

2015 Estimated Results

Estimates of full-year 2015 results for U.S. Cellular, TDS Telecom, and TDS are shown below. Such estimates represent management's view as of October 30, 2015. Such forward-looking statements should not be assumed to be current as of any future date. TDS undertakes no duty to update such information, whether as a result of new information, future events, or otherwise. There can be no assurance that final results will not differ materially from such estimated results.

	2015 Estimated Results					
	U.S. Cellular		TDS Telecom		TDS(2)	
	Current	Previous	Current	Previous	Current	Previous
(Dollars in millions)						
Total operating revenues	Approx. \$ 4,000	\$4,000-\$4,100	\$1,130-\$1,180	Unchanged	\$5,145-\$5,195	\$5,145-\$5,295
Operating cash flow (1)	\$540-\$620	\$440-\$540	\$280-\$310	Unchanged	\$825-\$935	\$725-\$855
Adjusted EBITDA (1)	\$710-\$790	\$600-\$700	\$280-\$310	Unchanged	\$1,000-\$1,110	\$890-\$1,020
Capital expenditures	Approx. \$ 600	Unchanged	Approx. \$ 220	Unchanged	Approx. \$ 825	\$ 830

The following tables provide a reconciliation to Operating Cash Flow and Adjusted EBITDA for 2015 estimated results, and actual results for the nine months ended September 30, 2015 and year ended December 31, 2014:

	2015 Estimated Results (3)				
	U.S. Cellular		TDS Telecom		TDS(2)
	Current	Previous	Current	Previous	Current
(Dollars in millions)					
Net income (loss) (GAAP)	N/A		N/A		N/A
Add back:					
Income tax expense (benefit)	N/A		N/A		N/A
Income (loss) before income taxes (GAAP)	\$	275-355	\$	45-75	\$ 275-385
Add back:					
Interest expense	80		-		140
Depreciation, amortization and accretion expense	600		235		845
EBITDA	\$	955-1,035	\$	280-310	\$ 1,260-1,370
Add back:					
(Gain) loss on sale of business and other exit costs, net	(115)		(5)		(135)
(Gain) loss on license sales and exchanges, net	(145)		-		(145)
(Gain) loss on asset disposals, net	15		5		20
Adjusted EBITDA	\$	710-790	\$	280-310	\$ 1,000-1,110
Deduct:					
Equity in earnings of unconsolidated entities	(135)		-		(135)
Interest and dividend income	(35)		-		(40)
Operating cash flow (4)	\$	540-620	\$	280-310	\$ 825-935

(1) Operating cash flow is defined as net income, adjusted for the items set forth in the reconciliation below. Adjusted EBITDA is defined as net income, adjusted for the items set forth in the reconciliation below. Operating cash flow and Adjusted EBITDA exclude these items in order to show operating results on a more comparable basis from period to period. From time to time, TDS may exclude other items from Operating cash flow and/or Adjusted EBITDA if such items help reflect operating results on a more comparable basis. TDS does not intend to imply that any such items that are excluded are non-recurring, infrequent or unusual; such items may occur in the future. Operating cash flow and Adjusted EBITDA are not measures of financial performance under Generally Accepted Accounting Principles in the United States ("GAAP") and should not be considered as alternatives to net income as indicators of the company's operating performance or as alternatives to cash flows from operating

activities, determined in accordance with GAAP, as indicators of cash flows or as measures of liquidity. TDS believes Operating cash flow and Adjusted EBITDA are useful measures of TDS' operating results before significant recurring non-cash charges, gains and losses, and other items as indicated above.

- (2) The TDS column includes U.S. Cellular, TDS Telecom and also the impacts of consolidating eliminations, corporate operations and non-reportable segments, all of which are not presented above.
- (3) In providing 2015 Estimated Results, TDS has not completed the above reconciliation to net income because it does not provide guidance for income taxes. TDS believes that the impact of income taxes cannot be reasonably predicted; therefore, the company is unable to provide such guidance.
- (4) A reconciliation of Operating cash flow (Non-GAAP) to operating income (GAAP) for September 30, 2015 actual results can be found on the company's website at investors.tdsinc.com.