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Safe Harbor

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Strong foundation for future growth

U.S. Cellular Growth Strategies

- Focus on the postpay customer
- Differentiate with high customer satisfaction:
 - Quality network
 - Broad distribution
 - Excellent customer service
- National, wide-area and family plans
- Competitive products and data offerings
- Strategically strengthen competitive footprint

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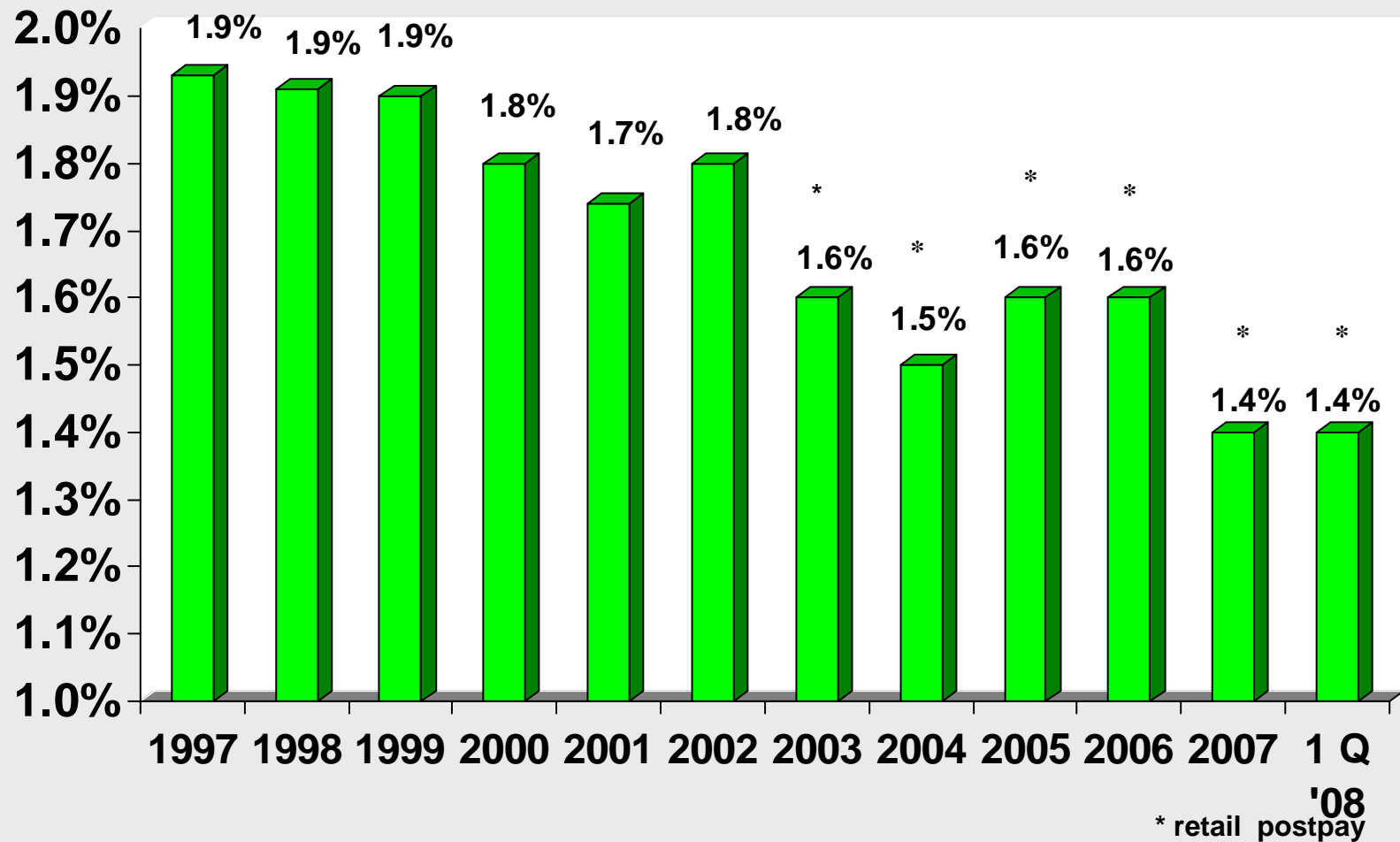
U.S. Cellular 2008 Objectives

