Second Quarter 2017 Results

August 4, 2017

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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 and roadshows

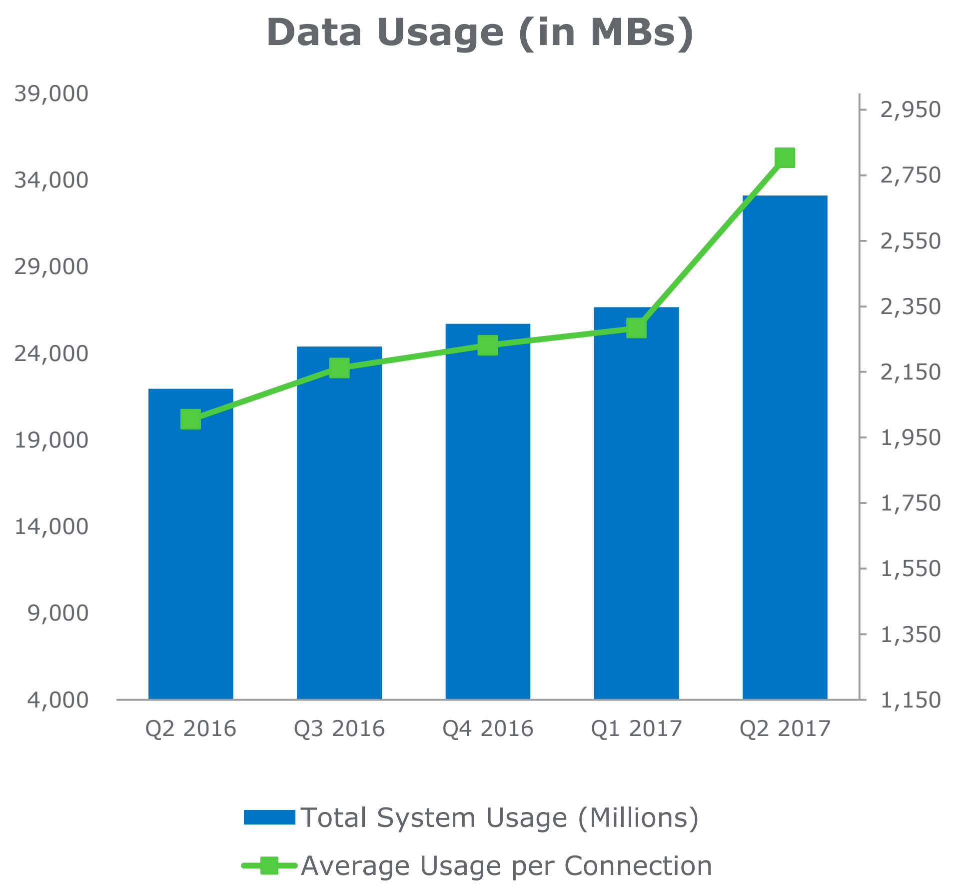
- September 6 – Drexel Hamilton Telecom, Media & Technology Conference – New York
- September 13 – TDS/USM CTIA analyst meetings – San Francisco
- October 2 – 6 – European Roadshow

Second quarter highlights

- Focus on protecting and growing the customer base
  - Postpaid handset growth
    - Handset gross additions up 7%
    - Handset churn reduced to 0.91%
    - 23,000 postpaid net additions
- Aggressive, yet economical, promotions and pricing
    - One iconic device launch in the first half of 2017
    - Multiple iconic device launches anticipated in the second half of 2017
- Ongoing focus on costs

