

Current Assets	263,488	236,191
	-----	-----
Total Current Assets	15,196,694	15,164,985
	-----	-----
NONCURRENT ASSETS		
Other Securities and Investments	3,977,790	4,615,689
Securities Available for Sale	1,571,977	0
Investments Held to Maturity	1,998,175	499,687
Investment in Direct Financing Leases	290,356	287,584
	-----	-----
Total Noncurrent Assets	7,838,298	5,402,960
	-----	-----
PLANT, PROPERTY AND EQUIPMENT		
Plant in Service	49,535,272	49,102,832
Plant Under Construction	228,501	248,717
Less Accumulated Depreciation	17,298,556	17,455,344
	-----	-----
Net Plant, Property, and Equipment	32,465,217	31,896,205
	-----	-----
TOTAL ASSETS	\$55,500,209	\$52,464,150
	=====	=====

See accompanying notes to consolidated financial statements.

PAGE

SHENANDOAH TELECOMMUNICATIONS COMPANY
AND SUBSIDIARY COMPANIES

PART I, FINANCIAL INFORMATION
ITEM I, FINANCIAL STATEMENTS
CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	March 31, 1995	December 31, 1994
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	\$423,329	\$423,329
Accounts Payable	339,180	307,691
Advance Billing	480,563	526,105
Customer Deposits	112,582	137,793
Other Current Liabilities	730,176	910,968
Income Taxes Payable	949,008	26,618
Other Accrued Taxes	138,740	53,739
	-----	-----
Total Current Liabilities	3,173,578	2,386,243
	-----	-----
LONG-TERM DEBT, LESS CURRENT MATURITIES		
	9,414,369	9,517,880
	-----	-----
OTHER LIABILITIES AND DEFERRED CREDITS		
Deferred Investment Tax Credits	424,434	442,844
Deferred Income Taxes	3,711,656	3,535,014
Pension and Other	777,234	745,935
	-----	-----
Total Other Liabilities and Deferred Credits	4,913,324	4,723,793
	-----	-----
Minority interests	1,329,329	1,219,493
	-----	-----
STOCKHOLDERS' EQUITY		
Common Stock, no par, 8,000,000 shares authorized (3,760,760 shares issued and outstanding)	4,740,677	4,740,677

Retained Earnings	31,810,497	29,876,064
Unrealized Gain on Securities Available for Sale, Net	118,435	0
	-----	-----
Total Stockholders' Equity	36,669,609	34,616,741
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$55,500,209	\$52,464,150
	=====	=====

See accompanying notes to consolidated financial statements.
PAGE

SHENANDOAH TELECOMMUNICATIONS COMPANY
AND SUBSIDIARY COMPANIES

PART I, FINANCIAL INFORMATION
ITEM I, FINANCIAL STATEMENTS
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

Three months ended
March 31

	1995	1994
	----	----
OPERATING REVENUES		
Telephone Revenues		
Local Service	\$751,840	\$673,038
Access	1,615,985	1,723,085
Toll	3,474	2,602
Miscellaneous:		
Directory	293,115	264,287
Facility Leases	418,503	225,832
Billing & Collection	106,069	113,372
Other Miscellaneous	27,511	55,755
	-----	-----
Total Telephone Revenues	3,216,497	3,057,971
Cable Television Revenues	214,642	168,739
ShenTel Service Revenues	417,438	281,645
Leasing Revenues	6,093	4,055
Mobile Revenues	1,051,865	905,827
Long Distance Revenues	288,608	293,253
Network revenues	123,843	80,198
	-----	-----
Total Revenues and Sales	5,318,986	4,791,688
	-----	-----
OPERATING EXPENSES		
Cost of Products and Services Sold	211,960	91,645
Line Costs	131,264	131,583
Plant Specific	434,202	425,476
Plant Non-Specific:		
Network & Other	410,550	433,723
Depreciation and Amortization	683,470	654,702
Customer Operations	555,888	580,251
Corporate Operations	468,047	444,254
Other Operating Income & Expense	45,451	35,461
Taxes Other Than Income	85,344	75,069
	-----	-----
Total Operating Expenses	3,026,176	2,872,164
	-----	-----
Operating Income	2,292,810	1,919,524

See accompanying notes to consolidated financial statements.

