TELEPHONE AND DATA SYSTEMS, INC.
Reconciliation of Additional Disclosures
February 29, 2008

CONTENTS

TELEPHONE AND DATA SYSTEMS, INC.
Reconciliation of Additional Disclosures

For the Three Months Ended 12/31/07 and 12/31/06

Quarter Ended at Dec. 31, 2007	U.S. Cellular	TDS Telecom ILEC	TDS Telecom CLEC	All Other [1]	Total
Operating cash flow:					
Operating income (loss) as reported	63,265	30,872	3,723	(1,203)	96,657
Add:					
Depreciation, amortization and accretion	142,279	34,528	6,111	3,667	186,585
Loss on asset disposals/exchanges	46,958	---	---	---	46,958
Operating cash flow	252,502	65,400	9,834	2,464	330,200

Quarter Ended at Dec. 31, 2006	U.S. Cellular	TDS Telecom ILEC	TDS Telecom CLEC	All Other [1]	Total
Operating cash flow:					
Operating income (loss) as reported	63,645	24,620	1,279	(1,635)	87,909
Add:					
Depreciation, amortization and accretion	138,246	34,785	5,712	622	179,365
Loss on asset disposals/exchanges	7,415	---	---	---	7,415
Operating cash flow	209,306	59,405	6,991	(1,013)	274,689

For the Year Ended 12/31/07 and 12/31/06

Year Ended at Dec. 31, 2007	U.S. Cellular	TDS Telecom ILEC	TDS Telecom CLEC	All Other [1]	Total
Operating cash flow:					
Operating income (loss) as reported	396,199	127,390	13,812	(9,503)	527,898
Add:					
Depreciation, amortization and accretion	582,269	133,440	24,022	12,488	752,219
Loss on asset disposals/exchanges	54,857	---	---	---	54,857
Operating cash flow	1,033,325	260,830	37,834	2,985	1,334,974

Year Ended at Dec. 31, 2006	U.S. Cellular	TDS Telecom ILEC	TDS Telecom CLEC	All Other [1]	Total
Operating cash flow:					
Operating income (loss) as reported	289,896	129,994	(1,138)	(5,975)	412,777
Add:					
Depreciation, amortization and accretion	555,525	135,370	24,242	2,754	717,891
Loss on asset disposals/exchanges	19,587	---	---	---	19,587
Operating cash flow	865,008	265,364	23,104	(3,221)	1,150,255

The Operating Cash Flow amounts in the tables presented above are not determined in accordance with generally accepted accounting principles (GAAP) in the United States of America. Management uses Operating Cash Flow to evaluate the operating performance of its business, and it is a measure of performance used by some investors, security analysts and others to make informed investment decisions. Operating Cash Flow is used as an analytical indicator of income generated to service debt and fund capital expenditures. In addition, multiples of current or projected Operating Cash Flow are used to estimate current or prospective enterprise value. Operating Cash Flow does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. Operating Cash Flow as presented herein may not be comparable to similarly titled measures reported by other companies.

(1) Financial data from TDS's 80 percent-owned subsidiary Suttle-Straus, TDS Corporate operations and intercompany eliminations

Telephone and Data Systems, Inc.
For the three months ended Dec. 31,
(dollars in thousands, except per share amounts)

Table I

Net Income Available to Common

		12/31/2007		12/31/2006	% Change
Tax effected continuing operations excluding gains/losses (1)		$ 45,709		$ 43,148	6%
Fair Value Adjustment of Derivative Securities, as reported	(194,497)		(322,406)		
Less: Tax effect	71,631		125,157		
Less: Minority share	---		5,644		
Effected fair value adjustment of derivative securities		(122,866)		(191,605)	N/M
Gain on investments, as reported	46,213		70,428		
Less: Tax effect	(14,071)		(30,229)		
Less: Minority share	(674)		(7,991)		
Effected gains/losses		31,468		32,208	N/M
Loss on exchange and sales of assets excluding disposals	(20,841)		---		
Less: Tax effect	7,669		---		
Less: Minority share	2,525		---		
		(10,647)		---	
Net loss available to common, as reported		$ (56,336)		$ (116,249)	N/M

(1) Non-GAAP

Table 2

Diluted Earnings (Loss) per Share (1)

	12/31/2007	12/31/2006	% Change
Tax effected continuing operations excluding gains/losses (2)	$0.39	$0.37	5.4%
Tax effected loss on Fair Value Adjustment of Derivative Securities (2)	($1.04)	($1.65)	N/M
Tax effected gains/(losses) (2) (3)	$0.27	$0.28	N/M
Tax effected loss from exchange of assets (4)	($0.09)	---	
Diluted loss per share, as reported	($0.48)	($1.00)	N/M

(1) Diluted Earnings (loss) per share calculated using data from Table I (above) and weighted average common shares adjusted to include the effect of potentially dilutive securities.
(2) Non-GAAP
(3) Gains/(losses) on sale of investments in Q4'07 include settlement of the Vodafone forward contracts and sale of the remaining Vodafone ADRs as well as the Midwest Wireless sale in 2006. The balance in 2006 primarily relates to the Midwest Wireless sale.
(4) Loss on exchange of assets, which resulted from the exchange of personal communication service license spectrum with Sprint Nextel, is included in Operating Income.

