

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

**FORM 8-K**

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

Date of Report (Date of earliest event reported): November 4, 2009

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**Shenandoah Telecommunications Company**

(Exact name of registrant as specified in its charter)

**Virginia**  
(State or other jurisdiction of incorporation)

**0-9881**  
(Commission File Number)

**54-1162807**  
(IRS Employer Identification No.)

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

**22824**  
(Zip Code)

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

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**Not applicable**  
(Former name or former address, if changed since last report.)

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

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

**Item 7.01 Regulation FD Disclosure.**

The following information is furnished pursuant to Regulation FD: On November 4, 2009, Shenandoah Telecommunications Company held its third quarter 2009 earnings release conference call. The materials attached hereto as Exhibit 99.1 were utilized during the conference call. These materials are also available on the Company's website.

These materials may contain forward-looking statements about Shenandoah Telecommunications regarding, among other things, our business strategy, our prospects and our financial position. These statements can be identified by the use of forward-looking terminology such as "believes," "estimates," "expects," "intends," "may," "will," "should," "could," or "anticipates" or the negative or other variation of these or similar words, or by discussions of strategy or risks and uncertainties. Shenandoah Telecommunications undertakes no obligation to revise or update such statements to reflect current events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events.

**Item 9.01 Financial Statements and Exhibits.**

**(c) Exhibits**

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

[99.1](#) **Third Quarter 2009 Earnings Release Conference Call Slides**

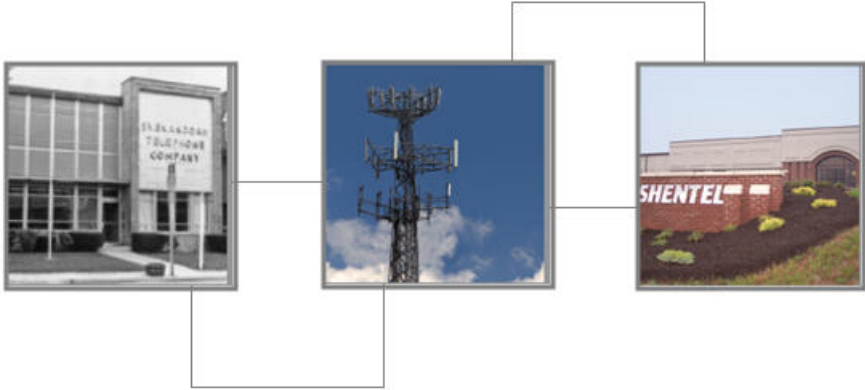
**SIGNATURE**

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

SHENANDOAH TELECOMMUNICATIONS COMPANY  
(Registrant)

November 4, 2009

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



**3Q 2009 Earnings Conference Call**  
November 4, 2009

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## Safe Harbor Statement

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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:

- qIncreasing competition in the communications industry; and
- qA 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](http://www.sec.gov), [www.shentel.com](http://www.shentel.com) or on request from the Company. The Company does not undertake to update any forward-looking statements as a result of new information or future events or developments.

## Use of Non-GAAP Financial Measures

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Included in this presentation are certain non-GAAP financial measures that are not determined in accordance with US generally accepted accounting principles. These financial performance measures are not indicative of cash provided or used by operating activities and exclude the effects of certain operating, capital and financing costs and may differ from comparable information provided by other companies, and they should not be considered in isolation, as an alternative to, or more meaningful than measures of financial performance determined in accordance with US generally accepted accounting principles. These financial performance measures are commonly used in the industry and are presented because Shentel believes they provide relevant and useful information to investors. Shentel utilizes these financial performance measures to assess its ability to meet future capital expenditure and working capital requirements, to incur indebtedness if necessary, return investment to shareholders and to fund continued growth. Shentel also uses these financial performance measures to evaluate the performance of its businesses and for budget planning purposes.

