SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

Form 10-Q

|X| QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2005

OR

|_| TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES ACT OF 1934

For the transition period from __________________ to __________________

Commission File Number: 0-9881

SHENANDOAH TELECOMMUNICATIONS COMPANY
(Exact name of registrant as specified in its charter)

Virginia	54-1162807
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

500 Shentel Way P.O. Box 459, Edinburg, Virginia	22824
(Address of principal executive offices)	(Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. |X| YES |_| NO

Indicate by check mark whether the registration is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). |X| YES |_| NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at July 28, 2005
Common Stock, No Par Value	7,662,799 Shares

SHENANDOAH TELECOMMUNICATIONS COMPANY
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PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

Assets	June 30, 2005	December 31, 2004
Current Assets		
Cash and cash equivalents	$ 9,050	$ 14,172
Accounts receivable, net	9,887	9,019
Escrow receivable	--	5,000
Income tax receivable	--	2,341
Materials and supplies	2,196	2,108
Deferred income taxes	378	--
Prepaid expenses and other	2,135	1,877
Total current assets	23,646	34,517
Securities and investments		
Available-for-sale securities	194	232
Other investments	7,081	7,018
Total securities and investments	7,275	7,250
Property, plant and equipment, net	157,546	156,252
Other Assets		
Intangible assets, net	3,190	3,401
Cost in excess of net assets of business acquired	8,863	8,863
Deferred charges and other assets, net	768	964
Net other assets	12,821	13,228
Total Assets	$201,288	$211,247

(continued)

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (continued)
(in thousands)

Liabilities and Shareholders' Equity	June 30, 2005	December 31, 2004
Current Liabilities		
Current maturities of long-term debt	$ 4,448	$ 4,372
Accounts payable	5,966	6,003
Advance billings and deposits	3,477	3,566
Income tax payable	750	--
Current deferred taxes	--	1,453
Other current liabilities	6,915	6,452
Total current liabilities	21,556	21,846
Long-term debt, less current maturities	33,674	47,919
Other Liabilities		
Deferred income taxes	24,612	24,826
Pension and other	2,217	2,859
Total other liabilities	26,829	27,685
Shareholders' Equity		
Common stock	6,868	6,319
Retained earnings	112,320	107,413
Accumulated other comprehensive income	41	65
Total shareholders' equity	119,229	113,797
Total Liabilities and Shareholders' Equity	$201,288	$211,247

See accompanying notes to unaudited condensed consolidated financial statements.

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data)	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004
Operating Revenues				
Wireless	$ 23,833	$ 20,568	$ 46,412	$ 39,432
Wireline	9,177	7,608	18,382	14,757
Other revenues	2,454	1,676	5,070	3,383
Total revenues	35,464	29,852	69,864	57,572
Operating Expenses				
Cost of goods and services	5,674	3,886	11,152	7,610
Network operating costs	10,209	9,156	19,931	17,467
Depreciation and amortization	5,492	4,395	10,914	8,732
Selling, general and administrative	9,430	7,390	18,591	14,452
Total operating expense	30,805	24,827	60,588	48,261
Operating Income	4,659	5,025	9,276	9,311
Other Income (expense):				
Non-operating income (expense), net	131	191	437	415
Gain (loss) on investments, net	(11)	146	(293)	128
Interest expense	(770)	(773)	(1,624)	(1,571)
Income before income taxes	4,009	4,589	7,796	8,283
Income tax provision	(1,497)	(1,709)	(2,889)	(3,090)
Net income	$ 2,512	$ 2,880	$ 4,907	$ 5,193
Net income per share, basic	$ 0.33	$ 0.38	$ 0.64	$ 0.68
Net income per share, diluted	$ 0.33	$ 0.38	$ 0.64	$ 0.68
Weighted average shares outstanding, basic	7,650	7,609	7,644	7,608
Weighted average shares, diluted	7,695	7,658	7,687	7,656

See accompanying notes to unaudited condensed consolidated financial statements.

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	$ 4,907	$ 5,193
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	10,692	8,726
Amortization	222	6
Stock based compensation expense	80	--
Deferred income taxes	(2,031)	2,815
Gain on investments	(142)	--
Loss (income) from patronage and equity investments	274	(236)
Loss on disposal of assets	89	133
Other	(484)	(75)
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(868)	(1,151)
Materials and supplies	(88)	(262)
Increase (decrease) in:		
Accounts payable	(36)	494
Other prepaids, deferrals and accruals	8,207	(1,930)
Net cash provided by operating activities	20,822	13,713
Cash Flows from Investing Activities		
Purchase and construction of plant and equipment, net of retirements	(12,078)	(5,489)
Purchases of investment securities	(262)	(479)
Proceeds from investment activities	66	278
Proceeds from sale of equipment	30	29
Net cash used in investing activities	(12,244)	(5,661)
Cash Flows from Financing Activities		
Principal payments on long-term debt	(14,169)	(2,100)
Proceeds from exercise of incentive stock options	469	283
Net cash used in financing activities	(13,700)	(1,817)
Net increase in cash and cash equivalents	(5,122)	6,235
Cash and Cash Equivalents		
Beginning	14,172	28,696
Ending	$ 9,050	$ 34,931
Cash paid for:		
Interest paid	$ 1,654	$ 1,585
Income taxes (net of refunds)	$ 1,878	$ 491

See accompanying notes to unaudited condensed consolidated financial statements.

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND COMPREHENSIVE INCOME
(in thousands)

	Shares	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2003	7,593	$5,733	$ 100,449	$ 26	$ 106,208
Comprehensive income:					
Net income	--	--	10,243	--	10,243
Net unrealized change in securities available-for-sale, net of tax of $ (21)	--	--	--	39	39
Total comprehensive income					10,282
Dividends declared ($ 0.43 per share)	--	--	(3,279)	--	(3,279)
Common stock issued through the exercise of stock options and stock grants	37	586	--	--	586
Balance, December 31, 2004	7,630	$6,319	$ 107,413	$ 65	$ 113,797
Comprehensive income:					
Net income	--	--	4,907	--	4,907
Net unrealized change in securities available-for-sale, net of tax of $14	--	--	--	(24)	(24)
Total comprehensive income					4,883
Stock based compensation		80			80
Common stock issued through the exercise of stock options	27	469	--	--	469
Balance, June 30, 2005	7,657	$6,868	$ 112,320	$ 41	$ 119,229

See accompanying notes to unaudited condensed consolidated financial statements.

1. The interim condensed consolidated financial statements of Shenandoah Telecommunications Company and Subsidiaries (collectively, the "Company") are unaudited. In the opinion of management, all adjustments necessary for a fair presentation of the interim results have been reflected therein. All such adjustments were of a normal and recurring nature. These statements should be read in conjunction with the consolidated financial statements and related notes in the Company's Annual Report on Form 10-K for the year ended December 31, 2004. The balance sheet information at December 31, 2004 was derived from the audited December 31, 2004 consolidated balance sheet.

2. Operating revenues and income from operations for any interim period are not necessarily indicative of results that may be expected for the entire year.

3. In connection with the adoption of a new affiliates agreement which was approved by the Virginia State Corporation Commission effective January 1, 2005, and pursuant to assignment and assumption agreements between Shentel Management Company and Shenandoah Telephone Company, and the Company's other subsidiaries, effective January 1, 2005, all employees and certain assets and liabilities of these subsidiaries have been transferred to Shentel Management Company which will be the entity through which all shared services and shared assets will be provided to all existing and future affiliates of the Company.

Effective January 1, 2005, the Company implemented a new methodology for allocating all shared services and shared assets of the Company. FAS 131, "Disclosures about Segments of an Enterprise and Related Information" requires the Company to restate previously reported segment information following a change in the composition of an enterprise's segment information unless it is impractical to do so. Further, if the Company is unable to restate previously reported segment information, the Company is required to provide current-period segment information on both the old and new bases of segmentation in the year in which the change occurs unless it is impracticable to do so. Due to the nature of the change in allocation methodology, and the process to derive the allocation of shared costs, management has determined that it would be impractical to restate prior year segment information or calculate the allocation using both the old and new methods.

4. To account for its stock options granted under the Company Stock Incentive Plan (the "Plan"), the Company applies the intrinsic value-based method of accounting prescribed by Accounting Principles Board ("APB") Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations, including Financial Accounting Standards Board ("FASB") Interpretation No. 44, Accounting for Certain Transactions involving Stock Compensation, an interpretation of APB Opinion No. 25 issued in March 2000. Under this method, compensation expense is recorded on the date of the grant only if the current market price of the underlying stock exceeded the exercise price. SFAS No. 123, Accounting for Stock-Based Compensation, established accounting and disclosure requirements using a fair value-based method of accounting for stock-based employee compensation plans. As allowed by SFAS No. 123, the Company has elected to continue to apply the intrinsic value-based method of accounting described above, and has adopted the disclosure requirements of SFAS No. 123, as amended by SFAS No. 148, Accounting for Stock-Based Compensation--Transition and Disclosure--an amendment of FASB Statement No. 123.