Network quality remains our competitive advantage

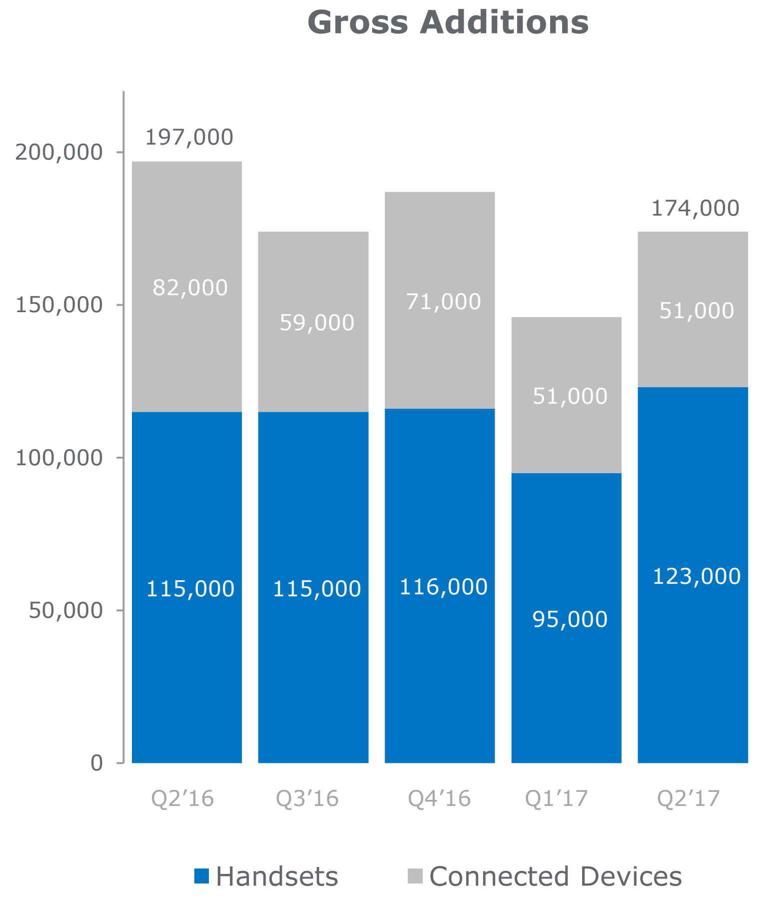
- Network performance remains strong even with increased data usage from the adoption of unlimited plans
- VoLTE deployment
  - Completed commercial launch in Iowa
  - WI, WA, OR and CA are next VoLTE markets for 2018
  - New products and services for customers
  - Roaming revenue opportunity
    - One agreement is operational

