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WACHOVIA SECURITIES
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1. INTRO
Good morning. It's good to be here with you today, and I'd like to thank Dimitri Triantafyllides and Wachovia Securities for giving us the opportunity to speak with you about TDS and its two principal businesses, U.S. Cellular and TDS Telecom.

With me today is Peter Sereda, vice president and Treasurer of TDS, and Jim Twesme, vice president, Corporate Finance. Also with me is Mark Steinkrauss, vice president, Corporate Relations, who manages Investor Relations for both TDS and U.S. Cellular. They will be on hand for the Q&A session that follows our presentation, as well as for the breakout sessions this afternoon.

2. SAFE HARBOR
I will be discussing forward-looking information, so please review these Safe Harbor provisions, which are also available on our web sites, along with the slides and webcast of today's presentation.

3. TDS OVERVIEW
For those of you not familiar with TDS, we are a Fortune 500 company offering diversified telecommunications services through our wireline and wireless operations. U.S. Cellular, our wireless business unit, is publicly traded and makes up about 75% of our revenue base. TDS Telecom is our wireline business.

4. CAGR Slide
Over the last five years TDS's compounded annual growth rate for revenue was approximately 12% while our EBITDA growth was 6.6%. EBITDA growth lagged revenue growth due principally to the launch of a number of new wireless markets, principally in the Midwest, at U.S. Cellular. Also, we have been aggressively marketing DSL at TDS Telecom. While DSL has lower margins, it is strategically important to TDS Telecom as it strives to become the preferred broadband provider in its markets.

I will begin today with an overview of U.S. Cellular, followed by a look at TDS Telecom, and then discuss a few corporate matters. I'll conclude with a brief review of our financing activities during the last year, as well as a look at our balance sheet. I will then take your questions.

5. U.S. CELLULAR
U.S. Cellular is the seventh largest wireless provider in the U.S., serving 4.9 million customers in 25 states, primarily on our recently upgraded CDMA 1X network.

6. MAP
We characterize U.S. Cellular as a super-regional carrier with four main operating regions in the U.S. Our largest and most contiguous region is the Midwest, followed by New England, the Mid-Atlantic area and the Northwest.

7. CHURN RATE

Our strategy at U.S. Cellular revolves around customer satisfaction. We want our customers to stay with us because it costs a lot more to add new customers than to keep the ones we already have. And our strategy is successful, as our low churn rate testifies. It's been low and steady for seven years and remains low, despite the introduction of wireless number portability and a continued high level of competition in the wireless sector.

8. U.S. CELLULAR STRATEGY

U.S. Cellular's strategy consists of four basic components. **First**, we've positioned U.S. Cellular as a **super-regional carrier,** with particular emphasis on our Midwest markets, which account for more than 60% of our customers.

Second, we differentiate from the competition by providing an **exceptional experience for our customers**, whether in the form of the high caliber of service our associates deliver, our high-quality, reliable network, or the competitively priced calling plans and products we offer through our broad distribution system. Our aim is a totally satisfied customer every time.

Third, we offer customers service on our upgraded CDMA 1X network technology, now in place in all of our markets.

And **fourth**, we are focused on **strengthening our footprint**, building on our existing markets and exiting those that do not necessarily complement our regional focus.

9. Consumers Union

A recent analysis of FCC data by the Consumers Union on customer complaints by wireless carriers is another indication that our strategy is succeeding. In an industry plagued by unhappy customers, we are very proud of the fact that U.S. Cellular had the fewest complaints of the top eight wireless carriers – a notable achievement.

10. 2004 FINANCIAL HIGHLIGHTS

Before discussing the progress we've made on our strategy, I'd like to first briefly highlight our results for 2004. It was a great year for U.S. Cellular, as you can see. We added a record 627,000 net new customers during the year, up 40 percent over 2003. This drove a 9 percent increase in service revenues for the year, despite the divestiture of two operating markets. Earnings before interest, tax depreciation amortization and accretion were $665 million, up 3 percent year over year, after incurring costs to launch three new markets. A solid year, which we aim to improve upon in 2005.

