



4Q 2010 Earnings Conference Call
March 7, 2011

Safe Harbor Statement

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, regarding, among other things, our business strategy, our prospects and our financial position. These statements can be identified by the use of forward-looking terminology such as “believes,” “estimates,” “expects,” “intends,” “may,” “will,” “should,” “could,” or “anticipates” or the negative or other variation of these similar words, or by discussions of strategy or risks and uncertainties. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from the Company’s expectations and projections. Important factors that could cause actual results to differ materially from such forward-looking statements include, without limitation, risks related to the following:

- ❑ Increasing competition in the communications industry; and
- ❑ A complex and uncertain regulatory environment.

A further list and description of these risks, uncertainties and other factors can be found in the Company’s SEC filings which are available online at www.sec.gov, www.shentel.com or on request from the Company. The Company does not undertake to update any forward-looking statements as a result of new information or future events or developments.

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Chris French

CEO and President

4Q'10 Highlights

□ Customer Growth

- ▶ Total wireless customers 302,653 at end of year
- ▶ Total Cable RGUs 104,440 at end of year

□ Cable Expansion

- ▶ November 30th closed on the purchase of Suddenlink properties; 7,000 homes passed, 3,900 RGUs

□ Wireless

- ▶ Significant growth in prepaid business which began with the purchase of approximately 50,000 current Virgin Mobile customers in July 2010

Cable Highlights

□ Cable Upgrades

- ▶ Former Rapid Communication systems complete
- ▶ Former Jet Broadband markets work underway

□ Triple Play

- ▶ High Speed data available to 89% and voice to 73% of acquired video homes passed at 12/31/10

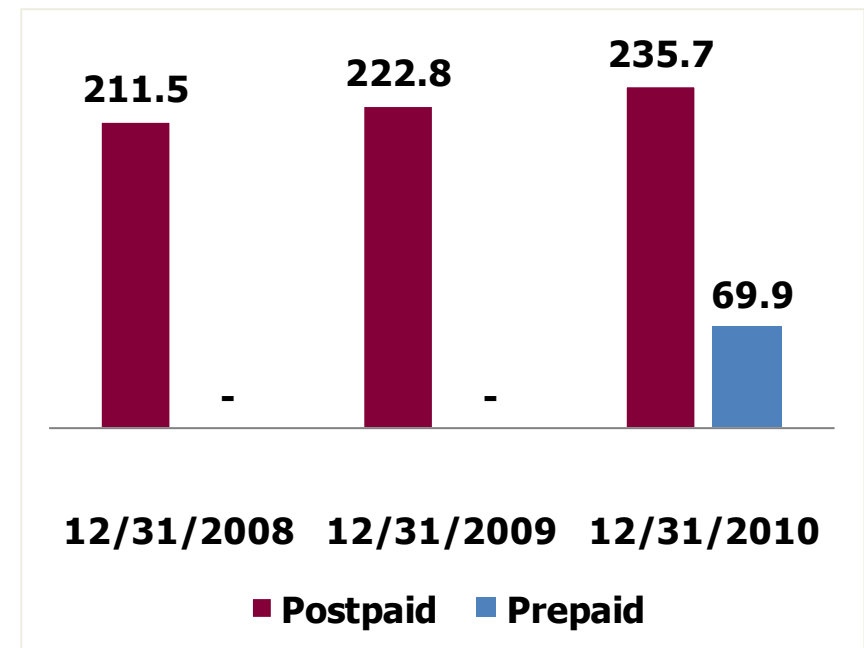
□ Sales Momentum

- ▶ 2010 net RGU additions of 9,972

Wireless Highlights

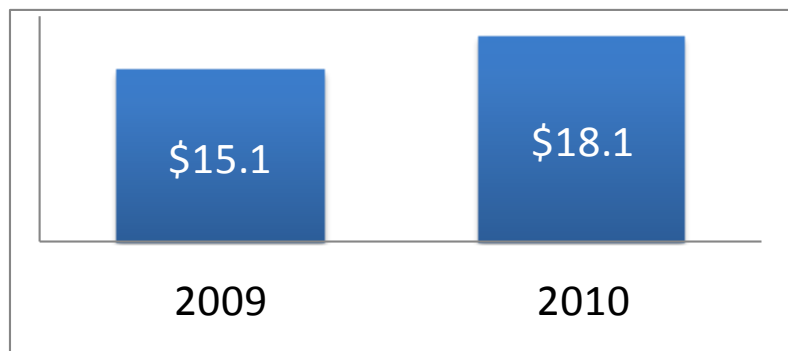
- ❑ **Prepaid** – 2010 net additions of 17,071 and 66,956 prepaid subs at 12/31
- ❑ **Steady Wireless growth** – Postpaid customers up 6% in the last year
- ❑ **Postpaid Churn improves** – Annual churn of 1.9% compared to 2.1% for 2009

PCS Postpaid Customers (000s)

