SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

Form 10-Q

|X| QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2004

OR

|_| TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES ACT OF 1934

For the transition period from _______________ to_____________

Commission File Number: 0-9881

SHENANDOAH TELECOMMUNICATIONS COMPANY
(Exact name of registrant as specified in its charter)

Virginia	54-1162807
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

500 Shentel Way P.O. Box 459, Edinburg, Virginia	22824
(Address of principal executive offices)	(Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. |X| YES |_| NO

Indicate by check mark whether the registration is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). |X| YES |_| NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 28, 2004
Common Stock, No Par Value	7,618,152 Shares

SHENANDOAH TELECOMMUNICATIONS COMPANY
INDEX

PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

Assets	September 30, 2004	December 31, 2003
Current Assets		
Cash and cash equivalents	$ 31,523	$ 28,696
Accounts receivable, net	6,633	6,488
Income tax receivable	59	1,526
Materials and supplies	2,179	2,062
Prepaid expenses and other (Note 10)	6,923	1,669
Deferred income taxes	--	522
Total current assets	47,317	40,963
Securities and investments		
Available-for-sale securities	194	199
Other investments	7,651	7,268
Total securities and investments	7,845	7,467
Property, plant and equipment, net	142,175	127,686
Other Assets		
Cost in excess of net assets of business acquired	5,105	5,105
Deferred charges and other assets, net	936	999
Escrow account (Note 10)	--	5,000
	6,041	11,104
Accumulated amortization	(1,866)	(1,856)
Net other assets	4,175	9,248
Total Assets	$ 201,512	$ 185,364

(continued)

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (continued)
(in thousands)

Liabilities and Shareholders' Equity	September 30, 2004	December 31, 2003
Current Liabilities		
Current maturities of long-term debt	$ 4,313	$ 4,230
Accounts payable	12,391	4,729
Advance billings and deposits	3,343	3,326
Current deferred taxes	1,453	--
Other current liabilities	5,618	3,511
Total current liabilities	27,118	15,796
Long-term debt, less current maturities	35,872	39,116
Other Liabilities		
Deferred income taxes	21,375	20,819
Pension and other	2,317	3,425
Total other liabilities	23,692	24,244
Shareholders' Equity		
Common stock	6,054	5,733
Retained earnings	108,753	100,449
Accumulated other comprehensive income	23	26
Total shareholders' equity	114,830	106,208
Total Liabilities and Shareholders' Equity	$ 201,512	$ 185,364

See accompanying notes to unaudited condensed consolidated financial statements.

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data)	Three Months Ended September 30, 2004	Three Months Ended September 30, 2003	Nine Months Ended September 30, 2004	Nine Months Ended September 30, 2003
Operating Revenues				
Wireless	$ 21,959	$ 18,008	$ 61,591	$ 50,411
Wireline	7,680	7,774	22,437	21,722
Other revenues	1,631	1,800	5,014	5,240
Total revenues	31,270	27,582	89,042	77,373
Operating Expenses				
Cost of goods and services	2,091	2,998	8,115	7,987
Network operating costs	9,182	8,535	26,623	25,067
Depreciation and amortization	4,715	4,180	13,447	12,328
Selling, general and administrative	8,812	7,011	25,076	20,463
Total operating expense	24,800	22,724	73,261	65,845
Operating Income	6,470	4,858	15,781	11,528
Other Income (expense):				
Non-operating income (expense), net	(485)	234	(70)	457
Gain (loss) on investments, net	(274)	36	(146)	(283)
Interest expense	(756)	(839)	(2,327)	(2,686)
Income before income taxes, discontinued operations and cumulative effect of change in accounting	4,955	4,289	13,238	9,016
Income tax provision	(1,844)	(1,572)	(4,934)	(3,324)
Income from continuing operations	3,111	2,717	8,304	5,692
Income (loss) from discontinued operations, net of income taxes	--	(23)	--	22,605
Cumulative effect of a change in accounting, net of income taxes	--	--	--	(76)
Net income	$ 3,111	$ 2,694	$ 8,304	$ 28,221
Net income per share, basic				
Continuing operations	$ 0.41	$ 0.36	$ 1.09	$ 0.75
Discontinued operations, net of income taxes	--	--	--	2.98
Cumulative effect of a change in accounting, net of income taxes	--	--	--	(0.01)
Total net income per share, basic	$ 0.41	$ 0.36	$ 1.09	$ 3.72
Net income per share, diluted				
Continuing operations	$ 0.41	$ 0.35	$ 1.09	$ 0.75
Discontinued operations, net of income taxes	--	--	--	2.97
Cumulative effect of a change in accounting, net of income taxes	--	--	--	(0.01)
Total net income per share, diluted	$ 0.41	$ 0.35	$ 1.09	$ 3.71
Weighted average shares outstanding, basic	7,613	7,581	7,608	7,573
Weighted average shares, diluted	7,652	7,615	7,651	7,601

See accompanying notes to unaudited condensed consolidated financial statements.

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Nine Months Ended September 30, 2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES		
Income from continuing operations	8,304	5,692
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	13,437	12,324
Amortization	10	4
Deferred income taxes	1,079	2,977
Gain on investments	--	(181)
(Income) loss from patronage and equity investments	(112)	247
Loss on disposal of equipment	1,036	93
Other	(42)	4
Changes in current assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(145)	1,401
Materials and supplies	(117)	(117)
Increase (decrease) in:		
Accounts payable	1,253	196
Other prepaids, deferrals and accruals	2,914	(1,389)
Net cash provided by operating activities	27,617	21,251
Cash Flows from Investing Activities		
Purchases of property, plant and equipment	(21,718)	(8,749)
Purchases of other investments	(668)	(547)
Proceeds from investment activities	397	513
Proceeds from disposal of assets	39	64
Net cash used in investing activities	(21,950)	(8,719)
Cash Flows from Financing Activities		
Payments on long-term debt and revolving loan	(3,161)	(11,164)
Proceeds from issuance of common stock upon exercise of stock options	321	387
Net cash used in financing activities	(2,840)	(10,777)
Net cash provided by continuing operations	2,827	1,755
Net cash provided by discontinued operations	--	27,726
Net increase in cash and cash equivalents	2,827	29,481
Cash and Cash Equivalents		
Beginning	28,696	2,209
Ending	$ 31,523	$ 31,690
Cash paid for:		
Interest paid	$ 2,352	$ 2,758
Income taxes (net of refunds)	$ 966	$ 10,106

Other non-cash transactions:

The Company received but had not paid for equipment with a cost of $6.1 million and $0.4 million as of September 30, 2004 and 2003, respectively.

See accompanying notes to unaudited condensed consolidated financial statements.

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
AND COMPREHENSIVE INCOME
(in thousands)

	Shares	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2002	7,552	$ 5,246	$ 71,335	$ (4)	$ 76,577
Comprehensive income:					
Net income	--	--	32,074	--	32,074
Net unrealized change in securities available-for-sale, net of tax of $ (18)	--	--	--	30	30
Total comprehensive income					32,104
Dividends declared ($ 0.39 per share)	--	--	(2,960)	--	(2,960)
Common stock issued through the exercise of stock options and stock grants	41	487	--	--	487
Balance, December 31, 2003	7,593	$ 5,733	$ 100,449	$ 26	$ 106,208
Comprehensive income:					
Net income	--	--	8,304	--	8,304
Net unrealized change in securities available-for-sale, net of tax $2	--	--	--	(3)	(3)
Total comprehensive income					8,301
Common stock issued through the exercise of stock options	21	321	--	--	321
Balance, September 30, 2004	7,614	$ 6,054	$ 108,753	$ 23	$ 114,830

See accompanying notes to unaudited condensed consolidated financial statements.

1. The interim condensed consolidated financial statements of Shenandoah Telecommunications Company and Subsidiaries (collectively, the "Company") are unaudited. In the opinion of management, all adjustments necessary for a fair presentation of the interim results have been reflected therein. All such adjustments were of a normal and recurring nature. These statements should be read in conjunction with the consolidated financial statements and related notes in the Company's Annual Report on Form 10-K for the year ended December 31, 2003. The balance sheet information at December 31, 2003 was derived from the audited December 31, 2003 consolidated balance sheet.

2. Operating revenues and income from continuing operations and discontinued operations for any interim period are not necessarily indicative of results that may be expected for the entire year.