Tax effected results from continuing operations excluding gains/losses and tax effected diluted earnings (loss) per share from continuing operations excluding gains/losses and related components of such measures are not determined in accordance with generally accepted accounting principles (GAAP) in the United States of America. Management uses these measures to evaluate the net operating performance of its business on a comparable basis, considering the impact of certain items. The company does not intend to imply that any of the amounts that are included or excluded are non-recurring, infrequent or unusual or that they are not reasonably likely to recur. The reasons for providing such measures is to show the impact that certain items have on net income available to common and related diluted earnings per share, which may be useful to some investors, security analysts and others by facilitating a comparison between periods. The above measures should not be construed or relied upon as alternative measures of performance determined under GAAP.

TELEPHONE AND DATA SYSTEMS, INC.

Financial Guidance for the Year Ending December 31, 2008

U.S. Cellular and TDS Telecom (ILEC and CLEC) guidance as of Feb. 29, 2008 is as follows:

U.S. Cellular	**Guidance as of 2/29/2008**
Net Retail Customer Additions	**250,000 - 325,000**
Service Revenues	**$3.9 - $4.0 billion**
Operating Cash Flow[(1)]:	**$1,075 - $1,150 million**
Operating Income	**$460 - $535 million**
Depreciation, Amortization & Accretion *	**Approx. $615 million**
Operating Cash Flow	**$1,075 - $1,150 million**
Capital Expenditures	**$590 - $640 million**

TDS Telecom: ILEC and CLEC	**Guidance as of 2/29/2008**
Operating Revenues	**$815 - $855 million**
Operating Cash Flow[(1)]**:**	**$270 - $300 million**
Operating Income	**$110 - $140 million**
Depreciation, Amortization & Accretion	**Approx. $160 million**
Operating Cash Flow	**$270 - $300 million**
Capital Expenditures	**$130 - $160 million**

* Includes losses on disposals of assets

(1) Operating Cash Flow as used above represents operating income before depreciation, amortization and accretion. Operating Cash Flow is not presented as an alternative measure of operating results or cash flows from operating activities as determined in accordance with accounting principles generally accepted in the United States of America. Management uses Operating Cash Flow to evaluate the operating performance of its business, and it is a measure of performance used by some investors, security analysts and others to make informed investment decisions. Operating Cash Flow is used as an analytical indicator of income generated to service debt and fund capital expenditures. In addition, multiples of current or projected Operating Cash Flow are used to estimate current or prospective enterprise value. Operating Cash Flow does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. Operating Cash Flow as presented herein may not be comparable to similarly titled measures reported by other companies.

Any guidance that is not consistent with the above should not be relied upon. The foregoing guidance represents the views of management as of the dates indicated and should not be assumed to be accurate as of any date other than such date. TDS undertakes no legal duty to update such information whether as a result of new information, future events or otherwise.

TELEPHONE AND DATA SYSTEMS, INC.
PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995
SAFE HARBOR CAUTIONARY STATEMENT

These documents contain statements that are not based on historical fact, including the words "believes," "anticipates," "intends," "expects" and similar words. These statements constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be significantly different from any future results, events or developments expressed or implied by such forward-looking statements. Such factors include, but are not limited to, the following risks:

