

million was recorded in the first quarter of 2004 against telephone access revenue related to revenue recorded in prior periods disputed by interexchange carriers.

President and CEO, Christopher E. French, commented, "We are pleased with our overall financial results, and achieving our second consecutive quarter of profitability in our PCS subsidiary. We have made great strides in continuing to grow our business and in replacing the financial contribution that our cellular operations contributed prior to its sale in the first quarter of last year. That sale has allowed us to focus all of our wireless efforts on PCS, and earning a reasonable return on our wireless investment."

Wireless Operations

The Company experienced strong growth in first quarter wireless revenues as a PCS Affiliate of Sprint, increasing its PCS subsidiary revenue by \$3.2 million compared to the first quarter of 2003, to a total of \$18.2 million. The PCS net income was \$0.5 million in the first quarter of 2004 compared to a net loss of \$0.7 million in the first quarter of 2003. The Company's Sprint retail wireless customer count increased by 4,500, compared to 4,900 in the first quarter of 2003, to approximately 90,000 customers. Wholesale users increased by 3,500, compared to a 1,600 increase in the first quarter of 2003, to approximately 16,000. Wholesale users are added through Sprint's relationship with its wholesale customers. The Company's first quarter churn was 2.2%, down from 2.6% in the first quarter of 2003.

Wireline Operations

The local telephone operations net income for the first quarter was \$1.6 million, a \$0.6 million decrease compared to the same quarter last year. The decrease in net income was the result of the Company recording a reduction in revenue of \$0.3 million against access revenue in the first quarter related to a dispute by interexchange carriers, the recovery of \$0.4 million in the first quarter of 2003 of previously written off bad debt and an increase in 2004 operating

expenses. Telephone operations recorded a net gain of 24 access lines in the period to end the quarter at 24,901.

External Investments

In the quarter ended March 31, 2004, the Company recorded an \$18 thousand loss on investments compared to a loss of \$0.3 million in the first quarter of 2003. At the end of the quarter, the Company's external investments totaled \$7.5 million.

Consolidated Results

The Company recorded expenses of approximately \$0.3 million in the first quarter of 2004 related to the ongoing implementation efforts related to new SEC and NASDAQ requirements as a result of the Sarbanes-Oxley Act. Interest expense decreased \$0.2 million from the same quarter last year due to a reduction in debt outstanding. The Company invested \$1.6 million in Plant in Service and retired \$1.0 million of scheduled debt during the first quarter of 2004. The Company had cash and cash equivalents of \$33.1 million as of the end of the quarter. The Company's debt/equity ratio was 38.9% at March 31, 2004; and debt as a percent of total assets was 22.6%.

About Shenandoah Telecommunications

Shenandoah Telecommunications Company is a holding company that provides a broad range of telecommunications services through its operating subsidiaries. The Company is traded on the NASDAQ National Market under the symbol "SHEN." The Company's operating subsidiaries provide local telephone, cable television, Internet access, interexchange facilities, and PCS services, along with many other associated services, to the four-state region from Harrisonburg, Virginia to Harrisburg and Altoona, Pennsylvania.

This release contains forward-looking statements that are subject to various risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of unforeseen factors. A discussion of factors that may cause actual results to differ from management's projections, forecasts, estimates and expectations is available in the Company filings with the SEC. Those factors may include changes in general economic conditions, increases in costs and other competitive factors.

SHENANDOAH TELECOMMUNICATIONS COMPANY
SUMMARY FINANCIAL INFORMATION (unaudited)
(In thousands, except per share amounts)

| Condensed Balance Sheets | March 31, 2004 | December 31, 2003 |
|---|-------------------|----------------------|
| | ----- | ----- |
| Cash and cash equivalents | \$ 33,138 | \$ 28,696 |
| Other current assets | 11,984 | 12,267 |
| Total securities and investments | 7,464 | 7,467 |
| Property, plant and equipment | 200,853 | 199,692 |
| Less accumulated depreciation | (75,974) | (72,006) |
| | ----- | ----- |
| Net property, plant and equipment | 124,879 | 127,686 |
| Other assets, net | 9,293 | 9,248 |
| | ----- | ----- |
| Total assets | \$ 186,758 | \$ 185,364 |
| | ===== | ===== |
| | | |
| Current liabilities, exclusive of current maturities of \$4,257 and \$4,230, respectively | \$ 11,289 | \$ 11,566 |
| Long and short-term debt | 42,301 | 43,346 |
| Total other liabilities | 24,496 | 24,244 |
| Total stockholders' equity | 108,672 | 106,208 |
| | ----- | ----- |
| Total liabilities and stockholders' equity | \$ 186,758 | \$ 185,364 |
| | ===== | ===== |

SHENANDOAH
TELECOMMUNICATIONS COMPANY
SUMMARY FINANCIAL INFORMATION
(unaudited)

Condensed Statements of Income
(In thousands, except per share amounts)

| | Three months ended March 31, | |
|---|---------------------------------|-----------|
| | 2004 | 2003 |
| Operating Revenues-Wireless | \$ 18,953 | \$ 15,634 |
| -Wireline | 7,149 | 7,639 |
| -Other | 1,707 | 1,674 |
| | ----- | ----- |
| Total operating revenue | 27,809 | 24,947 |
| Cost of goods and services | 2,960 | 2,289 |
| Network operating costs | 8,341 | 8,046 |
| Depreciation | 4,337 | 4,021 |
| Selling, general and administrative | 7,887 | 6,441 |
| | ----- | ----- |
| Total operating expenses | 23,525 | 20,797 |
| | ----- | ----- |
| Operating income | 4,284 | 4,150 |
| Interest expense | (797) | (954) |
| Other income (expense) | 206 | (124) |
| Income tax provision | (1,380) | (1,141) |
| | ----- | ----- |
| Income from continuing operations | 2,313 | 1,931 |
| Discontinued operations, net of income taxes | -- | 22,628 |
| Cumulative effect of a change in accounting, net of income taxes | -- | (76) |
| | ----- | ----- |
| Net income | \$ 2,313 | \$ 24,483 |
| | ===== | ===== |
| Net earnings per share, basic | | |
| Continuing operations | \$ 0.30 | \$ 0.26 |
| Discontinued operations, net of income taxes | -- | 2.99 |
| Cumulative effect of a change in accounting, net of taxes | -- | (0.01) |
| | ----- | ----- |
| Total | \$ 0.30 | \$ 3.24 |
| | ===== | ===== |
| Net earnings per share, diluted | | |
| Continuing operations | \$ 0.30 | \$ 0.26 |
| Discontinued operations, net of income taxes | -- | 2.98 |
| Cumulative effect of a change in accounting, net of taxes | -- | (0.01) |
| | ----- | ----- |
| Total | \$ 0.30 | \$ 3.23 |
| | ===== | ===== |

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SIGNATURES

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)

April 16, 2004

/S/ EARLE A. MACKENZIE

Earle A. MacKenzie
Chief Financial Officer