Grants of options under the Plan are accounted for in accordance with APB Opinion No. 25 and related interpretations. Accordingly, no compensation expense has been recognized under the Plan for years prior to 2004 since all such options were granted with an exercise price equal to the market price at the date of the grant. During the year ended December 31, 2004, the Company issued tandem awards of stock options and stock appreciation rights. The awards have been accounted for as stock appreciation rights and, therefore, the Company recorded a liability for the related expense since it is assumed the awards will be settled in cash. On March 18, 2005, the Company issued tandem awards of stock options and stock appreciation rights with a net-share settlement feature. The cash-settlement feature has been eliminated for the 2005 option grant. However, due to the net-share feature, the Company accounts for these awards as stock appreciation rights and recognizes compensation expense over the vesting period to the extent the current stock price exceeds the exercise price of the options. Had compensation expense been recorded for the options based on fair values of the awards at the grant date (the method prescribed in SFAS No. 123), reported net income and earnings per share would have been reduced to the pro forma amounts shown in the following table for the three and six months ended June 30:

(in thousands, except per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
Net Income	2005	2004	2005	2004
As reported	$2,512	$2,880	$4,907	$5,193
Add: Recorded stock based compensation expense included in reported net income, net of related income tax effects	--	--	--	--
Deduct: Pro forma compensation expense, net of related income tax effects	18	34	41	65
Pro forma	$2,494	$2,846	$4,866	$5,128
Earnings per share, basic and diluted				
As reported, basic	$ 0.33	$ 0.38	$ 0.64	$ 0.68
As reported, diluted	0.33	0.38	0.64	0.68
Pro forma, basic	0.33	0.37	0.64	0.67
Pro forma, diluted	$ 0.32	$ 0.37	$ 0.63	$ 0.67

5. Basic net income per share was computed on the weighted average number of shares outstanding. Diluted net income per share was computed under the treasury stock method, assuming the conversion as of the beginning of the period, for all dilutive stock options. At June 30, 2005 the dilutive net income per share was exclusive of approximately 170,000 stock options that were anti-dilutive. The adjustments to net income reflect the impact of compensation related to stock appreciation rights recorded in the respective periods, and the impact of the pro forma compensation expense, both net of the income tax effect.

6. The Company has identified eleven reporting segments based on the products and services each provides. Each segment is managed and evaluated separately because of diverse technologies and marketing strategies. A summary of unaudited external operating revenues (revenues generated from outside customers or subscribers), internal operating revenues (revenues generated between the Company's operating segments), operating income (loss), and net income (loss) of each segment is as follows for the three months ended June 30, 2005 and June 30, 2004:

Three Months Ended June 30, 2005

In thousands (unaudited)	External Revenues	Internal Revenues	Operating Income (loss)	Net Income (loss)
PCS	$22,998	$ --	$ 2,198	$ 1,112
Telephone	5,976	1,003	2,945	1,791
Converged Services (NTC)	2,267	--	(1,018)	(767)
ShenTel Service	1,549	250	208	94
Cable TV	1,257	8	(29)	(65)
Mobile	835	344	570	328
Long Distance	373	311	55	37
Network	197	27	131	86
ShenTel Communications	11	--	4	2
Leasing	1	--	4	3
Holding	--	--	(409)	(109)
Combined totals	35,464	1,943	4,659	2,512
Inter-segment eliminations	--	(1,943)	--	--
Consolidated totals	$35,464	$ --	$ 4,659	$ 2,512

Three Months Ended June 30, 2004

In thousands (unaudited)	External Revenues	Internal Revenues	Operating Income (loss)	Net Income (loss)
PCS	$19,802	$ --	$ 1,832	$ 896
Telephone	5,986	883	2,717	1,713
ShenTel Service	1,657	76	176	80
Cable TV	1,103	9	90	7
Mobile	766	325	494	250
Long Distance	349	336	79	50
Network	170	29	127	80
ShenTel Communications	17	--	(68)	(43)
Leasing	2	--	(1)	(1)
Holding	--	--	(421)	(152)
Combined totals	29,852	1,658	5,025	2,880
Inter-segment eliminations	--	(1,658)	--	--
Consolidated totals	$29,852	$ --	$ 5,025	$ 2,880

A summary of unaudited external operating revenues (revenues generated from outside customers or subscribers), internal operating revenues (revenues generated between the Company's operating segments), operating income (loss), income (loss) from continuing operations, income (loss) from discontinued operations, cumulative effect of accounting change, and net income (loss) of each segment is as follows for the six months ended June 30, 2005 and June 30, 2004.

Six Months Ended June 30, 2005

In thousands (unaudited)	External Revenues	Internal Revenues	Operating Income (loss)	Net Income (loss)
PCS	$44,782	$ --	$ 4,036	2,013
Telephone	11,999	1,919	5,935	3,643
Converged Services (NTC)	4,626	--	(1,776)	(1,396)
ShenTel Service	3,198	502	452	214
Cable TV	2,485	16	(153)	(182)
Mobile	1,630	680	1,103	636
Long Distance	746	599	96	63
Network	373	60	264	172
ShenTel Communications	24	--	3	2
Leasing	1	--	1	1
Holding	--	--	(685)	(259)
Combined totals	69,864	3,776	9,276	4,907
Inter-segment eliminations	--	(3,776)	--	--
Consolidated totals	$69,864	$ --	$ 9,276	$ 4,907

Six Months Ended June 30, 2004

In thousands (unaudited)	External Revenues	Internal Revenues	Operating Income (loss)	Net Income (loss)
PCS	$37,934	$ 1	$ 2,995	$ 1,380
Telephone	11,532	1,815	5,325	3,302
ShenTel Service	3,345	153	394	185
Cable TV	2,207	15	272	77
Mobile	1,498	645	956	500
Long Distance	687	668	128	82
Network	331	67	256	160
ShenTel Communications	34	--	(64)	(40)
Leasing	4	--	(2)	(1)
Holding	--	--	(949)	(452)
Combined totals	57,572	3,364	9,311	5,193
Inter-segment eliminations	--	(3,364)	--	--
Consolidated totals	$57,572	$ --	$ 9,311	$ 5,193

The Company's assets by segment as of June 30, 2005, December 31, 2004, and June 30, 2004 are as follows:

In thousands (unaudited)	June 30, 2005	December 31, 2004	June 30, 2004
PCS	$ 68,149	$ 81,090	$ 74,430
Telephone	59,523	59,507	61,747
Converged Services (NTC)	21,665	24,423	--
ShenTel Service	7,375	10,636	6,957
Cable TV	8,925	9,970	10,230
Mobile	18,288	17,335	18,813
Long Distance	423	380	934
Network	2,704	2,117	1,807
ShenTel Communications	(161)	93	43
Leasing	55	60	187
Holding	143,874	152,002	143,813
Combined totals	330,820	357,613	318,961
Inter-segment eliminations	(129,532)	(146,366)	(124,873)
Consolidated totals	$ 201,288	$ 211,247	$ 194,088

See Note 3 for additional information about the new affiliates agreement to allocate all shared services and shared assets to all current and future affiliates of the Company.

7. Comprehensive income includes net income along with net unrealized gains and losses on the Company's available-for-sale investments, net of the related income tax effect. The following is a summary of comprehensive income for the periods indicated:

In thousands (unaudited)	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
Net income	$ 2,512	$ 2,880	$ 4,907	$ 5,193
Net unrealized income (loss)	(5)	--	(24)	(2)
Comprehensive income	$ 2,507	$ 2,880	$ 4,883	$ 5,191

8. Certain reclassifications have been made to the prior period financial statements to conform to the current period presentation. These reclassifications had no effect on previously reported results of operations or retained earnings.

9. The following table presents pension information for the periods presented.

	Three Months Ended June 30,		Six Months Ended June 30,	
In thousands (unaudited)	2005	2004	2005	2004
Net periodic benefit cost recognized:				
Service cost	$ 223	$ 166	$ 446	$ 332
Interest cost	211	189	422	378
Expected return	(198)	(135)	(396)	(270)
Amortization of unrecognized transition asset	--	(2)	--	(4)
Amortization of unrecognized loss	23	16	46	32
Amortization of unrecognized prior service cost	17	17	34	34
Total	$ 276	$ 251	$ 552	$ 502

10. As a result of the previously reported February 2003 sale of the Company's cellular operation, $5.0 million of the sales price was held in escrow and is reflected as an "Escrow receivable" at December 31, 2004 on the accompanying balance sheet. The Company received the entire $5.0 million in February 2005.

11. In connection with the November 30, 2004 acquisition of NTC, the Company has notified the sellers it has claims for the entire $1 million held in escrow for payment of specified liabilities. The sellers have disputed a number of the Company's claims. The final disposition of the escrow is expected to be resolved in 2005. During the second quarter 2005, the Company reduced the outstanding balance of its revolving line of credit with CoBank by $12 million. The line of credit had been used to fund the acquisition of NTC.

12. On December 15, 2004, Sprint and Nextel Communications, Inc. announced that they had entered into a definitive agreement to merge. Nextel is a provider of digital wireless communications services in the Company's PCS service area. The impact of the Sprint Nextel merger on the Company's PCS operations is uncertain as of the date of this report. Based on currently available information and assuming that no changes are effected with respect to Sprint's

agreements with the Company, it is possible, that Sprint could be in violation of the exclusivity provisions of the Company's agreements with Sprint at some point following the completion of the Sprint Nextel transaction. The Company's agreements with Sprint provide for specific remedies in the event of a material violation by Sprint of such agreements. No determination has been made as to the impact on the value of the Company or its business of any of such remedies or whether any such remedy would be more or less favorable to the Company and its shareholders than the existing arrangements with Sprint or any new arrangements the Company may ultimately negotiate with Sprint.

In July 2005, Ubiquitel, Inc., iPCS Wireless, Inc, Enterprise Communications Partnership and Gulf Coast Wireless LP each filed actions seeking injunctive relief to prevent Sprint from breaching similar provisions of their respective agreements with Sprint. In particular, all of the complaints would enjoin Sprint from engaging in certain post-merger conduct in the respective parties' service areas, including the operation of the Nextel network, marketing, sales and promotional activities relating to Nextel products, and disclosing confidential business information, in each case in a manner that would violate Ubiquitel's, iPCS', Enterprise's and Gulf Coast Wireless' respective management agreements with Sprint. Shentel believes that the terms of such other companies' agreements with Sprint are substantially similar to the terms of the Company's agreement with Sprint. As of August 2, 2005, Sprint PCS has entered into forbearance agreements with Ubiquitel and iPCS . Under the respective forbearance agreements, Ubiquitel and iPCS each agreed not to seek certain injunctive or equitable relief against Sprint or Nextel relating to the matters specified in their complaints and Sprint agreed to certain parameters for the operation of Sprint's wireless business in the territories operated by Ubiquitel and iPCS following the completion of the merger involving Sprint and Nextel. In light of these developments, the Company has and will continue to review and assess its options including but not limited to: initiating litigation; executing a forbearance agreement and/or seek changes to the existing relationship with Sprint.

