



## TELUS Corporation

*Fourth Quarter, 2013*

### *Supplemental Investor Information*

(UNAUDITED)

Financial information presented according to  
International Financial Reporting Standards (IFRS)  
as issued by the International Accounting Standards Board (IASB)

(Financial information prior to 2010 is presented as reported under previous Canadian GAAP)

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**TELUS Corporation**  
**Selected Consolidated Data\***

\$ millions except shares, per share amounts, ratios and total customer connections

	Quarterly								Annual 2013	Annual 2012
	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12		
Net Income <sup>(A)</sup>	290	356	286	362	263	323	299	319	1,294	1,204
Basic earnings per share (\$) <sup>(A)(B)</sup>	0.47	0.56	0.44	0.56	0.40	0.49	0.46	0.49	2.02	1.85
Dividends declared per share (\$) <sup>(B)(C)</sup>	0.360	0.340	0.340	0.320	0.320	0.305	-	0.595	1.360	1.220
Return on common equity <sup>(A)</sup>	16.8%	16.5%	15.8%	15.9%	15.6%	15.0%	14.7%	14.7%	16.8%	15.6%
EBITDA interest coverage ratio <sup>2 (A)(D)</sup>	11.1	11.3	11.5	11.6	11.8	11.5	11.2	10.7	11.1	11.8
Free cash flow <sup>3</sup>	136	365	192	358	263	426	284	358	1,051	1,331
Net debt <sup>4</sup>	7,592	7,313	6,860	6,595	6,577	6,564	6,840	6,898	7,592	6,577
Net debt : Total capitalization <sup>5</sup>	48.7%	50.3%	48.0%	45.3%	46.2%	45.0%	46.8%	47.5%	48.7%	46.2%
Net debt : EBITDA (times) <sup>6(A)</sup>	1.8	1.8	1.7	1.7	1.7	1.7	1.8	1.8	1.8	1.7
Outstanding shares at end of period (M) <sup>(B)</sup>	623	623	646	654	652	652	651	651	623	652
Basic weighted average shares outstanding (M) <sup>(B)</sup>	623	633	652	653	652	652	651	650	640	651
Total customer connections (000s) <sup>(E)</sup>	13,296	13,270	13,156	13,150	13,113	12,981	12,844	12,749	13,296	13,113

\*Q4 2013 financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

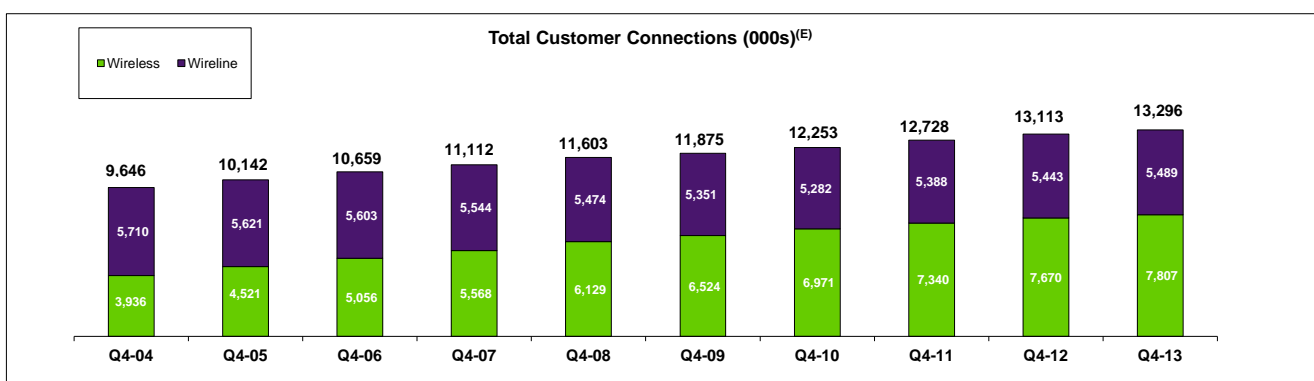
<sup>(A)</sup> Effective in 2013, we have applied the amended standard IAS 19 Employee benefits (2011) and, as required, we have applied the amended standard retrospectively. Results for 2012 have been adjusted.

<sup>(B)</sup> Adjusted for the 2-for-1 stock split effective April 16, 2013.

<sup>(C)</sup> In the first quarter of 2012, dividends declared of \$0.595 is composed of the February 8, 2012 first quarter declaration of 29 cents per share on the issued and outstanding equity shares of the Company, paid on April 2, 2012, to shareholders of record at the close of business on March 9, 2012, as well as the February 21, 2012, second quarter declaration of 30.5 cents per share on the issued and outstanding equity shares of the Company, payable on July 3, 2012, to shareholders of record at the close of business on June 8, 2012.

<sup>(D)</sup> EBITDA excluding restructuring and other like costs.

<sup>(E)</sup> Customer Connections may not balance due to rounding alignment to YTD figures. Figures exclude those of Public Mobile, Inc. which had approximately 222,000 prepaid subscribers at December 31, 2013.



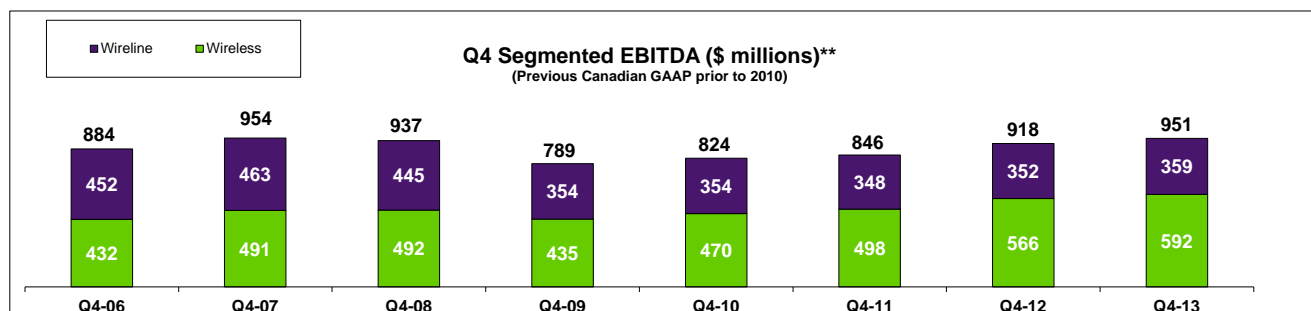
**TELUS Corporation**  
**Segmented Data\***

