First Quarter 2017 Results

May 5, 2017

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

All information set forth in this presentation, 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 execute TDS' business strategy; uncertainties in TDS' future cash flows and liquidity and access to the capital markets; the ability to make payments on TDS and U.S. Cellular indebtedness or comply with the terms of debt covenants; impacts of any pending acquisitions/divestitures/exchanges of properties and/or licenses, including, but not limited to, the ability to obtain regulatory approvals, successfully complete the transactions and the financial impacts of such transactions; the ability of the company to successfully manage and grow its markets; the access to and pricing of unbundled network elements; the ability to obtain or maintain roaming arrangements with other carriers on acceptable terms; the state and federal telecommunications regulatory environment; the value of assets and investments; adverse changes in the ratings afforded TDS and U.S. Cellular debt securities by accredited ratings organizations; industry consolidation; advances in telecommunications technology; pending and future litigation; changes in income tax rates, laws, regulations or rulings; changes in customer growth rates, average monthly revenue per user, churn rates, roaming revenue and terms, the availability of wireless devices, or the mix of products and services offered by U.S. Cellular and TDS Telecom. Investors are encouraged to consider these and other risks and uncertainties that are discussed in documents furnished to the Securities and Exchange Commission.

Upcoming conferences

- 6/7/17 – Baird Global Consumer, Technology & Services Conference – 2017 (New York)
- 6/8/17 – Citi 2017 Small & Mid Cap Conference (New York)

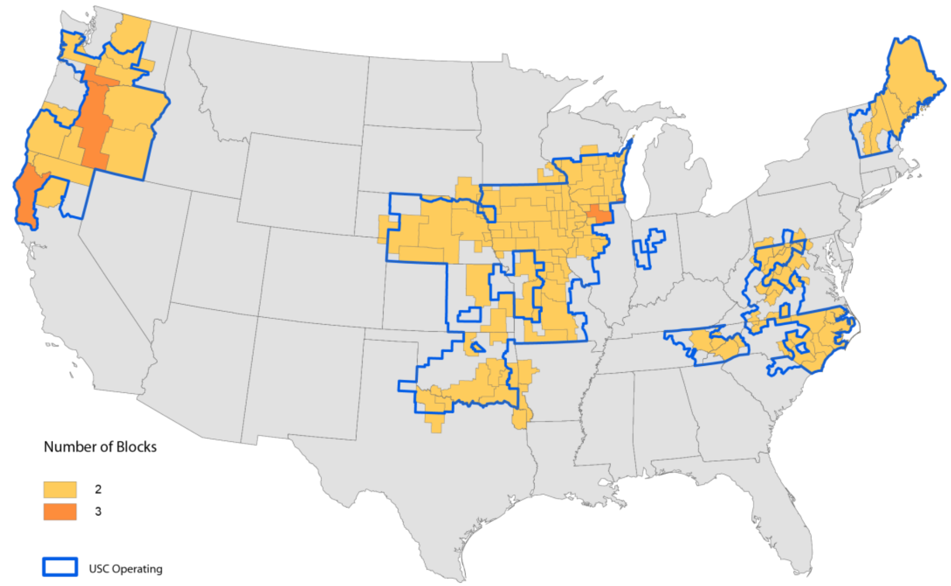
First quarter highlights

- Focus on protecting customer base
  - Launched Total Plans, including an unlimited plan, in late February
  - Handset churn reduced to 1.08%
  - Competitive portfolio of products and services
- Adjusted EBITDA up 11%
  - Economically justified promotions
  - Strong cost focus