3. To account for its stock options granted under the Company Stock Incentive Plan (the "Plan"), the Company applies the intrinsic value-based method of accounting prescribed by Accounting Principles Board ("APB") Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations, including Financial Accounting Standards Board ("FASB") Interpretation No. 44, Accounting for Certain Transactions involving Stock Compensation, an interpretation of APB Opinion No. 25 issued in March 2000. Under this method, compensation expense is recorded on the date of the grant only if the current market price of the underlying stock exceeded the exercise price. SFAS No. 123, Accounting for Stock-Based Compensation, established accounting and disclosure requirements using a fair value-based method of accounting for stock-based employee compensation plans. As allowed by SFAS No. 123, the Company has elected to continue to apply the intrinsic value-based method of accounting described above, and has adopted the disclosure requirements of SFAS No. 123, as amended by SFAS No. 148, Accounting for Stock-Based Compensation--Transition and Disclosure--an amendment of FASB Statement No. 123.

Grants of options under the Plan are accounted for following APB Opinion No. 25 and related interpretations. Accordingly, no compensation expense has been recognized under the Plan for years prior to the 2004 grants. In 2004, the Company issued tandem awards of stock options and stock appreciation rights. As a result of the tandem awards, the Company recognized compensation expense for the vested portion of the awards, which declined $1 thousand for the third quarter of 2004, and is $25 thousand year to date. Had compensation expense been recorded for the options based on fair values of the awards at the grant date (the method prescribed in SFAS No. 123), reported net income and earnings per share would have been reduced to the pro forma amounts shown in the following table for the three and nine months ended September 30:

(in thousands, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
Net Income	2004	2003	2004	2003
As reported	$ 3,111	$ 2,694	$ 8,304	$ 28,221
Add: Recorded stock based compensation expense included in reported net income, net of related income tax effects	--	--	16	--
Deduct: Pro forma compensation expense, net of related income tax effects	(19)	(37)	(60)	(104)
Pro forma	$ 3,092	$ 2,657	$ 8,260	$ 28,117
Earnings per share, basic and diluted				
As reported, basic	$ 0.41	$ 0.36	$ 1.09	$ 3.72
As reported, diluted	0.41	0.35	1.09	3.71
Pro forma, basic	0.41	0.35	1.09	3.71
Pro forma, diluted	$ 0.40	$ 0.35	$ 1.08	$ 3.70

4. Basic net income per share was computed on the weighted average number of shares outstanding. Diluted net income per share was computed under the treasury stock method, assuming the conversion as of the beginning of the period, for all dilutive stock options. The adjustments to net income reflect the impact of stock based compensation recorded in the respective periods, and the impact of the pro forma compensation expense, both net of the income tax effect.

5. The Company has identified ten reporting segments based on the products and services each provides. Each segment is managed and evaluated separately because of diverse technologies and marketing strategies. A summary of unaudited external operating revenues (revenues generated from outside customers or subscribers), internal operating revenues (revenues generated between the Company's operating segments), operating income (loss), and net income (loss) of each segment is as follows for the three months ended September 30, 2004 and September 30, 2003.

Three Months Ended September 30, 2004

In thousands (unaudited)	External Revenues	Internal Revenues	Operating Income (loss)	Net Income (loss)
Holding	$ --	$ --	$ (395)	$ (388)
PCS	21,176	--	3,117	1,338
Telephone	6,066	928	2,919	1,798
ShenTel Service	1,613	75	172	79
Cable TV	1,073	8	62	(50)
Mobile	784	324	549	308
Long Distance	374	358	75	49
Network	166	15	115	69
ShenTel Communications	16	--	(142)	(91)
Leasing	2	--	(2)	(1)
Combined totals	31,270	1, 708	6,470	3,111
Inter-segment eliminations	--	(1,708)	--	--
Consolidated totals	$ 31,270	$ --	$ 6,470	$ 3,111

Three Months Ended September 30, 2003

In thousands (unaudited)	External Revenues	Internal Revenues	Operating Income (loss)	Net Income (loss) from continuing operations	Income (loss) from discontinued operations	Net Income (loss)
Holding	$ --	$ --	$ (182)	$ 113	--	$ 113
PCS	17,255	--	739	9	--	9
Telephone	6,281	802	3,311	2,010	--	2,010
ShenTel Service	1,782	75	369	211	--	211
Cable TV	1,106	15	235	60	--	60
Mobile	753	313	185	188	(23)	165
Long Distance	206	55	50	31	--	31
Network	181	37	157	98	--	98
ShenTel Communications	15	--	(5)	(3)	--	(3)
Leasing	3	--	1	--	--	--
Combined totals	27,582	1,297	4,860	2,717	(23)	2,694
Inter-segment eliminations	--	(1,297)	(2)	--	--	--
Consolidated totals	$ 27,582	$ --	$ 4,858	$ 2,717	$ (23)	$ 2,694

A summary of unaudited external operating revenues (revenues generated from outside customers or subscribers), internal operating revenues (revenues generated between the Company's operating segments), operating income (loss), income (loss) from continuing operations, income (loss) from discontinued operations, cumulative effect of accounting change, and net income (loss) of each segment is as follows for the nine months ended September 30, 2004 and September 30, 2003.

	Nine Months Ended September 30, 2004						
In thousands (unaudited)	External Revenues	Internal Revenues	Operating Income (loss)	Net Income (loss) from continuing operations	Income (loss) from discontinued operations	Cum. effect	Net Income (loss)
Holding	$ --	$ --	$ (1,341)	$ (839)	--	--	$ (839)
PCS	59,310	1	6,110	2,716	--	--	2,716
Telephone	17,598	2,743	8,244	5,100	--	--	5,100
ShenTel Service	4,958	228	566	264	--	--	264
Cable TV	3,280	23	334	27	--	--	27
Mobile	2,282	969	1,505	808	--	--	808
Long Distance	1,061	1,026	203	131	--	--	131
Network	497	82	371	230	--	--	230
ShenTel Communications	50	--	(207)	(131)	--	--	(131)
Leasing	6	--	(4)	(2)	--	--	(2)
Combined totals	89,042	5,072	15,781	8,304	--	--	8,304
Inter-segment eliminations	--	(5,072)	--	--		--	--
Consolidated totals	$ 89,042	$ --	$ 15,781	$ 8,304	--	--	$ 8,304

	Nine Months Ended September 30, 2003						
In thousands (unaudited)	External Revenues	Internal Revenues	Operating Income (loss)	Net Income (loss) from continuing operations	Income (loss) from discontinued operations	Cum. Effect	Net Income (loss)
Holding	$ --	$ --	$ (495)	$ 176	$ --	$ --	$ 176
PCS	48,287	1	8	(1,463)	--	--	(1,463)
Telephone	16,969	2,300	8,795	5,307	12	--	5,319
ShenTel Service	5,188	230	1,023	570	--	--	570
Cable TV	3,312	17	696	178	--	--	178
Mobile	2,124	918	929	434	22,605	(76)	22,963
Long Distance	877	182	336	213	--	--	213
Network	564	107	461	286	--	--	286
ShenTel Communications	41	--	(19)	(11)	--	--	(11)
Leasing	11	--	3	2	--	--	2
Combined totals	77,373	3,755	11,737	5,692	22,617	(76)	28,233
Inter-segment eliminations	--	(3,755)	(209)	--	(12)	--	(12)
Consolidated totals	$ 77,373	$ --	$ 11,528	$ 5,692	$ 22,605	$ (76)	$ 28,221

The Company's assets by segment as of September 30, 2004, December 31, 2003, and September 30, 2003 are as follows:

In thousands (unaudited)	September 30, 2004	December 31, 2003	September 30, 2003
Holding	$ 137,361	$ 141,658	$ 142,749
PCS	78,170	68,773	63,179
Telephone	60,147	57,533	57,210
ShenTel Service	10,106	6,721	6,841
Cable TV	10,125	10,340	9,963
Mobile	16,869	18,396	16,897
Long Distance	212	808	1,072
Network	769	1,557	1,967
ShenTel Communications	91	78	152
Leasing	40	188	273
Combined totals	313,890	306,052	300,303
Inter-segment eliminations	(112,378)	(120,688)	(112,648)
Consolidated totals	$ 201,512	$ 185,364	$ 187,655

6. Comprehensive income includes net income along with net unrealized gains and losses on the Company's available-for-sale investments, net of the related income tax effect. Following is a summary of comprehensive income for the periods indicated:

In thousands (unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2004	2003	2004	2003
Net income	$ 3,111	$ 2,694	$ 8,304	$ 28,221
Net unrealized income (loss)	(1)	(13)	(3)	8
Comprehensive income	$ 3,110	$ 2,681	$ 8,301	$ 28,229

7. Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported results of operations or retained earnings.

8. On February 20, 2004, the Company effected a 2-for-1 stock split with a record date of January 30, 2004. Shareholders received one additional share of common stock for each share of common stock held on the record date. All share and per share amounts have been retroactively adjusted to reflect the impact of the split.