\$ millions	Quarter 4				December YTD			
	2013	2012	Change	% Change	2013	2012	Change	% Change
<b>Revenues</b>								
TELUS Wireless	1,596	1,544	52	3.4%	6,177	5,886	291	4.9%
TELUS Wireline	1,406	1,361	45	3.3%	5,443	5,246	197	3.8%
Less: Intersegment revenue	(54)	(54)	-	-	(216)	(211)	(5)	2.4%
Operating revenues	2,948	2,851	97	3.4%	11,404	10,921	483	4.4%
<b>EBITDA<sup>(A)</sup></b>								
TELUS Wireless	592	566	26	4.4%	2,604	2,458	146	5.9%
TELUS Wireline	359	352	7	2.1%	1,414	1,401	13	0.9%
Consolidated	951	918	33	3.6%	4,018	3,859	159	4.1%
<b>EBITDA margin<sup>(A)</sup></b>								
TELUS Wireless	37.0%	36.7%	0.3 pts.		42.1%	41.8%	0.3 pts.	
TELUS Wireline	25.6%	25.9%	(0.3) pts.		26.0%	26.7%	(0.7) pts.	
Consolidated	32.3%	32.2%	0.1 pts.		35.2%	35.3%	(0.1) pts.	
<b>Capital expenditures</b>								
TELUS Wireless	213	191	22	11.5%	712	711	1	0.1%
TELUS Wireline	364	330	34	10.3%	1,398	1,270	128	10.1%
Consolidated	577	521	56	10.7%	2,110	1,981	129	6.5%
<b>Capital expenditure intensity<sup>7</sup></b>								
TELUS Wireless	13%	12%	1 pts.		12%	12%	-	pts.
TELUS Wireline	26%	24%	2 pts.		26%	24%	2 pts.	
Consolidated	20%	18%	2 pts.		19%	18%	1 pts.	
<b>EBITDA less capex<sup>(A)</sup></b>								
TELUS Wireless	379	375	4	1.1%	1,892	1,747	145	8.3%
TELUS Wireline	(5)	22	(27)	(122.7%)	16	131	(115)	(87.8%)
Consolidated	374	397	(23)	(5.8%)	1,908	1,878	30	1.6%
<b>EBITDA excluding restructuring and other like costs<sup>(A)(B)</sup></b>								
TELUS Wireless	604	570	34	6.0%	2,634	2,471	163	6.6%
TELUS Wireline	380	367	13	3.5%	1,482	1,436	46	3.2%
Consolidated	984	937	47	5.0%	4,116	3,907	209	5.3%
<b>EBITDA margin excluding restructuring and other like costs<sup>(A)(B)</sup></b>								
TELUS Wireless	37.8%	36.9%	0.9 pts.		42.6%	42.0%	0.6 pts.	
TELUS Wireline	27.0%	27.0%	-	pts.	27.2%	27.4%	(0.2) pts.	
Consolidated	33.4%	32.9%	0.5 pts.		36.1%	35.8%	0.3 pts.	

\*Q4 2013 financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

<sup>(A)</sup>Periods in 2012 have been adjusted for retrospective application of amended accounting standard IAS 19 Employee benefits (2011).

<sup>(B)</sup>EBITDA has been adjusted to exclude restructuring and other like costs of \$33M and \$19M for Q4-13 and Q4-12, and \$98M and \$48M for 2013 and 2012 respectively.



\*\*Periods in 2012, 2011 and 2010 have been adjusted for retrospective application of accounting standard IAS 19 Employee benefits (2011).

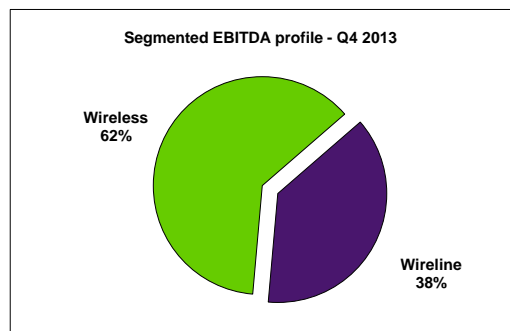
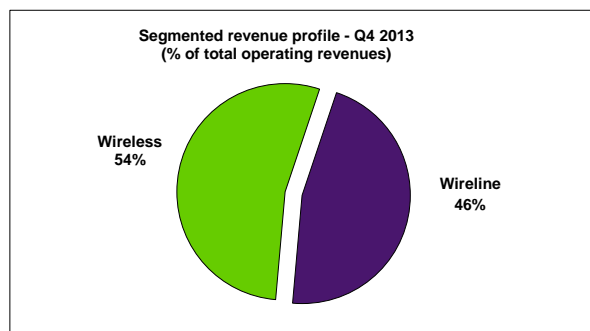
**TELUS Corporation**  
**Segmented Data - Historical Trend\***

\$ millions	Quarterly								Annual 2013	Annual 2012
	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12		
<b>Revenues</b>										
TELUS Wireless	1,596	1,575	1,522	1,484	1,544	1,511	1,438	1,393	6,177	5,886
TELUS Wireline	1,406	1,354	1,358	1,325	1,361	1,316	1,280	1,289	5,443	5,246
Less: Intersegment revenue	(54)	(55)	(54)	(53)	(54)	(53)	(53)	(51)	(216)	(211)
Operating revenues	2,948	2,874	2,826	2,756	2,851	2,774	2,665	2,631	11,404	10,921
<b>EBITDA<sup>(A)</sup></b>										
TELUS Wireless	592	680	666	666	566	638	634	620	2,604	2,458
TELUS Wireline	359	355	332	368	352	352	336	361	1,414	1,401
Consolidated	951	1,035	998	1,034	918	990	970	981	4,018	3,859
<b>EBITDA margin<sup>(A)</sup></b>										
TELUS Wireless	37.0%	43.2%	43.7%	44.9%	36.7%	42.2%	44.1%	44.5%	42.1%	41.8%
TELUS Wireline	25.6%	26.2%	24.5%	27.8%	25.9%	26.7%	26.3%	28.0%	26.0%	26.7%
Consolidated	32.3%	36.0%	35.3%	37.5%	32.2%	35.7%	36.4%	37.3%	35.2%	35.3%
<b>Capital expenditures</b>										
TELUS Wireless	213	194	171	134	191	175	194	151	712	711
TELUS Wireline	364	361	340	333	330	296	354	290	1,398	1,270
Consolidated	577	555	511	467	521	471	548	441	2,110	1,981
<b>Capital expenditure intensity<sup>7</sup></b>										
TELUS Wireless	13%	12%	11%	9%	12%	12%	13%	11%	12%	12%
TELUS Wireline	26%	27%	25%	25%	24%	22%	28%	22%	26%	24%
Consolidated	20%	19%	18%	17%	18%	17%	21%	17%	19%	18%
<b>EBITDA less capex<sup>(A)</sup></b>										
TELUS Wireless	379	486	495	532	375	463	440	469	1,892	1,747
TELUS Wireline	(5)	(6)	(8)	35	22	56	(18)	71	16	131
Consolidated	374	480	487	567	397	519	422	540	1,908	1,878
<b>EBITDA excluding restructuring and other like costs<sup>(A)(B)</sup></b>										
TELUS Wireless	604	684	676	670	570	639	638	624	2,634	2,471
TELUS Wireline	380	366	361	375	367	354	345	370	1,482	1,436
Consolidated	984	1,050	1,037	1,045	937	993	983	994	4,116	3,907
<b>EBITDA margin excluding restructuring and other like costs<sup>(A)(B)</sup></b>										
TELUS Wireless	37.8%	43.4%	44.4%	45.1%	36.9%	42.3%	44.4%	44.8%	42.6%	42.0%
TELUS Wireline	27.0%	27.0%	26.6%	28.3%	27.0%	26.9%	27.0%	28.7%	27.2%	27.4%
Consolidated	33.4%	36.5%	36.7%	37.9%	32.9%	35.8%	36.9%	37.8%	36.1%	35.8%
<b>Full-Time Equivalent (FTE) employees</b>	41,900	41,000	41,400	41,900	41,400	40,800	39,400	39,100	41,900	41,400
Full-Time Equivalent (FTE) employees, excluding TELUS International	26,900	26,600	26,900	27,100	27,100	26,700	26,800	26,400	26,900	27,100

\*Q4 2013 financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

<sup>(A)</sup> Periods in 2012 have been adjusted for retrospective application of amended accounting standard IAS 19 Employee benefits (2011).

<sup>(B)</sup> EBITDA has been adjusted to exclude restructuring and other like costs (see Historical Trend pages for Wireless and Wireline).