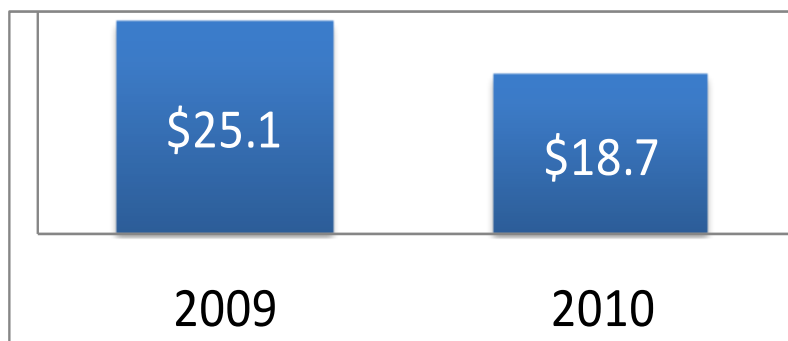


2010 Financial Highlights

Net Income (in millions)



Net Income from Continuing Operations (in millions)



- ❑ **JetBroadBand acquisition-related transaction costs** - \$3.1 million before tax and \$1.8 million after tax
- ❑ **Prepaid** – Net loss \$.6 million pre-tax, \$.4 million after-tax
- ❑ **Closed DB Pension Plan** – Incurred cost of \$3.8 million, pre-tax, \$2.3 million after tax
- ❑ **Directory sale** – sold publishing rights for \$4 million gain pre-tax, \$2.4 million after tax

Adele Skolits

CFO and VP of Finance

Profitability

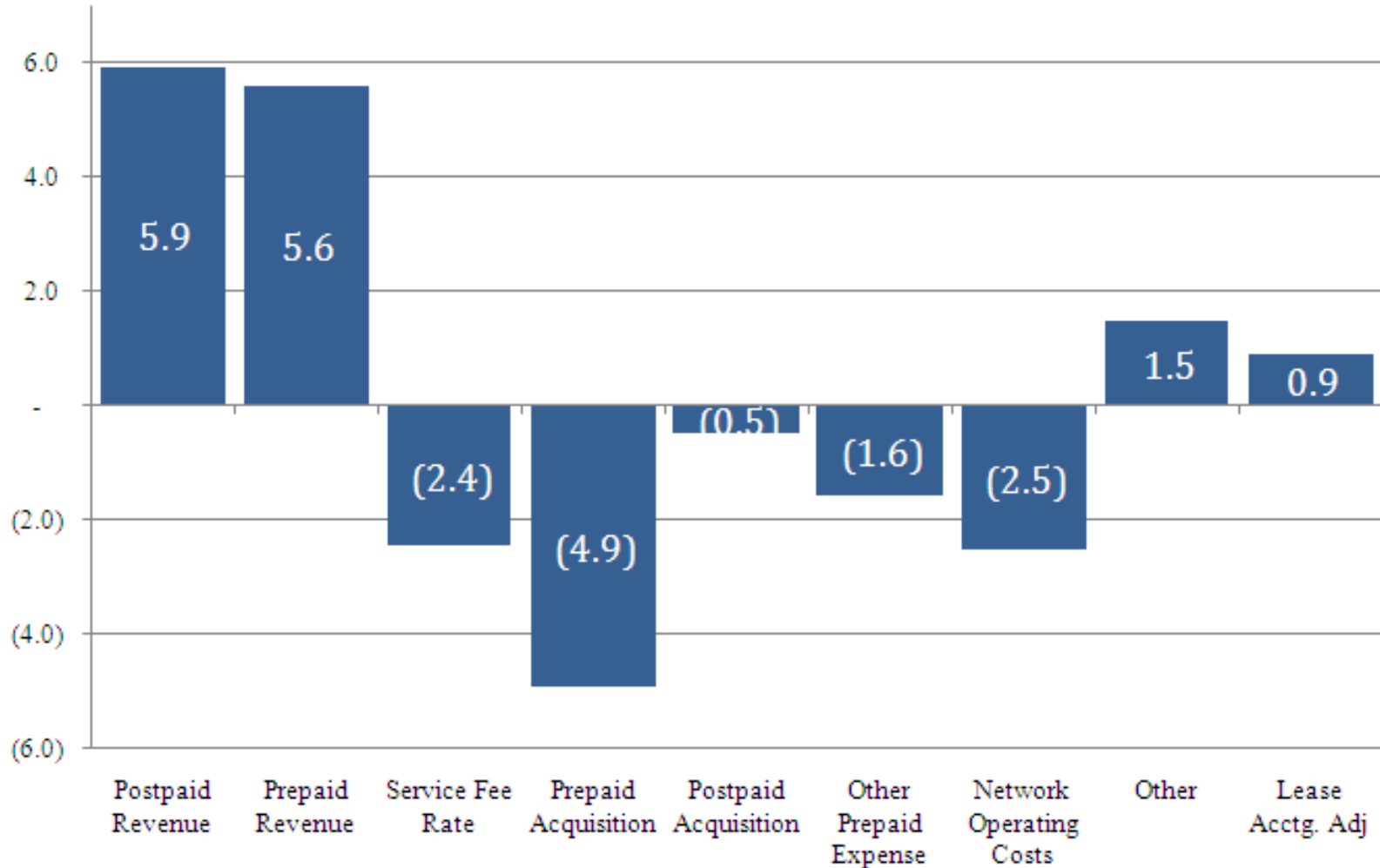
Adjusted OIBDA (\$ millions)

