**As previously announced, TDS will hold a teleconference August 6, 2021, at 9:00 a.m. CDT. Listen to the call live via the Events & Presentations page of investors.tdsinc.com.**

**FOR IMMEDIATE RELEASE**

# TDS reports second quarter 2021 results

*UScellular and TDS Telecom executing on strategic priorities; guidance reaffirmed*

CHICAGO (August 5, 2021) — Telephone and Data Systems, Inc. (NYSE:TDS) reported total operating revenues of $1,311 million for the second quarter of 2021, versus $1,263 million for the same period one year ago. Net income attributable to TDS common shareholders and related diluted earnings per share were $20 million and $0.17, respectively, for the second quarter of 2021 compared to $65 million and $0.56, respectively, in the same period one year ago.

"The TDS family of companies produced solid revenue growth for the second quarter of 2021 and made good progress on achieving our long-term strategic goals," said LeRoy T. Carlson, Jr., TDS President and CEO. "Also, our commitment to maintaining financial flexibility has allowed us to take actions to lower the average cost of financing for our growth initiatives.

“At UScellular, higher postpaid ARPU helped drive service revenue growth as customers chose higher-value plans. Our efforts to build market share in our prepaid business are starting to generate positive results, and our business and government initiatives are laying the foundation for future growth. UScellular’s 5G and network modernization programs are on track. We continue to be very optimistic on the performance capabilities of mmWave spectrum. Additionally, the 5G fixed wireless access tests of market demand have seen early, encouraging results and will provide valuable learnings as we look to bring this high-speed service to market.

“At TDS Telecom, increased broadband connections and customers choosing higher speeds contributed to higher operating revenues for the quarter. 1Gig speeds are available to more than half of all service addresses, and the TDS Telecom fiber footprint is expanding inside as well as outside of our traditional markets. Performance of our launched fiber expansion markets continues to meet expectations. To take advantage of the fiber opportunities, we are accelerating and upsizing our fiber expansion in the years ahead.”

## 2021 Estimated Results

TDS' current estimates of full-year 2021 results for UScellular and TDS Telecom are shown below. Such estimates represent management's view as of August 5, 2021 and should not be assumed to be current as of any future date. TDS undertakes no duty to update such estimates, whether as a result of new information, future events, or otherwise. There can be no assurance that final results will not differ materially from estimated results.

### 2021 Estimated Results

| **UScellular** | Previous | **Current** |
|---|---|---|
| (Dollars in millions) | | |
| Service revenues | $3,050-$3,150 | **Unchanged** |
| Adjusted OIBDA[1] | $850-$950 | **Unchanged** |
| Adjusted EBITDA[1] | $1,025-$1,125 | **Unchanged** |
| Capital expenditures | $775-$875 | **Unchanged** |

| **TDS Telecom** | Previous | **Current** |
|---|---|---|
| (Dollars in millions) | | |
| Total operating revenues | $975-$1,025 | **Unchanged** |
| Adjusted OIBDA[1] | $290-$320 | **Unchanged** |
| Adjusted EBITDA[1] | $290-$320 | **Unchanged** |
| Capital expenditures | $425-$475 | **Unchanged** |

The following tables reconcile EBITDA, Adjusted EBITDA and Adjusted OIBDA to the corresponding GAAP measures, Net income or Income before income taxes. In providing 2021 estimated results, TDS has not completed the below reconciliation to Net income because it does not provide guidance for income taxes. Although potentially significant, TDS believes that the impact of income taxes cannot be reasonably predicted; therefore, TDS is unable to provide such guidance.