**TELUS Wireless  
Operations\***

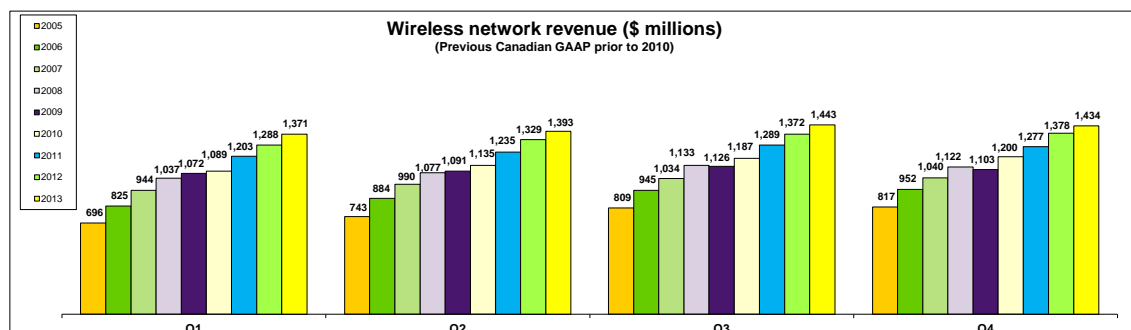
<i>\$ millions</i>	Quarter 4				December YTD			
	2013	2012	Change	% Change	2013	2012	Change	% Change
<b>Revenues</b>								
Voice	786	808	(22)	(2.7%)	3,172	3,241	(69)	(2.1%)
Data	648	570	78	13.7%	2,469	2,126	343	16.1%
Total Network revenue	1,434	1,378	56	4.1%	5,641	5,367	274	5.1%
Equipment and other service revenue	149	155	(6)	(3.9%)	485	476	9	1.9%
<b>Total external service and equipment revenue</b>	<b>1,583</b>	<b>1,533</b>	<b>50</b>	<b>3.3%</b>	<b>6,126</b>	<b>5,843</b>	<b>283</b>	<b>4.8%</b>
Other operating income	2	-	2	n.m.	4	2	2	n.m.
<b>Total external revenue</b>	<b>1,585</b>	<b>1,533</b>	<b>52</b>	<b>3.4%</b>	<b>6,130</b>	<b>5,845</b>	<b>285</b>	<b>4.9%</b>
Intersegment revenue	11	11	-	0.0%	47	41	6	14.6%
<b>Total operating revenues</b>	<b>1,596</b>	<b>1,544</b>	<b>52</b>	<b>3.4%</b>	<b>6,177</b>	<b>5,886</b>	<b>291</b>	<b>4.9%</b>
Goods and services purchased	825	817	8	1.0%	2,916	2,823	93	3.3%
Employee benefits expense <sup>(A)(B)</sup>	179	161	18	11.2%	657	605	52	8.6%
<b>Total operating expense</b>	<b>1,004</b>	<b>978</b>	<b>26</b>	<b>2.7%</b>	<b>3,573</b>	<b>3,428</b>	<b>145</b>	<b>4.2%</b>
<b>EBITDA<sup>(A)</sup></b>	<b>592</b>	<b>566</b>	<b>26</b>	<b>4.4%</b>	<b>2,604</b>	<b>2,458</b>	<b>146</b>	<b>5.9%</b>
<b>COA expense</b>	<b>189</b>	<b>206</b>	<b>(17)</b>	<b>(8.3%)</b>	<b>645</b>	<b>671</b>	<b>(26)</b>	<b>(3.9%)</b>
<b>EBITDA excluding COA<sup>(A)</sup></b>	<b>781</b>	<b>772</b>	<b>9</b>	<b>1.2%</b>	<b>3,249</b>	<b>3,129</b>	<b>120</b>	<b>3.8%</b>
<b>EBITDA margin (total revenue)<sup>(A)</sup></b>	<b>37.0%</b>	<b>36.7%</b>	<b>0.3 pts.</b>		<b>42.1%</b>	<b>41.8%</b>	<b>0.3 pts.</b>	
<b>EBITDA margin (total network revenue)<sup>(A)(C)</sup></b>	<b>40.9%</b>	<b>40.8%</b>	<b>0.1 pts.</b>		<b>45.8%</b>	<b>45.4%</b>	<b>0.4 pts.</b>	
<b>Retention spend % network revenue</b>	<b>12.9%</b>	<b>13.4%</b>	<b>(0.5) pts.</b>		<b>11.4%</b>	<b>11.4%</b>	<b>(0.0) pts.</b>	
<b>Capital expenditures</b>	<b>213</b>	<b>191</b>	<b>22</b>	<b>11.5%</b>	<b>712</b>	<b>711</b>	<b>1</b>	<b>0.1%</b>
<b>Capital expenditure intensity<sup>7</sup></b>	<b>13%</b>	<b>12%</b>	<b>1 pts.</b>		<b>12%</b>	<b>12%</b>	<b>- pts.</b>	
<b>EBITDA less capex<sup>(A)</sup></b>	<b>379</b>	<b>375</b>	<b>4</b>	<b>1.1%</b>	<b>1,892</b>	<b>1,747</b>	<b>145</b>	<b>8.3%</b>
Restructuring and other like costs included in total operating expense	12	4	8	n.m.	30	13	17	n.m.
<b>EBITDA excluding restructuring and other like costs<sup>(A)</sup></b>	<b>604</b>	<b>570</b>	<b>34</b>	<b>6.0%</b>	<b>2,634</b>	<b>2,471</b>	<b>163</b>	<b>6.6%</b>
<b>EBITDA margin excluding restructuring and other like costs (total revenue)<sup>(A)</sup></b>	<b>37.8%</b>	<b>36.9%</b>	<b>0.9 pts.</b>		<b>42.6%</b>	<b>42.0%</b>	<b>0.6 pts.</b>	
<b>EBITDA margin excluding restructuring and other like costs (total network revenue)<sup>(A)(C)</sup></b>	<b>41.7%</b>	<b>41.1%</b>	<b>0.6 pts.</b>		<b>46.3%</b>	<b>45.7%</b>	<b>0.6 pts.</b>	

\*May not balance due to rounding alignment to YTD figures. Q4 2013 financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

<sup>(A)</sup> Periods in 2012 have been adjusted for retrospective application of amended accounting standard IAS 19 Employee benefits (2011).

<sup>(B)</sup> Includes restructuring and other like costs.

<sup>(C)</sup> Total network revenue includes intersegment network revenue.



