



3Q 2010 Earnings Conference Call

November 4, 2010

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

CEO and President

3Q '10 Highlights

□ Strategic Growth Initiatives

▶ Cable Acquisitions

- Acquisition of Jet Broadband closed on July 30th
- Planned purchase of Suddenlink properties in Salem, WV and Oakland, MD

▶ Wireless Prepaid

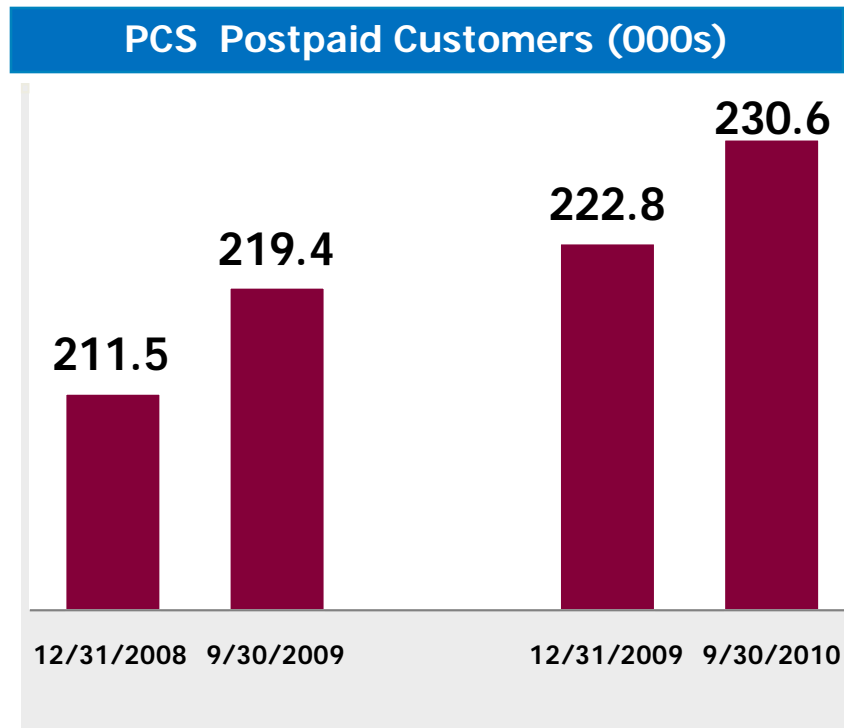
- Purchased approximately 50,000 current Virgin Mobile customers
- Began offering Boost and Virgin Mobile service in July

3Q '10 Cable Highlights

- ❑ **Synergies** – Newly acquired JetBroadBand cable subs now on our billing platform
- ❑ **Sales Momentum** – 3Q 2010 net RGU additions of 4,112 – includes 8% growth in existing markets
- ❑ **Triple Play** – High Speed data available to 88% and voice to 76% of acquired video homes passed

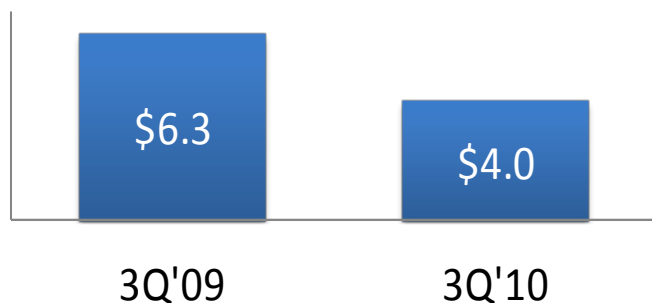
3Q '10 Wireless Highlights

- ❑ **Prepaid** – 6,296 net additions and 56,203 prepaid subs at 9/30
- ❑ **Steady Wireless growth** – Postpaid customers up 5% in the last year
- ❑ **Quarterly churn improves** – Q3 '10 churn of 1.9% compared to 2.2% for Q3 '09
- ❑ **3G/4G** – now selling 3G/4G data cards and 4G handsets

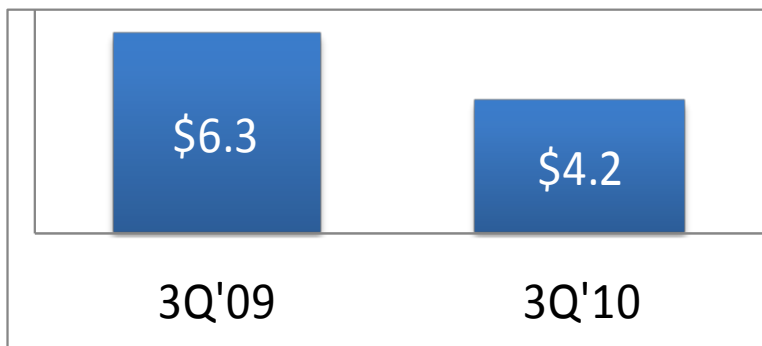


3Q '10 Financial Highlights

Net Income
(in millions)