| | **2021 Estimated Results** | |
|---|---|---|
| | **UScellular** | **TDS Telecom** |
| (Dollars in millions) | | |
| **Net income (GAAP)** | N/A | N/A |
| Add back: | | |
| Income tax expense | N/A | N/A |
| **Income before income taxes (GAAP)** | $125-$225 | $80-$110 |
| Add back: | | |
| Interest expense | 180 | — |
| Depreciation, amortization and accretion expense | 700 | 210 |
| EBITDA (Non-GAAP)[1] | $1,005-$1,105 | $290-$320 |
| Add back or deduct: | | |
| (Gain) loss on asset disposals, net | 20 | — |
| Adjusted EBITDA (Non-GAAP)[1] | $1,025-$1,125 | $290-$320 |
| Deduct: | | |
| Equity in earnings of unconsolidated entities | 170 | — |
| Interest and dividend income | 5 | — |
| Adjusted OIBDA (Non-GAAP)[1] | $850-$950 | $290-$320 |

| | Actual Results | | | |
|---|---|---|---|---|
| | Six Months Ended June 30, 2021 | | Year Ended December 31, 2020 | |
| | UScellular | TDS Telecom | UScellular | TDS Telecom |
| (Dollars in millions) | | | | |
| **Net income (GAAP)** | **$ 97** | **$ 46** | $ 233 | $ 100 |
| Add back: | | | | |
| Income tax expense | **17** | **15** | 17 | 18 |
| **Income before income taxes (GAAP)** | **$ 114** | **$ 62** | $ 250 | $ 117 |
| Add back: | | | | |
| Interest expense | **97** | **(2)** | 112 | (4) |
| Depreciation, amortization and accretion expense | **350** | **98** | 683 | 203 |
| EBITDA (Non-GAAP)[1] | **$ 561** | **$ 157** | $ 1,045 | $ 316 |
| Add back or deduct: | | | | |
| (Gain) loss on asset disposals, net | **7** | **1** | 25 | 1 |
| (Gain) loss on sale of business and other exit costs, net | **(1)** | **—** | — | — |
| (Gain) loss on license sales and exchanges, net | **—** | **—** | (5) | — |
| (Gain) loss on investments | **—** | **—** | (2) | — |
| Adjusted EBITDA (Non-GAAP)[1] | **$ 567** | **$ 158** | $ 1,063 | $ 317 |
| Deduct: | | | | |
| Equity in earnings of unconsolidated entities | **88** | **—** | 179 | — |
| Interest and dividend income | **3** | **—** | 8 | 5 |
| Other, net | **—** | **—** | — | (1) |
| Adjusted OIBDA (Non-GAAP)[1] | **$ 476** | **$ 159** | $ 876 | $ 314 |

Numbers may not foot due to rounding.

[1] EBITDA, Adjusted EBITDA and Adjusted OIBDA are defined as net income adjusted for the items set forth in the reconciliation above. EBITDA, Adjusted EBITDA and Adjusted OIBDA are not measures of financial performance under Generally Accepted Accounting Principles in the United States (GAAP) and should not be considered as alternatives to Net income or Cash flows from operating activities, as indicators of cash flows or as measures of liquidity. TDS does not intend to imply that any such items set forth in the reconciliation above are non-recurring, infrequent or unusual; such items may occur in the future. Management uses Adjusted EBITDA and Adjusted OIBDA as measurements of profitability, and therefore reconciliations to Net income are deemed appropriate. Management believes Adjusted EBITDA and Adjusted OIBDA are useful measures of TDS' operating results before significant recurring non-cash charges, gains and losses, and other items as presented above as they provide additional relevant and useful information to investors and other users of TDS' financial data in evaluating the effectiveness of its operations and underlying business trends in a manner that is consistent with management's evaluation of business performance. Adjusted EBITDA shows adjusted earnings before interest, taxes, depreciation, amortization and accretion, and gains and losses, while Adjusted OIBDA reduces this measure further to exclude Equity in earnings of unconsolidated entities and Interest and dividend income in order to more effectively show the performance of operating activities excluding investment activities. The table above reconciles EBITDA, Adjusted EBITDA and Adjusted OIBDA to the corresponding GAAP measure, Net income or Income before income taxes. Additional information and reconciliations related to Non-GAAP financial measures for June 30, 2021, can be found on TDS' website at investors.tdsinc.com.

# Conference Call Information

TDS will hold a conference call on August 6, 2021 at 9:00 a.m. Central Time.