PAGE

SHENANDOAH TELECOMMUNICATIONS COMPANY
AND SUBSIDIARY COMPANIES

PART I, FINANCIAL INFORMATION
ITEM I, FINANCIAL STATEMENTS
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

Three months ended

	March 31	
	1995	1994
OPERATING EXPENSES (Cont'd)		
Gain on Sale of Investment	872,125	0
Non-Operating Income		
less Expenses	1,058,937	6,570
Interest Expense	(179,033)	(172,760)
	-----	-----
Income Before Income Taxes	3,172,714	1,753,334
Provision for Income Taxes	1,128,444	605,014
	-----	-----
Net Income Before Minority Interest	2,044,270	1,148,320
Minority Interest	(109,836)	(58,275)
Net Income	\$1,934,434	\$1,090,045
	=====	=====
EARNINGS PER SHARE		
Weighted Average Common Shares Outstanding	3,760,760	3,760,760
	=====	=====
Net Income per share	\$0.51	\$0.29
	=====	=====

See accompanying notes to consolidated financial statements.

PAGE

SHENANDOAH TELECOMMUNICATIONS COMPANY
AND SUBSIDIARY COMPANIES

PART I, FINANCIAL INFORMATION
ITEM I, FINANCIAL STATEMENTS
CONSOLIDATED STATEMENTS OF CASH FLOW
(UNAUDITED)

	THREE MONTHS ENDED MARCH 31	
	1995	1994
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$1,934,434	\$1,090,045
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and Amortization	683,470	654,702
Deferred taxes	166,610	(18,925)
Gain on Sale of Equity investment	(872,125)	0
Investment (Gains)/Losses	(38,725)	53,889
Minority Share of Income	109,836	58,275
Other	8,379	24,794
Decrease (increase) in Accounts receivable	217,407	198,159
Materials and Supplies	66,789	(5,909)
Increase (decrease) in Accounts Payable	(2,954)	(189,760)
Income taxes payable	922,390	224,320
Other current liabilities	(166,544)	(212,689)
Net cash provided by operating activities	3,028,967	1,876,901

See accompanying notes to consolidated financial statements.

PAGE

SHENANDOAH TELECOMMUNICATIONS COMPANY
AND SUBSIDIARY COMPANIES

PART I, FINANCIAL INFORMATION
ITEM I, FINANCIAL STATEMENTS
CONSOLIDATED STATEMENTS OF CASH FLOW
(UNAUDITED)

	THREE MONTHS ENDED	
	MARCH 31	
	1995	1994
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(1,227,733)	(663,599)
Investment in Direct Financing Leases	(26,378)	(175,394)
Payments Received on Direct Financing Leases	23,606	18,602
Purchase of Investments Securities	(1,725,956)	(25,471)
Sale of Investments Securities	157,954	156,375
Proceeds from matured note receivable	375,000	0
Net cash provided by investing activities	(2,423,507)	(689,487)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Notes Payable	0	(92,481)
Payment of notes payable	(103,512)	(875,000)
Net cash provided by financing activities	(103,512)	(967,481)
NET INCREASE/(DECREASE) IN CASH	501,948	219,933
CASH AND CASH EQUIVALENTS:		
Beginning	6,270,849	5,695,891
Ending	\$6,772,797	\$5,915,824

See accompanying notes to consolidated financial statements.

PAGE

SHENANDOAH TELECOMMUNICATIONS COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. In the opinion of management, the accompanying consolidated financial statements contain all

adjustments (consisting of only normal recurring accruals) necessary to present fairly Shenandoah Telecommunications Company's financial position as of March 31, 1995 and the results of operations and cash flows for the three month periods ended March 31, 1994 and 1993.

While the Company believes that the disclosures presented are adequate, to make the information not misleading, it is suggested that these condensed financial statements be read in conjunction with the financial statements and notes included in the Company's annual report in Form 10-K.

2. Earnings per share of common stock have been determined by using the weighted average number of shares outstanding during the period.
3. The results of operations for the three-month period ended March 31, 1995 are not necessarily indicative of the results to be expected for the full year.

SHENANDOAH TELECOMMUNICATIONS COMPANY
AND SUBSIDIARY COMPANIES

ITEM II, MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Summary

The following tables set forth, for the periods indicated, the percentages which certain items reflected in the financial data bear to total operating revenues and the percentage increase of such items as compared to the indicated prior period:

<CAPTION> TO PERIOD OR DECREASE	RELATIONSHIP TO		PERIOD
	TOTAL OPERATING REVENUES		INCREASE

months ended	Three months ended		Three
31	March 31		March
1994-93	1995	1994	1995-94
OPERATING REVENUES			
Telephone Revenues			
Local Service	14.1%	14.0%	11.7%
4.6% Access	30.4%	36.0%	-6.2%
15.2% Toll	0.1%	0.1%	33.5%
-167.6% Miscellaneous:			
Directory	5.5%	5.5%	10.9%
12.0% Facility Leases	7.9%	4.7%	85.3%
-18.5% Billing & Collection	2.0%	2.4%	-6.4%
6.6% Other Miscellaneous	0.5%	1.2%	-50.7%
74.1%			

