



TELUS Corporation

Third Quarter, 2009

Supplemental Investor Information

(UNAUDITED)

For further information, please contact:

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

John Wheeler, Vice President
(604) 697-8154
john.wheeler@telus.com

Robert Mitchell, Director
(416) 279-3219
robert.mitchell2@telus.com

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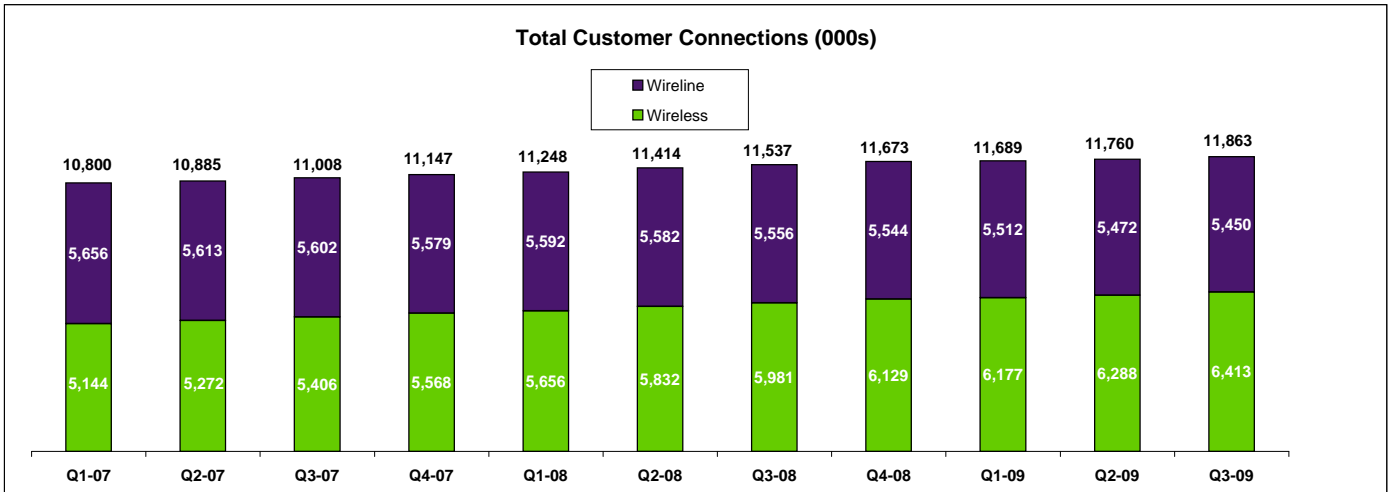
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TELUS Corporation
Selected Consolidated Data

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

| | Quarterly | | | | | | | September 2009 | Annual 2008 |
|---|-----------|--------|--------|--------|--------|--------|--------|----------------|-------------|
| | Q3/09 | Q2/09 | Q1/09 | Q4/08 | Q3/08 | Q2/08 | Q1/08 | | |
| Net Income | 280 | 244 | 322 | 285 | 286 | 268 | 292 | 846 | 1,131 |
| Basic earnings per share (\$) | 0.88 | 0.77 | 1.01 | 0.90 | 0.89 | 0.83 | 0.90 | 2.65 | 3.52 |
| Dividends declared per share (\$) | 0.475 | 0.475 | 0.475 | 0.475 | 0.450 | 0.450 | 0.450 | 1.425 | 1.825 |
| Return on common equity ^{1(A)} | 15.3% | 15.7% | 16.2% | 16.0% | 17.9% | 19.8% | 19.8% | 15.3% | 16.0% |
| EBITDA interest coverage ratio ² | 9.0 | 8.7 | 8.5 | 8.3 | 8.4 | 9.1 | 8.8 | 9.0 | 8.3 |
| Free cash flow ³ | 266 | 144 | 125 | 61 | (482) | 254 | 528 | 535 | 361 |
| Net debt ⁴ | 7,177 | 7,255 | 7,301 | 7,286 | 7,187 | 6,644 | 6,653 | 7,177 | 7,286 |
| Net debt : Total capitalization | 48.4% | 49.1% | 49.6% | 50.2% | 50.3% | 48.6% | 48.8% | 48.4% | 50.2% |
| Net debt : EBITDA ⁵ | 1.9 | 1.9 | 1.9 | 1.9 | 1.9 | 1.7 | 1.8 | 1.9 | 1.9 |
| Outstanding shares at end of period (M) | 318 | 318 | 318 | 318 | 318 | 320 | 321 | 318 | 318 |
| Basic weighted average shares outstanding (M) | 318 | 318 | 318 | 318 | 319 | 321 | 324 | 318 | 320 |
| Total customer connections (000s) | 11,863 | 11,760 | 11,689 | 11,673 | 11,537 | 11,414 | 11,248 | 11,863 | 11,673 |

