

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): October 30, 2015

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**

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))
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Item 7.01 Regulation FD Disclosure.

The following information is furnished pursuant to Regulation FD: On October 30, 2015, Shenandoah Telecommunications Company held its third quarter 2015 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 furnished with this Current Report on Form 8-K.

99.1 Third Quarter 2015 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)

October 30, 2015

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

Exhibit 99.1



**3Q 2015
Earnings Conference Call**

October 30, 2015

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.

Use of Non-GAAP Financial Measures

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

President and CEO

Third Quarter 2015 Highlights

■ Net Income

- \$8.0 million at Q3'15 is flat to Q3'14
 - Q3'15 includes \$1.3 million of acquisition expenses and a \$1.6 million depreciation adjustment, net of income taxes
- Adjusted OIBDA increased 10.7% to \$36.8 million

■ Revenue Growth

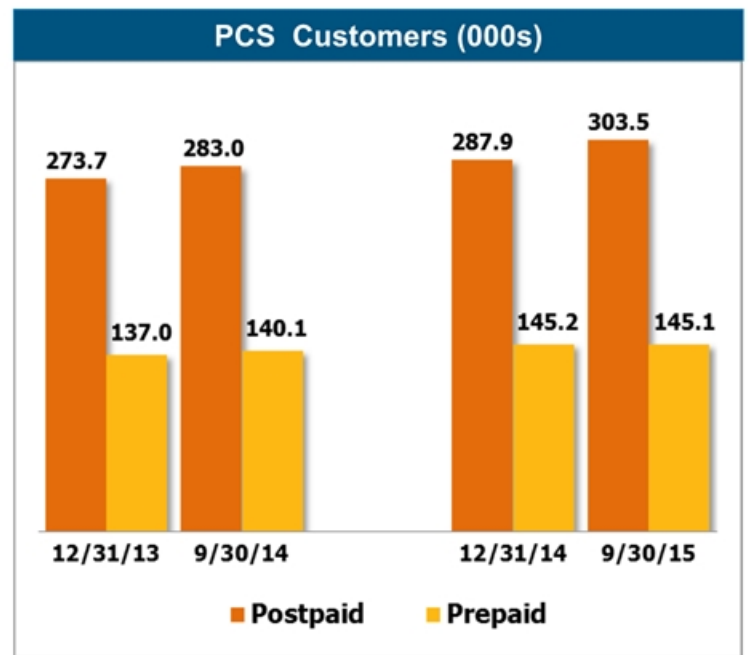
- Revenue grew 3.6% over Q3'14 to \$85.2 million

■ Customer Growth

| | <u>9/30/14</u> | <u>9/30/15</u> | <u>Change</u> |
|--------------|----------------|----------------|---------------|
| Wireless | 423,102 | 448,631 | +25,529 |
| Cable (RGUs) | 120,466 | 125,182 | +4,716 |

Wireless Highlights

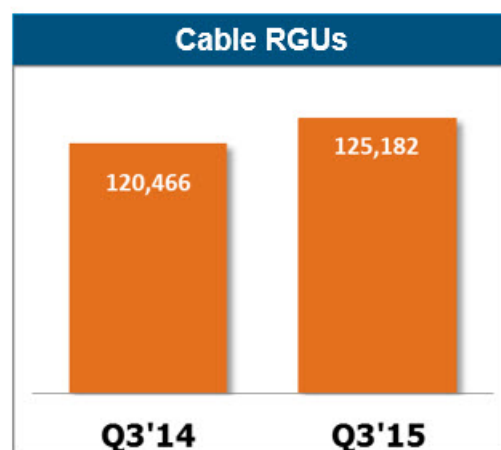
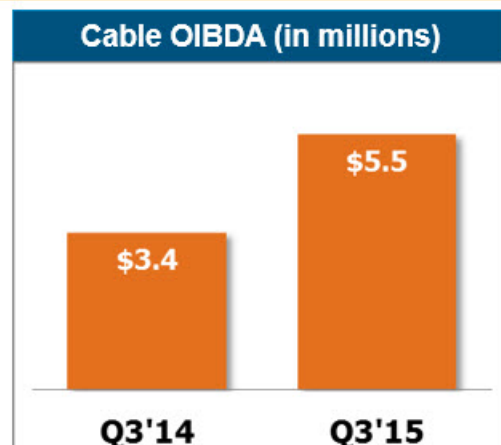
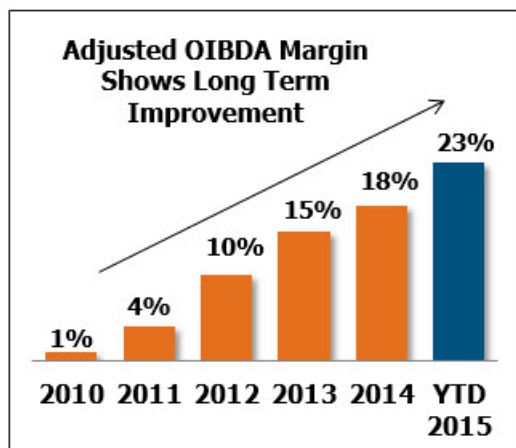
- **Postpaid Growth**
Postpaid customers up 7.3% over last 12 months
- **Prepaid Growth**
Prepaid customers up 3.6% over last 12 months
- **Operating Income Increase**
Improvement of \$945 thousand, or 6.7%



Cable Highlights

■ Revenue Growth

- Operating revenues \$24.4 million, growth of 16.2% over Q3'14
- Q3'15 Adjusted OIBDA \$5.5 million, up 62.0% from Q3'14
- 125,182 RGUs at Q3'15, up 3.9% over Q3'14

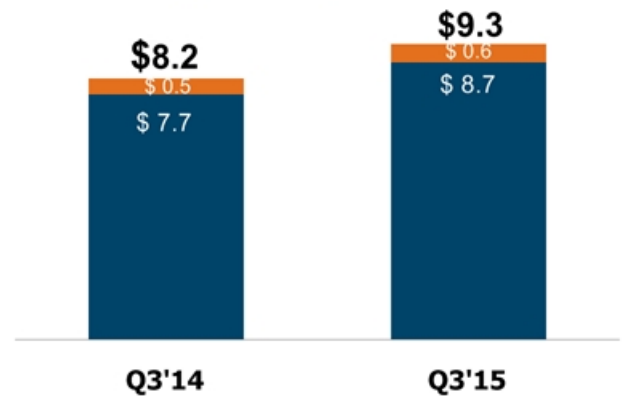


Other Highlights

- Wireline and Cable - Fiber lease revenues of \$9.3 million, up 13.8% from Q3'14
- 154 towers generated \$1.7 million of OIBDA

*Fiber Lease Revenue (in millions)

■ Wireline ■ Cable



*Includes both Affiliate and Non-affiliate revenues

Mobile Tower OIBDA (\$ thousands)

| (in thousands) | Q3'14 | Q3'15 |
|--------------------------|----------------|----------------|
| Operating Income | \$1,380 | \$1,547 |
| Deprec. and Amort. | 391 | 142 |
| Loss on Asset Disposals | - | - |
| Share Based Compensation | 5 | 9 |
| Adjusted OIBDA | \$1,776 | \$1,698 |

