

Business Segment Information

Three Months Ended September 30, 2023	UScellular	TDS Telecom	Corporate, Eliminations and Other	Total
(Dollars in thousands)				
Operating revenues				
Service	\$ 762,241	\$ 256,164	\$ 24,916	\$ 1,043,321
Equipment and product sales	201,240	215	33,175	234,630
Total operating revenues	963,481	256,378	58,092	1,277,951
Cost of services (excluding Depreciation, amortization, and accretion reported below)	184,619	107,219	19,354	311,192
Cost of equipment and products	228,103	168	27,336	255,607
Selling, general and administrative	333,535	82,035	16,688	432,258
Depreciation, amortization and accretion	159,980	61,171	3,695	224,846
(Gain) loss on asset disposals, net	581	5,568	109	6,258
(Gain) loss on sale of business and other exit costs, net	(47)	—	—	(47)
Operating income (loss)	56,710	216	(9,089)	47,837
Equity in earnings of unconsolidated entities	39,602	—	361	39,963
Interest and dividend income	2,771	1,101	1,383	5,255
Interest expense	(48,990)	2,227	(15,852)	(62,615)
Other, net	(19)	339	—	320
Income (loss) before income taxes	50,074	3,883	(23,197)	30,760
Income tax expense (benefit)	26,578	156	(290)	26,444
Net income (loss)	23,496	3,727	(22,907)	4,316
Add back:				
Depreciation, amortization and accretion	159,980	61,171	3,695	224,846
Expenses related to strategic alternatives review	2,754	—	1,484	4,238
(Gain) loss on asset disposals, net	581	5,568	109	6,258
Interest expense	48,990	(2,227)	15,852	62,615
Income tax expense (benefit)	26,578	156	(290)	26,444
Adjusted EBITDA	\$ 262,332	\$ 68,395	\$ (2,057)	\$ 328,670
Investments in unconsolidated entities	\$ 476,715	\$ 3,946	\$ 39,333	\$ 519,994
Total assets	\$ 10,748,708	\$ 3,315,341	\$ 349,914	\$ 14,413,963
Capital expenditures	\$ 110,951	\$ 171,689	\$ 2,178	\$ 284,818

Numbers may not foot due to rounding.

Nine Months Ended September 30, 2023	UScellular	TDS Telecom	Corporate, Eliminations and Other	Total
(Dollars in thousands)				
Operating revenues				
Service	\$ 2,289,040	\$ 765,856	\$ 72,735	\$ 3,127,631
Equipment and product sales	616,643	651	102,866	720,160
Total operating revenues	2,905,683	766,507	175,601	3,847,791
Cost of services (excluding Depreciation, amortization, and accretion reported below)	556,713	319,183	57,009	932,905
Cost of equipment and products	708,309	495	85,196	794,000
Selling, general and administrative	1,019,419	243,676	44,468	1,307,563
Depreciation, amortization and accretion	489,891	180,014	11,439	681,344
(Gain) loss on asset disposals, net	13,846	8,349	56	22,251
(Gain) loss on sale of business and other exit costs, net	34	—	—	34
Operating income (loss)	117,471	14,789	(22,566)	109,694
Equity in earnings of unconsolidated entities	121,374	—	554	121,928
Interest and dividend income	7,769	2,910	5,491	16,170
Interest expense	(147,136)	6,024	(36,959)	(178,071)
Other, net	(99)	1,032	(12)	921
Income (loss) before income taxes	99,379	24,755	(53,492)	70,642
Income tax expense (benefit)	56,048	5,637	(6,987)	54,698
Net income (loss)	43,331	19,118	(46,505)	15,944
Add back:				
Depreciation, amortization and accretion	489,891	180,014	11,439	681,344
Expenses related to strategic alternatives review	2,754	—	1,484	4,238
(Gain) loss on asset disposals, net	13,846	8,349	56	22,251
(Gain) loss on sale of business and other exit costs, net	34	—	—	34
Interest expense	147,136	(6,024)	36,959	178,071
Income tax expense (benefit)	56,048	5,637	(6,987)	54,698
Adjusted EBITDA	<u>\$ 753,040</u>	<u>\$ 207,094</u>	<u>\$ (3,554)</u>	<u>\$ 956,580</u>
Capital expenditures	\$ 462,238	\$ 433,909	\$ 9,635	\$ 905,782