Total Telephone Revenues	60.5%	63.8%	5.2%
9.7%			
Cable Television Revenues	4.0%	3.5%	27.2%
3.8%			
ShenTel Service Revenues	7.8%	5.9%	48.2%
28.2%			
Leasing Revenues	0.1%	0.1%	50.3%
-90.8%			
Mobile Revenues	19.9%	18.9%	16.1%
54.2%			
Long Distance Revenues	5.4%	6.1%	-1.6%
-9.9%			
Network revenues	2.3%	1.7%	54.4%
-15.9%			
	-----	-----	-----
Total Revenues and Sales	100.0%	100.0%	11.0%
13.5%			

PAGE

SHENANDOAH TELECOMMUNICATIONS COMPANY
AND SUBSIDIARY COMPANIES

ITEM II, MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

TO PERIOD OR DECREASE	RELATIONSHIP TO		PERIOD
	TOTAL OPERATING REVENUES		INCREASE

	Three months ended		Three
months ended	March 31		March
31	1995	1994	1995-94
1994-93			
OPERATING EXPENSES			
Cost of Products and Services Sold	4.0%	1.9%	131.3%
34.2%			
Line Costs	2.5%	2.7%	-0.2%
6.7%			
Plant Specific	8.2%	8.9%	2.1%
2.3%			
Plant Non-Specific:			
Network & Other	7.7%	9.1%	-5.3%
22.6%			
Depreciation and Amortization	12.8%	13.7%	4.4%
5.4%			
Customer Operations	10.5%	12.1%	-4.2%
8.9%			
Corporate Operations	8.8%	9.3%	5.4%
-3.7%			
Other Operating Income & Expense	0.9%	0.7%	28.2%
5.7%			
Taxes Other Than Income	1.6%	1.6%	13.7%
25.8%			
	-----	-----	-----
Total Operating Expenses	57.0%	60.0%	5.4%
7.6%			
Operating Income	43.0%	40.0%	19.4%
23.7%			
Gain on Sale of Investment	16.4%	0.0%	N/A
N/A			
Non-Operating Income less Expenses	3.5%	0.1%	2743.4%

-83.2%			
Interest Expense	-3.4%	-3.6%	3.6%
14.7%			
Income Before Income Taxes	43.1%	36.5%	81.0%
21.8%			
Provision for Income Taxes	21.2%	12.6%	86.5%
19.1%			
Net Income Before Minority Interest	21.9%	23.9%	78.0%
23.2%			
Minority Interest	-2.1%	-1.2%	88.5%
- -1037.3%			
Net Income	19.8%	22.7%	77.5%
16.2%			
	=====	=====	=====
=====			
PAGE			

SHENANDOAH TELECOMMUNICATIONS

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

Shenandoah Telecommunications Company is a diversified telecommunications holding company providing both regulated and unregulated telecommunications services through its seven wholly-owned subsidiaries.

The regulated local exchange telephone company is the largest subsidiary, accounting for over 60.0% of revenue and 78.5% of net income (excluding the gain on the sale of equity security).

This industry is in a period of transition from a regulated monopoly to a competitive environment with changing technology.

As a result, Shenandoah Telecommunications has made and plans to continue to make significant investments in new and emerging technologies.

Other significant services provided are cellular, cable television, long distance, and facilities leased to interexchange carriers on a Company owned fiber optic cable network. The Company also sells and leases equipment, mainly related to services provided.

The Company also participates in emerging technologies by direct investment in non-affiliated companies.

RESULTS OF OPERATIONS

The Company's largest source of revenue continues to be for access to the Company's local exchange network by interexchange carriers. The volume for these access revenues is measured in minutes of use. The minutes of use during the first three months of 1995 increased 2.71% compared to the same period in 1994. Changes in NECA settlement procedures, effective July 1, 1994, offset the increases in minutes of use.

The increase in the ShenTel Service revenues category for the first quarter of 1995, compared to the same period in 1994, is due to an increase in retail equipment sales. The increase equaled \$118,946 or 129.0%.