- Access the live call on the Events & Presentations page of investors.tdsinc.com or at https://event.on24.com/wcc/r/3332389/4AA81608B2125409E9D3E06EB6B1A284
- Access the call by phone at (833) 968-2187, conference ID: 2249545.

Before the call, certain financial and statistical information to be discussed during the call will be posted to investors.tdsinc.com. The call will be archived on the Events & Presentations page of investors.tdsinc.com.

# About TDS

Telephone and Data Systems, Inc. (TDS), a Fortune 1000® company, provides wireless; broadband, video and voice; and hosted and managed services to approximately 6 million connections nationwide through its businesses, UScellular, TDS Telecom, and OneNeck IT Solutions. Founded in 1969 and headquartered in Chicago, TDS employed approximately 8,900 associates as of June 30, 2021.

Visit investors.tdsinc.com for comprehensive financial information, including earnings releases, quarterly and annual filings, shareholder information and more.

# Contacts

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***Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995:*** All information set forth in this news release, 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: intense competition; the ability to obtain or maintain roaming arrangements with other carriers on acceptable terms; the ability to obtain access to adequate radio spectrum to meet current or anticipated future needs, including participation in FCC auctions; the ability to attract people of outstanding talent throughout all levels of the organization; TDS' smaller scale relative to larger competitors; changes in demand, consumer preferences and perceptions, price competition, or churn rates; advances in technology; impacts of costs, integration problems or other factors associated with acquisitions, divestitures or exchanges of properties or wireless spectrum licenses and/or expansion of TDS' businesses; the ability of the company to successfully construct and manage its networks; difficulties involving third parties; uncertainties in TDS' future cash flows and liquidity and access to the capital markets; the ability to make payments on TDS and UScellular indebtedness or comply with the terms of debt covenants; conditions in the U.S. telecommunications industry; the value of assets and investments; the state and federal regulatory environment; pending and future litigation; cyber-attacks or other breaches of network or information technology security; disruption in credit or other financial markets; deterioration of U.S. or global economic conditions; the impact, duration and severity of public health emergencies, such as the COVID-19 pandemic. Investors are encouraged to consider these and other risks and uncertainties that are more fully described 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.

For more information about TDS and its subsidiaries, visit:
TDS: www.tdsinc.com
UScellular: www.uscellular.com
TDS Telecom: www.tdstelecom.com
OneNeck IT Solutions: www.oneneck.com

# United States Cellular Corporation
## Summary Operating Data (Unaudited)

| As of or for the Quarter Ended | 6/30/2021 | 3/31/2021 | 12/31/2020 | 9/30/2020 | 6/30/2020 |
|---|---|---|---|---|---|
| **Retail Connections** | | | | | |
| **Postpaid** | | | | | |
| Total at end of period | **4,399,000** | 4,406,000 | 4,412,000 | 4,401,000 | 4,372,000 |
| Gross additions | **141,000** | 143,000 | 171,000 | 168,000 | 129,000 |
| Feature phones | **3,000** | 3,000 | 2,000 | 4,000 | 3,000 |
| Smartphones | **98,000** | 101,000 | 117,000 | 98,000 | 82,000 |
| Connected devices | **40,000** | 39,000 | 52,000 | 66,000 | 44,000 |
| Net additions (losses) | **(6,000)** | (6,000) | 11,000 | 28,000 | 12,000 |
| Feature phones | **(7,000)** | (9,000) | (9,000) | (8,000) | (8,000) |
| Smartphones | **6,000** | 6,000 | 12,000 | 8,000 | 11,000 |
| Connected devices | **(5,000)** | (3,000) | 8,000 | 28,000 | 9,000 |
| ARPU[1] | **$ 47.74** | $ 47.65 | $ 47.51 | $ 47.10 | $ 46.24 |
| ARPA[2] | **$ 125.25** | $ 125.25 | $ 124.87 | $ 123.27 | $ 120.70 |
| Churn rate[3] | **1.11 %** | 1.12 % | 1.21 % | 1.06 % | 0.89 % |
| Handsets | **0.88 %** | 0.92 % | 1.01 % | 0.88 % | 0.71 % |
| Connected devices | **2.69 %** | 2.53 % | 2.64 % | 2.35 % | 2.24 % |
| **Prepaid** | | | | | |
| Total at end of period | **507,000** | 496,000 | 499,000 | 506,000 | 496,000 |
| Gross additions | **65,000** | 62,000 | 56,000 | 65,000 | 62,000 |
| Net additions (losses) | **10,000** | (3,000) | (8,000) | 11,000 | 2,000 |
| ARPU[1] | **$ 35.64** | $ 35.25 | $ 35.15 | $ 35.45 | $ 34.89 |
| Churn rate[3] | **3.66 %** | 4.37 % | 4.24 % | 3.59 % | 4.05 % |
| **Total connections at end of period[4]** | **4,967,000** | 4,961,000 | 4,968,000 | 4,962,000 | 4,919,000 |
| **Market penetration at end of period** | | | | | |
| Consolidated operating population | **31,493,000** | 31,493,000 | 31,314,000 | 31,314,000 | 31,292,000 |
| Consolidated operating penetration[5] | **16 %** | 16 % | 16 % | 16 % | 16 % |
| **Capital expenditures (millions)** | **$ 148** | $ 125 | $ 320 | $ 216 | $ 168 |
| **Total cell sites in service** | **6,819** | 6,802 | 6,797 | 6,758 | 6,673 |
| **Owned towers** | **4,278** | 4,270 | 4,271 | 4,246 | 4,208 |