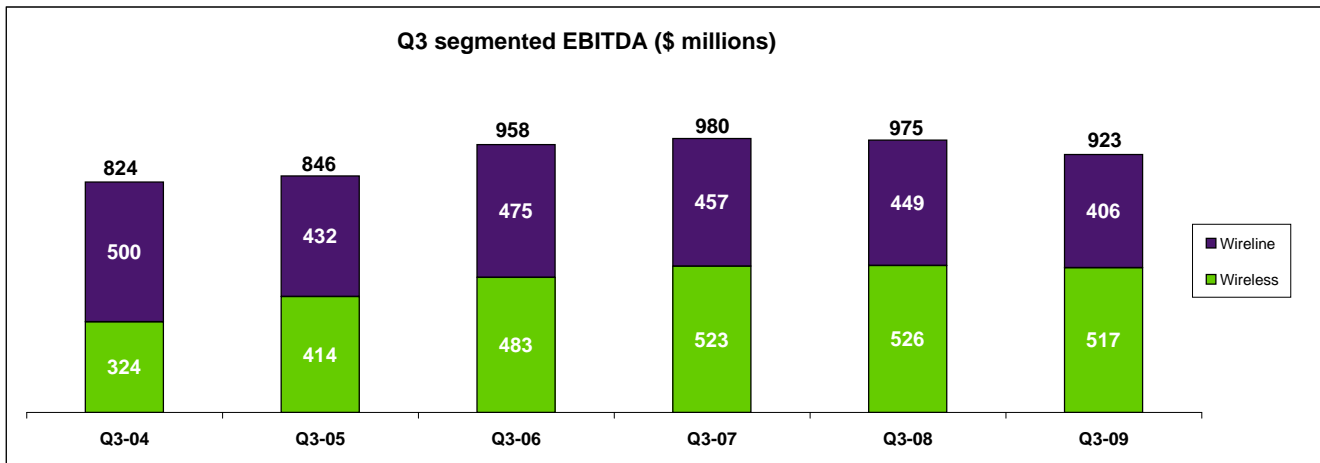
^(A) Return on equity reported for the 2008 periods have been restated for adjustments to common equity that came about from transitional provisions under CICA Handbook Section 3064. Figures for the 2007 and prior periods are as reported previously.



TELUS Corporation
Segmented Data

| <i>\$ millions</i> | Qtr 3 | | | | September YTD | | | |
|--|-------|-------|--------|----------|---------------|-------|--------|----------|
| | 2009 | 2008 | Change | % Change | 2009 | 2008 | Change | % Change |
| Revenues | | | | | | | | |
| TELUS Wireline | 1,239 | 1,281 | (42) | -3.3% | 3,779 | 3,851 | (72) | -1.9% |
| TELUS Wireless | 1,213 | 1,209 | 4 | 0.3% | 3,503 | 3,465 | 38 | 1.1% |
| Less: Intersegment revenue | (41) | (40) | (1) | -2.5% | (119) | (117) | (2) | -1.7% |
| Operating revenues | 2,411 | 2,450 | (39) | -1.6% | 7,163 | 7,199 | (36) | -0.5% |
| EBITDA⁶ | | | | | | | | |
| TELUS Wireline | 406 | 449 | (43) | -9.6% | 1,204 | 1,329 | (125) | -9.4% |
| TELUS Wireless | 517 | 526 | (9) | -1.7% | 1,498 | 1,513 | (15) | -1.0% |
| Consolidated | 923 | 975 | (52) | -5.3% | 2,702 | 2,842 | (140) | -4.9% |
| EBITDA margin | | | | | | | | |
| TELUS Wireline | 32.8% | 35.1% | (2.3) | | 31.9% | 34.5% | (2.6) | |
| TELUS Wireless | 42.6% | 43.5% | (0.9) | | 42.8% | 43.7% | (0.9) | |
| Consolidated | 38.3% | 39.8% | (1.5) | | 37.7% | 39.5% | (1.8) | |
| Capital expenditures | | | | | | | | |
| TELUS Wireline | 365 | 340 | 25 | 7.4% | 1,011 | 916 | 95 | 10.4% |
| TELUS Wireless | 193 | 133 | 60 | 45% | 578 | 312 | 266 | 85% |
| Consolidated | 558 | 473 | 85 | 18% | 1,589 | 1,228 | 361 | 29% |
| Capital expenditure intensity⁷ | | | | | | | | |
| TELUS Wireline | 30% | 27% | 3 | | 27% | 24% | 3 | |
| TELUS Wireless | 16% | 11% | 5 | | 17% | 9% | 8 | |
| Consolidated | 23% | 19% | 4 | | 22% | 17% | 5 | |
| EBITDA less capex | | | | | | | | |
| TELUS Wireline | 41 | 109 | (68) | -62% | 193 | 413 | (220) | -53% |
| TELUS Wireless | 324 | 393 | (69) | -18% | 920 | 1,201 | (281) | -23% |
| Consolidated | 365 | 502 | (137) | -27% | 1,113 | 1,614 | (501) | -31% |
| EBITDA⁶ excluding restructuring costs^(A) | | | | | | | | |
| TELUS Wireline | 435 | 458 | (23) | -5.0% | 1,308 | 1,348 | (40) | -3.0% |
| TELUS Wireless | 520 | 527 | (7) | -1.3% | 1,507 | 1,515 | (8) | -0.5% |
| Consolidated | 955 | 985 | (30) | -3.0% | 2,815 | 2,863 | (48) | -1.7% |
| EBITDA⁶ margin excluding restructuring costs^(A) | | | | | | | | |
| TELUS Wireline | 35.1% | 35.8% | (0.7) | | 34.6% | 35.0% | (0.4) | |
| TELUS Wireless | 42.9% | 43.6% | (0.7) | | 43.0% | 43.7% | (0.7) | |
| Consolidated | 39.6% | 40.2% | (0.6) | | 39.3% | 39.8% | (0.5) | |

^(A) EBITDA has been adjusted to exclude restructuring costs of \$32M and \$10M for Q3-09 and Q3-08, respectively, and \$113M and \$21M for Q3-09 YTD and Q3-08 YTD, respectively.