	<u>For the Year Ended:</u>		
	<u>12/31/09</u>	<u>12/31/10</u>	<u>Change</u>
Operating Income	\$42.8	\$36.2	(\$6.6)
Depreciation and Amortization	32.6	42.7	10.1
OIBDA	\$75.4	\$78.9	\$3.5
Share Based Compensation	\$0.5	\$0.7	0.2
Pension settlement/curtailment expense	\$0.0	\$3.8	3.8
Gain on directory sale	\$0.0	(\$4.0)	(4.0)
M&A Acquisition costs	\$0.1	\$3.2	3.1
Adjusted OIBDA	\$76.0	\$82.6	\$6.6

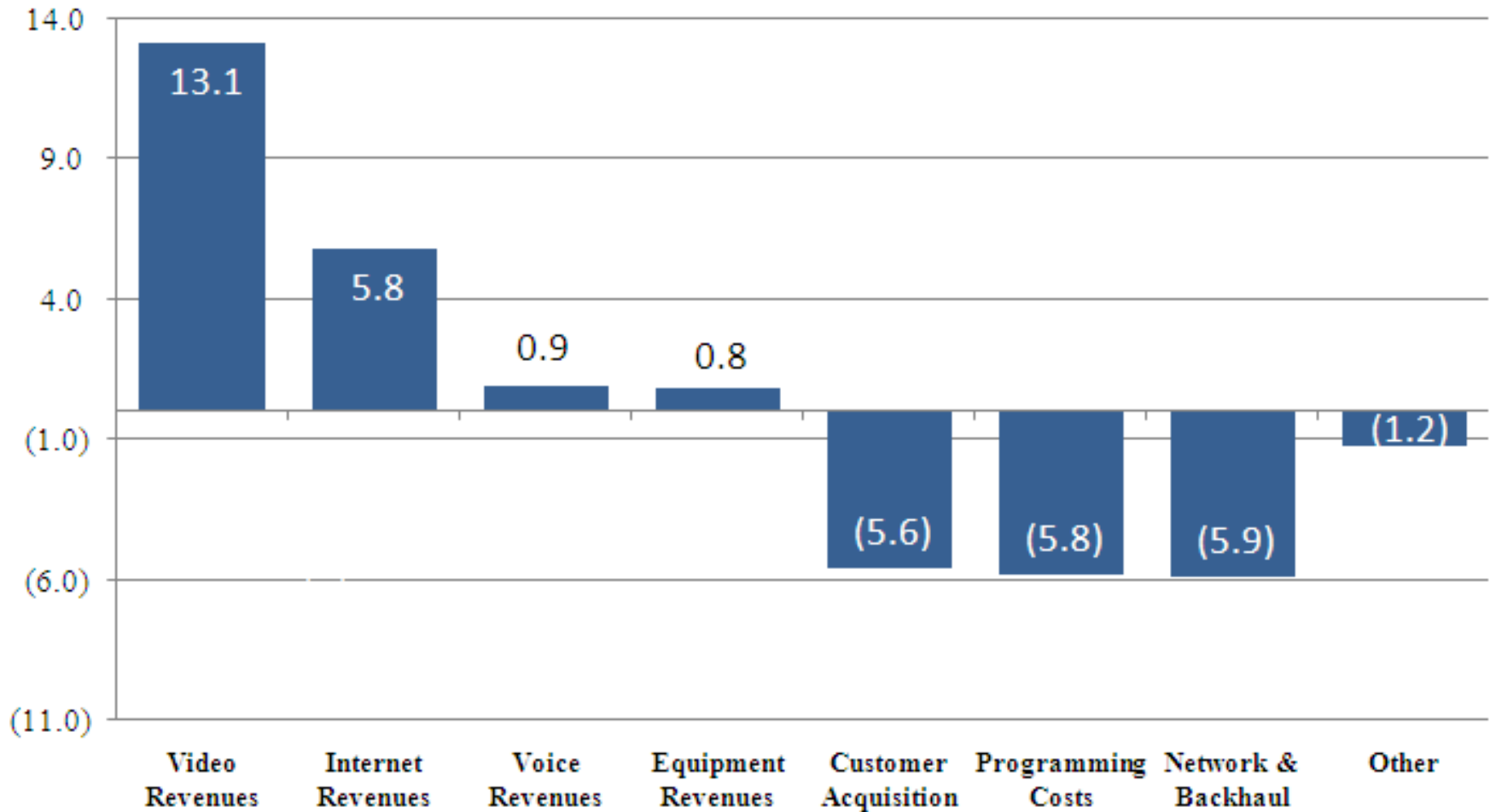
Adjusted OIBDA by Segment

	<u>Wireless</u>		<u>Wireline</u>		<u>Cable</u>	
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
Operating Income	\$ 40.2	\$ 38.3	\$ 12.6	\$ 17.0	\$ (6.1)	\$ (15.4)
Depreciation and Amortization	20.3	23.2	8.3	7.9	3.7	11.3
OIBDA	60.5	61.5	20.9	24.9	(2.4)	(4.1)
Share Based Compensation	0.2	0.2	0.2	0.2	0.1	0.2
Pension settlement/ curtailment expense	-	1.0	-	2.0	-	0.6
Directory gain	-	-	-	(4.0)	-	-
Acquisition costs	-	-	-	-	0.1	3.2
Adjusted OIBDA	<u>\$ 60.7</u>	<u>\$ 62.7</u>	<u>\$ 21.1</u>	<u>\$ 23.1</u>	<u>\$ (2.2)</u>	<u>\$ (0.1)</u>