9. The following table presents pension and other post-retirement benefits information for the periods presented.

In thousands (unaudited)	Three Months Ended September 30, 2004	Three Months Ended September 30, 2003	Nine Months Ended September 30, 2004	Nine Months Ended September 30, 2003
Net periodic benefit cost recognized:				
Service cost	$ 166	$ 133	$ 498	$ 388
Interest cost	189	163	567	480
Expected return	(135)	(101)	(405)	(371)
Amortization of unrecognized transition asset	(2)	(12)	(6)	(31)
Recognized gains or losses	16	8	48	24
Prior service cost recognized	17	15	51	38
Total	$ 251	$ 206	$ 753	$ 528

The Company's contribution to the pension plan for 2004 was $2.0 million, which was contributed on April 30, 2004, of which $0.1 million was a required contribution. The Company does not plan to make any further contributions to the plan in 2004.

10. As a result of the previously reported February 2003 sale of the Company's cellular operation, the Company reflected those operations and the sales proceeds as discontinued operations in the 2003 first quarter results. Of the sales price, $5.0 million has been held in escrow and is now reflected as a current asset under "Prepaid expenses and other" line on the accompanying balance sheet, as of September 30, 2004. The Company expects to receive the entire $5.0 million on or about February 28, 2005.

11. Subsequent to the close of the quarter, the Company's Board of Directors declared a cash dividend to shareholders of record on November 12, 2004, for $0.43 per share, payable on December 1, 2004. The total dividend will be approximately $3.3 million.

12. Subject to the completion of due diligence and negotiation of a definitive agreement, the Company intends to purchase all of the outstanding ownership units (approximately 83%) of NTC Communications L.L.C. not currently owned by the Company. NTC Communications provides voice, video and data connections to off-campus student housing properties at universities and colleges. The total cost to the Company (including the assumption of NTC's outstanding indebtedness) is expected to be not more than $23.9 million. This transaction is expected to close in November 2004.

ITEM 2.

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

This management's discussion and analysis includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. When used in this report, the words "anticipate," "believe," "estimate," "expect," "intend," "plan" and similar expressions as they relate to Shenandoah Telecommunications Company or its management are intended to identify these forward-looking statements. All statements regarding Shenandoah Telecommunications Company's expected future financial position and operating results, business strategy, financing plans, forecasted trends relating to the markets in which Shenandoah Telecommunications Company operates and similar matters are forward-looking statements. We cannot assure you that the Company's expectations expressed or implied in these forward-looking statements will turn out to be correct. The Company's actual results could be materially different from its expectations because of various factors, including those discussed below and under the caption "Business--Risk Factors" in the Company's Annual Report on Form 10-K for its fiscal year ended December 31, 2003. The following management's discussion and analysis should be read in conjunction with the Company's Annual Report on Form 10-K for its fiscal year ended December 31, 2003, including the financial statements and related notes included therein.

Unless indicated otherwise, dollar amounts fifty thousand and over have been rounded to the nearest hundred thousand dollars and dollar amounts of less than fifty thousand have been rounded to the nearest thousand dollars.

Overview

Shenandoah Telecommunications Company is a diversified telecommunications company providing both regulated and unregulated telecommunications services through its ten wholly owned subsidiaries. These subsidiaries provide local exchange telephone services, and wireless personal communications services ("PCS"), as well as cable television, paging, Internet access, long distance, fiber optics facilities, and leased tower facilities. The Company is the exclusive provider of wireless mobility communications network products and services under the Sprint brand from Harrisonburg, Virginia to Harrisburg, York and Altoona, Pennsylvania. The Company refers to the Hagerstown, Maryland; Martinsburg, West Virginia; and Harrisonburg and Winchester, Virginia markets as its Quad State markets. The Company refers to the Altoona, Harrisburg, and York, Pennsylvania markets as its Central Penn markets. Competitive local exchange carrier ("CLEC") services were established on a limited basis in Virginia, during 2002. In addition, the Company sells and leases equipment, mainly related to services it provides, and participates in emerging services and technologies by direct investment in non-affiliated companies.

The Company reports revenues as wireless, wireline and other revenues. These revenue classifications are defined as follows: Wireless revenues are generated by operations of the Personal Communications Company (a PCS Affiliate of Sprint) and the Mobile Company's paging operations and the leasing of collocation space on its towers. Wireline revenues are generated by the sale of local and long distance telephone service, the provision of cable television service and the sale and lease of network facilities. Other revenues are generated by operations of ShenTel Service Company, the Leasing Company, ShenTel Communications Company and the Holding

Company which consist primarily of the Company's Internet operation, the Interstate 81 corridor Travel 511 project, and the sales and service of telecommunication systems.

Selected Operating Statistics

The following table shows selected operating statistics of the Company for the most recent five quarters. This information is unaudited, and is provided as a supplement to the financial statements.

	Three Months Ended				
(Unaudited)	Sept. 30 2004	Jun. 30, 2004	Mar. 31, 2004	Dec. 31, 2003	Sept. 30, 2003
Telephone Access Lines	24,818	24,867	24,901	24,877	24,951
Cable Television Subscribers	8,684	8,709	8,701	8,696	8,796
Dial-up Internet Subscribers	15,817	16,422	17,063	17,420	17,616
DSL Subscribers	2,152	1,856	1,637	1,298	1,163
Retail PCS Subscribers	98,053	94,475	89,632	85,139	81,015
Wholesale PCS Users (1)	19,603	18,059	16,349	12,858	7,531
Paging Subscribers	1,684	1,782	1,862	1,989	2,107
Long Distance Subscribers	9,719	9,559	9,542	9,526	9,517
Fiber Route Miles	554	554	552	552	552
Total Fiber Miles	28,771	28,770	28,743	28,740	28,740
Wholesale PCS Minutes (000)	9,833	10,373	8,492	4,974	3,207
Long Distance Calls (000) (2)	6,117	6,228	5,821	5,851	6,078
Total Switched Access Minutes (000)	63,867	60,874	58,099	55,932	54,349
Originating Switched Access MOU (000)	18,596	18,280	18,252	17,829	18,285
Employees (full time equivalents)	303	284	272	268	264
CDMA Base Stations (sites)	261	257	257	253	248
Towers (100 foot and over)	78	78	78	77	76
Towers (under 100 foot)	10	10	11	11	10
(See note (3) for definitions of terms)					
PCS Market POPS (000)	2,048	2,048	2,048	2,048	2,048
PCS Covered POPS (000)	1,611	1,610	1,585	1,581	1,581
PCS Average Revenue Per User (ARPU) (ex. Travel)	$ 51.97	$ 50.63	$ 50.38	$ 52.05	$ 55.09
PCS Travel Revenue per subscriber (4)	$ 19.09	$ 20.12	$ 18.20	$ 20.84	$ 16.50
PCS Ave. Management Fee per subscriber	$ 4.16	$ 4.06	$ 4.07	$ 4.02	$ 4.62
PCS Ave. Monthly Retail Churn %	2.2%	1.9%	2.2%	2.3%	2.4%
PCS Cost Per Gross Addition (CPGA)(5)	$ 341.59	$ 428.19	$ 371.49	$ 387.47	$ 418.22
PCS Cash Cost Per User (CCPU) (6)	$ 38.15	$ 37.78	$ 38.57	$ 36.31	$ 40.05

(1) - Wholesale Digital PCS Users are private label subscribers based in the Company's wireless network service area

(2) - Originated by customers of the Company's Telephone subsidiary

(3) - POPS refers to the estimated population of a given geographic area based upon information purchased by Sprint from Geographic Information Systems. Market POPS are those within a market area, which the Company is authorized to serve under its agreements with Sprint, and Covered POPS are those covered by the network's service area. ARPU is revenue before travel, roaming revenue, and management fee, net of adjustments divided by average subscribers. PCS Travel revenue includes travel, roaming and wholesale revenue and is

divided by the average number of subscribers. PCS Average management fee per subscriber is 8% of revenue retained by Sprint, excluding travel and wholesale revenue. PCS Ave. Monthly Retail Churn % is the average of three monthly calculations of deactivations (excluding returns less than 30 days) divided by beginning of period subscribers. CPGA includes selling costs, product costs, and advertising costs. CCPU includes network, customer care and other costs.

(4) - PCS travel revenue per subscriber in the fourth quarter of 2003 reflects approximately $0.4 million in favorable adjustments and true-ups recorded in the quarter.

(5) - The PCS CPGA in the third quarter of 2004 reflects the impact of $0.6 million of adjustments and true ups recorded in the third quarter of 2004.

