

# Business Segment Information

Three months ended or as of September 30, 2024	UScellular			UScellular	TDS Telecom	Corporate, Eliminations and Other	Total
	Wireless	Towers	Intra-company eliminations				
(Dollars in thousands)							
<b>Operating revenues</b>							
Service	\$ 721,805	\$ 58,507	\$ (32,838)	\$ 747,474	\$ 262,460	\$ 16,862	\$ 1,026,796
Equipment and product sales	174,855	—	—	174,855	202	22,207	197,264
Total operating revenues	896,660	58,507	(32,838)	922,329	262,662	39,069	1,224,060
Cost of services (excluding Depreciation, amortization, and accretion reported below)	192,638	20,297	(32,838)	180,097	101,107	14,159	295,363
Cost of equipment and products	202,924	—	—	202,924	211	17,517	220,652
Selling, general and administrative	316,229	7,690	—	323,919	80,813	17,671	422,403
Depreciation, amortization and accretion	156,239	11,742	—	167,981	67,664	982	236,627
Loss on impairment of licenses	136,234	—	—	136,234	—	—	136,234
(Gain) loss on asset disposals, net	3,516	130	—	3,646	2,680	(54)	6,272
(Gain) loss on sale of business and other exit costs, net	—	—	—	—	—	(11,733)	(11,733)
(Gain) loss on license sales and exchanges, net	(2,200)	—	—	(2,200)	—	—	(2,200)
<b>Operating income (loss)</b>	<b>(108,920)</b>	<b>18,648</b>		<b>(90,272)</b>	<b>10,186</b>	<b>528</b>	<b>(79,558)</b>
Equity in earnings of unconsolidated entities <sup>1</sup>				43,109	1	305	43,415
Interest and dividend income <sup>1</sup>				3,552	1,368	3,032	7,952
Interest expense <sup>1</sup>				(47,935)	1,262	(29,716)	(76,389)
Other, net <sup>1</sup>				(52)	896	139	983
<b>Income (loss) before income taxes</b>				<b>(91,598)</b>	<b>13,714</b>	<b>(25,713)</b>	<b>(103,597)</b>
Income tax expense (benefit) <sup>1</sup>				(13,217)	4,323	(16,164)	(25,058)
<b>Net income (loss)</b>				<b>(78,381)</b>	<b>9,391</b>	<b>(9,549)</b>	<b>(78,539)</b>
<b>Add back:</b>							
Depreciation, amortization and accretion	156,239	11,742	—	167,981	67,664	982	236,627
Expenses related to strategic alternatives review	6,659	359	—	7,018	—	3,837	10,855
Loss on impairment of licenses	136,234	—	—	136,234	—	—	136,234
(Gain) loss on asset disposals, net	3,516	130	—	3,646	2,680	(54)	6,272
(Gain) loss on sale of business and other exit costs, net	—	—	—	—	—	(11,733)	(11,733)
(Gain) loss on license sales and exchanges, net	(2,200)	—	—	(2,200)	—	—	(2,200)
Interest expense <sup>1</sup>				47,935	(1,262)	29,716	76,389
Income tax expense (benefit) <sup>1</sup>				(13,217)	4,323	(16,164)	(25,058)
<b>Adjusted EBITDA<sup>2</sup></b>	<b>\$ 191,528</b>	<b>\$ 30,879</b>	<b>\$ —</b>	<b>\$ 269,016</b>	<b>\$ 82,796</b>	<b>\$ (2,965)</b>	<b>\$ 348,847</b>
Investments in unconsolidated entities <sup>1</sup>				\$ 478,263	\$ 3,950	\$ 41,996	\$ 524,209
Total assets <sup>3</sup>				\$ 10,516,361	\$ 2,923,354	\$ 286,735	\$ 13,726,450
Capital expenditures	\$ 113,598	\$ 6,458	\$ —	\$ 120,056	\$ 77,904	\$ 1,374	\$ 199,334

