

Business Segment Information

Year Ended or as of December 31, 2017	TDS Telecom							Corporate, Eliminations and Other	Total
	U.S. Cellular	Wireline	Cable	HMS	TDS Telecom Eliminations	TDS Telecom Total			
(Dollars in thousands)									
Operating revenues									
Service	\$ 2,978,227	\$ 712,878	\$ 205,555	\$ 111,069	\$ (5,056)	\$ 1,024,446	\$ (23,400)	\$ 3,979,273	
Equipment and product sales	912,161	1,200	78	114,246	—	115,524	37,467	1,065,152	
Total operating revenues	3,890,388	714,078	205,632	225,315	(5,056)	1,139,970	14,067	5,044,425	
Cost of services (excluding Depreciation, amortization and accretion reported below)	731,747	257,633	97,780	83,144	(4,699)	433,858	(1,623)	1,163,982	
Cost of equipment and products	1,070,776	1,881	58	94,563	—	96,502	27,414	1,194,692	
Selling, general and administrative	1,412,631	191,263	53,642	41,927	(357)	286,474	(12,496)	1,686,609	
Depreciation, amortization and accretion	615,649	150,627	44,100	27,516	—	222,242	6,540	844,431	
Loss on impairment of goodwill	369,596	—	—	34,831	—	34,831	(142,745)	261,682	
(Gain) loss on asset disposals, net	17,341	1,246	2,228	62	—	3,535	(128)	20,748	
(Gain) loss on sale of business and other exit costs, net	(735)	—	—	—	—	—	—	(735)	
(Gain) loss on license sales and exchanges, net	(22,179)	—	—	—	—	—	—	(22,179)	
Operating income (loss)	(304,438)	111,429	7,825	(56,727)	—	62,528	137,105	(104,805)	
Equity in earnings of unconsolidated entities	136,765	15	—	—	—	15	(163)	136,617	
Interest and dividend income	8,013	4,855	427	172	—	5,454	1,799	15,266	
Gain (loss) on investments	—	—	—	—	—	—	(103)	(103)	
Interest expense	(112,580)	332	(82)	(4,035)	—	(3,785)	(53,329)	(169,694)	
Other, net	419	391	(212)	141	—	321	(74)	666	
Income (loss) before income taxes	(271,821)	117,022	7,959	(60,449)	—	64,532	85,236	(122,053)	
Income tax expense (benefit)	(286,851)	—	—	—	—	(23,731)	30,995	(279,587)	
Net income (loss)	15,030					88,263	54,241	157,534	
Add back:									
Depreciation, amortization and accretion	615,649	150,627	44,100	27,516	—	222,242	6,540	844,431	
Loss on impairment of goodwill	369,596	—	—	34,831	—	34,831	(142,745)	261,682	
(Gain) loss on asset disposals, net	17,341	1,246	2,228	62	—	3,535	(128)	20,748	
(Gain) loss on sale of business and other exit costs, net	(735)	—	—	—	—	—	—	(735)	
(Gain) loss on license sales and exchanges, net	(22,179)	—	—	—	—	—	—	(22,179)	
Gain (loss) on investments	—	—	—	—	—	—	103	103	
Interest expense	112,580	(332)	82	4,035	—	3,785	53,329	169,694	
Income tax expense (benefit)	(286,851)	—	—	—	—	(23,731)	30,995	(279,587)	
Adjusted EBITDA	\$ 820,431	\$ 268,563	\$ 54,368	\$ 5,995	\$ —	\$ 328,925	\$ 2,335	\$ 1,151,691	
Investments in unconsolidated entities	\$ 414,600	\$ 3,801	\$ —	\$ —	\$ —	\$ 3,801	\$ 34,239	\$ 452,640	
Total assets	\$ 6,841,259	\$ 1,236,508	\$ 644,307	\$ 195,762	\$ —	\$ 2,076,577	\$ 377,046	\$ 9,294,882	
Capital expenditures	\$ 469,447	\$ 146,046	\$ 54,762	\$ 14,496	\$ —	\$ 215,303	\$ 9,066	\$ 693,816	

Numbers may not foot due to rounding