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Deutsche Bank 13th Annual Media/Telecom Conference
June 7, 2005, 10:00-10:30 am
New York

SLIDE 1. INTRODUCTION:

Good morning. It's a pleasure to be here with you today, and I'd like to thank Viktor Shvets of Deutsche Bank for giving us the opportunity to speak with you. With me today is Julie Mathews, Manager, Investor Relations, who is part of the Investor Relations team that manages investor relations for both TDS and U.S. Cellular. We will be available to answer your questions during the Q&A portion of the presentation and at the breakout session today.

I hope you had the opportunity to attend the U.S. Cellular presentation with Jack Rooney, Ken Meyers and Nicole Schoenberg earlier this morning. Since they covered U.S. Cellular at some length, I will confine my comments to TDS Telecom and TDS Corporate matters.

SLIDE 2. SAFE HARBOR

I will be discussing forward-looking information, so please review these Safe Harbor provisions, which are also available on our web site, along with the slides and webcast portion of today's presentation. And please note that I will be discussing certain financial metrics that are not standard generally accepted accounting practices, or GAAP, as the practices are often referenced. Reconciliations of non-GAAP financial measures to their GAAP counterparts are provided on the slides that follow my remarks.

SLIDE 3. TDS OVERVIEW

Today I will be mainly discussing TDS's wireline operations. First, however, I'd like to give a brief overview of TDS for those of you not familiar with us. TDS is 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 made up about 76 percent of our revenue base last quarter. TDS Telecom is our wireline business.

SLIDE 4. TDS MAP

This map depicts both the operations of U.S. Cellular and TDS Telecom.

SLIDE 5. TDS TELECOM MAP

Moving now to TDS Telecom, our 100% owned wireline operation. TDS 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. Today, our wireline business has both ILEC and CLEC operations, which together as of March 31 served more than 1,172,000 equivalent access lines.

SLIDE 6. 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. Our exchanges serve a population slightly in excess of 1.2 million people.

SLIDE 7. 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 services. It also provisions mainly from SBC, considerably expediting the provisioning process.

SLIDE 8. TDS TELECOM – OVERALL STRATEGY

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.

SLIDE 9. 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.

SLIDE 10. STRATEGIC AREAS OF FOCUS

Determining how the company will support high-speed data is an integral part of TDS Telecom's strategy, which focuses on four areas: market development, which includes its growth strategy, market fortification, public-policy advocacy and productivity improvements.

SLIDE 11. DEVELOPING AND FORTIFYING 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 to provide the services consumers want. And, customer expectations are greater and more sophisticated than in the past. That is one of the reasons TDS Telecom has been conducting several trials to determine how best to address and capitalize on the changing nature of fixed communications.

A major focus of the trials is FTTP, or fiber to the premise and ADSL2+, an advanced form of DSL. FTTP and ADSL2+ are particularly important to TDS Telecom, as their 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. One of these was a combination of FTTP and ADSL2+. 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 services 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 provide. We expect the economics to improve over time with the RBOCs' adoption of passive optical network standards. Volume purchases by the RBOC's of both FTTP and ADSL2+ equipment will help to drive down equipment costs.

TDS Telecom 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 current 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. For example, it is 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.

SLIDE 12. DSL FACTS

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

At year-end, TDS Telecom had a total of 71,000 DSL customers, 42,000 of which were in the ILEC. Demand remained strong in the first quarter with DSL customers growing 81% year-over-year at the ILEC and 39% at the CLEC.

Furthermore, DSL is a powerful tool for addressing competition from cable carriers. We were very pleased when the DSL market share in our high-speed internet 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.

TDS Telecom continues to improve its high-speed service offerings, investing in equipping more of the company's service territories for DSL, and offering customers even higher-speed DSL services. At the end of the first quarter of 2004, more than one-third of the ILEC's residential high-speed data customers had 1.5 megabit service compared to 1% a year ago.

SLIDE 13. LONG DISTANCE AND BUNDLING

Another growth driver for TDS Telecom is long distance service. The company continues to increase long distance penetration through effective cross-selling and by offering big-minute plans. At the end of March, residential penetration for the service was 51%, and we expect that percentage to continue to grow. TDS Telecom is a reseller of LD services and, as such, deploys very little capital in its LD efforts.

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

One way the company is doing this is by offering customers the ability to tailor the services they receive through bundling options. For example, TDS Telecom offers 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 of this has been good. Customers can also build bundles around DSL and other popular services such as call waiting and call forwarding. Bundling tends to enhance customer satisfaction – and as a result it helps to retain existing customers and to attract new ones.

