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Safe Harbor

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: All information set forth in this presentation, except historical and factual information, represents forward-looking statements. This includes all statements about the company's plans, beliefs, estimates and expectations. These statements are based on current estimates, projections and assumptions, which involve certain risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Important factors that may affect these forward-looking statements include, but are not limited to: Possible future restatements; the ability of U.S. Cellular to successfully manage and grow the operations of the Chicago MTA and newly launched markets; changes in the overall economy; changes in competition in the markets in which U.S. Cellular and TDS Telecom operate; changes due to industry consolidation; advances in telecommunications technology, including Voice over Internet Protocol; changes to access and pricing of unbundled network elements; changes in the state and federal telecommunications regulatory environment; changes in the value of investments, including variable prepaid forward contracts; an adverse change in the ratings afforded TDS and U.S. Cellular debt securities by accredited ratings organizations; uncertainty of access to the capital markets; pending and future litigation; acquisitions/divestitures of properties and/or licenses; and changes in customer growth rates, average monthly revenue per unit, churn rates, roaming rates and the mix of products and services offered in U.S. Cellular and TDS Telecom markets. Investors are encouraged to consider these and other risks and uncertainties that are discussed in documents filed with the SEC.

TDS

- Diversified telecommunication company with 6.8 million customers in 36 states
 - **U.S. Cellular** (81% owned)
 - **TDS Telecom** (100% owned)
 - ILEC and CLEC operations
- Strong balance sheet
- Investment grade

2006 Guidance

TDS Consolidated (as of 5/10/06)

Total revenues	≈\$4.3 billion **
Operating Income	\$365 - \$445 million
Depreciation & amortization	\$745 million
Operating Cash Flow *	\$1,110 - \$1,190 million
CAPX	\$700 - \$760 million

* Operating cash flow, as used above, represents operating income before depreciation, amortization and accretion, and excludes loss of impairment of intangible assets, and (gain) loss on assets held for sale. 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.