11. STRENGTHENING THE FOOTPRINT

Our results for 2004 are related to the significant progress we've made on our strategy, which we've had in place for the last several years. I'll briefly highlight our achievements, beginning with the footprint component of our strategy.

12. AWE PROPERTY EXCHANGE

As many of you may know, U.S. Cellular purchased the Chicago market in 2002. It's a perfect fit for us with our strong presence in the Midwest, and it is doing nicely. Then, in 2003 we traded several markets with AT&T Wireless, now Cingular – exchanging our northern Florida and southern Georgia markets for unbuilt wireless licenses in seven states that are either next to or overlap our existing markets.

We completed the build-out and launch of three of those markets last year -- Oklahoma City, Lincoln, Nebraska, and Portland, Maine – and each is doing well.

We're now building out the St. Louis market, where we plan to launch commercial service in the third quarter. We already have 220 new cell sites up and running, enabling us to serve customers traveling in the area and reducing our outbound roaming expenses.

In addition to these markets, we also launched service in eight other markets in 2003 – all in the Midwest – further strengthening our footprint there. Furthermore, we have signed an agreement with Cingular to purchase a market next to our Joplin, Missouri market. This new market was part of the divestiture related to their merger with AT&T Wireless. The transaction closed on April 1st.

13. DIVESTITURES

We've also divested markets that were no longer strategic to us, deploying the funds from the sales to areas with better long-term returns. These include the markets exchanged with AT&T Wireless, as well as South Texas, our other Florida markets and a small market in Ohio.

14. TRANSACTION SUMMARY MAP

This map illustrates these various transactions, showing how we've built on our existing footprint and shed properties no longer strategic for the company.

15. AUCTION 58

On a more recent note, one of our limited partners, Carroll Wireless, participated in the FCC's Auction 58 in February, and was the successful bidder for 17 licenses.

16. AUCTION 58 MAP

The 17 licensed areas cover portions of 10 states and are in markets which are either adjacent to or overlap current U.S. Cellular markets, another example of adhering to and delivering on our strategy of strengthening our competitive position.

U.S. Cellular has filed an SEC form 8-K on the matter, which I encourage you to read.

17. CDMA 1X INITIATIVE

Complementing our enhanced footprint is the fact that we now have CDMA 1X technology in all of our markets, having completed a three-year upgrade project last year. CDMA 1X benefits both customers and the company in the form of improved call quality, network coverage and voice capacity.

18. EVDO TRIALS

Looking to the future, we are currently conducting technical trials for EVDO, the advanced wireless technology that provides data connections at broadband speeds.

Our strategy for any new technology is to assess it on several levels. First, we want to make sure it is a platform that provides services and applications that our customers want and value – and that the applications meet our quality standards. Then, once we're satisfied on that level, we make sure that we can fully support the new technology and applications on all levels.

At this point, we're evaluating EVDO from a business standpoint. The technical trials we have run over the last year have been successful. The current questions revolve around potential returns on any large-scale investments. Our current plans are to test this during 2005, with any widespread deployment waiting at least until EVDO Release A, due next year.

19. DATA - easyedge[SM]

The upgraded network enables us to support our **easy**edge suite of data services in all of our markets. **easy**edge consists of two main services – phone download applications and picture messaging. We also offer our business customers a wireless modem service under the **easy**edge brand of data services.

Our data services are doing very well, with customer uptake above our expectations. Data represented over 2.5% of total service revenue for 2004, or $67M.

We expect this growth to continue as more and more customers become familiar with the concept and increase their usage, and as we continue to enhance our **easy**edge services. Last year we added **nweb**, a feature that allows Internet browsing, to our download applications service. In March we added AOL® Instant Messaging™, a feature we expect to be very popular with **easy**edge customers. And we are planning to introduce intercarrier picture messaging before year end.