(6) - PCS CCPU in the fourth quarter reflects approximately $0.6 million of favorable adjustments and true-ups recorded in December 2003.

Significant Transactions

As previously announced, subject to the completion of due diligence and negotiation of a definitive agreement, the Company intends to purchase of all of the outstanding ownership units of NTC Communications L.L.C. not currently owned by the Company. The total cost to the Company (including the assumption of NTC's outstanding indebtedness) is expected to be not more than $23.9 million. This transaction is expected to close in November 2004.

On October 19, 2004, the Company announced a regular dividend of $0.43 per share, payable on December 1, 2004 to shareholders of record of November 12, 2004. This is an increase of 10.3%, with the total dividend anticipated to be $3.3 million.

The Company has extended significant effort and resources to prepare for the legislative requirements of the Sarbanes Oxley Act of 2002. Expenses incurred for the nine months of 2004 for this project are approximately $0.9 million including internal labor and costs, with additional costs to be incurred in the fourth quarter of 2004 and the first quarter of 2005.

The Company is negotiating with a provider of network facilities with respect to a dispute over rates charged to the Company and previously paid for facility costs. The amount of dispute is in excess of $1.2 million, and management believes the Company will prevail in the dispute and receive a credit or cash settlement. The exact amount of the impact is unknown, and will be recorded at the point the dispute amount is agreed upon.

Results of Operations

Summary

The Company's three major lines of business are wireless, wireline and other. Each of the three business lines has unique issues and challenges that are critical to the understanding of the operations of the Company. The wireless business is made up of two different operations, the PCS operation and the tower business. The wireline business is made up of traditional telephone operations, a cable TV operation, fiber network leasing and long-distance resale. Other businesses include the Company's Internet operation, the Interstate 81 corridor Travel 511 project, and the sales and service of telecommunications systems.

Since the mid 1990's, the principal source of the Company's revenues has shifted from traditional wireline revenues to wireless and other revenues. For the three months ended September 30, 2004, wireless revenues accounted for 70.2% of total revenues, wireline revenues accounted for 24.6% of total revenues, and other revenues accounted for 5.2% of total revenues. For the three months ended September 30, 2003, wireless revenues accounted for 65.3%, wireline revenues for 28.2% and other revenues for 6.5% of total revenues.

The Company's strategy is to expand its services and the geographic areas served. This strategy has been implemented primarily through enhancing the PCS network, under the national brand of Sprint. The Company's efforts to market its services in the expanded PCS network area contributed to new subscribers purchasing phones and services, which continued to increase revenues during the three months ended September 30, 2004. The Company had 261 PCS base stations in service at September 30, 2004, compared to 248 base stations in service at September 30, 2003. This increase in base stations is primarily the result of supplementing network capacity and further extending coverage along highly traveled secondary roads in the Company's market areas.

The Company operates its wireless network as a PCS affiliate of Sprint. The Company receives revenues from Sprint for subscribers that obtain service in the Company's network coverage area and subscribers that use the Company's network when they travel. The Company relies on Sprint to provide timely, accurate and complete information for the Company to record the appropriate revenue and expenses for each financial period.

Through Sprint, the Company began receiving revenue from wholesale resellers in late 2002. The Company's cost to handle this traffic is the incremental cost to provide the necessary network capacity.

The Sprint five-year non-exclusive wholesale agreement with AT&T, discussed in previous filings, may facilitate an increase in the wholesale minutes of use on the Company's wireless network, which could require additional investment by the Company to expand its wireless network capacity.

For the fourth consecutive quarter, the Company's PCS operation recorded profitable operations, largely as a result of attainment by the PCS operation of a break-even level of revenue generated by the number of customers in the Company's service area. Achievement of the break-even level has enabled the Company to cover all fixed costs of operation in addition to the coverage of all variable costs. The PCS operation achieved this level due to more favorable pricing from Sprint for back office services such as customer care, and a continued favorable net travel position, wholesale revenues and a larger customer base. A change in the contract with Sprint or a change in the economic conditions could have an impact on the results of the PCS operation.

The Company's net travel and wholesale roaming, including the long distance and 3G data portions of that traffic, increased to a $3.1 million receivable for the current quarter, compared to a $2.0 million receivable for the same quarter last year. The Company's travel receivable minutes increased 22.1% to 73.5 million and the travel payable minutes increased by 33.9% to 54.5 million, compared to the third quarter of 2003. The increases in travel minutes receivable and payable are primarily the result of an increase in usage of the Company's network facilities by subscribers based in other markets and growth in subscribers in the Company's markets.

On a per-subscriber basis, the Company's average of travel payable minutes increased to 183 minutes in the third quarter of 2004, which represented an increase of 19 minutes from third quarter of 2003. A continuation of this trend could negatively affect the results of the PCS operation and overall results of the Company absent any changes in the Company's arrangements with Sprint.

In the third quarter of 2004, the Company's average PCS retail customer turnover, or churn, rate was 2.2%, compared to 2.4% in the third quarter of 2003. To date, Wireless Local Number Portability has not had a significant effect on the churn rate, although there is no certainty that the rate will not be affected in future periods. Bad debt expense has improved over the last several quarters due to the implementation of deposits and more restrictive credit policies, but, in the third quarter of 2004, there was an increase in PCS bad debt expense to 3.7% of PCS service revenues compared to 2.9 % in third quarter 2003. Although management continues to monitor receivables, collection efforts and new subscriber credit ratings, there is no certainty that the bad debt expense will continue to remain at current levels in the future.

Over the previous several quarters, the Company experienced lower ARPU than was experienced in 2003, which management believes was the result of adding subscribers at a lower rate plan mix in the first nine months of 2004, in addition to a decline in the subscribers use of minutes in excess of their respective plans. The Company has focused on selling higher rate service plans and additional services but there is no certainty that ARPU will not decline.

The wireline business is made up of the Company's traditional telephony, cable TV, fiber network operations, yellow page directory and long-distance resale business. These businesses operate in a defined geographic area. The Company's primary service area for the telephone, cable TV and long-distance business is Shenandoah County, Virginia. The county is a rural area in northwestern Virginia, with a population of approximately 37,300 residents according to the 2000 US Census, updated by local data. The potential for significant numbers of additional customers in the current operating area is limited.

The diversity of the Company's markets related to its various lines of business, are changing significantly. There is marked population growth in the Winchester, Virginia; Hagerstown, Maryland; and Martinsburg, West Virginia areas of the Company's market focus. These are areas currently covered by the Company's PCS operation. This influx of people provides the Company opportunities to market new and additional services into those rapidly growing areas.

The Company's telephone access line count declined in the third and fourth quarters of 2003, increased by a net 24 lines in first quarter of 2004, declined by 34 lines in the second quarter of 2004, and further declined of 49 lines in the third quarter of 2004. The Company believes that the declines are attributable to the migration of traditional telephone lines to wireless and the elimination of second access lines by conversion from dial-up Internet service to DSL services. Based on industry experience, the Company anticipates the trend of further access line declines to continue for the foreseeable future.

Other revenues are derived primarily from Internet services, which are provided through both dial-up and DSL high-speed service. The Company has experienced a decline in dial-up subscriptions over the last year, as customers move to Internet services with faster access. Over the same period, customer desire for faster Internet connections has contributed to growth of almost 100% in revenues from DSL service. In Shenandoah County, where the Company provides DSL service the majority of the loss in dial-up Internet service is offset by growth in DSL services. In other dial-up service areas, the Company does not offer a high speed alternative.

In the third quarter of 2004, the Company began offering compression technology to its dial-up Internet customers as part of its basic service. The compression technology offers download speeds of up to five times faster than traditional service for certain applications. This offering is intended to enhance the Internet experience of the dial-up subscriber base, particularly in areas where the Company cannot offer high-speed broadband access.

The Company is facing competition for revenues it generates in all lines of business, which may require the Company to differentiate itself from other providers through its service levels and evolving technologies that are more reliable and cost effective for the customer.

The Company continues to devote significant resources to comply with the various requirements of the Sarbanes-Oxley Act.

Three Months Ended September 30, 2004 Compared to Three Months Ended September 30, 2003

General

Total revenues for the third quarter of 2004 were $31.3 million, which represented an increase of $3.7 million, or 13.4%, compared to $27.6 million for the third quarter of 2003. Total revenues include wireless revenue of $22.0 million, which increased by $4.0 million, or 21.9%; wireline revenues of $7.7 million, which decreased by $0.1 million, or 1.2%; and other revenues of $1.6 million, which decreased $0.2 million from the third quarter of 2003. Operating income increased $1.6 million, to $6.5 million, compared to $4.9 million for the same period in 2003. Income per diluted share from continuing operations was $0.41 per share for the 2004 third quarter, compared to $0.35 per share for the 2003 third quarter.