SLIDE 14. PUBLIC POLICY ADVOCACY

The third area of focus for TDS Telecom is public policy advocacy. This is of great importance to TDS Telecom because of the particularly complex telecom regulatory environment. Several key issues are currently under review or appeal, such as the Universal Service Fund and inter-carrier compensation. Outcomes on these and other regulatory issues could have a considerable effect on TDS Telecom's operations.

On May 23 TDS Telecom filed comments with the FCC in response to the FCC's notice regarding the restructuring of inter-carrier compensation. Over 100 groups filed comments in the proceeding. In addition to filing our own comments, TDS worked with other groups, such as the Rural Alliance, in support of their filings. The Rural Alliance represents over 200 rural telephone companies.

We have a very strong regulatory group at TDS Telecom that asserts the company's positions and aggressively pursues the issues on the company's behalf. TDS Telecom's regulatory experts work in concert with like-minded companies and organizations to ensure that government policy creates an environment that encourages telephone companies to best serve the interests of all customers. This includes customers in rural

America, where it costs considerably more to provide high-quality services and new services than in does in the denser urban areas.

SLIDE 15. PRODUCTIVITY IMPROVEMENT

Productivity improvement is another key focus for TDS Telecom. It is continuously working on ways to be more efficient and reduce its cost structure without jeopardizing the high caliber of service quality it provides its customers. This is an ongoing and important effort for the company.

SLIDE 16. TDS METROCOM - STRATEGY

Now I would like to spend a few minutes to discuss our CLEC, TDS Metrocom's strategy. TDS Metrocom also aims to provide excellent customer service, and it is succeeding in this regard. Independent customer satisfaction surveys continue to rank TDS Metrocom as number 1 or 2 in the markets it serves, and this has helped it maintain a low churn level.

TDS Metrocom is also striving for deeper penetration in its markets, as this allows it to offer data services in a cost-effective manner, leveraging economies of scale.

High-speed data, combined with voice, is a service package that is an important part of TDS Metrocom's customer-satisfaction approach and it is selling high speed data services to ever greater percentages of its new customers.

TDS Metrocom's facilities-based model has proven very sound, and positions it better than many other CLEC's in light of the FCC's recent ruling regarding UNE-P network access for CLECs. The rule changes will however also restrict the future ability of CLECs, including TDS Metrocom, to access various Regional Bell Operating Company fiber network elements. We believe these rule changes are not in accord with the overall purpose of the 1996 Telecommunications Act, the primary purpose of which was to promote more competition.

Because the rulings impact TDS Metrocom's cost and revenue prospects, it has adjusted certain elements of its strategy. TDS Telecom's CLEC is targeting more profitable customer segments which should benefit its financial performance. For example, TDS Metrocom is putting more focus on second and third-tier markets, and is putting more emphasis on business customers. The CLEC will also drive for deeper penetration within its existing markets, which will allow us to more economically implement new technologies in these markets and provide more services to customers.

SLIDE 17. Q1 2005 FINANCIAL HIGHLIGHTS

I'd like to highlight Telecom's results for the first quarter of this year. Both the ILEC and CLEC contributed to revenue growth. We were pleased that in an increasingly competitive environment the ILEC's equivalent access lines grew just over 1 percent. Of particular note at the CLEC was its revenue growth along with a 16% increase in year-over-year equivalent

access lines, which is excellent given the difficult regulatory environment, as well as the keen competition we encounter in these markets.

SLIDE 18. TDS TELECOM 2005 FOCUS

Looking ahead, TDS Telecom will continue to position itself as the preferred provider of voice and broadband in its markets. TDS Telecom is working to achieve even greater high-speed data penetration and market share. It continues to make significant internal process and productivity improvements. And it will promote public policy that protects ILEC universal service and that provides a level playing field for TDS Metrocom with RBOC competitors.

SLIDE 19. 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 guidance since that time.

SLIDE 20. TDS – FINANCIAL STRATEGIES

The areas of TDS Telecom's strategy all support its strong commitment to profitability, which is in line with the overall TDS emphasis on profitable growth for all of our businesses.

As you can see from this slide, our ultimate aim at TDS is to generate profitable growth and build shareholder value, while also maintaining financial strength and liquidity. Supporting this goal are TDS's four main financial objectives.

First we aim for a 10 to 15% annual revenue growth rate over a five-year period. We realize that this is an aggressive goal in this day and age.

And because profitable growth involves more than simply accomplishing our revenue-growth objectives, all of our business aim to generate returns greater than their costs of capital and are committed to achieving these goals.