** Includes estimate of USM equipment revenues

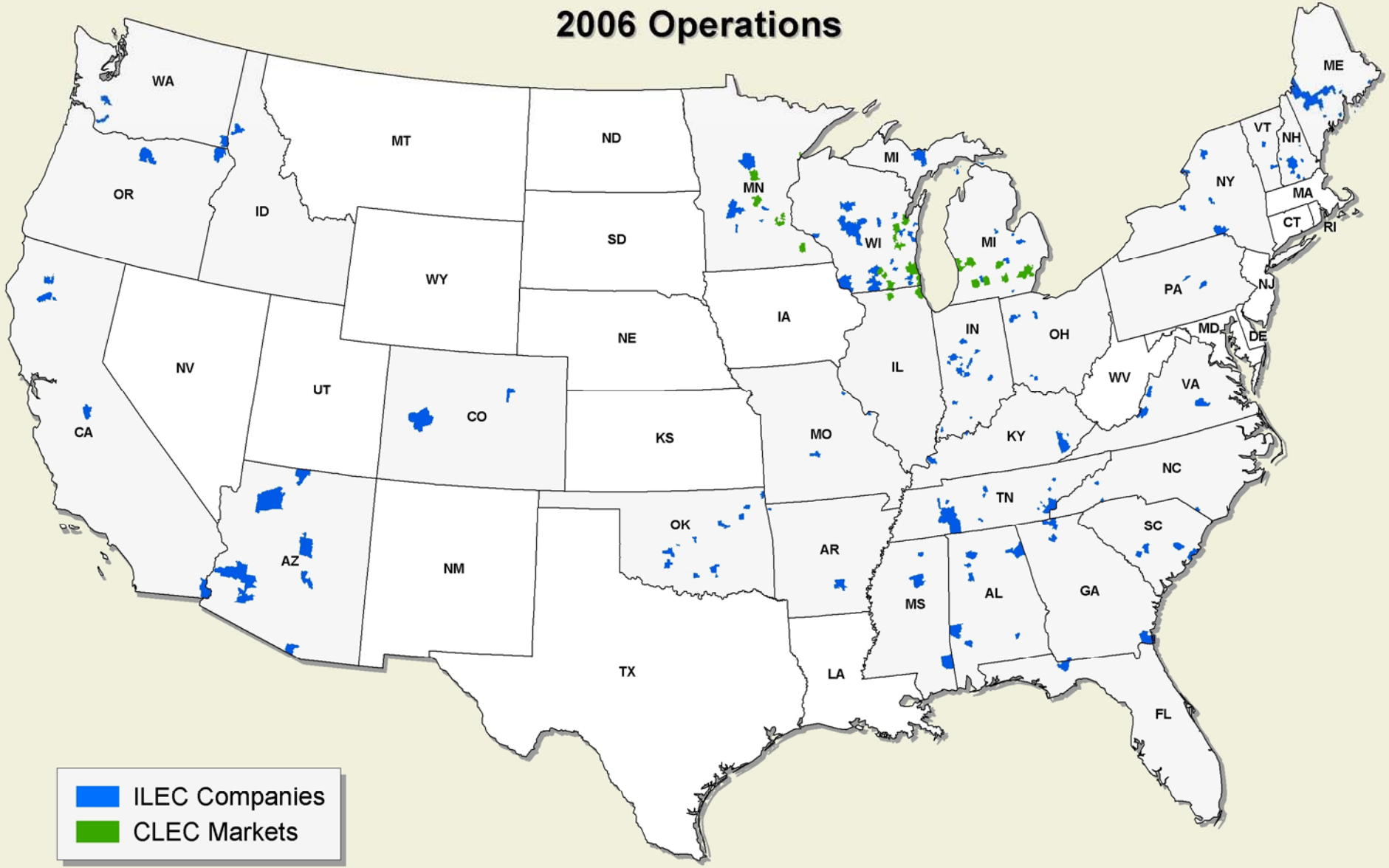
Financial Objectives

- 7-10% compound annual revenue growth (organic and M&A) over five years, returning at least the cost of capital
 - USM WACC 11-12 %
 - ILEC WACC ~ 9.5 %
 - CLEC WACC 14-16 %
- Valuation/shareholder returns \geq comparable companies
- Target an A- rating

NB: Overall cost of capital for the company is ~11%



2006 Operations





TDS Telecom (ILEC & CLEC)

Largest Equivalent Access Line States – 12/31/05

	<u>12/30/05</u>	<u>% of total</u>
Wisconsin	384,000	33%
Michigan	140,000	12%
Minnesota	119,000	10%
Tennessee	115,000	10%
Georgia	58,000	5%
New Hampshire	40,000	3%
Indiana	36,000	<u>3%</u>
		76%