Net Income from Continuing Operations
(in millions)



- ❑ **JetBroadBand acquisition-related transaction costs** - \$3.0 million before tax and \$1.8 million after tax
- ❑ **Prepaid** – Net loss \$1.5 million pre-tax, \$0.9 million after-tax
- ❑ **Directory sale** – sold publishing rights for \$4 million gain pre-tax, \$2.6 million after tax
- ❑ **Net Income** - Net income of \$4.0 million
- ❑ **Operating results** - Net income from continuing operations of \$4.2 million

Adele Skolits

CFO and VP of Finance

Profitability

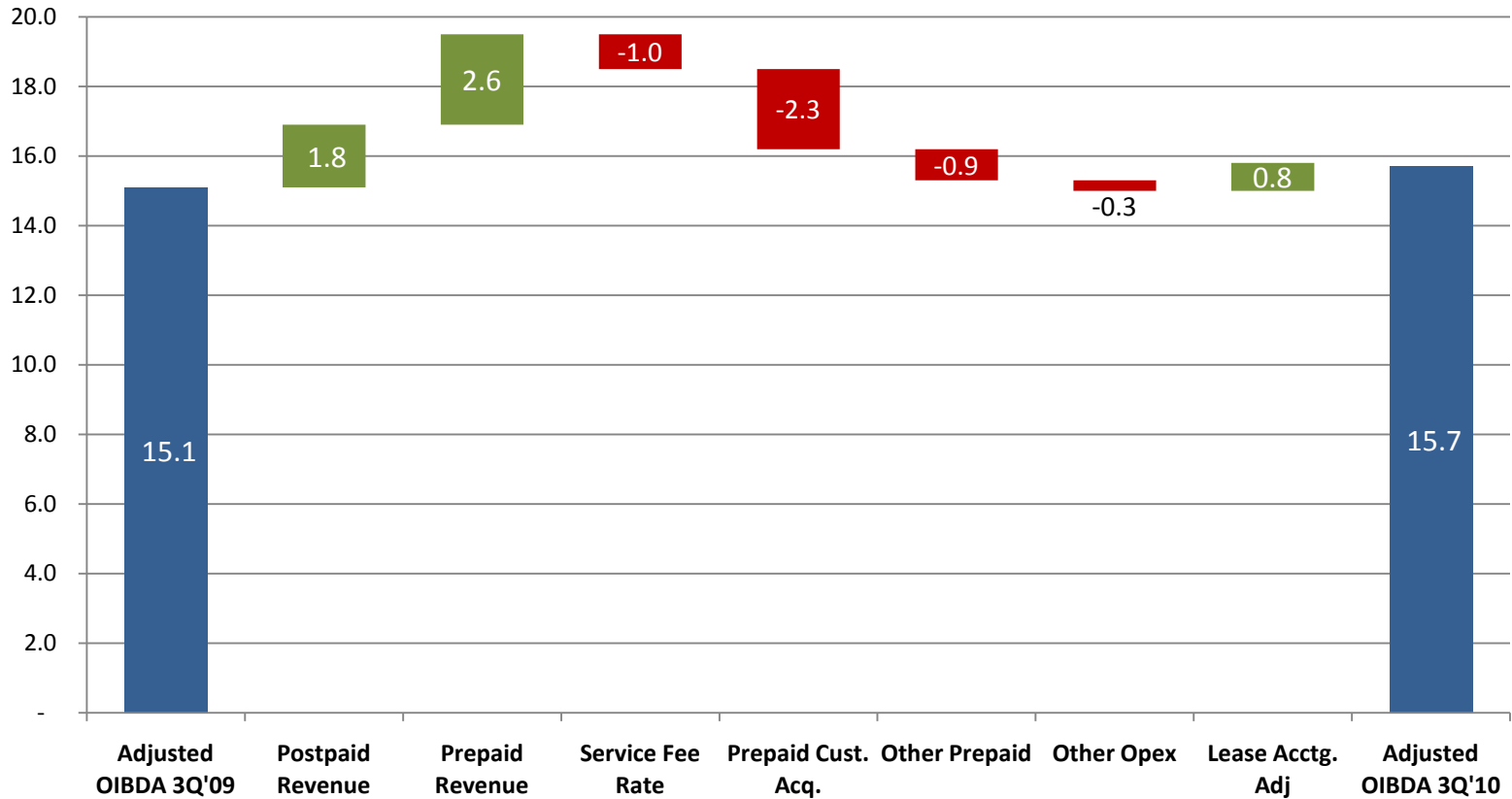
Adjusted OIBDA for the Quarter (\$ millions)

