



TELUS Corporation

Fourth Quarter, 2014

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)

For further information, please contact:

TELUS Investor Relations
1-800-667-4871
ir@telus.com
www.telus.com

Darrell Rae
(604) 697-8192
darrell.rae@telus.com

Robert Mitchell
(647) 837-1606
robert.mitchell2@telus.com

Table of Contents

TELUS Corporation	
- Selected Consolidated Data	2
- Segmented Data	3
- Segmented Data (Historical Trend)	4
TELUS Wireless	
- Operations	5
- Operations (Historical Trend)	6
- Operating Statistics	7
- Operating Statistics (Historical Trend)	8
TELUS Wireline	
- Operations	9
- Operations (Historical Trend)	10
- Operating Statistics	11
- Operating Statistics (Historical Trend)	12
Non-GAAP measures and definitions	13

TELUS Corporation
Selected Consolidated Data^(A)

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

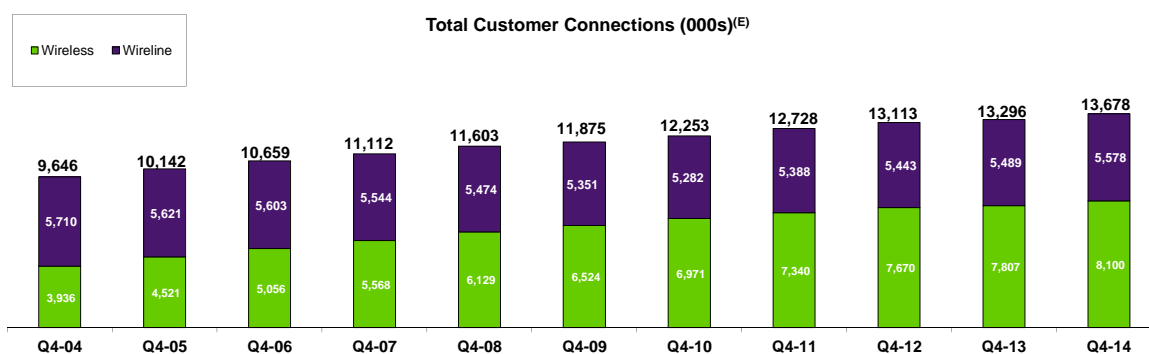
	Quarterly								Annual 2014	Annual 2013
	Q4/14	Q3/14	Q2/14	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13		
Net Income ^(B)	312	355	381	377	290	356	286	362	1,425	1,294
Basic earnings per share (\$) ^{(B)(C)}	0.51	0.58	0.62	0.61	0.47	0.56	0.44	0.56	2.31	2.02
Dividends declared per share (\$) ^(C)	0.40	0.38	0.38	0.36	0.36	0.34	0.34	0.32	1.52	1.36
Return on common equity ^(B)	17.8%	17.6%	18.0%	16.8%	16.8%	16.5%	15.8%	15.9%	17.8%	16.8%
EBITDA interest coverage ratio ^{2 (B)(D)}	9.75	10.16	10.35	10.71	11.12	11.30	11.46	11.64	9.75	11.12
Free cash flow ³	337	219	210	291	136	365	192	358	1,057	1,051
Net debt ⁴	9,393	9,253	9,272	8,202	7,592	7,313	6,860	6,595	9,393	7,592
Net debt : Total capitalization ⁵	55.9%	53.3%	53.3%	50.2%	48.7%	50.3%	48.0%	45.3%	55.9%	48.7%
Net debt : EBITDA (times) ^(B)	2.19	2.18	2.21	2.00	1.84	1.80	1.70	1.70	2.19	1.84
Outstanding shares at end of period (M) ^(C)	609	612	615	620	623	623	646	654	609	623
Basic weighted average shares outstanding (M) ^(C)	611	613	617	622	623	633	652	653	616	640
Total customer connections (000s) ^(E)	13,678	13,545	13,409	13,329	13,296	13,270	13,156	13,150	13,678	13,296

^(A) Commencing Q4 2013, financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

^(B) Effective in 2013, we have applied the amended standard IAS 19 Employee benefits (2011) and, as required, we have applied the amended standard retrospectively.

^(C) Adjusted for the 2-for-1 stock split effective April 16, 2013.

^(D) EBITDA excluding restructuring and other like costs.



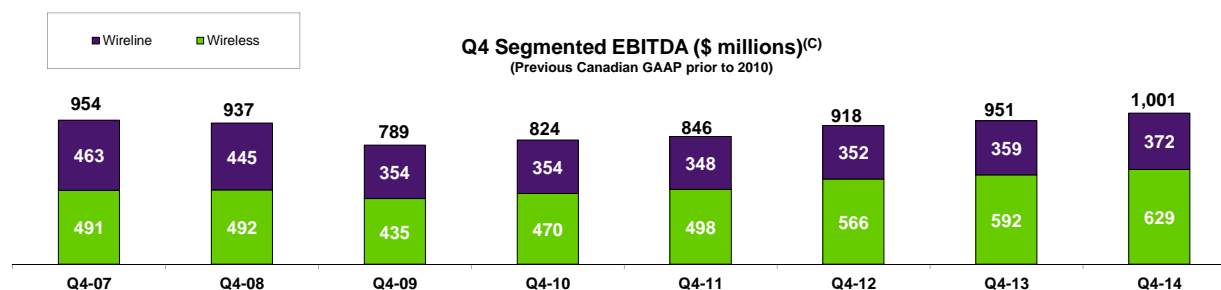
^(E) Customer Connections may not balance due to rounding alignment to YTD figures. Figures exclude those of Public Mobile, Inc. (acquired on November 29, 2013).