Wireless Segment – Change in Adjusted OIBDA 2010 vs. 2009



Cable Segment – Change in Adjusted OIBDA 2010 vs. 2009

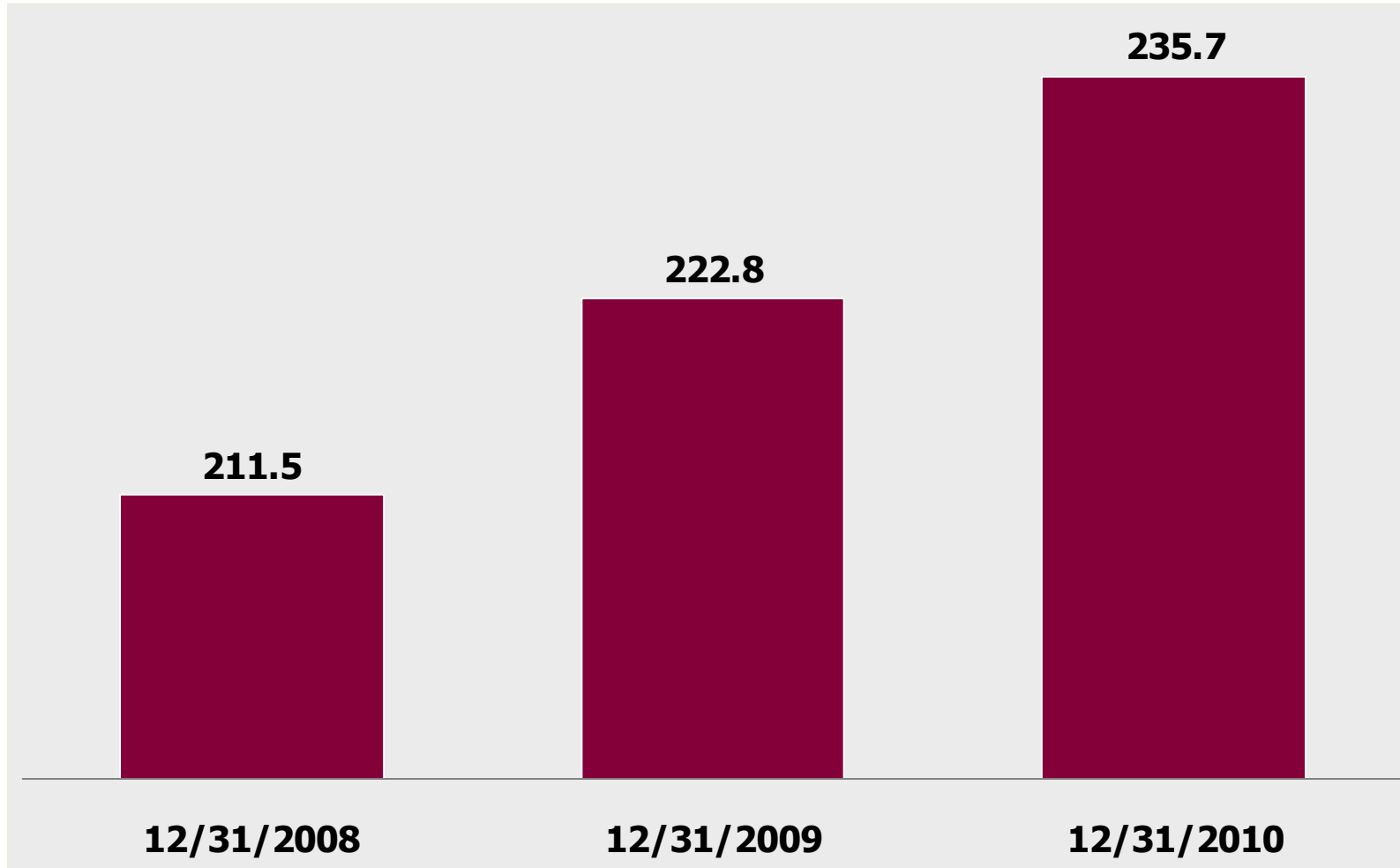


Earle MacKenzie

EVP and COO

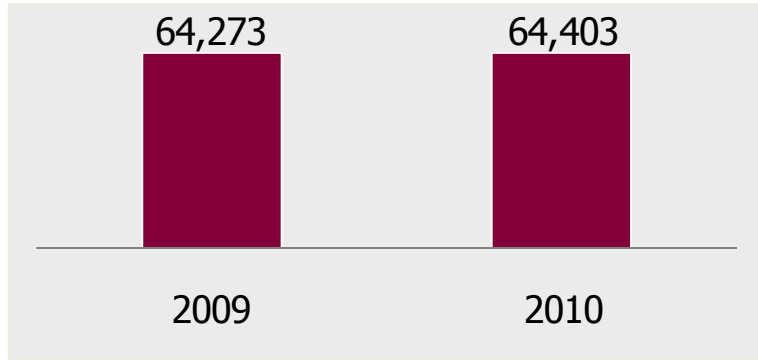
Key Operational Results – Wireless

PCS Postpaid Customers (000s)

