

TELEPHONE AND DATA SYSTEMS, INC.
Reconciliation of Additional Disclosures
February 26, 2009

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IMPORTANT INFORMATION: TDS and its directors, executive officers and other members of its management and employees may be deemed to be participants in the solicitation of proxies from the shareholders of TDS in connection with TDS 2009 annual meeting of shareholders. Information regarding TDS directors and executive officers and their respective interests in TDS by security holdings or otherwise is set forth TDS's proxy statement relating to its 2008 annual meeting, as filed with the Securities and Exchange Commission ("SEC") on April 15, 2008, which may be obtained free of charge at the SEC's website at www.sec.gov and TDS' website at www.teldta.com. Additional information concerning participants that may be soliciting proxy statements on behalf of the TDS board of director and their respective interests in TDS by security holdings or otherwise will be included in the proxy statement filed by TDS in connection with its 2009 annual meeting of shareholders. The 2009 proxy statement, other solicitation material and other reports that TDS files with the SEC, when available, can be obtained free of charge at the SEC's web site at www.sec.gov or from TDS as provide on its website at www.teldta.com. TDS SHAREHOLDERS ARE ADVISED TO READ CAREFULLY THE PROXY STATEMENT AND OTHER SOLICITATION MATERIAL FILED BY TDS IN CONNECTION WITH THE TDS 2009 ANNUAL MEETING OF SHAREHOLDERS WHEN THEY BECOME AVAILABLE BEFORE MAKING ANY VOTING DECISION BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION RELATING TO THE ELECTION OF DIRECTORS OF TDS.

TELEPHONE AND DATA SYSTEMS, INC. Reconciliation of Additional Disclosures

Quarter Ended Dec. 31, 2008	U.S. Cellular	TDS Telecom		All Other ⁽¹⁾	Total
		ILEC	CLEC		
Operating cash flow:					
Operating income (loss) as reported	(329,115)	30,437	2,940	(31,599)	(327,337)
Add:					
Depreciation, amortization and accretion	143,709	34,340	6,411	3,458	187,918
Loss on impairment of intangible assets	386,653			27,723	414,376
(Gain) / Loss on asset disposals	6,602	434	74	(4)	7,106
Operating cash flow	<u>207,849</u>	<u>65,211</u>	<u>9,425</u>	<u>(422)</u>	<u>282,063</u>

Quarter Ended Dec. 31, 2007	U.S. Cellular	TDS Telecom		All Other ⁽¹⁾	Total
		ILEC	CLEC		
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	26,117	---	---	---	26,117
Loss on impairment of intangible assets	20,840	---	---	---	20,840
Operating cash flow	<u>252,501</u>	<u>65,400</u>	<u>9,834</u>	<u>2,464</u>	<u>330,199</u>

Year Ended Dec. 31, 2008	U.S. Cellular	TDS Telecom		All Other ⁽¹⁾	Total
		ILEC	CLEC		
Operating cash flow:					
Operating income (loss) as reported	27,710	124,561	17,683	(41,800)	128,154
Add:					
Depreciation, amortization and accretion	576,931	134,935	23,431	14,780	750,077
Loss on impairment of intangible assets	386,653			27,723	414,376
Loss on asset disposals	23,378	466	391	61	24,296
Operating cash flow	<u>1,014,672</u>	<u>259,962</u>	<u>41,505</u>	<u>764</u>	<u>1,316,903</u>

Year Ended Dec. 31, 2007	U.S. Cellular	TDS Telecom		All Other ⁽¹⁾	Total
		ILEC	CLEC		
Operating cash flow:					
Operating income (loss) as reported	396,199	127,390	13,812	(9,503)	527,898
Add:					
Depreciation, amortization and accretion	578,186	133,440	24,022	12,488	748,136
Loss on asset disposals	34,016	---	---	---	34,016
Loss on impairment of intangible assets	24,923	---	---	---	24,923
Operating cash flow	<u>1,033,324</u>	<u>260,830</u>	<u>37,834</u>	<u>2,985</u>	<u>1,334,973</u>

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.

⁽¹⁾Consists of Suttle Straus printing and distribution operations, corporate operations and intercompany eliminations.