TELUS Corporation
Segmented Data^(A)

\$ millions	Quarter 4				December YTD			
	2014	2013	Change	% Change	2014	2013	Change	% Change
Revenues								
TELUS Wireless	1,759	1,596	163	10.2%	6,641	6,177	464	7.5%
TELUS Wireline	1,428	1,406	22	1.6%	5,590	5,443	147	2.7%
Less: Intersegment revenue	(59)	(54)	(5)	9.3%	(229)	(216)	(13)	6.0%
Operating revenues	3,128	2,948	180	6.1%	12,002	11,404	598	5.2%
EBITDA								
TELUS Wireless	629	592	37	6.3%	2,727	2,604	123	4.7%
TELUS Wireline	372	359	13	3.4%	1,489	1,414	75	5.3%
Consolidated	1,001	951	50	5.3%	4,216	4,018	198	4.9%
EBITDA margin								
TELUS Wireless	35.8%	37.0%	(1.2) pts.		41.1%	42.1%	(1.0) pts.	
TELUS Wireline	26.0%	25.6%	0.4 pts.		26.6%	26.0%	0.6 pts.	
Consolidated	32.0%	32.3%	(0.3) pts.		35.1%	35.2%	(0.1) pts.	
Capital expenditures								
TELUS Wireless	188	213	(25)	(11.7%)	832	712	120	16.9%
TELUS Wireline	382	364	18	4.9%	1,527	1,398	129	9.2%
Consolidated	570	577	(7)	(1.2%)	2,359	2,110	249	11.8%
Capital expenditure intensity⁷								
TELUS Wireless	11%	13%	(2) pts.		13%	12%	1 pts.	
TELUS Wireline	27%	26%	1 pts.		27%	26%	1 pts.	
Consolidated	18%	20%	(2) pts.		20%	19%	1 pts.	
EBITDA less capex								
TELUS Wireless	441	379	62	16.4%	1,895	1,892	3	0.2%
TELUS Wireline	(10)	(5)	(5)	n.m.	(38)	16	(54)	n.m.
Consolidated	431	374	57	15.2%	1,857	1,908	(51)	(2.7%)
EBITDA excluding restructuring and other like costs^(B)								
TELUS Wireless	635	604	31	5.1%	2,757	2,634	123	4.7%
TELUS Wireline	392	380	12	3.1%	1,534	1,482	52	3.4%
Consolidated	1,027	984	43	4.4%	4,291	4,116	175	4.3%
EBITDA margin excluding restructuring and other like costs^(B)								
TELUS Wireless	36.1%	37.8%	(1.7) pts.		41.5%	42.6%	(1.1) pts.	
TELUS Wireline	27.4%	27.0%	0.4 pts.		27.4%	27.2%	0.2 pts.	
Consolidated	32.8%	33.4%	(0.6) pts.		35.8%	36.1%	(0.3) pts.	

^(A)Commencing Q4 2013, financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

^(B)EBITDA has been adjusted to exclude restructuring and other like costs of \$26M and \$33M for Q4-14 and Q4-13, respectively, and \$75M and \$98M for 2014 YTD and 2013 YTD, respectively.



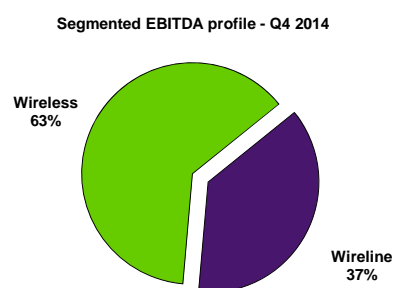
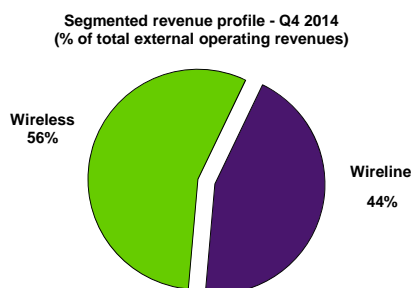
^(C)Periods in 2012, 2011 and 2010 have been adjusted for retrospective application of accounting standard IAS 19 Employee benefits (2011).

TELUS Corporation
Segmented Data - Historical Trend^(A)