	Quarter Ended		
	9/30/09	9/30/10	Change
Operating Income	\$10.6	\$9.6	(\$1.0)
Depreciation and Amortization	8.1	12.2	4.1
OIBDA	\$18.7	\$21.8	\$3.1
Share Based Compensation	\$0.2	\$0.3	0.1
Gain on directory sale		(\$4.0)	(4.0)
Acquisition costs		\$3.0	3.0
Adjusted OIBDA	\$18.9	\$21.1	\$2.2

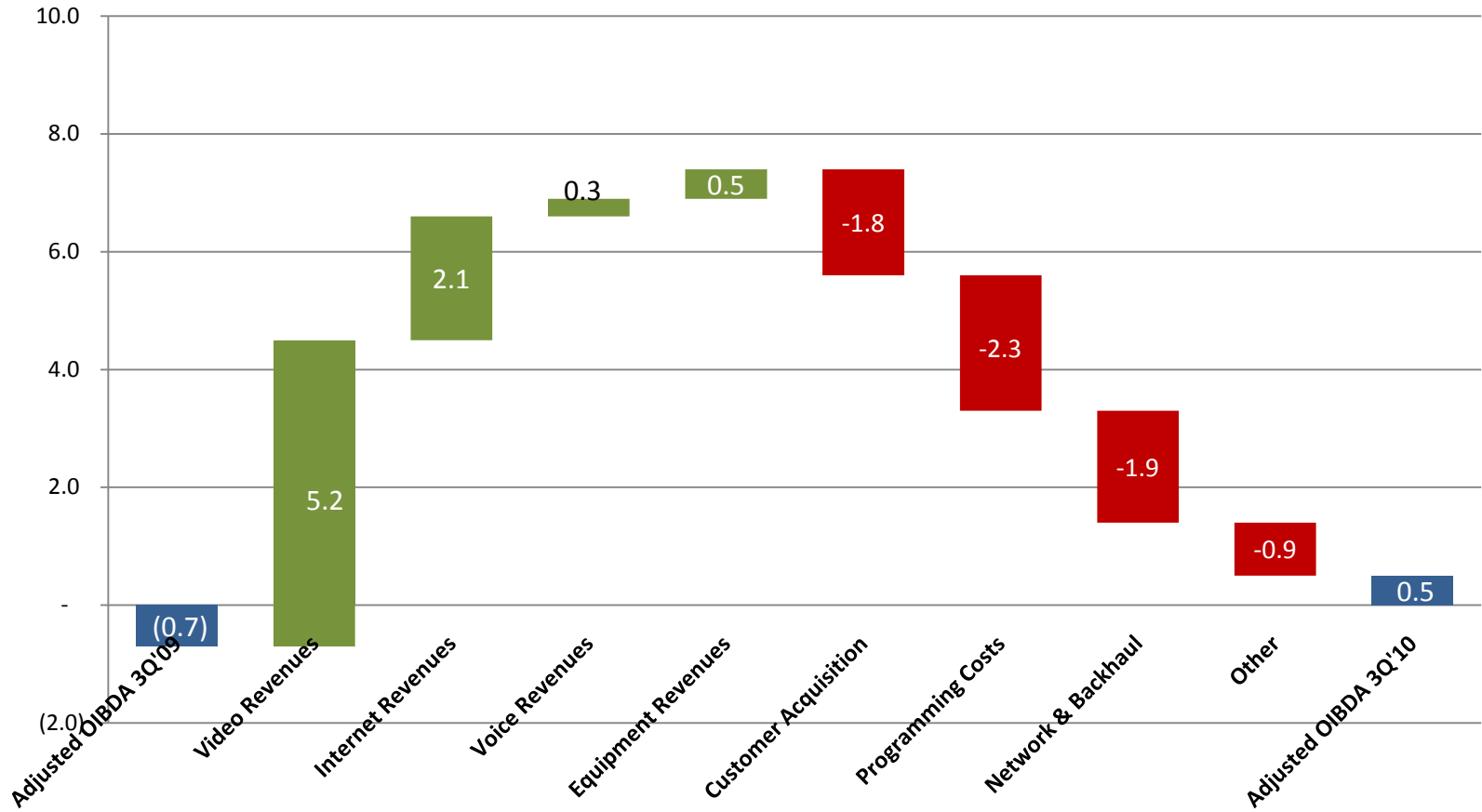
Adjusted OIBDA by Segment

	<u>Wireless</u>		<u>Wireline</u>		<u>Cable</u>	
	<u>3Q '09</u>	<u>3Q '10</u>	<u>3Q '09</u>	<u>3Q '10</u>	<u>3Q '09</u>	<u>3Q '10</u>
Operating Income	\$ 9.8	\$ 9.2	\$ 3.4	\$ 7.5	\$ (1.6)	\$ (6.3)
Depreciation and Amortization	5.2	6.4	2.0	2.0	0.9	3.7
OIBDA	15.0	15.6	5.4	9.5	(0.7)	(2.6)
Share Based Compensation	0.1	0.1	-	-	-	0.1
Directory gain	-	-		(4.0)		-
Acquisition costs	-	-				3.0
Adjusted OIBDA	\$ 15.1	\$ 15.7	\$ 5.4	\$ 5.5	\$ (0.7)	\$ 0.5