Network Quality is still our competitive advantage

U.S. Cellular

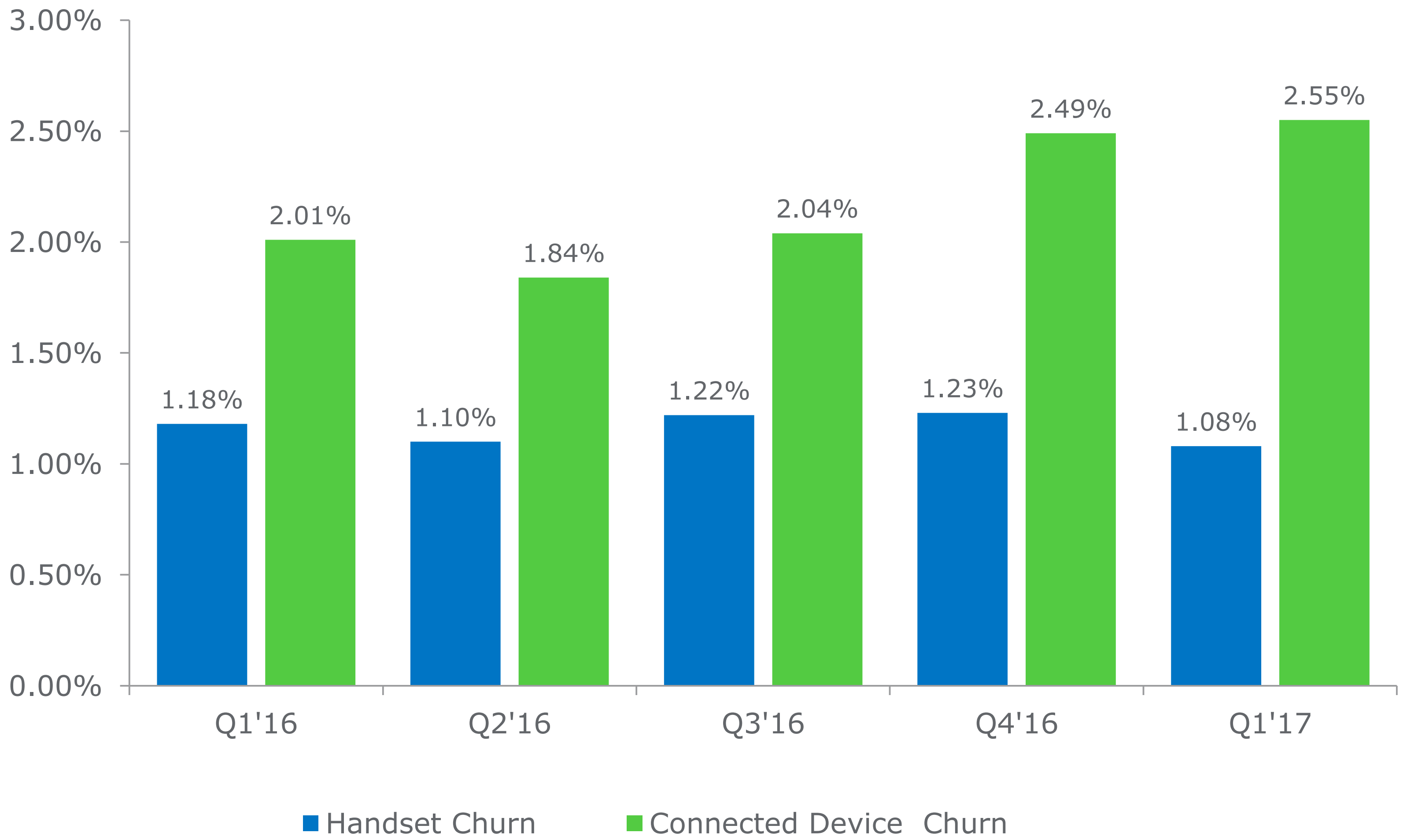
- U.S. Cellular received the JD Power award for the Highest Wireless Network Quality Performance in the North Central Region
- VoLTE deployment
  - Iowa commercial launch imminent
  - WI, WA, OR and CA are next VoLTE markets for 2018
  - New products and services for customers
  - Roaming revenue opportunity
- 600 MHz Auction – acquired spectrum covering a significant portion of footprint, providing a long-term solution to the growing demand for data