# **Chris French**

CEO and President

## 3Q '09 Highlights

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### Net Income (in millions)



q **Net Income** - 3Q '09 net income of \$6.3 million

q **Operating results** - Net income from continuing operations of \$6.3 million

q **Cable Loss** - Net loss from the acquired cable operations of \$.8 million

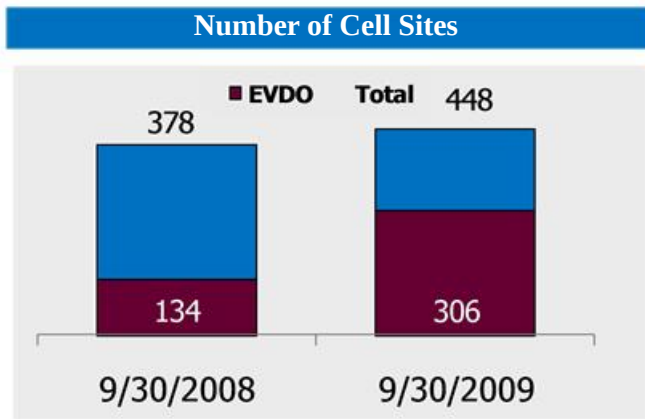
### Net Income from Continuing Operations (in millions)



## 3Q '09 & More Recent Highlights

- n **Cable Triple Play** - 40% of acquired homes passed upgraded through Nov.1
- n **Investment in wireless for sustained growth** - 16 additional cell sites and 28 additional EVDO sites
- n **Discontinued Operations** - Converged Services sale in progress

- n **Acquisition of Rural Access Lines** - Closed November 1 on acquisition of North River of 1,000 rural access lines for \$600k, upgrade to DSL for \$1.0 m is underway





# **Adele Skolits**

CFO and VP of Finance

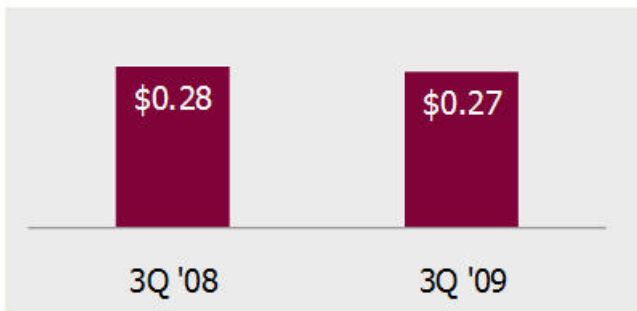
# EPS

## Earnings per Share from Continuing Operations



n **Solid Earnings-** EPS from continuing operations and in total of \$.27 in 3Q '09

## Earnings Per Share



## Segment Results - Operating Income

<u>Segment</u>	<u>Quarter Ended</u>		<u>Change</u>
	<u>Sept 30,</u> <u>2008</u>	<u>Sept 30,</u> <u>2009</u>	
Wireless	\$10.1	\$9.8	\$ (0.3)
Wireline	4.1	3.4	(0.7)
Cable TV	(0.2)	(1.6)	(1.4)
Other	(1.5)	(1.0)	0.5
Total Operating Income	\$ 12.5	\$ 10.6	\$ (1.9)

### Wireless

- n Average customers up 7% and service revenues up 4%
- n Operating costs associated with PCS network upgrades up \$1.2 million in cost of goods sold and \$.9 million in depreciation

### Wireline

- n Non-recurring income - 3Q '08 included adjustment of \$.6 in retroactive access fees

### Cable

- n The acquired cable operations will continue to impact earnings; it added \$1.3 million to the net operating loss in 3Q '09

## Profitability

### OIBDA for the Quarter Ended (\$ millions)

	<u>Sept 30,</u> <u>2008</u>	<u>Sept 30,</u> <u>2009</u>	<u>Change</u>
Operating Income	\$12.5	\$10.6	(1.9)
Depreciation and Amortization	6.5	8.1	1.6
<b>OIBDA</b>	<b>\$19.0</b>	<b>\$18.7</b>	<b>(\$0.3)</b>
Access Fee Retroactive Adjustment	(0.6)	0.0	0.6
Normalized OIBDA	<b>\$18.4</b>	<b>\$18.7</b>	<b>\$0.3</b>
<b>Normalized OIBDA Margin</b>	<b>49%</b>	<b>47%</b>	<b>-3%</b>