As of the date hereof, the Company has had on-going discussions with Sprint regarding the continuance of their long-term relationship and the impact of the Sprint Nextel merger. As a result of the Sprint Nextel merger, Sprint may require the Company to meet additional program requirements, which the Company anticipates will increase capital expenditures and operating expenses. The Company is committed to working with Sprint to reach mutually acceptable arrangements with respect to the foregoing matters. There can be no assurances, however, that the Company and Sprint will be able to reach mutually acceptable arrangements, that a mutually acceptable arrangement will be reached prior to or subsequent to the closing of the Sprint Nextel merger or the likely impact on the Company or its relationship with Sprint of any such arrangements.

The Company believes that a significant portion of its PCS service area overlaps the service area operated by Nextel Partners under the Nextel brand. Nextel Partners is not a party to the Sprint Nextel merger. The agreements between Nextel Partners and Nextel contain exclusivity and other provisions that will remain in place following the Sprint Nextel merger until such time that Nextel Partners may be acquired by Sprint Nextel. The Company believes that the provisions under the agreements between Nextel and Nextel Partners may conflict with the Company's rights under its Management Agreement. Even if such provisions do not conflict, as long as Nextel Partners remains a stand-alone entity, the ability of the Company to fully realize any of the benefits from the merger of Sprint and Nextel may be limited. Furthermore, the continued operation by Nextel Partners of a competing network could have a negative impact on the Company's results of operations. Although the board of directors of Nextel Partners has recommended that its shareholders vote to put their Nextel Partners shares to Sprint Nextel following the merger, such an acquisition is unlikely to occur prior to 2006 and there can be no assurance that Nextel Partners' shareholders will accept the recommendation.

13. On August 4, 2005, the board of directors of the Rural Telephone Bank (the "RTB") adopted a number of resolutions for the purpose of dissolving RTB as of October 1, 2005. The proposed dissolution is subject to Congress passing the agricultural appropriations bill which contains language removing restrictions on the annual retirement of government stock in the RTB. The Company currently holds 10,821,770 shares of Class B and Class C RTB Common Stock ($1.00 par value) which is reflected on the Company's books at $796,000 under the cost method. If Congress passes and the President signs the agricultural appropriations bill with the necessary language, the Company has been advised that it can expect to receive the full par value of its shares or $10,821,770 in either the first or second quarter of 2006, with an estimated gain of $6.1 million, net of tax, recorded in the period the necessary legislation is enacted. However, there can be no assurance that the necessary legislation will be enacted or that changes will not be made to the proposed dissolution of RTB which would have the effect of either delaying or reducing the amount received by the Company.

ITEM 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This management's discussion and analysis includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. When used in this report, the words "anticipate," "believe," "estimate," "expect," "intend," "plan" and similar expressions as they relate to Shenandoah Telecommunications Company or its management are intended to identify these forward-looking statements. All statements regarding Shenandoah Telecommunications Company's expected future financial position and operating results, business strategy, financing plans, forecasted trends relating to the markets in which Shenandoah Telecommunications Company operates and similar matters are forward-looking statements. We cannot assure you that the Company's expectations expressed or implied in these forward-looking statements will turn out to be correct. The Company's actual results could be materially different from its expectations because of various factors, including those discussed below and under the caption "Business--Risk Factors" in the Company's Annual Report on Form 10-K for its fiscal year ended December 31, 2004. The following management's discussion and analysis should be read in conjunction with the Company's Annual Report on Form 10-K for its fiscal year ended December 31, 2004, including the financial statements and related notes included therein.

Unless indicated otherwise, dollar amounts fifty thousand and over have been rounded to the nearest hundred thousand dollars and dollar amounts of less than fifty thousand have been rounded to the nearest thousand dollars.

Overview

Shenandoah Telecommunications Company is a diversified telecommunications company providing both regulated and unregulated telecommunications services through its wholly owned subsidiaries. These subsidiaries provide local exchange telephone services, wireless personal communications services (PCS), as well as cable television, Internet and data services, long distance, sale of telecommunications equipment, fiber optics facilities, paging and leased tower facilities. The Company is the exclusive provider of wireless mobility communications network products and services on the 1900 MHz band under the Sprint brand from Harrisonburg, Virginia to Harrisburg, York and Altoona, Pennsylvania. The Company refers to the Chambersburg, Pennsylvania; Hagerstown, Maryland; Martinsburg, West Virginia; and Harrisonburg and Winchester, Virginia markets as its Quad States markets. The Company refers to the Altoona, Harrisburg, and York, Pennsylvania markets as its Central Penn markets. Competitive local exchange carrier (CLEC) services were established on a limited basis during 2002. In addition, the Company sells and leases equipment, mainly related to services it provides, and also participates in emerging services and technologies by direct investment in non-affiliated companies. As a result of the NTC Communications, L.L.C. (NTC) acquisition on November 30, 2004, the Company, through its subsidiary Shentel Converged Services, provides local and long distance voice, video, and internet services on an exclusive and non-exclusive basis to multi-dwelling unit (MDU) communities (primarily off-campus college student housing) throughout the southeastern United States including Virginia, North Carolina, Maryland, South Carolina, Georgia, Florida, Tennessee and Mississippi.

The Company reports revenues as wireless, wireline and other revenues. These revenue classifications are defined as follows: Wireless revenues are comprised of revenues from the Personal Communications Company (a PCS Affiliate of Sprint), and the Mobile Company. Wireline revenues include revenues from the Telephone Company, Network Company, Cable Television Company, Converged Services (voice and video) and the Long Distance Company. Other revenues are comprised of the revenues of Converged Services (Internet), ShenTel Service Company, the Leasing Company, ShenTel Communications Company and the Holding Company.

Selected Operating Statistics

The following table shows selected operating statistics of the Company for the most recent five quarters. This information is provided as a supplement to the financial statements. The table does not include NTC information.

(Unaudited)		June 30 2005	Mar. 31, 2005	Dec. 31, 2004	Sept. 30, 2004	Jun. 30, 2004
Telephone Access Lines		24,877	24,802	24,691	24,818	24,867
Cable Television Subscribers		8,627	8,607	8,631	8,684	8,709
Dial-up Internet Subscribers		14,052	14,829	15,051	15,817	16,422
DSL Subscribers		3,427	2,923	2,646	2,152	1,856
Retail PCS Subscribers		112,090	106,924	102,613	98,053	94,475
Wholesale PCS Users	(1)	32,733	31,504	27,337	19,603	18,059
Long Distance Subscribers		10,258	10,055	9,918	9,719	9,559
Fiber Route Miles		576	574	557	554	554
Total Fiber Miles		29,566	29,462	28,830	28,771	28,770
Long Distance Calls (000)	(2)	6,808	6,326	6,265	6,117	6,228
Total Switched Access Minutes (000)		70,419	67,824	66,449	63,867	60,874
Originating Switched Access MOU (000)		19,570	19,376	18,870	18,596	18,280
Employees (full time equivalents)	(3)	408	358	374	303	284
CDMA Base Stations (sites)		288	280	271	261	257
Towers (100 foot and over)		81	81	80	78	78
Towers (under 100 foot)		11	11	11	10	10
PCS Market POPS (000)	(4)	2,199	2,199	2,199	2,168	2,168
PCS Covered POPS (000)	(4)	1,649	1,642	1,629	1,611	1,610
PCS Ave. Monthly Retail Churn %	(5)	1.9%	2.1%	2.2%	2.2%	1.9%

(1) - Wholesale PCS Users are private label subscribers with numbers homed in the Company's wireless network service area.

(2) - Originated by customers of the Company's Telephone subsidiary.

(3) - The June 30, 2005 employee count includes 44 summer interns.

(4) - POPS refers to the estimated population of a given geographic area and is based on information purchased by Sprint from Geographic Information Services. Market POPS are those within a market area which the Company is authorized to serve under its Sprint agreements, and Covered POPS are those covered by the network's service area.

(5) - PCS Ave Monthly Churn is the average of three monthly calculations of deactivations (excluding returns less than 30 days) divided by beginning of period subscribers.

The following table shows selected operating statistics for NTC. This information is provided as a supplement to the financial statements.

		At March 31, 2005			
			Subscribers		
		Accounts	Network	Cable	Phone
Bulk Properties	(1)	40	9,527	2,893	6,002
Retail Properties	(2)	11,546	11,419	5,577(3)	3,725
NTC Properties Served	(4)	113			

		At June 30, 2005			
			Subscribers		
		Accounts	Network	Cable	Phone
Bulk Properties	(1)	36	8,768	2,622	6,244
Retail Properties	(2)	9,708	9,261	4,356(3)	2,830
NTC Properties Served	(4)	114			

(1) - Service is provided under a single contract with the property owner who typically provides service to tenants as part of their lease. During the second quarter 2005, 4 bulk accounts migrated to retail.

(2) - Service is provided under single contracts with the individual subscribers.

(3) - Includes a limited number of premium cable subscribers whose basic cable service is included in Bulk Cable Subscribers.

(4) - Multi-unit housing complexes where NTC provides service.

The decrease in the number of NTC subscribers, from March 31, 2005 to June 30, 2005, is primarily due to the seasonality of NTC's customer base, which is primarily college students living in off-campus student housing.

Significant Transactions

In connection with the November 30, 2004 acquisition of NTC, the Company has notified the sellers it has claims for the entire $1 million held in escrow for payment of specified liabilities. The sellers have disputed a number of the Company's claims. The final disposition of the escrow is expected to be resolved in 2005.