Connection Activity

	Q1'17	Q1'16
Postpaid gross additions	146,000	215,000
Handsets gross additions	95,000	133,000
Connected Devices gross additions	51,000	82,000
Postpaid churn	1.29%	1.28%
Postpaid net additions (losses)	(27,000)	45,000
Handsets net losses	(28,000)	(5,000)
Connected Devices net additions	1,000	50,000
Prepaid net additions (losses)	(4,000)	12,000
Retail net additions (losses)	(31,000)	57,000
Total retail connections	4,935,000	4,853,000

Postpaid churn rate



Total operating revenues

($ in millions)	Q1’17	Q1’16	% Change
Service revenues [1]	$746	$771	(3%)
Retail service	657	682	(4%)
Roaming	27	36	(26%)
Tower rentals	15	14	7%
Other [1]	47	39	21%
Equipment sales revenues	190	198	(4%)
Total operating revenues [1]	$936	$969	(3%)

(1) Equipment installment plan interest income is reflected as a component of Service revenues consistent with an accounting policy change effective January 1, 2017. All prior period numbers have been recast to conform to this accounting change.

Postpaid revenue

	Q1’17	Q1’16	% Change
Average Revenue Per User	$45.42	$48.13	(6%)
Add: EIP billings	10.40	7.93	31%
Average Billings Per User (ABPU) (1)	$55.82	$56.06	0%
Average Revenue Per Account	$121.88	$125.36	(3%)
Add: EIP billings	27.90	20.63	35%
Average Billings Per Account (ABPA) (1)	$149.78	$145.99	3%
Average Postpaid Connections Per Account	2.68	2.60	3%
EIP Sales Mix	80%	69%	11%

(1)ABPU and ABPA are non-GAAP financial measures that are defined in the non-GAAP reconciliation at the end of the presentation.

Operating cash flow

($ in millions)	Q1'17	Q1'16	% Change
Total operating revenues [3]	$936	$969	(3%)
System operations expense	175	184	(4%)
Cost of equipment sold	228	256	(11%)
SG&A expenses	339	361	(6%)
Total cash expenses [1]	742	801	(7%)
Operating cash flow [2][3]	$194	$168	15%

(1) Total cash expenses represent total operating expenses as shown in the Consolidated Statement of Operations Highlights, less depreciation, amortization and accretion and gains/losses.
(2) Operating cash flow is a non-GAAP financial measure that is defined in the non-GAAP reconciliation at the end of the presentation.
(3) Equipment installment plan interest income is reflected as a component of Service revenues consistent with an accounting policy change effective January 1, 2017. All prior period numbers have been recast to conform to this accounting change.

Adjusted EBITDA

($ in millions)	Q1'17	Q1'16	% Change
Operating cash flow (1)(2)	$194	$168	15%
Equity in earnings of unconsolidated entities	33	35	(7%)
Interest and dividend income (2)	3	2	44%
Other, net	(1)	1	(1%)
Adjusted EBITDA (1)	$229	$206	11%

(1) Operating cash flow and Adjusted EBITDA are non-GAAP financial measures that are defined in the non-GAAP reconciliation at the end of the presentation.
(2) Equipment installment plan interest income is reflected as a component of Service revenues consistent with an accounting policy change effective January 1, 2017. All prior period numbers have been recast to conform to this accounting change.

2017 guidance [1]

($ in millions) As of May 5, 2017	2016 Actual [2]	2017 Previous Estimates	2017 Revised Estimates
Total operating revenues	$3,990	$3,800-$4,000	Unchanged
Operating cash flow [3]	$669	$500-$650	$550-$650
Adjusted EBITDA [3]	$816	$650-$800	$700-$800
Capital expenditures	$446	Approx. $500	Unchanged

(1) There can be no assurance that final results will not differ materially from such estimated results.
(2) Equipment installment plan interest income is reflected as a component of Service revenues consistent with an accounting policy change effective January 1, 2017. All prior period numbers have been recast to conform to this accounting change.
(3) Operating cash flow and Adjusted EBITDA are non-GAAP financial measures that are defined in the non-GAAP reconciliation at the end of the presentation.