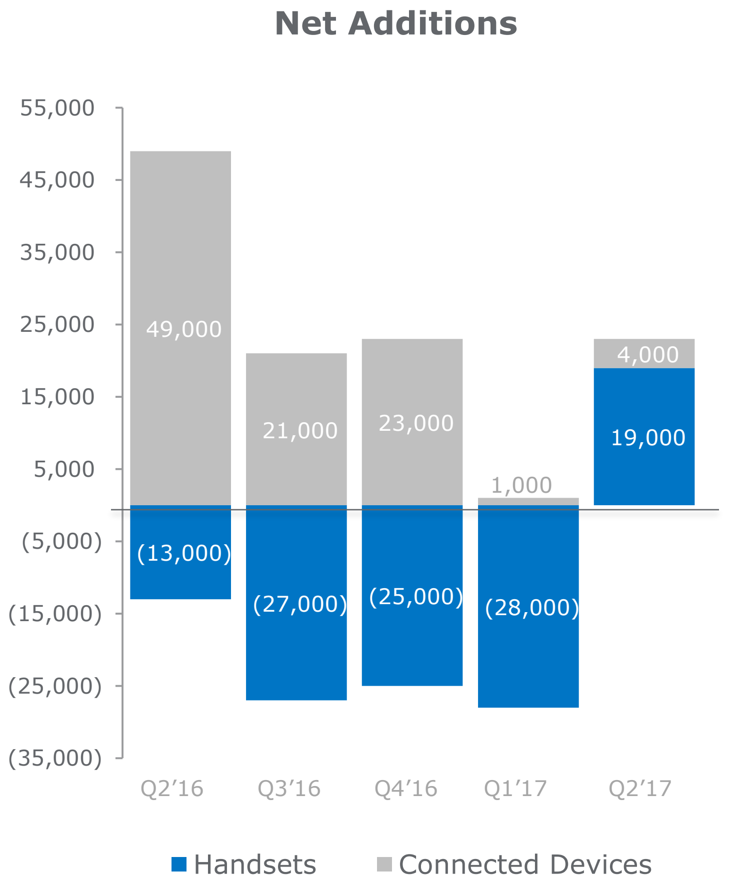


Second quarter update

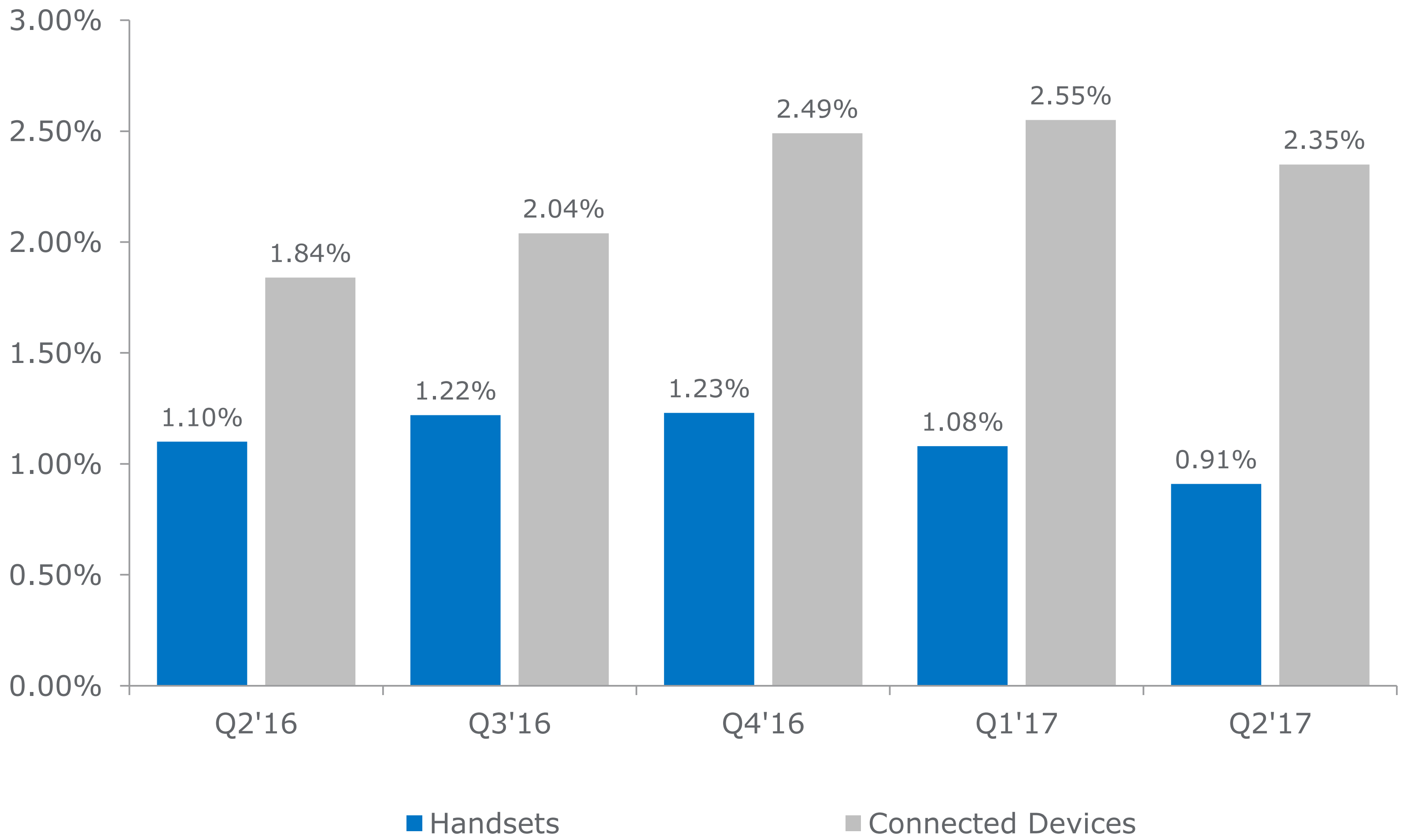
- Drive high margin revenue streams
  - Accessory sales
  - Device protection plans
  - VoLTE roaming
- Active advocacy for programs to deliver mobile broadband to rural America
- Manage capital investments
  - VoLTE deployment on schedule and on budget
  - Managing network capital demands