**TELUS Wireless**  
**Operations - Historical Trend\***

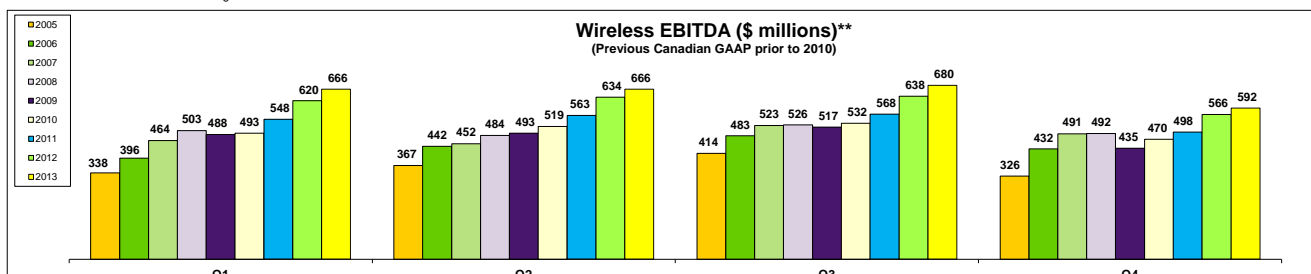
\$ millions	Quarterly								Annual 2013	Annual 2012
	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12		
<b>Revenues</b>										
Voice	786	806	792	788	808	826	817	790	3,172	3,241
Data	648	637	601	583	570	546	512	498	2,469	2,126
Total Network revenue	1,434	1,443	1,393	1,371	1,378	1,372	1,329	1,288	5,641	5,367
Equipment and other service revenue	149	118	117	101	155	127	99	95	485	476
<b>Total external service and equipment revenue</b>	<b>1,583</b>	<b>1,561</b>	<b>1,510</b>	<b>1,472</b>	<b>1,533</b>	<b>1,499</b>	<b>1,428</b>	<b>1,383</b>	<b>6,126</b>	<b>5,843</b>
Other operating income	2	2	-	-	-	2	-	-	4	2
<b>Total external revenue</b>	<b>1,585</b>	<b>1,563</b>	<b>1,510</b>	<b>1,472</b>	<b>1,533</b>	<b>1,501</b>	<b>1,428</b>	<b>1,383</b>	<b>6,130</b>	<b>5,845</b>
<b>Total operating revenues</b>	<b>1,596</b>	<b>1,575</b>	<b>1,522</b>	<b>1,484</b>	<b>1,544</b>	<b>1,511</b>	<b>1,438</b>	<b>1,393</b>	<b>6,177</b>	<b>5,886</b>
Goods and services purchased	825	734	696	661	817	719	661	626	2,916	2,823
Employee benefits expense <sup>(A)(B)</sup>	179	161	160	157	161	154	143	147	657	605
<b>Total operating expense</b>	<b>1,004</b>	<b>895</b>	<b>856</b>	<b>818</b>	<b>978</b>	<b>873</b>	<b>804</b>	<b>773</b>	<b>3,573</b>	<b>3,428</b>
<b>EBITDA<sup>(A)</sup></b>	<b>592</b>	<b>680</b>	<b>666</b>	<b>666</b>	<b>566</b>	<b>638</b>	<b>634</b>	<b>620</b>	<b>2,604</b>	<b>2,458</b>
<b>COA expense</b>	<b>189</b>	<b>168</b>	<b>150</b>	<b>138</b>	<b>206</b>	<b>175</b>	<b>159</b>	<b>131</b>	<b>645</b>	<b>671</b>
<b>EBITDA excluding COA<sup>(A)</sup></b>	<b>781</b>	<b>848</b>	<b>816</b>	<b>804</b>	<b>772</b>	<b>813</b>	<b>793</b>	<b>751</b>	<b>3,249</b>	<b>3,129</b>
<b>EBITDA margin (total revenue)<sup>(A)</sup></b>	<b>37.0%</b>	<b>43.2%</b>	<b>43.7%</b>	<b>44.9%</b>	<b>36.7%</b>	<b>42.2%</b>	<b>44.1%</b>	<b>44.5%</b>	<b>42.1%</b>	<b>41.8%</b>
<b>EBITDA margin (total network revenue)<sup>(A)(C)</sup></b>	<b>40.9%</b>	<b>46.8%</b>	<b>47.4%</b>	<b>48.2%</b>	<b>40.8%</b>	<b>46.2%</b>	<b>47.3%</b>	<b>47.8%</b>	<b>45.8%</b>	<b>45.4%</b>
<b>Retention spend % network revenue</b>	<b>12.9%</b>	<b>11.2%</b>	<b>10.5%</b>	<b>10.9%</b>	<b>13.4%</b>	<b>11.0%</b>	<b>10.7%</b>	<b>10.7%</b>	<b>11.4%</b>	<b>11.4%</b>
<b>Capital expenditures</b>	<b>213</b>	<b>194</b>	<b>171</b>	<b>134</b>	<b>191</b>	<b>175</b>	<b>194</b>	<b>151</b>	<b>712</b>	<b>711</b>
<b>Capital expenditure intensity<sup>7</sup></b>	<b>13%</b>	<b>12%</b>	<b>11%</b>	<b>9%</b>	<b>12%</b>	<b>12%</b>	<b>13%</b>	<b>11%</b>	<b>12%</b>	<b>12%</b>
<b>EBITDA less capex<sup>(A)</sup></b>	<b>379</b>	<b>486</b>	<b>495</b>	<b>532</b>	<b>375</b>	<b>463</b>	<b>440</b>	<b>469</b>	<b>1,892</b>	<b>1,747</b>
Restructuring and other like costs included in total operating expense	12	4	10	4	4	1	4	4	30	13
<b>EBITDA excluding restructuring and other like costs<sup>(A)</sup></b>	<b>604</b>	<b>684</b>	<b>676</b>	<b>670</b>	<b>570</b>	<b>639</b>	<b>638</b>	<b>624</b>	<b>2,634</b>	<b>2,471</b>
<b>EBITDA margin excluding restructuring and other like costs (total revenue)<sup>(A)</sup></b>	<b>37.8%</b>	<b>43.4%</b>	<b>44.4%</b>	<b>45.1%</b>	<b>36.9%</b>	<b>42.3%</b>	<b>44.4%</b>	<b>44.8%</b>	<b>42.6%</b>	<b>42.0%</b>
<b>EBITDA margin excluding restructuring and other like costs (total network revenue)<sup>(A)(C)</sup></b>	<b>41.7%</b>	<b>47.0%</b>	<b>48.1%</b>	<b>48.4%</b>	<b>41.1%</b>	<b>46.2%</b>	<b>47.6%</b>	<b>48.1%</b>	<b>46.3%</b>	<b>45.7%</b>

\*May not balance due to rounding alignment to YTD figures. Q4 2013 financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

<sup>(A)</sup> Periods in 2012 have been adjusted for retrospective application of amended accounting standard IAS 19 Employee benefits (2011).

<sup>(B)</sup> Includes restructuring and other like costs.

<sup>(C)</sup> Total network revenue includes intersegment network revenue.



\*\*Periods in 2012, 2011 and 2010 have been adjusted for retrospective application of accounting standard IAS 19 Employee benefits (2011).

**TELUS Wireless  
Operating Statistics<sup>\*(A)</sup>**

<i>population coverage in millions</i>	Quarter 4				December YTD			
	2013	2012	Change	% Change	2013	2012	Change	% Change
<b>Subscriber gross adds (000s)</b>								
Postpaid	291	324	(33)	(10.2%)	1,118	1,174	(56)	(4.8%)
Prepaid	127	131	(4)	(3.1%)	496	472	24	5.1%
<b>Total</b>	<b>418</b>	<b>455</b>	<b>(37)</b>	<b>(8.1%)</b>	<b>1,614</b>	<b>1,646</b>	<b>(32)</b>	<b>(1.9%)</b>
<b>Subscriber net adds, as reported (000s)</b>								
Postpaid	113	123	(10)	(8.1%)	378	414	(36)	(8.7%)
Prepaid	(22)	(11)	(11)	(100.0%)	(71)	(83)	12	14.5%
<b>Total</b>	<b>91</b>	<b>112</b>	<b>(21)</b>	<b>(18.8%)</b>	<b>307</b>	<b>331</b>	<b>(24)</b>	<b>(7.3%)</b>
<b>Subscribers (000s)<sup>(B)(C)</sup></b>								
Postpaid <sup>(B)(C)</sup>	6,751	6,543	208	3.2%	6,751	6,543	208	3.2%
Prepaid	1,056	1,127	(71)	(6.3%)	1,056	1,127	(71)	(6.3%)
<b>Total<sup>(B)(C)</sup></b>	<b>7,807</b>	<b>7,670</b>	<b>137</b>	<b>1.8%</b>	<b>7,807</b>	<b>7,670</b>	<b>137</b>	<b>1.8%</b>
<b>ARPU (\$)<sup>9</sup></b>								
Voice ARPU	\$61.86	\$60.95	\$0.91	1.5%	\$61.38	\$60.39	\$0.99	1.6%
Data ARPU	\$33.69	\$35.66	(\$1.97)	(5.5%)	\$34.39	\$36.39	(\$2.00)	(5.5%)
	\$28.17	\$25.29	\$2.88	11.4%	\$26.99	\$24.00	\$2.99	12.5%
<b>Churn, per month (%), as reported<sup>9</sup></b>								
Blended Churn	1.41%	1.51%	(0.10) pts.		1.41%	1.47%	(0.06) pts.	
Postpaid Churn	0.97%	1.12%	(0.15) pts.		1.03%	1.09%	(0.06) pts.	
<b>Average minutes of use per subscriber per month (MOU)</b>	369	341	28	8.2%	354	336	18	5.3%
<b>COA per gross subscriber addition (\$)<sup>10</sup></b>	\$453	\$453	-	-	\$400	\$408	(\$8)	(2.0%)
<b>Population coverage in millions - HSPA<sup>(D)</sup></b>	34.9	34.3	0.6	1.7%	34.9	34.3	0.6	1.7%
<b>Population coverage in millions - LTE<sup>(D)</sup></b>	28.8	23.9	4.9	20.5%	28.8	23.9	4.9	20.5%

