

Consolidated Statements of Cash Flows

Year Ended December 31,	2004	2003	2002
(Dollars in thousands)			
Cash Flows from Operating Activities			
Net income (loss)	\$ 49,004	\$ 46,608	\$ (994,772)
Add (deduct) adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation, amortization and accretion	667,956	595,732	510,445
Deferred income taxes, net	62,305	3,368	(587,706)
Investment income	(69,623)	(53,154)	(43,675)
Minority share of income	28,053	20,380	9,068
Loss on impairment of intangible assets	29,440	49,595	—
Loss on impairment of long-lived assets	87,910	4,914	—
(Gain) loss on assets held for sale	(10,806)	45,908	—
(Gain) loss on investments	(36,854)	10,200	1,888,391
Discontinued operations	(6,362)	1,609	—
Cumulative effect of accounting change	—	11,789	7,035
Noncash interest expense	24,764	26,760	11,407
Other noncash expense	21,002	28,676	15,349
Accreted interest on repayment of U.S. Cellular long-term debt	(68,056)	—	—
Changes in assets and liabilities from operations			
Change in accounts receivable	(39,317)	61,338	(27,032)
Change in materials and supplies	(6,006)	(16,548)	2,473
Change in accounts payable	(24,063)	(625)	52,280
Change in customer deposits and deferred revenues	12,103	17,282	20,046
Change in accrued taxes	32,606	57,762	(80,108)
Change in other assets and liabilities	(6,667)	8,819	10,436
	747,389	920,413	793,637
Cash Flows from Investing Activities			
Additions to property, plant and equipment	(798,252)	(776,967)	(899,050)
Acquisitions, net of cash acquired	(40,786)	(5,125)	(531,174)
Cash received from divestitures and exchanges, net of cash divested	247,565	33,953	—
FCC auction deposits	(9,000)	—	56,060
Distributions from unconsolidated entities	49,234	45,427	31,328
Other investing activities	(13,133)	2,222	(23,748)
	(564,372)	(700,490)	(1,366,584)
Cash Flows from Financing Activities			
Issuance of notes payable	420,000	279,278	542,610
Issuance of long-term debt	422,642	434,294	138,314
Proceeds from forward contracts	—	—	1,631,821
Repayment of notes payable	(390,000)	(739,278)	(346,610)
Repayment of Company-Obligated Mandatorily Redeemable Preferred Securities	—	(300,000)	—
Repayment of long-term debt	(376,397)	(60,370)	(148,470)
Prepayment of medium-term notes	—	(70,500)	(51,000)
Stock options exercised	31,938	10,723	5,871
Repurchase of TDS Common Shares	(20,440)	(86,779)	—
Repurchase of U.S. Cellular Common Shares	(3,908)	—	—
Dividends paid	(38,047)	(36,193)	(34,445)
Other financing activities	2,125	(12,383)	(6,952)
	47,913	(581,208)	1,731,139
Net Increase (Decrease) in Cash and Cash Equivalents	230,930	(361,285)	1,158,192
Cash and Cash Equivalents			
Beginning of year	937,651	1,298,936	140,744
End of year	\$1,168,581	\$ 937,651	\$ 1,298,936

The accompanying notes to consolidated financial statements are an integral part of these statements.