TDS®

bendbroadband™

OneNeck®
IT SOLUTIONS
a TDS® Company

2017 strategic priorities

- Wireline
  - Increase penetration in existing fiber markets and continue to modestly deploy fiber where economically feasible
  - Leverage copper bonding to increase penetration of higher speed broadband customers
  - Year 1 A-CAM – drive fiber deeper into network
- Cable
  - Increase broadband penetration
  - Continue to evaluate potential acquisitions
- Hosted and Managed Services
  - Focus on growth of recurring service revenues
    - Lead with managed services and hybrid cloud offering
  - Continue process automation and standardization

TDS Telecom operating performance

($ in millions)	Q1'17	Q1'16	% Change
Wireline	$179	$173	3%
Cable	49	45	10%
HMS	71	64	11%
Total operating revenues (1)	299	281	6%
Cash expenses (1)(2)	213	205	4%
Adjusted EBITDA (3)	$ 86	$ 76	13%
Capital expenditures	$ 33	$ 42	(22%)

(1) Includes intercompany eliminations
(2) Cash expenses represent cost of services, cost of equipment and products, and selling, general and administrative expenses, and are identified as Expenses excluding depreciation, amortization and accretion on the Consolidated Statement of Operations Highlights.
(3) Adjusted EBITDA is a non-GAAP financial measure that is defined in the non-GAAP reconciliation at the end of the presentation.

First quarter Wireline highlights

- Continued success selling triple play bundles
- IPTV connections up 18%
  - Residential revenue per connection up 4%
- Demand for higher speeds is strong
- Ability to offset legacy declines with growth from fiber investments and A-CAM support
- Free cash flow improvement as capital intensity declines

	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17*	% Change (Y/Y)
IPTV connections	38,300	41,200	43,600	45,300	45,200	18%
Residential revenue per connection	$43.28	$43.67	$44.25	$44.27	$45.17	4%

	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
Take rate % at 10 MB or higher	49%	50%	52%	53%	54%
Take rate % at 50 MB or higher	15%	17%	18%	20%	20%

* Changed count methodology

Wireline operating performance

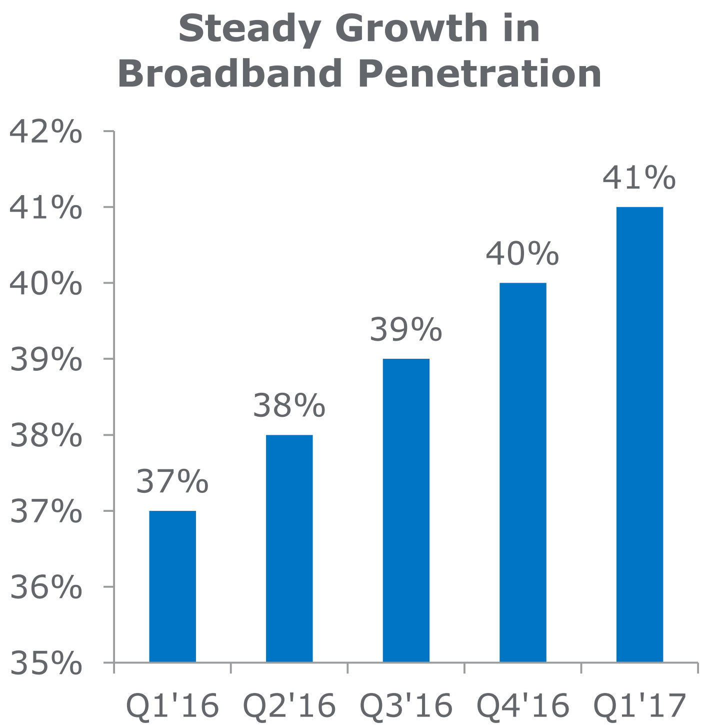
($ in millions)	Q1’17	Q1’16	% Change
Residential	$79	$76	4%
Commercial	51	54	(6)%
Wholesale	49	43	15%
Total service revenues	179	173	4%
Cash expenses (1)	111	111	---
Adjusted EBITDA (2)	$69	$63	10%
Capital expenditures	$17	$27	(37%)