NTELOS Transaction Status

- Retail Syndication of the credit facilities oversubscribed without any change in terms
- Regulatory Approvals
 - Early termination of Hart-Scott-Rodino review
 - All state regulatory approvals received
 - FCC transfer application is expected to go on public notice soon
- Integration
 - Extended employment offers to nTelos employees
- On track to close in early 2016



Adele Skolits

VP of Finance and CFO

Profitability

Consolidated Results
(\$ in thousands, except per share amounts)

| | <u>For the Quarter Ended:</u> | | |
|----------------------------|-------------------------------|----------------|---------------|
| | 9/30/14 | 9/30/15 | Change |
| Operating Income | \$ 14,144 | \$ 15,089 | 6.7% |
| Net Income | \$ 8,003 | \$ 7,996 | (0.1%) |
| Earnings Per Share: | | | |
| Basic | \$ 0.33 | \$ 0.33 | -- |
| Diluted | \$ 0.33 | \$ 0.33 | -- |

Profitability

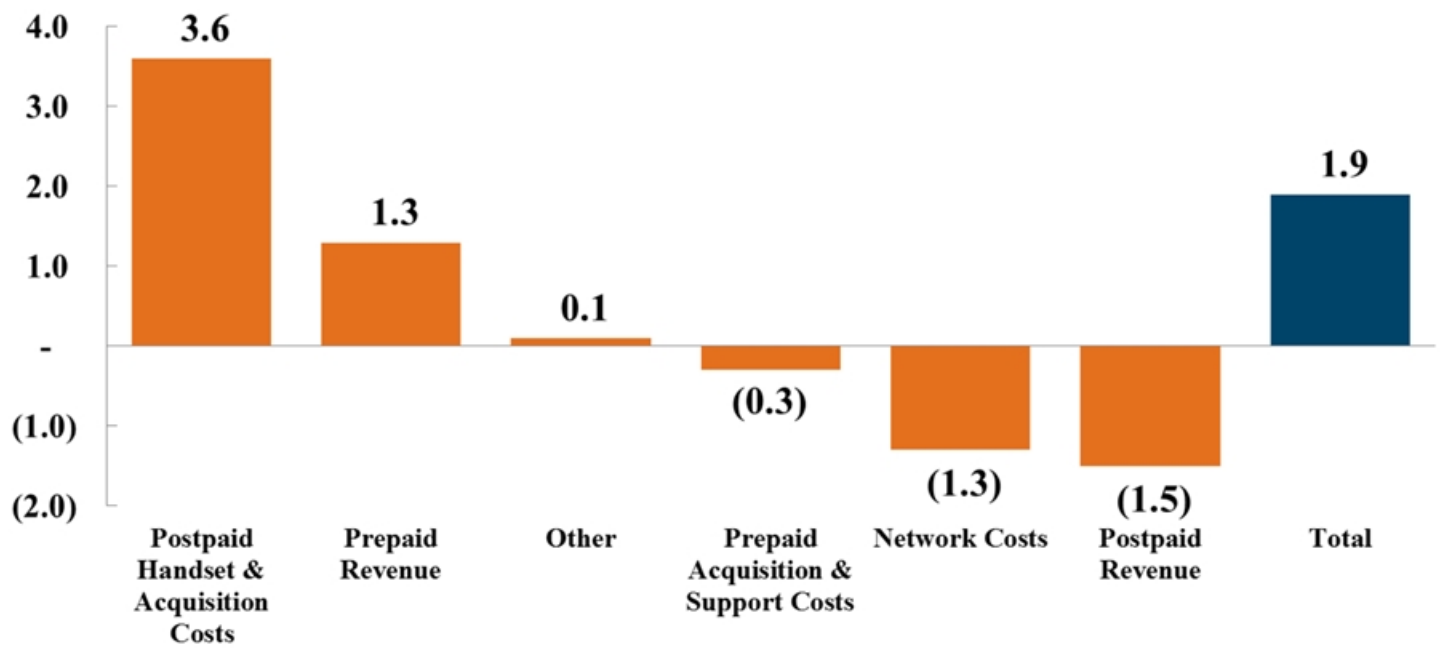
Adjusted OIBDA (\$ thousands)

| | For the Quarter Ended: | | |
|-------------------------------------|-------------------------------|----------------|---------------|
| | 9/30/14 | 9/30/15 | Change |
| Operating Income | 14,144 | 15,089 | 7% |
| Depreciation and Amortization | 16,731 | 19,118 | 14% |
| Share Based Compensation | 325 | 469 | 44% |
| (Gain)/Loss on Asset Disposals | 2,053 | (1) | N.M. |
| nTelos acquisition related expenses | - | 2,129 | N.M. |
| Adjusted OIBDA | 33,253 | 36,804 | 11% |

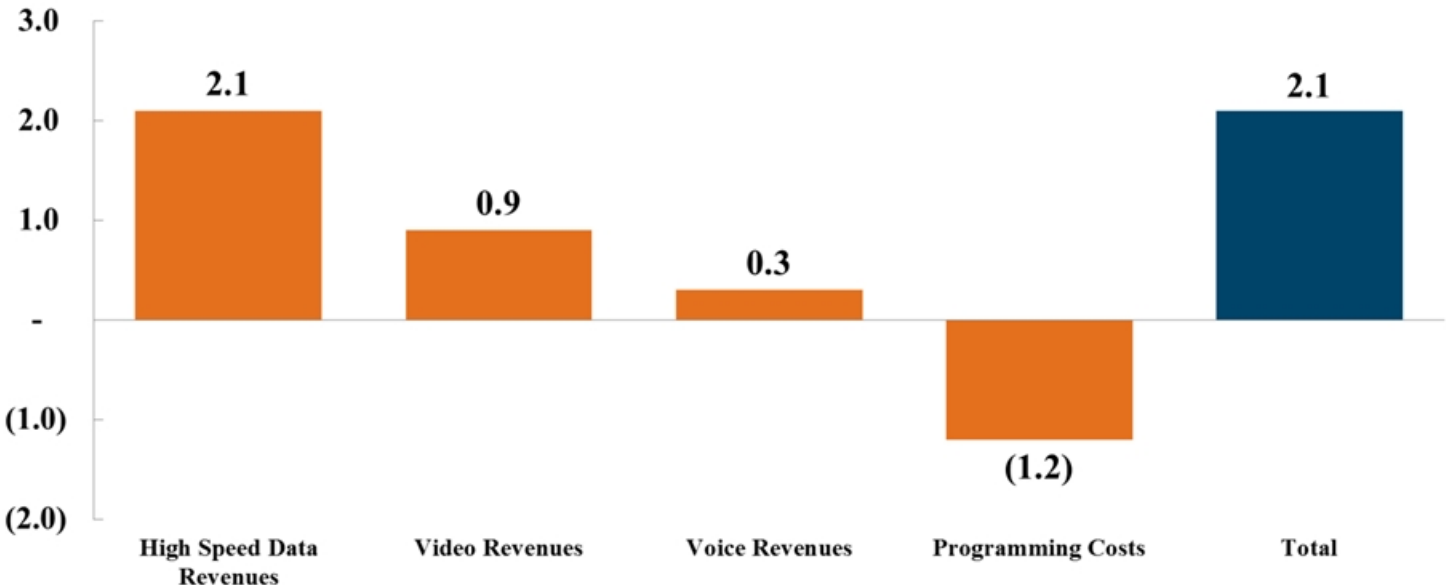
Adjusted OIBDA by Segment (\$ millions)

