

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 1, 2014

Shenandoah Telecommunications Company

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction of incorporation)

0-9881
(Commission File Number)

54-1162807
(IRS Employer Identification No.)

500 Shentel Way
P.O. Box 459
Edinburg, VA
(Address of principal executive offices)

22824
(Zip Code)

Registrant's telephone number, including area code: (540) 984-4141

Not applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2-(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure.

The following information is furnished pursuant to Regulation FD: On August 1, 2014, Shenandoah Telecommunications Company held its second quarter 2014 earnings release conference call. The materials attached hereto as Exhibit 99.1 were utilized during the conference call. These materials are also available on the Company's website.

These materials may contain forward-looking statements about Shenandoah Telecommunications 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 or similar words, or by discussions of strategy or risks and uncertainties. Shenandoah Telecommunications undertakes no obligation to revise or update such statements to reflect current events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

The following exhibit is furnished with this Current Report on Form 8-K.

99.1 Second Quarter 2014 Earnings Release Conference Call Slides

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SHENANDOAH TELECOMMUNICATIONS COMPANY
(Registrant)

August 1, 2014

/s/ Adele M. Skolits

Adele M. Skolits
Vice President - Finance and
Chief Financial Officer
(Duly Authorized Officer)

Exhibit 99.1



**2Q 2014
Earnings Conference Call**

August 1, 2014

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.

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 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.



Chris French

President and CEO

Q2'14 Highlights

■ Net Income Growth – Q2'14 v. Q2'13

- Increased 9.9% to \$8.6 million
- Adjusted OIBDA increased 5.7% to \$33.0 million

■ Revenue Growth

- Revenue grew 5.1% over Q2'13 to \$81.4 million

■ Customer Growth

	<u>6/30/13</u>	<u>6/30/14</u>	<u>Change</u>
Wireless	397,669	415,849	+18,180
Cable (RGUs)	109,490	116,221	+6,731

Wireless Highlights

❑ Postpaid Growth

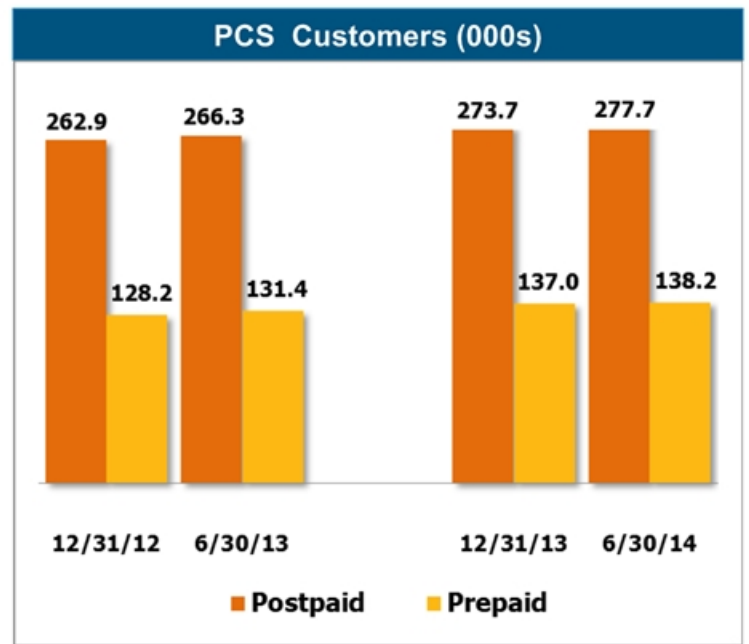
Postpaid customers up 4.3% over last 12 months

❑ Prepaid Growth

Prepaid customers up 5.2% over last 12 months

❑ Operating Revenue Increase

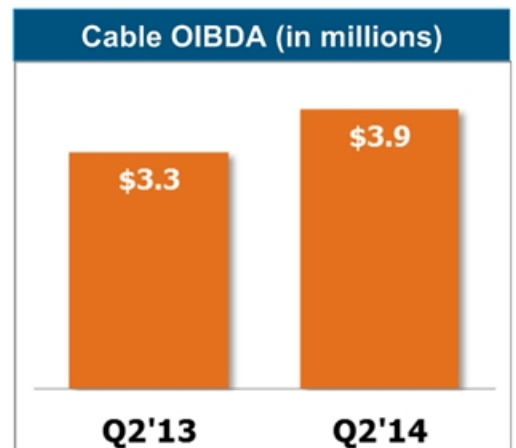
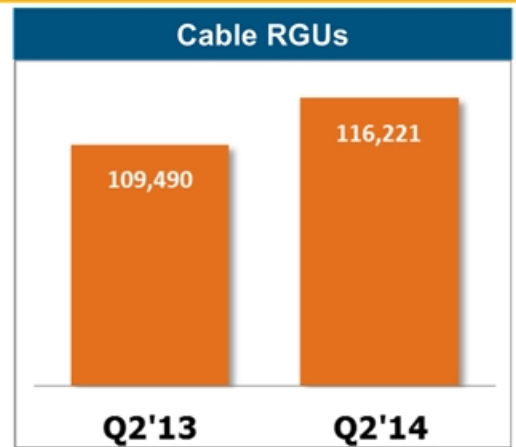
Improvement of \$2.0 million, or 4.0%



Cable Highlights

■ Revenue Growth

- Operating revenues \$20.8 million, growth of 11.2% over Q2'13
- Q2'14 Adjusted OIBDA \$3.9 million, up 20.1% from Q2'13
- 116,221 RGUs at 6/30/2014, up 6.1% over Q2'13



Network Upgrades Helping to Drive Performance

- New and existing wireless customers benefiting from state-of-the-art 4G LTE network
 - \$115 million project completed late 2013
- Cable customers benefiting from improved video services, high-speed data and voice services
 - Upgrades completed in 2013
 - “Net promoter score” has increased dramatically since 2011



Adele Skolits

VP of Finance and CFO

Profitability

Consolidated Results
(\$ in thousands, except per share amounts)

	For the Quarter Ended:		
	6/30/13	6/30/14	Change
Operating Income	\$ 14,500	\$ 15,793	8.9%
Net Income	\$ 7,842	\$ 8,615	9.9%
Earnings Per Share:			
Basic	\$ 0.33	\$ 0.36	9.1%
Diluted	\$ 0.33	\$ 0.35	6.1%