Revenues

Wireless revenues are primarily derived from the PCS business. As of September 30, 2004, the Company had 98,053 retail PCS subscribers. The PCS operation added 17,038 net retail subscribers since September 30, 2003, and 3,578 since June 30, 2004. In addition, wholesale users increased by 12,072 since September 30, 2003 and 1,544 since June 30, 2004. Wireless service revenues were $13.8 million for the third quarter of 2004, which represented an increase of $2.1 million, or 17.7%, compared to $11.8 million for the third quarter of 2003. The Company's ARPU, (average revenue per subscriber) exclusive of travel revenue, decreased 5.7% to $51.97 for the third quarter of 2004, from $55.09 for the third quarter of 2003. These changes in ARPU were primarily attributable to subscribers generating fewer minutes over plan usage and the popularity of Add-a-Phone(SM) plans, which dilute the per subscriber revenue as more subscribers add phones to their existing plans.

PCS travel, wholesale and roaming revenues combined for the third quarter 2004 were $6.3 million, which represented a $1.4 million, or 27.8%, increase compared to the travel, wholesale and roaming revenue for the third quarter of 2003. The travel, wholesale and roaming revenue increase, which resulted from an increase in travel usage and growth in wholesale minutes, was offset in part by a decline in roaming usage for the same period.

PCS equipment sales increased $0.5 million, or 84.6%, to $1.0 million for the third quarter of 2004. The increase was primarily due to more subscribers upgrading their handsets to access new features provided with the service.

The remainder of the Company's wireless revenue was generated through the Company's tower business. Tower revenue was $0.8 million for the third quarter of 2004, compared to $0.7 million for the third quarter of 2003.

Wireline revenues were $7.7 million in the 2004 third quarter, which represented a decrease of $0.1 million, or 1.2%, from the third quarter of 2003. Access revenue in the telephone business was nearly the same for both periods. Total switched minutes of use increased by 17.5% compared to the third quarter of 2003, but reflected the decrease in access rates and settlements from the National Exchange Carrier Association ("NECA") pools. The mix of minutes that terminate to wireless carriers compared to total minutes shifted from 36.9% for the third quarter of 2003 to 43.2% for the third quarter of 2004. The increase in minutes was primarily attributable to wireless traffic transiting the Company's telephone network.

Other revenues of $1.6 million decreased $0.2 million compared to other revenues for the third quarter of 2003. Internet revenues were nearly the same on a quarter to quarter comparison. The total subscriber base for the Company's dial-up and DSL Internet services was 17,969 as of September 30, 2004, compared to 18,779 as of September 30, 2003, a decrease of 4.3%. While DSL subscribers increased 989, or 85.0%, compared to the September 30, 2003 subscriber base, there was a decline of 1,799 dial-up subscribers, or 10.2%, from the level at September 30, 2003. The Company has experienced increased dial up subscriber deactivations due to migration to competing high-speed Internet services.

During the third quarter of 2004, the revenue from the Travel 511 contract with the Virginia Department of Transportation, which expires January 31, 2005, decreased by $45 thousand to $275 thousand, compared to third quarter 2003 revenue of $320 thousand, due to a lower price negotiated for the final year of the contract period.

Operating Expenses

Total operating expense for the third quarter of 2004 was $24.8 million, which represented an increase of $2.1 million, or 9.2%, compared to the third quarter of 2003. The higher operating expense was primarily attributable to an increase in the number of PCS subscribers, the expanded PCS network operation, and an increase in selling, general and administrative expenses. The effect of these factors were offset in part by several true ups of expenses from Sprint for third party sales commissions and third party rebates.

Costs of goods and services were $2.1 million, which represented a decrease of $0.9 million, or 29.5%, from the third quarter of 2003. This decrease was due to $0.6 million of favorable adjustments to management's estimates from Sprint related to third party retail sales programs and a decrease in the cost of handsets sold. The cost per gross addition (CPGA) decreased approximately $77 or 18.4% per gross add, from $418 for the third quarter of 2003, to $341 for the third quarter of 2004, which includes subsidies paid for current PCS customers to upgrade their handsets. Excluding the favorable adjustments mentioned above, the CPGA would have been $407 per gross addition, or a 2.6% decrease compared to the CPGA of third quarter 2003. During the third quarter of 2004, the Company added 9,977 gross new PCS subscribers compared to 9,354 in the third quarter of 2003. Existing subscribers are purchasing Company subsidized new handsets to replace their current handsets as new features become available, and new services are offered that are not available on earlier model handsets. The upgrade cost for the third quarter of 2004 included in the cost per gross addition amount was $0.6 million, or $66 per gross addition. Currently, the Company classifies 100% of the handset cost, including the costs of existing subscribers electing to up-grade their handsets, as a cost per gross addition. Management anticipates the upgrade trend may continue, and may increase significantly, in future periods as wireless carriers offer subsidized handsets as an inducement for subscribers to extend the term of their service agreements.

Network operating costs for the third quarter of 2004 were $9.2 million, which represented an increase of $0.9 million, or 10.4%, compared to the third quarter of 2003. Increased PCS travel costs of $0.9 million were the primary reason for the increase in the operating costs. The travel costs increased due to an increase in subscribers and an increase in the average travel minutes used by the Company's subscribers in the Sprint or Sprint affiliate markets not operated by the Company.

Depreciation and amortization expense for the 2004 third quarter was $4.7 million, which represented an increase of $0.5 million, or 12.8%, compared to $4.2 million for the third quarter of 2003, as new assets, primarily in the PCS and telephone operation, have been added to the networks.

Selling, general and administrative costs were $8.8 million, which represented an increase of $1.8 million, or 25.7%. Billing and customer care costs incurred in the PCS operation, primarily charges from Sprint, increased $0.5 million as a result of the increase in the total number of PCS subscribers, net of cost reductions obtained as part of amendments signed with Sprint on January 30, 2004 and May 24, 2004. Increased administrative staff and increases in wages and benefits for existing employees contributed $0.7 million in added costs compared to the third quarter of 2003. The Company has previously announced plans to increase staff to manage existing and future growth and for expanded reporting requirements. Additional costs incurred in connection with Sarbanes-Oxley compliance were $0.2 million in the third quarter of 2004. Selling and marketing expenses increased $0.5 million due to added internal sales staff, additional third party sales agents' commissions and expanded advertising efforts related to the new Shentel Pages phone book, which began selling advertising for its 2005 book in the later part of the second quarter. Bad debt expense in total decreased $0.1 million compared to the third quarter of 2003 primarily due to a $0.2 million write off recorded in third quarter of 2003, offset by somewhat higher bad debt expense in PCS. PCS bad debt expense, net of recoveries, was 3.7% of total PCS service revenues in the third quarter of 2004; compared to 2.9% of total PCS service revenues in the third quarter of 2003.

In the Company's PCS operation, cash cost per user ("CCPU") for the third quarter of 2004 declined to $38.15, which represented a 4.7% decrease from the third quarter of 2003. The change was primarily the result of the amendments to the Company's management contract with Sprint that were signed on January 30, 2004 and May 24, 2004, and economies of scale due to an increase of 21.5% in the average number of customers over the third quarter of 2003.

Other Income (Expense)

In connection with the Company's construction plans for 2004, during the third quarter, approximately 160 PCS base stations, of a planned total of 204, were exchanged and up-graded for new equipment from Lucent. In connection with the exchange, the Company expensed $0.6 million of undepreciated installation costs attributed to the equipment removed in the exchange.

Losses on external investments totaled $0.3 million in the third quarter of 2004, compared to a nominal loss in the third quarter of 2003. Third quarter 2004 interest expense decreased by $0.1 million, or 9.9%, a result of decreased borrowing levels compared to the third quarter of 2003. The Company's total debt as of September 30, 2004 was $40.2 million, compared to $44.4 million as of September 30, 2003 and $43.3 million as of December 31, 2003.

Income before income taxes, discontinued operations and cumulative effect of accounting changes was $5.0 million, which represented an increase of $0.7 million from the $4.3 million reported for the third quarter of 2003.

The results of discontinued operations in 2003 were from the VA 10 RSA limited partnership, which was sold in February 2003. There were no discontinued operations in the third quarter of 2004, and nominal results for discontinued operations for the third quarter of 2003. The Company's 2004 third quarter net income was $3.1 million compared to $2.7 million in the third quarter of 2003.