- Intense competition in the markets in which TDS operates could adversely affect TDS' revenues or increase its costs to compete.
- A failure by TDS' service offerings to meet customer expectations could limit TDS' ability to attract and retain customers and could have an adverse effect on TDS' operations.
- TDS' system infrastructure may not be capable of supporting changes in technologies and services expected by customers, which could result in lost customers and revenues.
- An inability to obtain or maintain roaming arrangements with other carriers on terms that are acceptable to TDS could have an adverse effect on TDS' business, financial condition or results of operations. Such agreements cover traditional voice services, which are an area of strong growth for TDS and other carriers. TDS' rate of adoption of new technologies, such as those enabling high-speed data services, could affect its ability to enter into or maintain roaming agreements with other carriers.
- Changes in access to content for data or video services or access to new handsets being developed by vendors, or an inability to manage its supply chain or inventory successfully, could have an adverse effect on TDS' business, financial condition or results of operations.
- A failure by TDS to acquire adequate radio spectrum could have an adverse effect on TDS' business and operations.
- TDS is currently participating and, to the extent conducted by the FCC, likely to participate in FCC auctions of additional spectrum in the future and, during certain periods, will be subject to the FCC's anti-collusion rules, which could have an adverse effect on TDS.
- An inability to attract and/or retain management, technical, sales and other personnel could have an adverse effect on TDS' business, financial condition or results of operations.
- TDS' assets are concentrated in the U.S. telecommunications industry. As a result, its results of operations may fluctuate based on factors related entirely to conditions in this industry.
- Consolidation in the telecommunications industry could adversely affect TDS' revenues and increase its costs of doing business.
- Changes in general economic and business conditions, both nationally and in the markets in which TDS operates, could have an adverse effect on TDS' business, financial condition or results of operations.
- Changes in various business factors could have an adverse effect on TDS' business, financial condition or results of operations. These business factors may include but are not limited to demand, pricing, growth, average revenue per unit, penetration, churn, expenses, customer acquisition and retention costs, roaming rates, minutes of use, and mix and costs of products and services.

- Advances or changes in telecommunications technology, such as Voice over Internet Protocol, WiMAX or LTE (Long-Term Evolution), could render certain technologies used by TDS obsolete, could reduce TDS' revenues or could increase its costs of doing business.
- Changes in TDS' enterprise value, changes in the supply or demand of the market for wireless licenses or telephone company franchises, adverse developments in the business or the industry in which TDS is involved and/or other factors could require TDS to recognize impairments in the carrying value of TDS' license costs, goodwill and/or physical assets.
- Costs, integration problems or other factors associated with acquisitions/divestitures of properties or licenses and/or expansion of TDS' business could have an adverse effect on TDS' business, financial condition or results of operations.
- A significant portion of TDS' wireless revenues is derived from customers who buy services through independent agents and dealers who market TDS' services on a commission basis. If TDS' relationships with these agents and dealers are seriously harmed, its wireless revenues could be adversely affected.
- TDS' investments in technologies which are unproven or for which success has not yet been demonstrated may not produce the benefits that TDS expects.
- A failure by TDS to complete significant network construction and system implementation as part of its plans to improve the quality, coverage, capabilities and capacity of its network could have an adverse effect on its operations.
- Financial difficulties of TDS' key suppliers or vendors, or termination or impairment of TDS' relationship with such suppliers or vendors could result in a delay or termination of TDS' receipt of equipment, content or services which could adversely affect TDS' business and results of operations.
- TDS has significant investments in entities that it does not control. Losses in the value of such investments could have an adverse effect on TDS' results of operations or financial condition.
- War, conflicts, hostilities and/or terrorist attacks or equipment failure, power outages, natural disasters or breaches of network or information technology security could have an adverse effect on TDS' business, financial condition or results of operations.
- The market prices of TDS' Common Shares and Special Common Shares are subject to fluctuations due to a variety of factors such as general economic conditions; wireless and telecommunications industry conditions; fluctuations in TDS' quarterly customer activations, churn rate, revenues, results of operations or cash flows; variations between TDS' actual financial and operating results and those expected by analysts and investors; and announcements by TDS' competitors..
- Changes in guidance or interpretations of accounting requirements, changes in industry practice, or identification of errors could require amendments to or restatements of financial information or disclosures included in this or prior filings with the SEC.
- Restatements of financial statements by TDS and related matters, including resulting delays in filing periodic reports with the SEC, could have an adverse effect on TDS' credit rating, liquidity, financing arrangements, capital resources and ability to access the capital markets, including pursuant to shelf registration statements; could adversely affect TDS' listing arrangements on the American Stock Exchange and/or New York Stock Exchange; and/or could have other negative consequences, any of which could have an adverse effect on the trading prices of TDS' publicly traded equity and/or debt and/or on TDS' business, financial condition or results of operations.
- The pending SEC investigation regarding the restatement of TDS' financial statements could result in substantial expenses, and could result in monetary or other penalties.
- Changes in facts or circumstances, including new or additional information that affects the calculation of potential liabilities for contingent obligations under guarantees, indemnities or otherwise, could require TDS to record charges in excess of amounts accrued in the financial statements, if any, which could have an adverse effect on TDS' financial condition or results of operations.