Profitability

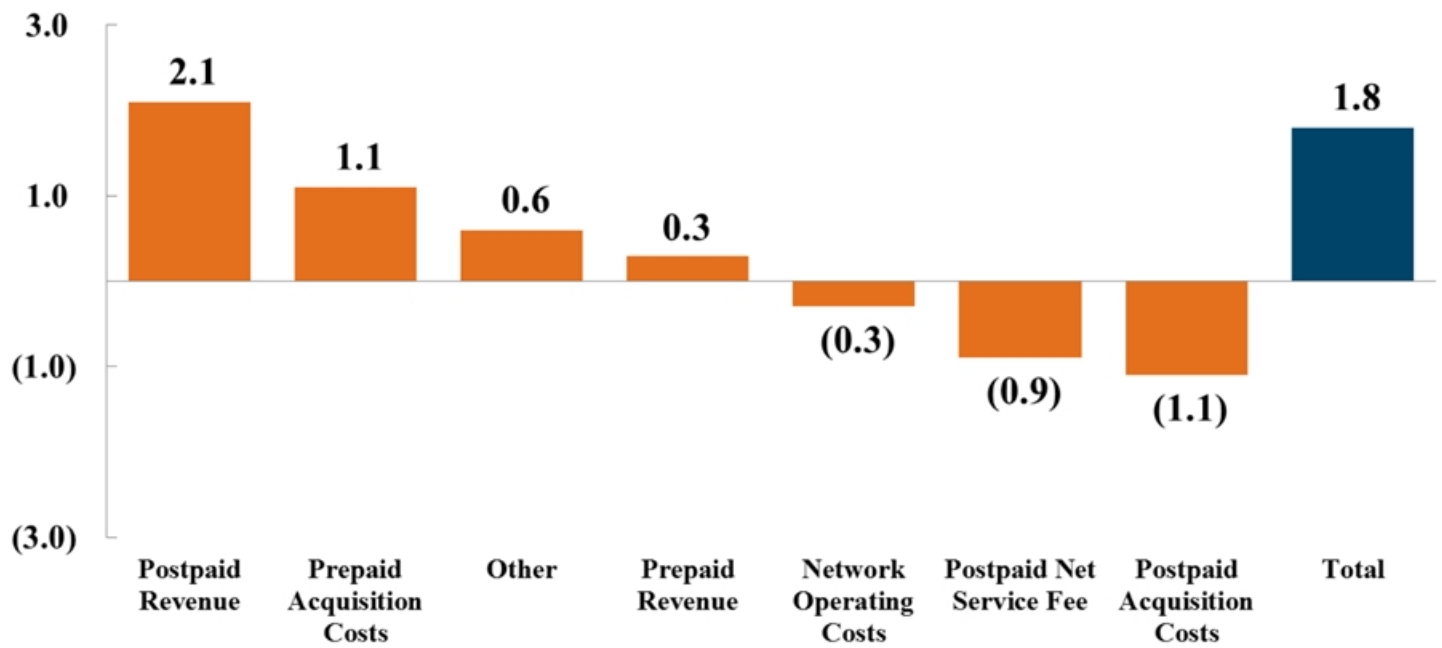
Adjusted OIBDA (\$ thousands)

	For the Quarter Ended:		
	6/30/13	6/30/14	Change
Operating Income	14,500	15,793	1,293
Depreciation and Amortization	16,071	16,595	524
Share Based Compensation	537	532	(5)
(Gain)/Loss on Asset Sales/Disposals	152	123	(29)
Adjusted OIBDA	31,260	33,043	1,783

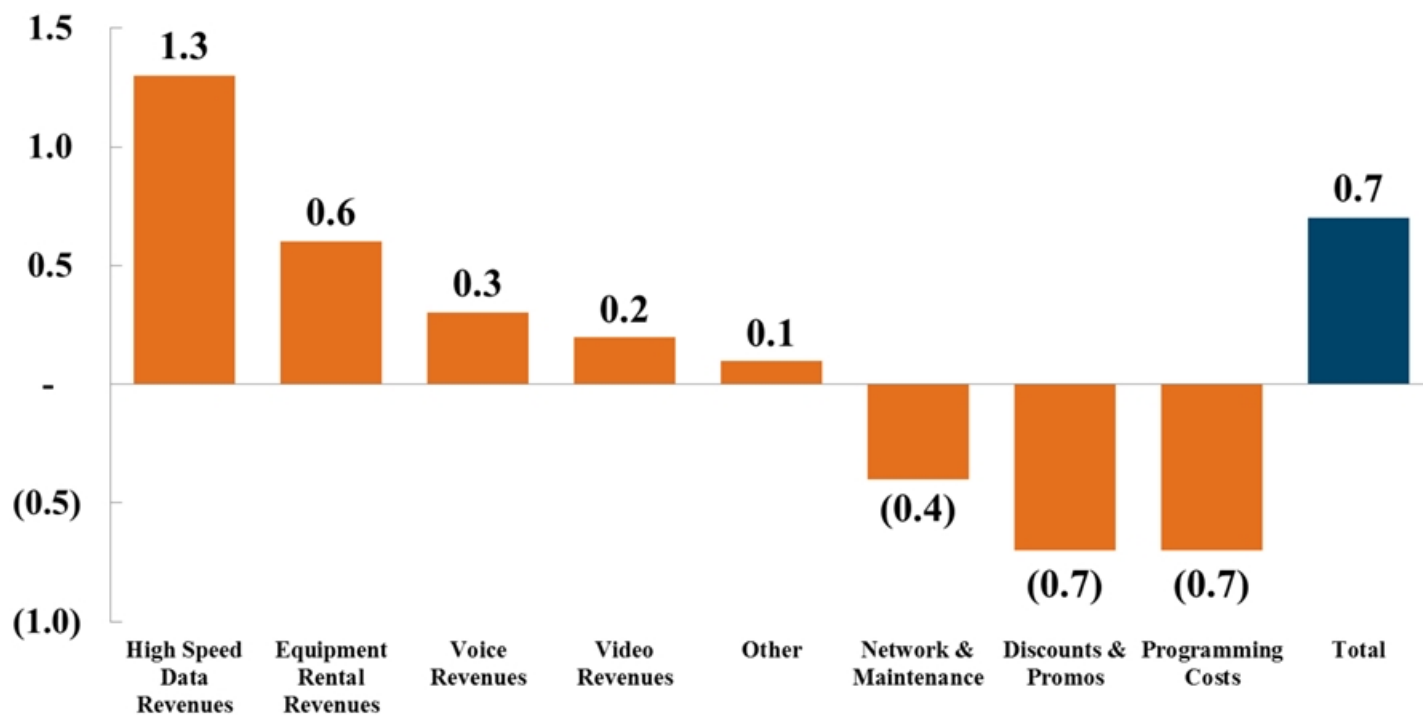
Adjusted OIBDA by Segment (\$ millions)

	<u>Wireless</u>		<u>Cable</u>		<u>Wireline</u>	
	<u>Q2'13</u>	<u>Q2'14</u>	<u>Q2'13</u>	<u>Q2'14</u>	<u>Q2'13</u>	<u>Q2'14</u>
Operating Income	\$ 16.1	\$ 17.6	\$ (2.5)	\$ (2.1)	\$ 4.0	\$ 3.8
Depreciation and amortization	7.8	8.1	5.5	5.8	2.8	2.6
Plus (gain) loss on asset sales	-	-	0.1	-	0.1	-
Share based compensation	0.1	0.1	0.2	0.2	0.1	0.1
Adjusted OIBDA	\$24.0	\$25.8	\$ 3.3	\$ 3.9	\$7.0	\$ 6.5
Percent Change		8%		20%		(7%)

