

2024 Estimated Results

TDS' current estimates of full-year 2024 results for UScellular and TDS Telecom are shown below. Such estimates represent management's view as of February 16, 2024 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.

UScellular	2024 Estimated Results	Actual Results for the Year Ended December 31, 2023
(Dollars in millions)		
Service revenues	\$2,950-\$3,050	\$3,044
Adjusted OIBDA ^{1, 2}	\$750-\$850	\$818
Adjusted EBITDA ^{1, 2}	\$920-\$1,020	\$986
Capital expenditures	\$550-\$650	\$611
TDS Telecom	2024 Estimated Results	Actual Results for the Year Ended December 31, 2023
(Dollars in millions)		
Total operating revenues	\$1,070-\$1,100	\$1,028
Adjusted OIBDA ¹	\$310-\$340	\$279
Adjusted EBITDA ¹	\$310-\$340	\$285
Capital expenditures	\$310-\$340	\$577

The following tables reconcile EBITDA, Adjusted EBITDA, and Adjusted OIBDA to the corresponding GAAP measures, Net income (loss) or Income (loss) before income taxes. In providing 2024 estimated results, TDS has not completed the below reconciliation to Net income (loss) 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.

	UScellular		TDS Telecom	
	2024 Estimated Results ²	Actual Results for the Year Ended December 31, 2023	2024 Estimated Results ²	Actual Results for the Year Ended December 31, 2023
(Dollars in millions)				
Net income (loss) (GAAP)	N/A	\$58	N/A	(\$483)
Add back:				
Income tax expense	N/A	53	N/A	(26)
Income (loss) before income taxes (GAAP)	\$40-\$140	\$111	\$40-\$70	(\$509)
Add back:				
Interest expense	195	196	—	(8)
Depreciation, amortization and accretion expense	665	656	270	245
EBITDA (Non-GAAP)¹	\$900-\$1,000	\$963	\$310-\$340	(\$272)
Add back or deduct:				
Expenses related to strategic alternatives review	—	8	—	—
Loss on impairment of goodwill	—	—	—	547
(Gain) loss on asset disposals, net	20	17	—	10
(Gain) loss on license sales and exchanges, net	—	(2)	—	—
Adjusted EBITDA (Non-GAAP)¹	\$920-\$1,020	\$986	\$310-\$340	\$285
Deduct:				
Equity in earnings of unconsolidated entities	160	158	—	—
Interest and dividend income	10	10	—	4
Other, net	—	—	—	2
Adjusted OIBDA (Non-GAAP)¹	\$750-\$850	\$818	\$310-\$340	\$279

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 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, nonrecurring expenses, 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, gains and losses, and expenses related to the strategic alternatives review of UScellular 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 (loss) or Income (loss) before income taxes. Additional information and reconciliations related to Non-GAAP financial measures for December 31, 2023, can be found on TDS' website at investors.tdsinc.com.

² 2024 Estimated Results do not reflect any anticipated costs, expenses or results of the strategic alternatives review referenced above.