- n **Maintaining profitability while investing in growth -** OIBDA margin of 47% for 3Q'09

## Cash Flows

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- n **Increased operating cash flow**  
- Cash generated by operations 3 times Q3'08
  
- n **Capex Well Supported-**  
Increased capital expenditures supported more than adequately by operating cash flow and debt facility
  
- n **Positioned to deliver for shareholders** - Ability to be opportunistic or return value to shareholders

### Cash Flows (\$ millions)

	<u>3Q '08</u>	<u>3Q '09</u>	<u>Change</u>
Net Cash from Operations	\$ 4.7	\$ 14.9	\$ 10.2
Capital Expenditures	(20.2)	(12.1)	8.1
Borrowings	0.0	0.0	0.0
Debt Repayments	(1.1)	(1.1)	(0.0)
Other	<u>0.9</u>	<u>0.0</u>	<u>(0.9)</u>
Net Increase in Cash	<u>\$ (15.7)</u>	<u>\$ 1.7</u>	<u>\$ 17.4</u>

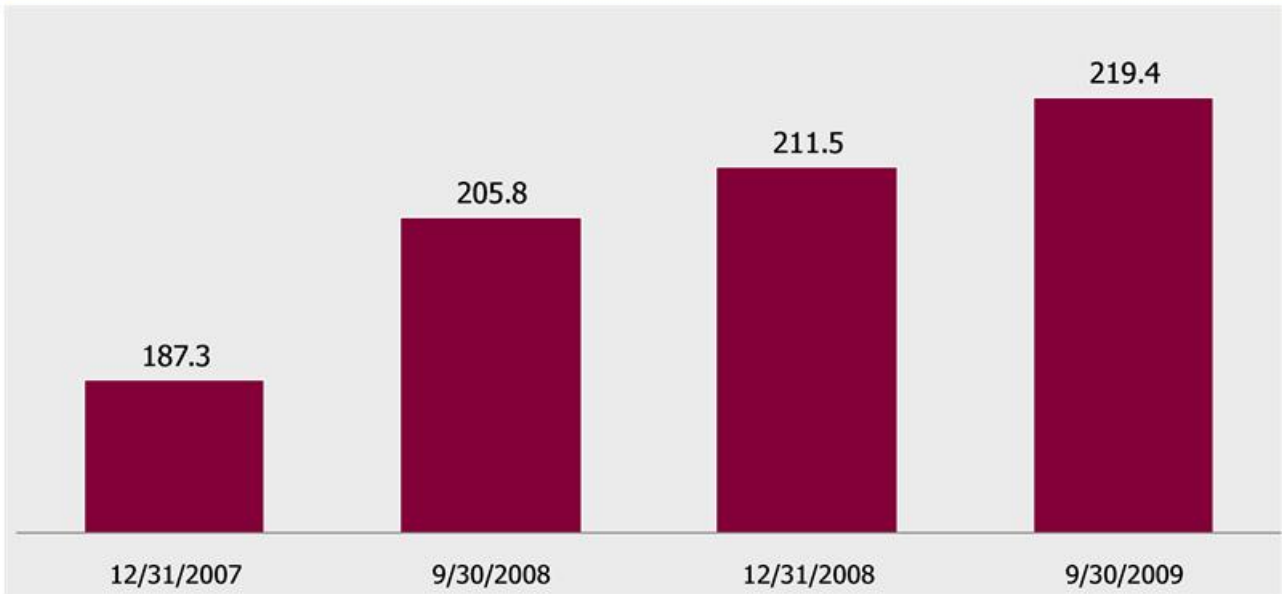
# **Earle MacKenzie**

EVP and COO

## Key Operational Results - PCS

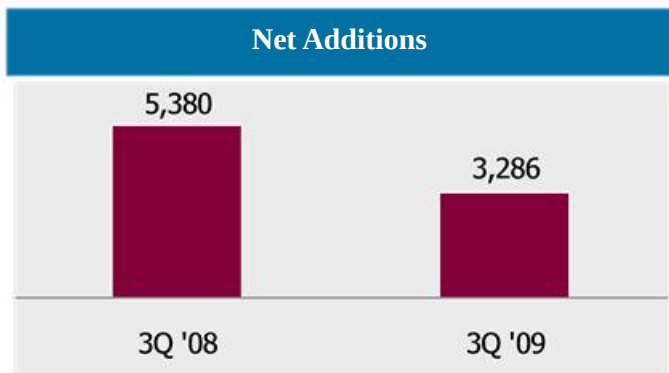
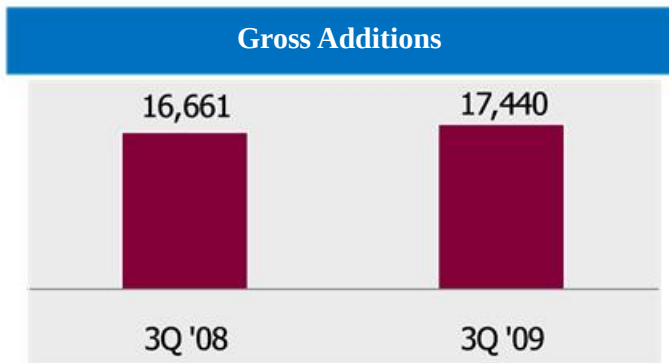
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Retail Subscribers (000s)



## Key Operational Results - PCS

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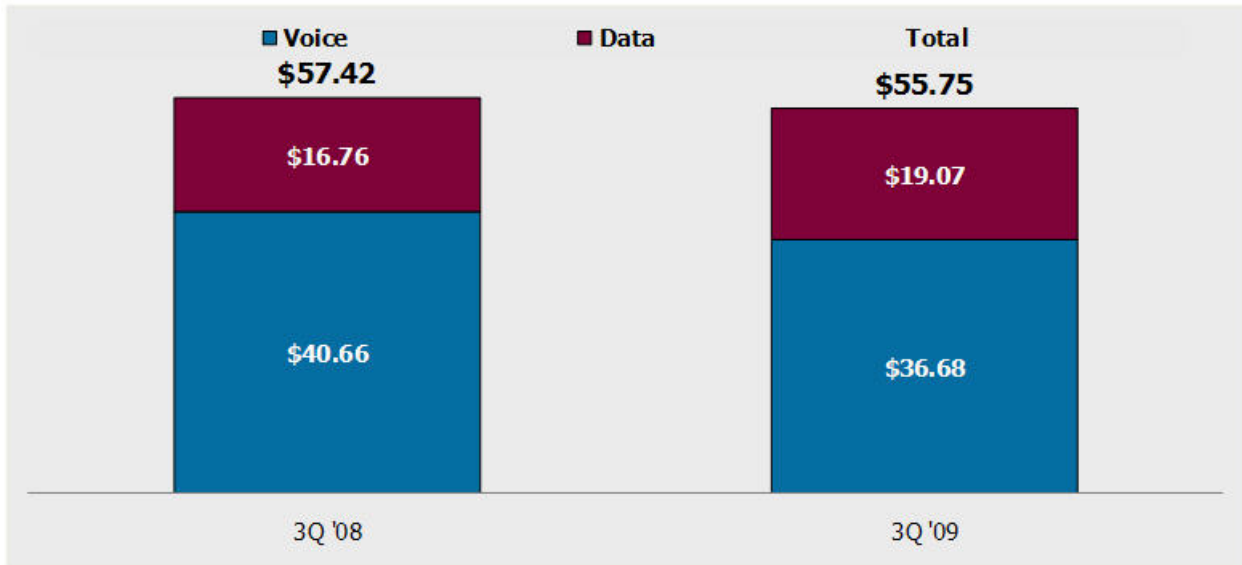


- n Modest increase in churn from 2.07% in Q2 '09 to 2.17% in Q3 '09, an increase from 1.85% in Q3 '08
- n Bad Debt write-offs in Q3'09 of 5.3% of gross revenues versus 5.5% in Q3'08
- n Credits and adjustments down from 11.6% of gross revenues in 3Q'08 to 11.0% in 3Q'09