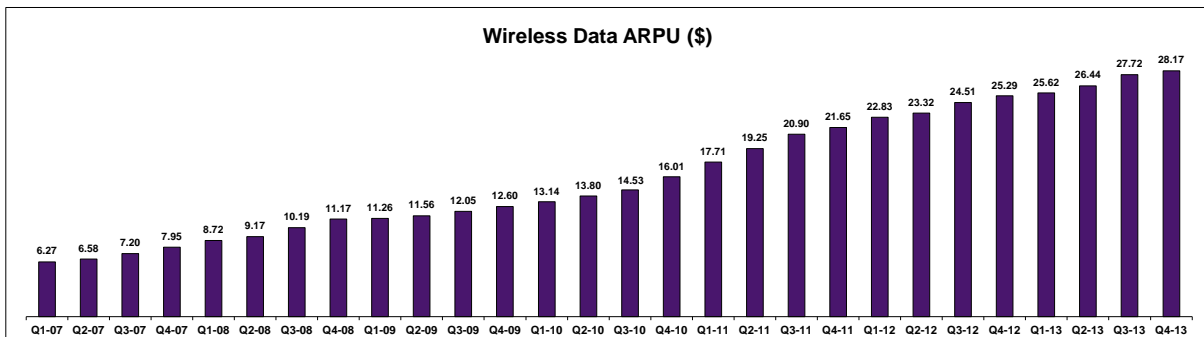
\*May not balance due to rounding alignment to YTD figures.

<sup>(A)</sup> All wireless operating indicators shown exclude those of Public Mobile, Inc. (acquired on November 29, 2013). Public Mobile had approximately 222,000 prepaid subscribers at December 31, 2013.

<sup>(B)</sup> Effective with the fourth quarter of 2013, and on a prospective basis, we have adjusted postpaid subscribers to remove certain Mike subscriptions, as we have ceased marketing of the Mike product and started to turn down the iDEN network. Cumulative subscriber connections include an October 1, 2013, adjustment to remove approximately 94,000 Mike subscriptions from the postpaid subscriber base.

<sup>(C)</sup> Effective with the second quarter of 2013 and on a prospective basis, wireless machine-to-machine (M2M) subscriptions have been excluded. Cumulative subscriber connections include an April 1, 2013, adjustment to remove approximately 76,000 M2M subscriptions.

<sup>(D)</sup> Includes expanded coverage due to network access agreements, principally with Bell.



**TELUS Wireless**  
**Operating Statistics - Historical Trend<sup>(A)</sup>**

<i>population coverage in millions</i>	Quarterly								Annual 2013	Annual 2012
	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12		
<b>Subscriber gross adds (000s)</b>										
Postpaid	291	282	285	260	324	309	284	257	1,118	1,174
Prepaid	127	138	117	114	131	125	110	106	496	472
Total	418	420	402	374	455	434	394	363	1,614	1,646
<b>Subscriber net adds, as reported (000s)</b>										
Postpaid	113	106	100	59	123	116	112	63	378	414
Prepaid	(22)	(2)	(21)	(26)	(11)	(5)	(26)	(41)	(71)	(83)
Total	91	104	79	33	112	111	86	22	307	331
<b>Subscribers (000s)<sup>(B)(C)</sup></b>										
Postpaid <sup>(B)(C)</sup>	6,751	6,732	6,627	6,603	6,543	6,420	6,304	6,193	6,751	6,543
Prepaid	1,056	1,078	1,079	1,100	1,127	1,138	1,143	1,169	1,056	1,127
Total <sup>(B)(C)</sup>	7,807	7,810	7,706	7,703	7,670	7,558	7,447	7,362	7,807	7,670
<b>ARPU (\$)<sup>8</sup></b>										
Voice ARPU	\$61.86	\$62.49	\$61.12	\$60.04	\$60.95	\$61.42	\$60.29	\$58.87	\$61.38	\$60.39
Data ARPU	\$33.69	\$34.77	\$34.68	\$34.42	\$35.66	\$36.91	\$36.97	\$36.04	\$34.39	\$36.39
Total ARPU	\$28.17	\$27.72	\$26.44	\$25.62	\$25.29	\$24.51	\$23.32	\$22.83	\$26.99	\$24.00
<b>Churn, per month (%), as reported<sup>9</sup></b>										
Blended Churn	1.41%	1.36%	1.40%	1.48%	1.51%	1.44%	1.39%	1.55%	1.41%	1.47%
Postpaid Churn	0.97%	0.99%	1.03%	1.11%	1.12%	1.10%	1.00%	1.14%	1.03%	1.09%
<b>Average minutes of use per subscriber per month (MOU)</b>	369	358	360	328	341	338	341	324	354	336
<b>COA per gross subscriber addition (\$)<sup>10</sup></b>	\$453	\$399	\$374	\$369	\$453	\$402	\$404	\$362	\$400	\$408
<b>Population coverage in millions - HSPA<sup>(D)</sup></b>	34.9	34.9	34.8	34.3	34.3	34.3	34.2	33.8	34.9	34.3
<b>Population coverage in millions - LTE<sup>(D)</sup></b>	28.8	27.9	26.0	24.7	23.9	n/a	n/a	n/a	28.8	23.9

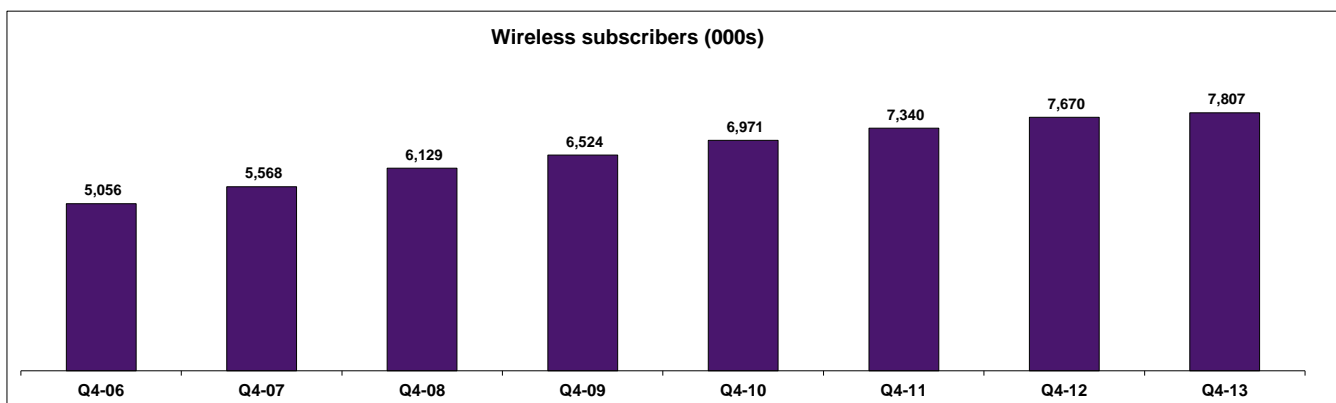
\*May not balance due to rounding alignment to YTD figures.