Results of Operations

Summary

The Company's three major lines of business are wireless, wireline and other businesses. Each of the three areas has unique issues and challenges that are critical to the understanding of the operations of the Company. The wireless business is made up of two different operations, the PCS operation and the tower business. The wireline business is made up of traditional local telephone operations, the franchise cable TV operation, fiber network leasing, a company that resells long-distance and, beginning December 2004, the voice and video services of NTC. Other business includes the Company's Internet services provided through Shentel Services and NTC, the Interstate 81 corridor Travel 511 project, which expired on January 31, 2005, and the sales and service of telecommunications systems.

The Company's strategy is to expand its services and the geographic areas served. This strategy has been implemented primarily through enhancing the PCS network, under the national brand of Sprint, and the November 30, 2004 acquisition of NTC. The Company's efforts to market its services in the expanded PCS network area resulted in new subscribers purchasing phones and services, which continued to increase revenues during the three months ended June 30, 2005. The Company had 288 PCS base stations in service at June 30, 2005, compared to 257 base stations in service at June 30, 2004. This increase in base stations is primarily the result of supplementing network capacity and further extending coverage along highly traveled secondary roads in the Company's market areas. NTC properties served increased from 107 at December 31, 2004 to 114 at June 30, 2005.

The Company operates its wireless network as a PCS affiliate of Sprint. The Company receives revenues from Sprint for subscribers that obtain service in the Company's network coverage area and other subscribers that use the Company's network when they use PCS service within the Company's service area. The Company relies on Sprint to provide timely, accurate and complete information for the Company to record the appropriate revenue and expenses for each financial period.

Through Sprint, the Company began receiving revenue from wholesale resellers in late 2002. The Company's cost to handle this traffic is the incremental cost to provide the necessary network capacity.

For the seventh consecutive quarter, the Company's PCS operation recorded profitable operations, largely as a result of the PCS operation surpassing a break-even level of revenue generated by the number of customers in the Company's service area. Surpassing the break-even level has enabled the Company to cover the fixed costs of operation in addition to the coverage of the variable costs. The PCS operation achieved this level due to more favorable pricing from Sprint for back office services such as customer care, a continued favorable net travel position, increased wholesale revenues and a larger customer base. A change in the contract with Sprint or change in economic conditions could have an impact on the results of the PCS operation.

The Company's net travel and wholesale roaming, including the long distance and 3G data portions of that traffic, increased to a $2.9 million net contribution to operating income for the current quarter, compared to a $2.7 million net contribution to operating income for the same quarter last year. The Company's travel receivable minutes increased 16.0% to 83.3 million and the travel payable minutes increased by 21.3% to 60.4 million, compared to the second quarter of 2004. The increases in travel minutes receivable and payable are primarily the result of an increase in usage of the Company's network facilities by subscribers based in other markets and growth in subscribers in the Company's markets using PCS service outside of the Company's service area.

On a per-subscriber basis, the Company's average of travel payable minutes increased to 184 minutes in the second quarter of 2005, which represented an increase of 8 minutes from the second quarter of 2004. A continuation of this trend could negatively affect the results of the PCS operation and overall results of the Company absent any changes in the Company's arrangements with Sprint.

In the second quarter of both 2005 and 2004, the Company's average PCS retail customer turnover, or churn rate was 1.9%. To date, Wireless Local Number Portability has not had a significant effect on the churn rate, although there is no certainty that the rate will not be affected in future periods. In the second quarter of 2005, there was an increase in PCS bad debt expense to 3.0% of PCS service revenues compared to 1.4% in second quarter 2004. The second quarter 2004 bad debt expense of 1.4% was low relative to the other quarters in 2004. Although management continues to monitor receivables, collection efforts and new subscriber credit ratings, there is no certainty that the bad debt expense will not continue to increase in the future.

The wireline business is made up of traditional telephony, cable TV, fiber network operations, the Company's long-distance resale business and the phone and video services of NTC. The Company's primary service area for the telephone, cable TV and long-distance business is Shenandoah County, Virginia. The county is a rural area in northwestern Virginia, with a population of approximately 38,000 inhabitants, which has increased by approximately 3,000 since 2000. While a number of new housing developments are being planned for Shenandoah County, the potential for significant numbers of additional wireline customers in the Shenandoah County operating area is limited. NTC Communications provides local and long distance voice and video services on an exclusive and non-exclusive basis to multi-dwelling unit communities throughout the southeastern United States including Virginia, North Carolina, Maryland, South Carolina, Georgia, Florida, Tennessee and Mississippi.

Growth in new housing starts in the Company's local telephone area resulted in an increase of 75 access lines during the second quarter of 2005. While this is the second consecutive quarter during which there has been a net increase in access lines, the trend over the prior several quarters has been a decline in subscribers. Migration to wireless and DSL services are believed to have caused the decline. Although the construction of new homes within Shenandoah County appears to have moderated and even reversed this trend, for the second quarter, based on industry experience and national trends, the Company believes that a downward trend in telephone subscriber counts could re-emerge.

Other revenues include Internet and data services, both dial-up and DSL high-speed service. The Company's DSL subscribers are in the local telephone service area. The Company's dial-up subscribers are in seven counties in the northern Shenandoah Valley of Virginia, western Maryland and eastern West Virginia. The Company has seen a 2,370 subscriber decline in dial-up subscriptions over the last year. From June 30, 2004 to June 30, 2005, the number of DSL subscribers increased by 1,571 or 84.6%. The DSL growth in the last year is driven by customer desire for faster Internet connections.

Three Months Ended June 30, 2005 Compared to Three Months Ended June 30, 2004

General

Total revenues for the second quarter of 2005 were $35.5 million, which represented an increase of $5.6 million, or 18.8%, compared to $29.9 million for the second quarter of 2004. Total revenues include wireless revenue of $23.8 million, which increased by $3.3 million, or 15.9%; wireline revenues of $9.2 million, which increased by $1.6 million, or 20.6%; and other revenues of $2.5

million, which increased $0.8 million from the second quarter of 2004. Operating income decreased $0.3 million, to $4.7 million, compared to $5.0 million for the same period in 2004. Net income per diluted share was $0.33 per share for the 2005 second quarter, compared to $0.38 per share for the 2004 second quarter. As a result of the November 30, 2004 acquisition of NTC, the second quarter of 2005 includes a $1.0 million operating loss for NTC compared to the second quarter of 2004 which does not include NTC. The startup loss from NTC was expected as the Company integrates NTC's operations and builds upon NTC's growth potential.

Revenues

Wireless revenues are primarily derived from the PCS business. As of June 30, 2005, the Company had 112,090 retail PCS subscribers. The PCS operation added 17,615 net retail subscribers since June 30, 2004, and 9,477 since December 31, 2004. In addition, net wholesale users increased by 14,674 since June 30, 2004 and 5,396 since December 31, 2004. Wireless service revenues from retail customers were $15.0 million for the second quarter of 2005, which represented an increase of $2.3 million, or 17.9%, compared to $12.7 million for the second quarter of 2004.

PCS travel, wholesale and roaming revenues combined for the second quarter 2005 were $7.2 million, which represented a $0.9 million, or 14.8%, increase compared to the travel, wholesale and roaming revenue for the second quarter of 2004. The travel, wholesale and roaming revenue increase, which resulted from an increase in travel usage and growth in wholesale minutes, was offset in part by a decline in roaming usage for the same period.

PCS equipment sales increased $16 thousand, or 2.0%, to $0.8 million for the second quarter of 2005. The increase was primarily due to more gross new PCS subscribers and a lower phone price in the second quarter of 2005 and more subscribers upgrading their handsets to access new features provided with the service.

The remainder of the Company's wireless revenue was generated through the Company's tower business. Tower revenue was $0.8 million for the second quarter of 2005, compared to $0.7 million for the second quarter of 2004.

Wireline revenues were $9.2 million in the 2005 second quarter, which represented an increase of $1.6 million, or 20.6%, from the second quarter of 2004. The increase was the result of $1.4 million in video and phone service revenues from NTC. The remaining $0.2 million increase was primarily due to an increase in directory advertising, long distance services and a Shenandoah Cable television rate increase in January 2005. Total switched minutes of use on the local telephone network increased by 15.7% compared to the second quarter of 2004, however, access revenues did not increase due to declining wireline rates. The mix of minutes that terminate to wireless carriers compared to total minutes shifted from 40.8% for the second quarter of 2004 to 51.1% for the second quarter of 2005. The increase in minutes was primarily attributable to wireless traffic transiting the Company's telephone network.

Other revenues of $2.5 million increased $0.8 million compared to other revenues for the second quarter of 2004. Internet revenues increased $1.0 million, which includes $0.9 million from NTC. The total subscriber base for the dial-up and DSL Internet services provided by Shentel Services was 17,479 as of June 30, 2005, compared to 18,278 as of June 30, 2004, a decrease of 4.4%. While the subscribers to DSL service increased 1,571 or 84.6%, compared to the June 30, 2004 subscriber base, there was a decline of 2,370 dial-up subscribers, or 14.4%, from the level at June

30, 2004. The Company has experienced increased dial-up subscriber deactivations due to migration to competing high-speed Internet services, including the Company's DSL services. The Travel 511 contract revenue from the Virginia Department of Transportation, which expired January 31, 2005, resulted in a decrease of $0.3 million in other revenue compared to the second quarter 2004.

Operating Expenses

Total operating expense for the second quarter of 2005 was $30.8 million, which represented an increase of $6.0 million, or 24.1%, compared to the second quarter of 2004. The higher operating expense was primarily attributable to the inclusion of $3.3 million from NTC's operations, with the remaining $2.7 million increase, exclusive of NTC, primarily the result of $1.6 million in expense related to the increase in the number of PCS subscribers and expanded PCS network operations and a $1.1 million increase in selling, general and administrative expenses.