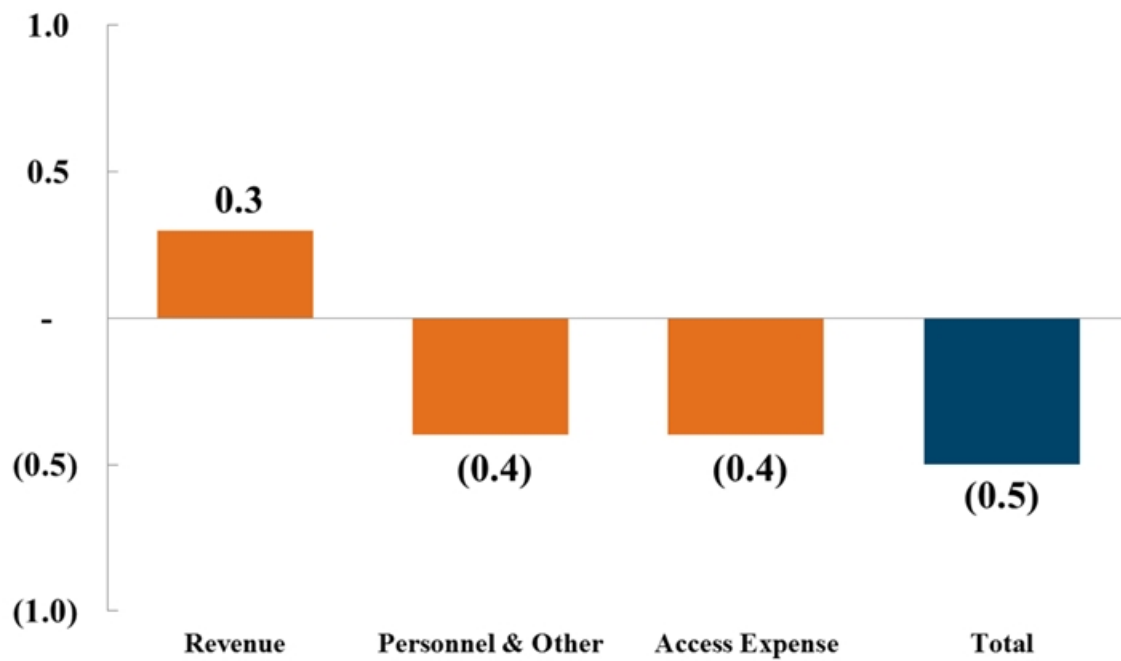
Wireless Segment – Change in Adjusted OIBDA Q2'14 vs. Q2'13 (\$ millions)



Cable Segment – Change in Adjusted OIBDA Q2'14 vs. Q2'13 (\$ millions)



Wireline Segment – Change in Adjusted OIBDA Q2'14 vs. Q2'13 (\$ millions)