- Focus on retail postpay customers
- Profitable growth
- EVDO in more markets
- New data products
- More data-intensive smart phones

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Postpay Churn < 2%

11- year track record... and still strong



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Growing Demand for Smart Phones

BlackBerry® and Windows Mobile® mobile platforms



2007

- BlackBerry® 8830
- **MOTO Q™**

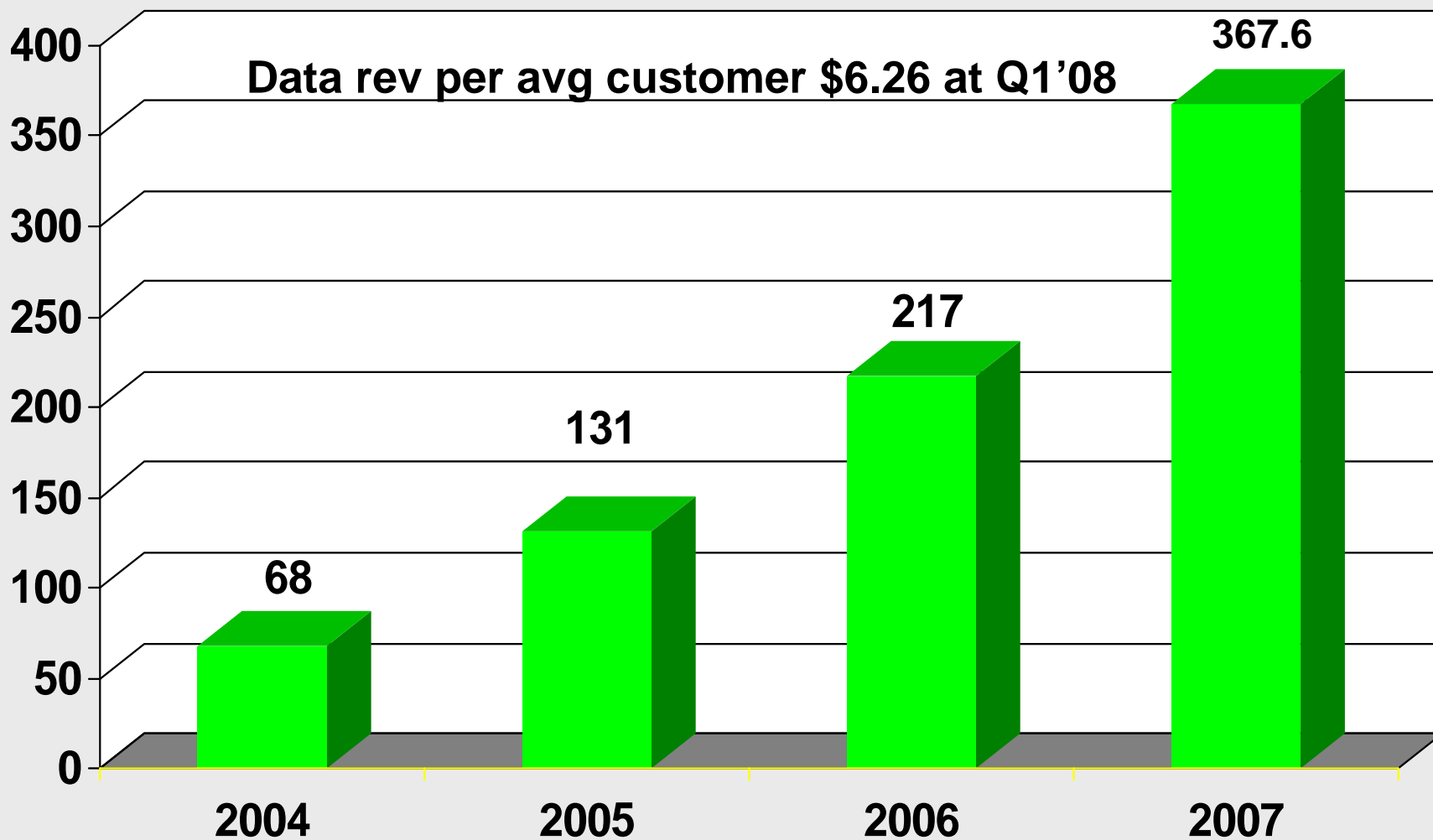
2008

- BlackBerry® Pearl
- HTC PPC6800
- **MOTO Q9c**
- BlackBerry® Curve



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Strong Growth in Data Revenues



