

stronger together



We are keeping our customers happy

+56%

**Postpaid subscriber
net additions**
2017: 379,000
2016: 243,000

+\$600

**Lifetime revenue
per customer**
2017: \$6,000
2016: \$5,400

5 points
better

**Monthly postpaid
churn rate**
2017: 0.90%
2016: 0.95%

+3.8%

**Total wireless
subscribers**
2017: 8.911 million
2016: 8.585 million

Fulfilling the wireless needs of Canadians

The Canadian wireless industry continued to experience strong growth in 2017 with an estimated 1.3 million new wireless subscribers and seven per cent network revenue growth. Key drivers included ongoing customer growth, reflecting the growing Canadian population and increased data usage driven by the ongoing adoption of more advanced and multiple devices, attractive data rate plans and enhanced networks. Canadian carriers continued making significant capital investments to enhance 4G LTE advanced networks and building new cell sites to accommodate the rapid growth in data usage. Customer acquisition and retention costs remained elevated and continued to pressure earnings due to both the prevalence of heavily discounted smartphones during key promotional periods and the ongoing market adoption of more expensive smartphones.

Gaining momentum in a growing industry

TELUS recorded an average monthly postpaid churn rate of 0.90 per cent in 2017, the best in the North American industry, along with robust postpaid subscriber growth, demonstrating the effectiveness of our sustained focus on putting customers first. We also continued making significant investments in our 4G LTE and LTE advanced networks, including the integration of small cells and new spectrum aggregation technologies that boost data speeds and support our delivery of exceptional customer experiences. Our sustained focus on customers helped us generate industry-leading average lifetime revenue per customer of more than \$6,000. Our wireless revenue grew 6.5 per cent in 2017, reflecting 379,000 postpaid subscriber net additions and a 3.0 per cent improvement in average revenue per subscriber unit, as customer data usage continues to grow.



In 2017, we grew stronger together by:

- Responding to customer feedback by introducing innovative plans and simplified self-serve data management capabilities, which give customers simpler, more affordable options with greater price certainty
- Enhancing customer value by extending our suite of mobile product and service offerings into non-traditional areas, such as our connected car solution, TELUS Drive+™, smart watches and wireless home phone service
- Continuing to focus on retail store expansion, growing our innovative Connected Experience Store footprint to 14 locations nationally and supporting the emerging smart home category with products such as Google Home and Amazon Echo
- Significantly expanding retail distribution in Manitoba while welcoming new customers to TELUS with enhanced access to the largest and fastest 4G LTE network in Canada
- Advancing our network towards 5G by achieving speeds faster than 2 Gbps in tests using 3.5 GHz spectrum, which will support a future of driverless cars, home health devices and smart homes and businesses.

In 2018, we are creating opportunities by:

- Continuing to put customers first and elevating their experience, as measured by their likelihood to recommend our products and services
- Enhancing our networks with a continued build-out of LTE advanced technologies, deploying spectrum and expanding small-cell technology to improve capacity and prepare for a more efficient and timely evolution to 5G
- Growing our postpaid subscriber base and continuing the drive for profitable growth in smartphones and data, while expanding further into non-traditional connected services such as smart home and security
- Strengthening our market share in the national small and medium-sized business space by leveraging our advanced integrated service offerings
- Focusing on the Internet of Things (IoT) to help businesses incorporate connected devices into their operations to enhance their efficiency, productivity and profitability, and to bring innovative healthcare advancements to patients and healthcare providers.



We offer

- Leading 4G LTE network covering 99 per cent of Canadians
- The latest smartphones, tablets, mobile Internet devices, smart home services and IoT solutions
- Lightning-fast wireless Internet access for video, social networking, messaging and mobile applications, including our Optik TV app
- International roaming to more than 225 countries

2017 results – wireless

+5.9%

**Revenue
(external)**
2017: \$7.54 billion
2016: \$7.12 billion

+5.2%

**Adjusted
EBITDA**
2017: \$3.16 billion
2016: \$3.00 billion



Visit telus.com/learn to find out how to get the most from your device