<i>\$ millions</i>	Quarterly								Annual 2014	Annual 2013
	Q4/14	Q3/14	Q2/14	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13		
Revenues										
TELUS Wireless	1,759	1,697	1,617	1,568	1,596	1,575	1,522	1,484	6,641	6,177
TELUS Wireline	1,428	1,390	1,391	1,381	1,406	1,354	1,358	1,325	5,590	5,443
Less: Intersegment revenue	(59)	(59)	(57)	(54)	(54)	(55)	(54)	(53)	(229)	(216)
Operating revenues	3,128	3,028	2,951	2,895	2,948	2,874	2,826	2,756	12,002	11,404
EBITDA										
TELUS Wireless	629	700	708	690	592	680	666	666	2,727	2,604
TELUS Wireline	372	365	365	387	359	355	332	368	1,489	1,414
Consolidated	1,001	1,065	1,073	1,077	951	1,035	998	1,034	4,216	4,018
EBITDA margin										
TELUS Wireless	35.8%	41.2%	43.8%	44.0%	37.0%	43.2%	43.7%	44.9%	41.1%	42.1%
TELUS Wireline	26.0%	26.3%	26.2%	28.0%	25.6%	26.2%	24.5%	27.8%	26.6%	26.0%
Consolidated	32.0%	35.2%	36.4%	37.2%	32.3%	36.0%	35.3%	37.5%	35.1%	35.2%
Capital expenditures										
TELUS Wireless	188	251	228	165	213	194	171	134	832	712
TELUS Wireline	382	406	408	331	364	361	340	333	1,527	1,398
Consolidated	570	657	636	496	577	555	511	467	2,359	2,110
Capital expenditure intensity⁷										
TELUS Wireless	11%	15%	14%	11%	13%	12%	11%	9%	13%	12%
TELUS Wireline	27%	29%	29%	24%	26%	27%	25%	25%	27%	26%
Consolidated	18%	22%	22%	17%	20%	19%	18%	17%	20%	19%
EBITDA less capex										
TELUS Wireless	441	449	480	525	379	486	495	532	1,895	1,892
TELUS Wireline	(10)	(41)	(43)	56	(5)	(6)	(8)	35	(38)	16
Consolidated	431	408	437	581	374	480	487	567	1,857	1,908
EBITDA excluding restructuring and other like costs^(B)										
TELUS Wireless	635	718	711	693	604	684	676	670	2,757	2,634
TELUS Wireline	392	377	373	392	380	366	361	375	1,534	1,482
Consolidated	1,027	1,095	1,084	1,085	984	1,050	1,037	1,045	4,291	4,116
EBITDA margin excluding restructuring and other like costs^(B)										
TELUS Wireless	36.1%	42.3%	44.0%	44.2%	37.8%	43.4%	44.4%	45.1%	41.5%	42.6%
TELUS Wireline	27.4%	27.2%	26.8%	28.3%	27.0%	27.0%	26.6%	28.3%	27.4%	27.2%
Consolidated	32.8%	36.2%	36.7%	37.5%	33.4%	36.5%	36.7%	37.9%	35.8%	36.1%
Full-Time Equivalent (FTE) employees	42,700	41,400	41,400	41,600	41,900	41,000	41,400	41,900	42,700	41,900
<i>Full-Time Equivalent (FTE) employees, excluding TELUS International</i>	26,900	26,800	27,200	27,100	26,900	26,600	26,900	27,100	26,900	26,900

^(A) Commencing Q4 2013, financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

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

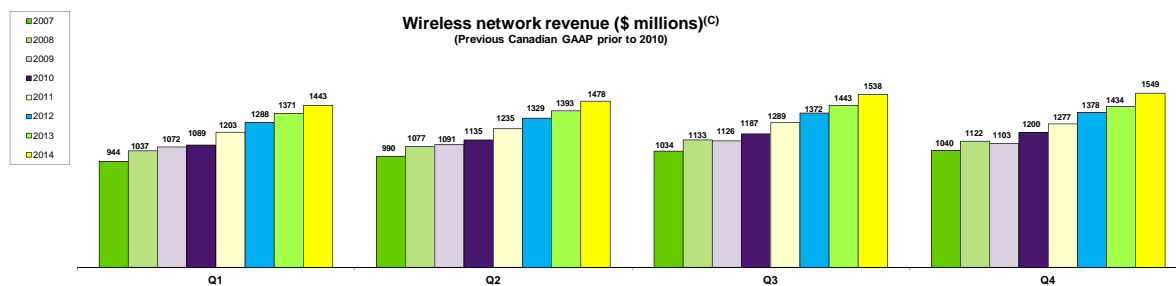


**TELUS Wireless
Operations^(A)**

<i>\$ millions</i>	Quarter 4				December YTD			
	2014	2013	Change	% Change	2014	2013	Change	% Change
Revenues								
Network revenue	1,549	1,434	115	8.0%	6,008	5,641	367	6.5%
Equipment and other service revenue	195	149	46	30.9%	576	485	91	18.8%
Total external service and equipment revenue	1,744	1,583	161	10.2%	6,584	6,126	458	7.5%
Other operating income	-	2	(2)	n.m.	3	4	(1)	(25.0%)
Total external revenue	1,744	1,585	159	10.0%	6,587	6,130	457	7.5%
Intersegment network revenue	15	11	4	36.4%	54	47	7	14.9%
Total operating revenues	1,759	1,596	163	10.2%	6,641	6,177	464	7.5%
Goods and services purchased	950	825	125	15.2%	3,228	2,916	312	10.7%
Employee benefits expense ^(B)	180	179	1	0.6%	686	657	29	4.4%
Total operating expense	1,130	1,004	126	12.5%	3,914	3,573	341	9.5%
EBITDA	629	592	37	6.3%	2,727	2,604	123	4.7%
COA expense	189	189	-	0.0%	621	645	(24)	(3.7%)
EBITDA excluding COA	818	781	37	4.7%	3,348	3,249	99	3.0%
EBITDA margin (total revenue)	35.8%	37.0%	(1.2) pts.		41.1%	42.1%	(1.0) pts.	
Capital expenditures	188	213	(25)	(11.7%)	832	712	120	16.9%
Capital expenditure intensity⁷	11%	13%	(2) pts.		13%	12%	1 pts.	
EBITDA less capex	441	379	62	16.4%	1,895	1,892	3	0.2%
Restructuring and other like costs included in total operating expense	6	12	(6)	(50.0%)	30	30	-	0.0%
EBITDA excluding restructuring and other like costs	635	604	31	5.1%	2,757	2,634	123	4.7%
EBITDA margin excluding restructuring and other like costs (total revenue)	36.1%	37.8%	(1.7) pts.		41.5%	42.6%	(1.1) pts.	