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

Table I - For the three months ended Dec. 31

Net Income (Loss) Available to Common	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>% Change</u>
Tax effected income from operations excluding gains/losses (1)	\$ 40,221	\$ 45,709	-12%
Effect of loss on investments and financial instruments	(148,284)		
Less: Tax effect	---	57,560	
Less: Minority share	---	<u>(674)</u>	
Tax effected loss on investments and financial instruments	---	(91,398)	N/M
Effect of loss on impairment of intangible assets	(414,376)	(20,840)	
Less: Tax effect	159,833	7,668	
Less: Minority share	<u>45,383</u>	<u>2,525</u>	
Tax effected loss on impairment of intangible assets	<u>(209,160)</u>	<u>(10,647)</u>	
Net loss available to common, as reported	\$ (168,939)	\$ (56,336)	N/M

(1) Non-GAAP

Table 2 - For the three months ended Dec. 31

Diluted Earnings (Loss) per Share (1)	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>% Change</u>
Tax effected operations excluding gains/losses (2)	\$0.35	\$0.39	-10.3%
Effect of gains/losses on investments and financial instruments	---	(\$0.78)	N/M
Effect of loss on impairment of intangible assets	<u>(\$1.84)</u>	<u>(\$0.09)</u>	
Diluted loss per share, as reported	(\$1.49)	(\$0.48)	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

Table 3 - For the three months ended Dec. 31

Operating Income (Loss)	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>% Change</u>
Operating income, excluding loss on asset disposals and loss on impairment of intangible assets (1)	94,145	143,614	-34.4%
Loss on asset disposals, net	(7,106)	(26,117)	
Loss on impairment of intangible assets (U.S. Cellular and All Other)	<u>(414,376)</u>	<u>(20,840)</u>	
Operating income (loss), as reported	(327,337)	96,657	N/M

(1) Non-GAAP

Tax effected income (loss) from operations excluding gains/losses and tax effected diluted earnings (loss) per share from 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 (loss) available to common and related diluted earnings (loss) 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.
Year ended Dec. 31
(dollars in thousands, except per share amounts)

Table I - For the year ended Dec. 31

Net Income (Loss) Available to Common	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>% Change</u>
Tax effected income from operations excluding gains/losses (1)	\$ 266,490	\$ 311,404	-14%
Effect of loss on investments and financial instruments	31,595	81,423	
Less: Tax effect	6,378	(20,538)	
Less: Minority share	(1,814)	(16,322)	
Tax effected loss on investments and financial instruments	36,159	44,563	N/M
Effect of loss on impairment of intangible assets	(414,376)	(24,923)	
Less: Tax effect	159,833	9,170	
Less: Minority share	45,383	3,019	
Tax effected loss on impairment of intangible assets	(209,160)	(12,734)	
Extraordinary item, net of taxes	---	42,827	
Net income available to common, as reported	<u>\$ 93,489</u>	<u>\$ 386,060</u>	N/M

(1) Non-GAAP

Table 2 - For the year ended Dec. 31

Diluted Earnings (Loss) per Share (1)	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>% Change</u>
Tax effected operations excluding gains/losses (2)	\$2.29	\$2.60	-11.9%
Effect of gains/losses on investments and financial instruments	\$0.31	\$0.37	N/M
Effect of loss on impairment of intangible assets	(\$1.80)	(\$0.11)	
Income before extraordinary item	<u>\$0.80</u>	<u>\$2.86</u>	
Extraordinary item	---	\$0.36	
Diluted earnings per share, as reported	<u>\$0.80</u>	<u>\$3.22</u>	N/M

(1) Diluted earnings 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

Table 3 - For the year ended Dec. 31

Operating Income	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>% Change</u>
Operating income, excluding loss on asset disposals and loss on impairment of intangible assets (1)	566,826	586,837	3.4%
Loss on asset disposals, net	(24,296)	(34,016)	
Loss on impairment of intangible assets (U.S. Cellular and All Other)	(414,376)	(24,923)	
Operating income, as reported	<u>128,154</u>	<u>527,898</u>	N/M

(1) Non-GAAP

Tax effected income (loss) from operations excluding gains/losses and tax effected diluted earnings (loss) per share from 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 (loss) available to common and related diluted earnings (loss) 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.

U.S. Cellular
Year ended Dec. 31
(dollars in thousands, except per share amounts)

Table 1 - For the three months ended Dec. 31

Operating Income (Loss)	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>% Change</u>
Operating income, excluding loss on impairment of intangible assets (1)	57,538	84,105	-31.6%
Loss on impairment of intangible assets	<u>(386,653)</u>	<u>(20,840)</u>	N/M
Operating income, as reported	(329,115)	63,265	N/M
(1) Non-GAAP			

Table 2 - For the year ended Dec. 31

Operating Income (Loss)	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>% Change</u>
Operating income, excluding loss on impairment of intangible assets (1)	414,363	421,122	-1.6%
Loss on impairment of intangible assets	<u>(386,653)</u>	<u>(24,923)</u>	N/M
Operating income, as reported	27,710	396,199	N/M
(1) Non-GAAP			

TELEPHONE AND DATA SYSTEMS, INC.