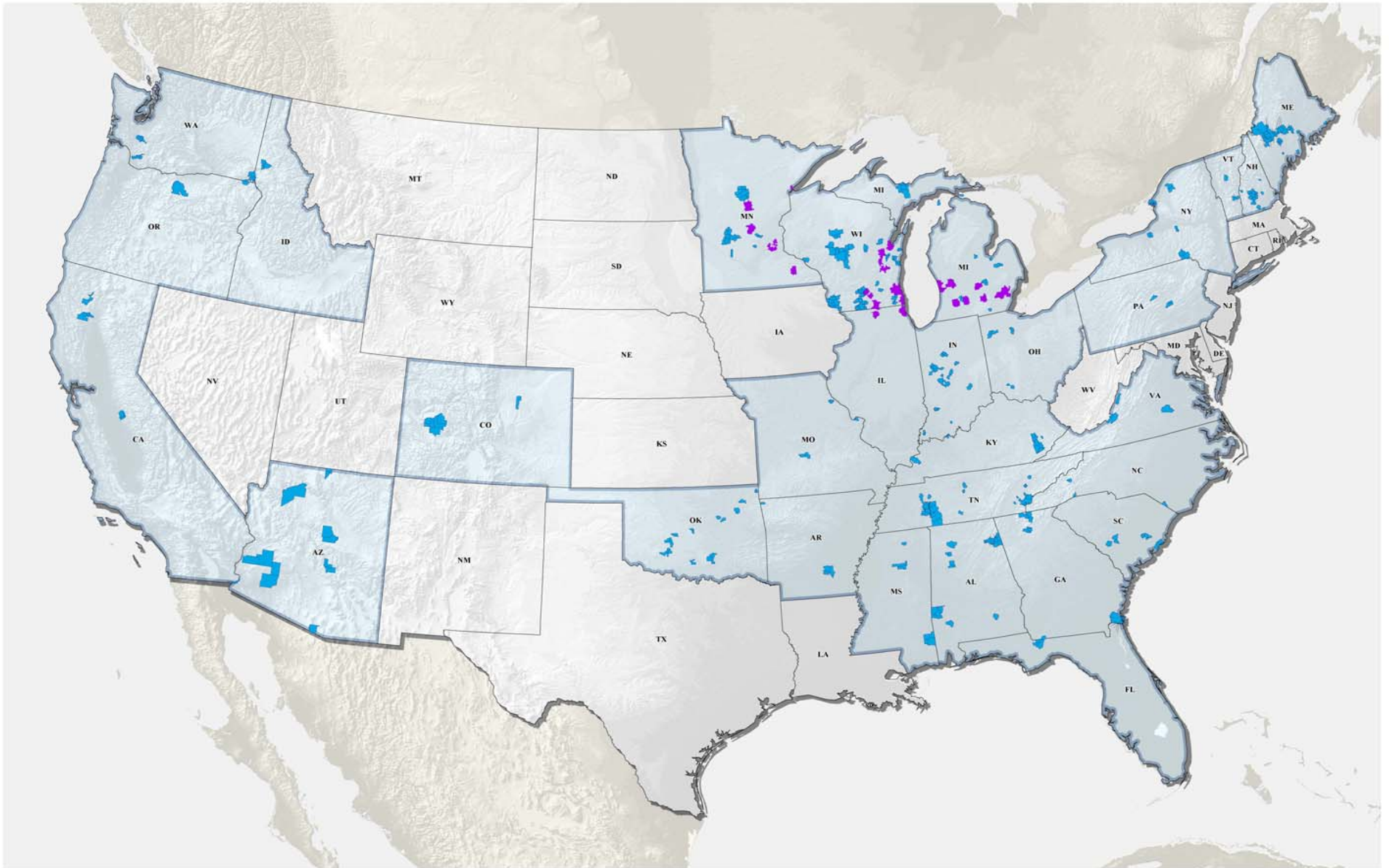
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U.S. Cellular 2008 Guidance

| | |
|---------------------------------|-----------------------|
| Net retail customer additions | 200,000 – 275,000 |
| Service revenues | \$3.9 – 4.0 billion |
| Operating Income | \$435 – 510 million |
| Depr., amortization & accretion | Approx. \$615 million |
| Capital expenditures | \$565 – 615 million |