^(A) May not balance due to rounding alignment to YTD figures. Commencing Q4 2013, financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

^(B) Includes restructuring and other like costs.



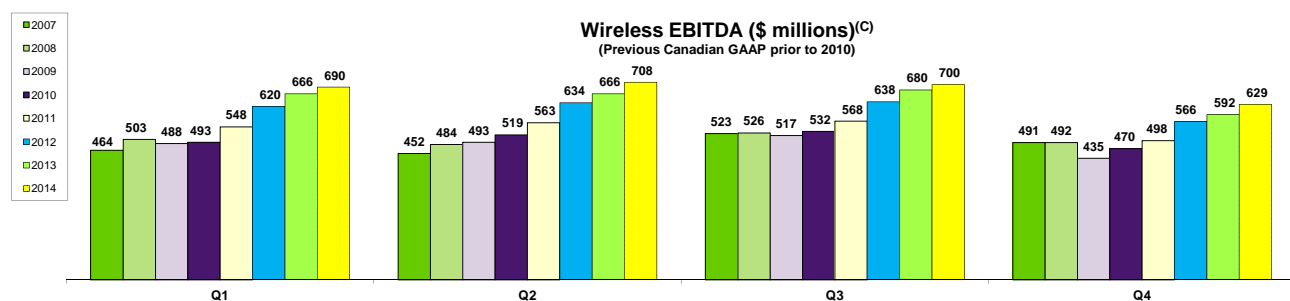
^(C) Periods in 2012, 2011 and 2010 have been adjusted for retrospective application of accounting standard IAS 19 Employee benefits (2011).

TELUS Wireless
Operations - Historical Trend^(A)

<i>\$ millions</i>	Quarterly								Annual 2014	Annual 2013
	Q4/14	Q3/14	Q2/14	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13		
Revenues										
Network revenue	1,549	1,538	1,478	1,443	1,434	1,443	1,393	1,371	6,008	5,641
Equipment and other service revenue	195	146	126	109	149	118	117	101	576	485
Total external service and equipment revenue	1,744	1,684	1,604	1,552	1,583	1,561	1,510	1,472	6,584	6,126
Other operating income	-	-	-	3	2	2	-	-	3	4
Total external revenue	1,744	1,684	1,604	1,555	1,585	1,563	1,510	1,472	6,587	6,130
Intersegment network revenue	15	13	13	13	11	12	12	12	54	47
Total operating revenues	1,759	1,697	1,617	1,568	1,596	1,575	1,522	1,484	6,641	6,177
Goods and services purchased	950	823	746	709	825	734	696	661	3,228	2,916
Employee benefits expense ^(B)	180	174	163	169	179	161	160	157	686	657
Total operating expense	1,130	997	909	878	1,004	895	856	818	3,914	3,573
EBITDA	629	700	708	690	592	680	666	666	2,727	2,604
COA expense	189	164	141	127	189	168	150	138	621	645
EBITDA excluding COA	818	864	849	817	781	848	816	804	3,348	3,249
EBITDA margin (total revenue)	35.8%	41.2%	43.8%	44.0%	37.0%	43.2%	43.7%	44.9%	41.1%	42.1%
Capital expenditures	188	251	228	165	213	194	171	134	832	712
Capital expenditure intensity⁷	11%	15%	14%	11%	13%	12%	11%	9%	13%	12%
EBITDA less capex	441	449	480	525	379	486	495	532	1,895	1,892
Restructuring and other like costs included in total operating expense	6	18	3	3	12	4	10	4	30	30
EBITDA excluding restructuring and other like costs	635	718	711	693	604	684	676	670	2,757	2,634
EBITDA margin excluding restructuring and other like costs (total revenue)	36.1%	42.3%	44.0%	44.2%	37.8%	43.4%	44.4%	45.1%	41.5%	42.6%

^(A) May not balance due to rounding alignment to YTD figures. Commencing Q4 2013, financials shown include those of Public Mobile Inc. acquired on November 29, 2013.

^(B) Includes restructuring and other like costs.