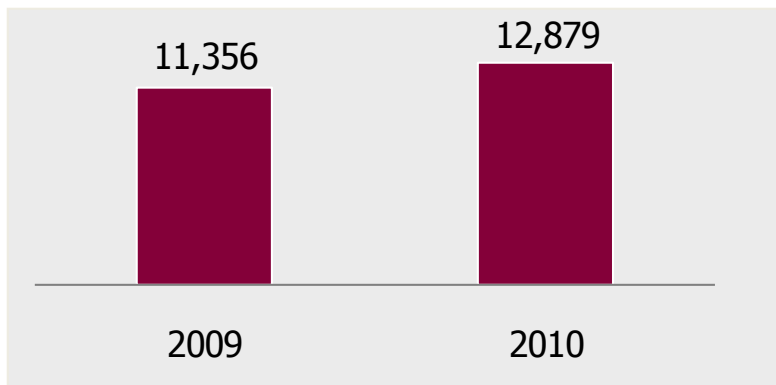


Key Operational Results – Wireless

Gross Additions - Postpaid



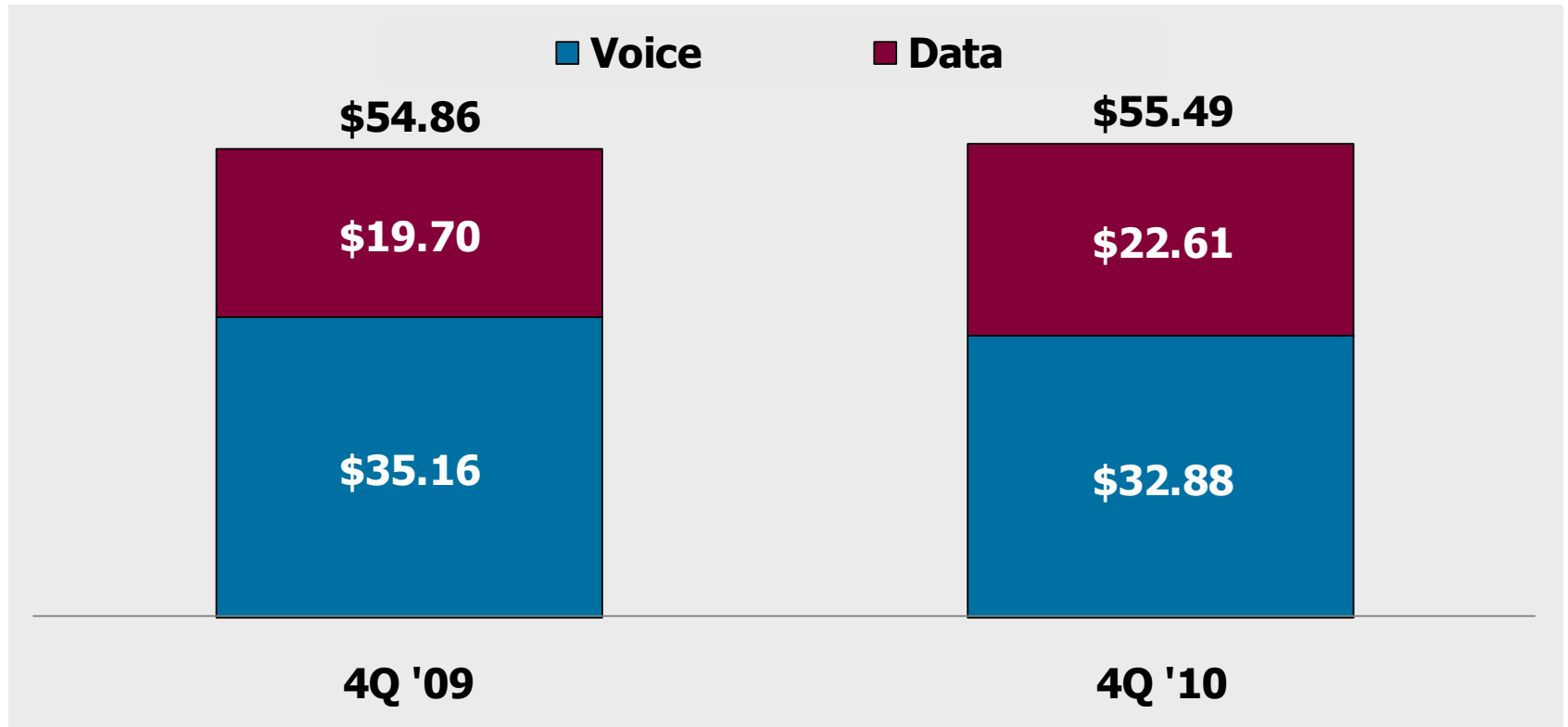
Net Additions - Postpaid



- Continued postpaid net growth
- Q4 2010 net adds of 5,112, a 68% increase over Q4 2009
- Q4 2010 churn of 1.8% down from 2.0% in Q4 2010
- Decrease in churn from 2.1% for 2009 to 1.9% for 2010