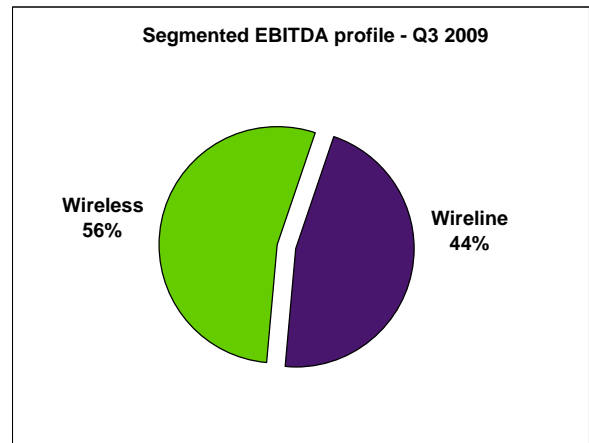
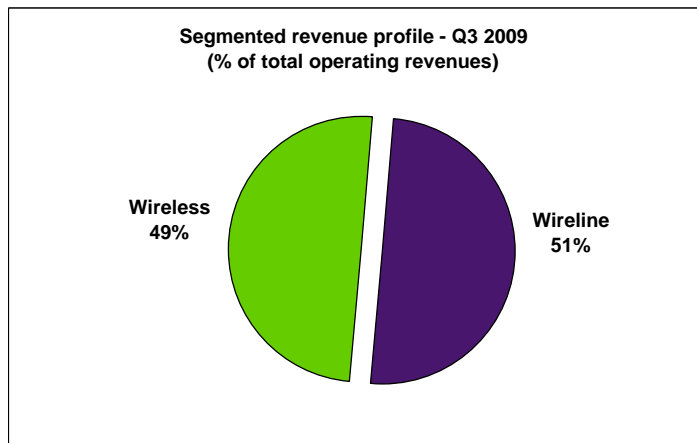


TELUS Corporation
Segmented Data - Historical Trend

| <i>\$ millions</i> | Quarterly | | | | | | | September 2009 | Annual 2008 |
|---|-----------|--------|--------|-------|-------|-------|-------|-------------------|----------------|
| | Q3/09 | Q2/09 | Q1/09 | Q4/08 | Q3/08 | Q2/08 | Q1/08 | | |
| Revenues | | | | | | | | | |
| TELUS Wireline | 1,239 | 1,262 | 1,278 | 1,301 | 1,281 | 1,289 | 1,281 | 3,779 | 5,152 |
| TELUS Wireless | 1,213 | 1,153 | 1,137 | 1,195 | 1,209 | 1,149 | 1,107 | 3,503 | 4,660 |
| Less: Intersegment revenue | (41) | (38) | (40) | (42) | (40) | (39) | (38) | (119) | (159) |
| Operating revenues | 2,411 | 2,377 | 2,375 | 2,454 | 2,450 | 2,399 | 2,350 | 7,163 | 9,653 |
| EBITDA⁶ | | | | | | | | | |
| TELUS Wireline | 406 | 380 | 418 | 445 | 449 | 434 | 446 | 1,204 | 1,774 |
| TELUS Wireless | 517 | 493 | 488 | 492 | 526 | 484 | 503 | 1,498 | 2,005 |
| Consolidated | 923 | 873 | 906 | 937 | 975 | 918 | 949 | 2,702 | 3,779 |
| EBITDA margin | | | | | | | | | |
| TELUS Wireline | 32.8% | 30.1% | 32.7% | 34.2% | 35.1% | 33.7% | 34.8% | 31.9% | 34.4% |
| TELUS Wireless | 42.6% | 42.8% | 42.9% | 41.2% | 43.5% | 42.1% | 45.4% | 42.8% | 43.0% |
| Consolidated | 38.3% | 36.7% | 38.1% | 38.2% | 39.8% | 38.3% | 40.4% | 37.7% | 39.1% |
| Capital expenditures | | | | | | | | | |
| TELUS Wireline | 365 | 368 | 278 | 395 | 340 | 321 | 255 | 1,011 | 1,311 |
| TELUS Wireless | 193 | 189 | 196 | 236 | 133 | 114 | 65 | 578 | 548 |
| Consolidated | 558 | 557 | 474 | 631 | 473 | 435 | 320 | 1,589 | 1,859 |
| Capital expenditure intensity⁷ | | | | | | | | | |
| TELUS Wireline | 29% | 29% | 22% | 30% | 27% | 25% | 20% | 27% | 25% |
| TELUS Wireless | 16% | 16% | 17% | 20% | 11% | 10% | 6% | 17% | 12% |
| Consolidated | 23% | 23% | 20% | 26% | 19% | 18% | 14% | 22% | 19% |
| EBITDA less capex | | | | | | | | | |
| TELUS Wireline | 41 | 12 | 140 | 50 | 109 | 113 | 191 | 193 | 463 |
| TELUS Wireless | 324 | 304 | 292 | 256 | 393 | 370 | 438 | 920 | 1,457 |
| Consolidated | 365 | 316 | 432 | 306 | 502 | 483 | 629 | 1,113 | 1,920 |
| Full-Time Equivalent (FTE) employees^(B) | 34,800 | 34,400 | 34,700 | | | | | 34,800 | 35,850 |
| EBITDA excluding restructuring costs^{6(A)} | | | | | | | | | |
| TELUS Wireline | 435 | 429 | 444 | 477 | 458 | 437 | 453 | 1,308 | 1,825 |
| TELUS Wireless | 520 | 497 | 490 | 498 | 527 | 485 | 503 | 1,507 | 2,013 |
| Consolidated | 955 | 926 | 934 | 975 | 985 | 922 | 956 | 2,815 | 3,838 |
| EBITDA margin excluding restructuring costs^{6(A)} | | | | | | | | | |
| TELUS Wireline | 35.1% | 34.0% | 34.7% | 36.7% | 35.8% | 33.9% | 35.4% | 34.6% | 35.4% |
| TELUS Wireless | 42.9% | 43.1% | 43.1% | 41.7% | 43.6% | 42.2% | 45.4% | 43.0% | 43.2% |
| Consolidated | 39.6% | 39.0% | 39.3% | 39.7% | 40.2% | 38.4% | 40.7% | 39.3% | 39.8% |

(A) EBITDA has been adjusted to exclude restructuring costs of \$32M and \$10M for Q3-09 and Q3-08, respectively, and \$113M and \$21M for Q3-09 YTD and Q3-08 YTD, respectively.