<sup>(A)</sup>All wireless operating indicators shown exclude those of Public Mobile, Inc. (acquired on November 29, 2013). Public Mobile had approximately 222,000 prepaid subscribers at December 31, 2013.

<sup>(B)</sup>Effective with the fourth quarter of 2013, and on a prospective basis, we have adjusted postpaid subscribers to remove certain Mike subscriptions, as we have ceased marketing of the Mike product and started to turn down the iDEN network. Cumulative subscriber connections include an October 1, 2013, adjustment to remove approximately 94,000 Mike subscriptions from the postpaid subscriber base.

<sup>(C)</sup>Effective with the second quarter of 2013 and on a prospective basis, wireless machine-to-machine (M2M) subscriptions have been excluded. Cumulative subscriber connections include an April 1, 2013, adjustment to remove approximately 76,000 M2M subscriptions.

<sup>(D)</sup>Includes expanded coverage due to network access agreements, principally with Bell.





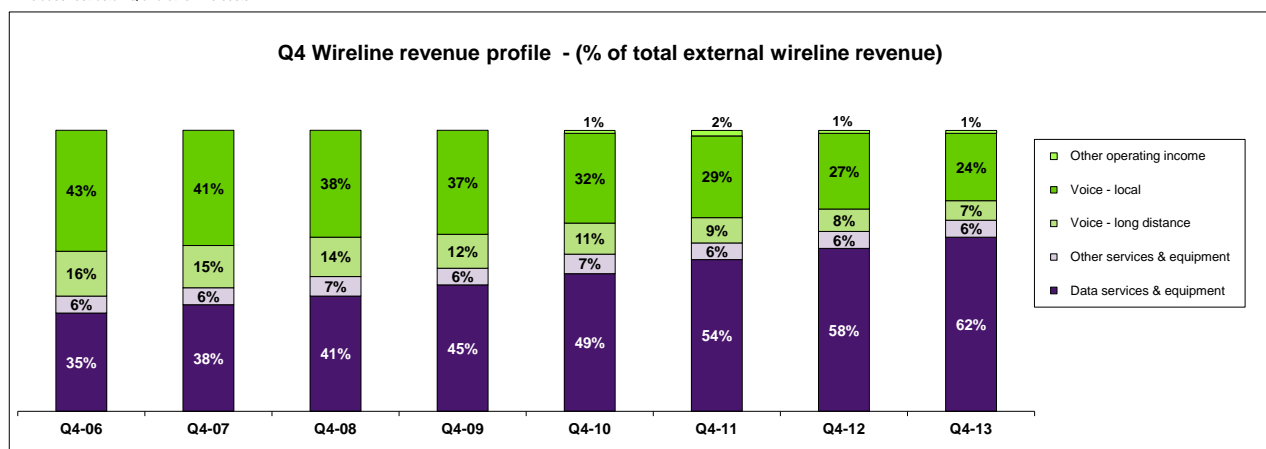
**TELUS Wireline  
Operations\***

<i>\$ millions</i>	Quarter 4				December YTD			
	2013	2012	Change	% Change	2013	2012	Change	% Change
<b>Revenues</b>								
Data service and equipment	851	770	81	10.5%	3,208	2,896	312	10.8%
Voice - local service	323	352	(29)	(8.2%)	1,335	1,416	(81)	(5.7%)
Voice - long distance service	96	103	(7)	(6.8%)	400	425	(25)	(5.9%)
Other services and equipment	75	76	(1)	(1.3%)	267	272	(5)	(1.8%)
<b>Total external services &amp; equipment revenue</b>	<b>1,345</b>	<b>1,301</b>	<b>44</b>	<b>3.4%</b>	<b>5,210</b>	<b>5,009</b>	<b>201</b>	<b>4.0%</b>
Other operating income	18	17	1	5.9%	64	67	(3)	(4.5%)
<b>Total external revenue</b>	<b>1,363</b>	<b>1,318</b>	<b>45</b>	<b>3.4%</b>	<b>5,274</b>	<b>5,076</b>	<b>198</b>	<b>3.9%</b>
Intersegment revenue	43	43	-	-	169	170	(1)	(0.6%)
<b>Total operating revenues</b>	<b>1,406</b>	<b>1,361</b>	<b>45</b>	<b>3.3%</b>	<b>5,443</b>	<b>5,246</b>	<b>197</b>	<b>3.8%</b>
Goods and services purchased	578	567	11	1.9%	2,262	2,208	54	2.4%
Employee benefits expense <sup>(A)(B)</sup>	469	442	27	6.1%	1,767	1,637	130	7.9%
<b>Total operating expense</b>	<b>1,047</b>	<b>1,009</b>	<b>38</b>	<b>3.8%</b>	<b>4,029</b>	<b>3,845</b>	<b>184</b>	<b>4.8%</b>
<b>EBITDA<sup>(A)</sup></b>	<b>359</b>	<b>352</b>	<b>7</b>	<b>2.1%</b>	<b>1,414</b>	<b>1,401</b>	<b>13</b>	<b>0.9%</b>
<b>EBITDA margin<sup>(A)</sup></b>	<b>25.6%</b>	<b>25.9%</b>	<b>(0.3) pts.</b>		<b>26.0%</b>	<b>26.7%</b>	<b>(0.7) pts.</b>	
<b>Capital expenditures</b>	364	330	34	10.3%	1,398	1,270	128	10.1%
<b>Capital expenditure intensity<sup>7</sup></b>	<b>26%</b>	<b>24%</b>	<b>2 pts.</b>		<b>26%</b>	<b>24%</b>	<b>2 pts.</b>	
<b>EBITDA less capex<sup>(A)</sup></b>	<b>(5)</b>	<b>22</b>	<b>(27)</b>	<b>(122.7%)</b>	<b>16</b>	<b>131</b>	<b>(115)</b>	<b>(87.8%)</b>
Restructuring and other like costs included in total operating expense	21	15	6	40.0%	68	35	33	94.3%
<b>EBITDA excluding restructuring and other like costs<sup>(A)</sup></b>	<b>380</b>	<b>367</b>	<b>13</b>	<b>3.5%</b>	<b>1,482</b>	<b>1,436</b>	<b>46</b>	<b>3.2%</b>
<b>EBITDA margin excluding restructuring and other like costs<sup>(A)</sup></b>	<b>27.0%</b>	<b>27.0%</b>	<b>- pts.</b>		<b>27.2%</b>	<b>27.4%</b>	<b>(0.2) pts.</b>	

\*May not balance due to rounding alignment to YTD figures.

<sup>(A)</sup> Periods in 2012 have been adjusted for retrospective application of amended accounting standard IAS 19 Employee benefits (2011).

<sup>(B)</sup> Includes restructuring and other like costs.