Key Operational Results – PCS

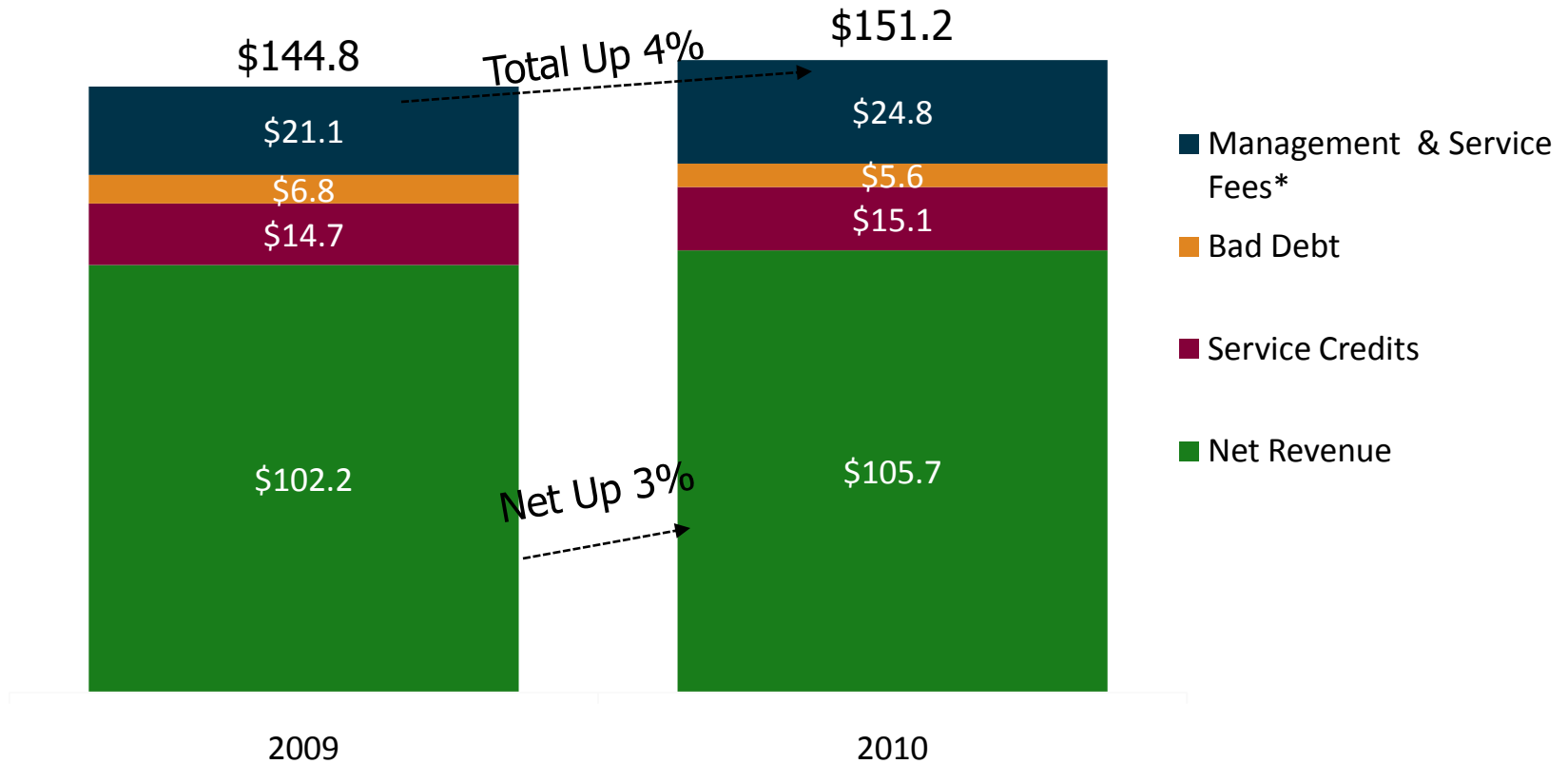
Gross Billed Revenue per Postpaid User – Data & Voice ¹



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

PCS Revenues

Gross Billed Revenues - Postpaid (\$ millions)



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

Postpaid PCS Customers Top Picks Q4 2010

■ Top Service Plans - 63% of Gross Adds

- ▶ Everything Data Family 1500 – 47%
- ▶ Everything Messaging Family 1500 – 8%
- ▶ Everything 450 – 8%

■ Top Devices – New Activations - All Channels

- ▶ LG Rumor Touch 17%
- ▶ HTC EVO 4G 14%
- ▶ Samsung Seek 7%
- ▶ LG Optimus S 6%
- ▶ Samsung Epic 4G 5%
- ▶ Mobile Data Cards 6%
- ▶ Mobile Computing 1%

