

SHENANDOAH TELECOMMUNICATIONS COMPANY AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 15. Quarterly Results (unaudited)

(in thousands except for per share data)

For the year ended December 31, 2003	First	Second	Third	Fourth	Total
Revenues	\$ 24,947	\$ 24,844	\$ 27,582	\$ 28,488	\$ 105,861
Operating income	4,150	2,402	4,976	7,100	18,628
Income from Continuing operations	1,931	1,044	2,717	4,069	9,761
Income from discontinued operations, net of taxes	22,628	-	(23)	(216)	22,389
Cumulative effect of change in accounting	(76)	-	-	-	(76)
Net income (a)	\$ 24,483	\$ 1,044	\$ 2,694	\$ 3,853	\$ 32,074
Income (loss) per share – Continuing operations-diluted	\$ 0.26	\$ 0.14	\$ 0.36	\$ 0.53	\$ 1.28
Discontinued operations -diluted	2.98	-	-	(0.03)	2.94
Cumulative effect of change in accounting – diluted	(0.01)	-	-	-	(0.01)
Net income per share – basic	\$ 3.24	\$ 0.14	\$ 0.36	\$ 0.51	\$ 4.23
Net income per share - diluted	3.23	0.14	0.35	0.50	4.22
For the year ended December 31, 2002	First	Second	Third	Fourth	Total
Revenues	\$ 20,697	\$ 22,186	\$ 24,631	\$ 25,460	\$ 92,974
Operating income	2,316	2,617	2,371	2,034	9,338
Income (loss) from Continuing operations	370	(3,984)	383	338	(2,893)
Income from Discontinued operations, net of taxes	1,786	1,870	1,841	1,915	7,412
Net income (b)	\$ 2,156	\$ (2,114)	\$ 2,224	\$ 2,253	\$ 4,519
Income (loss) per share – Continuing operations -diluted	\$ 0.05	\$ (0.53)	\$ 0.05	\$ 0.04	\$ (0.38)
Discontinued operations -diluted	0.24	0.25	0.24	0.25	0.98
Net income per share – basic	\$ 0.29	\$ (0.28)	\$ 0.29	\$ 0.30	\$ 0.60
Net income per share - diluted	0.29	(0.28)	0.29	0.30	0.60

(a) Fourth quarter results of 2003 include favorable adjustments to revenue and expenses totaling \$2.5 million, related to true-ups of management's estimates and settlements of disputes with Sprint and a \$0.4 million benefit related to a change in vacation benefit accrual for employees.

(b) Second quarter results of 2002 include the loss of \$4.9 million, net of tax effects on the other than temporary write-down of the VeriSign stock.

Per share earnings may not add to the full year values as each per share calculation stands on its own.