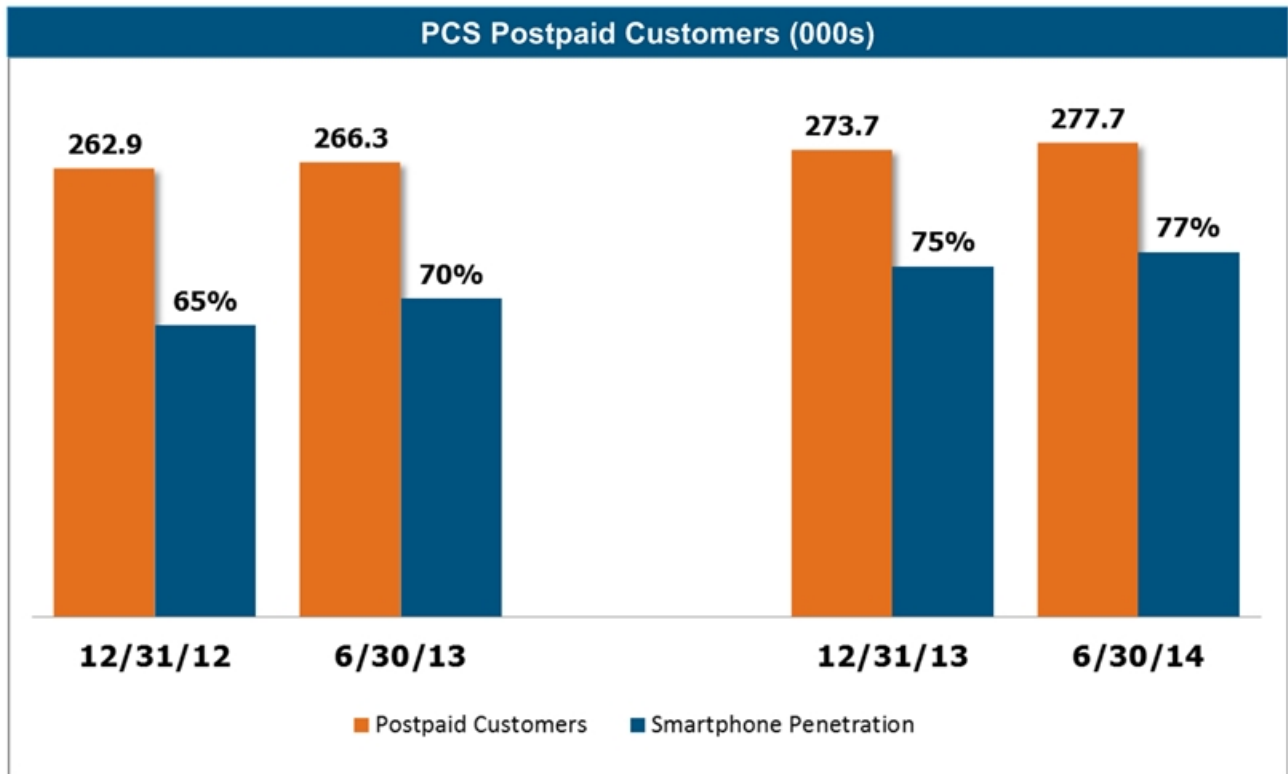
Earle MacKenzie

EVP and COO

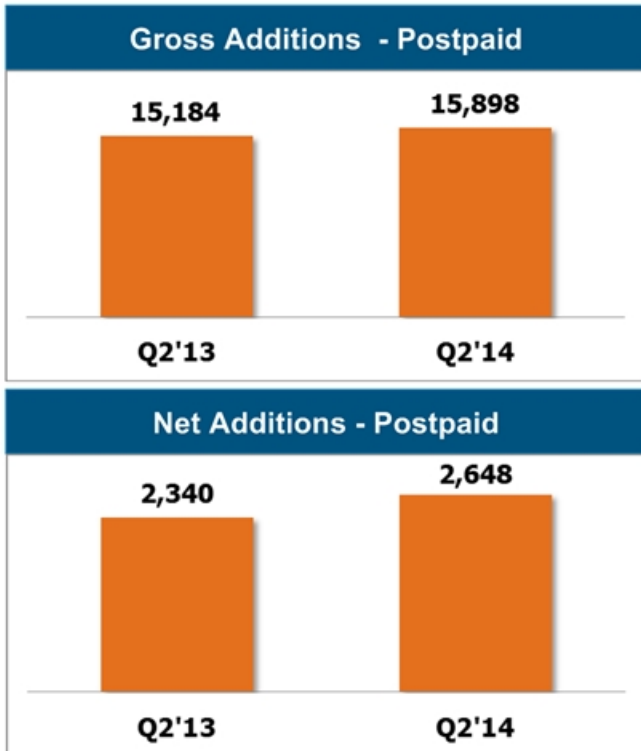


Wireless Segment

Postpaid Customer Growth



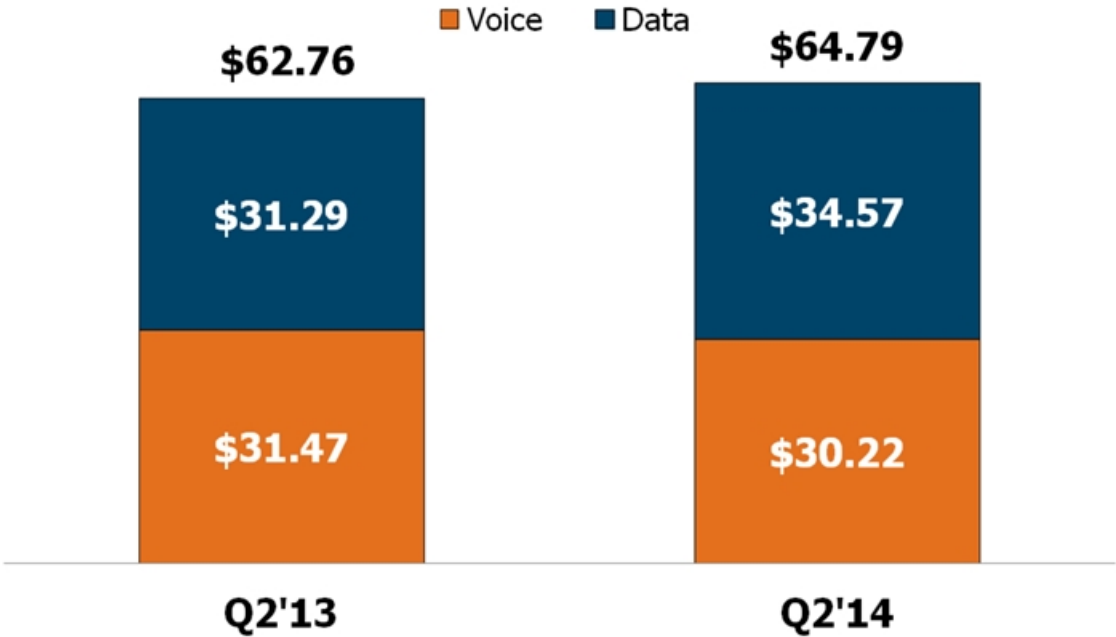
Postpaid Customer Additions



- Net adds of 2,648 in Q2 2014 versus 2,340 in Q2 2013
- Q2 2014 churn of 1.60% down from 1.62% in Q2 2013
- Shentel-controlled channels produced 47% of gross adds in Q2 2014 and 44% in Q2 2013

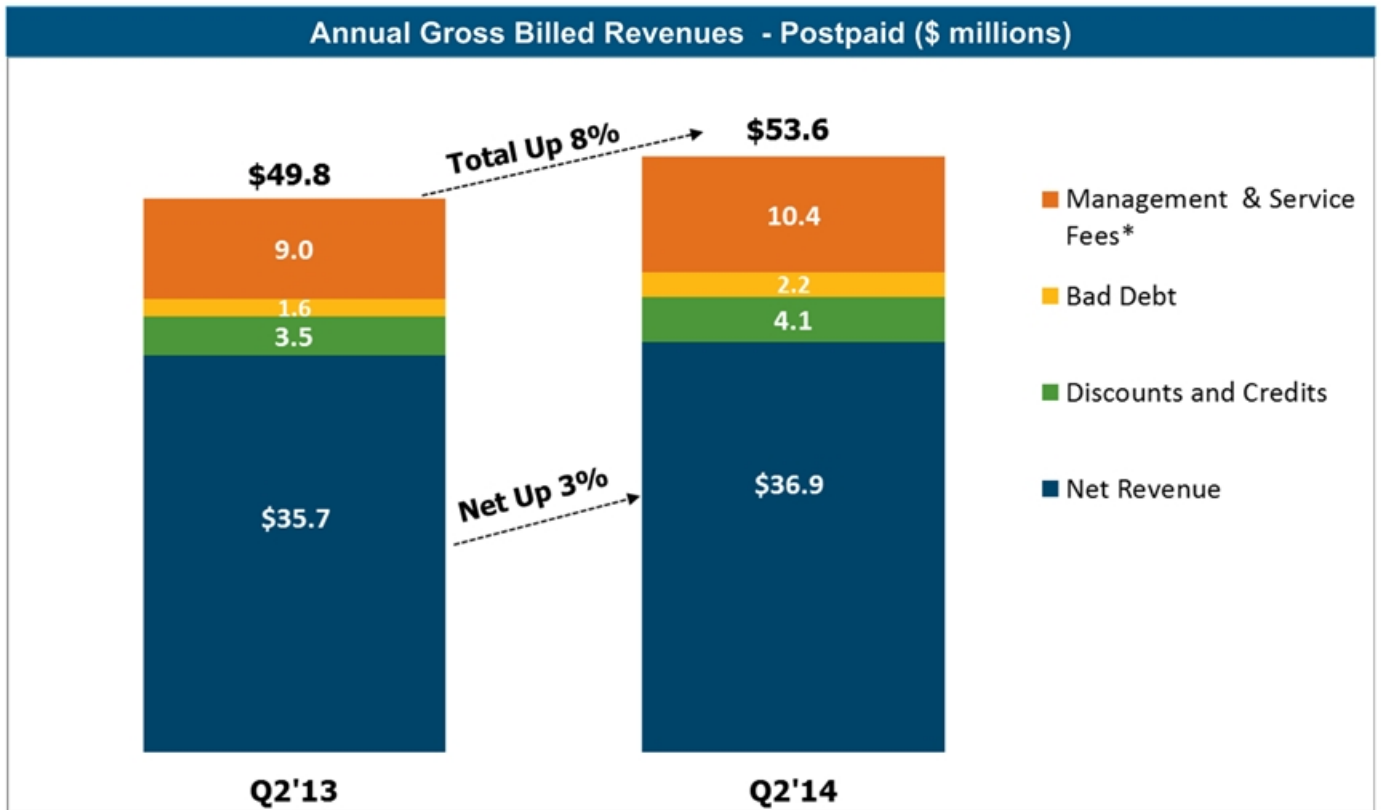
Total Revenue per Customer Up; Data Usage Increasing