Wireless Segment – Change in Adjusted OIBDA



Cable Segment – Change in Adjusted OIBDA

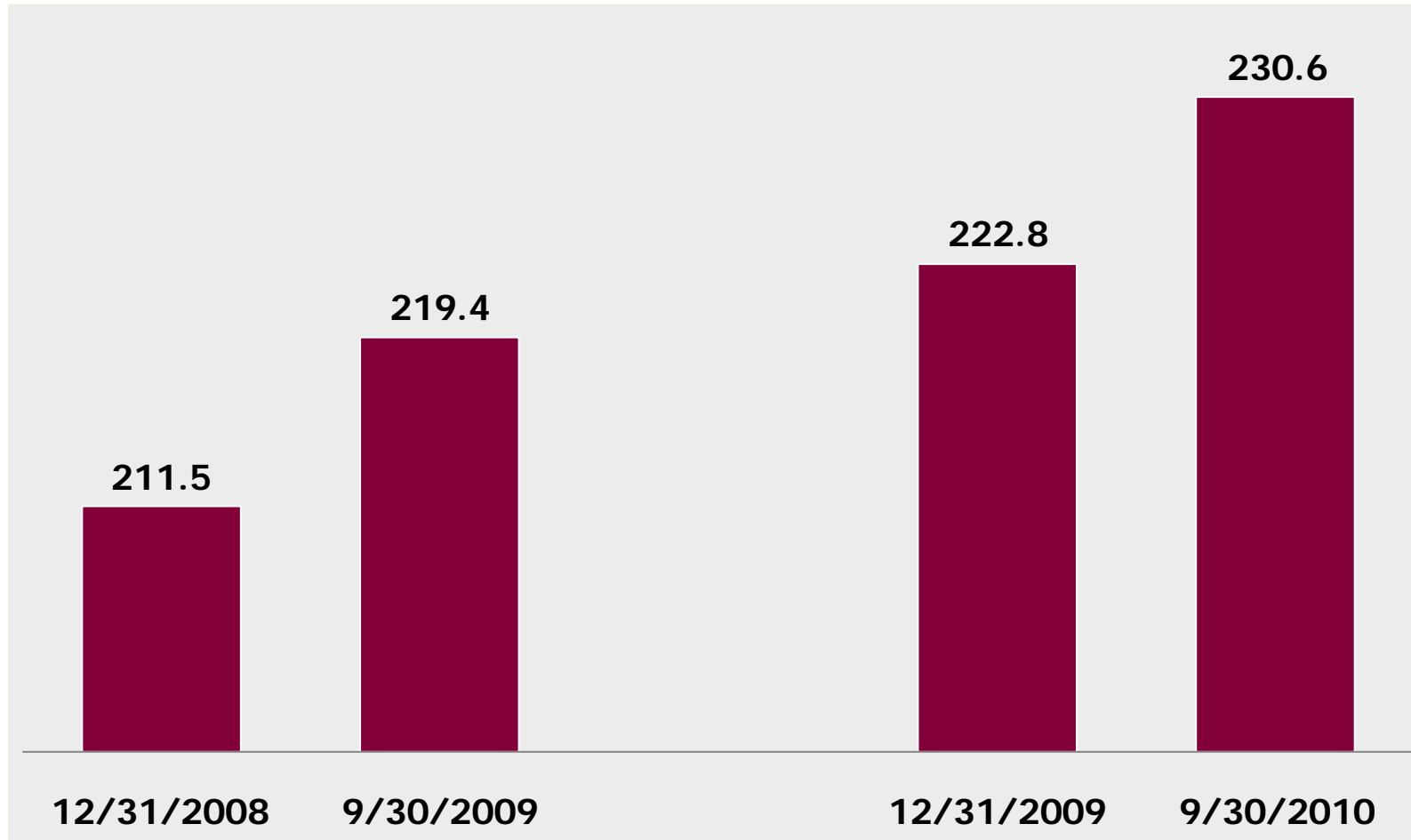


Earle MacKenzie

EVP and COO

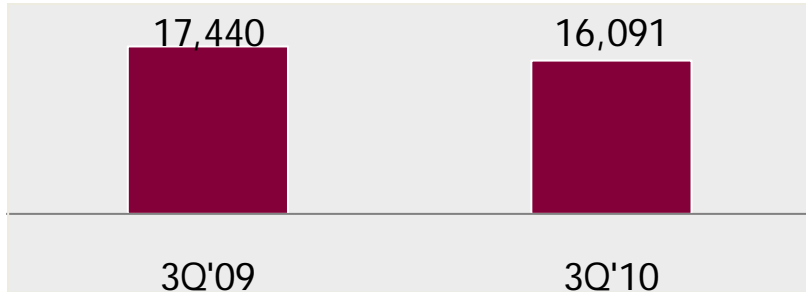
Key Operational Results – Wireless