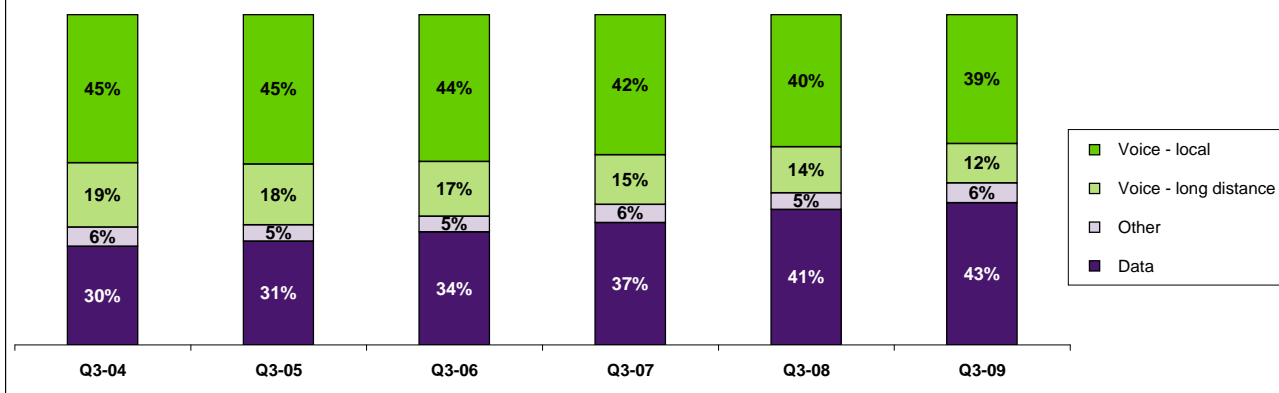
(B) Excluding full-time equivalent (FTE) employees in TELUS International, as well as employees providing human resources outsourcing services to TELUS customers, FTE employees were approximately 27,000, 26,900, 27,300 and 27,900, respectively, for Q3-09, Q2-09, Q1-09 and year end 2008. Q3-09 FTE employees include 700 FTE employees from Black's Photo.



TELUS Wireline Operations

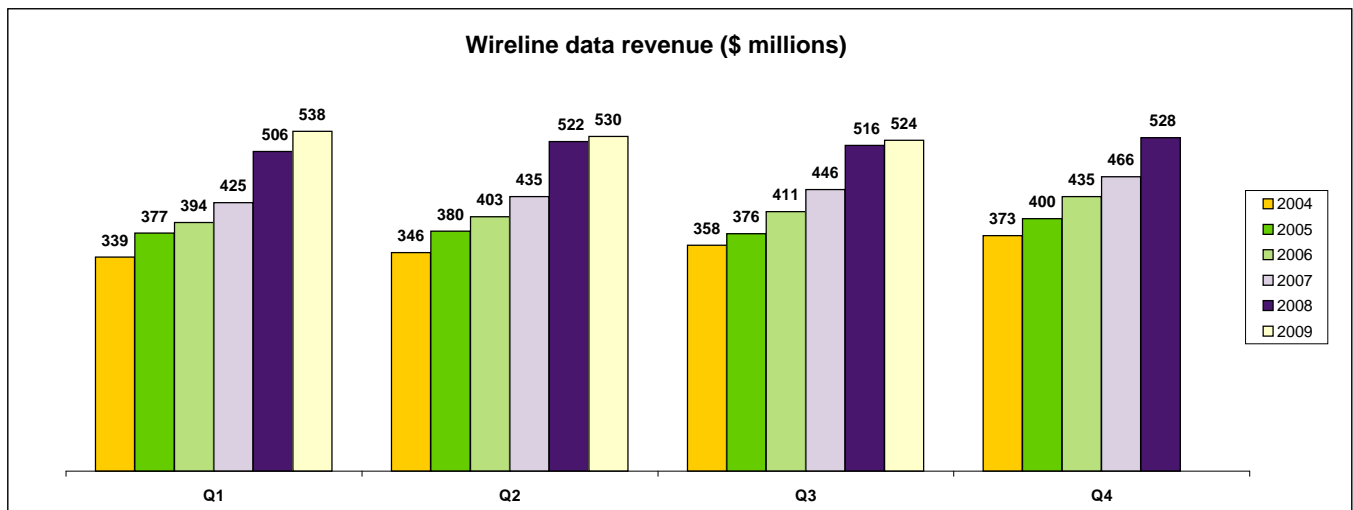
| <i>\$ millions</i> | Qtr 3 | | | | September YTD | | | |
|---|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|
| | 2009 | 2008 | Change | % Change | 2009 | 2008 | Change | % Change |
| Revenues | | | | | | | | |
| Voice - local | 466 | 494 | (28) | -5.7% | 1,406 | 1,493 | (87) | -5.8% |
| Voice - long distance | 148 | 173 | (25) | -14% | 477 | 527 | (50) | -9.5% |
| Data | 524 | 516 | 8 | 1.6% | 1,592 | 1,544 | 48 | 3.1% |
| Other | 67 | 65 | 2 | 3.1% | 206 | 191 | 15 | 7.9% |
| Total external revenue | 1,205 | 1,248 | (43) | -3.4% | 3,681 | 3,755 | (74) | -2.0% |
| Intersegment revenue | 34 | 33 | 1 | 3.0% | 98 | 96 | 2 | 2.1% |
| Total operating revenues | 1,239 | 1,281 | (42) | -3.3% | 3,779 | 3,851 | (72) | -1.9% |
| Operations expense | 804 | 823 | (19) | -2.3% | 2,471 | 2,503 | (32) | -1.3% |
| Restructuring costs | 29 | 9 | 20 | n.m. | 104 | 19 | 85 | n.m. |
| Total operating expense | 833 | 832 | 1 | 0.1% | 2,575 | 2,522 | 53 | 2.1% |
| EBITDA⁶ | 406 | 449 | (43) | -9.6% | 1,204 | 1,329 | (125) | -9.4% |
| EBITDA margin | 32.8% | 35.1% | (2.3) | | 31.9% | 34.5% | (2.6) | |
| Capital expenditures | 365 | 340 | 25 | 7.4% | 1,011 | 916 | 95 | 10% |
| Capital expenditure intensity⁷ | 30% | 27% | 3 | | 27% | 24% | 3 | |
| EBITDA less capex | 41 | 109 | (68) | -62% | 193 | 413 | (220) | -53% |
| EBITDA⁶ excluding restructuring costs | 435 | 458 | (23) | -5.0% | 1,308 | 1,348 | (40) | -3.0% |
| EBITDA margin excluding restructuring costs | 35.1% | 35.8% | (0.6) | | 34.6% | 35.0% | (0.4) | |