Postpaid connections activity





Postpaid churn rate

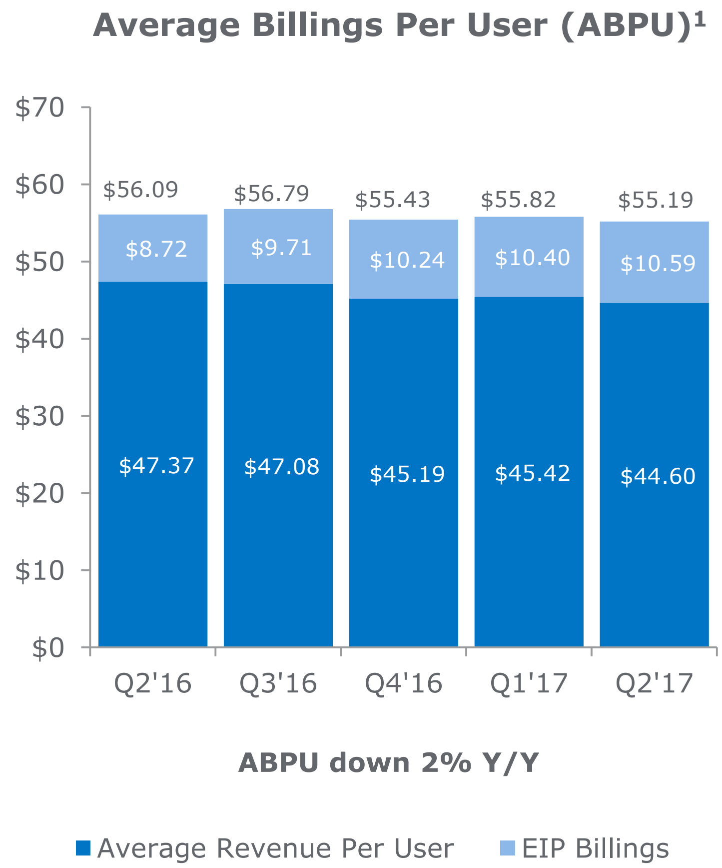


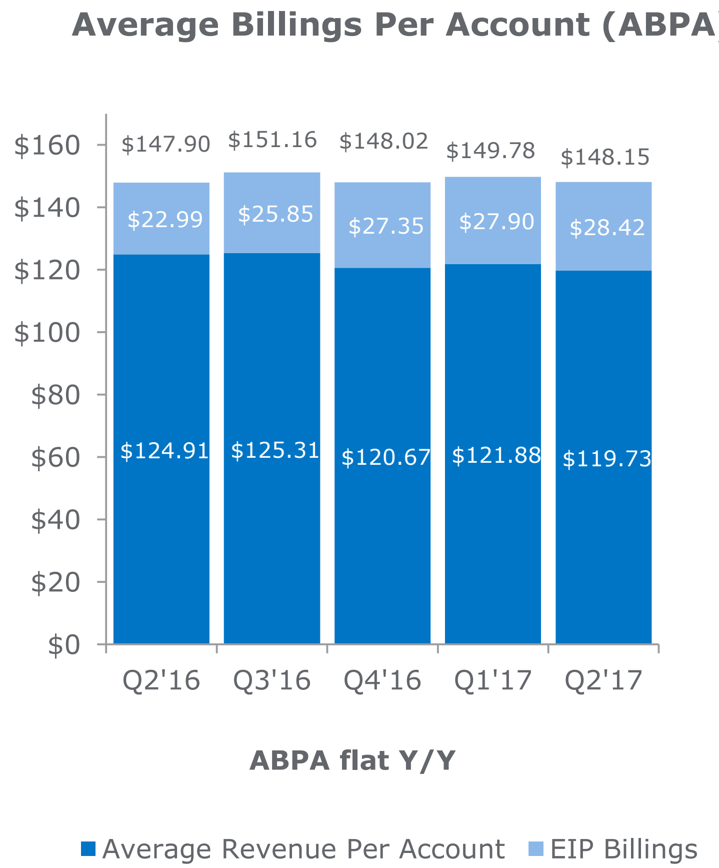
Total operating revenues

($ in millions)	Q2’17	Q2’16	% Change
Service revenues (1)	$740	$774	(4%)
Retail service	647	680	(5%)
Roaming	31	38	(18%)
Tower rentals	15	14	2%
Other (1)	47	42	12%
Equipment sales revenues	223	218	2%
Total operating revenues (1)	$963	$992	(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