PCS Postpaid Customers (000s)



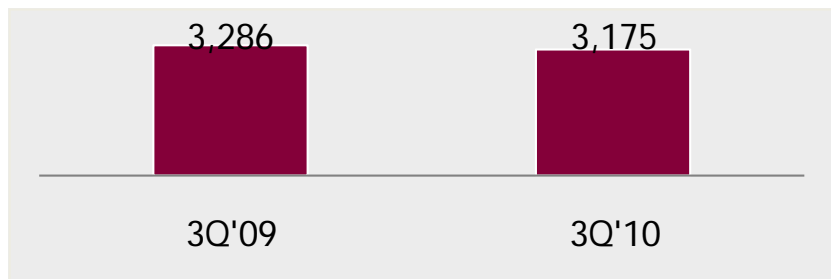
Key Operational Results – Wireless

Gross Additions - Postpaid



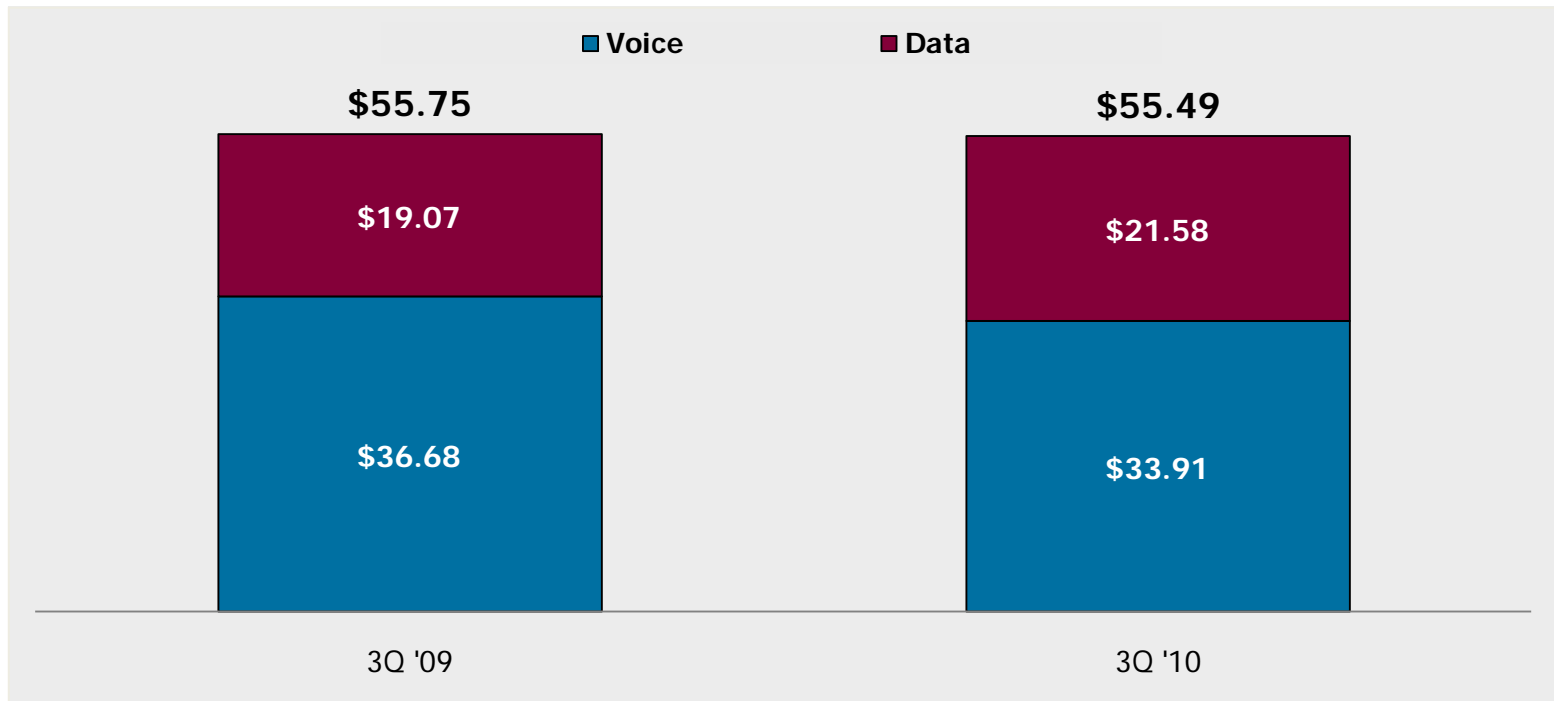
- Decrease in churn from 2.2% in Q3 '09 to 1.9% in Q3 '10
- Continued postpaid net growth