| | <u>Wireless</u> | | <u>Cable</u> | | <u>Wireline</u> | |
|---------------------------------|-----------------|---------------|---------------|---------------|-----------------|---------------|
| | <u>Q3'14</u> | <u>Q3'15</u> | <u>Q3'14</u> | <u>Q3'15</u> | <u>Q3'14</u> | <u>Q3'15</u> |
| Operating Income | \$ 17.3 | \$ 17.4 | \$ (4.1) | \$ (0.6) | \$ 4.4 | \$ 4.0 |
| Depreciation and amortization | 7.9 | 9.6 | 5.9 | 5.9 | 2.9 | 3.4 |
| Plus (gain) loss on asset sales | - | 0.1 | 1.5 | - | 0.5 | - |
| Share based compensation | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 |
| Adjusted OIBDA | \$25.3 | \$27.2 | \$ 3.4 | \$ 5.5 | \$7.9 | \$ 7.5 |
| Percent Change | | 7% | | 62% | | -6% |
| Adjusted OIBDA Margin | 48% | 53% | 16% | 22% | 50% | 43% |

Wireless Segment – Change in Adjusted OIBDA Q3'15 vs. Q3'14 (\$ millions)



Cable Segment – Change in Adjusted OIBDA Q3'15 vs. Q3'14 (\$ millions)

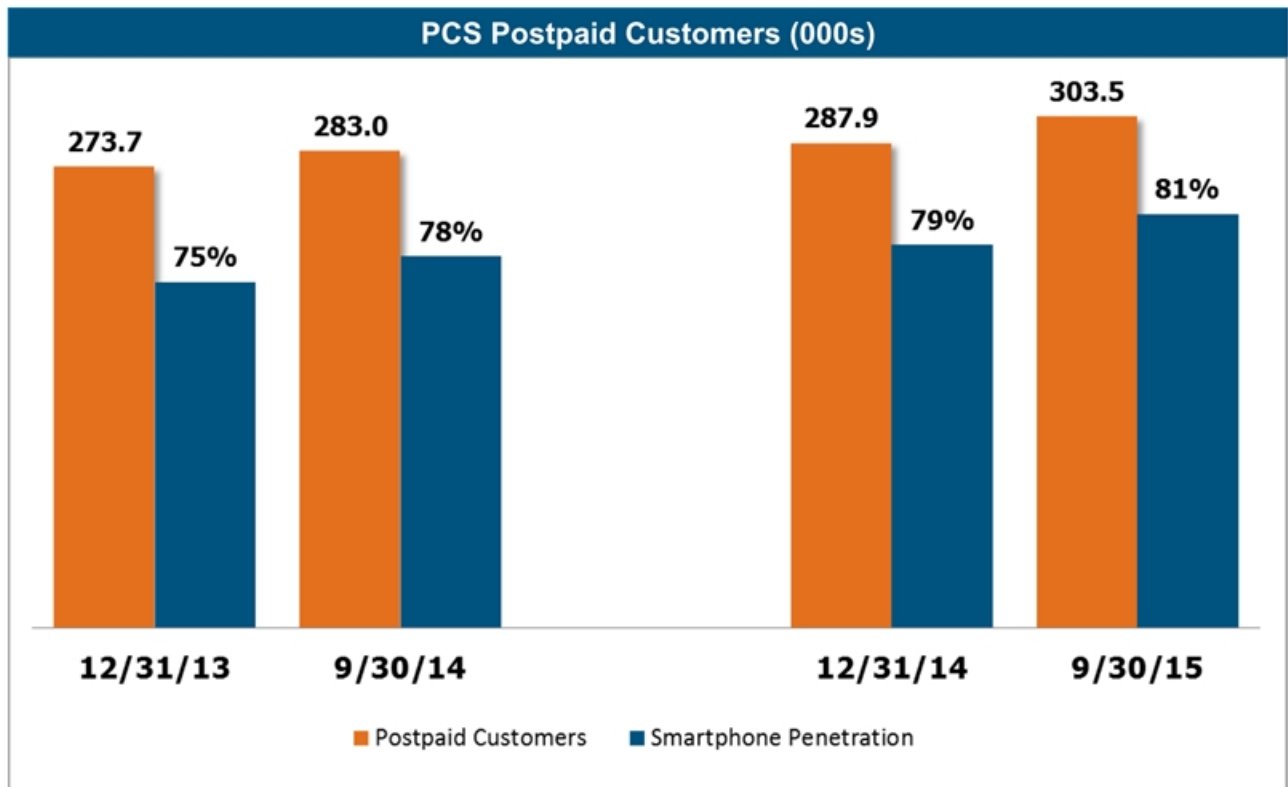




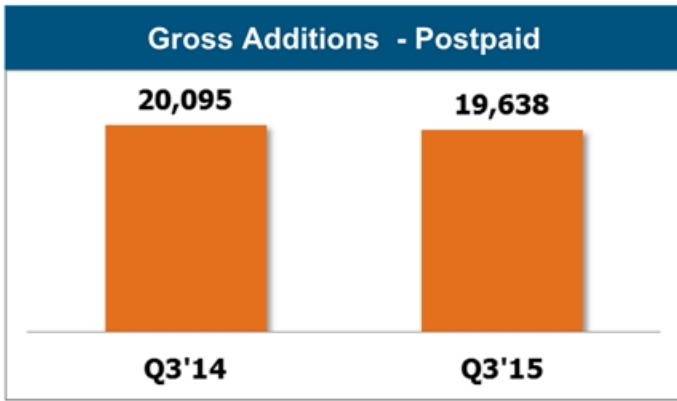
Earle MacKenzie

EVP and COO

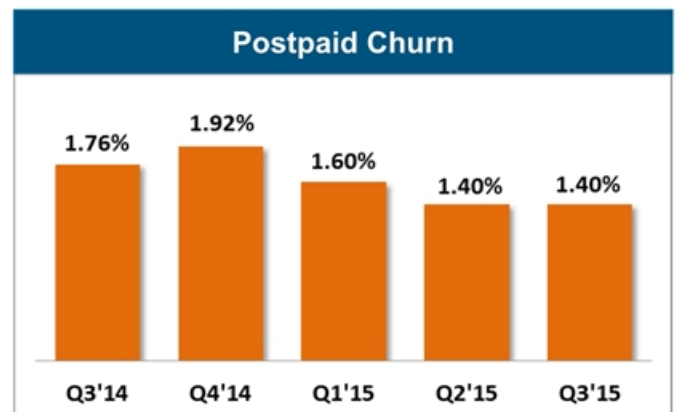
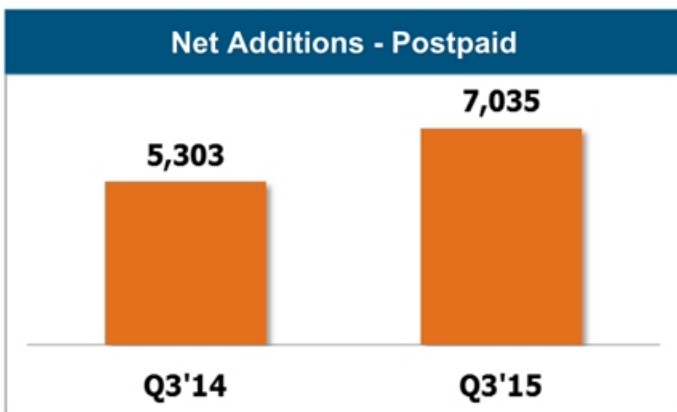
Postpaid Customer Growth