## Key Operational Results - PCS

### Gross Billed Revenue per User - Data & Voice <sup>1</sup>

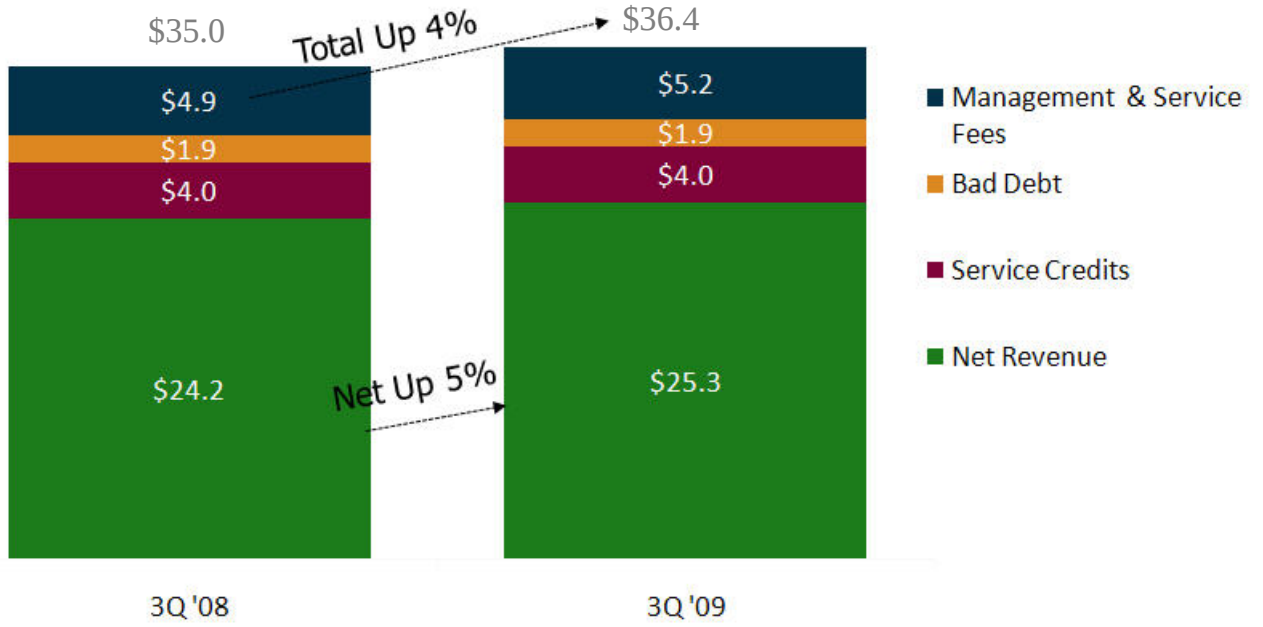


- n Data revenues growth continues to grow

<sup>1</sup> - Before Service credits, bad debt, Sprint Nextel fees. See reconciliation of Non-GAAP financial measures on slide 24

# PCS Revenues

Gross Billed Revenues (\$ millions)



## PCS Customers Top Picks Q3 2009

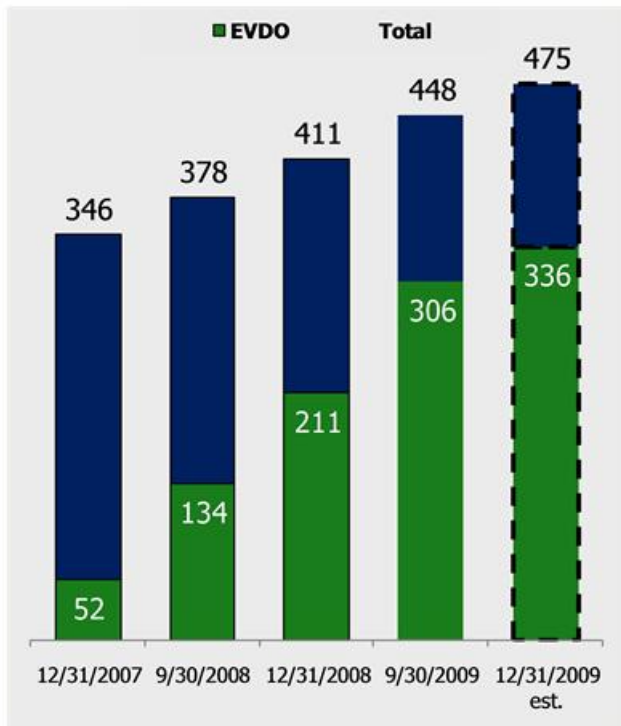
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- n Top Service Plans - 49% of Gross Adds
  - u Everything Messaging Family 1500
  - u Everything Data Family 1500
  - u Simply Everything