1 Average Revenue Per User (ARPU) - metric is calculated by dividing a revenue base by an average number of connections and by the number of months in the period. These revenue bases and connection populations are shown below:

- Postpaid ARPU consists of total postpaid service revenues and postpaid connections.
- Prepaid ARPU consists of total prepaid service revenues and prepaid connections.

2 Average Revenue Per Account (ARPA) - metric is calculated by dividing total postpaid service revenues by the average number of postpaid accounts and by the number of months in the period.

3 Churn rate represents the percentage of the connections that disconnect service each month. These rates represent the average monthly churn rate for each respective period.

4 Includes reseller and other connections.

5 Market penetration is calculated by dividing the number of wireless connections at the end of the period by the total estimated population of consolidated operating markets.

## TDS Telecom
## Summary Operating Data (Unaudited)

| As of or for the Quarter Ended | 6/30/2021 | 3/31/2021 | 12/31/2020 | 9/30/2020 | 6/30/2020 |
|---|---|---|---|---|---|
| **Residential connections** | | | | | |
| Broadband[1] | | | | | |
| Wireline, Incumbent | **249,200** | 243,700 | 242,500 | 243,400 | 240,400 |
| Wireline, Expansion | **28,300** | 24,100 | 20,400 | 17,300 | 14,700 |
| Cable | **201,200** | 199,500 | 196,400 | 193,300 | 191,000 |
| Total Broadband | **478,700** | 467,300 | 459,300 | 454,000 | 446,000 |
| Video[2] | | | | | |
| Wireline | **64,800** | 63,000 | 63,000 | 62,300 | 61,400 |
| Cable | **78,400** | 79,600 | 81,400 | 82,300 | 83,200 |
| Total Video | **143,200** | 142,700 | 144,400 | 144,500 | 144,600 |
| Voice[3] | | | | | |
| Wireline | **254,200** | 255,000 | 256,900 | 260,000 | 261,800 |
| Cable | **54,000** | 53,700 | 53,900 | 54,400 | 55,300 |
| Total Voice | **308,100** | 308,700 | 310,800 | 314,400 | 317,100 |
| Total Residential connections | **930,100** | 918,700 | 914,400 | 913,000 | 907,800 |
| **Commercial connections** | | | | | |
| Broadband[1] | **34,900** | 34,400 | 34,000 | 33,700 | 33,400 |
| Video[2] | **19,100** | 19,400 | 19,700 | 19,700 | 20,300 |
| Voice[3] | **114,300** | 116,500 | 119,700 | 122,700 | 126,100 |
| ManagedIP[4] | **106,200** | 108,500 | 113,300 | 116,700 | 117,300 |
| Total Commercial connections | **274,400** | 278,800 | 286,700 | 292,900 | 297,200 |
| **Total connections** | **1,204,500** | 1,197,400 | 1,201,100 | 1,205,900 | 1,205,000 |
| | | | | | |
| **Residential revenue per connection[5]** | **$ 57.66** | $ 56.97 | $ 55.66 | $ 55.66 | $ 53.82 |
| | | | | | |
| **Capital expenditures (millions)** | **$ 99** | $ 70 | $ 147 | $ 92 | $ 75 |

Numbers may not foot due to rounding.