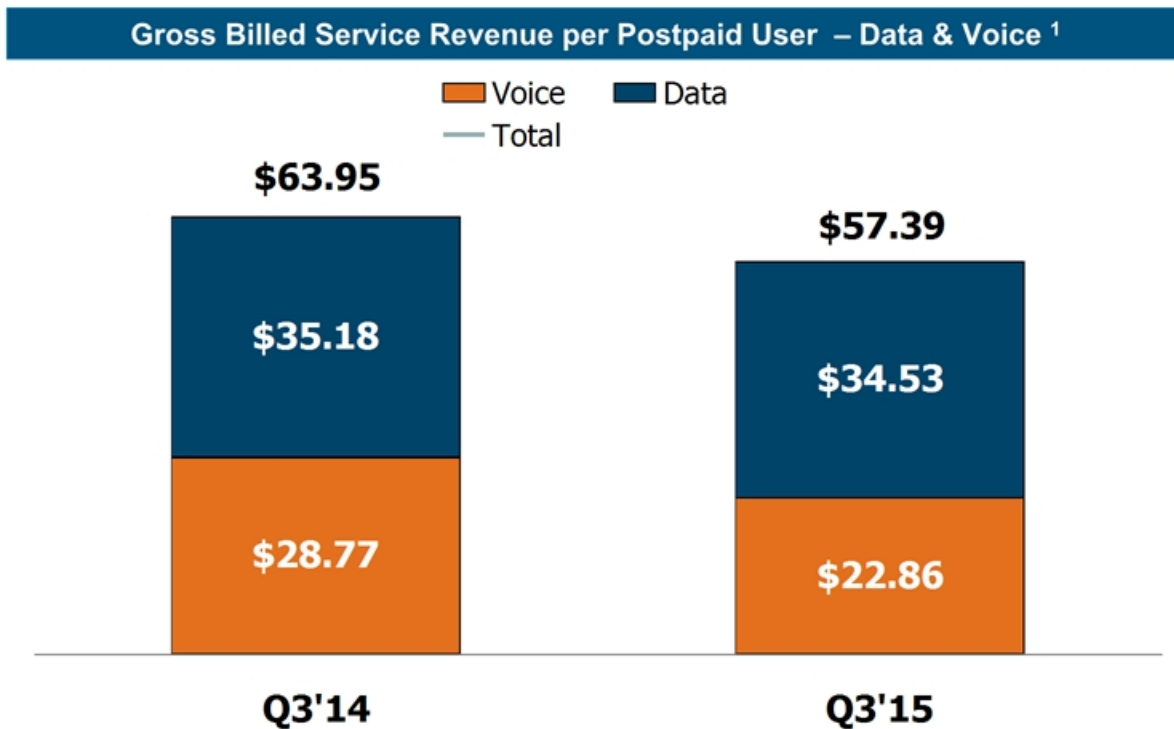
Postpaid Customer Additions



- Net adds of 7,035 in Q3 2015 versus 5,303 in Q3 2014
- Shentel-controlled channels produced 35% of gross adds in Q3 2015 and 49% in Q3 2014
- Q3 2015 churn of 1.40%, down from 1.76% in Q3 2014