- n Top Devices - Shentel Controlled Channels
  - u LG Rumor 2 19%
  - u Sanyo 2700 12%
  - u Samsung Exclaim 8%
  - u Blackberry Curve 6%
  - u Sanyo Katana LX 6%
  - u Mobile Data Cards 6%
  - u Samsung Rant 5%
  - u Palm Pre 5%

## Meeting PCS Customer Needs

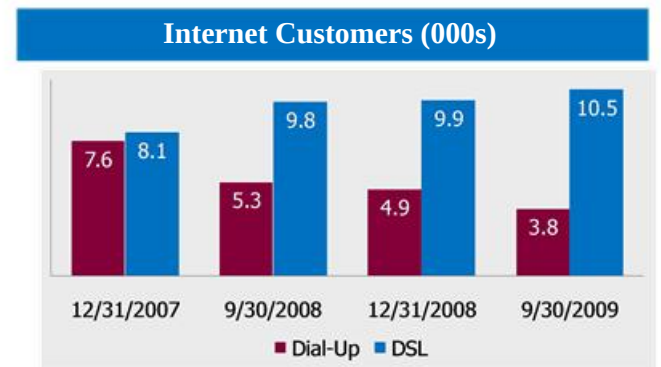
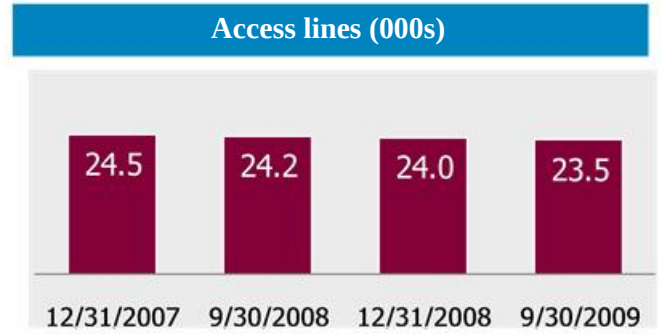
### Number of Cell Sites



- n On track to complete 2009 construction plans
- n Expanded data offering
  - u Over 94% POP's with EVDO coverage
- n PA coverage improved
- n Capacity increased

## Key Operational Results - Wireline

- n Modest access line loss
- n 45% broadband penetration
- n 2009 & 2010 Capex to increase broadband speeds to 10Mbps+