Costs of goods and services were $5.7 million, which represented an increase of $1.8 million, or 46.0%, from the second quarter of 2004. Costs associated with NTC account for $1.0 million of the increase with the remaining increase primarily due to higher volumes of handsets sold through Company owned stores and PCS handset commissions and subsidies paid to third-party retailers. The cost of handset upgrades sold to existing customers is expected to increase as the customer base matures and handset manufacturers introduce new technologies in new handsets. During the second quarter of 2005, the Company added 11,355 gross new PCS subscribers compared to 10,201 in the second quarter of 2004.

Network operating costs for the second quarter of 2005 were $10.2 million, which represented an increase of $1.1 million, or 11.5%, compared to the second quarter of 2004. The increase was primarily the result of NTC's network operating costs of $0.5 million and an increase in PCS travel and line costs of $0.8 million. The travel costs increased due to an increase in subscribers and an increase in the average travel minutes used by the Company's subscribers on the Sprint or Sprint affiliate networks not operated by the Company.

Depreciation and amortization expense for the 2005 second quarter was $5.5 million, which represented an increase of $1.1 million, or 25.0%, compared to $4.4 million for the second quarter of 2004. The increase is primarily due to NTC's depreciation expense for the second quarter of 2005 of $0.7 million, new assets in the PCS and telephone operations and a change in depreciable asset lives in the fourth quarter of 2004.

Selling, general and administrative costs were $9.4 million, which represented an increase of $2.0 million, or 27.6%. NTC's costs for second quarter 2005 were $1.0 million and the Sprint customer care costs increased $0.3 million from the second quarter of 2004. Stock Appreciation Rights (SARS) expense was $0.5 million for the second quarter 2005, due to a significant increase in the Company's stock price, and the remaining $0.2 million increase was related to salary and benefits expense for new and existing employees.

Other Income (Expense)

Losses on external investments totaled $11 thousand in the second quarter of 2005, compared to a $146 thousand gain in the second quarter of 2004. Second quarter 2005 interest expense decreased by $3 thousand, or 0.5%, compared to the second quarter of 2004. The Company's total debt as of

June 30, 2005 was $38.1 million, compared to $41.2 million as of June 30, 2004 and $52.3 million as of December 31, 2004. The decrease in borrowings from December 31, 2004 to June 30, 2005 was the result of the second quarter 2005 repayment of a revolving line of credit with CoBank.

The Company's 2005 second quarter net income was $2.5 million compared to $2.9 million in the second quarter of 2004. The reduction is due primarily to NTC's $0.8 million net loss and the $0.5 million SARS expense.

Six Months Ended June 30, 2005 Compared to Six Months Ended June 30, 2004

General

Total revenues for the six months ended June 30, 2005 was $69.9 million, which represented an increase of $12.3 million, or 21.4%, compared to $57.6 million for the six months ended June 30, 2004. Total revenues include wireless revenue of $46.4 million, which increased by $7.0 million, or 17.7%; wireline revenues of $18.4 million, which increased by $3.6 million, or 24.6%; and other revenues of $5.1 million, which increased $1.7 million from the six months ended June 30, 2004. Operating income was $9.3 million for both the first six months of 2005 and 2004. Net income per diluted share was $0.64 per share for the 2005 six month period, compared to $0.68 per share for the same period of 2004. As a result of the November 30, 2004 acquisition of NTC, the six months ended June 30, 2005 includes a $1.8 million operating loss for NTC compared to the six months ended June 30, 2004 which does not include NTC. The startup loss from NTC was expected as the Company integrates NTC's operations and builds upon NTC's growth potential.

Revenues

Wireless revenues are primarily derived from the PCS business. Wireless service revenues were $29.2 million for the six months ended June 30, 2005, which represented an increase of $4.5 million, or 18.4%, compared to $24.7 million for the six months ended June 30, 2004.

PCS travel, wholesale and roaming revenues combined for the six months ended June 30, 2005 were $13.8 million, which represented a $2.2 million, or 18.7%, increase compared to the travel, wholesale and roaming revenue for the six months ended June 30, 2004. The travel, wholesale and roaming revenue increase, which resulted from an increase in travel usage and growth in wholesale minutes, was offset in part by a decline in roaming usage for the same period.

PCS equipment sales increased $0.1 million, or 6.7%, to $1.6 million for the six months ended June 30, 2005. The increase was primarily due to more gross new PCS subscribers and a lower phone price in the second quarter of 2005 and more subscribers upgrading their handsets to access new features provided with the service.

The remainder of the Company's wireless revenue was generated through the Company's tower business. Tower revenue was $1.6 million for the six months ended June 30, 2005, compared to $1.4 million for the six months ended June 30, 2004.

Wireline revenues were $18.4 million in the 2005 six month period, which represented an increase of $3.6 million, or 24.6%, from the 2004 six month period. The increase was the result of $2.8 million in video and phone service revenues from NTC. The remaining $0.8 million increase was primarily due to a January 2005 Shenandoah Cable Television rate increase amounting to $0.3

million, a $0.2 million increase in access revenues and a $0.2 million increase in directory advertising. Total switched minutes of use increased by 16.2% compared to the six months ended June 30, 2004. The mix of minutes that terminate to wireless carriers compared to total minutes shifted from 38.3% for the six months ended June 30, 2004 to 50.1% for the six months ended June 30, 2005. The increase in minutes was primarily attributable to wireless traffic transiting the Company's telephone network.

Other revenues of $5.1 million increased $1.7 million compared to other revenues for the 2004 six month period. Internet revenues increased $2.0 million with NTC contributing $1.8 million of the increase. The Travel 511 contract revenue from the Virginia Department of Transportation, which expired January 31, 2005, decreased by $0.5 million compared to six months ended June 30, 2004.

Operating Expenses

Total operating expense for the 2005 six month period was $60.6 million, which represented an increase of $12.3 million, or 25.5%, compared to the 2004 six month period. The higher operating expense was primarily attributable to the inclusion of $6.4 million from NTC's operations and an increase in selling, general and administrative expenses of $2.2 million, exclusive of NTC. The remaining $3.7 million is primarily the result of an increase in the number of PCS subscribers and the expanded PCS network operations.

Costs of goods and services were $11.2 million, which represented an increase of $3.5 million, or 46.5%, from the 2004 six month period. Costs associated with NTC account for $2.3 million of the increase with the remaining increase primarily due to higher volumes of handsets sold through Company owned stores and PCS handset commissions and subsidies paid to third-party retailers. The cost of handset upgrades sold to existing customers is expected to increase as the customer base matures and handset manufacturers introduce new technologies in new handsets. During the 2005 six month period, the Company added 22,074 gross new PCS subscribers compared to 20,544 in the 2004 six month period.

Network operating costs for the 2005 six month period were $19.9 million, which represented an increase of $2.5 million, or 14.1%, compared to the 2004 six month period. The increase was primarily the result of NTC's network operating costs of $0.9 million and an increase in PCS travel and line costs of $1.7 million. The travel costs increased due to an increase in subscribers and an increase in the average travel minutes used by the Company's subscribers on the Sprint or Sprint affiliate network not operated by the Company.

Depreciation and amortization expense for the 2005 six month period, was $10.9 million, which represented an increase of $2.2 million, or 25.0%, compared to $8.7 million for the 2004 six month period. The increase is primarily due to NTC's depreciation expense for the 2005 six month period of $1.4 million, new assets in the PCS and telephone operations and a change in depreciable asset lives in the fourth quarter of 2004.

Selling, general and administrative costs were $18.6 million, which represented an increase of $4.1 million, or 28.6%, compared to the 2004 six month period. NTC's costs for the 2005 six month period were $1.9 million and the Sprint customer care costs increased $0.5 million from the 2004 six month period. SARS expense was $0.6 million for the 2005 six month period, due to a significant second quarter increase in the Company's stock price, and the remaining $1.1 million increase related to salary and benefits expense for new and existing employees.

Other Income (Expense)

Losses on external investments totaled $0.3 million in the 2005 six month period, compared to a $0.1 million gain in the 2004 six month period. Interest expense increased by $53 thousand, or 3.4%, in the 2005 six month period compared to the 2004 six month period

The Company's net income for the 2005 six month period was $4.9 million compared to $5.2 million for the 2004 six month period. The reduction is due to NTC's $1.4 million net loss and the $0.6 million SARS expense.

Investments In Non-Affiliated Companies

The Company participates in emerging technologies by investing in entities that invest in start-up companies. This includes indirect participation through capital venture funds of South Atlantic Venture Fund III, South Atlantic Private Equity IV, Dolphin Communications Parallel Fund, Dolphin Communications Fund II and Burton Partnership. For those investments that eventually become publicly-traded, the Company evaluates whether to hold or sell parts or all of each investment on an individual basis.

As of June 30, 2005, the Company held shares in two companies that are publicly-traded, with the following market values: $42 thousand in Net IQ (NTIQ), with 3,744 shares held, and $151 thousand in Deutsche Telekom, AG (DT), with 8,219 shares held.

Liquidity and Capital Resources

The Company generated $20.7 million in cash from operations in the 2005 six month period, compared to $13.7 million in the 2004 six month period. The $7.0 million increase from the 2004 six month period includes $5 million from escrow received in February 2005 related to the Company's February 2003 sale of its cellular operations.

The Company expects that operations will continue to generate positive cash flows.

As of June 30, 2005, the Company's total debt was $38.1 million, with an annualized overall weighted average interest rate of approximately 7.2%. As of June 30, 2005, the Company was in compliance with the covenants in its credit agreements. During the second quarter 2005, the Company reduced the outstanding balance of its revolving line of credit with CoBank by $12 million.

The Company is obligated to make future payments under various contracts, including amounts pursuant to its various long-term debt facilities, and non-cancelable operating lease agreements for retail space, tower space and cell sites.