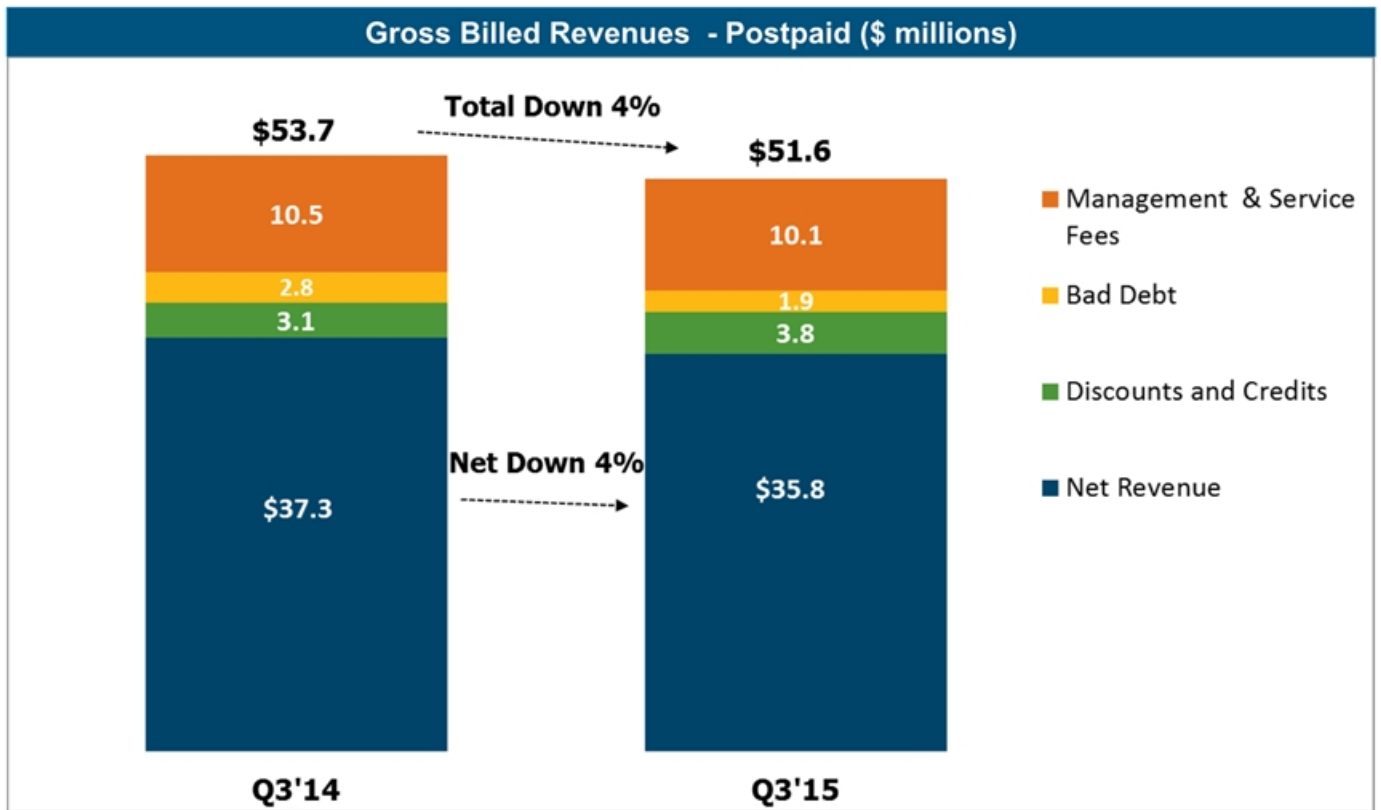


Billed Revenue per Customer Down; Data Usage Increasing

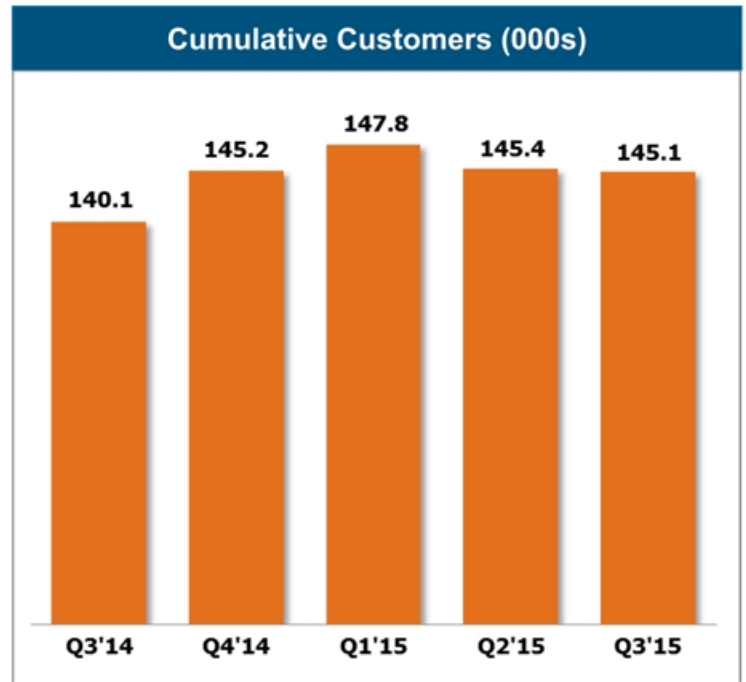
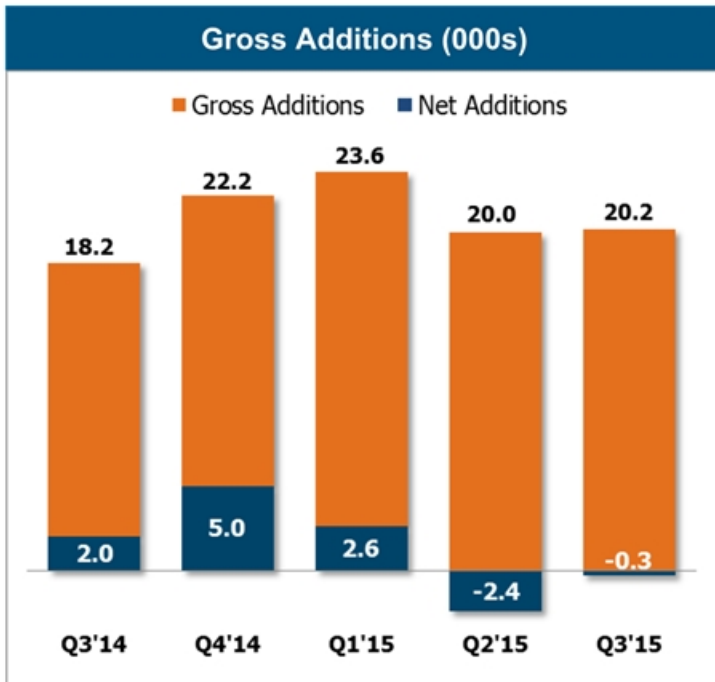


¹ – Before Service credits, bad debt, Sprint Nextel fees.

PCS Revenues



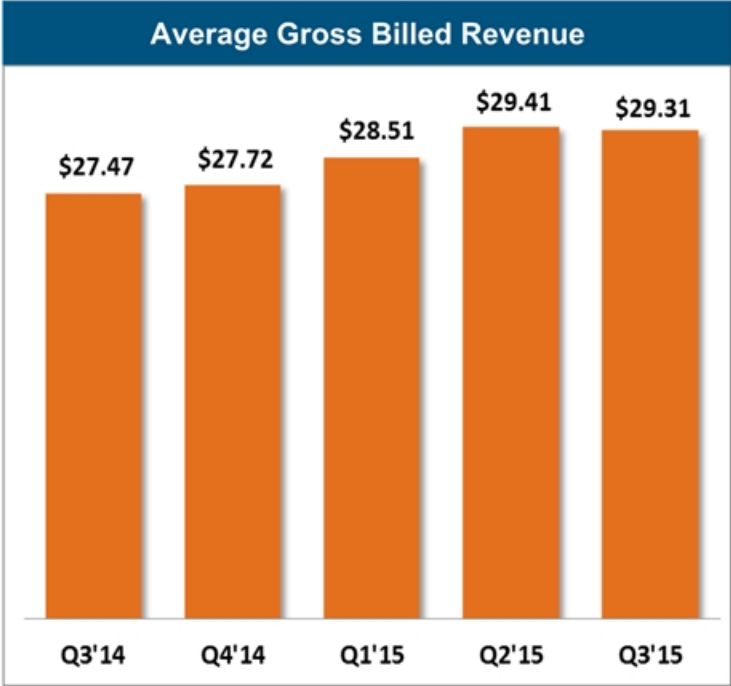
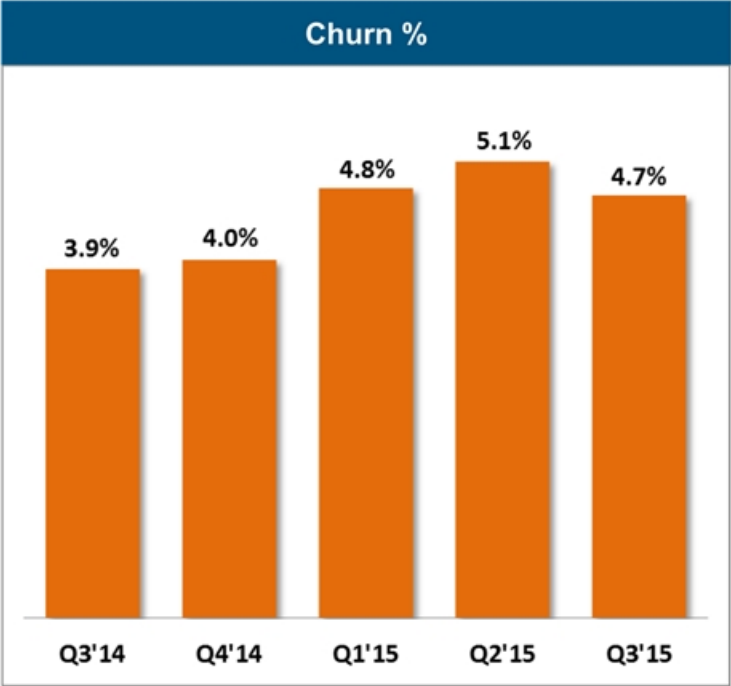
PCS Prepaid Statistics



*The loss of customers in Q2'14 related to more stringent governmental requirements for customers renewing their eligibility for the government subsidized Assurance program.