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

Financial summary

($ in millions)	Q2'17	Q2'16	% Change
Total operating revenues [3]	$963	$992	(3%)
System operations expense	189	193	(2%)
Cost of equipment sold	260	262	(1%)
SG&A expenses	351	357	(2%)
Total cash expenses [1]	800	812	(2%)
Adjusted OIBDA [2][3]	$163	$180	(9%)

(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) Adjusted OIBDA 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)	Q2’17	Q2’16	% Change
Adjusted OIBDA (1)(2)	163	180	(9%)
Equity in earnings of unconsolidated entities	33	37	(9%)
Interest and dividend income (2)	2	2	29%
Other, net	---	(1)	(56%)
Adjusted EBITDA (1)	$198	$218	(9%)

(1) Adjusted OIBDA 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]

Unchanged from previous estimates

($ in millions) As of August 4, 2017	2016 Actual [2]	2017 Estimates
Total operating revenues	$3,990	$3,800-$4,000
Adjusted OIBDA [3]	$669	$550-$650
Adjusted EBITDA [3]	$816	$700-$800
Capital expenditures	$446	Approx. $500

(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) Adjusted OIBDA and Adjusted EBITDA are non-GAAP financial measures that are defined in the non-GAAP reconciliation at the end of the presentation.

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IT SOLUTIONS
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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 – begin infrastructure builds to extend higher speeds into under-served areas
- Cable
  - Increase broadband penetration
  - Continue to evaluate potential acquisitions
- Hosted and Managed Services
  - Focus on growth of recurring service revenues
  - Continue process automation and standardization

TDS Telecom operating performance

($ in millions)	Q2'17	Q2'16	% Change
Wireline	$181	$175	3%
Cable	51	45	12%
HMS	51	80	(37%)
Total operating revenues (1)	281	300	(6%)
Cash expenses (1)(2)	201	221	(9%)
Adjusted EBITDA (3)	$ 82	$ 80	3%
Capital expenditures	$ 49	$ 46	6%

(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.

Second quarter Wireline highlights

- IPTV connections up 12%
  - Residential revenue per connection up 6%
- Demand for higher speeds is strong
- Ability to offset legacy declines with growth from fiber investments and A-CAM support

	Q2'16	Q3'16	Q4'16	Q1'17*	Q2'17	% Change (Y/Y)
IPTV connections	41,200	43,600	45,300	45,200	46,200	12%
Residential revenue per connection	$43.67	$44.25	$44.27	$45.17	$46.39	6%

ILEC Broadband	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17
Take rate % at 10 MB or higher	50%	52%	53%	54%	55%
Take rate % at 50 MB or higher	17%	18%	20%	20%	22%

* Changed count methodology

Wireline operating performance

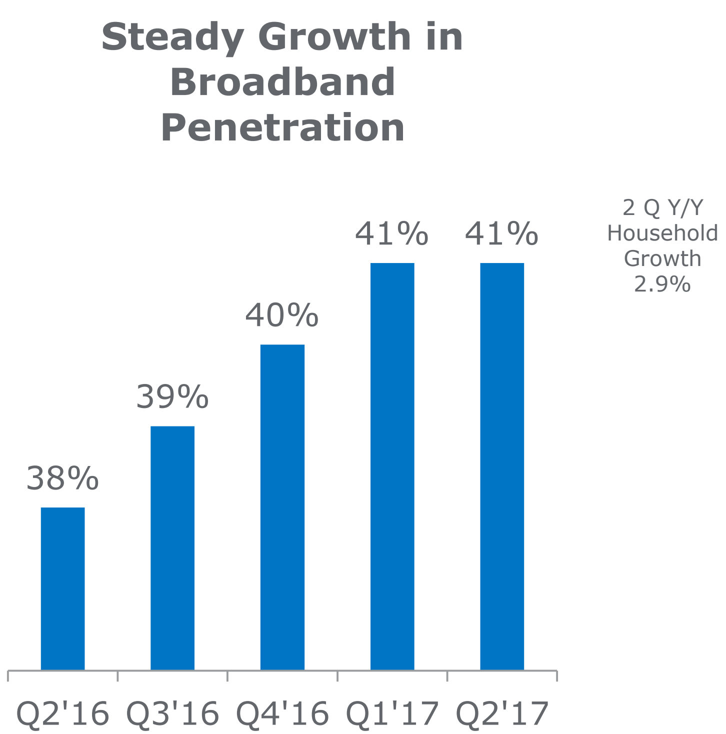
($ in millions)	Q2'17	Q2'16	% Change
Residential	$81	$77	5%
Commercial	50	53	(6%)
Wholesale	49	44	10%
Total service revenues	180	175	3%
Cash expenses (1)	114	113	1%
Adjusted EBITDA (2)	$67	$63	8%
Capital expenditures	$33	$27	18%

