TELUS

rising above

Q3 2017 investor conference call
November 9, 2017

Caution regarding forward looking statements

This presentation and answers to questions contain forward-looking statements about expected events, including relating to our 2017 and 2018 targets, guidance and assumptions, multi-year dividend growth and our normal course issuer bid, fibre network and other capital investments, leverage ratios, and the performance of TELUS. By their nature, forward-looking statements do not refer to historical facts and require the Company to make assumptions and predictions, and are subject to inherent risks. There is significant risk that the forward-looking statements will not prove to be accurate. There can be no assurances that TELUS will complete all or any purchases under its normal course issuer bid or a future normal course issuer bid, or that TELUS will maintain its multi-year dividend growth program. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors (such as competition, technological substitution, regulatory developments, government decisions, economic performance in Canada, our cost reduction initiatives, our earnings and free cash flow, our capital expenditures and decisions regarding our dividend or intent to purchase shares) could cause actual future performance and events to differ materially from those expressed in the forward-looking statements. Accordingly, all forward-looking statements made today are subject to the disclaimer and qualified by the assumptions (including assumptions for the 2017 annual targets and guidance, and semi-annual dividend increases through 2019), qualifications and risk factors as set out in the third quarter Management's discussion and analysis (MD&A) and in the 2016 annual report's MD&A, especially Sections 9 and 10, and in other TELUS public disclosure documents and filings with securities commissions in Canada (on SEDAR at sedar.com) and in the United States (on EDGAR at sec.gov). Except as required by law, TELUS disclaims any intention or obligation to update or revise forward-looking statements, and reserves the right to change, at any time at its sole discretion, its current practice of updating annual targets and guidance.

Building outstanding value for our investors

- Continuing wireless execution & momentum
- Generating profitable wireline growth
- Returning significant capital
- Investing for future growth

Continuing our wireless momentum

115,000
postpaid net adds

0.86%
postpaid churn

$68.67
blended ARPU up 3.0%

Record low 3rd quarter churn rate and strong postpaid loading

Generating leading lifetime revenue

Attracting and retaining high-quality customers through superior customer experience

Profitable wireline customer growth

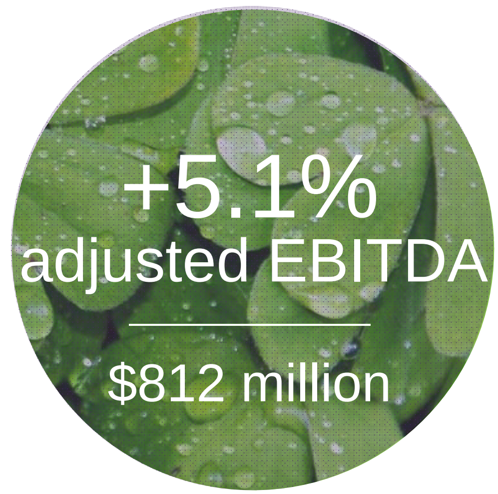
Generating profitable customer growth in competitive Western Canada market

Delivering on our multi-year program

Returning significant capital to investors since 2004

Third quarter 2017 financial results

Third quarter 2017 wireless results



Network revenue and EBITDA growth driven by data and continued postpaid sub growth

Third quarter 2017 wireline results

+0.8%
revenue (external)