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TDS Telecom



TDS Telecom Strategy

Provide outstanding customer satisfaction

- Be the preferred broadband provider in its markets ...aggressively deploy advanced network
- Bundle aggressively – bigger the bundle the less the churn**

One service churn ~2.8%

Two service churn ~1.8%

Three service churn ~.8%

** 2007 Churn analysis study

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TDS Telecom 2008 Objectives

- Add DSL customers
- Increase DSL speeds
- New broadband services
- Aggressively market bundles and triple play
- Streamlining for efficiency

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TDS TELECOM Guidance

(ILEC and CLEC)

| | |
|--------------------------|-----------------------|
| Operating revenues | \$810 – 840 million |
| Operating income | \$110 – 140 million |
| Depr, amort. & accretion | Approx. \$160 million |
| Capital expenditures | \$130 – 160 million |

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Peter L. Sereda
Vice President and Treasurer

Liquidity

March 31, 2008

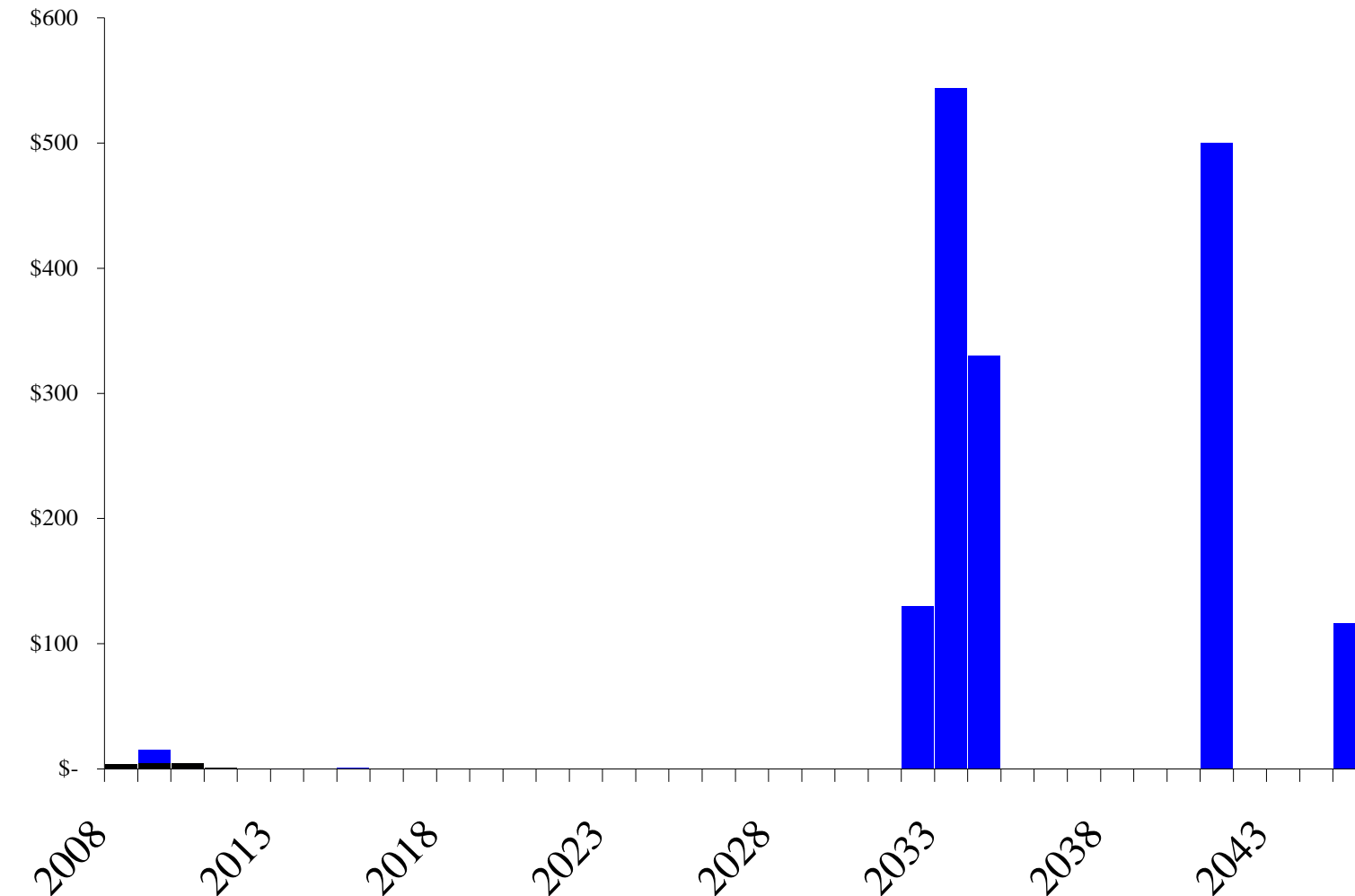
| | |
|-------------------------------|----------------|
| • Cash | \$1,210 M |
| • Available credit facilities | <u>1,296 M</u> |
| Total: | \$2,506 M |