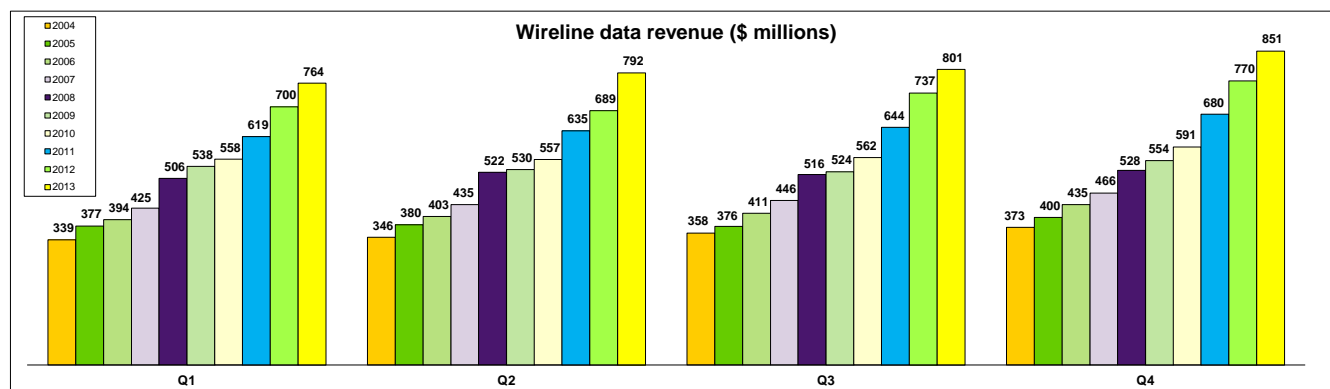
**TELUS Wireline  
Operations - Historical Trend\***

\$ millions	Quarterly								Annual 2013	Annual 2012
	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12		
<b>Revenues</b>										
Data service and equipment	851	801	792	764	770	737	689	700	3,208	2,896
Voice - local service	323	334	338	340	352	351	354	359	1,335	1,416
Voice - long distance service	96	96	107	101	103	103	109	110	400	425
Other services and equipment	75	63	63	66	76	65	64	67	267	272
<b>Total external services &amp; equipment revenue</b>	1,345	1,294	1,300	1,271	1,301	1,256	1,216	1,236	5,210	5,009
Other operating income	18	17	16	13	17	17	21	12	64	67
<b>Total external revenue</b>	1,363	1,311	1,316	1,284	1,318	1,273	1,237	1,248	5,274	5,076
Intersegment revenue	43	43	42	41	43	43	43	41	169	170
<b>Total operating revenues</b>	1,406	1,354	1,358	1,325	1,361	1,316	1,280	1,289	5,443	5,246
Goods and services purchased	578	558	580	546	567	556	544	541	2,262	2,208
Employee benefits expense <sup>(A)(B)</sup>	469	441	446	411	442	408	400	387	1,767	1,637
<b>Total operating expense</b>	1,047	999	1,026	957	1,009	964	944	928	4,029	3,845
<b>EBITDA<sup>(A)</sup></b>	359	355	332	368	352	352	336	361	1,414	1,401
<b>EBITDA margin<sup>(A)</sup></b>	25.6%	26.2%	24.5%	27.8%	25.9%	26.7%	26.3%	28.0%	26.0%	26.7%
<b>Capital expenditures</b>	364	361	340	333	330	296	354	290	1,398	1,270
<b>Capital expenditure intensity<sup>7</sup></b>	26%	27%	25%	25%	24%	22%	28%	22%	26%	24%
<b>EBITDA less capex<sup>(A)</sup></b>	(5)	(6)	(8)	35	22	56	(18)	71	16	131
Restructuring and other like costs included in total operating expense	21	11	29	7	15	2	9	9	68	35
<b>EBITDA excluding restructuring and other like costs<sup>(A)</sup></b>	380	366	361	375	367	354	345	370	1,482	1,436
<b>EBITDA margin excluding restructuring and other like costs<sup>(A)</sup></b>	27.0%	27.0%	26.6%	28.3%	27.0%	26.9%	27.0%	28.7%	27.2%	27.4%

\*May not balance due to rounding alignment to YTD figures.

<sup>(A)</sup> Periods in 2012 have been adjusted for retrospective application of amended accounting standard IAS 19 Employee benefits (2011).

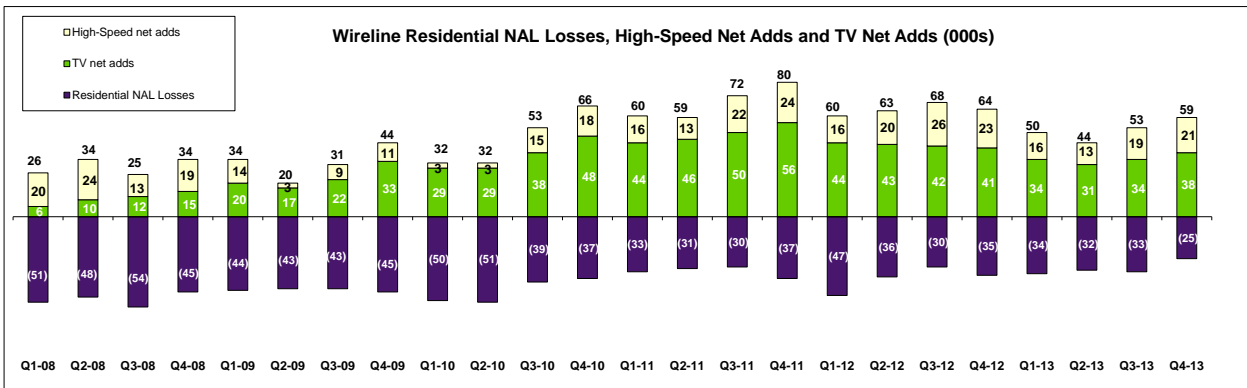
<sup>(B)</sup> Includes restructuring and other like costs.



**TELUS Wireline  
Operating Statistics\***

	Quarter 4				December YTD			
	2013	2012	Change	% Change	2013	2012	Change	% Change
<b>Network access lines (NAL) (000s)</b>								
Residential	1,643	1,767	(124)	(7.0%)	1,643	1,767	(124)	(7.0%)
Business	1,611	1,639	(28)	(1.7%)	1,611	1,639	(28)	(1.7%)
Total	3,254	3,406	(152)	(4.5%)	3,254	3,406	(152)	(4.5%)
<b>NAL net additions (losses) (000s)</b>								
Residential	(25)	(35)	10	(28.6%)	(124)	(148)	24	(16.2%)
Business	(5)	(7)	2	(28.6%)	(28)	(39)	11	(28.2%)
Total	(30)	(42)	12	(28.6%)	(152)	(187)	35	(18.7%)
<b>Internet subscriber net additions (losses) (000s)</b>								
High-speed	21	23	(2)	(8.7%)	69	84	(15)	(17.9%)
Dial-up	(1)	(2)	1	(50.0%)	(8)	(11)	3	(27.3%)
Total	20	21	(1)	(4.8%)	61	73	(12)	(16.4%)
<b>Internet subscribers (000s)</b>								
High-speed	1,395	1,326	69	5.2%	1,395	1,326	69	5.2%
Dial-up	25	33	(8)	(24.2%)	25	33	(8)	(24.2%)
Total	1,420	1,359	61	4.5%	1,420	1,359	61	4.5%
<b>TV subscriber net adds (000s)<sup>11</sup></b>	38	41	(3)	(7.3%)	137	169	(32)	(18.9%)
<b>TV subscribers (000s)<sup>11</sup></b>	815	678	137	20.2%	815	678	137	20.2%