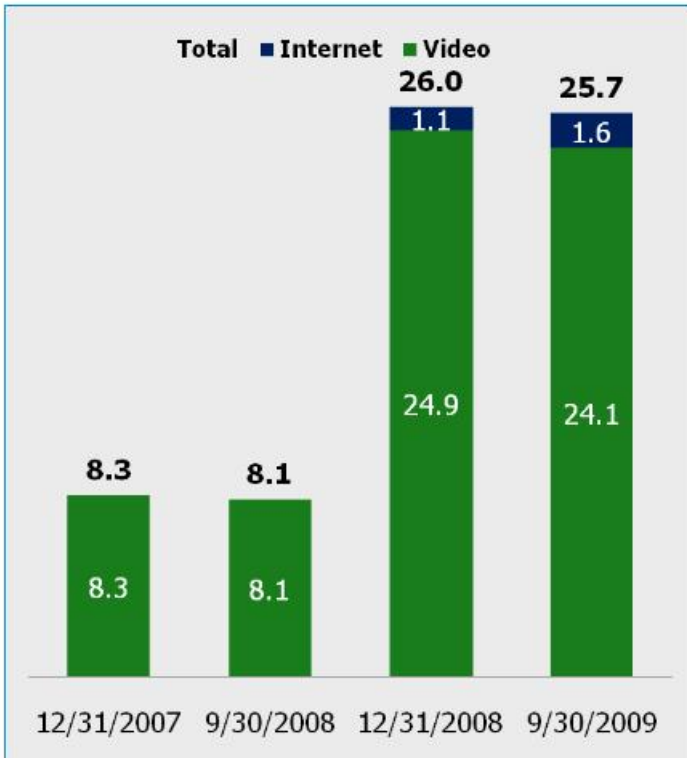


<sup>1</sup> DSL only available within LEC area

<sup>2</sup> Dial-up offered inside and outside the LEC area

## Key Operational Results - Cable

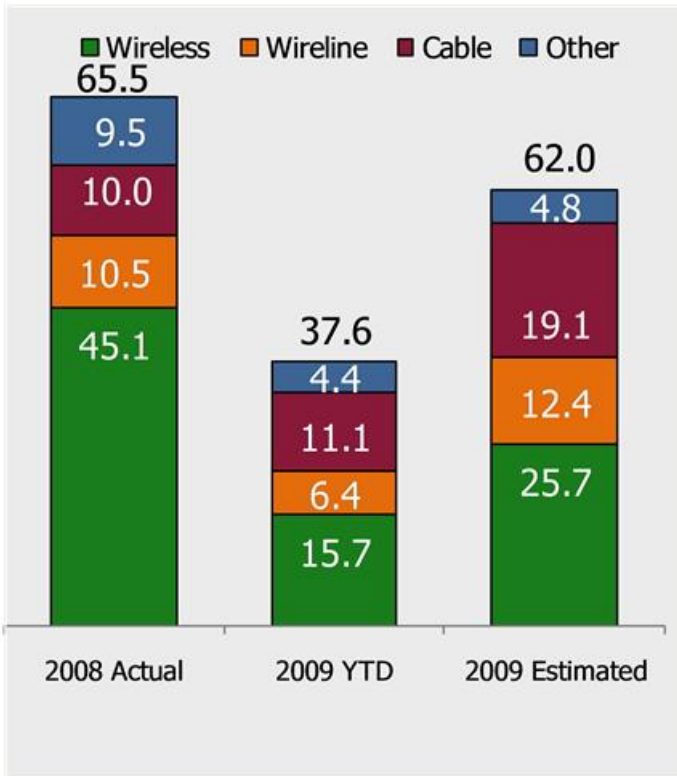
### Revenue Generating Units(000's)



- n Integrating acquisition of 17,000 new customers
- n Converted acquired cable systems to our billing platform
- n Re-launch of 40% of the cable systems with 2 way video and internet
- n Upgrade underway to enable us to offer triple play to 53% of acquired homes passed by year end 2009

## Investing in the Future

### Capex Spending



- n Expanding wireless coverage & capacity with 64 new cell sites and data with 125 EVDO sites in 2009
- n Increasing broadband speeds to 10 MB in LEC area
- n Increased miles and capacity of fiber
- n Upgrade of cable systems to 2-way to provide triple play of services

# Q&A



# Appendix

## Non-GAAP Financial Measure - Billed Revenue per Subscriber

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*Dollars in thousands (except subscribers and revenue per subscriber)*

	<u>3Q '08</u>	<u>3Q '09</u>
<u>Gross billed revenue</u>		
Wireless segment total operating revenues	\$27,526	\$28,690
Equipment revenue	(1,409)	(1,046)
Other revenue	<u>(1,877)</u>	<u>(2,357)</u>
Wireless service revenue	24,240	25,287
Service credits	4,000	3,987
Write-offs	1,903	1,916
Management fee	2,336	2,484
Service fee	<u>2,570</u>	<u>2,732</u>
Gross billed revenue	<u>35,049</u>	<u>36,406</u>
Average subscribers	203,454	217,659
Billed revenue per subscriber	\$57.42	\$55.75