Q3 Wireline revenue profile - (% of total external wireline revenue)



**TELUS Wireline
Operations - Historical Trend**

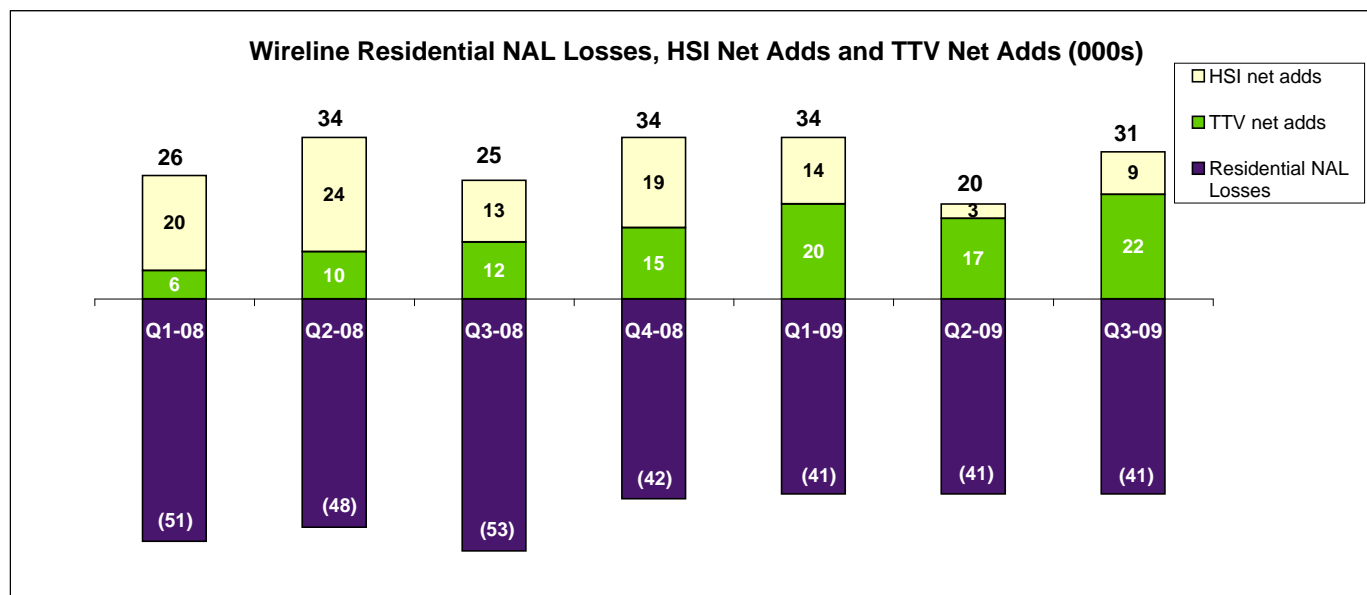
| <i>\$ millions</i> | Quarterly | | | | | | | September 2009 | Annual 2008 |
|---|-----------|-------|-------|-------|-------|-------|-------|-------------------|----------------|
| | Q3/09 | Q2/09 | Q1/09 | Q4/08 | Q3/08 | Q2/08 | Q1/08 | | |
| Revenues | | | | | | | | | |
| Voice - local | 466 | 470 | 470 | 480 | 494 | 497 | 502 | 1,406 | 1,973 |
| Voice - long distance | 148 | 163 | 166 | 173 | 173 | 175 | 179 | 477 | 700 |
| Data | 524 | 530 | 538 | 528 | 516 | 522 | 506 | 1,592 | 2,072 |
| Other | 67 | 68 | 71 | 85 | 65 | 63 | 63 | 206 | 276 |
| Total external revenue | 1,205 | 1,231 | 1,245 | 1,266 | 1,248 | 1,257 | 1,250 | 3,681 | 5,021 |
| Intersegment revenue | 34 | 31 | 33 | 35 | 33 | 32 | 31 | 98 | 131 |
| Total operating revenues | 1,239 | 1,262 | 1,278 | 1,301 | 1,281 | 1,289 | 1,281 | 3,779 | 5,152 |
| Operations expense | 804 | 833 | 834 | 824 | 823 | 852 | 828 | 2,471 | 3,327 |
| Restructuring costs | 29 | 49 | 26 | 32 | 9 | 3 | 7 | 104 | 51 |
| Total operating expense | 833 | 882 | 860 | 856 | 832 | 855 | 835 | 2,575 | 3,378 |
| EBITDA⁶ | 406 | 380 | 418 | 445 | 449 | 434 | 446 | 1,204 | 1,774 |
| EBITDA margin | 32.8% | 30.1% | 32.7% | 34.2% | 35.1% | 33.7% | 34.8% | 31.9% | 34.4% |
| Capital expenditures | 365 | 368 | 278 | 395 | 340 | 321 | 255 | 1,011 | 1,311 |
| Capital expenditure intensity⁷ | 30% | 29% | 22% | 30% | 27% | 25% | 20% | 27% | 25% |
| EBITDA less capex | 41 | 12 | 140 | 50 | 109 | 113 | 191 | 193 | 463 |
| EBITDA⁶ excluding restructuring costs | 435 | 429 | 444 | 477 | 458 | 437 | 453 | 1,308 | 1,825 |
| EBITDA margin excluding restructuring costs | 35.1% | 34.0% | 34.7% | 36.7% | 35.8% | 33.9% | 35.4% | 34.6% | 35.4% |