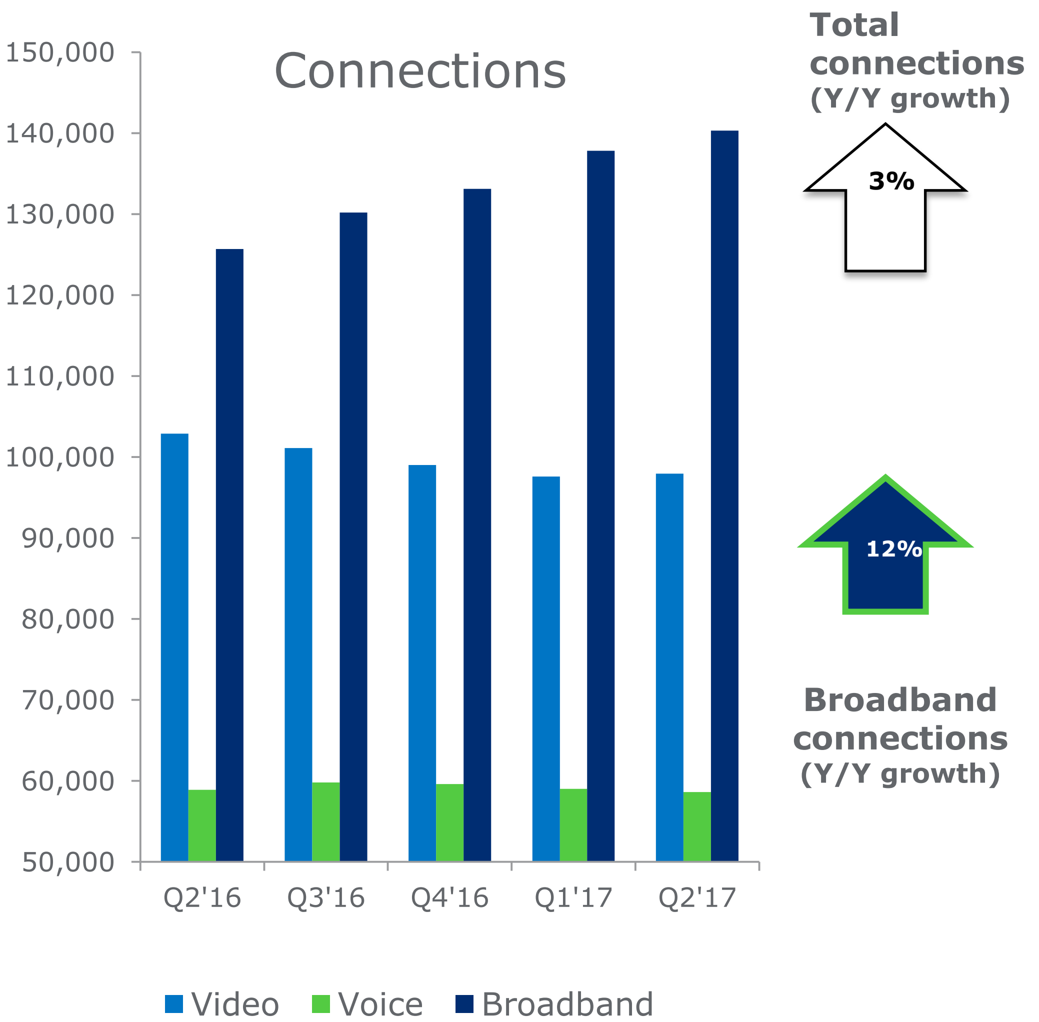
(1) Cash expenses represent cost of services and selling, general and administrative expenses, and are identified as Expenses excluding depreciation, amortization and accretion on the Consolidated Statement of Operations Highlights.