PCS Prepaid Statistics

- Acquired 49,885 prepaid subscribers effective 7/1/10
 - Paid \$138 per sub

- Gross adds of 19,199 in Q4 2010 and 33,488 since 7/1/10

- Net adds of 10,775 in Q4 2010 and 17,071 since 7/1/10

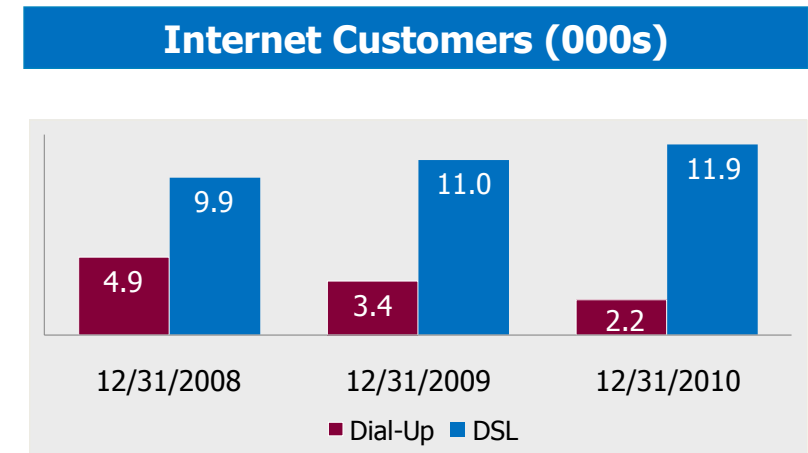
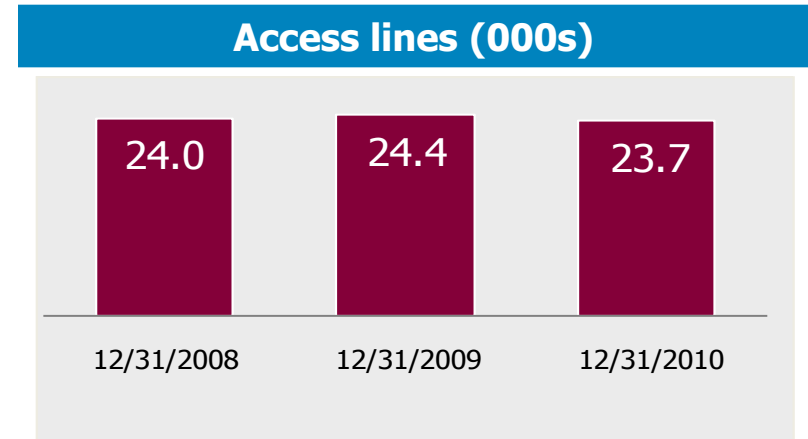
- Ending subscribers of 66,956

- Churn rate of 4.6% for Q4 2010 and 4.9% since 7/1/10

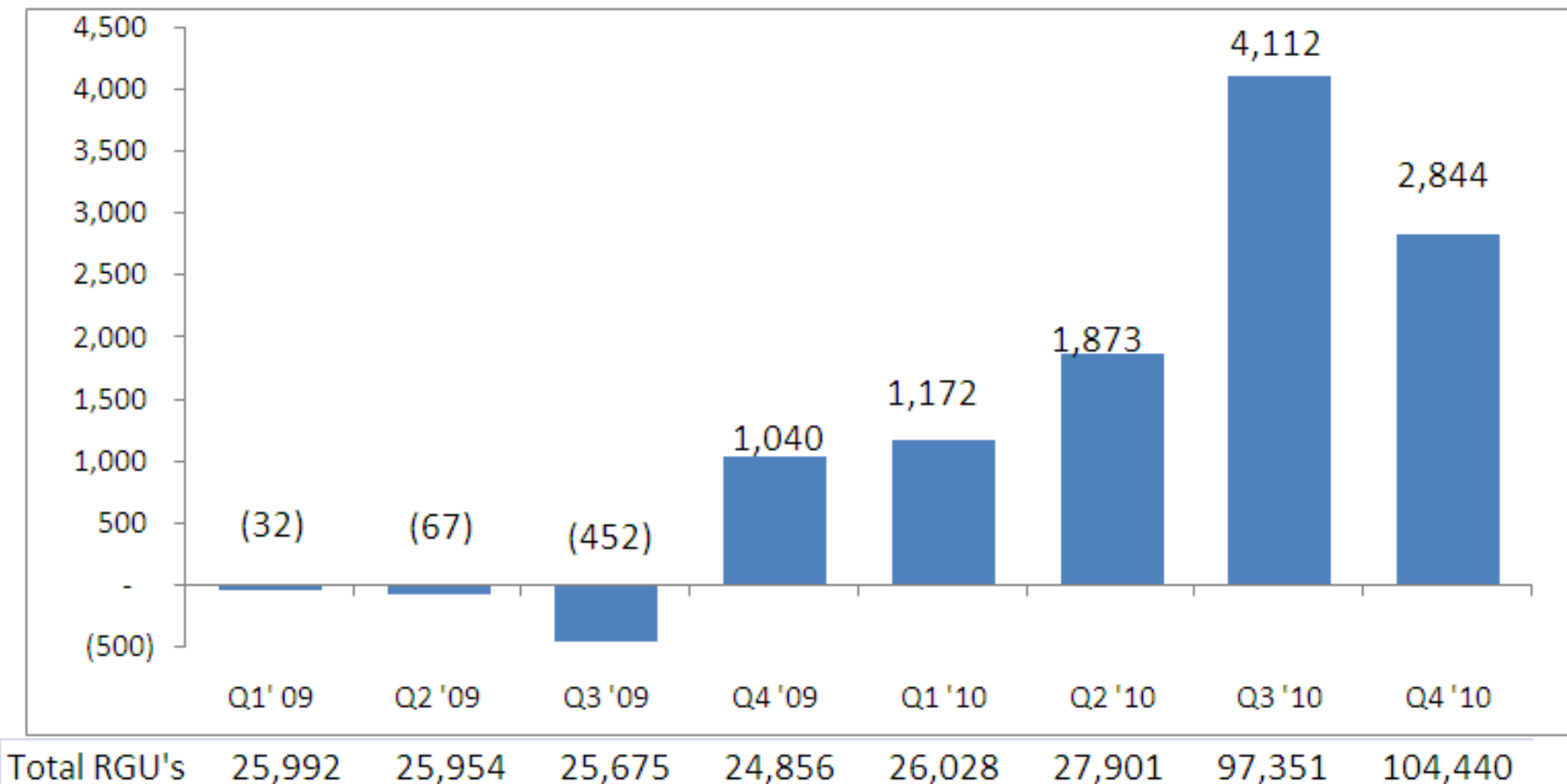
- Average Billed Revenue of \$18.42 in Q4 2010 and \$17.61 since 7/1/10