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

TELUS Wireless
Operating Statistics^{(A)(B)}

	Quarter 4				December YTD			
	2014	2013	Change	% Change	2014	2013	Change	% Change
Subscriber gross adds (000s)								
Postpaid	308	291	17	5.8%	1,075	1,118	(43)	(3.8%)
Prepaid	123	127	(4)	(3.1%)	459	496	(37)	(7.5%)
Total	431	418	13	3.1%	1,534	1,614	(80)	(5.0%)
Subscriber net adds (000s)								
Postpaid	118	113	5	4.4%	357	378	(21)	(5.6%)
Prepaid	(8)	(22)	14	63.6%	(64)	(71)	7	9.9%
Total	110	91	19	20.9%	293	307	(14)	(4.6%)
Subscribers (000s)^{(C)(D)}								
Postpaid ^{(C)(D)}	7,108	6,751	357	5.3%	7,108	6,751	357	5.3%
Prepaid	992	1,056	(64)	(6.1%)	992	1,056	(64)	(6.1%)
Total^{(C)(D)}	8,100	7,807	293	3.8%	8,100	7,807	293	3.8%
ARPU (\$)⁸	\$64.20	\$61.86	\$2.34	3.8%	\$63.13	\$61.38	\$1.75	2.9%
Churn, per month (%)⁹								
Blended Churn	1.33%	1.41%	(0.08) pts.		1.31%	1.41%	(0.10) pts.	
Postpaid Churn	0.94%	0.97%	(0.03) pts.		0.93%	1.03%	(0.10) pts.	
COA per gross subscriber addition (\$)¹⁰	\$440	\$453	(\$13)	(2.9%)	\$405	\$400	\$5	1.3%
Retention spend % network revenue^(E)	14.3%	12.9%	1.4 pts.		11.8%	11.4%	0.4 pts.	
Retention Subscribers (000s)	578	516	62	12.0%	1,971	1,913	58	3.0%
Population coverage in millions - HSPA^(F)	35.3	34.9	0.4	1.1%	35.3	34.9	0.4	1.1%
Population coverage in millions - LTE^(F)	31.7	28.8	2.9	10.1%	31.7	28.8	2.9	10.1%

^(A)May not balance due to rounding alignment to YTD figures.

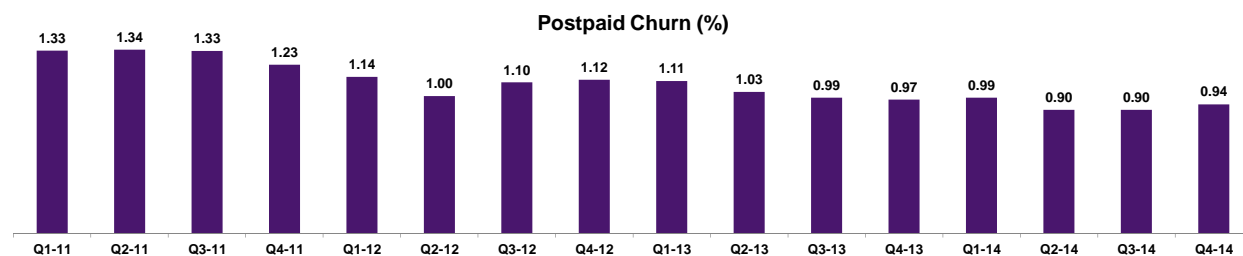
^(B)Other than Retention spend as a % of network revenue, all wireless operating indicators shown exclude those of Public Mobile, Inc. (acquired on November 29, 2013).

^(C)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.

^(D)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.

^(E)Includes intersegment network revenue.

^(F)Includes expanded coverage due to network access agreements, principally with Bell.



TELUS Wireless
Operating Statistics - Historical Trend^{(A)(B)}

	Quarterly								Annual 2014	Annual 2013
	Q4/14	Q3/14	Q2/14	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13		
Subscriber gross adds (000s)										
Postpaid	308	286	247	234	291	282	285	260	1,075	1,118
Prepaid	123	124	108	104	127	138	117	114	459	496
Total	431	410	355	338	418	420	402	374	1,534	1,614
Subscriber net adds (000s)										
Postpaid	118	113	78	48	113	106	100	59	357	378
Prepaid	(8)	-	(20)	(36)	(22)	(2)	(21)	(26)	(64)	(71)
Total	110	113	58	12	91	104	79	33	293	307
Subscribers (000s)^{(C)(D)}										
Postpaid ^{(C)(D)}	7,108	6,990	6,877	6,799	6,751	6,732	6,627	6,603	7,108	6,751
Prepaid	992	999	999	1,019	1,056	1,078	1,079	1,100	992	1,056
Total ^{(C)(D)}	8,100	7,989	7,876	7,818	7,807	7,810	7,706	7,703	8,100	7,807
ARPU (\$)⁸	\$64.20	\$64.51	\$62.51	\$61.24	\$61.86	\$62.49	\$61.12	\$60.04	\$63.13	\$61.38
Churn, per month (%)⁹										
Blended Churn	1.33%	1.25%	1.26%	1.39%	1.41%	1.36%	1.40%	1.48%	1.31%	1.41%
Postpaid Churn	0.94%	0.90%	0.90%	0.99%	0.97%	0.99%	1.03%	1.11%	0.93%	1.03%
COA per gross subscriber addition (\$)¹⁰	\$440	\$401	\$397	\$375	\$453	\$399	\$374	\$369	\$405	\$400
Retention spend % network revenue^(E)	14.3%	11.5%	10.8%	10.7%	12.9%	11.2%	10.5%	10.9%	11.8%	11.4%
Retention Subscribers (000s)	578	499	448	446	516	487	471	439	1,971	1,913
Population coverage in millions - HSPA^(F)	35.3	35.2	35.2	34.9	34.9	34.9	34.8	34.3	35.3	34.9
Population coverage in millions - LTE^(F)	31.7	30.2	29.8	28.8	28.8	27.9	26.0	24.7	31.7	28.8

^(A)May not balance due to rounding alignment to YTD figures.

^(B)Other than Retention spend as a % of network revenue, all wireless operating indicators shown exclude those of Public Mobile, Inc. (acquired on November 29, 2013).