Financial Guidance for the Year Ending December 31, 2009

U.S. Cellular and TDS Telecom (ILEC and CLEC) guidance as of Feb. 26, 2009 is as follows:

U.S. Cellular	Guidance as of 2/26/2009
Net Retail Customer Additions	75,000 - 150,000
Service Revenues	\$3.9 - \$4.0 billion
Operating Income	\$275 - \$350 million
Depreciation, Amortization & Accretion *	Approx. \$600 million
Operating Cash Flow (1)	\$875 - \$950 million
Capital Expenditures	Approx. \$575 million
* Includes losses on disposals of assets	

TDS Telecom: ILEC and CLEC	Guidance as of 2/26/2009
Operating Revenues	\$780 - \$820 million
Operating Income	\$100 - \$130 million
Depreciation, Amortization & Accretion *	Approx. \$160 million
Operating Cash Flow (1)	\$260 - \$290 million
Capital Expenditures	Approx. \$130 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

All statements, other than statements of historical facts, that address activities, events or developments that TDS intends, expects, projects, believes, estimates, plans or anticipates will or may occur in the future are forward-looking statements. The words “believes,” “anticipates,” “estimates,” “expects,” “plans,” “intends,” “projects” and similar expressions are intended to identify these forward-looking statements, but are not the exclusive means of identifying them. 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 risks, uncertainties and other factors include those set forth below, as more fully discussed under “Risk Factors” in the most recent filing of TDS’ Form 10-K, as updated by any TDS Form 10-Q filed subsequent to such Form 10-K. However, such factors are not necessarily all of the important factors that could cause actual results, performance or achievements to differ materially from those expressed in, or implied by, the forward-looking statements contained in this document. Other unknown or unpredictable factors also could have material adverse effects on future results, performance or achievements. TDS undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise. You should carefully consider the Risk Factors in the most recent filing of TDS’ Form 10-K, as updated by any TDS Form 10-Q filed subsequent to such Form 10-K, the following factors and other information contained in, or incorporated by reference into, to understand the material risks relating to TDS’ business.

- *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.*
- *TDS currently receives a significant amount of roaming revenues from its wireless business. As a result of recently announced acquisitions by other companies in the wireless industry, TDS anticipates that its roaming revenues will decline significantly over the next several quarters. Further industry consolidation and continued build outs by existing and new wireless carriers could cause roaming revenues to decline even more, which would have an adverse effect on TDS’ business, financial condition or results of operations.*
- *A failure by TDS to obtain access to adequate radio spectrum could have an adverse effect on TDS’ business and operations.*
- *To the extent conducted by the FCC, TDS is likely to participate in FCC auctions of additional spectrum in the future as an applicant or as a non-controlling partner in another auction applicant 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.*
- *The expected future completion of recently announced acquisitions will lead to increased consolidation in the wireless telecommunications industry. TDS' lower scale relative to larger wireless carriers has in the past and could in the future prevent or delay its access to new products including handsets, new technology and/or new content and applications which could adversely affect TDS' ability to attract and retain customers and, as a result, could adversely affect its business, financial condition or results of operations.*
- *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.*
- *Advances or changes in telecommunications technology, such as Voice over Internet Protocol ("VoIP"), High-Speed Packet Access, WiMAX or Long-Term Evolution ("LTE"), 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 market supply or demand for wireless licenses or wireline markets, 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 its 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 who market TDS' services on a commission basis. If TDS' relationships with these agents 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 (including bankruptcy proceedings) of TDS' key suppliers or vendors, termination or impairment of TDS' relationships with such suppliers or vendors, or a failure by TDS to manage its supply chain effectively could result in delays or termination of TDS' receipt of required equipment or services, or could result in excess quantities of required equipment or services, any of which could adversely affect TDS' business, financial condition or 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' financial condition or results of operations.*
- *A material disruption in TDS' telecommunication networks or information technology, including breaches of network or information technology security, could have an adverse effect on TDS' business, financial condition or results of operations.*
- *Wars, conflicts, hostilities and/or terrorist attacks or equipment failures, power outages, natural disasters or other events 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.*
- *Changes in interpretations of accounting requirements, changes in industry practice, identification of errors or changes in management assumptions 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' business, financial condition or results of operations.*
- *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.*
- *Identification of 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' business, financial condition or results of operations.*
- *Early redemptions or repurchases of debt, issuances of debt, 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 in the amount of TDS' debt in the future could subject TDS to higher interest costs and restrictions on its financing, investing and operating activities and could decrease its net income and cash flows.*
- *Recent market events and conditions, including disruption in credit and other financial markets and the deterioration of U.S. and global economic conditions, could, among other things, impede TDS' access to or increase the cost of financing its operating and investment activities and/or result in reduced revenues and lower operating income and cash flows, which would have an adverse effect on TDS' financial condition or results of operations.*
- *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 or acquisition programs.