Gross Billed Revenue per Postpaid User – Data & Voice ¹



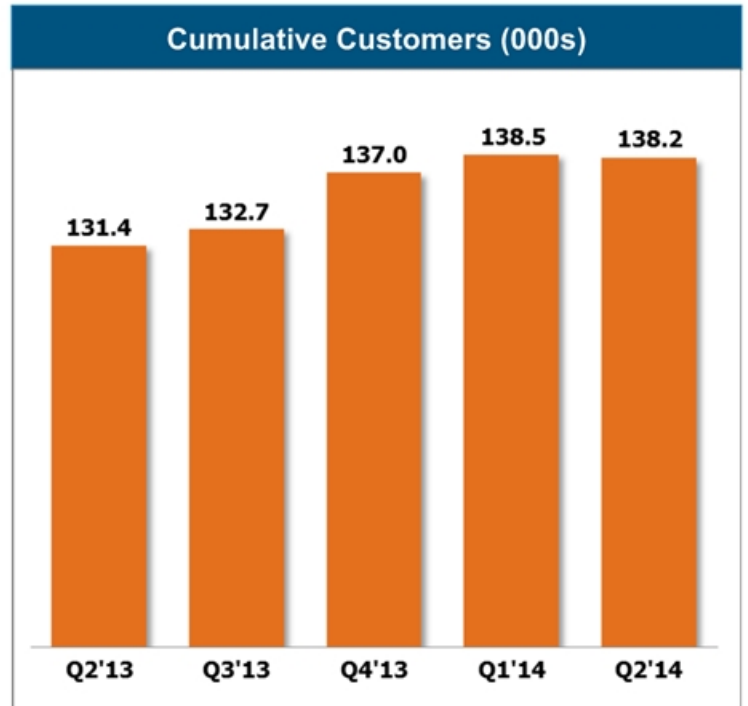
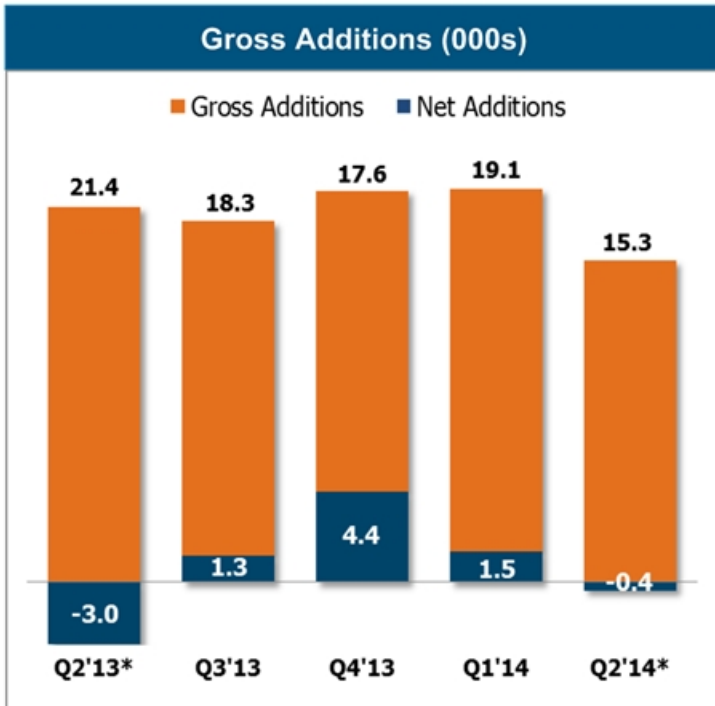
¹ – Before Service credits, bad debt, Sprint Nextel fees.

PCS Revenues



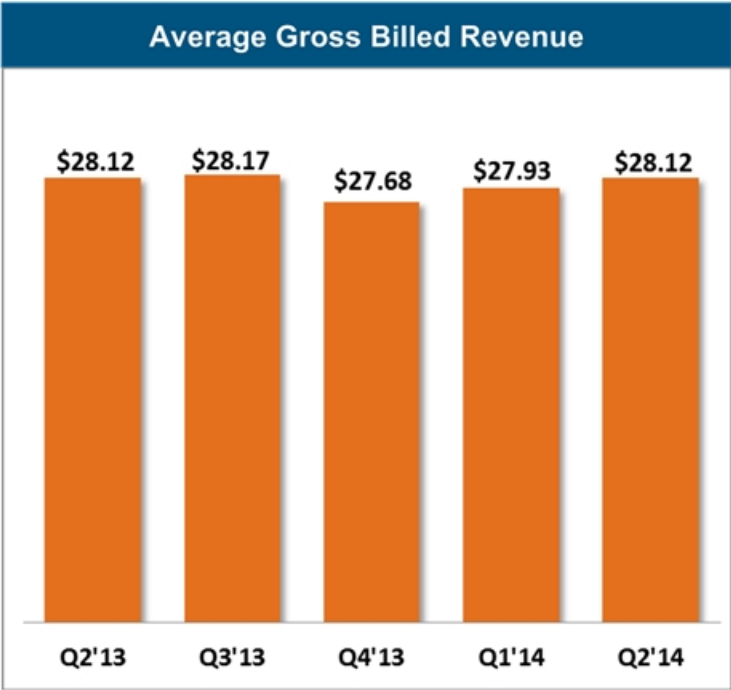
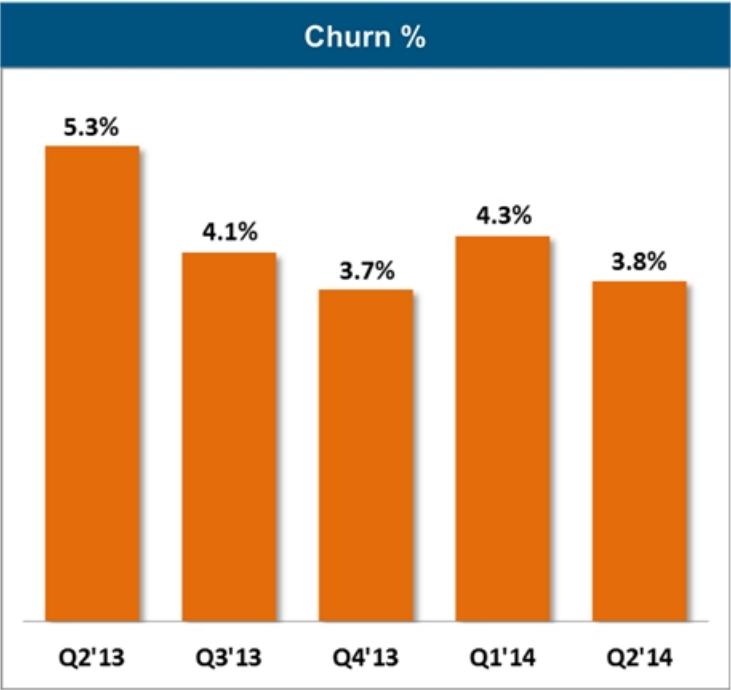
*Net service fee increased from 12% to 14% effective 8/1/2013

PCS Prepaid Statistics



*The loss of customers in Q2'13 and Q2'14 related to more stringent governmental requirements for customers renewing their eligibility for the government subsidized Assurance program.