Capital expenditures budgeted for 2005 total approximately $37.0 million, including approximately $20.0 million for additional PCS base stations, additional towers, additional sites and switch upgrades to enhance the PCS network, approximately $5.0 million for the telephone operation, $4.0 for NTC's operation and approximately $4.0 million for internal information technology expenditures and the implementation of new technologies. For the 2005 six month period, the Company spent $11.9 million on capital projects.

The Company's short-term and long-term cash needs, including working capital requirements, capital projects, debt payments, and dividend payments, are expected to be met from cash on hand, operating cash flow, and amounts expected to be available under the Company's existing financing facility. The Company may liquidate some of its investments to generate additional cash for its capital needs.

In connection with the November 30, 2004 acquisition of NTC, the Company has notified the sellers it may have claims for the entire $1 million held in escrow for payment of specified liabilities. The final disposition of the escrow is expected to be resolved in 2005.

Risks

On December 15, 2004, Sprint and Nextel Communications, Inc. announced that they had entered into a definitive agreement to merge. Nextel is a provider of digital wireless communications services in the Company's PCS service area. The impact of the Sprint Nextel merger on the Company's PCS operations is uncertain as of the date of this report. Based on currently available information and assuming that no changes are effected with respect to Sprint's agreements with the Company, it is possible that Sprint could be in violation of the exclusivity provisions of the Company's agreements with Sprint at some point following the completion of the Sprint Nextel transaction. The Company's agreements with Sprint provide for specific remedies in the event of a material violation by Sprint of such agreements. No determination has been made as to the impact on the value of the Company or its business of any of such remedies or whether any such remedy would be more or less favorable to the Company and its shareholders than the existing arrangements with Sprint or any new arrangements the Company may ultimately negotiate with Sprint.

In July 2005, Ubiquitel, Inc., iPCS Wireless, Inc, Enterprise Communications Partnership and Gulf Coast Wireless LP each filed actions seeking injunctive relief to prevent Sprint from breaching similar provisions of their respective agreements with Sprint. In particular, all of the complaints would enjoin Sprint from engaging in certain post-merger conduct in the respective parties' service areas, including the operation of the Nextel network, marketing, sales and promotional activities relating to Nextel products, and disclosing confidential business information, in each case in a manner that would violate Ubiquitel's, iPCS', Enterprise's and Gulf Coast Wireless' respective management agreements with Sprint. Shentel believes that the terms of such other companies' agreements with Sprint are substantially similar to the terms of the Company's agreement with Sprint. As of August 2, 2005, Sprint PCS has entered into forbearance agreements with Ubiquitel and iPCS . Under the respective forbearance agreements, Ubiquitel and iPCS each agreed not to seek certain injunctive or equitable relief against Sprint or Nextel relating to the matters specified in their complaints and Sprint agreed to certain parameters for the operation of Sprint's wireless business in the territories operated by Ubiquitel and iPCS following the completion of the merger involving Sprint and Nextel In light of these developments, the Company has and will continue to review and assess its options including but not limited to: initiating litigation; executing a forbearance agreement and/or seek changes to the existing relationship with Sprint.

As of the date hereof, the Company has had on-going discussions with Sprint regarding the continuance of their long-term relationship and the impact of the Sprint Nextel merger. As a result of the Sprint Nextel merger, Sprint may require the Company to meet additional program requirements, which the Company anticipates will increase capital expenditures and operating expenses. The Company is committed to working with Sprint to reach mutually acceptable arrangements with respect to the foregoing matters. There can be no assurances, however, that the Company and Sprint will be able to reach mutually acceptable arrangements, that a mutually acceptable arrangement will be reached prior to or subsequent to the closing of the Sprint Nextel merger or the likely impact on the Company or its relationship with Sprint of any such arrangements.

The Company believes that a significant portion of its PCS service area overlaps the service area operated by Nextel Partners under the Nextel brand. Nextel Partners is not a party to the Sprint Nextel merger. The agreements between Nextel Partners and Nextel contain exclusivity and other provisions that will remain in place following the Sprint Nextel merger until such time that Nextel Partners may be acquired by Sprint Nextel. The Company believes that the provisions under the agreements between Nextel and Nextel Partners may conflict with the Company's rights under its Management Agreement. Even if such provisions do not conflict, as long as Nextel Partners remains a stand-alone entity, the ability of the Company to fully realize any of the benefits from the merger of Sprint and Nextel may be limited. Furthermore, the continued operation by Nextel Partners of a competing network could have a negative impact on the Company's results of operations. Although the board of directors of Nextel Partners has recommended that its shareholders vote to put their Nextel Partners shares to Sprint Nextel following the merger, such an acquisition is unlikely to occur prior to 2006 and there can be no assurance that Nextel Partners' shareholders will accept the recommendation.

At June 30, 2005, the Company is one of ten PCS Affiliates of Sprint, and accordingly, is impacted by decisions and requirements adopted by Sprint in regard to its wireless operation. Management continually reviews its relationship with Sprint as new developments and requirements are added.

The Company's access revenue may be adversely impacted by legislative or regulatory actions that decrease access rates or exempt certain traffic from paying for access to the Company's regulated telephone network. The Federal Communications Commission is currently reviewing the issue of access charges as well as an overhaul of intercarrier compensation. An unfavorable change may have an adverse effect on the Company's telephone operations.

There has been a trend for incumbent local exchange carriers to see a decrease in access lines due to the effect of wireless and wireline competition and the elimination of second lines dedicated to dial-up Internet as customers migrate to broadband connections. Although the Company has not seen a material reduction in its number of access lines to date, and reported a slight increase during the 2005 six month period, the dominating nationwide trend has been a decline in the number of access lines. There is a significant risk that this trend could have a material adverse effect on the Company's telephone operations in the future.

The Company's revenue from fiber leases may be adversely impacted by price competition for these facilities. The Company monitors each of its fiber lease customers closely to minimize the risk related to this business.

The Company operates the cable television system in Shenandoah County, Virginia. The Company has seen increased competition from satellite providers that are larger and have cost advantages over the Company in the procurement of programming. The continued success of the satellite television providers may have an adverse impact on the Company's cable television results.

The Company may not be able to utilize all of its net operating loss carry forwards for taxes in certain states before they expire, resulting in the Company writing off some of its deferred tax assets.

Recent Accounting Pronouncements

In December 2004, the FASB issued SFAS No. 123 (R), Share Based Payments, which is a revision of SFAS No. 123, Accounting for Stock-Based Compensation. SFAS No. 123 (R) replaces SFAS No. 123, and supersedes APB Opinion No. 25, Accounting for Stock Issued to Employees, and amends SFAS No. 95, Statement of Cash Flows. The approach in SFAS 123 (R) is similar to the approach described in SFAS No. 123, however, SFAS No. 123 (R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. Pro forma disclosure will no longer be an alternative. SFAS No. 123 (R) will be effective for the Company beginning the first quarter 2006. The Company is still evaluating the impact of applying SFAS No. 123 (R), however, the Company does not believe the application will have a material impact on the Company's consolidated financial statements.

In March 2004, the FASB issued EITF Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments" which provides new guidance for assessing impairment losses on debt and equity investments. EITF Issue No. 03-1 also includes new disclosure requirements for investments that are deemed to be temporarily impaired. In September 2004, the FASB delayed the accounting provisions of EITF Issue No. 03-1; however, the disclosure requirements remain effective for the second quarter of 2005. The Company will evaluate the effect, if any, of EITF Issue No. 03-1 when final guidance is released.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

The Company's market risks relate primarily to changes in interest rates on instruments held for other than trading purposes. The Company's interest rate risk involves three components, although the Company believes only the first component, outstanding debt with variable rates, is of any significance at this time. The Company has a $15 million variable rate revolving reducing credit facility with CoBank and, as of June 30, 2005, the outstanding debt balance was $1.2 million. The Company's remaining debt has fixed rates through its maturity. A 10.0% decline in market interest rates would increase the fair value of the fixed rate debt by approximately $1.0 million, while the estimated current fair value of the fixed rate debt is approximately $37.2 million.

The second component of interest rate risk is temporary excess cash, primarily invested in overnight repurchase agreements and short-term certificates of deposit and money market funds. The Company currently has approximately $5.2 million of cash equivalents in overnight repurchase agreements, which are accruing interest at rates of approximately 2.0% per year. The cash is currently in short-term investment vehicles that have limited interest rate risk. Management continues to evaluate the most beneficial use of these funds.

The third component of interest rate risk is marked increases in interest rates, which may adversely affect the rate at which the Company may borrow funds for growth in the future. Although this risk is real, it is not significant at this time as the Company has adequate cash for operations, payment of debt and near-term capital projects.

Management does not view market risk as having a significant impact on the Company's results of operations, although future results could be adversely affected if interest rates were to escalate markedly and the Company required external financing. Since the Company does not currently have significant investments in publicly traded stock, there is limited risk related to the Company's available-for-sale securities. General economic conditions affected by regulatory changes, competition or other external influences may play a higher risk to the Company's overall results.

As of June 30, 2005, the Company's external investments totaled $7.3 million with $7.1 million of the total invested in privately-held companies directly or through investments with portfolio managers. Most of the companies are at an early stage of development, and significant increases in interest rates could have an adverse impact on their results, ability to raise capital and viability. The Company's market risk is limited to the funds previously invested and an additional $0.8 million committed under contracts the Company has signed with portfolio managers.

ITEM 4. Controls and Procedures

Evaluation Regarding the Effectiveness of Disclosure Controls and Procedures

Management, with the participation of our President and Chief Executive Officer, who is the principal executive officer, and the Executive Vice President and Chief Financial Officer, who is the principal financial officer, conducted an evaluation of our disclosure controls and procedures, as defined by Rule 13a - 15(e) under the Securities Exchange Act of 1934. Based on this evaluation, the Company's principal executive officer and its principal financial officer concluded that the Company's disclosure controls and procedures were effective as of June 30, 2005.

During the second fiscal quarter of 2005, there were no changes in the Company's internal control over financial reporting that have materially affected, or that are reasonably likely to materially affect, its internal control over financial reporting.