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

Second quarter Cable highlights

- Broadband connections increase 12%
- Revenues increase 12%





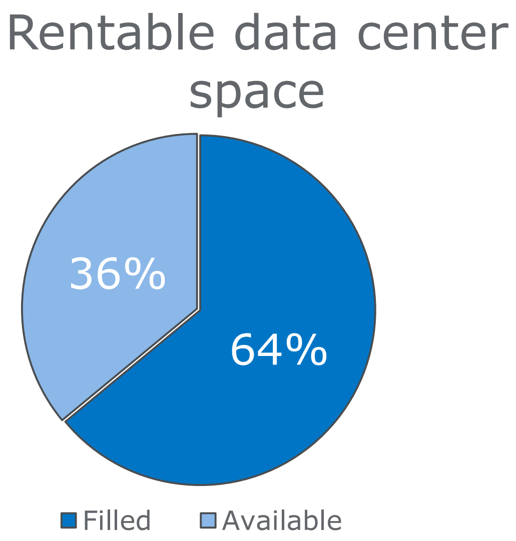
Cable operating performance

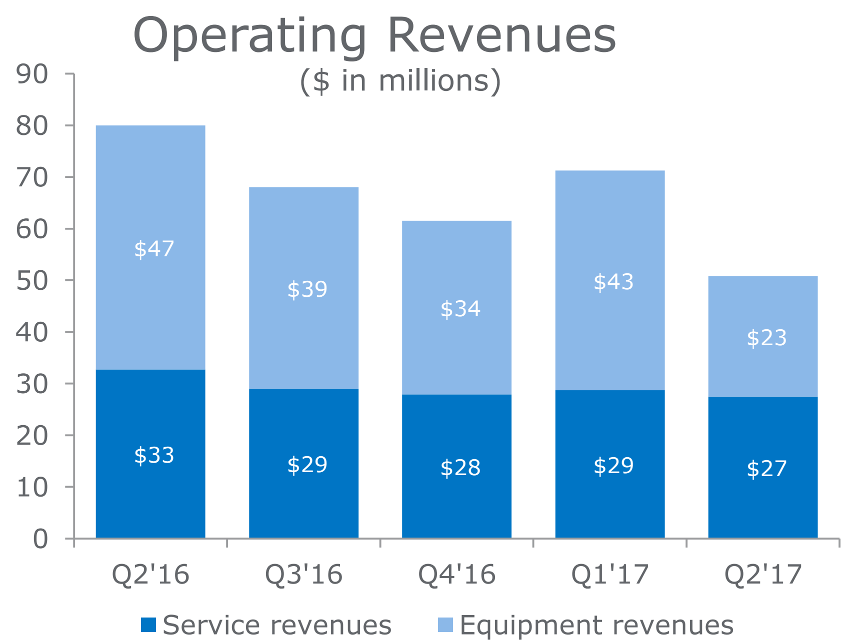
($ in millions)	Q2'17	Q2'16	% Change
Residential	$41	$36	15%
Commercial	9	9	1%
Total operating revenues	51	45	12%
Cash expenses (1)	37	36	2%
Adjusted EBITDA (2)	$14	$10	49%
Capital expenditures	$12	$17	(28%)

(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.

Second quarter HMS summary

- Recurring service revenues impacted by lower hardware maintenance
- Lower spending by existing customers impacted equipment revenues
- Capital expenditures related to expansion of fully-utilized Wisconsin data center





Hosted and Managed Services operating performance

($ in millions)	Q2’17	Q2’16	% Change
Service revenues	$27	$33	(16%)
Equipment sales	23	47	(51%)
Total operating revenues	51	80	(37%)
Cash expenses (1)	51	73	(30%)
Adjusted EBITDA (2)	---	$ 7	(>100%)
Capital expenditures	$ 4	$ 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 August 4, 2017	2016 Actual	2017 Estimates
Total operating revenues	$1,151	$1,200 - $1,250
Adjusted OIBDA [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) Adjusted OIBDA and Adjusted EBITDA are non-GAAP financial measures that are defined in the non-GAAP reconciliation at the end of the presentation.