Nine Months Ended September 30, 2004 Compared to Nine Months Ended September 30, 2003

General

Total revenues for the nine months ended September 30, 2004 (the "2004 nine-month period") was $89.0 million, which represented an increase of $11.7 million, or 15.1%, compared to $77.4 million for the nine months ended September 30, 2003 (the "2003 nine-month period"). Total revenues for the 2004 nine-month period include wireless revenue of $61.6 million, which increased by $11.2 million, or 22.2%; wireline revenues of $22.4 million, which increased by $0.7 million, or 3.3%; and other revenues of $5.0 million, which decreased $0.2 million or 4.3% from the 2003 nine month period. Operating income increased $4.3 million, to $15.8 million, compared to $11.5 million for the same period in 2003. Income per share from continuing operations, diluted was $1.09 cents per share for the 2004 nine-month period, compared to $0.75 per share for the same period of 2003.

The results of the 2003 nine-month period were impacted by an adjustment of $1.2 million recorded in 2003, to reduce access revenues for disputed charges from two previous years involving inter-exchange carrier customers. There were no other significant items that impacted either nine-month period reported.

Revenues

Wireless service revenues were $38.5 million for the 2004 nine-month period, which represented an increase of $6.2 million, or 19.0%, compared to $32.4 million for same period of 2003. The Company's average customer base increased by 23.1% in 2004, compared to the same period of 2003. The ARPU exclusive of travel revenue has declined, which the Company believes is primarily attributable to subscribers generating fewer minutes over plan usage and the popularity of additional Add-a-Phone(SM) plans, which dilute the revenue per subscriber. If the current pace of

Add-a-Phone sales continues, the Company expects a negative impact on ARPU, but a favorable impact on churn and bad debt expense.

PCS travel, wholesale and roaming revenue combined for the 2004 nine-month period were $17.9 million, which represented a $3.5 million, or 24.5%, increase compared to the travel, wholesale and roaming revenue for the 2003 nine-month period. The travel, wholesale and roaming revenue increase resulted from an increase in travel usage and the growth of wholesale minutes, the effect of which was offset in part by a decline in roaming usage for the same period.

PCS equipment sales increased $1.3 million, or 95.6% to $2.7 million for 2004 nine-month period. The increase was primarily due to an increase in gross additions and in the number of subscribers replacing phones and upgrading their handsets to access added features provided with the service.

The Company's tower revenue was $2.1 million for the nine months of 2004, compared to the $1.9 million for the same period of 2003.

Wireline revenues were $22.4 million in the 2004 nine-month period, which represented an increase of $0.7 million, or 3.3%, from the 2003 nine-month period. Access revenue in the telephone business increased $1.1 million, due primarily to a reduction in revenue of $1.5 million recorded in 2003 related to a dispute with inter-exchange carriers. Total switched minutes of use increased 18.8% in the 2004 nine-month period, compared to the 2003 nine-month period. The increased traffic is primarily due to wireless traffic transiting the Company's telephone subsidiary's network.

Other revenues of $5.0 million decreased $0.2 million compared to the 2003 nine-month period. Internet revenues increased $0.1 million, or 2.1%, while 511 Travel revenue and other equipment sales and service revenues decreased $0.3 million from the 2003 nine-month period. As reported previously, the Company was informed by the Virginia Department of Transportation during the second quarter of 2004 that the Company's contract for the 511 Virginia travel business would not be renewed beyond the term of the existing contract, which extends through January 2005. The total revenue generated by the 511 Virginia travel business is $0.9 million in the nine months of 2004.

Operating Expenses

Total operating expense for the 2004 nine-month period was $73.3 million, which represented an increase of $7.5 million, or 11.5%, compared to the 2003 nine-month period. The higher operating expense was primarily attributable to an increase in the number of PCS subscribers; the expanded PCS network operation; and, an increase in selling, general and administrative expenses. The effect of these factors was offset in part by a decline in bad debt expense.

Costs of goods and services were $8.1 million for the 2004 nine-month period, which represented an increase of $0.2 million, or 3.0%, from the 2003 nine-month period. This increase was due primarily to an increase in the number of PCS gross subscriber additions, higher cost per gross additions and current PCS customers upgrading their handsets.

Network operating costs for the 2004 nine-month period were $26.6 million, which represented an increase of $1.6 million, or 6.3%, compared to the same period of 2003. Increased travel costs of $2.6 million were offset in part by lower other network costs of $1.1 million in the PCS operation.

The travel costs increased due to an increase in PCS subscribers and an increase in the average minutes of use for travel by the Company's subscribers.

Depreciation and amortization expense for the 2004 nine-month period was $13.4 million, which represented an increase of $1.1 million, or 9.1%, compared to $12.3 million for the 2003 nine-month period, as new assets, primarily in the PCS and telephone operation, have been added to the networks.

Selling, general and administrative costs were $25.1 million, which represented an increase of $4.6 million, or 22.5%. Billing and customer care costs incurred in the PCS operation, primarily charges from Sprint, increased $1.0 million as a result of the increase in the total number of PCS subscribers, net of cost reductions obtained as part of the amendments signed with Sprint on January 30, 2004 and May 24, 2004. Increased administrative staff and increases in wages and benefits for existing employees contributed $1.4 million in added costs compared to the first nine- months of 2003. Costs incurred in connection with Sarbanes-Oxley compliance were $0.9 million for the 2004 nine-month period. Selling and marketing expenses increased $1.5 million due to added internal sales staff, increasing benefit costs, third party sales agent commissions, and expanded advertising efforts on the new Shentel Pages phone book introduced in early 2004. Bad debt expense decreased $0.7 million as a result of reduced PCS subscriber terminations for non-payment, which were attributable to an improved credit profile of the subscriber base in the Company's operating area.

Other Income (Expense)

In connection with the Company's construction plans for 2004, during the third quarter, approximately 160 PCS base stations, of a planned total of 204, were exchanged and up-graded for new equipment from Lucent. In connection with the exchange, the Company expensed $0.6 million of undepreciated installation costs attributed to the equipment removed in the exchange.

Losses on external investments totaled $146 thousand in the 2004 nine-month period, compared to a $0.3 million loss for the 2003 nine-month period. Interest expense decreased $0.4 million, or 13.4%, in the 2004 nine-month period compared to the 2003 nine-month period, a result of decreased borrowing levels.

Income before income taxes, discontinued operations and cumulative effect of accounting changes was $13.2 million in the 2004 nine-month period, which represented an increase of $4.2 million from the $9.0 million reported for the 2003 nine-month period.

Income from continuing operations increased $2.6 million, or 45.9%, to $8.3 million for the 2004 nine-month period from $5.7 million for the 2003 nine-month period.

The results of discontinued operations in 2003 were from the VA 10 RSA limited partnership, which was sold in February 2003. Income from discontinued operations, net of the tax effect of the transaction, was $22.6 million in the 2003 nine-month period. There were no discontinued operations in the 2004 nine-month period.

The Company adopted Statement of Financial Accounting Standards No. 143, "Accounting of Asset Retirement Obligations," effective January 1, 2003, and as a result, recorded a charge to earnings for the cumulative effect of this change in accounting of $76 thousand after taxes in the 2003 nine-month period.

The Company's net income for the 2004 nine-month period was $8.3 million compared to $28.2 million for the 2003 nine-month period.

Investments In Non-Affiliated Companies

The Company participates in emerging technologies by investing in entities that invest in start-up companies. This includes indirect participation through capital venture funds of South Atlantic Venture Fund III, South Atlantic Private Equity IV, Dolphin Communications Parallel Fund, Dolphin Communications Fund II and Burton Partnership. The Company also participates by direct investment in privately held companies. Currently the Company's only direct investment is in NTC Communications, a provider of voice, video and data connections to off-campus student housing properties at universities and colleges. As noted previously, the Company is in the due diligence and negotiation process to purchase the outstanding ownership interest of NTC that it does not currently own. For those investments that eventually become publicly-traded, the Company evaluates whether to hold or sell parts or all of each investment on an individual basis.

As of September 30, 2004, the Company held shares in two companies that are publicly-traded, with the following market values: $40 thousand in Net IQ (NTIQ), with 3,744 shares held, and $153 thousand in Deutsche Telekom, AG (DT), with 8,219 shares held.

Liquidity and Capital Resources

The Company generated $27.6 million in cash from operations in the 2004 nine-month period, compared to $21.3 million in the 2003 nine-month period. During the second quarter of 2004, the Company contributed $2.0 million in cash to the Company's defined benefit pension plan, of which $0.1 million was a mandatory contribution. This disbursement is reflected as a component of the "other prepaids, deferrals and accruals" line of the cash flows from operating activities, appearing elsewhere in this report.

The Company expects that operations will continue to generate positive cash flows as PCS operations improve and the number of subscribers increases. In the fourth quarter of 2004, the Company plans to liquidate approximately $12.5 million of its short-term investments, to fund its previously announced purchase of the outstanding portion of NTC Communications which it does not own.