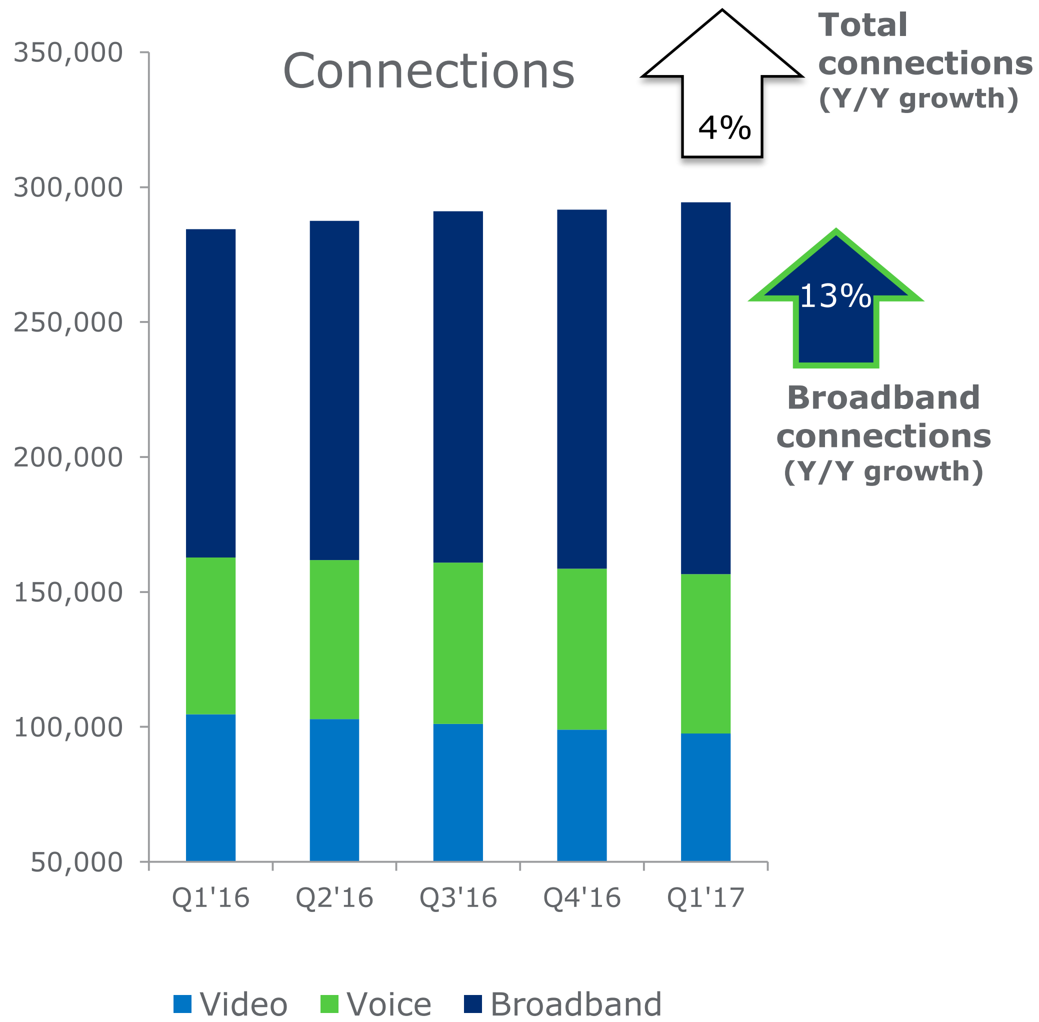
(1) Cash expenses represent cost of services and selling, general and administrative expenses, and are identified as Expenses excluding depreciation, amortization and accretion on the Consolidated Statement of Operations Highlights.