Net Additions - Postpaid



Key Operational Results – PCS

Gross Billed Revenue per Postpaid User – Data & Voice ¹

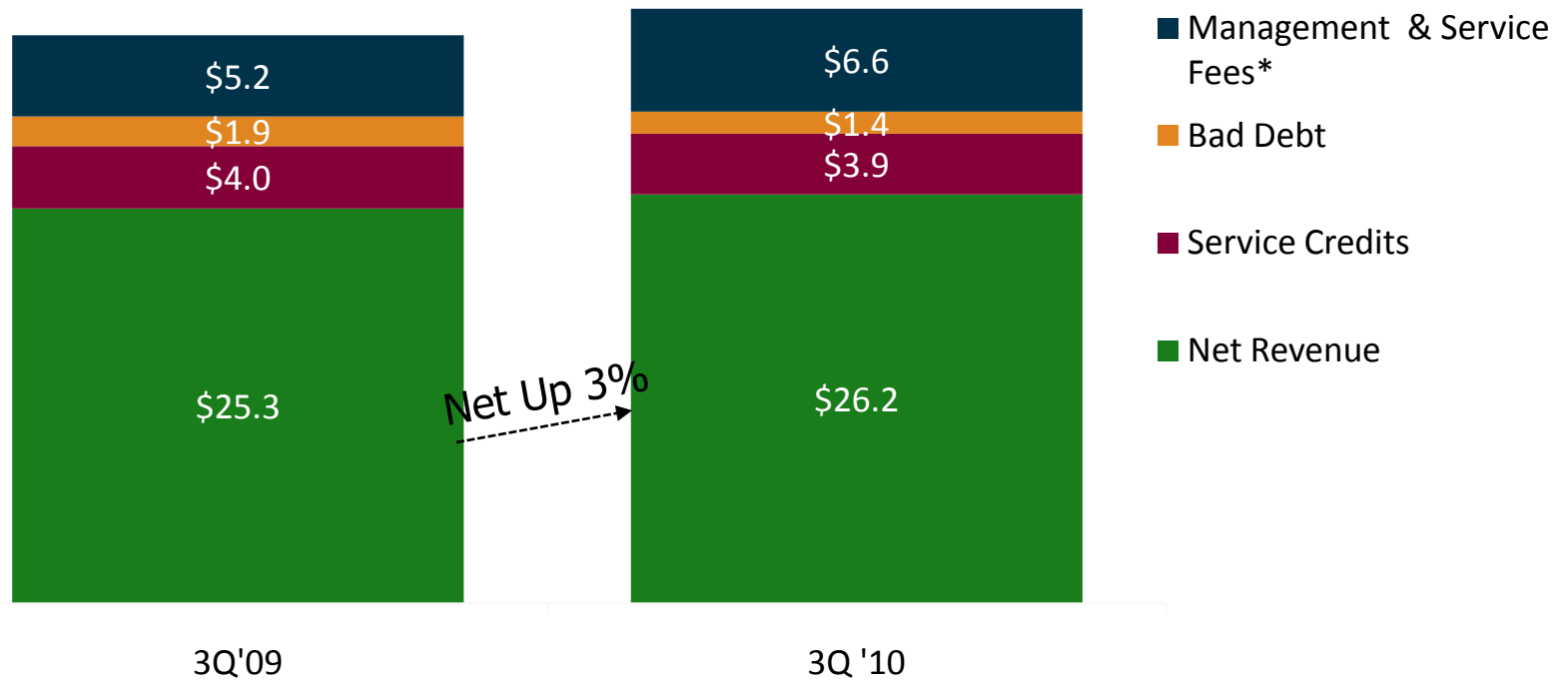


¹ – Before Service credits, bad debt, Sprint Nextel fees. See reconciliation of Non-GAAP financial measures on slide 25

PCS Revenues

Gross Billed Revenues - Postpaid (\$ millions)

\$36.4 Total Up 5% → \$38.1



*-The Net Service Fee percentage increased from 8.8% to 12% effective 6/1/10, an increase of \$1.0 million for Q3 2010.

