

TELEPHONE AND DATA SYSTEMS, INC.
Reconciliation of Additional Disclosures
Financial Guidance for 2004

TDS and U.S. Cellular have reviewed their forward-looking statements and revised their guidance for the full year 2004 as follows:

U.S. Cellular	Guidance as of 3/12/2004	Current Guidance
Net Customer Additions	325,000 - 350,000	475,000 - 500,000
Service Revenues	≈ \$2.5 billion	≈ \$2.55 billion
Operating Cash Flow (1):	\$640 - \$690 million	\$640 - \$690 million
Operating Income	\$160 - \$210 million	\$160 - \$210 million
Depreciation, Amortization & Accretion	\$480 million	\$480 million
Operating Cash Flow	\$640 - \$690 million	\$640 - \$690 million
Capital Expenditures	\$610 - \$630 million	\$610 - \$630 million

TDS Telecom: ILEC (\$ millions)	Guidance as of 3/12/2004	Current Guidance (unchanged)
Operating Revenues	\$640 - \$ 650	\$640 - \$ 650
Operating Cash Flow (2):	\$305 - \$315	\$305 - \$315
Operating Income	\$170 - \$180	\$170 - \$180
Depreciation and amortization	\$135	\$135
Operating Cash Flow	\$305 - \$315	\$305 - \$315
Capital Expenditures	≈ \$105	≈ \$105

TDS Telecom: CLEC (\$ millions)	Guidance as of 3/12/2004	Current Guidance (unchanged)
Operating Revenues	\$250 - \$260	\$250 - \$260
Operating Cash Flow (2):	\$10 - \$20	\$10 - \$20
Operating Income (Loss)	\$(30) - \$(20)	\$(30) - \$(20)
Depreciation and amortization	\$40	\$40
Operating Cash Flow	\$10 - \$20	\$10 - \$20
Capital Expenditures	≈ \$45	≈ \$45

(1) The Operating Cash Flow measurement for which U.S. Cellular guidance is provided above is the sum of operating income, depreciation, amortization and accretion and (gain) loss on assets held for sale. Operating Cash Flow is not presented as an alternative measure of operating results or cash flows from operations as determined in accordance with accounting principles accepted in the United States of America. Management uses Operating Cash Flow to evaluate the operating performance of its business, and it is a measure of performance used by some investors, security analysts and others to make informed investment decisions. Operating Cash Flow is used as an analytical indicator of income generated to service debt and fund capital expenditures. In addition, multiples of current or projected Operating Cash Flow are used to estimate current or prospective enterprise value. Operating Cash Flow does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. Operating Cash Flow as presented herein may not be comparable to similarly titled measures reported by other companies.

(2) The Operating Cash Flow measurement for which TDS Telecom guidance is provided above is the sum of operating income (loss), depreciation and amortization. Operating Cash Flow is not presented as an alternative measure of operating results or cash flows from operations as determined in accordance with accounting principles accepted in the United States of America. Management uses Operating Cash Flow to evaluate the operating performance of its business, and it is a measure of performance used by some investors, security analysts and others to make informed investment decisions. Operating Cash Flow is used as an analytical indicator of income generated to service debt and fund capital expenditures. In addition, multiples of current or projected Operating Cash Flow are used to estimate current or prospective enterprise value. Operating Cash Flow does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. Operating Cash Flow as presented herein may not be comparable to similarly titled measures reported by other companies.

TELEPHONE AND DATA SYSTEMS, INC.
Reconciliation of Additional Disclosures

For the Three Months Ended March 31, 2004 and March 31, 2003

Quarter Ended at March 31, 2004	U.S. Cellular	TDS Telecom		Total
		ILEC	CLEC	
<i>(Dollars in thousands)</i>				
Operating cash flow:				
Operating income (loss) as reported	\$ 28,282	\$ 48,644	\$ (3,759)	\$ 73,167
Add:				
Depreciation, amortization and accretion	113,894	32,547	9,011	155,452
Loss (adjustment) on assets held for sale	(143)	-	-	(143)
Operating cash flow	\$ 142,033	\$ 81,191	\$ 5,252	\$ 228,476

Quarter Ended at March 31, 2003 (Restated)	U.S. Cellular	TDS Telecom		Total
		ILEC	CLEC	
<i>(Dollars in thousands)</i>				
Operating cash flow:				
Operating income (loss) as reported	\$ (4,324)	\$ 45,416	\$ (5,361)	\$ 35,731
Add:				
Depreciation and Amortization	109,577	33,619	8,031	151,227
Loss (adjustment) on assets held for sale	21,561	-	-	21,561
Operating cash flow	126,814	79,035	2,670	208,519