(2) Adjusted EBITDA is a non-GAAP financial measure that is defined in the non-GAAP reconciliation at the end of the presentation.

First quarter Cable highlights

- Broadband connections increase 13%
- Revenues increase 10%





Cable operating performance

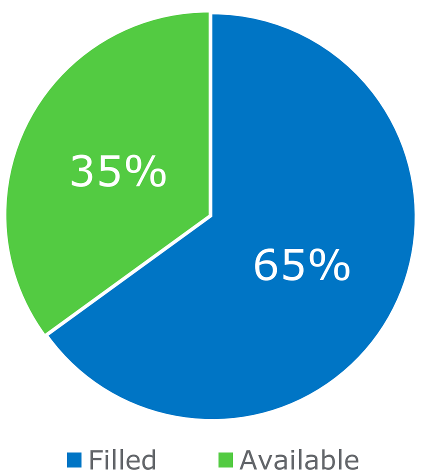
($ in millions)	Q1'17	Q1'16	% Change
Residential	$ 41	$ 35	15%
Commercial	9	10	(8%)
Total operating revenues	49	45	10%
Cash expenses (1)	36	34	6%
Adjusted EBITDA (2)	$13	$10	23%
Capital expenditures	$9	$13	(30%)

(1) Cash expenses represent cost of services and selling, general and administrative expenses, and are identified as Expenses excluding depreciation, amortization and accretion on the Consolidated Statement of Operations Highlights.
(2) Adjusted EBITDA is a non-GAAP financial measure that is defined in the non-GAAP reconciliation at the end of the presentation.

First quarter HMS highlights

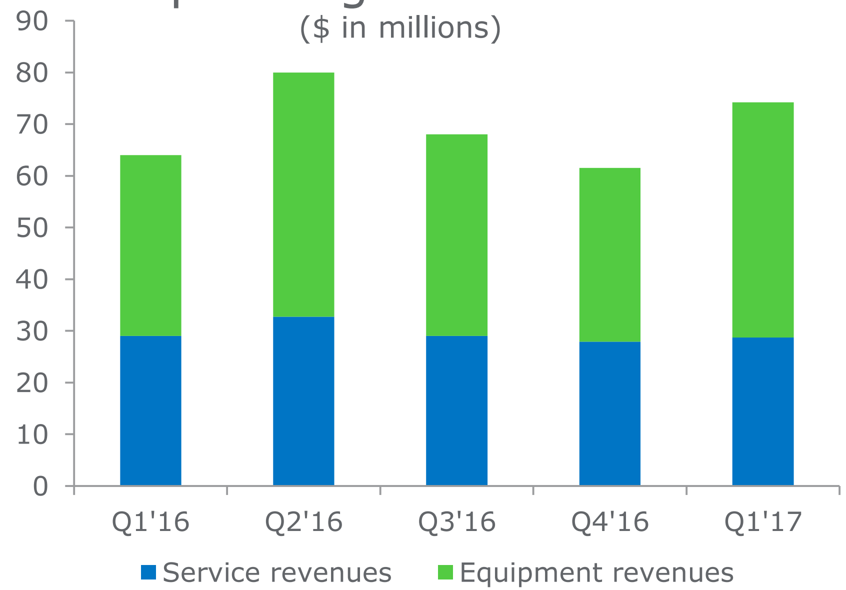
- Focus on growth of recurring service revenues
  - Utilize new data center capacity
- Equipment revenue and COGS higher due to timing of sales
- Capital expenditures related to expansion of fully-utilized Madison data center

Rentable data center space



Operating Revenues

($ in millions)



Hosted and Managed Services operating performance

($ in millions)	Q1'17	Q1'16	% Change
Service revenues	$29	$29	(1%)
Equipment sales	43	35	21%
Total operating revenues	71	64	11%
Cash expenses (1)	67	61	9%
Adjusted EBITDA (2)	$ 5	$ 3	41%
Capital expenditures	$ 6	$ 2	>100%

(1) Cash expenses represent cost of services, cost of equipment and products, and selling, general and administrative expenses, and are identified as Expenses excluding depreciation, amortization and accretion on the Consolidated Statement of Operations Highlights.
(2) Adjusted EBITDA is a non-GAAP financial measure that is defined in the non-GAAP reconciliation at the end of the presentation.