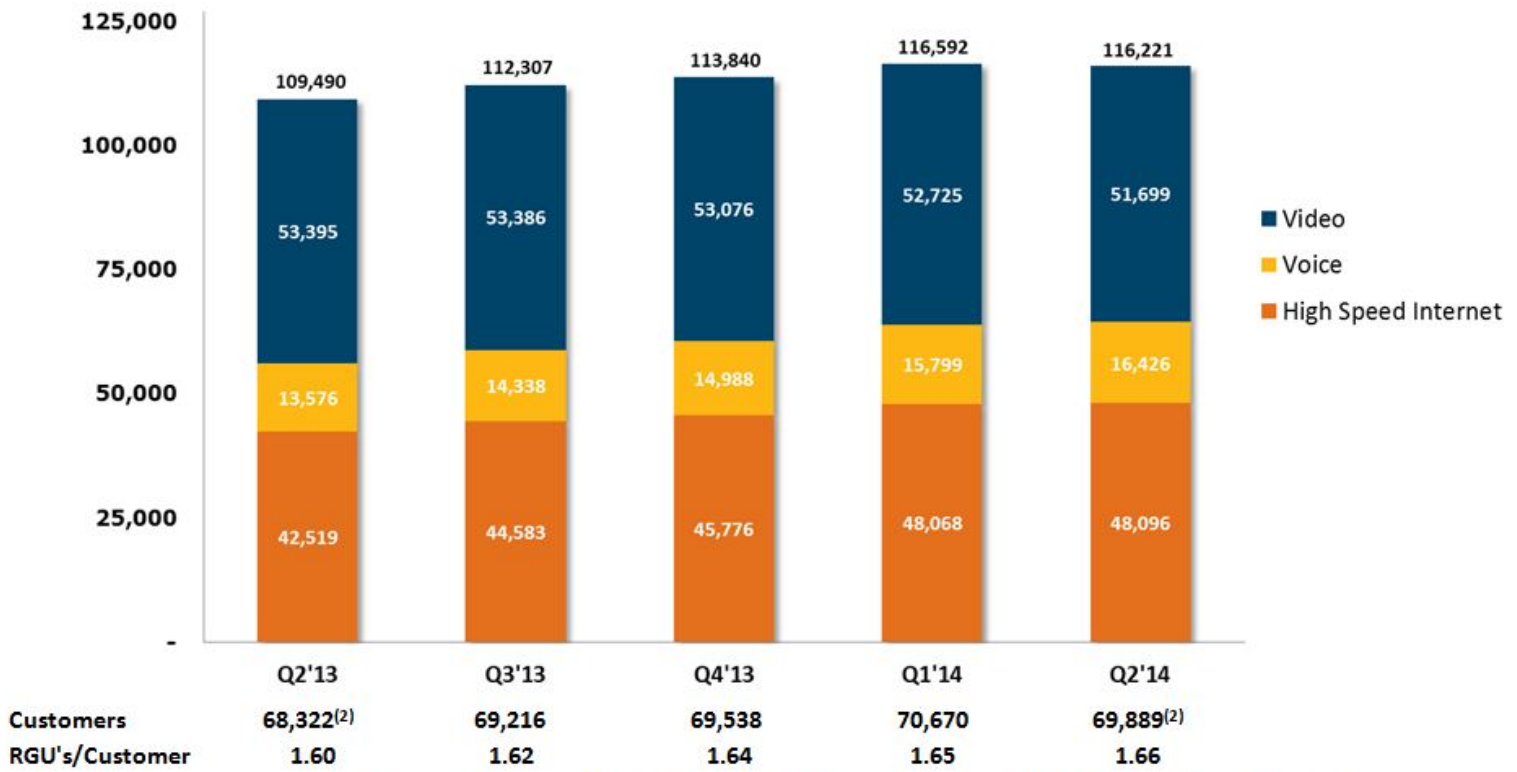
PCS Prepaid Statistics





Cable Segment

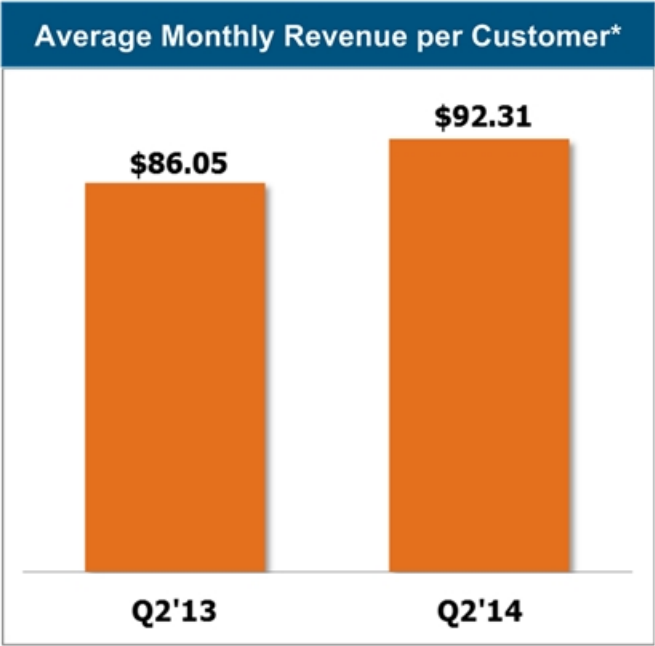
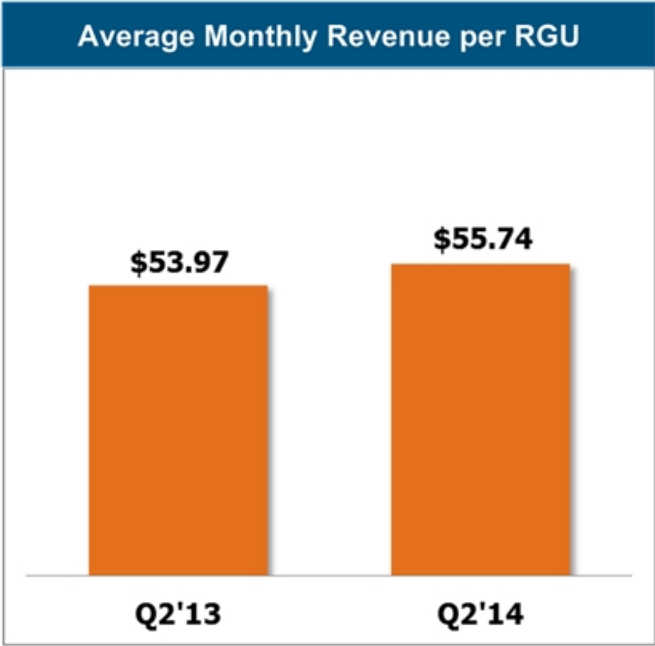
Cable - RGU Growth by Quarter



