

Business Segment Information

Three Months Ended June 30, 2021	UScellular	TDS Telecom	Corporate, Eliminations and Other	Total
(Dollars in thousands)				
Operating revenues				
Service	\$ 773,921	\$ 251,430	\$ 23,654	\$ 1,049,005
Equipment and product sales	239,855	296	21,565	261,716
Total operating revenues	1,013,776	251,726	45,219	1,310,721
Cost of services (excluding Depreciation, amortization, and accretion reported below)	204,394	101,257	18,166	323,817
Cost of equipment and products	258,497	151	17,613	276,261
Selling, general and administrative	333,195	72,649	10,177	416,021
Depreciation, amortization and accretion	179,822	48,964	4,861	233,647
(Gain) loss on asset disposals, net	2,137	741	(31)	2,847
(Gain) loss on sale of business and other exit costs, net	(293)	—	—	(293)
Operating income (loss)	36,024	27,964	(5,567)	58,421
Equity in earnings of unconsolidated entities	46,558	—	989	47,547
Interest and dividend income	1,585	142	1,255	2,982
Interest expense	(59,102)	1,028	(27,578)	(85,652)
Other, net	(69)	(241)	(27)	(337)
Income (loss) before income taxes	24,996	28,894	(30,929)	22,961
Income tax expense (benefit)	(10,490)	7,108	(7,851)	(11,233)
Net income (loss)	35,486	21,785	(23,077)	34,194
Add back:				
Depreciation, amortization and accretion	179,822	48,964	4,861	233,647
(Gain) loss on asset disposals, net	2,137	741	(31)	2,847
(Gain) loss on sale of business and other exit costs, net	(293)	—	—	(293)
Interest expense	59,102	(1,028)	27,578	85,652
Income tax expense (benefit)	(10,490)	7,108	(7,851)	(11,233)
Adjusted EBITDA	<u>\$ 265,764</u>	<u>\$ 77,570</u>	<u>\$ 1,480</u>	<u>\$ 344,814</u>
Investments in unconsolidated entities	\$ 444,699	\$ 3,935	\$ 38,562	\$ 487,196
Total assets	\$ 9,920,482	\$ 2,432,908	\$ 426,922	\$12,780,312
Capital expenditures	\$ 148,359	\$ 99,275	\$ 1,966	\$ 249,600

Numbers may not foot due to rounding.

Six Months Ended June 30, 2021	UScellular	TDS Telecom	Corporate, Eliminations and Other	Total
(Dollars in thousands)				
Operating revenues				
Service	\$ 1,544,717	\$ 500,064	\$ 46,584	\$ 2,091,365
Equipment and product sales	492,362	558	44,408	537,328
Total operating revenues	2,037,079	500,622	90,992	2,628,693
Cost of services (excluding Depreciation, amortization, and accretion reported below)	389,227	198,633	35,021	622,881
Cost of equipment and products	533,401	328	35,999	569,728
Selling, general and administrative	638,597	143,143	21,890	803,630
Depreciation, amortization and accretion	349,204	97,775	9,920	456,899
(Gain) loss on asset disposals, net	7,171	1,135	23	8,329
(Gain) loss on sale of business and other exit costs, net	(957)	—	—	(957)
Operating income (loss)	120,436	59,608	(11,861)	168,183
Equity in earnings of unconsolidated entities	88,492	(20)	1,505	89,977
Interest and dividend income	3,408	342	2,601	6,351
Interest expense	(98,339)	2,060	(43,102)	(139,381)
Other, net	(112)	(486)	(27)	(625)
Income (loss) before income taxes	113,885	61,504	(50,884)	124,505
Income tax expense (benefit)	16,554	15,256	(12,503)	19,307
Net income (loss)	97,331	46,248	(38,381)	105,198
Add back:				
Depreciation, amortization and accretion	349,204	97,775	9,920	456,899
(Gain) loss on asset disposals, net	7,171	1,135	23	8,329
(Gain) loss on sale of business and other exit costs, net	(957)	—	—	(957)
Interest expense	98,339	(2,060)	43,102	139,381
Income tax expense (benefit)	16,554	15,256	(12,503)	19,307
Adjusted EBITDA	<u>\$ 567,642</u>	<u>\$ 158,355</u>	<u>\$ 2,160</u>	<u>\$ 728,157</u>
Capital expenditures	\$ 272,913	\$ 168,952	\$ 4,548	\$ 446,413

Numbers may not foot due to rounding.