- 3,700+ owned towers
- Los Angeles minority position

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Long Term Debt* Repayment

Par call feature provides financial flexibility on 65% LTD



* Excludes monetization debt

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Financial Ratios ... Positive Trends

| | TDS Consolidated | | U.S. Cellular | |
|---|------------------|-------|---------------|-------|
| | 2006 | 2007 | 2006 | 2007 |
| Free Cash Flow to Debt (Lease-Adjusted) ⁽¹⁾ | 7.7% | 17.7% | 7.5% | 20.4% |
| Total Debt (excluding monetization liabilities) to OCF ⁽²⁾ | 1.5x | 1.2x | 1.2x | 1.0x |
| EBITDA Interest Coverage ⁽³⁾ | 5.3x | 6.6x | 10.5x | 13.5x |
| Total Debt (excluding monetization liabilities) to Capital ⁽⁴⁾ | 28.6% | 26.3% | 25.5% | 23.6% |

(1) As defined by Moody's

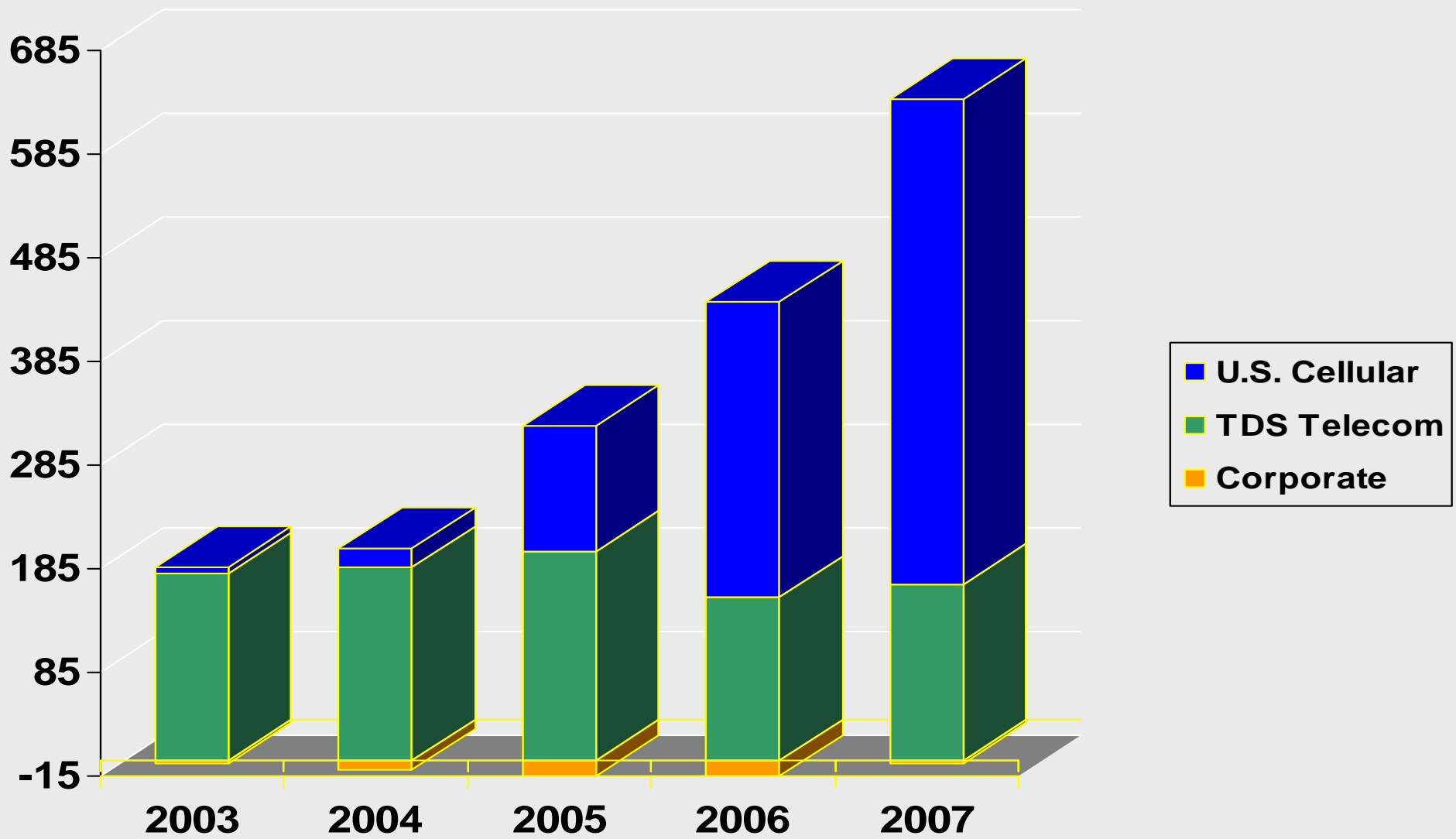
(2) Defined as: Total gross debt excl. monetization liabilities divided by OCF

(3) As defined by S&P

(4) Defined as: Total gross debt excl. monetization liabilities divided by total capital (total debt excl. monetization liabilities + total equity)

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Free Cash Flow – OCF less CAPX



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Stock Repurchases

| <i>Shares/(\$)</i> | <u>Full Year 2007</u> | <u>1 Q '08</u> |
|--------------------|-----------------------|--------------------|
| TDS | 2,076,979 (\$127 M) | 1,041,016 (\$45 M) |
| U.S. Cellular | 1,006,000 (\$83 M) | 150,000 (\$11 M) |

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Investment Grade

| | <u>TDS</u> | <u>USM</u> | <u>Outlook</u> |
|-------------------|------------|------------|---------------------------|
| Moody's | Baa3 | Baa3 | Ratings Watch Positive |
| Standard & Poor's | BBB- | BBB- | Positive |
| Fitch | BBB+ | BBB+ | Stable |

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TDS: Excellent Prospects

- Opportunity to improve profitability
- Generating free cash flow
- Improved return on capital
- Sound business strategies & experienced teams
- Excellent balance sheet
- Investment grade
- A Fortune 500® company