Under the Company's agreements with Sprint, Sprint provides the Company with billing, collections, customer care, certain network operations and other back office services for the PCS operation. As a result, Sprint remits to the Company approximately 65% of the Company's total revenues, while approximately 39% of the expenses reflected in the Company's consolidated financial statements relate to charges by or through Sprint for expenses such as billing, collections and customer care, roaming expense, long-distance, and travel. Due to this relationship, the Company necessarily relies on Sprint to provide accurate, timely and sufficient data and information to properly record the Company's revenues, expenses and accounts receivable, which underlie a substantial portion of the Company's periodic financial statements and other financial disclosures.

Information provided by Sprint includes reports regarding the subscriber accounts receivable in the Company's markets. Sprint provides the Company with monthly accounts receivable, billing and cash receipts information on a market level, rather than a subscriber level. The Company reviews these various reports to identify discrepancies or errors. However, under the Company's agreements with Sprint, the Company is entitled to only a portion of the receipts, net of items such as taxes, government surcharges, certain allocable write-offs and the 8% of revenue retained by Sprint. Because of the Company's reliance on Sprint for financial information, the Company must depend on Sprint to design adequate internal controls with respect to the processes established to provide this data and information to the Company and Sprint's other PCS affiliate network partners. To address this issue, Sprint engages independent registered accountants to perform a periodic evaluation of these controls and to provide a "Report on Controls Placed in Operation and Tests of Operating Effectiveness for Affiliates" under guidance provided in Statement of Auditing Standards No. 70 ("SAS 70 reports"). The report is provided to the Company on semi-annual basis and covers a twelve-month period. The most recent report covers the period from April 1, 2004 to March 31, 2005. The most recent report indicated there were no material issues which would adversely affect the information used to support the recording of the revenues and expenses provided by Sprint related to the Company's relationship with them.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

In April, 2005, Shenandoah Personal Communications Services Company (Shenandoah PCS) submitted to arbitration a claim against Verizon South Inc., Verizon Virginia Inc., Verizon West Virginia Inc., Verizon Pennsylvania Inc., Verizon North Inc. and Verizon Maryland (collectively "Verizon") with respect to overcharges for completing local calls from Shenandoah PCS customers to Verizon's customers. On May 16, 2005,Verizon filed actions in the US District Court, Maryland District, and in the US District Court, Eastern District of Virginia, seeking to stay the arbitration proceedings. On July 18, 2005, Shenandoah PCS filed a response to Verizon's request for a stay and filed counterclaims against Verizon seeking the same relief as originally set forth in its demand for arbitration. Shenandoah PCS is claiming that Verizon failed to charge Shenandoah the interconnection rate that it was entitled to under a number of interconnection agreements negotiated between Sprint PCS (on behalf of Shenandoah PCS) and Verizon. In the alternative, Shenandoah PCS is claiming that Verizon failed to comply with federal law by not offering Shenandoah PCS the "mirror rate" as required by the FCC, and by charging Shenandoah PCS discriminatory rates. Although Verizon has acknowledged that Shenandoah PCS is entitled to the lower rate on a going forward basis, it has not refunded any overcharges for the period prior to November 2004. The Company estimates that the amount of overcharges for the period prior to November 2004 may be as much as $1.5 million; however, there can be no assurance that the Company will be able to recover the full amount. As of June 30, 2005, no amount has been recorded as a receivable in the Company's consolidated financial statements.

ITEM 4. Submissions of Matters to a Vote of Security Holders set forth below:

(a) The Company held its 2005 annual meeting of shareholders on May 3, 2005.

(c) The following sets forth information regarding the election of Directors and approval of the 2005 Shenandoah Telecommunications Company Stock Incentive Plan at the 2005 annual meeting. There were 7,644,538 shares of common stock outstanding as of the record date for, and entitled to vote at, the 2005 annual meeting, of which 5,541,785 shares were present in person or by proxy, and constituted a quorum.

The shareholders approved a proposal to elect each of the three nominees to the board of directors for a three-year term, which will expire at the annual meeting of shareholders in 2008. The tabulation of votes on this proposal is as follows:

NOMINEE	FOR
Douglas C. Arthur	5,428,029
Tracy Fitzsimmons	5,372,009
William A. Truban, Jr.	5,495,444

The shareholders approved the 2005 Shenandoah Telecommunications Company Stock Incentive Plan with 5,228,281 voting for the proposal.

ITEM 6. Exhibits

(a) The following exhibits are filed with this Quarterly Report on Form 10-Q:

4.2 Amended and Restated Dividend Reinvestment Plan

31 Certifications pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.

32 Certifications pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. 1350.

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)

August 5, 2005 /s/ Earle A. MacKenzie

Earle A. MacKenzie
Executive Vice President and
Chief Financial Officer
(Duly Authorized Officer and Principal Financial Officer)

EXHIBIT INDEX

Exhibit No.	Exhibit
4.2	Amended and Restated Dividend Reinvestment Plan
31	Certifications pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32	Certifications pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. 1350.

Exhibit 4.2.

SHENANDOAH TELECOMMUNICATIONS COMPANY
AMENDED AND RESTATED DIVIDEND REINVESTMENT PLAN
DESCRIPTION, TERMS AND CONDITIONS

1. PURPOSE OF THE PLAN

The purpose of this Amended and Restated Dividend Reinvestment Plan (the "Plan") is to provide the participating shareholders of Shenandoah Telecommunications Company (the "Company") with a convenient method of investing cash dividends in additional shares of the common stock of the Company at a cost that may, because of the Company's payment of brokerage fees associated with the purchases of Common Stock under the Plan, represent a savings over that available in normal open market purchases.

2. DEFINITIONS.

For purposes of the Plan, the following words or phrases shall have meanings assigned to them below:

(a) "Common Stock" shall mean the common stock, without par value, of the Company.

(b) "Company" shall mean Shenandoah Telecommunications Company.

(c) "Fair Market Value" shall mean the value of the Common Stock determined by the Company as follows:

(i) Exchange Traded. In the event that the Common Stock is listed on a national securities exchange, the fair market value per share shall be the average of the high and low sale prices of the Common Stock as reported on such exchange for each of the ten trading days immediately preceding the determination date.

(ii) NASDAQ Listed. In the event that the Common Stock is not listed on a national securities exchange, but is then quoted on The NASDAQ Stock Market (whether the National or SmallCap Market), the fair market value per share shall be the average of the high and low sale prices of the Common Stock as reported on The NASDAQ Stock Market for each of the ten trading days immediately preceding the determination date.

(iii) OTC Traded. In the event that the Common Stock is not listed on a national securities exchange and is not quoted on The NASDAQ Stock Market, the fair market value per share shall be the average of the high and low bid and asked quotations of the Common Stock for each of the ten trading days immediately preceding the determination date as reported by two brokerage firms to be selected by the Company which are then making a market in the Common Stock, except that if no closing bid or asked quotation is available on one or more of such trading days, fair market value shall be determined by reference to the ten trading days preceding the determination date on which closing bid and asked quotations are available.

(iv) Other. In the event that the Common Stock is not listed on a national securities exchange, is not quoted on The NASDAQ Stock Market and no closing bid and asked quotations are available, or that the fair market value per share cannot otherwise be determined as contemplated above, then fair market value per share shall be determined in good faith by the Company.

(d) "Full Dividend Reinvestment Option" shall mean a Participant's option to reinvest dividends on all shares of Common Stock then or thereafter registered in his name.

(e) "Investment Date" shall mean the date a dividend is actually paid by the Company.

(f) "Partial Dividend Reinvestment Option" shall mean a Participant's option to reinvest dividends on only a specified number of shares of Common Stock then registered in his name.

(g) "Participant" shall mean a holder of record of Common Stock of the Company who has elected to participate in the Plan by delivering an executed Participant Card to the Plan Agent.

(h) "Participant Card" shall mean the card or other document designated by the Plan Agent as the required evidence of a shareholder's election to participate in the Plan.

(i) "Plan Agent" shall mean the Company, and shall also mean any other entity to which the Company has delegated all or any part of its responsibilities hereunder, other than the function of purchasing Plan Shares pursuant to the Plan.

(j) "Plan Shares" shall mean shares of Common Stock that have been purchased on behalf of a Participant under the Plan.

(k) "Purchasing Agent" shall mean the unaffiliated entity designated from time to time by the Board of Directors of the Company, the Company's Chief Executive Officer or the Company's Chief Financial Officer to purchase Plan Shares for the Participants.

(l) "Record Date" shall mean the date on which a person must be registered as a shareholder on the stock books of the Company in order to receive a dividend.

3. ADMINISTRATION

The Plan Agent shall administer the Plan for Participants. Purchases of Common Stock for issuance pursuant to the Plan will be made by the Purchasing Agent.

4. PARTICIPATION

Subject to the provisions of Sections 4, 5, and 13 herein, all holders of record of the Common Stock of the Company are eligible to participate in the Plan. A beneficial owner whose shares are registered in a name other than his own must become a shareholder of record with respect to any such shares that the shareholder desires to participate in the Plan by transferring such shares into his own name in order to participate in the Plan.

The Plan Agent reserves the right not to offer participation in the Plan to those holders of record who reside in jurisdictions that require registration of the Plan with the securities commission of that jurisdiction.

5. ENROLLMENT; CHANGE IN PARTICIPATION LEVEL

A shareholder of record may enroll in the Plan at any time by completing and signing a Participant Card and returning it to the Plan Agent, unless the Plan Agent or the Purchasing Agent has reason to believe that such enrollment is not, at such time, permitted under the laws of the jurisdiction in which such shareholder resides or under the laws of the United States. If a Participant Card requesting reinvestment of dividends is received by the Plan Agent on or before the Record Date established for a particular dividend, reinvestment will commence with that dividend. If a Participant Card is received by the Plan Agent after the Record Date established for a particular dividend, the reinvestment of dividends will begin on the Investment Date following the next Record Date if the shareholder is still a holder of record on such next Record Date. A Participant who elects to enroll in the Plan may choose to participate through either the Full Dividend Reinvestment Option or the Partial Dividend Reinvestment Option. Once a Participant has enrolled in the Plan, his participation continues with respect to his participating shares until the Participant changes his participation level, as described in the next paragraph, or his participation is terminated pursuant to the terms of the Plan.