The increase in Mobile Company revenues was due to growth in our cellular operation. Cellular revenues increased 16.9% in the first quarter of 1995 compared to the same period in 1994. For the first three months of 1995, net additions of customers were approximately the same as net additions for the same

period in 1994.
PAGE

SHENANDOAH TELECOMMUNICATIONS

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

RESULTS OF OPERATIONS (Continued)

On September 1, 1994, the cable television company restructured its rates by increasing its rates for basic and premium service and decreasing or eliminating its charges for other services such as rental of converters. As a result, total revenue for cable television services for the final four months of 1994 increased 17.3% over the previous four months' total, and 26.0% over the final four months of 1993. The number of Cable subscribers increased 7.8% from March 31, 1994. The Company estimates that our cable rates are within the limits prescribed by the FCC for cable systems of our size. None of the local governments within the Company's cable television serving area have indicated that they will exercise any authority they may have to regulate rates.

The Company also leases capacity on fiber optic facilities in West Virginia and Maryland to interexchange carriers. The revenue for this activity appears as Network revenues on the income statement. This service experienced a revenue increase of 54.4% in 1994. The increase is due to new contracts being added.

For the first quarter of 1995, operating expenses account for 57% of revenues compared to 60% of revenues for the first quarter of 1994. Two categories of expenses show significant decreases compared to the year earlier period.

The first category showing a significant decrease is Network and Other. Over 55% of this category is for facilities costs for the Cellular operations. During the first quarter of 1995, these costs were 8.1% less than the first quarter of 1994 when two software implementations were in progress. The Company's cost for billing operations decreased 22.5% compared to the first quarter of 1994. This is responsible for the decrease in the customer service category.

PAGE

SHENANDOAH TELECOMMUNICATIONS

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

RESULTS OF OPERATIONS (Continued)

Another factor was that depreciation, still our largest expense category, increased at a slower rate than the previous year. This is due to putting less equipment in service during the past year than prior years. Management expects this to change during the second half of 1995 due to accelerated network construction plans.

The Company, along with other telecommunications providers, founded an organization that built a fiber optic network in the Richmond, Virginia metropolitan area to provide competitive access to businesses. As a result of a strategic change, it was agreed to sell this business to Metropolitan Fiber Systems. The Company recognized a gain on the sale in January of 1995.

The amount of the gain was \$872,125. The Company recognized losses of \$51,191 during the first quarter of 1994 as our portion of the operations of this organization. These losses are included in the Non-Operating Income Less Expenses category.

LIQUIDITY AND CAPITAL RESOURCES

The Company continues to generate a strong cash flow from operations that adequately meets the Company's need for cash.

Other available sources of liquidity are \$4,500,000 unsecured lines of credit with two local banks. No advances have been made from these lines of credit in 1995. The Company has a loan agreement with the Rural Telephone Bank (RTB) in the amount of \$9,240,000. Advances on this note may be taken until February 1996. The Company expects to receive an additional advance during the second or third quarter of 1995. As of December 31, 1994, the Company has received advances in the amount of \$3,386,000. Expenditure of these loan funds is limited to approved capital projects for the regulated local exchange carrier.

The Company has reached an agreement in principle to construct and manage part of a network that will provide Personal Communications Services (PCS). The service will be provided under a license held by an unaffiliated company. This will require significant investment in new plant and equipment. The Company has budgeted approximately \$6,000,000 for new plant in 1995. It is estimated that up to 50.0% of this amount may be financed with loans from external services.

PAGE

SHENANDOAH TELECOMMUNICATIONS

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

LIQUIDITY AND CAPITAL RESOURCES (Continued)

Due to the competition coming from new sources, management is unable to predict the potential impact on the Company's cash flow.

The Company has no material contractual commitments for capital expenditures, however, the Company's Board of Directors has approved a construction budget of approximately \$14,000,000 in 1995. This budget includes the expenditures for PCS discussed above. The remaining amounts are primarily for telephone central office equipment and fiber optic cable facilities. The Company expects to finance these expenditures through internally generated cash flows as well as additional advances from the RTB note.

PAGE

SHENANDOAH TELECOMMUNICATIONS COMPANY

OTHER INFORMATION

ITEM 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders.

ITEM 6. Exhibits and Reports on Form 8-K

Reported memorandum of understanding with American Personal Communications ("APC") pursuant to which the Registrant will act as manager of a portion of APC's personal communications service ("PCS") system in portions of rural northwestern Virginia, West Virginia, Maryland, and south central Pennsylvania.

The Registrant is currently evaluating the possible purchase of cable television systems within its local telephone service area. It is not clear whether the Registrant will be able to reach a definitive agreement.

PAGE

SHENANDOAH TELECOMMUNICATIONS COMPANY

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)

May 12, 1995 CHRISTOPHER E. FRENCH
Christopher E. French
President

May 12, 1995 LAURENCE F. PAXTON
Laurence F. Paxton
Vice President - Finance