1. Prior periods revised to reflect transfer of Shenandoah County, VA video activities to Wireline
2. College students disconnect during summer



Increasing Average Monthly Cable Revenue



*Average monthly revenue per video subscriber was \$109.66 and \$124.32 for Q2 2013 and Q2 2014, respectively.

Key Operational Results – Cable

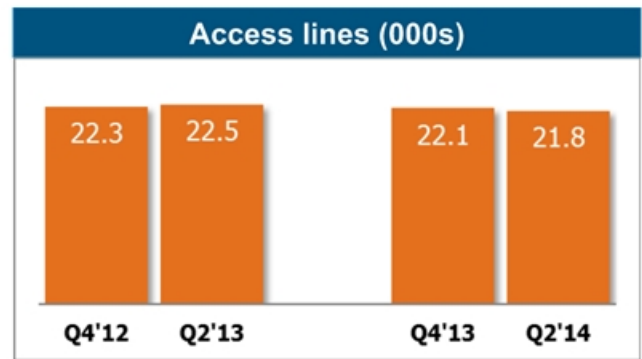
	Q2 2013	Q2 2014
Homes Passed	168,523	171,147
Total Revenue Generating Units	109,490	116,221
Customer Relationships	68,322	69,889
RGUs per Customer Relationship	1.60	1.66
Video		
Revenue generating units	53,395	51,699
Penetration	31.7%	30.2%
Digital video penetration	40.2%	63.6%
High-speed Internet		
Available Homes	166,675	168,923
Revenue generating units	42,519	48,096
Penetration	25.5%	28.5%
Voice		
Available Homes	161,709	166,186
Revenue generating units	13,576	16,426
Penetration	8.4%	9.9%



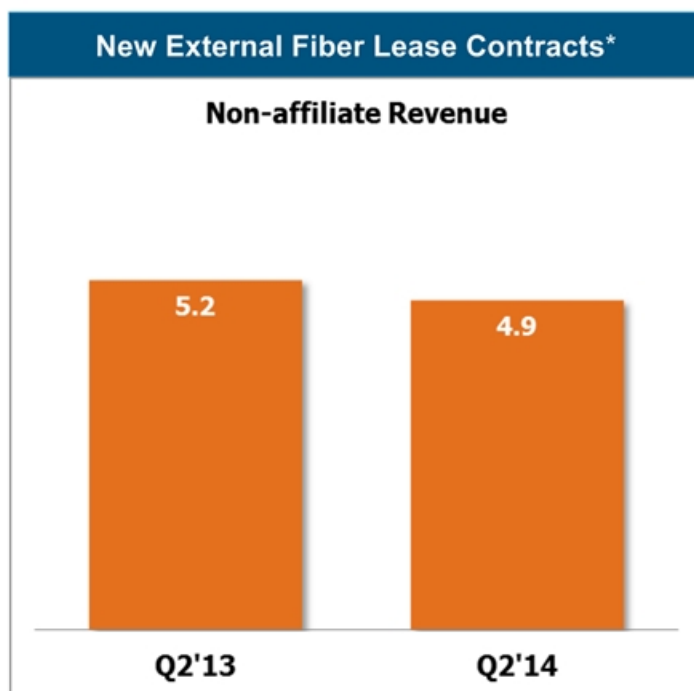
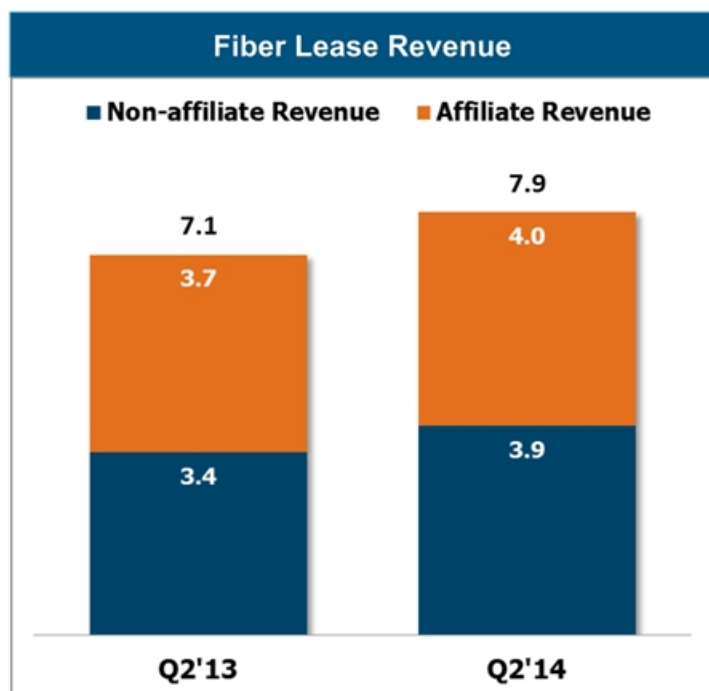
Wireline Segment

Key Operational Results - Wireline

- Access line loss of 2.8% in past 12 months
- Broadband penetration in LEC area at 58.2%
- Total connections at 6/30/14 of 34.5 thousand
- 5,904 video subscribers at 6/30/14