TDS also aims for a return to shareholders that exceeds the return of comparable companies in the telecommunications industry over the long term. Again, we are working steadily toward that objective. One example of this is our dividend, we increased our annual dividend 6% in 2004 – and another 6% this year. 2005 marks the 31st consecutive year of annual dividend increases, and we hope to be able to continue to increase the dividend going forward.

SLIDE 21. TDS RESULTS – 1ST QUARTER 2005

Before concluding, I would like to spend a few minutes and discuss TDS's consolidated first quarter results, TDS and U.S. Cellular both started the year off on a very positive note, reporting strong first-quarter results just a week ago. The first quarter performance was solid for TDS as a whole, and particularly strong for U.S. Cellular, which posted continued excellent net add performance.

TDS consolidated operating revenues grew 7% year-over-year in the first quarter, driven primarily by strong customer growth at U.S. Cellular, as well as continued steady performance at TDS Telecom. Affecting the quarter's results were the divestitures of several U.S. Cellular markets which contributed $11.9 million to operating revenues in the first quarter of 2004. Excluding the impact of the divested markets, organic revenue growth was 8%.

Operating cash flow, which excludes depreciation, amortization and accretion, as well as the 2004 gain on assets held for sale, also grew 7% year-over-year to $244 million.

So it was a good quarter for TDS, and the start of what we expect to be another good year.

SLIDE 22. TDS SPECIAL COMMON SHARES

I would like to mention two other value-enhancing activities beyond our business unit operations.

Last month TDS shareholders approved a proposal to increase the number of authorized Special Common Shares of TDS stock. On May 13 TDS distributed a stock dividend of Special Common Shares to TDS stockholders of record as of April 29. Shareholders received one share of Special Common Stock for each share of TDS Common and Series A stock. This distribution is tax-free for federal income tax purposes to TDS shareholders.

Increasing the number of Special Common Shares provides TDS with greater strategic and financial flexibility. We have indicated that TDS may at some point in the future offer some of the Special Common Shares to acquire the 18 percent of the U.S. Cellular stock that TDS does not currently own. Such a transaction would simplify our capital structure, benefiting our shareholders. Whether TDS completes the transaction depends upon market conditions and other factors, and at present there is no set time frame for a transaction. Should it occur, we do not foresee it having any effect on U.S. Cellular's day-to-day operations.

Some of you may not be aware of TDS's large holdings of Deutsche Telekom and Vodafone stock. On April 28, TDS received an annual dividend from DT, in the amount of $103 million which is before German withholding and U.S. taxes. We are eligible for, and are in the process of applying for a partial refund of the withholding taxes from the German government. We expect to receive Vodafone dividends totaling approximately $4.6 million in the second and fourth quarters of this year. This amount is our estimate and based on the dividend we received in the fourth quarter of 2004. Eighty percent of Vodafone dividends accrue to U.S. Cellular and the remainder to TDS Telecom.

SLIDE 23. FINANCING INITATIVES

In line with our commitment to keeping TDS financially strong, we have continued our re-financing activities, which is designed to further strengthen TDS's balance sheet and provide the company with financial flexibility and ample liquidity.

Taking advantage of the lower interest-rate environment in 2004, we issued $430 million in long-term debt at U.S. Cellular, which we used to redeem $413 million of U.S. Cellular debt, including $163 million of convertible debt, eliminating potential dilution. In addition to locking in favorable interest rates, these transactions lengthened debt maturities and provided flexibility with call provisions.

We also amended both TDS's and U.S. Cellular's revolving credit facilities, extending them by two years to the end of 2009, and improving terms and costs of the borrowing facilities.

So far this year, we have prepaid an additional $17.2 million of TDS medium-term notes. In March, TDS Telecom prepaid $105 million in government loans, with proceeds from a $116 million TDS debt offering. This refinancing allowed us to reduce the effective cost of this debt, and lengthened the maturity from less than 10 years to 40 years.

In addition to a solid debt and capital structure, the company has almost $2.4 billion of liquidity from cash and unused lines of credit, which gives us added financial flexibility to pursue business opportunities that may arise.

SLIDE 24. TDS: EXCELLENT PROSPECTS

In summary, we believe TDS is very well positioned for the future. We're focused on profitable growth. We have targeted and effective strategies. We have a strong balance sheet. And we have excellent associates, employees and management teams in place at all of our business units to deliver on our strategies.

We expect the positive momentum we generated in the first quarter of this year to continue during the remainder of 2005, and we look forward to another good year for the company.

I will now be happy to take your questions.

SLIDE 25. RECONCILIATION OF ADDITIONAL DISCLOSURES

SLIDE 26. RECONCILIATION OF ADDITIONAL DISCLOSURES

SLIDE 27. TDS: EXCELLENT PROSPECTS