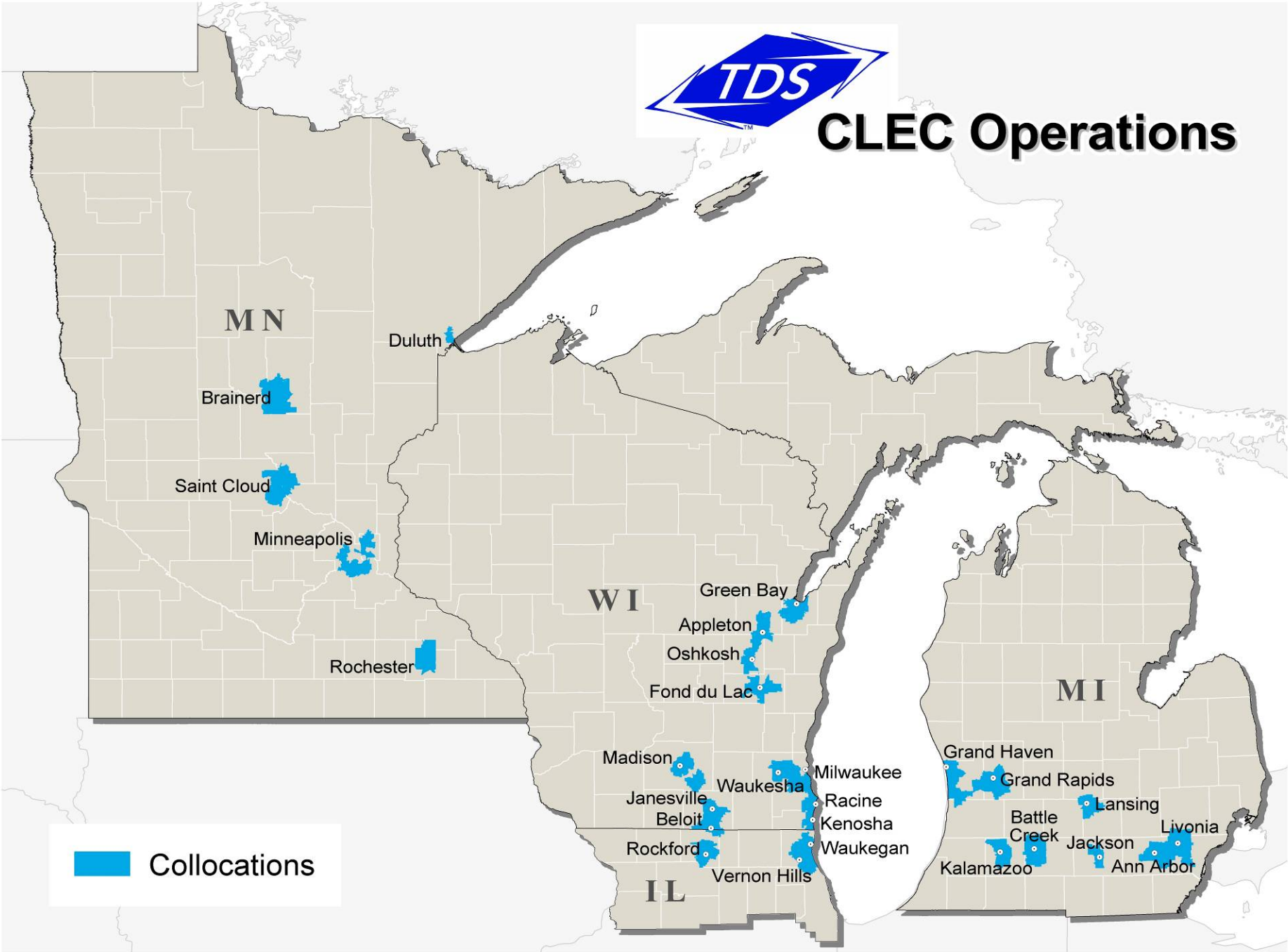
TDS Telecom – ILEC

as of 3/31/06

- 7th largest independent
- Rural company status
- Modern network
- Excellent regulatory relationships
- Strong local presence



CLEC Operations



 Collocations



TDS Telecom - CLEC

- Facilities-based in four states ...92% on-switch
- Selling primarily to SME
- Deep penetration in chosen markets
- Provisions principally with AT&T



TDS Telecom Strategy

- Be the preferred broadband provider
- Defend core markets
- Bundle aggressively
- Trial new technologies



DSL - ILEC

- 106 markets; 75,300 customers
- 70% of access lines DSL enabled
- Product bundles
- 4 & 6 MB speeds in some markets



First Quarter Operating Data

	<u>3/31/05</u>	<u>3/31/06</u>	
<u>ILEC</u>			
Access line equivalents	734,000	742,300	+ 1%
DSL	49,300	75,300	+53%
Long distance	302,400	327,100	+ 8%
<u>CLEC</u>			
Access line equivalents	438,000	454,100	+ 4%
DSL	31,600	38,500	+22%



Video Trials

- FTTP enables triple-play via our network
- Complete fiber build-out of subdivision
≈3,000 homes
- Combination of FTTP, ADSL2+ and MPEG4
- Evolving with FTTX technology curve



Fixed Wireless Trial - CLEC

- Market trial in Wisconsin
- Eliminates “last mile” loop from RBOC
- Trialing high-speed data & VOIP
- On our network from end-to-end



2006 Outlook-TDS Telecom

(Effective May 10, 2006)

- ILEC
 - Operating revenues ... \$660 to \$675 M
 - Dep. amort. & accretion ... \$135 M
 - Operating income ... \$145 to \$160 M
 - CAPX ... \$105 to \$125 M *
- CLEC
 - Operating revenues ... \$230 to \$240 M
 - Dep. amort. & accretion ... \$25 M
 - Operating income (loss) ... \$(10) to \$(5) M
 - CAPX ... \$15 to \$25 M

* ≈\$90 M to support ongoing operations and ≈\$25 M for strategic initiatives

Special Common Shares

- Provides financial and strategic flexibility
- May at some point exchange special shares for 19% of USM that TDS does not own
- Dependent on market and other conditions

TDS: Excellent Prospects

- Full-service provider with established wireless and wireline operations
- Strong business units
 - Well positioned in existing markets
 - Proven business strategies focused on customer satisfaction, network quality and competitive product offerings
 - Experienced management teams
- Financially strong
- Dedicated workforce of 11,500 people