As of September 30, 2004, the Company's total debt was $40.2 million, with an annualized overall weighted average interest rate of approximately 7.5%. As of September 30, 2004, the Company was in compliance with the covenants in its credit agreements. The Company anticipates borrowing additional funds in the fourth quarter of 2004 to refinance the debt of NTC Communication in connection with the planned acquisition.

The Company is obligated to make future payments under various contracts, including amounts pursuant to its various long-term debt facilities, and non-cancelable operating lease agreements for retail space, tower space and cell sites.

Capital expenditures budgeted for 2004 total approximately $34 million, including approximately $24.3 million for additional PCS base stations, additional towers, additional sites, and switch upgrades to enhance the PCS network, and approximately $5 million to the telephone operation. An additional $5 million will be expended for building renovations, vehicles, office equipment, and other miscellaneous capital needs including the renovation to the Shentel Center in Edinburg, Virginia, which will house the Company's corporate offices. The Company has increased its capital budget for 2004 by $1.3 million to provide funds for new site acquisitions in preparation to improve and expand the coverage of the PCS network. This funding will cover the initial site identification costs.

For the 2004 nine-month period, the Company spent $21.7 million in capital projects. Management anticipates capital spending for 2004 will be approximately $35 million.

The Company will use funds generated from operations, or liquidate some short term investments to fund the approximately $3.3 million dividend declared subsequent to the end the third quarter.

The Company's short-term and long-term cash needs are expected to be met including working capital requirements, capital projects, debt payments, and dividend payments, from cash on hand, operating cash flow, and amounts expected to be available under the Company's existing financing facility. The Company may liquidate some of its investments to generate additional cash for its capital needs.

Risks

The Company is one of eleven PCS Affiliates of Sprint, and accordingly, is affected by decisions and requirements adopted by Sprint in regard to its wireless operation. Management continually reviews its relationship with Sprint in light of new developments and requirements.

The Company is dependent on Sprint for the reporting of a significant majority of PCS revenues, particularly travel and service revenue. Controls and processes are continually refined, so the Company can monitor, review, test, and validate information being reported to the Company by Sprint. It is the Company's policy to estimate and reflect the information supplied by Sprint in the financial statements in the applicable fiscal periods. Corrections, if any, are made no earlier than the period in which the parties agree to the corrections. The Company is at risk for reporting errors that may be made by Sprint.

The net balance of PCS travel revenue and expense, which is currently favorable to the Company, could change significantly due to changes in service plan offerings, changes in the travel settlement rate, changes in travel habits by the subscribers in the Company's market areas or other Sprint subscribers, and numerous other factors beyond the Company's control. The Company is continuing to monitor the financial strength of the other PCS Affiliates of Sprint, as their ability to maintain their segment of the Sprint network may affect the Company's ability to add new subscribers.

The Company has limited control over the service plans and marketing promotions offered by Sprint in the competitive wireless telecommunications industry. Sprint controls the marketing plans, advertising message and market promotions offered in the Company's market area. The plans and promotions offered may have a materially adverse effect on the Company's results of operations.

The Company relies on Sprint for the development of new products and services to remain competitive in the wireless industry. These services include text messaging, video, data transfer, and walkie-talkie features. If these services do not operate properly or if Sprint should not continue to develop new competitive products, the results could have a materially adverse impact on the results of the Company.

The Company is required to participate in national and regional third party distribution programs formulated and negotiated by Sprint. Sprint has entered into reseller agreements, which will impact the Company. These distribution and reseller programs may have an adverse impact on the Company's results.

The Company's PCS network is part of Sprint's nationwide wireless network. The network is owned and operated by Sprint and its Affiliates. The financial viability of Sprint and its Affiliates is critical to the success of operating and marketing Sprint PCS. If financial difficulties are experienced by Sprint or any Affiliate, those difficulties could have an adverse impact on the Company's results.

The current competitive nature of the wireless industry may prompt major wireless providers to strive for financial improvements through industry consolidation. Such consolidation could include Sprint. It is not clear to what extent consolidation may occur or which companies may be involved, but certain consolidating transactions may have an adverse impact on the operating results and valuation of the Company's wireless operations.

The Company's telephone access revenue may be adversely impacted by legislative or regulatory actions that decrease access rates or exempt certain traffic from paying access or by industry trends that shift minutes from the Company's regulated telephone network. An unfavorable finding, trend or ruling may have an adverse effect on the Company's telephone operations.

There has been a trend for incumbent local exchange carriers to see a decrease in access lines due to the effect of wireless and wireline competition, the elimination of a second line dedicated to dial-up Internet as customers migrate to broadband connections, and the increase in popularity of Voice Over Internet Protocol (VOIP) technology. The Company has experienced a slight, but not material, reduction in its number of access lines to date. An acceleration of this trend could have a materially adverse effect on the Company's telephone operations in the future.

The Company may continue to see a decrease in the number of dial up internet customers as consumers and businesses require and expect broadband high-speed Internet access in all data applications.

Wireless Local Number Portability ("WLNP") permits a subscriber to change wireless service providers in the same market area while retaining the subscriber's existing telephone number. This Federal Communications Commission mandate was effective November 24, 2003 in the 100 largest metropolitan areas and became effective in all areas of the United States on May 24, 2004. Although the initial impact of WLNP on the Company's operations appears to be immaterial, WLNP may have a significant future effect on the Company's operations. As a result of WLNP, portions of the PCS subscriber base may migrate to other wireless providers, thereby contributing to increased churn. Alternatively, the implementation of WLNP may allow the Company to attract additional subscribers from other wireless providers.

On May 24, 2004, Local Number Portability ("LNP") was implemented in the Company's local wireline service area. The Company's customers are able to retain their existing wireline phone number and use it to obtain service from a competing wireline or wireless provider in the service area. To date, there has been insignificant activity, but the Company cannot estimate the future impact of LNP on its telephone operations. If a significant number of customers disconnect the Company's service, such disconnections may have an adverse impact on the Company's telephone operating results.

The Company's revenue from fiber leases may be adversely affected by further erosion in demand or in price competition for these facilities. There also remains the potential for additional bankruptcies of the Company's customers. The Company monitors each of its fiber lease customers closely to manage this risk.

The Company operates the cable television system in Shenandoah County, Virginia. The Company has seen increased competition from satellite providers that are larger and have cost advantages over the Company in programming procurement. The continued success of the satellite television providers is expected to have an adverse impact on the Company's cable television results.

The Company may not be able to utilize all of its net operating loss carry forwards for taxes in certain states before they expire.

Section 404 of the Sarbanes Oxley Act of 2002 requires that we evaluate and report on our systems of internal controls beginning with the Annual Report filed on Form 10-K for the current year. In addition, the independent auditors must report on management's evaluation of those controls. The Company is in the process of documenting and testing its system of internal controls to provide the basis for its report. However, at this time, due to the ongoing evaluation and testing of the Company's internal controls, we cannot assure you that there may not be reportable conditions or material weaknesses that would be required to be reported.

Recent Accounting Pronouncements

In December 2003, the Financial Accounting Standards Board, (the "FASB") issued FASB Interpretation No. 46 (revised December 2003),"Consolidation of Variable Interest Entities," which addresses how a business enterprise should evaluate whether it has a controlling financial interest in an entity through means other than voting rights and accordingly should consolidate the entity. FIN 46R replaces FASB Interpretation No. 46, "Consolidation of Variable Interest Entities," which was issued in January 2003. The Company is required to apply FIN 46R to variable interests in Variable Interest Entities created after December 31, 2003. For variable interests in Variable Interest Entities created before January 1, 2004, the Interpretation was applied beginning on January 1, 2004, except that the interpretation was required to be applied in the fourth quarter of 2003 for any Variable Interest Entities that were considered to be special purpose entities. For any Variable Interest Entities that must be consolidated under FIN 46R that were created before January 1, 2004, the assets, liabilities and non-controlling interests of the Variable Interest Entities initially would be measured at their carrying amounts, with any difference between the net amount added to the balance sheet and any previously recognized interest being recognized as the cumulative effect of an accounting change. If determining the carrying amounts is not practicable, fair value at the date FIN 46R first applies may be used to measure the assets, liabilities and non-controlling interest of the VIE. The Company has determined the application of FIN 46R to Variable Interest Entities in which the Company has variable interests has no impact on the Company's consolidated financial statements.