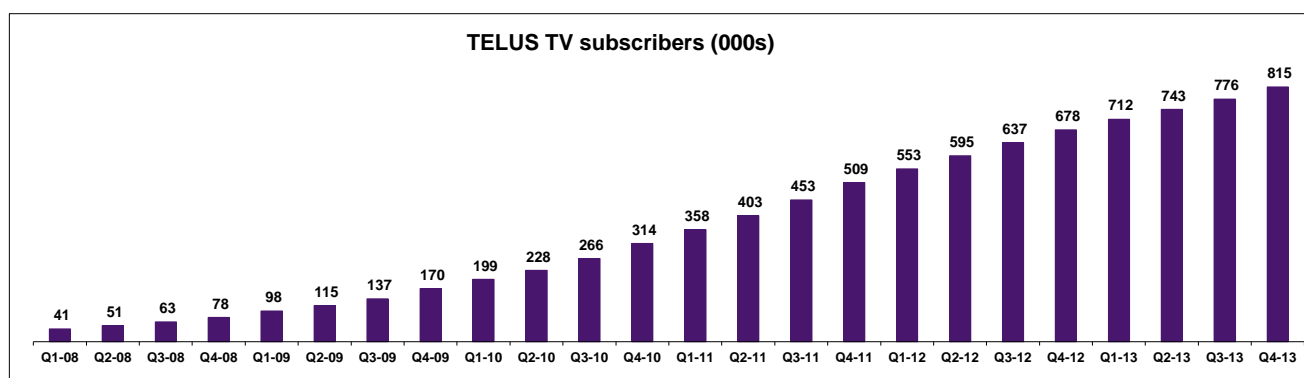
\*May not balance due to rounding alignment to YTD figures.



**TELUS Wireline**  
**Operating Statistics - Historical Trend\***

	Quarterly								Annual 2013	Annual 2012
	Q4/13	Q3/13	Q2/13	Q1/13	Q4/12	Q3/12	Q2/12	Q1/12		
<b>Network access lines (NAL) (000s)</b>										
Residential	1,643	1,668	1,701	1,733	1,767	1,802	1,832	1,868	1,643	1,767
Business	1,611	1,616	1,623	1,630	1,639	1,646	1,655	1,668	1,611	1,639
<b>Total</b>	<b>3,254</b>	<b>3,284</b>	<b>3,324</b>	<b>3,363</b>	<b>3,406</b>	<b>3,448</b>	<b>3,487</b>	<b>3,536</b>	<b>3,254</b>	<b>3,406</b>
<b>NAL net additions (losses) (000s)</b>										
Residential	(25)	(33)	(32)	(34)	(35)	(30)	(36)	(47)	(124)	(148)
Business	(5)	(7)	(6)	(9)	(7)	(9)	(14)	(10)	(28)	(39)
<b>Total</b>	<b>(30)</b>	<b>(40)</b>	<b>(38)</b>	<b>(43)</b>	<b>(42)</b>	<b>(39)</b>	<b>(50)</b>	<b>(57)</b>	<b>(152)</b>	<b>(187)</b>
<b>Internet subscriber net additions (losses) (000s)</b>										
High-speed	21	19	13	16	23	26	20	16	69	84
Dial-up	(1)	(2)	(2)	(3)	(2)	(3)	(3)	(3)	(8)	(11)
<b>Total</b>	<b>20</b>	<b>17</b>	<b>11</b>	<b>13</b>	<b>21</b>	<b>23</b>	<b>17</b>	<b>13</b>	<b>61</b>	<b>73</b>
<b>Internet subscribers (000s)</b>										
High-speed	1,395	1,374	1,355	1,342	1,326	1,303	1,277	1,257	1,395	1,326
Dial-up	25	26	28	30	33	35	38	41	25	33
<b>Total</b>	<b>1,420</b>	<b>1,400</b>	<b>1,383</b>	<b>1,372</b>	<b>1,359</b>	<b>1,338</b>	<b>1,315</b>	<b>1,298</b>	<b>1,420</b>	<b>1,359</b>
<b>TV subscriber net adds (000s)<sup>11</sup></b>	<b>38</b>	<b>34</b>	<b>31</b>	<b>34</b>	<b>41</b>	<b>42</b>	<b>43</b>	<b>44</b>	<b>137</b>	<b>169</b>
<b>TV subscribers (000s)<sup>11</sup></b>	<b>815</b>	<b>776</b>	<b>743</b>	<b>712</b>	<b>678</b>	<b>637</b>	<b>595</b>	<b>553</b>	<b>815</b>	<b>678</b>

\*May not balance due to rounding alignment to YTD figures.



## Non-GAAP measures and definitions of key operating indicators

<sup>1</sup> **Return on common equity** is Net income attributed to equity shares for a 12-month trailing period, divided by the average Common equity for the 12-month period.

<sup>2</sup> **EBITDA interest coverage ratio** is defined as EBITDA (excluding restructuring and other like costs), divided by net interest cost. Net interest cost is defined as financing costs, excluding employee defined benefit plans net interest, as well as gains on redemption and repayment of debt, calculated on a 12-month trailing basis. Any losses recorded on the redemption of debt are included in net interest. This measure is similar to the Coverage Ratio covenant in TELUS' credit facilities.

<sup>3</sup> **Free cash flow** is calculated as EBITDA, adding Restructuring and other like costs, net employee defined benefit plans expense, the excess of share compensation expense over share compensation payments, and interest received; and deducting restructuring payments, employer contributions to employee defined benefit plans, interest paid, cash income taxes, capital expenditures (excluding spectrum licences), and any items of an unusual nature excluded in the calculation of Adjusted EBITDA.

<sup>4</sup> **Net debt** is defined as Long-term Debt (including current maturities of long-term debt) plus debt issue costs netted against long-term debt, Short-term borrowings, and historically, cross-currency swap agreement hedge liabilities (assets) associated with U.S. dollar debt, less Cash and temporary investments.

<sup>5</sup> **Net debt to total capitalization** provides a measure of the proportion of debt used in the Company's capital structure. Total capitalization is calculated as Net debt plus Owners' equity excluding accumulated other comprehensive income.

<sup>6</sup> **Net debt to EBITDA** excluding restructuring and other like costs is defined as Net debt as at the end of the period divided by the 12-month trailing EBITDA excluding restructuring and other like costs. TELUS' long-term policy guideline for Net debt to EBITDA is from 1.5 to 2.0 times. Historically, Net debt to EBITDA excluding restructuring and other like costs is similar to the Leverage Ratio covenant in TELUS' credit facilities.

<sup>7</sup> **Capital expenditure intensity** is defined as capital expenditures (excluding spectrum licences) as a percentage of operating revenues.

<sup>8</sup> **Average revenue per subscriber unit per month (ARPU)** is calculated as Network revenue divided by the average number of subscriber units on the network during the period and expressed as a rate per month. Data ARPU is a component of ARPU, calculated on the same basis for revenues derived from services such as text messaging, mobile computing, personal digital assistance devices, Internet browser activity and pay-per-use downloads.

<sup>9</sup> **Churn per month** is calculated as the number of subscriber units disconnected during a given period divided by the average number of subscriber units on the network during the period and expressed as a rate per month. A TELUS brand or Koodo brand prepaid subscriber is disconnected when the subscriber has no usage for 90 days following expiry of the prepaid card.

<sup>10</sup> **Cost of acquisition (COA)** consists of the total of handset subsidies, commissions, and advertising and promotion expenses related to the initial subscriber acquisition during a given period. As defined, COA excludes costs to retain existing subscribers (retention spend).

<sup>11</sup> **TV subscribers** consist of IP-based Optik TV subscribers and TELUS Satellite TV subscribers.