PCS Prepaid Statistics

- Acquired 50K prepaid subscribers effective 7/1/10
 - Paid \$138 per sub

- Gross adds of 14,147

- Net adds of 6,296

- Ending subscribers of 56,203

- Churn rate of 5.02%

PCS Customers Top Picks Q3 2010

- Top Service Plans - 63% of Gross Adds

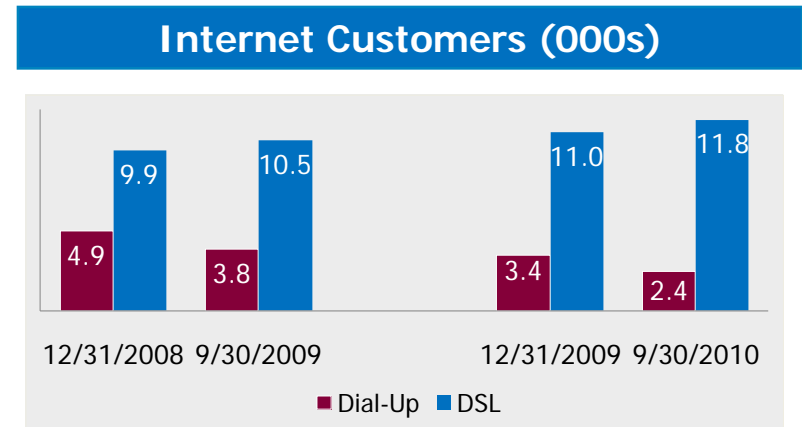
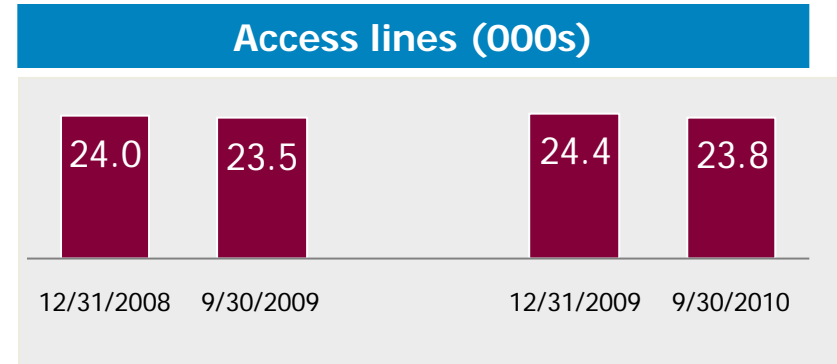
- ▶ Everything Data Family 1500 – 43%
- ▶ Everything Messaging Family 1500 – 11%
- ▶ Everything 450 – 9%