1 The individual customers provided high-speed internet access through various transmission technologies, including fiber, DSL, dedicated internet circuit technologies or cable modem service.

2 The individual customers provided video services.

3 The individual circuits connecting a customer to TDS' central office facilities that provide voice services or the billable number of lines into a building for voice services.

4 The number of telephone handsets, data lines and IP trunks providing communications using IP networking technology.

5 Total residential revenue per connection is calculated by dividing total residential revenue by the average number of residential connections and by the number of months in the period.

# Telephone and Data Systems, Inc.
# Consolidated Statement of Operations Highlights
# (Unaudited)

| (Dollars and shares in millions, except per share amounts) | Three Months Ended June 30, 2021 | Three Months Ended June 30, 2020 | 2021 vs. 2020 | Six Months Ended June 30, 2021 | Six Months Ended June 30, 2020 | 2021 vs. 2020 |
|---|---|---|---|---|---|---|
| **Operating revenues** | | | | | | |
| UScellular | **$ 1,014** | $ 973 | 4 % | **$ 2,037** | $ 1,937 | 5 % |
| TDS Telecom | **252** | 241 | 5 % | **501** | 481 | 4 % |
| All Other[1] | **45** | 49 | (8)% | **91** | 106 | (15)% |
| | **1,311** | 1,263 | 4 % | **2,629** | 2,524 | 4 % |
| **Operating expenses** | | | | | | |
| UScellular | | | | | | |
| Expenses excluding depreciation, amortization and accretion | **796** | 738 | 8 % | **1,561** | 1,471 | 6 % |
| Depreciation, amortization and accretion | **180** | 178 | 1 % | **350** | 354 | (2)% |
| (Gain) loss on asset disposals, net | **2** | 4 | (50)% | **7** | 8 | (9)% |
| (Gain) loss on sale of business and other exit costs, net | **—** | — | N/M | **(1)** | — | N/M |
| | **978** | 920 | 6 % | **1,917** | 1,833 | 5 % |
| TDS Telecom | | | | | | |
| Expenses excluding depreciation, amortization and accretion | **174** | 158 | 10 % | **342** | 319 | 7 % |
| Depreciation, amortization and accretion | **49** | 51 | (5)% | **98** | 103 | (5)% |
| (Gain) loss on asset disposals, net | **1** | — | N/M | **1** | — | N/M |
| | **224** | 210 | 7 % | **441** | 422 | 5 % |
| All Other[1] | | | | | | |
| Expenses excluding depreciation and amortization | **46** | 49 | (6)% | **94** | 105 | (13)% |
| Depreciation and amortization | **5** | 7 | (17)% | **9** | 13 | (17)% |
| | **51** | 55 | (7)% | **103** | 118 | (14)% |
| Total operating expenses | **1,253** | 1,185 | 6 % | **2,461** | 2,373 | 4 % |
| **Operating income (loss)** | | | | | | |
| UScellular | **36** | 53 | (32)% | **120** | 104 | 16 % |
| TDS Telecom | **28** | 31 | (10)% | **60** | 59 | 1 % |
| All Other[1] | **(6)** | (6) | – | **(12)** | (12) | 2 % |
| | **58** | 78 | (26)% | **168** | 151 | 12 % |
| **Investment and other income (expense)** | | | | | | |
| Equity in earnings of unconsolidated entities | **48** | 44 | 7 % | **90** | 90 | – |
| Interest and dividend income | **3** | 2 | 40 % | **6** | 8 | (22)% |
| Interest expense | **(86)** | (38) | N/M | **(138)** | (75) | (85)% |
| Other, net | **—** | — | (11)% | **(1)** | (1) | 10 % |
| Total investment and other income (expense) | **(35)** | 8 | N/M | **(43)** | 22 | N/M |
| **Income before income taxes** | **23** | 86 | (73)% | **125** | 173 | (28)% |
| Income tax expense (benefit) | **(11)** | 8 | N/M | **20** | 12 | 62 % |
| **Net income** | **34** | 78 | (56)% | **105** | 161 | (35)% |
| Less: Net income attributable to noncontrolling interests, net of tax | **7** | 13 | (44)% | **19** | 26 | (26)% |
| **Net income attributable to TDS shareholders** | **27** | 65 | (59)% | **86** | 135 | (36)% |
| TDS Preferred Share dividends | **7** | — | N/M | **9** | — | N/M |
| **Net income attributable to TDS common shareholders** | **$ 20** | $ 65 | (69)% | **$ 77** | $ 135 | (43)% |
| | | | | | | |
| **Basic weighted average shares outstanding** | **115** | 114 | – | **115** | 115 | – |
| **Basic earnings per share attributable to TDS common shareholders** | **$ 0.18** | $ 0.57 | (69)% | **$ 0.67** | $ 1.18 | (43)% |
| | | | | | | |
| **Diluted weighted average shares outstanding** | **116** | 115 | 1 % | **116** | 115 | – |
| **Diluted earnings per share attributable to TDS common shareholders** | **$ 0.17** | $ 0.56 | (70)% | **$ 0.65** | $ 1.15 | (43)% |