- *Changes in the regulatory environment or a failure by TDS to timely or fully comply with any applicable regulatory requirements could adversely affect TDS' financial condition, results of operations or ability to do business.*
- *Changes in USF funding and/or intercarrier compensation could have a material adverse impact on TDS' financial position or results of operations.*
- *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.*
- *A failure by TDS to successfully execute its business strategy could have an adverse effect on TDS' business, financial condition or results of operations.*
- *Inability to manage its supply chain or inventory successfully could have an adverse effect on TDS' business, financial condition or results of operations.*
- *Claims of infringement of intellectual property and proprietary rights of others, primarily involving patent infringement claims, could prevent TDS from using necessary technology to provide services or subject TDS to expensive intellectual property litigation or monetary penalties, which could have an adverse effect on TDS' business, financial condition or results of operations.*
- *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
PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995
SAFE HARBOR CAUTIONARY STATEMENT**

All statements, other than statements of historical facts, that address activities, events or developments that U.S. Cellular intends, expects, projects, believes, estimates, plans or anticipates will or may occur in the future are forward-looking statements. The words "believes," "anticipates," "estimates," "expects," "plans," "intends," "projects" and similar expressions are intended to identify these forward-looking statements, but are not the exclusive means of identifying them. 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 risks, uncertainties and other factors include those set forth below, as more fully discussed under "Risk Factors" in the most recent filing of U.S. Cellular's Form 10-K, as updated by any U.S. Cellular Form 10-Q filed subsequent to such Form 10-K. However, such factors are not necessarily all of the important factors that could cause actual results, performance or achievements to differ materially from those expressed in, or implied by, the forward-looking statements contained in this document. Other unknown or unpredictable factors also could have material adverse effects on future results, performance or achievements. U.S. Cellular undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise. You should carefully consider the Risk Factors in the most recent filing of U.S. Cellular's Form 10-K, as updated by any U.S. Cellular Form 10-Q filed subsequent to such Form 10-K, the following factors and other information contained in, or incorporated by reference into, to understand the material risks relating to U.S. Cellular's business.

- *Intense competition in the markets in which U.S. Cellular operates could adversely affect U.S. Cellular's revenues or increase its costs to compete.*
- *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.*
- *An inability to obtain or maintain roaming arrangements with other carriers on terms that are acceptable to U.S. Cellular could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.*
- *U.S. Cellular currently receives a significant amount of roaming revenues. As a result of recently announced acquisitions by other companies in the wireless industry, U.S. Cellular anticipates that its roaming revenues will decline significantly over the next several quarters. Further industry consolidation and continued build outs by existing and new wireless carriers could cause roaming revenues to decline even more, which would have an adverse effect on U.S. Cellular's business, financial condition or results of operations.*
- *A failure by U.S. Cellular to obtain access to adequate radio spectrum could have an adverse effect on U.S. Cellular's business and operations.*
- *To the extent conducted by the FCC, U.S. Cellular is likely to participate in FCC auctions of additional spectrum in the future as an applicant or as a non-controlling partner in another auction applicant and, during certain periods, will be subject to the FCC's anti-collusion rules, which could have an adverse effect on U.S. Cellular.*