A Participant may, at any time or from time to time, change his participation level and thereby increase or decrease his number of participating shares in the Plan by completing and signing a new Participant Card and returning it to the Plan Agent. If a new Participant Card requesting a change in participation level is received by the Plan Agent on or before the Record Date established for a particular dividend, the change will be reflected with that dividend. If a new Participant Card is received by the Plan Agent after the Record Date established for a particular dividend, the change in participation level will begin on the Investment Date following the next Record Date if the shareholder is still a holder of record on such next Record Date.

6. PURCHASES

On each Investment Date, or the next trading day if the Investment Date does not fall on a trading day, the Company will pay to the Purchasing Agent the total amount of dividends payable on each Participant's shares of Common Stock enrolled in the Plan (including Plan Shares) and, except as otherwise directed by the Plan Agent, the Purchasing Agent shall use that amount to purchase Common Stock from the Company, in the open market, or a combination of both, for the Participant. Participants cannot choose the source of the shares of Common Stock. The price of Common Stock purchased from the Company will be the Fair Market Value of such Common Stock determined as of the Investment Date.

Share purchases in the open market may be made in transactions effected on a national securities exchange, The NASDAQ Stock Market or over-the-counter trades, as applicable, or through negotiated transactions on terms that the Purchasing Agent may reasonably determine. Neither the Plan Agent nor any Participant will have any authority or power to direct the date, time, or price at which shares of Common Stock may be purchased or the selection of a broker or dealer through or from whom purchases are to be made by the Purchasing Agent. The price of all the shares of Common Stock purchased in the open market will be the weighted average price of all the shares purchased for the Plan for that investment (excluding brokerage commissions).

Purchases will be made as soon as possible after the applicable Investment Date, but not more than thirty (30) days after such date. Interest will not be paid on funds held pending investment. No shares of Common Stock will be allocated to a Participant's account until the date on which the Purchasing Agent has purchased sufficient shares from the Company and/or in the open market to cover purchases for all Participants in the Plan.

7. TEMPORARY CURTAILMENT OF PURCHASES OR SALES

Temporary curtailment or suspension of purchases of shares may be made at any time when such purchases would, in the judgment of the Plan Agent, contravene or be restricted by applicable regulations, interpretations or orders of the Securities and Exchange Commission, or any other governmental commission, agency or instrumentality, of any court or securities exchange or of The NASDAQ Stock Market or the National Association of Securities Dealers, Inc. The Plan Agent shall not be accountable or otherwise liable for failure to make purchases at such times.

8. COSTS

Participants will be charged the actual cost (excluding brokerage commissions, which shall be paid by the Company) of all Common Stock purchased. All costs of administration of the Plan will be borne by the Company; however, reasonable service charges may be assessed by the Company upon thirty (30) days' notice to the Participants.

9. REPORTS TO PARTICIPANTS

As soon as practicable after completion of each investment on behalf of a Participant, the Plan Agent will mail to such Participant a statement of account showing (i) the amount of the dividend applied toward such investment, (ii) the taxes withheld, if any, (iii) the net amount invested, (iv) the number of shares purchased, (v) the average cost per share, (vi) the cost basis of whole shares purchased, (vii) the date of purchase and (viii) the amount of the dividend paid in cash in lieu of the issuance of fractional shares. Each Participant will receive annually Internal Revenue Service Form 1099, or any successor form, reporting dividend income received.

10. CERTIFICATES FOR SHARES

Certificates for whole Plan Shares will be issued to Participants upon request. Certificates for fractional shares will not be issued under any circumstances. Instead, each Participant's account maintained by the Plan Agent will be credited with the number of fractional shares (calculated to at least three (3) decimal places) allocated to such Participant as a result of that investment.

11. TERMINATION OF ACCOUNT AND WITHDRAWALS

A Participant may terminate his account at any time prior to a Record Date by giving written notice of termination to the Plan Agent. The effective date of any such termination shall be the fifth trading day following receipt by the Plan Agent of such notice, provided that the effective date of termination in the case of any termination notice received by the Plan Agent after a Record Date shall be the fifth trading day after the completion of the investment in Plan Shares in respect of the Investment Date following such Record Date. Within a reasonable time after the effective date of termination, the Plan Agent will deliver to the Participant (i) a certificate representing any previously unissued Plan Shares held under the Plan, if any, and (ii) a check for any uninvested dividends and the cash payable in lieu of fractional shares, if any then held in the Participant's account maintained by the Plan Agent. The amount of cash payable in lieu of any fractional shares will be calculated based on the Fair Market Value of the Common Stock determined as of the effective date of termination. A Participant's account will be automatically terminated if at anytime, the Participant has less than 1 whole share either enrolled or held by the Plan.

12. STOCK DIVIDENDS; STOCK SPLITS

Reports detailing any stock dividends or split shares distributed by the Company will be mailed to each Participant. Stock Splits and stock dividends on enrolled and plan shares shall automatically be enrolled in the Plan, unless the Participant notifies the Plan Agent to the contrary.

13. AMENDMENT OR DISCONTINUANCE OF THE PLAN

The Plan Agent may amend, supplement, suspend, modify or terminate the Plan at any time without the approval of the Participants. Thirty (30) days' notice of any suspension or material amendment shall be sent to all Participants, who shall in all events have the right to withdraw from the Plan.

The Plan Agent shall have the right at any time upon written notice to a Participant to suspend or terminate such Participant's participation in the Plan if it determines in its sole discretion that suspension or termination is appropriate because shares of Common Stock may not lawfully be offered or sold in the state in which the Participant resides or that the Participant is using the Plan for purposes inconsistent with the intended purpose of the Plan, or for any other reasons. In the event that a Participant's right to participate in the Plan is terminated, the Participant shall be treated as though a notice to withdraw from the Plan had been received pursuant to Section 11 of the Plan on the effective date of such termination.

14. INTERPRETATION OF THE PLAN

Any question of interpretation arising under the Plan will be determined by the Board of Directors of the Company pursuant to applicable federal and state law and the rules and regulations of all regulatory authorities, and such determination shall be final and binding on all Participants.

Amended and Restated Drip adopted July 18, 2005

15. NOTICES

All communications with or notices to the Participants may be given by letter addressed to the Participant at the Participant's last address of record with the Company. The Participant agrees to give prompt written notice to the Company of any change of address.

All communications with or notices required to be given to the Plan Agent should be addressed to:

Shenandoah Telecommunications Company
500 Shentel Way
Post Office Box 459
Edinburg, Virginia 22824
Attention: Dividend Reinvestment Plan

Additional Participant Cards may be requested and inquiries made about the Plan by writing to the mailing address shown above or by calling the Plan Agent at (540) 984-4141.

In the event of any change in or substitution of the Plan Agent, a notice of the new Plan Agent's address and telephone number shall be sent to all participants and this Section 15 shall be amended accordingly.

16. DUTIES AND RESPONSIBILITIES

Neither the Company, the Plan Agent nor its nominees shall have any responsibility beyond the exercise of ordinary care for any action taken or omitted pursuant to the Plan, nor shall they have any duties, responsibilities or liabilities, except such as are expressly set forth herein. Neither the Company nor the Plan Agent shall be liable for any act done in good faith, or for any good faith omission to act, including, without limitation, any claims of liability (a) with respect to the time or prices at which Common Stock is purchased for a Participant, or any inability to purchase Common Stock for any reason or (b) for any fluctuation in the market value of the Common Stock.

17. GOVERNING LAW

This Plan is governed by the laws of the Commonwealth of Virginia.

18. NO TERMINATION BY OPERATION OF LAW

The delivery by a Participant of a signed Participant Card to the Plan Agent shall constitute an irrevocable appointment of the Plan Agent as such Participant's agent, which appointment can only be terminated by terminating such Participant's account in the manner provided in Section 11 or 13. The authority conferred by the Participant Card shall not be terminated by operation of law, whether by the death or incapacity of the Participant, the termination of any trust, the dissolution of any corporation or the occurrence of any other event.

19. GENDER AND NUMBER

Except when otherwise indicated by the context, the masculine gender shall also include the feminine gender, and the definition of any term herein in the singular shall also include the plural.

20. EFFECTIVE DATE

The effective date of the Plan is August 12, 2005.

Amended and Restated Drip adopted July 18, 2005

EXHIBIT 31.1

CERTIFICATION

I, Christopher E. French, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Shenandoah Telecommunications Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Christopher E. French

Christopher E. French, President and Chief Executive Officer
Date: August 5, 2005

EXHIBIT 31.2

CERTIFICATION

I, Earle A. MacKenzie, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Shenandoah Telecommunications Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the

audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Earle A. MacKenzie

Earle A. MacKenzie, Executive Vice President and Chief Financial Officer
Date: August 5, 2005

EXHIBIT 32

Written Statement of Chief Executive Officer and Chief Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Each of the undersigned, the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer, of Shenandoah Telecommunications Company (the "Company"), hereby certifies that, on the date hereof:

(1) The quarterly report on Form 10-Q of the Company for the three months ended June 30, 2005 filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) Information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Christopher E. French

Christopher E. French
President and Chief Executive Officer
August 5, 2005

/s/ Earle A. MacKenzie

Earle A. MacKenzie
Executive Vice President and
Chief Financial Officer
August 5, 2005

The foregoing certification is being furnished solely pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 (the "Exchange Act") and 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document. This certification shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to liability under that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act except to the extent this Exhibit 32 is expressly and specifically incorporated by reference in any such filing.