**

Sprint Amendment Key Points (continued)

- ❑ Migration of iDEN customers in Shentel's service area**
 - ▶ Reimburse Sprint \$350 for each postpaid customer**
 - ▶ Reimburse Sprint \$150 for each prepaid customer**

- ❑ Net Service Fee cap will increase on July 1, 2013**
 - ▶ Currently 12%, will increase to 14%**
 - ▶ Cap cannot be changed without mutual consent**
 - ▶ Retaining cap gives Shentel ability to forecast with more accuracy**

- ❑ Able to purchase network equipment and services from Alcatel Lucent at the same price as Sprint**

Capital Expenditures

- ❑ **Capital Plan**
 - ▶ **Planning and pre-construction underway**
 - ▶ **Start deployment in Q2 2012**

- ❑ **Capital cost of upgrading to Network Vision is approximately \$115M**
 - ▶ **\$60M in 2012**
 - ▶ **\$55M in 2013**

- ❑ **Anticipate continued customer growth, requiring additional capacity; the total wireless capital budget will be**
 - ▶ **\$83M in 2012**
 - ▶ **\$70M in 2013**

Adele Skolits

CFO and VP of Finance

Effect on Financial Results

- ❑ **Continue to compete effectively for wireless customers**
 - ▶ **More than 5% growth in postpaid customers in each of last three years**
 - ▶ **Prepaid customers have more than doubled since July 2010**
 - ▶ **Sustaining this growth not possible absent a robust 4G network**

- ❑ **Opportunity to convert iDEN subscribers within our footprint**
 - ▶ **Sprint estimates that there are 50,000 postpaid and 11,000 prepaid iDEN subs in Shentel's footprint**

- ❑ **Plan to upgrade 274 cell sites in 2013 and the remainder in 2014. Expect to accelerate depreciation by**
 - ▶ **\$7.3M in 2012**
 - ▶ **\$5.3M in 2013**

Effect on Financial Results (continued)

- ❑ **New 4G cell sites will require either fiber or microwave backhaul**
 - ▶ **More robust than existing T1-based backhaul**
 - ▶ **Will provide excess capacity**

- ❑ **Incremental costs of backhaul**
 - ▶ **Non-recurring installation fees**
 - **\$1M in 2012**
 - **\$.7M in 2013**
 - ▶ **Redundant**
 - **\$1.6M in 2012**
 - **\$1.1M in 2013**
 - ▶ **Expanded capacity**
 - **\$.9M in 2012**
 - **\$.8M in 2013**

Credit Facilities

<i>2012 Capital Expenditures</i>	
Wireless	\$81.9M
Cable	\$34.2M
Wireline	\$15.3M
Management	\$ 7.0M
Shentel Total	\$138.4M

□ Available credit facilities

▶ \$50M Revolver

- Priced consistent with existing loan facility (LIBOR + 3%)

▶ \$100M Accordion

- Market terms to be determined at the time funds are drawn

□ Recently changed existing credit facilities to eliminate covenant limiting capital spending

Q&A