TELUS Wireline Operating Statistics

| | Qtr 3 | | | | September YTD | | | |
|---|-------|------|--------|----------|---------------|-------|--------|----------|
| | 2009 | 2008 | Change | % Change | 2009 | 2008 | Change | % Change |
| Network access lines (NAL) (000s) | | | | | | | | |
| Residential | | | | | 2,279 | 2,444 | (165) | -6.8% |
| Business | | | | | 1,821 | 1,838 | (17) | -0.9% |
| Total | | | | | 4,100 | 4,282 | (182) | -4.3% |
| NAL net additions (losses) (000s) | | | | | | | | |
| Residential | (41) | (53) | 12 | 23% | (123) | (152) | 29 | 19% |
| Business | (3) | 10 | (13) | n.m. | (23) | 30 | (53) | n.m. |
| Total | (44) | (43) | (1) | -2.3% | (146) | (122) | (24) | -20% |
| Internet subscriber net adds (000s) | | | | | | | | |
| High-speed | 9 | 13 | (4) | -31% | 26 | 57 | (31) | -54% |
| Dial-up | (9) | (8) | (1) | -13% | (28) | (21) | (7) | -33% |
| Total | - | 5 | (5) | -100% | (2) | 36 | (38) | n.m. |
| Internet subscribers (000s) | | | | | | | | |
| High-speed ^(A) | | | | | 1,117 | 1,077 | 40 | 3.7% |
| Dial-up | | | | | 96 | 134 | (38) | -28% |
| Total ^(A) | | | | | 1,213 | 1,211 | 2 | 0.2% |
| TV subscriber net adds (000s)¹¹ | 22 | 12 | 10 | 83% | 59 | 28 | 31 | 111% |
| TV subscribers (000s)¹¹ | | | | | 137 | 63 | 74 | 117% |

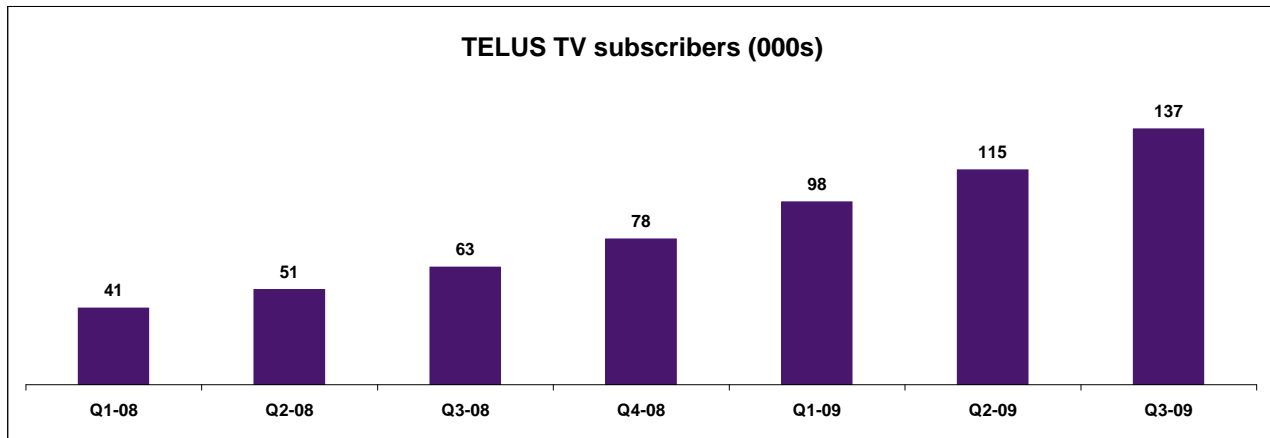
^(A) Opening balances for high-speed Internet subscribers and total Internet subscribers for the second quarter of 2009 were reduced by five thousand to reflect prior period reporting adjustments.



TELUS Wireline
Operating Statistics - Historical Trend

| | Quarterly | | | | | | | September 2009 | Annual 2008 |
|--|-----------|-------|-------|-------|-------|-------|-------|-------------------|----------------|
| | Q3/09 | Q2/09 | Q1/09 | Q4/08 | Q3/08 | Q2/08 | Q1/08 | | |
| Network access lines (NAL) (000s) | | | | | | | | | |
| Residential | 2,279 | 2,320 | 2,361 | 2,402 | 2,444 | 2,497 | 2,545 | 2,279 | 2,402 |
| Business | 1,821 | 1,824 | 1,834 | 1,844 | 1,838 | 1,828 | 1,820 | 1,821 | 1,844 |
| Total | 4,100 | 4,144 | 4,195 | 4,246 | 4,282 | 4,325 | 4,365 | 4,100 | 4,246 |
| NAL net additions (losses) (000s) | | | | | | | | | |
| Residential | (41) | (41) | (41) | (42) | (53) | (48) | (51) | (123) | (194) |
| Business | (3) | (10) | (10) | 6 | 10 | 8 | 12 | (23) | 36 |
| Total | (44) | (51) | (51) | (36) | (43) | (40) | (39) | (146) | (158) |
| Internet subscriber net adds (000s) | | | | | | | | | |
| High-speed | 9 | 3 | 14 | 19 | 13 | 24 | 20 | 26 | 76 |
| Dial-up | (9) | (9) | (10) | (10) | (8) | (4) | (9) | (28) | (31) |
| Total | - | (6) | 4 | 9 | 5 | 20 | 11 | (2) | 45 |
| Internet subscribers (000s) | | | | | | | | | |
| High-speed ^(A) | 1,117 | 1,108 | 1,105 | 1,096 | 1,077 | 1,064 | 1,040 | 1,117 | 1,096 |
| Dial-up | 96 | 105 | 114 | 124 | 134 | 142 | 146 | 96 | 124 |
| Total ^(A) | 1,213 | 1,213 | 1,219 | 1,220 | 1,211 | 1,206 | 1,186 | 1,213 | 1,220 |
| TV subscriber net adds (000s) | 22 | 17 | 20 | 15 | 12 | 10 | 6 | 59 | 43 |
| TV subscribers (000s) | 137 | 115 | 98 | 78 | 63 | 51 | 41 | 137 | 78 |