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Reconciliation

| U.S. Cellular | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|--------------------------------|----------------|-----------------|-----------------|----------------|----------------|
| Operating Income (as reported) | \$106,532 | \$162,583 | \$231,197 | \$289,896 | \$396,199 |
| Add: | | | | | |
| Depr/Amortization/Accretion | 434,495 | 502,564 | 490,093 | 555,525 | 582,269 |
| (Gains) losses on assets | <u>95,503</u> | <u>(10,806)</u> | <u>(24,266)</u> | <u>19,587</u> | <u>54,857</u> |
| Operating Cash Flow: | 636,530 | 654,341 | 697,024 | 865,008 | 1,033,325 |
| Less: Capx | <u>630,864</u> | <u>636,097</u> | <u>576,525</u> | <u>579,785</u> | <u>565,495</u> |
| Simple FCF | \$5,666 | \$18,244 | \$120,499 | \$285,223 | \$467,830 |

| TDS Telecom | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|
| Operating Income (as reported) | \$151,287 | \$37,070 | \$160,725 | \$128,856 | \$141,202 |
| Add: | | | | | |
| Depr/Amortization/Accretion | 163,399 | 170,014 | <u>165,616</u> | <u>159,612</u> | <u>157,462</u> |
| (Gains) losses on assets | <u>4,914</u> | <u>117,350</u> | | | |
| Operating Cash Flow: | 319,600 | 324,434 | 326,341 | 288,468 | 298,664 |
| Less: Capx | <u>139,218</u> | <u>138,247</u> | <u>124,610</u> | <u>130,434</u> | <u>128,180</u> |
| Simple FCF | \$180,382 | \$186,187 | \$201,731 | \$158,034 | \$170,484 |

| Corporate | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|--------------------------------|----------------|---------------|--------------|---------------|---------------|
| Operating Income (as reported) | (\$351,263) | \$1,600 | (\$11,224) | (\$5,975) | (\$9,503) |
| Add: | | | | | |
| Depr/Amortization/Accretion | 2,438 | 2,515 | 2,755 | <u>2,754</u> | <u>12,488</u> |
| (Gain) loss on assets | <u>352,841</u> | ----- | <u>2,235</u> | | |
| Operating Cash Flow: | 4,016 | 4,115 | (6,234) | (3,221) | 2,985 |
| Less: Capx | <u>5,955</u> | <u>12,279</u> | <u>9,372</u> | <u>12,239</u> | <u>5,891</u> |
| Simple FCF | (\$1,939) | (\$8,164) | (\$15,606) | (\$15,460) | (\$2,906) |

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Reconciliation – TDS Ratios

| TDS Consolidated | <u>2006</u> | <u>2007</u> |
|--|--------------|--------------|
| Free Cash Flow to Debt (Lease-Adjusted) | | |
| Cash Flow from Operating Activities | \$ 892 | \$ 941 |
| Capital Expenditures | (722) | (700) |
| Less: Dividend | (43) | (46) |
| Less: Tax Benefit from Stock Option Exercise | (4) | (4) |
| Add: Cash taxes related to monetized securities | - | 230 |
| Add: After Tax Interest Expense on Forward Contracts | 55 | 47 |
| Add: Other | 60 | - |
| Less: Distributions to Minority Partners | (14) | (9) |
| FCF | \$ 225 | \$ 460 |
| LT Debt (excluding Monetization) | \$ 1,633 | \$ 1,632 |
| Trust Preferred Securities | - | - |
| Current Portion of LTD | 3 | 4 |
| Notes Payable | 35 | - |
| Capitalized Operating Lease | 753 | 753 |
| Tax Obligation on Monetized Securities | 430 | 207 |
| Total Debt | \$ 2,854 | \$ 2,596 |
| Free Cash Flow to Debt (Lease-Adjusted) | <u>7.7%</u> | <u>17.7%</u> |
| | <u>2006</u> | <u>2007</u> |
| Total Debt (excl. Monetization) to OCF | | |
| Total Debt (Year End), including monetization | \$ 3,397 | \$ 2,642 |
| Less: Monetization Debt | (1,726) | (1,006) |
| Total Debt (excluding Monetization) | \$ 1,671 | \$ 1,636 |
| OCF | \$ 1,150 | \$ 1,335 |
| Total Debt (excl. Monetization) to OCF | <u>1.5 x</u> | <u>1.2 x</u> |