2017 TDS Telecom guidance (1)

Unchanged from previous estimates

($ in millions) As of May 5, 2017	2016 Actual	2017 Estimates
Total operating revenues	$1,151	$1,200 - $1,250
Operating cash flow (2)	$295	$300 - $340
Adjusted EBITDA (2)	$298	$300 - $340
Capital expenditures	$173	Approx. $225

(1) There can be no assurance that final results will not differ materially from such estimated results.
(2) Operating cash flow and Adjusted EBITDA are non-GAAP financial measures that are defined in the non-GAAP reconciliation at the end of the presentation.

Appendix

Operating Cash Flow and Adjusted EBITDA Reconciliation

($ in millions)	Three months ended March 31, 2017						Three months ended March 31, 2016					
	U.S. Cellular	**Wireline**	**Cable**	**HMS**	**Total TDS Telecom**	**TDS (1)**	**U.S. Cellular**	**Wireline**	**Cable**	**HMS**	**Total TDS Telecom**	**TDS (1)**
Net income (loss) (GAAP)	$28	N/A	N/A	N/A	$18	$43	$9	N/A	N/A	N/A	$10	$10
Add back:												
Income tax expense (benefit)	33	N/A	N/A	N/A	11	34	11	N/A	N/A	N/A	7	13
Income (loss) before income taxes (GAAP)	**61**	**30**	**2**	**(3)**	**29**	**77**	**20**	**22**	---	**(5)**	**17**	**23**
Add back:												
Interest expense	28	---	---	1	1	42	28	(1)	---	1	---	41
Depreciation, amortization and accretion expense	153	39	10	7	56	211	153	42	9	7	58	212
EBITDA (non-GAAP)	242	69	12	5	86	330	201	63	9	3	75	276
Add back:												
(Gain) loss on assets disposals, net	4	---	---	---	1	4	5	---	1	---	1	6
(Gain) loss on license sales and exchanges, net	(17)	---	---	---	---	(17)	---	---	---	---	---	---
Adjusted EBITDA (2) (non-GAAP)	229	69	13	5	86	317	206	63	10	3	76	282
Deduct:												
Equity in earnings of unconsolidated entities	33	---	---	---	---	32	35	---	---	---	---	35
Interest and dividend income (6)	3	1	---	---	1	4	2	1	---	---	1	3
Other, net	(1)	---	---	---	---	1	1	---	(1)	---	(1)	---
Operating cash flow (2) (3) (non-GAAP)	$194	$68	$13	$4	$85	$280	$168	$62	$11	$3	$76	$244

Operating Cash Flow and Adjusted EBITDA Reconciliation – 2017 Estimated and 2016 Full Year

In providing 2017 estimated results, TDS has not completed the below reconciliation to net income because it does not provide guidance for income taxes. TDS believes that the impact of income taxes cannot be reasonably predicted; therefore, the company is unable to provide such guidance.