PCS Prepaid Statistics



Network Statistics at 9/30/15

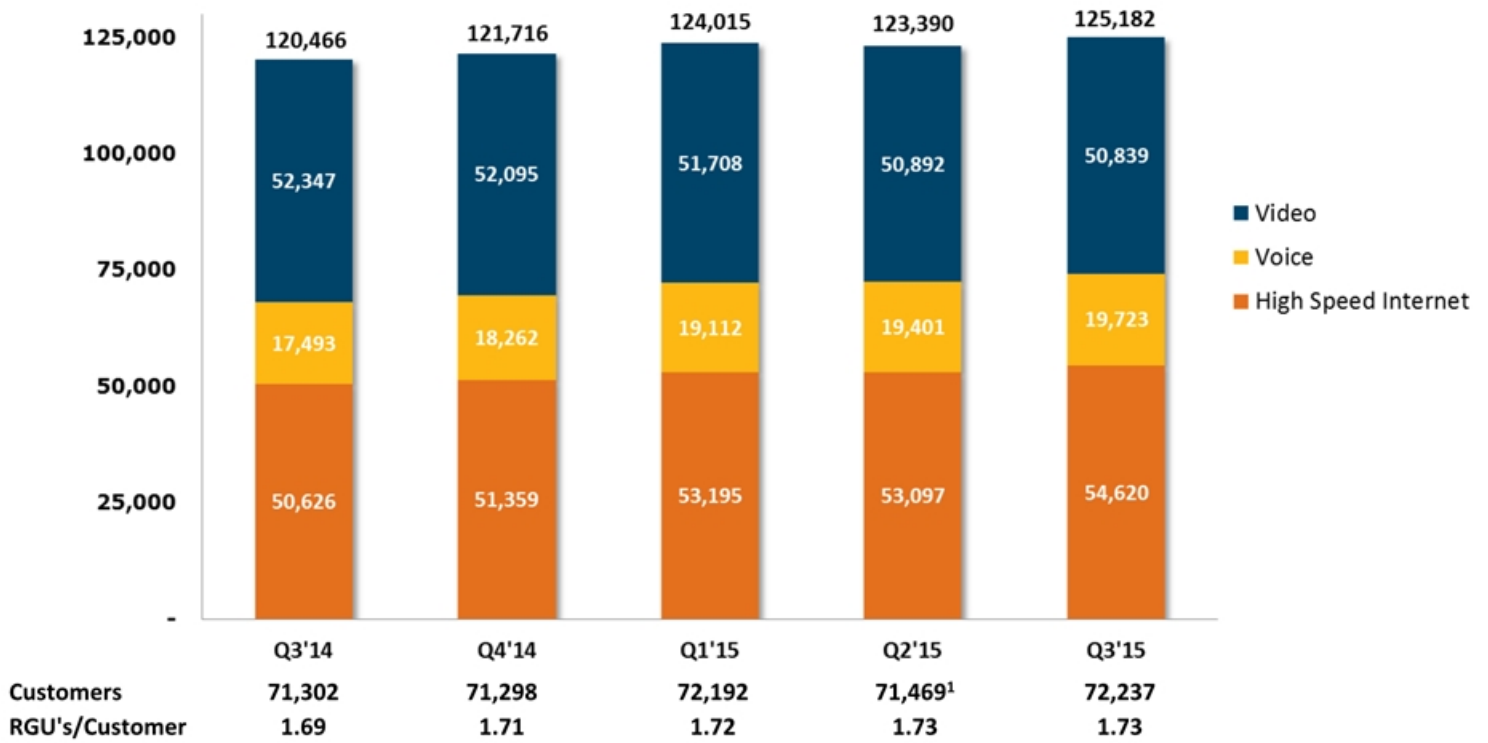
■ 548 Cell Sites

- 93% have a second LTE carrier at 800 MHz
- 187 sites have three carriers, including a second carrier at 1900 MHz

■ Traffic

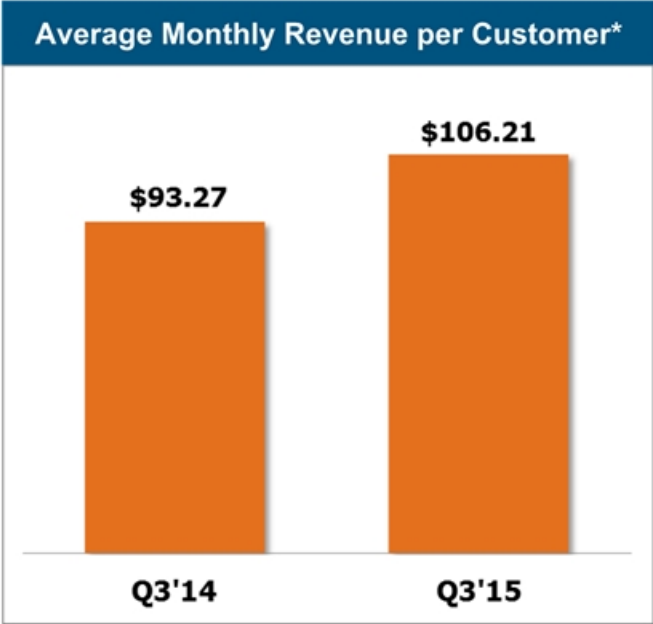
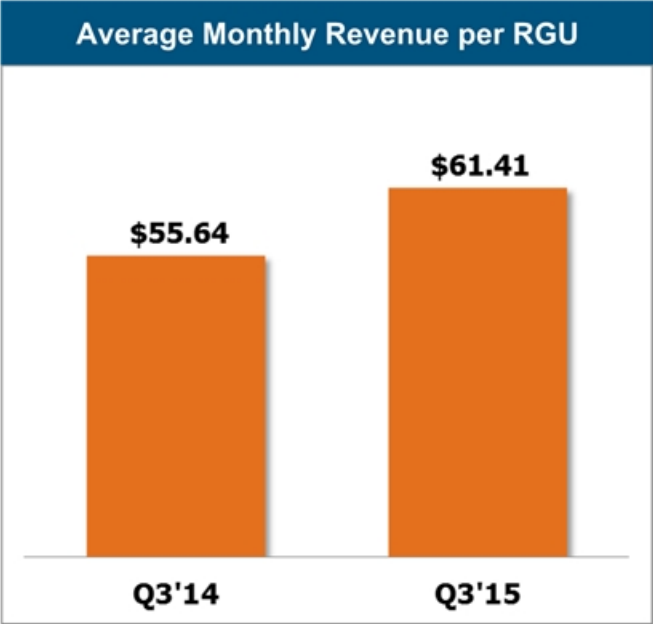
- 89% of data traffic is on LTE, with 33% on 800 MHz
- Data usage grew 11% in Q3'15
- Average speeds of approximately 4 Mbps
- Average customer uses approximately 4 GB per month
- Dropped calls - 0.5%
- Blocked calls - 0.3%

Cable - RGU Growth by Quarter



1. College students disconnect during summer

Increasing Average Monthly Cable Revenue



*Average monthly revenue per video subscriber was \$126.64 and \$150.04 for Q3 2014 and Q3 2015, respectively.