Key Operational Results - Wireline

- Modest access line loss
- Improved broadband penetration to over 50%
- 8% growth in DSL customers since 12/31/09



RGU Growth by Quarter - Cable



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

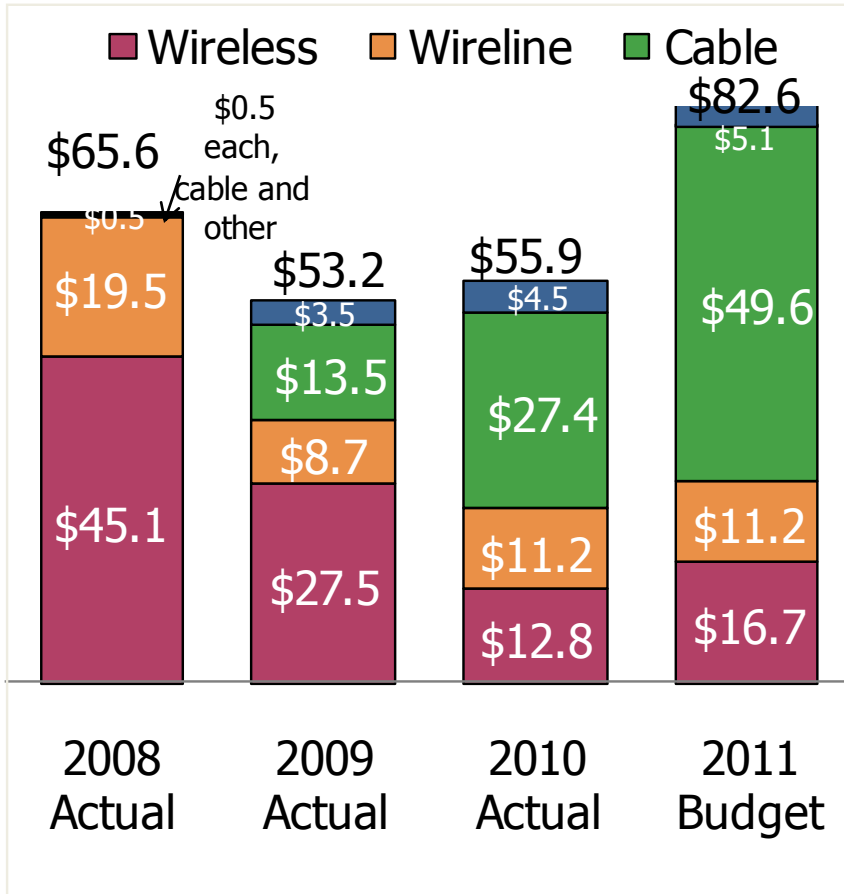
Key Operational Results - Cable

	<u>12/31/2008</u>	<u>12/31/2009</u>	<u>12/31/2010</u>
<u>Video</u>			
Homes Passed	64,365	56,268	178,763
Penetration	38.9%	40.5%	37.7%
<u>High-speed Internet</u>			
Available Homes	19,405	25,748	144,099
Penetration	5.8%	8.1%	21.4%
<u>Voice</u>			
Available Homes	0	0	118,652
Penetration	n/a	n/a	5.3%

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

Investing in the Future

Capex Spending



- Completed upgrade of 2008 Rapid acquisition in Q4 2010
- Completed hardening of Jet Network in Q4 2010
- Began upgrade of Farmville system to be completed in Q2 2011
- All Virginia systems upgrades projected to be completed in 2011
- West Virginia systems upgrades to be completed in 2012

Q&A

Appendix

Non-GAAP Financial Measure – Billed Revenue per Postpaid Subscriber

Dollars in thousands (except subscribers and revenue per subscriber)

	<u>4Q 2009</u>	<u>4Q 2010</u>
<u>Gross billed revenue</u>		
Wireless segment total operating revenues	\$29,141	\$33,896
Equipment revenue	(1,036)	(1,495)
Other revenue	(2,257)	(5,686)
Wireless service revenue – postpaid	<u>25,848</u>	<u>26,715</u>
Service credits	3,664	3,760
Write-offs	1,597	1,362
Management fee	2,533	2,821
Service fee	2,786	4,069
Gross billed revenue – postpaid	<u><u>\$ 36,428</u></u>	<u><u>\$ 38,727</u></u>
Average postpaid subscribers	221,338	232,646
Billed revenue per postpaid subscriber	\$54.86	\$55.49