N/M - Percentage change not meaningful.

Numbers may not foot due to rounding.

[1] Consists of TDS corporate, intercompany eliminations and all other business operations not included in the UScellular and TDS Telecom segments.

# Telephone and Data Systems, Inc.
# Consolidated Balance Sheet Highlights
# (Unaudited)

## ASSETS

| | June 30, 2021 | December 31, 2020 |
|---|---|---|
| (Dollars in millions) | | |
| **Current assets** | | |
| Cash and cash equivalents | **$ 385** | $ 1,429 |
| Short-term investments | **—** | 3 |
| Accounts receivable, net | **1,072** | 1,112 |
| Inventory, net | **189** | 154 |
| Prepaid expenses | **108** | 105 |
| Income taxes receivable | **187** | 187 |
| Other current assets | **50** | 36 |
| Total current assets | **1,991** | 3,026 |
| **Assets held for sale** | **3** | 2 |
| **Licenses** | **3,926** | 2,638 |
| **Goodwill** | **547** | 547 |
| **Other intangible assets, net** | **207** | 213 |
| **Investments in unconsolidated entities** | **487** | 477 |
| **Property, plant and equipment, net** | **3,972** | 3,972 |
| **Operating lease right-of-use assets** | **1,021** | 998 |
| **Other assets and deferred charges** | **626** | 652 |
| **Total assets** | **$ 12,780** | $ 12,525 |

# Telephone and Data Systems, Inc.
# Consolidated Balance Sheet Highlights
# (Unaudited)

## LIABILITIES AND EQUITY

| (Dollars in millions, except per share amounts) | June 30, 2021 | December 31, 2020 |
|---|---|---|
| **Current liabilities** | | |
| Current portion of long-term debt | $ 6 | $ 5 |
| Accounts payable | 374 | 508 |
| Customer deposits and deferred revenues | 199 | 193 |
| Accrued interest | 13 | 16 |
| Accrued taxes | 66 | 69 |
| Accrued compensation | 92 | 132 |
| Short-term operating lease liabilities | 138 | 129 |
| Other current liabilities | 98 | 101 |
| Total current liabilities | 986 | 1,153 |
| | | |
| **Liabilities held for sale** | — | 1 |
| | | |
| **Deferred liabilities and credits** | | |
| Deferred income tax liability, net | 903 | 863 |
| Long-term operating lease liabilities | 951 | 940 |
| Other deferred liabilities and credits | 538 | 541 |
| | | |
| **Long-term debt, net** | 3,335 | 3,424 |
| | | |
| **Noncontrolling interests with redemption features** | 10 | 10 |
| | | |
| **Equity** | | |
| TDS shareholders' equity | | |
| Series A Common and Common Shares, par value $0.01 per share | 1 | 1 |
| Capital in excess of par value | 2,462 | 2,482 |
| Preferred Shares, par value $0.01 per share | 406 | — |
| Treasury shares, at cost | (458) | (477) |
| Accumulated other comprehensive loss | (2) | (4) |
| Retained earnings | 2,812 | 2,802 |
| Total TDS shareholders' equity | 5,221 | 4,804 |
| | | |
| Noncontrolling interests | 836 | 789 |
| | | |
| Total equity | 6,057 | 5,593 |
| | | |
| **Total liabilities and equity** | $ 12,780 | $ 12,525 |