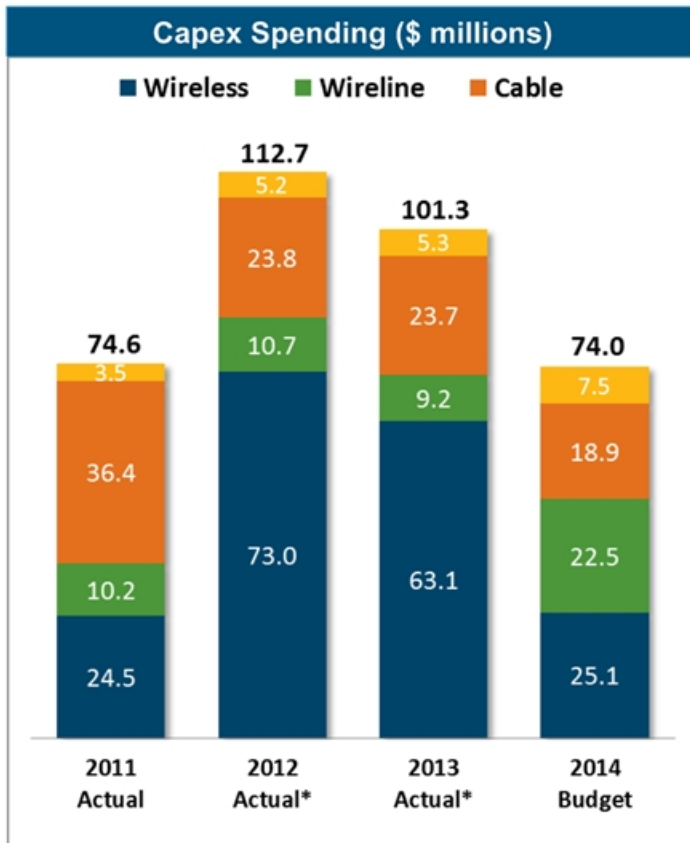


Wireline Statistics – Fiber Sales (\$ millions)



* Amounts shown represent the total contract value. Contract Terms range from 36 to 120 months. Revenues may be booked either in the Wireline or Cable segment depending on which assets are used to provide the service.

Investing in the Future



- 2014 Capex Spending:
 - 24% Maintenance
 - 24% Capacity
 - 30% Network Expansion
 - 22% Success-Based

* Accounts payable at December 31, 2013 and 2012 included \$7.6 million and \$24.7 million associated with PCS Network Vision capital expenditures.

Q&A

Appendix

Non-GAAP Financial Measures – Billed Revenue per Postpaid & Prepaid Subscriber

Dollars in thousands (except subscribers and revenue per subscriber)

	<u>2Q 2013</u>	<u>2Q 2014</u>
Gross billed revenue		
Wireless segment total operating revenues	\$ 49,766	\$ 51,774
Equipment revenue	(1,270)	(1,306)
Tower lease revenue	(2,576)	(2,466)
Gross billed revenue – prepaid *	(11,262)	(11,648)
Prepaid service fee	650	705
Other revenue	442	(135)
Wireless service revenue – postpaid	<u>35,750</u>	<u>36,924</u>
Service credits	3,519	4,058
Write-offs	1,613	2,241
Management fee	3,584	3,786
Service fee	5,374	6,626
Gross billed revenue – postpaid ^	<u>\$ 49,840</u>	<u>\$ 53,635</u>
Average Postpaid subscribers ^	264,723	275,949
Billed revenue per Postpaid subscriber ^	\$ 62.76	\$ 64.79
Average Prepaid subscribers *	133,479	138,053
Billed revenue per Prepaid subscriber *	\$ 28.12	\$ 28.12

Calculation: Gross billed revenue / Average subscribers / 3 months



Postpaid PCS Customers Top Picks Q2 2014

■ **Top Service Plans** – 84% of Gross Adds

Unlimited, My Way	38%
* Sprint Family	23%
3G/4G Tablet 1GB	14%
Everything Data 1500	9%

■ **Top Devices** – New Activations – All Channels

iPhone	32%
Samsung Galaxy S	22%
Samsung Galaxy Tablet	20%

Smartphones made up 77% of the Postpaid base in Q2 and Q1 2014, up from 70% in Q2 2013.

* New Service Plan offered in Q2 2014

iPhone Statistics – Q2'14

- 33% of Q2 Gross Adds
- 47% of iPhones were sold or upgraded in Shentel-controlled channels
- 31.6% of 6/30/14 Postpaid customers had the iPhone, up from 30.3% at 3/31/14
- iPhone Base – 6/30/14
 - 51% iPhone 4 & 4S
 - 49% iPhone 5, 5C & 5S

Non-GAAP Financial Measure – Average Monthly Cable Revenue

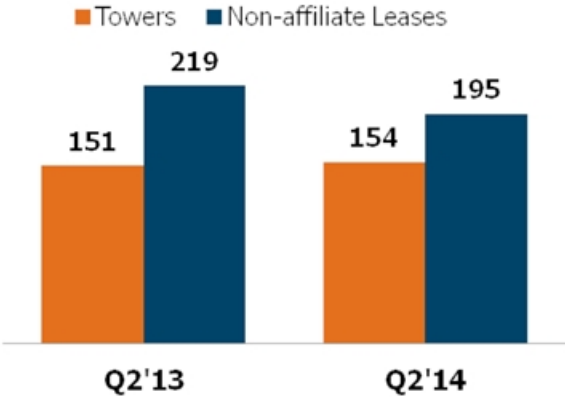
Dollars in thousands (except subscribers and revenue per user)

	Q2 2013	Q2 2014
Net Service Revenue	\$ 16,325	\$ 17,417
Set-top box rentals	1,165	1,752
FUSC and pass-through fees	277	338
Video, Internet & Voice Revenue	17,767	19,507
Other miscellaneous revenue	968	1,330
Total Operating Revenue	18,735	20,837
Video revenue	11,222	11,695
Internet revenue	5,270	6,319
Voice revenue	1,275	1,493
Video, Internet & Voice Revenue	\$ 17,767	\$ 19,507
<u>Average Subscribers</u>		
Video	54,006	52,304
Internet	42,536	48,218
Voice	13,201	16,133
Revenue Generating Units (RGUs)	109,742	116,655
Average Customer Relationships	68,828	70,442
<u>Average Revenue Per User (ARPU)</u>		
Revenue Generating Units (RGUs)	\$ 53.97	\$ 55.74
Customer Relationships	86.05	92.31
Video	109.66	124.32

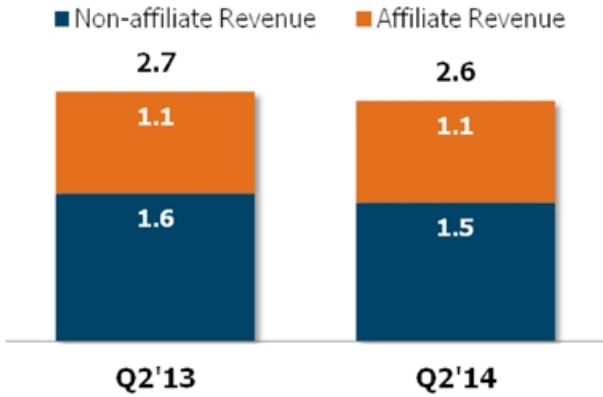


Key Operational Results – Mobile Company

Towers and Leases



Mobile Tower Revenue (\$ millions)



	Q2'13	Q2'14
<i>(in thousands)</i>		
Operating Income	\$939*	\$1,324
Depreciation and Amortization	395	387
Share Based Compensation	5	4
Adjusted OIBDA	\$1,339	\$1,715

* The lower operating income in Q2'13 primarily resulted from a \$0.5 million adjustment to reduce straight-line rent accruals at a small number of sites related to termination of Sprint's iDEN leases.

