

## Business Segment Information

Three Months Ended June 30, 2019	TDS Telecom					Corporate, Eliminations and Other	Total
	U.S Cellular	Wireline	Cable	TDS Telecom Total <sup>1</sup>			
(Dollars in thousands)							
<b>Operating revenues</b>							
Service	\$ 757,017	\$ 171,945	\$ 61,568	\$ 233,131	\$ 23,058	\$ 1,013,206	
Equipment and product sales	216,407	312	22	334	31,184	247,925	
Total operating revenues	973,424	172,257	61,591	233,465	54,242	1,261,131	
Cost of services (excluding Depreciation, amortization, and accretion reported below)	192,794	64,344	26,638	90,649	20,631	304,074	
Cost of equipment and products	224,139	188	13	201	24,652	248,992	
Selling, general and administrative	344,222	49,068	15,227	64,246	12,971	421,439	
Depreciation, amortization and accretion	176,557	32,651	17,107	49,757	7,456	233,770	
(Gain) loss on asset disposals, net	5,325	(838)	151	(687)	(11)	4,627	
(Gain) loss on sale of business and other exit costs, net	(18)	—	—	—	—	(18)	
(Gain) loss on license sales and exchanges, net	12	—	—	—	—	12	
<b>Operating income (loss)</b>	<b>30,393</b>	<b>26,844</b>	<b>2,455</b>	<b>29,299</b>	<b>(11,457)</b>	<b>48,235</b>	
Equity in earnings of unconsolidated entities	40,207	—	—	—	873	41,080	
Interest and dividend income	4,830	2,815	468	3,284	608	8,722	
Interest expense	(28,817)	683	18	701	(14,428)	(42,544)	
Other, net	(766)	127	(26)	101	(80)	(745)	
<b>Income (loss) before income taxes</b>	<b>45,847</b>	<b>30,469</b>	<b>2,915</b>	<b>33,384</b>	<b>(24,483)</b>	<b>54,748</b>	
Income tax expense (benefit)	13,819	—	—	7,985	(6,040)	15,764	
<b>Net income (loss)</b>	<b>32,028</b>			<b>25,400</b>	<b>(18,444)</b>	<b>38,984</b>	
<b>Add back:</b>							
Depreciation, amortization and accretion	176,557	32,651	17,107	49,757	7,456	233,770	
(Gain) loss on asset disposals, net	5,325	(838)	151	(687)	(11)	4,627	
(Gain) loss on sale of business and other exit costs, net	(18)	—	—	—	—	(18)	
(Gain) loss on license sales and exchanges, net	12	—	—	—	—	12	
Interest expense	28,817	(683)	(18)	(701)	14,428	42,544	
Income tax expense (benefit)	13,819	—	—	7,985	(6,040)	15,764	
<b>Adjusted EBITDA</b>	<b>\$ 256,540</b>	<b>\$ 61,599</b>	<b>\$ 20,155</b>	<b>\$ 81,754</b>	<b>\$ (2,611)</b>	<b>\$ 335,683</b>	
Investments in unconsolidated entities	\$ 450,339	\$ 3,878	\$ —	\$ 3,878	\$ 36,039	\$ 490,256	
Total assets	\$ 8,223,070	\$ 1,377,141	\$ 640,667	\$ 2,008,723	\$ 562,950	\$10,794,743	
Capital expenditures	\$ 195,253	\$ 54,527	\$ 15,310	\$ 69,837	\$ (703)	\$ 264,387	

Numbers may not foot due to rounding.

<sup>1</sup> TDS Telecom Total includes eliminations between the Wireline and Cable segments.

**TDS Telecom**

<b>Six Months Ended June 30, 2019</b>	<b>U.S Cellular</b>	<b>Wireline</b>	<b>Cable</b>	<b>TDS Telecom Total<sup>1</sup></b>	<b>Corporate, Eliminations and Other</b>	<b>Total</b>
(Dollars in thousands)						
<b>Operating revenues</b>						
Service	\$ 1,498,338	\$ 342,354	\$ 121,347	\$ 463,008	\$ 47,089	\$ 2,008,435
Equipment and product sales	440,839	650	61	711	68,344	509,894
Total operating revenues	<u>1,939,177</u>	<u>343,003</u>	<u>121,409</u>	<u>463,719</u>	<u>115,433</u>	<u>2,518,329</u>
Cost of services (excluding Depreciation, amortization and accretion reported below)	368,972	127,333	52,397	179,135	39,502	587,609
Cost of equipment and products	457,633	511	21	532	54,496	512,661
Selling, general and administrative	669,548	95,958	29,521	125,380	24,673	819,601
Depreciation, amortization and accretion	344,507	66,173	34,033	100,206	15,385	460,098
(Gain) loss on asset disposals, net	7,436	(8,286)	556	(7,731)	28	(267)
(Gain) loss on sale of business and other exit costs, net	(1,690)	—	—	—	—	(1,690)
(Gain) loss on license sales and exchanges, net	(2,087)	—	—	—	—	(2,087)
<b>Operating income (loss)</b>	<u>94,858</u>	<u>61,315</u>	<u>4,881</u>	<u>66,196</u>	<u>(18,650)</u>	<u>142,404</u>
Equity in earnings of unconsolidated entities	83,836	4	—	4	1,281	85,121
Interest and dividend income	10,593	5,375	882	6,258	491	17,342
Interest expense	(57,963)	1,203	(23)	1,180	(28,813)	(85,596)
Other, net	(542)	226	(45)	181	(78)	(439)
<b>Income (loss) before income taxes</b>	<u>130,782</u>	<u>68,122</u>	<u>5,696</u>	<u>73,818</u>	<u>(45,768)</u>	<u>158,832</u>
Income tax expense (benefit)	40,524			17,905	(8,724)	49,705
<b>Net income (loss)</b>	<u>90,258</u>			<u>55,913</u>	<u>(37,044)</u>	<u>109,127</u>
<b>Add back:</b>						
Depreciation, amortization and accretion	344,507	66,173	34,033	100,206	15,385	460,098
(Gain) loss on asset disposals, net	7,436	(8,286)	556	(7,731)	28	(267)
(Gain) loss on sale of business and other exit costs, net	(1,690)	—	—	—	—	(1,690)
(Gain) loss on license sales and exchanges, net	(2,087)	—	—	—	—	(2,087)
Interest expense	57,963	(1,203)	23	(1,180)	28,813	85,596
Income tax expense (benefit)	40,524			17,905	(8,724)	49,705
<b>Adjusted EBITDA</b>	<u>\$ 536,911</u>	<u>\$ 124,806</u>	<u>\$ 40,307</u>	<u>\$ 165,113</u>	<u>\$ (1,542)</u>	<u>\$ 700,482</u>
Capital expenditures	\$ 297,181	\$ 83,943	\$ 28,136	\$ 112,079	\$ 1,653	\$ 410,913

Numbers may not foot due to rounding.

<sup>1</sup> TDS Telecom Total includes eliminations between the Wireline and Cable segments.