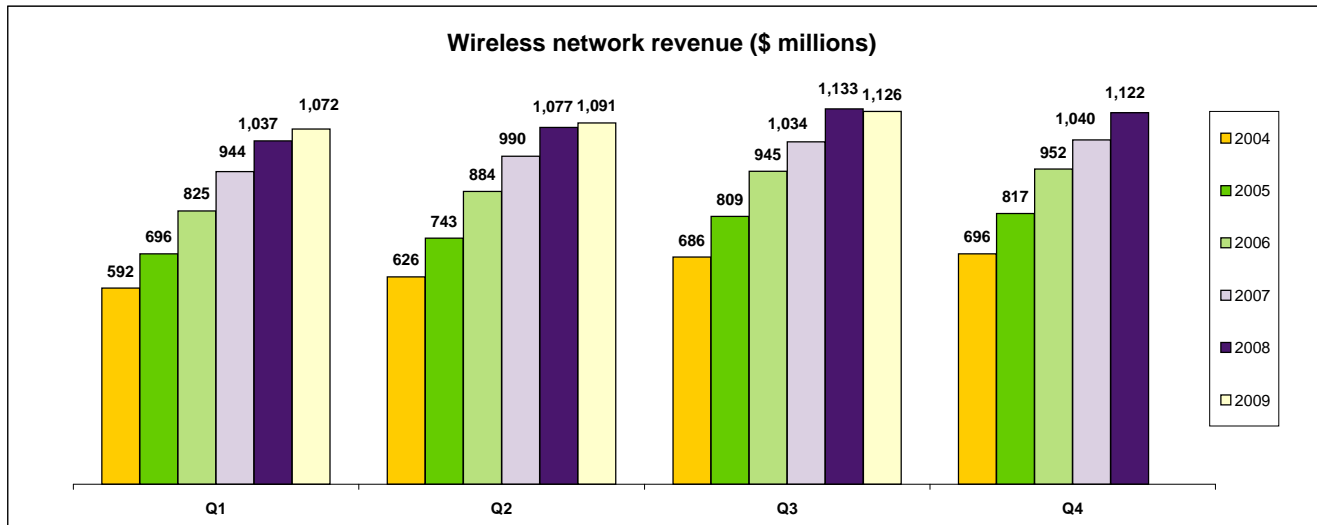
^(A) Opening balances for high-speed Internet subscribers and total Internet subscribers for the second quarter of 2009 were reduced by five thousand to reflect prior period reporting adjustments.



**TELUS Wireless
Operations**

| <i>\$ millions</i> | Qtr 3 | | | | September YTD | | | |
|--|--------------|--------------|--------------|--------------|---------------|--------------|--------------|---------------|
| | 2009 | 2008 | Change | % Change | 2009 | 2008 | Change | % Change |
| Revenues | | | | | | | | |
| Total Network revenue | 1,126 | 1,133 | (7) | -0.6% | 3,289 | 3,247 | 42 | 1.3% |
| Equipment and other revenue | 80 | 69 | 11 | 16% | 193 | 197 | (4) | -2.0% |
| Total external revenue | 1,206 | 1,202 | 4 | 0.3% | 3,482 | 3,444 | 38 | 1.1% |
| Intersegment revenue | 7 | 7 | - | - | 21 | 21 | - | - |
| Total operating revenues | 1,213 | 1,209 | 4 | 0.3% | 3,503 | 3,465 | 38 | 1.1% |
| Operations expense | 693 | 682 | 11 | 1.6% | 1,996 | 1,950 | 46 | 2.4% |
| Restructuring costs | 3 | 1 | 2 | n.m. | 9 | 2 | 7 | n.m. |
| Total operating expense | 696 | 683 | 13 | 1.9% | 2,005 | 1,952 | 53 | 2.7% |
| EBITDA⁶ | 517 | 526 | (9) | -1.7% | 1,498 | 1,513 | (15) | -1.0% |
| COA expense^(A) | 135 | 160 | (25) | -16% | 376 | 418 | (42) | -10.0% |
| EBITDA excluding COA | 652 | 686 | (34) | -5.0% | 1,874 | 1,931 | (57) | -3.0% |
| EBITDA margin (total revenue) | 42.6% | 43.5% | (0.9) | | 42.8% | 43.7% | (0.9) | |
| EBITDA margin (network revenue) | 45.9% | 46.4% | (0.5) | | 45.5% | 46.6% | (1.1) | |
| Retention spend % network revenue^(A) | 10.3% | 8.7% | 1.6 | | 10.5% | 8.7% | 1.8 | |
| Capital expenditures | 193 | 133 | 60 | 45% | 578 | 312 | 266 | 85% |
| Capital expenditure intensity⁷ | 16% | 11% | 5 | | 17% | 9% | 8 | |
| EBITDA less capex | 324 | 393 | (69) | -18% | 920 | 1,201 | (281) | -23% |
| EBITDA⁶ excluding restructuring costs | 520 | 527 | (7) | -1.3% | 1,507 | 1,515 | (8) | -0.5% |
| EBITDA margin excluding restructuring costs (total revenue) | 42.9% | 43.6% | (0.7) | | 43.0% | 43.7% | (0.7) | |