## Balance Sheet Highlights
## (Unaudited)

| | June 30, 2021 | | | | |
|---|---|---|---|---|---|
| | UScellular | TDS Telecom | TDS Corporate & Other | Intercompany Eliminations | TDS Consolidated |
| (Dollars in millions) | | | | | |
| Cash and cash equivalents | $ 267 | $ 167 | $ 119 | $ (168) | $ 385 |
| | | | | | |
| Licenses, goodwill and other intangible assets | $ 3,917 | $ 756 | $ 7 | $ — | $ 4,680 |
| Investment in unconsolidated entities | 445 | 4 | 46 | (8) | 487 |
| | $ 4,362 | $ 760 | $ 53 | $ (8) | $ 5,167 |
| | | | | | |
| Property, plant and equipment, net | $ 2,386 | $ 1,492 | $ 94 | $ — | $ 3,972 |
| | | | | | |
| Long-term debt, net: | | | | | |
| Current portion | $ 3 | $ — | $ 3 | $ — | $ 6 |
| Non-current portion | 2,710 | 4 | 621 | — | 3,335 |
| | $ 2,713 | $ 4 | $ 624 | $ — | $ 3,341 |

# TDS Telecom Highlights
# (Unaudited)

| | Three Months Ended June 30, | | | Six Months Ended June 30, | | |
|---|---|---|---|---|---|---|
| | **2021** | 2020 | 2021 vs. 2020 | **2021** | 2020 | 2021 vs. 2020 |
| (Dollars in millions) | | | | | | |
| **Operating revenues** | | | | | | |
| Residential | | | | | | |
| Wireline, Incumbent | **$ 86** | $ 81 | 7 % | **$ 171** | $ 162 | 6 % |
| Wireline, Expansion | **8** | 4 | 81 % | **15** | 8 | 80 % |
| Cable | **66** | 60 | 10 % | **131** | 119 | 9 % |
| Total residential | **160** | 145 | 10 % | **317** | 289 | 10 % |
| Commercial | **46** | 48 | (4)% | **93** | 98 | (5)% |
| Wholesale | **45** | 47 | (3)% | **91** | 94 | (3)% |
| Total service revenues | **251** | 240 | 5 % | **500** | 480 | 4 % |
| Equipment revenues | **—** | — | 5 % | **1** | 1 | 7 % |
| Total operating revenues | **252** | 241 | 5 % | **501** | 481 | 4 % |
| | | | | | | |
| Cost of services | **101** | 92 | 10 % | **199** | 188 | 6 % |
| Cost of equipment and products | **—** | — | (12)% | **—** | — | (7)% |
| Selling, general and administrative expenses | **73** | 66 | 11 % | **143** | 130 | 10 % |
| Depreciation, amortization and accretion | **49** | 51 | (5)% | **98** | 103 | (5)% |
| (Gain) loss on asset disposals, net | **1** | — | N/M | **1** | — | N/M |
| Total operating expenses | **224** | 210 | 7 % | **441** | 422 | 5 % |
| | | | | | | |
| **Operating income** | **$ 28** | $ 31 | (10)% | **$ 60** | $ 59 | 1 % |

N/M - Percentage change not meaningful

Numbers may not foot due to rounding.