Appendix

Adjusted OIBDA and Adjusted EBITDA Reconciliation

	Three months ended June 30, 2017						Three months ended June 30, 2016					
($ in millions)	**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)	$12	N/A	N/A	N/A	$15	$12	$27	N/A	N/A	N/A	$15	$32
Add back:												
Income tax expense (benefit)	--	N/A	N/A	N/A	10	10	13	N/A	N/A	N/A	10	18
Income (loss) before income taxes (GAAP)	**12**	**30**	**3**	**(8)**	**25**	**22**	**40**	**25**	---	**(1)**	**25**	**50**
Add back:												
Interest expense	28	---	---	1	1	43	28	---	---	1	1	43
Depreciation, amortization and accretion expense	155	37	11	7	55	211	154	37	9	7	54	210
EBITDA (non-GAAP)	195	67	14	---	81	276	222	62	9	7	79	303
Add back:												
(Gain) loss on assets disposals, net	5	---	---	---	1	6	5	1	---	---	1	6
(Gain) loss on license sales and exchanges, net	(2)	---	---	---	---	(2)	(9)	---	---	---	---	(9)
Adjusted EBITDA (2) (non-GAAP)	198	67	14	---	82	280	218	63	10	7	80	300
Deduct:												
Equity in earnings of unconsolidated entities	33	---	---	---	---	33	37	---	---	---	---	36
Interest and dividend income (5)	2	1	---	---	1	4	2	1	---	---	1	3
Other, net	---	---	---	---	---	---	(1)	---	---	---	---	1
Adjusted OIBDA (2) (3) (non-GAAP)	$163	$66	$14	$---	$80	$243	$180	$62	$10	$7	$79	$260

Adjusted OIBDA 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**	**$52**
Add back:						
Income tax expense (benefit)	N/A	N/A	**N/A**	33	25	40
Income (loss) before income taxes (GAAP)	**$(30)-$70**	**$80-$120**	**$(10)-$130**	**$82**	**$67**	**$92**
Add back:						
Interest expense	110	---	165	113	3	170
Depreciation, amortization and accretion	620	220	850	618	224	850
EBITDA (non-GAAP)	$700-$800	$300-$340	$1,005-$1,145	$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	(20)	---	(20)	(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 (5)	10	---	10	6	3	11
Other, net	--	---	---	1	---	---
Adjusted OIBDA (2)(3)non-GAAP)	$550-$650	$300-$340	$855-$995	$669	$295	$967

Postpaid ABPU (4) and Postpaid ABPA (4) Reconciliation

(Dollars and connection counts in millions)	Three months ended June 30, 2017	Three months ended June 30, 2016
Calculation of Postpaid ARPU		
Postpaid service revenues	$597	$636
Average number of postpaid connections	4.47	4.48
Number of months in period	3	3
Postpaid ARPU (GAAP metric)	**$44.60**	**$47.37**
Calculation of Postpaid ABPU (4)		
Postpaid service revenues	$597	$636
Equipment installment plan billings	142	118
Total billings to postpaid connections	$739	$754
Average number of postpaid connections	4.47	4.48
Number of months in period	3	3
Postpaid ABPU (non-GAAP metric) (4)	$55.19	$56.09
Calculation of Postpaid ARPA		
Postpaid service revenues	$597	$636
Average number of postpaid accounts	1.66	1.70
Number of months in period	3	3
Postpaid ARPA (GAAP metric)	**$119.73**	**$124.91**
Calculation of Postpaid ABPA (4)		
Postpaid service revenues	$597	$636
Equipment installment plan billings	142	118
Total billings to postpaid accounts	$739	$754
Average number of postpaid accounts	1.66	1.70
Number of months in period	3	3
Postpaid ABPA (non-GAAP metric) (4)	$148.15	$147.90

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 is defined as net income adjusted for the items set forth in the reconciliation above. Adjusted OIBDA is defined as net income adjusted for the items set forth in the reconciliation above. 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 Adjusted EBITDA and Adjusted OIBDA flow to the corresponding GAAP measure, Net income or Income before income taxes.
3) A reconciliation of Adjusted OIBDA (Non-GAAP) and Operating income (excluding gains and losses) (Non-GAAP) to operating income (GAAP) for June 30, 2017 actual results can be found on the company's website at investors.tdsinc.com.
4) 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.
5) 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.