- Top Devices – New Activations - All Channels

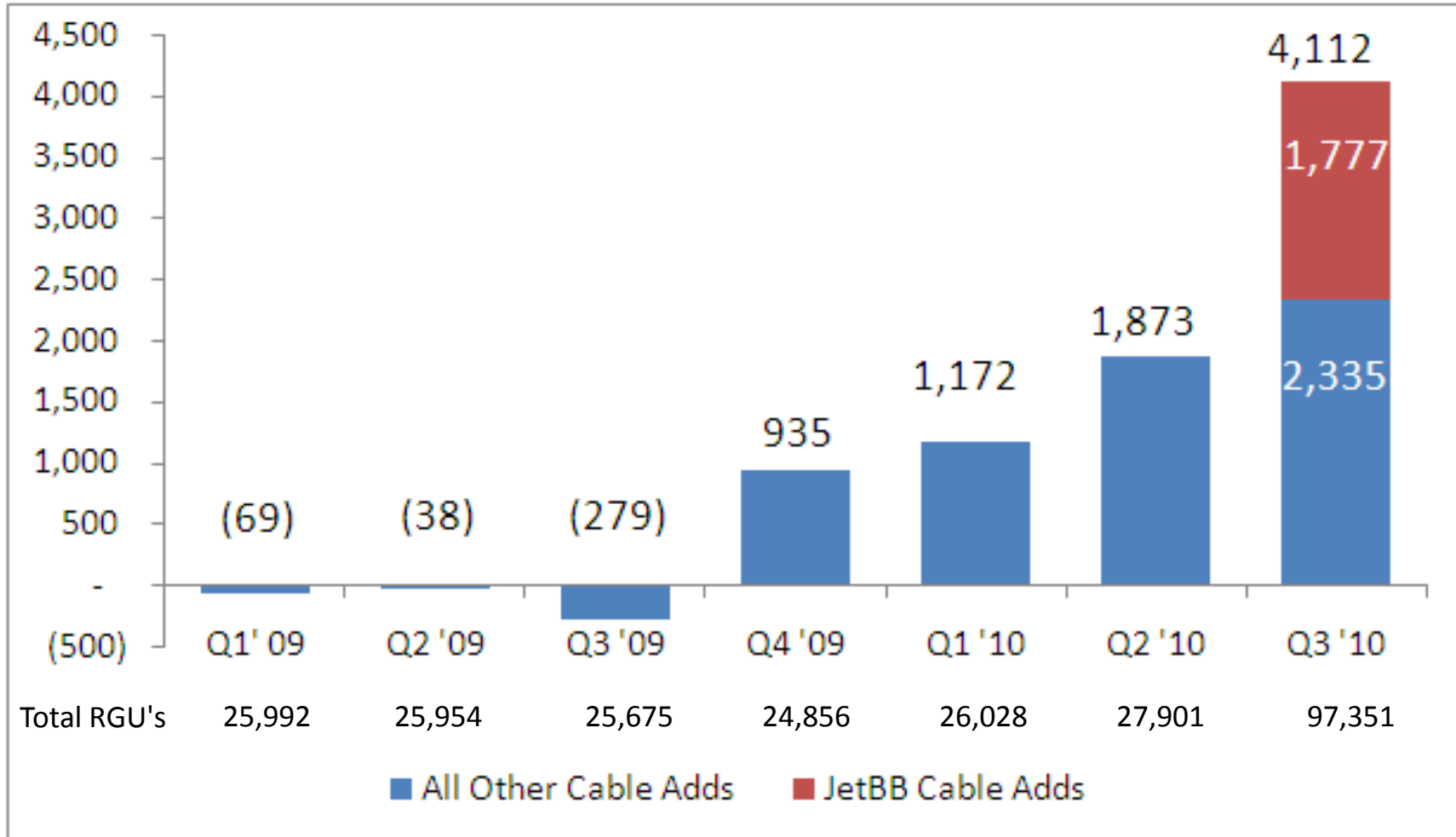
- ▶ Samsung Seek - 18%
- ▶ LG Rumor Touch - 11%
- ▶ Blackberry 8530 - 10%
- ▶ HTC EVO 4G - 10%
- ▶ Sanyo 3810 - 7%
- ▶ Mobile Data Cards - 7%

Key Operational Results - Wireline

- Modest access line loss
- Improved broadband penetration to 49%
- 11% growth in DSL customers since 9/30/09



RGU Growth by Quarter - Cable



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

Key Operational Results - Cable

	<u>12/31/08</u>	<u>9/30/09</u>	<u>12/31/09</u>	<u>9/30/10</u>
<u>Video</u>				
Homes Passed	64,365	64,365	56,268	171,662
Penetration	38.9%	37.5%	40.5%	37.6%
<u>High-speed Internet</u>				
Available Homes	19,405	21,962	25,748	136,998
Penetration	5.8%	7.1%	8.1%	20.2%
<u>Voice</u>				
Available Homes	0	0	0	118,627
Penetration	n/a	n/a	n/a	4.4%

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

Q&A

Appendix

Non-GAAP Financial Measure – Billed Revenue per Postpaid Subscriber

Dollars in thousands (except subscribers and revenue per subscriber)

	<u>3Q '09</u>	<u>3Q '10</u>
<u>Gross billed revenue</u>		
Wireless segment total operating revenues	\$28,690	\$33,728
Equipment revenue	(1,046)	(1,712)
Other revenue	<u>(2,358)</u>	<u>(5,843)</u>
Wireless service revenue – postpaid	25,287	26,174
Service credits	3,987	3,913
Write-offs	1,916	1,415
Management fee	2,484	2,651
Service fee	<u>2,732</u>	<u>3,977</u>
Gross billed revenue – postpaid	<u>36,406</u>	<u>38,129</u>
Average postpaid subscribers	217,659	229,045
Billed revenue per postpaid subscriber	\$55.75	\$55.49