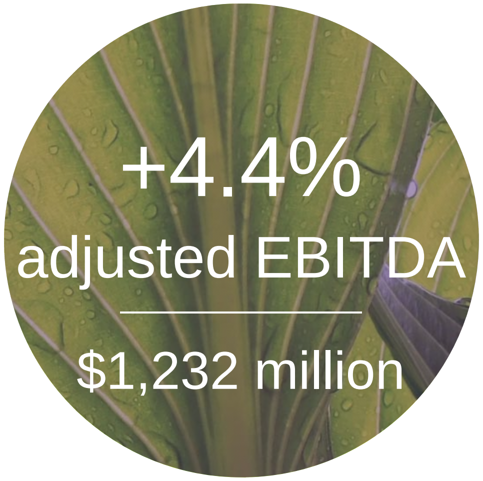
$1,432 million

+3.0%
adjusted EBITDA

$420 million

Adjusted EBITDA margins up 50 basis points to 28.3%

Third quarter 2017 consolidated results



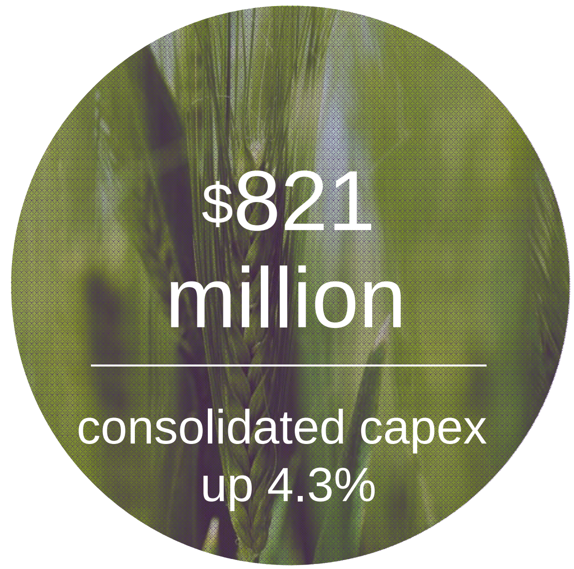
Growth in wireless and wireline data
augmented by continued focus on cost efficiency

Third quarter 2017 consolidated results

Higher EPS reflects growth in EBITDA offset by higher depreciation and financing costs

Investing for future growth

- 1.33 million TELUS PureFibre premises (45% of current Optik footprint)
- 4G LTE to 99%, LTE-A to 85% of Canadians



Free cash flow doubled to $215 million

Questions?

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Appendix – Q3 2017 EPS analysis

Basic EPS as reported (Q3 2016)	**$0.59**
Restructuring and other costs	0.08
Favourable income tax-related adjustments	(0.01)
Net gains from real estate developments	(0.01)
Adjusted basic EPS (Q3 2016)	**$0.65**
Higher EBITDA excluding restructuring and other costs	0.06
Higher depreciation and amortization	(0.04)
Higher financing costs, non-controlling interest and other	(0.01)
Adjusted basic EPS (Q3 2017)	**$0.66**
Restructuring and other costs	(0.05)
Favourable income tax-related adjustments	0.01
Basic EPS as reported (Q3 2017)	**$0.62**

Appendix – free cash flow

Free Cash Flow

C$ millions	**2016 Q3**	**2016 Q3 YTD**	**2017 Q3**	**2017 Q3 YTD**
EBITDA	1,131	3,460	1,196	3,651
Capital expenditures (excluding spectrum licenses)	(787)	(2,174)	(821)	(2,355)
Net employee defined benefit plans expense	23	67	20	61
Employer contributions to employee defined benefit plans	(14)	(53)	(17)	(52)
Interest paid, net	(131)	(386)	(145)	(411)
Income taxes paid, net of refunds	(148)	(571)	(20)	(199)
Share-based compensation	27	65	22	61
Restructuring and other costs, net of disbursements	12	(27)	(18)	(64)
Gain on the exchange of wireless spectrum licences	-	(15)	-	-
Net gains and equity income from real estate joint venture developmen	(10)	(19)	-	(3)
Gains from the sale of property, plant and equipment	(4)	(15)	(2)	(3)
Other	-	-		6
Free Cash Flow	**98**	**332**	**215**	**692**
Spectrum	-	(145)	-	
Issue of shares by subsidiary to non-controlling interest	(1)	291	-	
Purchase of Common Shares for cancellation	(19)	(140)	-	-
Dividends paid to holders of Common Shares	(274)	(798)	(269)	(813)
Cash payments for acquisitions and related investments	(14)	(16)	(82)	(560)
Real estate joint ventures	45	63	8	(1)
Working Capital and Other	217	163	127	(81)
Funds available for debt redemption	**52**	**(250)**	**(1)**	**(763)**
Net issuance of debt	(70)	437	118	819
Increase (decrease) in cash	**(18)**	**187**	**117**	**56**

Appendix – definitions

Our presentation and answers include the following non-GAAP measures, which may not be comparable to similar measures used by other issuers:

- EBITDA does not have any standardized meaning prescribed by IFRS-IASB. We have issued guidance on and report EBITDA because it is a key measure used to evaluate performance at a consolidated level and the contribution of our two segments. For definition and explanation, see Section 11.1 in the 2017 third quarter Management's discussion and analysis (MD&A).
- Adjusted EBITDA for the third quarter excludes:1) restructuring and other costs of $36 million (vs. $60 million in 2016); 2) gains from the exchange of wireless spectrum ($15 million in 2016); and 3) net gains and equity income of $- million related to real estate joint venture developments (vs. $10 million in 2016).
- Adjusted basic EPS does not have any standardized meaning prescribed by IFRS-IASB. This term is defined in this presentation as excluding (after income taxes) 1) restructuring and other costs; 2) gains from the exchange of wireless spectrum 2) net gains and equity income related to real estate developments. For further analysis see Section 1.3 in the 2017 third quarter MD&A, and the appendix of this presentation.