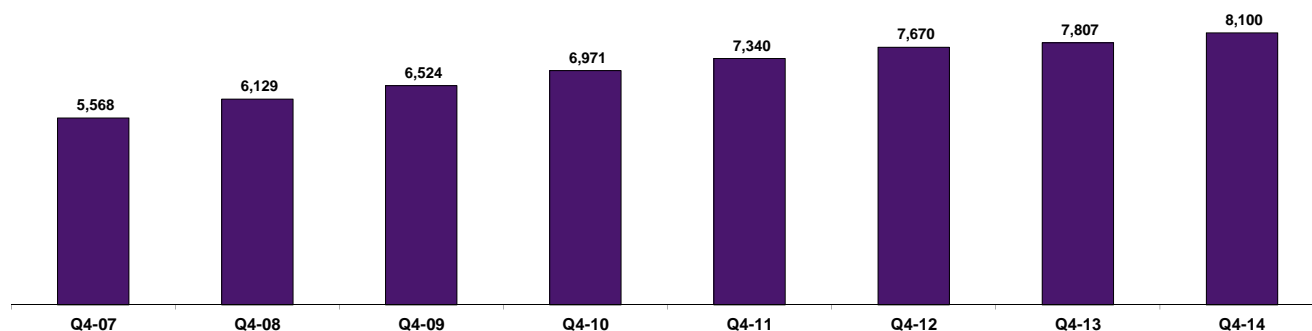
^(C)Effective with the fourth quarter of 2013, and on a prospective basis, we have adjusted postpaid subscribers to remove certain Mike subscriptions, as we have ceased marketing of the Mike product and started to turn down the iDEN network. Cumulative subscriber connections include an October 1, 2013,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

^(D)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.

^(E)Includes intersegment network revenue.

^(F)Includes expanded coverage due to network access agreements, principally with Bell.

Wireless subscribers (000s)



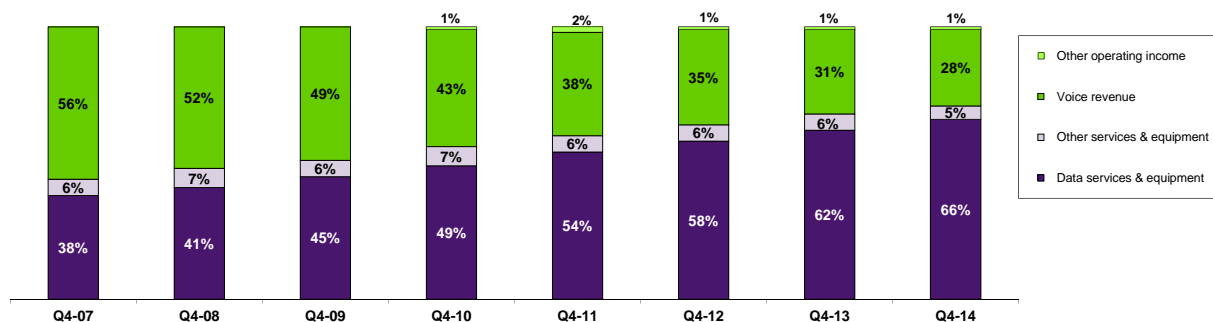
**TELUS Wireline
Operations^(A)**

\$ millions	Quarter 4				December YTD			
	2014	2013	Change	% Change	2014	2013	Change	% Change
Revenues								
Data service and equipment	911	851	60	7.1%	3,472	3,208	264	8.2%
Voice revenue	393	419	(26)	(6.2%)	1,615	1,735	(120)	(6.9%)
Other services and equipment	67	75	(8)	(10.7%)	255	267	(12)	(4.5%)
Total external services & equipment revenue	1,371	1,345	26	1.9%	5,342	5,210	132	2.5%
Other operating income	13	18	(5)	(27.8%)	73	64	9	14.1%
Total external revenue	1,384	1,363	21	1.5%	5,415	5,274	141	2.7%
Intersegment revenue	44	43	1	2.3%	175	169	6	3.6%
Total operating revenues	1,428	1,406	22	1.6%	5,590	5,443	147	2.7%
Goods and services purchased	585	578	7	1.2%	2,300	2,262	38	1.7%
Employee benefits expense ^(B)	471	469	2	0.4%	1,801	1,767	34	1.9%
Total operating expense	1,056	1,047	9	0.9%	4,101	4,029	72	1.8%
EBITDA	372	359	13	3.4%	1,489	1,414	75	5.3%
EBITDA margin	26.0%	25.6%	0.4 pts.		26.6%	26.0%	0.6 pts.	
Capital expenditures	382	364	18	4.9%	1,527	1,398	129	9.2%
Capital expenditure intensity⁷	27%	26%	1 pts.		27%	26%	1 pts.	
EBITDA less capex	(10)	(5)	(5)	n.m.	(38)	16	(54)	n.m.
Restructuring and other like costs included in total operating expense	20	21	(1)	(4.8%)	45	68	(23)	(33.8%)
EBITDA excluding restructuring and other like costs	392	380	12	3.1%	1,534	1,482	52	3.4%
EBITDA margin excluding restructuring and other like costs	27.4%	27.0%	0.4 pts.		27.4%	27.2%	0.2 pts.	

^(A)May not balance due to rounding alignment to YTD figures.

^(B) Includes restructuring and other like costs.