	2017 Estimated Results			Actual Results Year ended December 31, 2016		
(Dollars in millions)	**U.S. Cellular**	**TDS Telecom**	**TDS(1)**	**U.S. Cellular**	**TDS Telecom**	**TDS (1)**
Net income (loss) (GAAP)	N/A	**N/A**	**N/A**	**$49**	**$42**	**$52**
Add back:						
Income tax expense (benefit)	N/A	N/A	**N/A**	33	25	40
Income (loss) before income taxes (GAAP)	**$(45)-$55**	**$80-$120**	**$(25)-$115**	**$82**	**$67**	**$92**
Add back:						
Interest expense	110	---	165	113	3	170
Depreciation, amortization and accretion	630	220	860	618	224	850
EBITDA (non-GAAP)	$695-$795	$300-$340	$1,000-$1,140	$813	$294	$1,112
Add back:						
(Gain) loss on sale of business and other exit costs, net	---	---	---	---	---	(1)
(Gain) loss on license sales and exchanges, net (4)	(15)	---	(15)	(19)	(1)	(20)
(Gain) loss on assets disposals, net	20	---	20	22	4	27
Adjusted EBITDA (2) (non-GAAP)	$700-$800	$300-$340	$1,005-$1,145	$816	$298	$1,118
Deduct:						
Equity in earnings of unconsolidated entities	140	---	140	140	---	140
Interest and dividend income (6)	10	---	10	6	3	11
Other, net	--	---	---	1	---	---
Operating cash flow (2)(3) (non-GAAP)	$550-$650	$300-$340	$855-$995	$669	$295	$967

Postpaid ABPU (5) and Postpaid ABPA (5) Reconciliation

(dollars and connection counts in millions)	Three months ended March 31, 2017	Three months ended March 31, 2016
Calculation of Postpaid ARPU		
Postpaid service revenues	$608	$639
Average number of postpaid connections	4.46	4.43
Number of months in period	3	3
Postpaid ARPU (GAAP metric)	**$45.42**	**$48.13**
Calculation of Postpaid ABPU (5)		
Postpaid service revenues	$608	$639
Equipment installment plan billings	139	105
Total billings to postpaid connections	$747	$744
Average number of postpaid connections	4.46	4.43
Number of months in period	3	3
Postpaid ABPU (non-GAAP metric) (5)	$55.82	$56.06
Calculation of Postpaid ARPA		
Postpaid service revenues	$608	$639
Average number of postpaid accounts	1.66	1.70
Number of months in period	3	3
Postpaid ARPA (GAAP metric)	**$121.88**	**$125.36**
Calculation of Postpaid ABPA (5)		
Postpaid service revenues	$608	$639
Equipment installment plan billings	139	105
Total billings to postpaid accounts	$747	$744
Average number of postpaid accounts	1.66	1.70
Number of months in period	3	3
Postpaid ABPA (non-GAAP metric) (5)	$149.78	$145.99

(1)The TDS column includes U.S. Cellular, TDS Telecom and also the impacts of consolidating eliminations, corporate operations and non-reportable segments, all of which are not presented above.

(2)Adjusted EBITDA (earnings before interest, taxes, depreciation, amortization and accretion) is defined as net income adjusted for the items set forth in the reconciliation above. Operating cash flow is defined as net income adjusted for the items set forth in the reconciliation above. Adjusted EBITDA and Operating cash flow 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 Operating cash flow as measurements of profitability, and therefore reconciliations to applicable GAAP income measures are deemed most appropriate. Management believes Adjusted EBITDA and Operating cash flow 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 Operating cash flow 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 Adjusted EBITDA and Operating cash flow to the corresponding GAAP measure, Net income or Income (loss) before income taxes.

(3)A reconciliation of Operating cash flow (Non-GAAP) and Operating income (excluding gains and losses) (Non-GAAP) to operating income (GAAP) for March 31, 2017 actual results can be found on the company's website at investors.tdsinc.com.

(4)In 2016, U.S. Cellular completed multiple agreements to exchange licenses. Agreements are subject to regulatory approval and other customary closing conditions. A portion of one of the agreements subsequently closed in the first quarter of 2017 and resulted in a gain.

(5)U.S. Cellular presents Postpaid ABPU and Postpaid ABPA to reflect the revenue shift from Service revenues to Equipment and product sales resulting from the increased adoption of equipment installment plans. Postpaid ABPU and Postpaid ABPA, as previously defined, are non-GAAP financial measures which U.S. Cellular believes are useful to investors and other users of its financial information in showing trends in both service and equipment revenues received from customers.

(6)Equipment installment plan interest income is reflected as a component of Service revenues consistent with an accounting policy change effective January 1, 2017. All prior period numbers have been recast to conform to this accounting change.