In May 2003, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 150, "Accounting for Certain Financial Instruments with Characteristics of Liabilities and Equity," which was effective at the beginning of the first interim period beginning after June 15, 2003. This Statement establishes standards for the classification and measurement of certain financial instruments with characteristics of both liabilities and equity. The Statement also includes required disclosures for financial instruments within its scope. The Statement was effective for instruments entered into or modified after May 31, 2003 and otherwise became effective as of January 1, 2004, except for mandatorily redeemable financial instruments. For certain mandatorily redeemable financial instruments, the Statement will be effective on January 1, 2005. The effective date has been deferred indefinitely for certain other types of mandatorily redeemable financial instruments. The Company currently does not have any financial instruments that are within the scope of this Statement.

In December 2003, the FASB issued SFAS No.132(R). SFAS No.132(R) is a revision of SFAS No.132, "Employers' Disclosures about Pensions and Other Postretirement Benefits." SFAS No.132(R) is effective for financial statements with fiscal years ending after December 15, 2003. SFAS No.132(R) requires additional disclosures including information describing the types of plan assets, investment strategy, measurement dates, plan obligations, cash flows, and components of net periodic benefit cost recognized during interim periods. The objectives of the revisions are to provide qualitative information about the items in the financial statements, quantitative information about items recognized or disclosed in the financial statements, information that enables users of financial statements to assess the effect that pension plans and other post-retirement benefit plans have on entities' results of operations, and information to facilitate assessments of future earnings and cash flows. The Company has adopted this statement effective December 31, 2003. See note 9 to the financial statements appearing elsewhere in this report for the disclosures required by this pronouncement.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

The Company's market risks relate primarily to changes in interest rates on instruments held for other than trading purposes. The Company's interest rate risk involves three components, although only one is of any significance at this time. The first component is outstanding debt with variable rates. As of September 30, 2004, the Company's variable rate debt balance was zero. The Company has a variable rate line of credit totaling $0.5 million with SunTrust Bank. The Company's remaining debt has fixed rates through its maturity. A 10.0% decline in market interest rates would increase the fair value of the fixed rate debt by approximately $1.3 million, while the estimated current fair value of the fixed rate debt is approximately $37.3 million.

The second component of interest rate risk is temporary excess cash, primarily invested in overnight repurchase agreements and short-term certificates of deposit and money market funds. The Company currently has approximately $23.5 million of cash equivalents in money market funds, which are accruing interest at rates of approximately 1.2% per year. The cash is currently in short-term investment vehicles that have limited interest rate risk. Management continues to evaluate the most beneficial use of these funds.

The third component of interest rate risk is marked increases in interest rates, which may adversely affect the rate at which the Company may borrow funds for growth in the future. Although this risk is real, it is not significant at this time as the Company has adequate cash for operations, payment of debt and near-term capital projects.

Management does not view market risk as having a significant impact on the Company's results of operations, although future results could be adversely affected if interest rates were to escalate markedly and the Company required external financing. Since the Company does not currently have significant investments in publicly traded stock, there is limited risk related to the Company's available-for-sale securities. General economic conditions affected by regulatory changes, competition or other external influences may play a higher risk to the Company's overall results.

As of September 30, 2004, the Company had $7.7 million invested in privately-held companies directly or through investments with portfolio managers. Most of the companies are at an early stage of development, and significant increases in interest rates could have an adverse impact on their results, ability to raise capital and viability. The Company's market risk is limited to the funds previously invested and an additional $1.3 million committed under contracts the Company has signed with portfolio managers.

ITEM 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in reports under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

The Company's management, with the participation of its Chief Executive Officer, who is the Company's principal executive officer, and its Chief Financial Officer, who is the Company's principal financial officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2004. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's disclosure controls and procedures are effective in alerting them in a timely manner to material information relating to Shenandoah Telecommunications Company, including its consolidated subsidiaries, required to be included in this report and the other reports that the Company files or submits under the Securities Exchange Act of 1934.

In connection with the requirements imposed under Section 404 of the Sarbanes-Oxley Act of 2002, we have retained an outside consulting firm to assist us in reviewing, documenting, and improving our internal control processes and have engaged Goodman and Company, a regional accounting firm to assist in the testing of these controls. On an ongoing basis, the Company contracted with Goodman and Company to perform internal audit functions.

Except as described in the preceding paragraph, during the third fiscal quarter of 2004, there were no changes in the Company's internal control over financial reporting that have materially affected, or that are reasonably likely to materially affect, its internal control over financial reporting.

Under our agreements with Sprint, Sprint provides us with billing, collections, customer care, certain network operations and other back office services for the PCS operation. As a result, Sprint remits to the Company approximately 64% of the Company's total revenues based on the results of the 2004 third quarter, while approximately 40% of the expenses reflected in the Company's consolidated financial statements relate to charges by or through Sprint for expenses such as billing, collections and customer care, roaming expense, long-distance, and travel. Due to this relationship, the Company necessarily relies on Sprint to provide accurate, timely and sufficient data and information to properly record our revenues, expenses and accounts receivable, which underlie a substantial portion of our periodic financial statements and other financial disclosures.

Information provided by Sprint includes reports regarding the subscriber accounts receivable in our markets. Sprint provides us monthly accounts receivable, billing and cash receipts information on a market level, rather than a subscriber level. We review these various reports to identify discrepancies or errors. However, under our agreements with Sprint, we are entitled to only a portion of the receipts, net of items such as taxes, government surcharges, certain allocable write-offs and the 8% of revenue retained by Sprint. Because of our reliance on Sprint for financial information, we must depend on Sprint to design adequate internal controls with respect to the processes established to provide this data and information to the Company and Sprint's other PCS affiliate network partners. To address this issue, Sprint engages independent auditors to perform a periodic evaluation of these controls and to provide a "Report on Controls Placed in Operation and

Tests of Operating Effectiveness for Affiliates" under guidance provided in Statement of Auditing Standards No. 70 ("SAS 70 reports"). The report is provided to the Company on semi-annual basis and covers a twelve-month period. The current recent report covers the period from April 1, 2003 to March 31, 2004. The most recent report indicated there were no material issues which would adversely affect the information used to support the recording of the revenues and expenses provided by Sprint related to the Company's relationship with them.

The Company dedicated significant resources during the second quarter of 2004 in preparing for the conversion of its PCS point of sale system. The conversion involved a change from a stand-alone, Company-hosted system, to a system hosted by Sprint that is integrated into the Sprint PCS billing system. Through this integration, the Company has eliminated several points of multiple data entry, thereby reducing the risk of error, and enhancing internal control, while improving the sales process. The new system was placed in service during mid-July 2004.

The Company has made significant progress in documenting its internal controls. To date, while deficiencies have been identified and remediated, no material weaknesses have been identified. Nonetheless, there is no assurance that the remediation efforts will meet the requirements of Section 404 of the Sarbanes-Oxley Act. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected.

PART II. OTHER INFORMATION

ITEM 6. Exhibits

(a) The following exhibits are filed with this Quarterly Report on Form 10-Q:

31 Certifications pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.

32 Certifications pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. 1350.

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)

November 8, 2004

/S/ EARLE A. MACKENZIE

Earle A. MacKenzie
Executive Vice President and
Chief Financial Officer
(Duly Authorized Officer and Principal Financial Officer)

EXHIBIT INDEX

Exhibit No.	Exhibit
31	Certifications pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32	Certifications pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. 1350.

Exhibit 31

CERTIFICATION

I, Christopher E. French, President and Chief Executive Officer of Shenandoah Telecommunications Company, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Shenandoah Telecommunications Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function(s)):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2004

/S/ CHRISTOPHER E. FRENCH

Christopher E. French
President and
Chief Executive Officer

CERTIFICATION

I, Earle A. MacKenzie, Executive Vice President and Chief Financial Officer of Shenandoah Telecommunications Company, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Shenandoah Telecommunications Company;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function(s)):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 8, 2004

/S/ EARLE A. MACKENZIE

Earle A. MacKenzie
Executive Vice President and
Chief Financial Officer

Exhibit 32

Written Statement of Chief Executive Officer and Chief Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Each of the undersigned, the President and Chief Executive Officer and the Executive Vice President and Chief Financial Officer, of Shenandoah Telecommunications Company (the "Company"), hereby certifies that, on the date hereof:

(1) the quarterly report on Form 10-Q of the Company for the three months ended September 30, 2004 filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/S/ CHRISTOPHER E. FRENCH

Christopher E. French
President and Chief Executive Officer
November 8, 2004

/S/ EARLE A. MACKENZIE

Earle A. MacKenzie
Executive Vice President and
Chief Financial Officer
November 8, 2004

The foregoing certification is being furnished solely pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 (the "Exchange Act") and 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document. This certification shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to liability under that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act except to the extent this Exhibit 32 is expressly and specifically incorporated by reference in any such filing.