Key Operational Results – Cable*

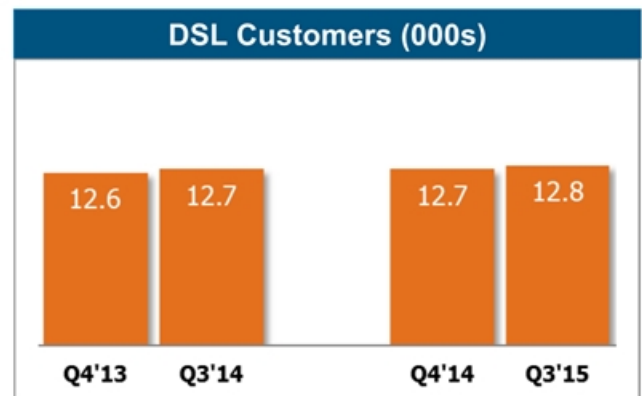
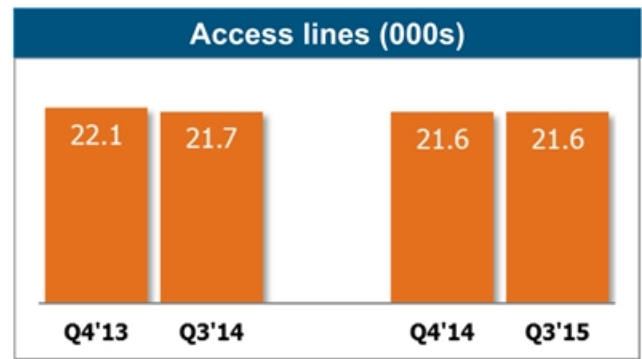
| | Q3 2014 | Q3 2015 |
|---------------------------------------|----------------|----------------|
| Homes Passed | 171,382 | 172,388 |
| Total Revenue Generating Units | 120,466 | 125,182 |
| Customer Relationships | 71,302 | 72,237 |
| RGUs per Customer Relationship | 1.69 | 1.73 |
| Video | | |
| Revenue generating units | 52,347 | 50,839 |
| Penetration | 30.5% | 29.5% |
| Digital video penetration | 64.8% | 75.2% |
| High-speed Internet | | |
| Available Homes | 170,728 | 172,388 |
| Revenue generating units | 50,626 | 54,620 |
| Penetration | 29.7% | 31.7% |
| Voice | | |
| Available Homes | 167,991 | 169,651 |
| Revenue generating units | 17,493 | 19,723 |
| Penetration | 10.4% | 11.6% |

*Excludes cable operations in Shenandoah County, VA which are included in the Wireline segment.

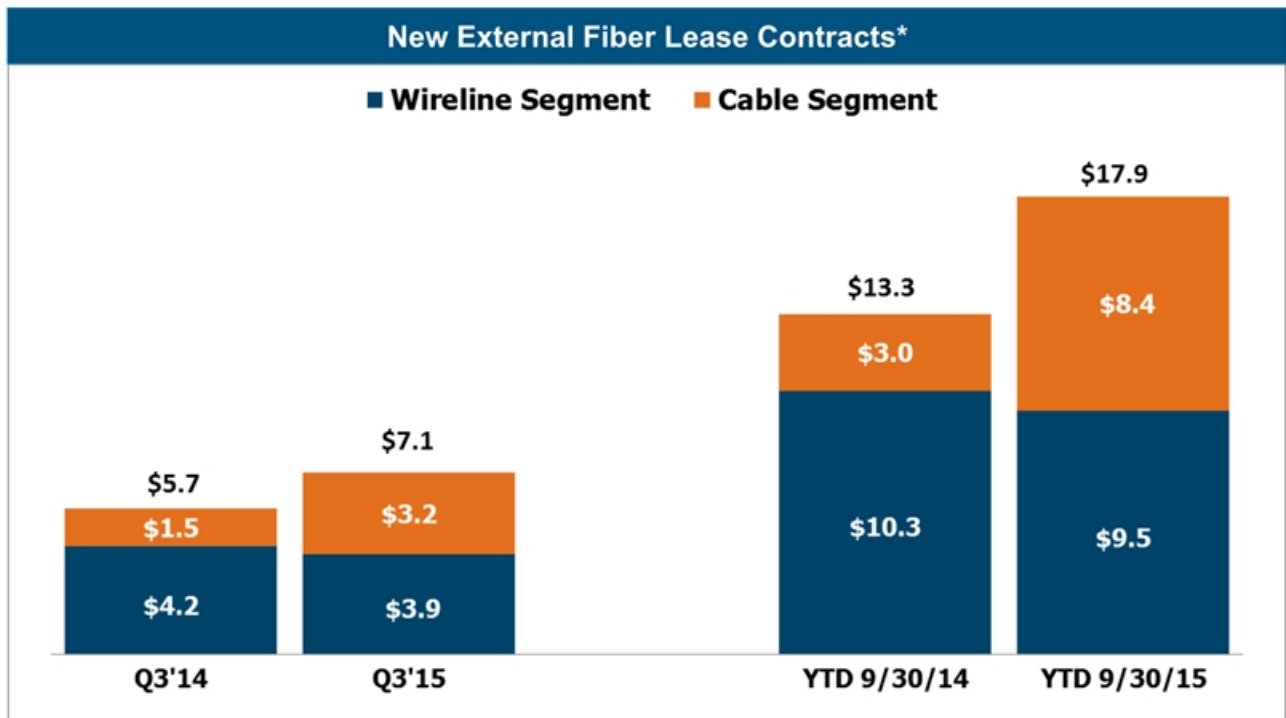


Key Operational Results - Wireline

- Access line loss of 0.7% in past 12 months
- Broadband penetration in LEC area at 59.4%
- Total connections at 9/30/15 of 34.4 thousand
- 5,375 video subscribers at 9/30/15
- Effective Q4'15, subscribers will have additional high-speed internet options

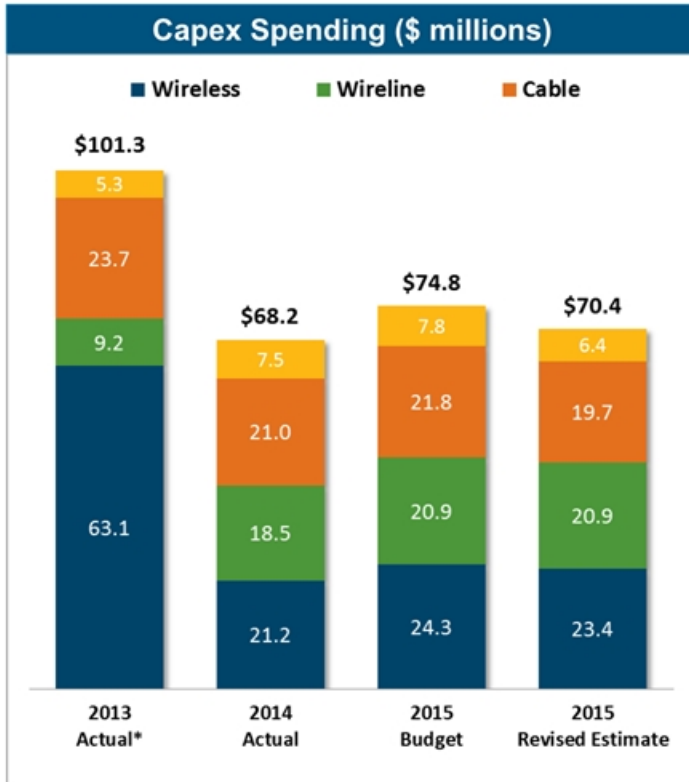


Wireline and Cable Fiber Sales (\$ millions)



*Amounts shown represent the total contract value. Contract Terms range from 36 to 120 months.