- A failure to successfully remediate the existing material weakness in internal control over financial reporting in a timely manner or the identification of additional material weaknesses in the effectiveness of internal control over financial reporting could result in inaccurate financial statements or other disclosures or fail to prevent fraud, which could have an adverse effect on TDS's business, financial condition or results of operations.
- Early redemptions of debt or repurchases of debt, issuances of debt, changes in prepaid forward contracts, changes in operating leases, changes in purchase obligations or other factors or developments could cause the amounts reported under Contractual Obligations in TDS' most recent Annual Report on Form 10-K, as updated by the Quarterly Reports on Form 10-Q, to be different from the amounts actually incurred.
- An increase of TDS' debt in the future could subject TDS to various restrictions and higher interest costs and decrease its cash flows and earnings.
- Uncertainty of access to capital for telecommunications companies, deterioration in the capital markets, other changes in market conditions, changes in TDS' credit ratings or other factors could limit or restrict the availability of financing on terms and prices acceptable to TDS, which could require TDS to reduce its construction, development and acquisition programs.
- Changes in the regulatory environment or a failure by TDS to timely or fully comply with any regulatory requirements could adversely affect TDS' financial condition, results of operations or ability to do business.
- Changes in income tax rates, laws, regulations or rulings, or federal or state tax assessments could have an adverse effect on TDS' financial condition or results of operations.
- Settlements, judgments, restraints on its current or future manner of doing business and/or legal costs resulting from pending and future litigation could have an adverse effect on TDS' financial condition, results of operations or ability to do business.
- The possible development of adverse precedent in litigation or conclusions in professional studies to the effect that radio frequency emissions from handsets, wireless data devices and/or cell sites cause harmful health consequences, including cancer or tumors, or may interfere with various electronic medical devices such as pacemakers, could have an adverse effect on TDS' wireless business, financial condition or results of operations.
- Certain matters, such as control by the TDS Voting Trust and provisions in the TDS Restated Certificate of Incorporation, may serve to discourage or make more difficult a change in control of TDS.
- Any of the foregoing events or other events could cause revenues, customer additions, operating income, capital expenditures and/or any other financial or statistical information to vary from TDS' forward looking estimates by a material amount.

TDS undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise. Readers should evaluate any statements in light of these important factors.

U.S. CELLULAR
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- A failure by U.S. Cellular’s service offerings to meet customer expectations could limit U.S. Cellular’s ability to attract and retain customers and could have an adverse effect on U.S. Cellular’s operations.
- U.S. Cellular’s system infrastructure may not be capable of supporting changes in technologies and services expected by customers, which could result in lost customers and revenues.
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- Changes in general economic and business conditions, both nationally and in the markets in which U.S. Cellular operates, could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.
- Changes in various business factors could have an adverse effect on U.S. Cellular's business, financial condition or results of operations. These factors include, but are not limited to demand for or usage of services; the pricing of services; the overall size and growth rate of U.S. Cellular's customer base; average revenue per unit; penetration rates; churn rates; selling expenses; net customer acquisition and retention costs; roaming rates; minutes of use; the mix of products and services offered by U.S. Cellular and purchased by customers; and the costs of providing products and services.
- Advances or changes in telecommunications technology, such as Voice over Internet Protocol, WiMAX, or Long-Term Evolution (LTE) could render certain technologies used by U.S. Cellular obsolete, could reduce U.S. Cellular's revenues or could increase its costs of doing business.
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- The market price of U.S. Cellular's Common Shares is subject to fluctuations due to a variety of factors.
- Changes in guidance or interpretations of accounting requirements, changes in industry practice, or identification of errors could require amendments to or restatements of financial information or disclosures included in this or prior filings with the SEC.

- Restatements of financial statements by U.S. Cellular and related matters, including resulting delays in filing periodic reports with the SEC, could have an adverse effect on U.S. Cellular's credit rating, liquidity, financing arrangements, capital resources and ability to access the capital markets, including pursuant to shelf registration statements; could adversely affect U.S. Cellular's listing arrangements on the American Stock Exchange and/or New York Stock Exchange; and/or could have other negative consequences, any of which could have an adverse effect on the trading prices of U.S. Cellular's publicly traded equity and/or debt and/or U.S. Cellular's business, financial condition or results of operations.
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- A failure to successfully remediate the existing material weakness in internal control over financial reporting in a timely manner or the identification of additional material weaknesses in the effectiveness of internal control over financial reporting could result in inaccurate financial statements or other disclosures or fail to prevent fraud, which could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.
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- There are potential conflicts of interests between TDS and U.S. Cellular.

- Certain matters, such as control by TDS and provisions in the U.S. Cellular restated certificate of incorporation, may serve to discourage or make more difficult a change in control of U.S. Cellular.
- Any of the foregoing events or other events could cause revenues, customer additions, operating income, capital expenditures and or any other financial or statistical information to vary from U.S. Cellular's forward looking estimates by a material amount.

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