NB: The Operating Cash Flow amounts in the tables presented above are not determined in accordance with generally accepted accounting principles (GAAP) in the United States of America. Management uses Operating Cash Flow to evaluate the operating performance of its business, and it is a measure of performance used by some investors, security analysts and others to make informed investment decisions. Operating Cash Flow is used as an analytical indicator of income generated to service debt and fund capital expenditures. In addition, multiples of current or projected Operating Cash Flow are used to estimate current or prospective enterprise value. Operating Cash Flow does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. Operating Cash Flow as presented herein may not be comparable to similarly titled measures reported by other companies.

UNITED STATES CELLULAR CORPORATION

Reconciliation of Marketing Cost per Gross Customer Unit Addition

Quarter Ended	3/31/04	12/31/03	9/30/03	6/30/03	3/31/03
<i>(Dollars in thousands, except per customer amounts)</i>					
Components of cost					
Selling, general and administrative expenses related to the acquisition of new customers (1)	\$ 110,458	\$ 119,886	\$ 101,589	\$ 98,548	\$ 108,921
Cost of equipment sold to new customers (2)	83,458	73,029	53,383	57,362	64,765
Less equipment sales revenues from new customers (3)	(46,463)	(51,744)	(36,006)	(35,475)	(39,176)
Total cost	\$ 147,453	\$ 141,171	\$ 118,966	\$ 120,435	\$ 134,510
Gross customer activations (000s) (4)	397	368	294	319	376
Marketing cost per gross customer activation (5)	\$ 371	\$ 384	\$ 405	\$ 378	\$ 358

(1) Selling, general and administrative expenses related to the acquisition of new customers is reconciled to total selling, general and administrative expenses as follows:

	3/31/04	12/31/03	9/30/03	6/30/03	3/31/03
<i>(Dollars in thousands)</i>					
Selling, general and administrative expenses as reported	258,206	259,635	236,573	258,095	250,352
Less expenses related to serving and retaining customers	(147,748)	(139,749)	(134,984)	(159,547)	(141,431)
Selling, general and administrative expenses related to the acquisition of new customers	110,458	119,886	101,589	98,548	108,921

(2) Cost of equipment sold, excluding amounts related to the retention of existing customers is reconciled to total cost of equipment sold as follows:

	3/31/04	12/31/03	9/30/03	6/30/03	3/31/03
<i>(Dollars in thousands)</i>					
Cost of equipment sold as reported	119,888	110,001	76,926	79,580	88,643
Less cost of equipment sold related to the retention of existing customers	(36,430)	(36,972)	(23,543)	(22,218)	(23,878)
Cost of equipment sold to new customers	83,458	73,029	53,383	57,362	64,765

(3) Equipment sales revenues, excluding amounts related to the retention of existing customers is reconciled to total equipment sales revenues as follow

	3/31/04	12/31/03	9/30/03	6/30/03	3/31/03
<i>(Dollars in thousands)</i>					
Equipment sales revenues as reported	38,268	47,457	36,536	35,828	39,173
Less equipment sales revenues related to the retention of existing customers, net of agent rebates	(6,048)	(5,708)	(7,633)	(6,127)	(7,860)
Add agent rebate reductions of equipment sales revenues related to the retention of existing customers	14,243	9,995	7,103	5,774	7,863
Equipment sales revenues from new customers	46,463	51,744	36,006	35,475	39,176

(4) Gross customer activations represent customers added to U.S. Cellular's customer base, during the respective periods presented, through its marketing distribution channels.

(5) The definition of marketing cost per gross customer unit addition that U.S. Cellular uses as a measure of the cost to acquire additional customers through its marketing distribution channels may not be comparable to similarly titled measures that are reported by other companies.

TELEPHONE AND DATA SYSTEMS, INC.
Reconciliation of Additional Disclosures
For the Three Months and Years Ended
For the Three Months ended March 31, 2004 and March 31, 2003

During the conference call that was held and simultaneously webcast April 28, 2004, references were made to certain information about U.S. Cellular not included in the press release issued on the same date. The following provides that additional information.

U.S. Cellular

Total all-in churn

(for quarter ended 3/31/04):	1.5%
(for quarter ended 3/31/03):	1.9%

Customers

Pre-pay (as of 3/31/04)	3%
Post-pay (as of 3/31/04)	97%