Investing in the Future



- **2015 Capex Budget:**
 - 33% Network Capacity
 - 30% Network Maintenance
 - 20% Network Expansion
 - 17% Success-Based

- **2015 Revised Estimate:**
 - Cable: \$2.1MM under budget for success-based spending and maintenance line items
 - Other: \$1.4MM under budget for IT system enhancements

* Accounts payable at December 31, 2013 included \$6.5 million associated with PCS Network Vision capital expenditures.

Q&A

Appendix

Non-GAAP Financial Measures – Billed Revenue per Prepaid & Postpaid Subscriber

Dollars in thousands (except subscribers and revenue per subscriber)

| | <u>3Q 2014</u> | <u>3Q 2015</u> |
|---|-----------------------|-----------------------|
| Gross billed revenue | | |
| Wireless segment total operating revenues | \$ 52,195 | \$ 51,636 |
| Equipment revenue | (1,573) | (1,104) |
| Tower lease revenue | (2,545) | (2,610) |
| Gross billed revenue – prepaid | (11,418) | (12,760) |
| Prepaid service fee | 679 | 766 |
| Other revenue | (64) | (129) |
| Wireless service revenue – postpaid | <u>37,274</u> | <u>35,799</u> |
| Service credits | 3,030 | 3,826 |
| Write-offs | 2,832 | 1,874 |
| Management fee | 3,826 | 3,687 |
| Service fee | 6,696 | 6,453 |
| Gross billed revenue – postpaid | <u>\$ 53,658</u> | <u>\$ 51,639</u> |
| | | |
| Average Prepaid subscribers | 138,576 | 145,092 |
| Billed revenue per Prepaid subscriber | \$ 27.47 | \$ 29.31 |
| | | |
| Average Postpaid subscribers | 279,686 | 299,938 |
| Billed revenue per Postpaid subscriber | \$ 63.95 | \$ 57.39 |

Calculation of Billed revenue per subscriber = Gross billed revenue / Average subscribers / 3 months



Postpaid PCS Customers Top Picks Q3 2015

■ Top Service Plans – 53% of Gross Adds

| | |
|----------------------------------|-----|
| Family Unlimited, Talk/Text/Data | 21% |
| Unlimited, Talk/Text | 18% |
| 40GB Data Share Pack | 7% |
| 10GB Data Share Pack | 7% |

■ Top Devices – New Activations – All Channels

| | |
|------------------|-----|
| iPhone | 39% |
| Samsung Galaxy S | 16% |
| LG G Pad | 9% |
| LG G3 | 4% |
| LG G4 | 3% |

Smartphones made up 81% of the Postpaid base in Q3'15, no change from Q2'15, up from 78% in Q3'14.

iPhone Statistics – Q3'15

- 39% of Q3 Gross Adds
- 30% of iPhones were sold or upgraded in Shentel-controlled channels
- 38.3% of 9/30/15 Postpaid customers had the iPhone, up from 37.3% at 6/30/15 and 33.2% at 9/30/14.
- iPhone Base – 9/30/15
 - 50% iPhone 6, 6S, 6 Plus
 - 37% iPhone 5, 5C & 5S
 - 13% iPhone 4 & 4S

Non-GAAP Financial Measure – Average Monthly Cable Revenue

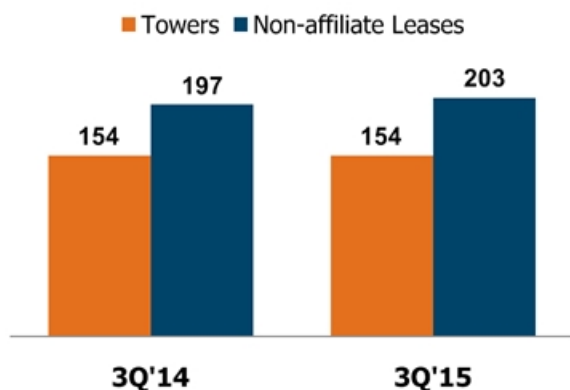
Dollars in thousands (except subscribers and revenue per user)

| | <u>Q3 2014</u> | <u>Q3 2015</u> |
|---|------------------|------------------|
| Net Service Revenue | \$ 17,603 | \$ 20,493 |
| Set-top box rentals | 1,772 | 1,952 |
| FUSC and pass-through fees | 346 | 391 |
| Video, Internet & Voice Revenue | 19,721 | 22,836 |
| Other miscellaneous revenue | 1,283 | 1,581 |
| Total Operating Revenue | 21,004 | 24,417 |
| Video revenue | 11,482 | 12,419 |
| Internet revenue | 6,686 | 8,596 |
| Voice revenue | 1,553 | 1,821 |
| Video, Internet & Voice Revenue | \$ 19,721 | \$ 22,836 |
| <u>Average Subscribers</u> | | |
| Video | 51,909 | 50,733 |
| Internet | 49,336 | 53,711 |
| Voice | 16,912 | 19,516 |
| Revenue Generating Units (RGUs) | 118,157 | 123,959 |
| Average Customer Relationships | 70,481 | 71,669 |
| <u>Average Revenue Per User (ARPU)</u> | | |
| Revenue Generating Units (RGUs) | \$ 55.64 | \$ 61.41 |
| Customer Relationships | 93.27 | 106.21 |
| Video | 126.64 | 150.04 |

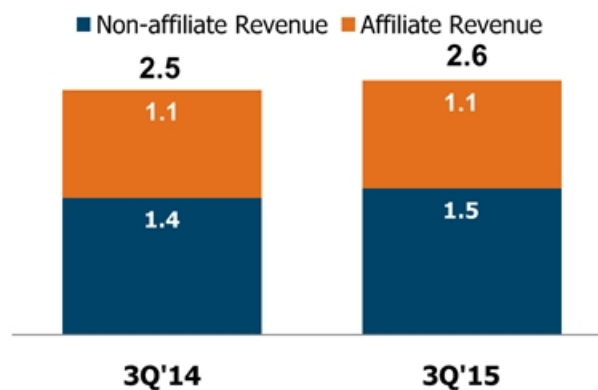


Key Operational Results – Mobile Company

Towers and Leases



Mobile Tower Revenue (\$ millions)



(in thousands)

| | Q3'14 | Q3'15 |
|--------------------------|----------------|----------------|
| Operating Income | \$1,380 | \$1,547 |
| Deprec. and Amort. | 391 | 142 |
| Loss on Asset Disposals | - | - |
| Share Based Compensation | 5 | 9 |
| Adjusted OIBDA | \$1,776 | \$1,698 |