Q4 Wireline revenue profile - (% of total external wireline revenue)

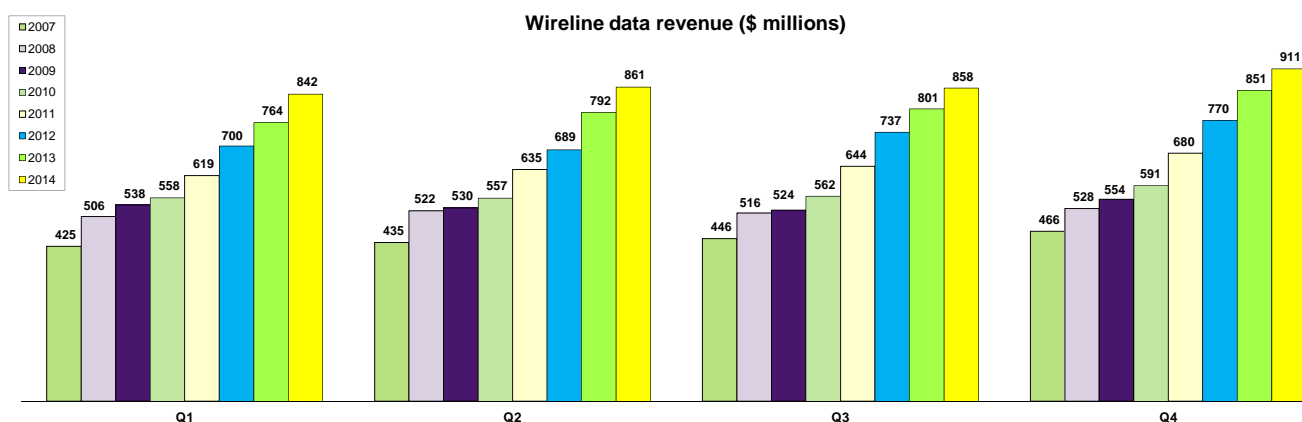


TELUS Wireline
Operations - Historical Trend^(A)

\$ millions	Quarterly								Annual 2014	Annual 2013
	Q4/14	Q3/14	Q2/14	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13		
Revenues										
Data service and equipment	911	858	861	842	851	801	792	764	3,472	3,208
Voice revenue	393	399	410	413	419	430	445	441	1,615	1,735
Other services and equipment	67	58	63	67	75	63	63	66	255	267
Total external services & equipment revenue	1,371	1,315	1,334	1,322	1,345	1,294	1,300	1,271	5,342	5,210
Other operating income	13	29	13	18	18	17	16	13	73	64
Total external revenue	1,384	1,344	1,347	1,340	1,363	1,311	1,316	1,284	5,415	5,274
Intersegment revenue	44	46	44	41	43	43	42	41	175	169
Total operating revenues	1,428	1,390	1,391	1,381	1,406	1,354	1,358	1,325	5,590	5,443
Goods and services purchased	585	569	579	567	578	558	580	546	2,300	2,262
Employee benefits expense ^(B)	471	456	447	427	469	441	446	411	1,801	1,767
Total operating expense	1,056	1,025	1,026	994	1,047	999	1,026	957	4,101	4,029
EBITDA	372	365	365	387	359	355	332	368	1,489	1,414
EBITDA margin	26.0%	26.3%	26.2%	28.0%	25.6%	26.2%	24.5%	27.8%	26.6%	26.0%
Capital expenditures	382	406	408	331	364	361	340	333	1,527	1,398
Capital expenditure intensity⁷	27%	29%	29%	24%	26%	27%	25%	25%	27%	26%
EBITDA less capex	(10)	(41)	(43)	56	(5)	(6)	(8)	35	(38)	16
Restructuring and other like costs included in total operating expense	20	12	8	5	21	11	29	7	45	68
EBITDA excluding restructuring and other like costs	392	377	373	392	380	366	361	375	1,534	1,482
EBITDA margin excluding restructuring and other like costs	27.4%	27.2%	26.8%	28.3%	27.0%	27.0%	26.6%	28.3%	27.4%	27.2%

^(A) May not balance due to rounding alignment to YTD figures.

^(B) Includes restructuring and other like costs.

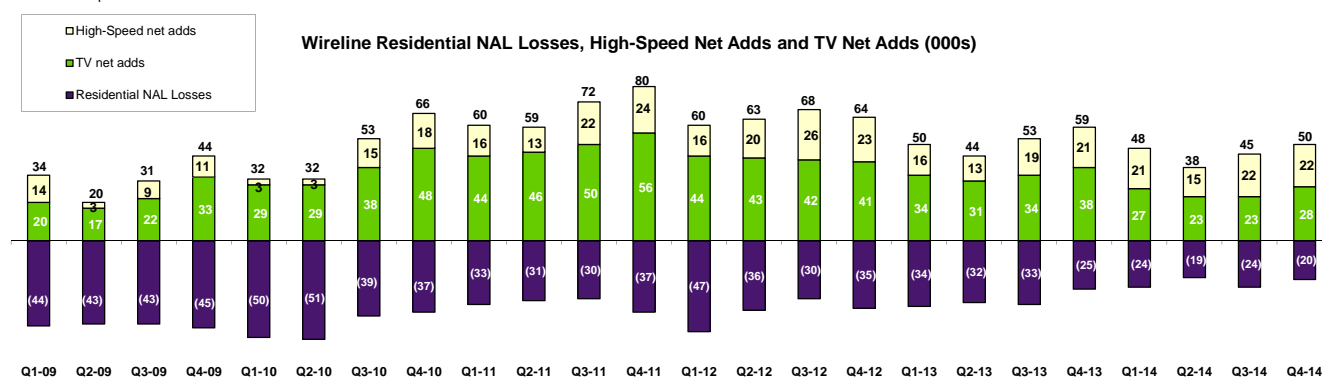


TELUS Wireline Operating Statistics^(A)

