

Business Segment Information

	TDS Telecom						
				TDS Telecom Total ¹	Corporate, Eliminations and Other		Total
Three Months Ended September 30, 2020	UScellular	Wireline	Cable				
(Dollars in thousands)							
Operating revenues							
Service	\$ 775,172	\$ 172,949	\$ 74,008	\$ 246,792	\$ 23,749		\$ 1,045,713
Equipment and product sales	251,955	300	92	393	26,186		278,534
Total operating revenues	1,027,127	173,249	74,101	247,184	49,936		1,324,247
Cost of services (excluding Depreciation, amortization, and accretion reported below)	203,364	69,000	30,762	99,653	17,671		320,688
Cost of equipment and products	256,553	184	6	190	21,740		278,483
Selling, general and administrative	335,231	50,976	18,384	69,305	10,891		415,427
Depreciation, amortization and accretion	161,186	29,842	19,570	49,412	5,660		216,258
(Gain) loss on asset disposals, net	5,969	42	350	391	4		6,364
Operating income (loss)	64,824	23,204	5,030	28,234	(6,031)		87,027
Equity in earnings of unconsolidated entities	48,321	—	—	—	131		48,452
Interest and dividend income	1,541	510	84	594	1,454		3,589
Gain (loss) on investments	2,856	—	—	—	—		2,856
Interest expense	(28,840)	1,022	9	1,031	(14,867)		(42,676)
Other, net	(57)	(314)	(80)	(394)	—		(451)
Income (loss) before income taxes	88,645	24,422	5,042	29,464	(19,312)		98,797
Income tax expense (benefit)	3,262			4,209	(1,735)		5,736
Net income (loss)	85,383			25,255	(17,577)		93,061
Add back:							
Depreciation, amortization and accretion	161,186	29,842	19,570	49,412	5,660		216,258
(Gain) loss on asset disposals, net	5,969	42	350	391	4		6,364
Gain (loss) on investments	(2,856)	—	—	—	—		(2,856)
Interest expense	28,840	(1,022)	(9)	(1,031)	14,867		42,676
Income tax expense (benefit)	3,262			4,209	(1,735)		5,736
Adjusted EBITDA	\$ 281,784	\$ 53,284	\$ 24,952	\$ 78,237	\$ 1,218		\$ 361,239
Investments in unconsolidated entities	\$ 466,582	\$ 3,956	\$ —	\$ 3,956	\$ 37,145		\$ 507,683
Total assets	\$ 9,180,359	\$ 1,538,604	\$ 720,778	\$ 2,249,505	\$ 464,707		\$ 11,894,571
Capital expenditures	\$ 216,141	\$ 74,191	\$ 17,980	\$ 92,170	\$ 1,836		\$ 310,147

Numbers may not foot due to rounding.

¹ TDS Telecom Total includes eliminations between the Wireline and Cable segments.

Nine Months Ended September 30, 2020	TDS Telecom				Corporate, Eliminations and Other	Total
	UScellular	Wireline	Cable	TDS Telecom Total ¹		
(Dollars in thousands)						
Operating revenues						
Service	\$ 2,290,368	\$ 511,407	\$ 216,235	\$ 727,143	\$ 70,435	\$ 3,087,946
Equipment and product sales	673,369	655	259	914	86,415	760,698
Total operating revenues	2,963,737	512,062	216,494	728,057	156,850	3,848,644
Cost of services (excluding Depreciation, amortization, and accretion reported below)	580,072	197,003	90,714	287,385	51,838	919,295
Cost of equipment and products	691,787	527	13	540	72,802	765,129
Selling, general and administrative	993,619	147,608	52,313	199,753	32,533	1,225,905
Depreciation, amortization and accretion	516,034	93,664	58,597	152,261	17,580	685,875
(Gain) loss on asset disposals, net	13,888	66	562	628	188	14,704
Operating income (loss)	168,337	73,195	14,295	87,489	(18,090)	237,736
Equity in earnings of unconsolidated entities	136,997	(22)	—	(22)	1,187	138,162
Interest and dividend income	6,407	3,500	614	4,114	1,236	11,757
Gain (loss) on investment	2,856	—	—	—	—	2,856
Interest expense	(76,933)	3,315	26	3,342	(44,330)	(117,921)
Other, net	39	(946)	(234)	(1,180)	(1)	(1,142)
Income (loss) before income taxes	237,703	79,042	14,701	93,743	(59,998)	271,448
Income tax expense (benefit)	11,072			12,696	(6,091)	17,677
Net income (loss)	226,631			81,047	(53,907)	253,771
Add back:						
Depreciation, amortization and accretion	516,034	93,664	58,597	152,261	17,580	685,875
(Gain) loss on asset disposals, net	13,888	66	562	628	188	14,704
Gain (loss) on investment	(2,856)	—	—	—	—	(2,856)
Interest expense	76,933	(3,315)	(26)	(3,342)	44,330	117,921
Income tax expense (benefit)	11,072			12,696	(6,091)	17,677
Adjusted EBITDA	\$ 841,702	\$ 169,456	\$ 73,834	\$ 243,289	\$ 2,101	\$ 1,087,092
Capital expenditures	\$ 620,674	\$ 171,107	\$ 49,422	\$ 220,529	\$ 7,554	\$ 848,757

Numbers may not foot due to rounding.

¹ TDS Telecom Total includes eliminations between the Wireline and Cable segments.