20. SERVICE ENHANCEMENTS IN 2005

While we continue to enhance our **easy**edge services this year, we also plan to launch smart phone service, which will enable customers to exchange emails, as well as perform other PDA-like functions, later this year. We are working to introduce a push-to-talk service this year as well.

21. 2005 OUTLOOK – U.S. CELLULAR

Moving to our outlook for 2005, as a point of reference, neither U.S. Cellular nor TDS Telecom offer quarterly guidance or comment on EPS and this has been our practice for some time. Having said that, U.S. Cellular announced updated full-year guidance on March 18. It is important to note that the revised guidance now includes the effect of launching the St. Louis market, a large market with a population of 2.9 million.

The revised guidance reflects higher-than-planned retail net customer additions in the first two months of the year as well as the effect of the St. Louis launch in the third quarter this year. Our guidance for 2005 capital expenditures remains unchanged, as our initial 2005 guidance included capex for St. Louis.

St. Louis is the only market that U.S. Cellular plans to launch this year. It is a large and competitive market, so we want to stay focused on it alone to ensure that we launch it in a timely, efficient and successful manner. We did quite well with new three market launches last year; our objective this year is to replicate that performance.

22. USM: EXCELLENT PROSPECTS

We are excited about U.S. Cellular's prospects going forward. We have a proven strategy in place, a strategy based on satisfying the customer in order to drive long-term profitable growth. Furthermore, we're delivering on that strategy, as our strong results of the past few quarters attest. We're sound financially and we have very capable, committed associates. We see that as a winning combination.

23. TDS TELECOM

Moving now to TDS Telecom, our 100% owned wireline operation. TDS Telecom has both ILEC and CLEC operations, which at year-end 2004, served more than 1,150,000 equivalent access lines in total.

24. TDS TELECOM MAP

TDS, now a Fortune 500 company, started as a rural ILEC with ten telephone companies in rural Wisconsin. Revenue in its first year of operations was $3.2 million and thirty-five years later revenues have grown to $883 million in 2004.

25. TDS TELECOM - ILEC
The ILEC operations represent the seventh largest independent telecommunications company in the U.S., with 72 percent of customers in rural markets and the remainder in suburban areas.

26. TDS TELECOM - CLEC
TDS Telecom's CLEC operations are in five states in the Midwest. The CLEC primarily uses its own switches, which allows it to offer differentiated products. It also provisions mainly from one Regional Bell Operating Company, or RBOC, considerably expediting the provisioning process.

The CLEC's facilities-based model has proven very sound, and positions the CLEC better than many others in light of the FCC's recent ruling regarding network access for CLECs. However, TDS Telecom's CLEC operations are not totally immune to the impact of the ruling, which considerably changes the competitive stance outlined in the 1996 Telecommunications Act.

In response, TDS Telecom's CLEC is targeting more profitable customer segments which should benefit its cost performance. Likewise, the CLEC will continue to drive for deeper penetration within its existing markets with the goal being increased market share. Increased scale would also make it easier to implement new technologies.

27. 2004 FINANCIAL HIGHLIGHTS
Before discussing TDS Telecom's overall strategy, I'd first like to highlight the 2004 operating results. Both the ILEC and CLEC contributed to revenue growth in 2004. We were also pleased that, in an environment characterized by declining equivalent access-line growth, the ILEC's equivalent access lines grew 1 percent. Of note as well is that residential primary access lines at the ILEC remained level, also positive performance in light of the overall industry trend of declining access lines.

28. TDS TELECOM – OVERALL STRATEGY
Moving to TDS Telecom's strategy… Like U.S. Cellular's, TDS Telecom's focus is on providing outstanding customer satisfaction. Meeting the communications needs and desires of its customers today – and in the future – are at the heart of its strategy.

That's why one of the main thrusts at TDS Telecom today is positioning the company as the preferred broadband provider in its markets. We firmly believe that high-speed data is critical to our success in the wireline sector.

29. OUR COMPETITIVE ADVANTAGE – CUSTOMER SATISFACTION
TDS Telecom has a competitive advantage in its reputation for excellence and customer satisfaction. Customers know from their experience with the company that they can trust TDS Telecom to provide services they need and value. Respected third-party surveys substantiate this as well, as is noted by this graph.