<i>thousands (000s)</i>	Quarter 4				December YTD			
	2014	2013	Change	% Change	2014	2013	Change	% Change
Network access lines (NAL)								
Residential	1,556	1,643	(87)	(5.3%)	1,556	1,643	(87)	(5.3%)
Business	1,613	1,611	2	0.1%	1,613	1,611	2	0.1%
Total	3,169	3,254	(85)	(2.6%)	3,169	3,254	(85)	(2.6%)
NAL net additions (losses)								
Residential	(20)	(25)	5	20.0%	(87)	(124)	37	29.8%
Business	(5)	(5)	-	0.0%	2	(28)	30	107.1%
Total	(25)	(30)	5	16.7%	(85)	(152)	67	44.1%
High Speed Internet Subscriber net additions (losses)	22	21	1	4.8%	80	69	11	15.9%
High Speed Internet Subscribers	1,475	1,395	80	5.7%	1,475	1,395	80	5.7%
TV subscriber net adds¹¹	28	38	(10)	(26.3%)	101	137	(36)	(26.3%)
TV subscribers¹¹	916	815	101	12.4%	916	815	101	12.4%
Total Wireline net additions^(B)	25	29	(4)	(13.8%)	96	54	42	77.8%
Total Wireline Subscribers^(B)	5,560	5,464	96	1.8%	5,560	5,464	96	1.8%

^(A)May not balance due to rounding alignment to YTD figures.

^(B)Excludes Dial-up.



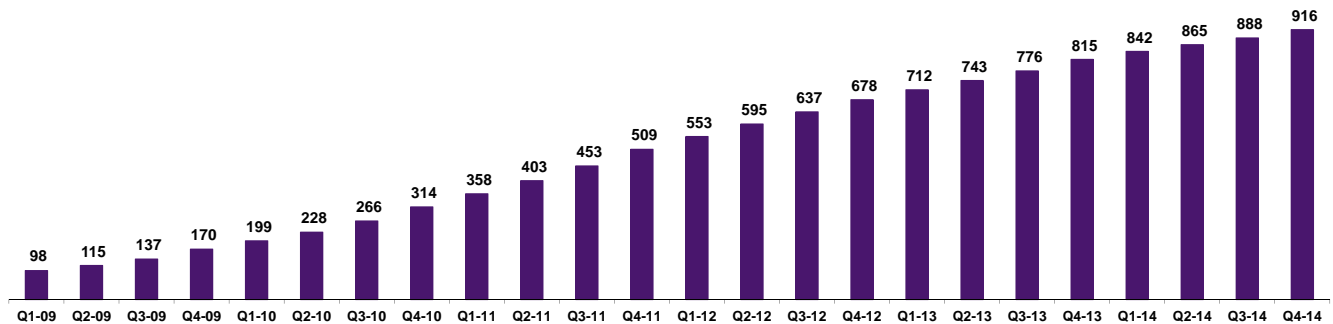
TELUS Wireline
Operating Statistics - Historical Trend^(A)

<i>thousands (000s)</i>	Quarterly								Annual 2014	Annual 2013
	Q4/14	Q3/14	Q2/14	Q1/14	Q4/13	Q3/13	Q2/13	Q1/13		
Network access lines (NAL)										
Residential	1,556	1,576	1,600	1,619	1,643	1,668	1,701	1,733	1,556	1,643
Business	1,613	1,618	1,615	1,611	1,611	1,616	1,623	1,630	1,613	1,611
Total	3,169	3,194	3,215	3,230	3,254	3,284	3,324	3,363	3,169	3,254
NAL net additions (losses)										
Residential	(20)	(24)	(19)	(24)	(25)	(33)	(32)	(34)	(87)	(124)
Business	(5)	3	4	-	(5)	(7)	(6)	(9)	2	(28)
Total	(25)	(21)	(15)	(24)	(30)	(40)	(38)	(43)	(85)	(152)
High Speed Internet Subscriber net additions (losses)	22	22	15	21	21	19	13	16	80	69
High Speed Internet Subscribers	1,475	1,453	1,431	1,416	1,395	1,374	1,355	1,342	1,475	1,395
TV subscriber net adds¹¹	28	23	23	27	38	34	31	34	101	137
TV subscribers¹¹	916	888	865	842	815	776	743	712	916	815
Total Wireline net additions^(B)	25	24	23	24	29	13	6	7	96	54
Total Wireline Subscribers^(B)	5,560	5,535	5,511	5,488	5,464	5,434	5,422	5,417	5,560	5,464

^(A)May not balance due to rounding alignment to YTD figures.

^(B)Excludes Dial-up.

TELUS TV subscribers (000s)



Non-GAAP measures and definitions of key operating indicators

¹ **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.

² **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 recoveries 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.

³ **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.

⁴ **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.

⁵ **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.

⁶ **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.

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

⁸ **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.

⁹ **Churn per month** is calculated as the number of subscriber units deactivated 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 or Koodo brand prepaid subscriber is deactivated when the subscriber has no usage for 90 days following expiry of the prepaid credits.

¹⁰ **Cost of acquisition (COA)** consists of the total of the device subsidy (the device cost to TELUS less initial charge to customer), 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).

¹¹ **TV subscribers** consist of IP-based Optik TV subscribers and TELUS Satellite TV subscribers.