Nine Months Ended or as of September 30, 2024	UScellular				TDS Telecom	Corporate, Eliminations and Other	Total
	Wireless	Towers	Intra- company eliminations	UScellular			
(Dollars in thousands)							
<b>Operating revenues</b>							
Service	\$ 2,168,025	\$ 174,828	\$ (98,237)	\$ 2,244,616	\$ 795,975	\$ 64,564	\$ 3,105,155
Equipment and product sales	554,810	—	—	554,810	587	63,576	618,973
Total operating revenues	2,722,835	174,828	(98,237)	2,799,426	796,562	128,140	3,724,128
Cost of services (excluding Depreciation, amortization, and accretion reported below)	582,598	57,586	(98,237)	541,947	296,768	51,306	890,021
Cost of equipment and products	630,172	—	—	630,172	514	49,842	680,528
Selling, general and administrative	953,201	23,698	—	976,899	236,134	58,467	1,271,500
Depreciation, amortization and accretion	464,593	33,431	—	498,024	198,947	6,876	703,847
Loss on impairment of licenses	136,234	—	—	136,234	—	—	136,234
(Gain) loss on asset disposals, net	13,634	697	—	14,331	8,344	(36)	22,639
(Gain) loss on sale of business and other exit costs, net	—	—	—	—	—	(11,733)	(11,733)
(Gain) loss on license sales and exchanges, net	4,360	—	—	4,360	—	—	4,360
<b>Operating income (loss)</b>	(61,957)	59,416	—	(2,541)	55,855	(26,582)	26,732
Equity in earnings of unconsolidated entities <sup>1</sup>				123,445	1	1,671	125,117
Interest and dividend income <sup>1</sup>				9,076	3,591	7,601	20,268
Interest expense <sup>1</sup>				(138,207)	3,521	(73,237)	(207,923)
Other, net <sup>1</sup>				(82)	2,664	416	2,998
<b>Income (loss) before income taxes</b>				(8,309)	65,632	(90,131)	(32,808)
Income tax expense (benefit) <sup>1</sup>				28,275	14,739	(42,180)	834
<b>Net income (loss)</b>				(36,584)	50,893	(47,951)	(33,642)
<b>Add back:</b>							
Depreciation, amortization and accretion	464,593	33,431	—	498,024	198,947	6,876	703,847
Expenses related to strategic alternatives review	26,100	1,601	—	27,701	—	15,706	43,407
Loss on impairment of licenses	136,234	—	—	136,234	—	—	136,234
(Gain) loss on asset disposals, net	13,634	697	—	14,331	8,344	(36)	22,639
(Gain) loss on sale of business and other exit costs, net	—	—	—	—	—	(11,733)	(11,733)
(Gain) loss on license sales and exchanges, net	4,360	—	—	4,360	—	—	4,360
Interest expense <sup>1</sup>				138,207	(3,521)	73,237	207,923
Income tax expense (benefit) <sup>1</sup>				28,275	14,739	(42,180)	834
<b>Adjusted EBITDA<sup>2</sup></b>	<b>\$ 582,964</b>	<b>\$ 95,145</b>	<b>\$ —</b>	<b>\$ 810,548</b>	<b>\$ 269,402</b>	<b>\$ (6,081)</b>	<b>\$ 1,073,869</b>
Capital expenditures	\$ 400,141	\$ 15,329	\$ —	\$ 415,470	\$ 242,069	\$ 5,652	\$ 663,191

Numbers may not foot due to rounding.

<sup>1</sup> Income and expense items below Operating income are not provided at the individual segment level for Wireless and Towers. These items are not included in the evaluation of operating performance of the segments, and therefore are reported for "UScellular Total".

<sup>2</sup> Adjusted earnings before interest, taxes, depreciation, amortization and accretion (Adjusted EBITDA) is a segment measure reported to the chief operating decision maker for purposes of assessing the segments' performance. Adjusted EBITDA is defined as net income, adjusted for the items set forth in the reconciliation above. TDS believes Adjusted EBITDA is a useful measure 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.

<sup>3</sup> Assets are not provided at the individual segment level for Wireless and Towers. The UScellular segments operate under a common capital structure, and management has historically considered its assets collectively as part of a combined wireless network.