

# TELEPHONE AND DATA SYSTEMS, INC.

## Financial Guidance for the Year Ended December 31, 2007

*U.S. Cellular and TDS Telecom (ILEC and CLEC) guidance as of Jan. 7, 2008 is as follows:*

<b>U.S. Cellular</b>	<b>Guidance as of 1/7/2008</b>
<b>Net Retail Customer Additions</b>	<b>325,000 - 340,000</b>
<b>Service Revenues</b>	<b>\$3.6 - \$3.7 billion</b>
<b>Operating Cash Flow<sup>(1)</sup>:</b>	
Operating Income	<b>\$385 - \$435 million</b>
Other Non-Cash Items	<b>\$25 million</b>
Depreciation, Amortization & Accretion	<b>Approx. \$600 million</b>
Operating Cash Flow	<b>\$1,010 - \$1,060 million</b>
<b>Capital Expenditures</b>	<b>Approx. \$600 million</b>

<b>TDS Telecom: ILEC and CLEC (2007 guidance has not changed:)</b>	<b>Guidance as of 1/7/2008</b>
<b>Operating Revenues</b>	<b>\$850 - \$880 million</b>
<b>Operating Cash Flow<sup>(1)</sup>:</b>	
Operating Income	<b>\$130 - \$150 million</b>
Depreciation, Amortization & Accretion	<b>Approx. \$155 million</b>
Operating Cash Flow	<b>\$285 - \$305 million</b>
<b>Capital Expenditures</b>	<b>\$120 - \$140 million</b>

- (1) Operating Cash Flow as used above represents operating income before depreciation, amortization and accretion, and excludes certain other non-cash items including loss on impairment of intangible assets (\$4 million) and loss on exchange of assets (\$21 million). 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

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.