- *An inability to attract and/or retain management, technical, sales and other personnel could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.*
- *U.S. Cellular's assets are concentrated in the U.S. wireless telecommunications industry. As a result, its results of operations may fluctuate based on factors related entirely to conditions in this industry.*
- *The expected future completion of recently announced acquisitions will lead to increased consolidation in the wireless telecommunications industry. U.S. Cellular's lower scale relative to larger wireless carriers has in the past and could in the future prevent or delay its access to new products including handsets, new technology and/or new content and applications which could adversely affect U.S. Cellular's ability to attract and retain customers and, as a result, could adversely affect its business, financial condition or results of operations.*
- *Inability to manage its supply chain or inventory successfully could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.*
- *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.*
- *Advances or changes in telecommunications technology, such as Voice over Internet Protocol ("VoIP"), High-Speed Packet Access, 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.*
- *Changes in U.S. Cellular's enterprise value, changes in the market supply or demand for wireless licenses, adverse developments in the business or the industry in which U.S. Cellular is involved and/or other factors could require U.S. Cellular to recognize impairments in the carrying value of its license costs, goodwill, customer lists and/or physical assets.*
- *Costs, integration problems or other factors associated with acquisitions/divestitures of properties or licenses and/or expansion of U.S. Cellular's business could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.*
- *A significant portion of U.S. Cellular's revenues is derived from customers who buy services through independent agents who market U.S. Cellular's services on a commission basis. If U.S. Cellular's relationships with these agents are seriously harmed, its revenues could be adversely affected.*
- *U.S. Cellular's investments in technologies which are unproven or for which success has not yet been demonstrated may not produce the benefits that U.S. Cellular expects.*
- *A failure by U.S. Cellular 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 (including bankruptcy proceedings) of U.S. Cellular's key suppliers or vendors, termination or impairment of U.S. Cellular's relationships with such suppliers or vendors, or a failure by U.S. Cellular to manage its supply chain effectively could result in delays or termination of U.S. Cellular's receipt of required equipment or services, or could result in excess quantities of required equipment or services, any of which could adversely affect U.S. Cellular's business, financial condition or results of operations.*
- *U.S. Cellular has significant investments in entities that it does not control. Losses in the value of such investments could have an adverse effect on U.S. Cellular's financial condition or results of operations.*
- *A material disruption in U.S. Cellular's telecommunication networks or information technology, including breaches of network or information technology security, could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.*
- *Wars, conflicts, hostilities and/or terrorist attacks or equipment failures, power outages, natural disasters or other events could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.*
- *The market price of U.S. Cellular's Common Shares is subject to fluctuations due to a variety of factors.*
- *Changes in interpretations of accounting requirements, changes in industry practice, identification of errors or changes in management assumptions 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 business, financial condition or results of operations.*
- *Identification of 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.*
- *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 U.S. Cellular to record charges in excess of amounts accrued in the financial statements, if any, which could have an adverse effect on U.S. Cellular's financial condition or results of operations.*
- *Early redemptions or repurchases of debt, issuances of debt, changes in operating leases, changes in purchase obligations or other factors or developments could cause the amounts reported under Contractual Obligations in U.S. Cellular's 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 in the amount of U.S. Cellular's debt in the future could subject U.S. Cellular to higher interest costs and restrictions on its financing, investing and operating activities and could decrease its net income and cash flows.*
- *Recent market events and conditions, including disruption in credit and other financial markets and the deterioration of U.S. and global economic conditions, could, among other things, impede U.S. Cellular's access to or increase the cost of financing its operating and*

investment activities and/or result in reduced revenues and lower operating income and cash flows, which would have an adverse effect on U.S. Cellular's financial condition or results of operations.

- *Uncertainty of access to capital for telecommunications companies, deterioration in the capital markets, other changes in market conditions, changes in U.S. Cellular's credit ratings or other factors could limit or restrict the availability of financing on terms and prices acceptable to U.S. Cellular, which could require U.S. Cellular to reduce its construction, development or acquisition programs.*
- *Changes in the regulatory environment or a failure by U.S. Cellular to timely or fully comply with any applicable regulatory requirements could adversely affect U.S. Cellular's financial condition, results of operations or ability to do business.*
- *Changes in USF funding and/or intercarrier compensation could have a material adverse impact on U.S. Cellular's financial position or results of operations.*
- *Changes in income tax rates, laws, regulations or rulings, or federal or state tax assessments could have an adverse effect on U.S. Cellular's 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 U.S. Cellular's 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 U.S. Cellular's business, financial condition or results of operations.*
- *Claims of infringement of intellectual property and proprietary rights of others, primarily involving patent infringement claims, could prevent U.S. Cellular from using necessary technology to provide services or subject U.S. Cellular to expensive intellectual property litigation or monetary penalties, which could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.*
- *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.*
- *A failure by U.S. Cellular to successfully execute its business strategy could have an adverse effect on U.S. Cellular's business, financial condition or results of operations.*
- *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.*

U.S. Cellular 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.