30. FORTIFYING AND DEVELOPING EXISTING MARKETS
Given the changing nature of the wireline environment, which is characterized by increasing competition and new technologies, it is more important than ever for wireline companies to be able provide the services consumers want. That is one of the reasons TDS Telecom has been conducting several trials to determine how best to address and leverage the changing face of fixed communications.

A major focus of the trials is FTTP, or fiber to the premise. FTTP is particularly important to TDS Telecom, as its deployment will enable the company to offer customers a robust triple-play service of voice, data and video over its own network. This would complement TDS Telecom's current triple-play option, which is offered in partnership with EchoStar, a direct broadcast satellite provider, which supplies the video portion of the offering.

The company launched FTTP technical trials last year through initial deployments in three markets, using either a complete fiber build-out or a combination of FTTP and advanced DSL. The trial variations address the need to determine the most effective use of the technologies – an important consideration, given the varying geographic make up of TDS Telecom's markets, as well as customer needs. Depending on the trial results, TDS Telecom plans to begin offering triple-play service in the trial markets later this year.

TDS Telecom expects to use FTTP as the technology of choice for new, or "greenfield," subdivisions, as they are sometimes called. The cost to install fiber for new construction is approximately 20 percent more than for traditional copper lines – a moderate cost compared to the opportunities FTTP provides – and the economics are improving with the RBOCs' adoption of passive optical network standards, helping to drive down equipment costs.

The company is also considering how best to deploy Voice over IP, or Internet telephony. One possibility is to deploy the technology to markets outside of TDS Telecom's traditional geographic serving areas – an example of a build-out strategy using new technology. TDS Telecom is conducting several technical trials for VoIP to determine how to best utilize this new technology. It's also working to develop a hosted VoIP service offering targeted at commercial customers as a substitution for Centrex or other traditional business telecommunication systems.

TDS Telecom is also considering offering VoIP in combination with fixed-wireless data services. The company is currently trialing fixed wireless high-speed data at a few sites in Wisconsin, and is planning to launch VoIP trials this year.

An important aspect of TDS Telecom's strategy is enhancing existing services, with the goal of increasing their penetration and profitability levels.

One way the company is doing this is by offering customers the ability to customize the services they receive through bundling options. For example, TDS Telecom offer a product called "Total Talk" in 26 of the 28 states in which it operates. Total Talk is a one-price service alternative built around large-minute long distance plans with the ability to bundle 3 to 4 ancillary services. Initial acceptance has been good to date for this service.

31. DSL FACTS - ILEC

DSL is another very successful service for TDS Telecom. Although DSL is a lower-margin business at this point in its life cycle, it is proving very successful for the company, with strong and growing demand for the service.

Furthermore, DSL is a powerful tool for addressing competition from cable carriers. We were very pleased when the DSL market share for the ILEC markets surpassed that of the cable companies at the end of last year. This milestone, which is based on the results of a third party firm, reinforced that the company is succeeding in its goal to be the preferred broadband provider.

At year end, we had 71,000 DSL customers, 42,000 of which were in the ILEC. Demand was strong in the first quarter so that number should increase considerably.

An additional growth driver for TDS Telecom is long distance. The company continues to work for greater penetration of the long-distance market through effective cross-selling and by offering big-minute plans. At the end of the year, residential penetration for the service was 49.5%, and we expect that percentage to continue to grow.

32. 2005 OUTLOOK – TDS TELECOM

In terms of our outlook for TDS Telecom for 2005, we announced full-year guidance for the ILEC and CLEC on February 9th, as is presented here. We have not revised this guidance since then.

33. Strengthening TDS's Balance Sheet

Over the past 18 months, we have taken steps to significantly strengthen our balance sheet. At TDS the parent company, we redeemed $300 million of high coupon trust preferred securities, or TOPrS and prepaid $71 million of Medium Term Notes in 2004. Early in 2005 we also prepaid an additional $17.2 million of Medium Term Notes. All of the redemptions were done at par.