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Reconciliation – TDS Ratios

| | <u>2006</u> | <u>2007</u> |
|--|-----------------|-----------------|
| EBITDA Interest Coverage | | |
| EBITDA | \$ 1,471 | \$ 1,644 |
| Interest Expense | \$ 276 | \$ 250 |
| EBITDA Interest Coverage | 5.3x | 6.6x |
| | | |
| | <u>2006</u> | <u>2007</u> |
| Total Debt to Capital | | |
| Current Maturities of Long-term Debt | \$ 3 | \$ 4 |
| Notes Payable | 35 | - |
| Long-term Debt (excluding monetizations) | 1,633 | 1,632 |
| Trust Originated Preferred Securities | - | - |
| Total Debt (Year-end) | \$ 1,671 | \$ 1,636 |
| Plus: | | |
| Minority Interest | 610 | 652 |
| Preferred Shares | 1 | 1 |
| Common Shareholders' Equity | 3,570 | 3,926 |
| Total Equity | \$ 4,181 | \$ 4,579 |
| Total Capital (Year-end) | \$ 5,852 | \$ 6,215 |
| Total Debt to Capital | 28.6% | 26.3% |

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Reconciliation – USM Ratios

| US Cellular | | |
|--|---------------------|---------------------|
| | <u>2006</u> | <u>2007</u> |
| Free Cash Flow to Debt (Lease-adjusted) | | |
| Cash Flow from Operating Activities | \$ 701 | \$ 863 |
| Capital Expenditures | (580) | (565) |
| Less: Dividends | - | - |
| Less: Tax Benefit from Stock Option Exercise | (1) | (1) |
| Add: Cash taxes related to monetized securities | - | 35 |
| Add: After Tax Interest Expense on Forward Contracts | 5 | 2 |
| Add: Other | 25 | - |
| Less: Distributions to Minority Partners | (19) | (11) |
| | <u>\$ 131</u> | <u>\$ 323</u> |
| LT Debt (excluding Monetization) | \$ 1,002 | \$ 1,002 |
| Current Portion of LTD | - | - |
| Notes Payable | 35 | - |
| Capitalized Operating Lease | 581 | 581 |
| Tax Obligation on Monetized Securities | 35 | - |
| Total Debt | <u>\$ 1,653</u> | <u>\$ 1,583</u> |
| Free Cash Flow to Debt (Lease-adjusted) | <u>7.5%</u> | <u>20.4%</u> |
| | <u>2006</u> | <u>2007</u> |
| Total Debt (excl. monetization) to OCF | | |
| Current Maturities of Long-term Debt | \$ - | \$ - |
| Notes Payable | 35 | - |
| Long-term Debt (Excluding Monetization) | 1,002 | 1,002 |
| Total Debt (Year End) | <u>\$ 1,037</u> | <u>\$ 1,002</u> |
| Operating Income | \$ 290 | \$ 396 |
| Plus: | | |
| Depreciation & Amortization Expense | 575 | 637 |
| Loss on assets held for sale | - | - |
| Operating Cash Flow | <u>\$ 865</u> | <u>\$ 1,033</u> |
| Total Debt (excl. monetization) to OCF | <u>1.2 x</u> | <u>1.0 x</u> |

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Reconciliation – USM Ratios

| | <u>2006</u> | <u>2007</u> |
|---|-----------------|-----------------|
| EBITDA Interest Coverage | | |
| EBITDA | \$ 979 | \$ 1,142 |
| Interest Expense | 94 | 85 |
| Total Interest | \$ 94 | \$ 85 |
| EBITDA INTEREST COVERAGE | 10.5 x | 13.5 x |
| | | |
| | <u>2006</u> | <u>2007</u> |
| Total Debt to Capital | | |
| Current Maturities of Long-term Debt | \$ - | \$ - |
| Notes Payable | 35 | - |
| Long-term Debt (Excluding Monetization) | 1,002 | 1,002 |
| Total Debt (Year End) | \$ 1,037 | \$ 1,002 |
| Plus: | | |
| Minority Interest | 37 | 43 |
| Common Equity | 2,993 | 3,196 |
| Total Equity | \$ 3,030 | \$ 3,240 |
| Total Capital (Year-end) | \$ 4,067 | \$ 4,242 |
| Total Debt to Capital | 25.5% | 23.6% |

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TDS: Excellent Prospects

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- Generating free cash flow
- Improved return on capital
- Sound business strategies & experienced teams
- Excellent balance sheet
- Investment grade
- A Fortune 500® company

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