At the end of the first quarter of 2005, certain wireline telephone operating companies repaid approximately $105 million in government loans, while at the same time we issued $116 million of retail bonds that are callable at par after five years. This refinancing activity allowed us to reduce our effective cost of debt while lengthening its maturity from less than 10 years to 40 years. We will consider a similar refinancing of the remaining government loans at our wireline subsidiaries later this year.

34. Strengthening TDS's Balance Sheet (con't)

At U.S. Cellular, we redeemed $163 million of LYONs convertible debt securities and $250 million of notes last year. Both obligations were repurchased at face value.

To finance these redemptions, the company sold debt with 30 year maturities: $544 million of notes at 6.7% and $330 million of 7.5% retail bonds that are callable at par in 2010. The balance of the proceeds from these two debt offerings was used to repay short-term debt.

35. Long Term Debt Repayments

The result of our efforts to strengthen our balance sheet can be seen clearly on this debt repayment chart. Nearly all of our long-term debt matures after 2031, and call provisions in most of our debt portfolio provide us with substantial flexibility to redeem or refinance our obligations opportunistically.

36. TDS Sources of Liquidity

In addition to a solid balance sheet, the company has more than $3 billion of liquidity. We have about $1.2 billion in cash and nearly $1.4 billion in committed credit facilities. Cell towers at U.S. Cellular and other non-strategic equity investments could also be monetized.

37. TDS Financial Ratios

Finally, our financial strength is demonstrated by a debt-to-EBITDA ratio at the end of 2004 of 2.1X. Looking at debt-to-EBITDA on a net debt basis, that is, reducing our total debt by the amount of our cash holdings, results in a ratio of

less than 1X. And our debt as a percentage of total capitalization is only 36%.

38. TDS – SPECIAL SHARE PROPOSAL

Moving to TDS… Last month, the TDS board of directors unanimously approved a proposal to increase the number of authorized special common shares of TDS stock as well as to issue a special stock dividend of the special shares. And I am pleased to announce that TDS shareholders approved the proposal at a special meeting held yesterday. Increasing the special shares will provide TDS with greater strategic and financial flexibility, and it will also make for a more flexible capital structure.

It is TDS's intention at some point in the future to offer some of the additional special common shares to acquire the remaining 18 percent of U.S. Cellular stock TDS does not currently own. This would of course be dependent on market conditions, and we do not foresee the transaction having any effect on U.S. Cellular's operations.

39. TDS – FINANCIAL STRATEGIES

We place a great deal of emphasis at TDS on profitable growth for all of our businesses. Our ultimate aim is to generate profitable growth and build shareholder value, while at the same time maintaining financial strength and liquidity.

We have four financial objectives in support of these aims, and are committed to meeting them over the long term. The objectives are noted on this slide and have not changed substantially over the last several years.

40. TDS: EXCELLENT PROSPECTS

In summary, we believe TDS is very well positioned. We're focused on profitable growth and use a disciplined financial approach to development. We have a strong balance sheet. We have targeted and effective strategies. And we have excellent employees and management teams in place at our business units that deliver on those strategies.

Before taking your questions, I will conclude by saying that we expect the positive momentum we generated in 2004 to continue this year, and we look forward to another good year for the company.

And because some of you may not be aware of our large holdings in Deutsche Telekom and Vodafone, I'll mention that we are anticipating a significant increase this year in the dividend income we receive from those holdings – it's something to look forward to!

We expect to receive the Vodafone dividends totaling approximately $4.5 million in the second and fourth quarters. Eighty percent of the dividends accrue to U.S. Cellular and the remainder to TDS Telecom. TDS expects to receive the Deutsche Telekom annual dividend this quarter, in an amount of approximately $89 million. All of these amounts are pre-tax.

And on that positive note, I will now be happy to take your questions.

41. RECONCILIATION OF ADDITIONAL DISCLOSURES