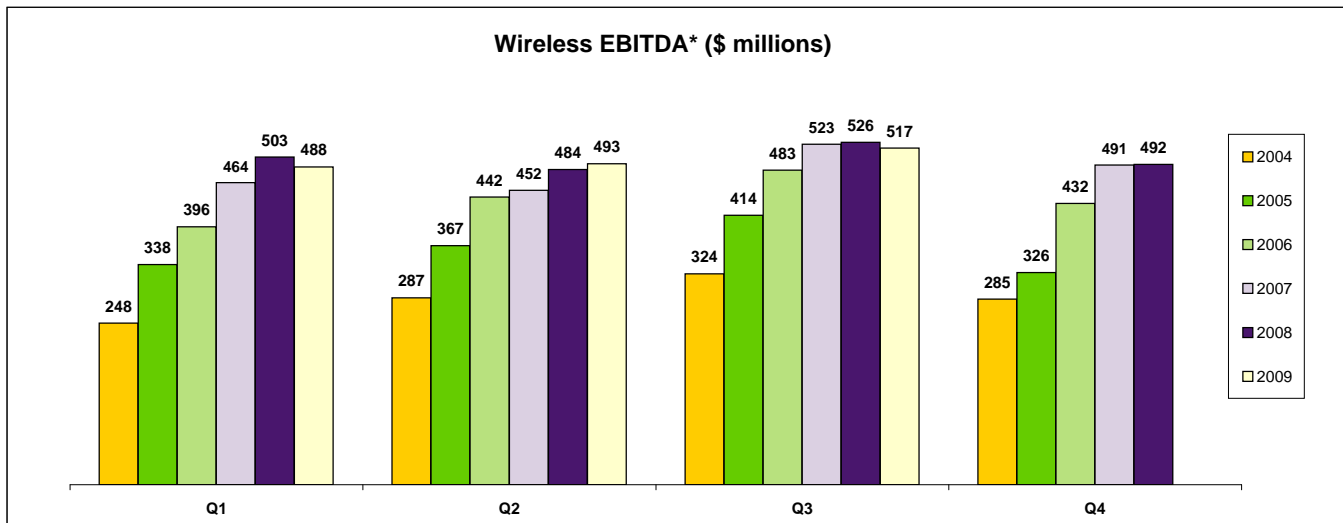
(A) In the first quarter of 2009, the Company refined the measurement of the costs of acquisition and retention in its operational systems to align with changes in the business and to improve consistency with industry measurements. Prior year comparative figures have been restated on a consistent basis.



TELUS Wireless
Operations - Historical Trend

| <i>\$ millions</i> | Quarterly | | | | | | | September 2009 | Annual 2008 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|----------------|
| | Q3/09 | Q2/09 | Q1/09 | Q4/08 | Q3/08 | Q2/08 | Q1/08 | | |
| Revenues | | | | | | | | | |
| Total Network revenue | 1,126 | 1,091 | 1,072 | 1,122 | 1,133 | 1,077 | 1,037 | 3,289 | 4,369 |
| Equipment and other revenue | 80 | 55 | 58 | 66 | 69 | 65 | 63 | 193 | 263 |
| Total external revenue | 1,206 | 1,146 | 1,130 | 1,188 | 1,202 | 1,142 | 1,100 | 3,482 | 4,632 |
| Intersegment revenue | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 21 | 28 |
| Total operating revenues | 1,213 | 1,153 | 1,137 | 1,195 | 1,209 | 1,149 | 1,107 | 3,503 | 4,660 |
| Operations expense | 693 | 656 | 647 | 697 | 682 | 664 | 604 | 1,996 | 2,647 |
| Restructuring costs | 3 | 4 | 2 | 6 | 1 | 1 | - | 9 | 8 |
| Total operating expense | 696 | 660 | 649 | 703 | 683 | 665 | 604 | 2,005 | 2,655 |
| EBITDA⁶ | 517 | 493 | 488 | 492 | 526 | 484 | 503 | 1,498 | 2,005 |
| COA expense^(A) | 135 | 125 | 116 | 164 | 160 | 145 | 113 | 376 | 582 |
| EBITDA excluding COA | 652 | 618 | 604 | 656 | 686 | 629 | 616 | 1,874 | 2,587 |
| EBITDA margin (total revenue) | 42.6% | 42.8% | 42.9% | 41.2% | 43.5% | 42.1% | 45.4% | 42.8% | 43.0% |
| EBITDA margin (network revenue) | 45.9% | 45.2% | 45.5% | 43.9% | 46.4% | 44.9% | 48.5% | 45.5% | 45.9% |
| Retention spend % network revenue^(A) | 10.3% | 10.6% | 10.5% | 9.4% | 8.7% | 9.1% | 8.5% | 10.5% | 8.9% |
| Capital expenditures | 193 | 189 | 196 | 236 | 133 | 114 | 65 | 578 | 548 |
| Capital expenditure intensity⁷ | 16% | 16% | 17% | 20% | 11% | 10% | 6% | 17% | 12% |
| EBITDA less capex | 324 | 304 | 292 | 256 | 393 | 370 | 438 | 920 | 1,457 |
| EBITDA⁸ excluding restructuring costs | 520 | 497 | 490 | 498 | 527 | 485 | 503 | 1,507 | 2,013 |
| EBITDA margin, less restructuring costs (total revenue) | 42.9% | 43.1% | 43.1% | 41.7% | 43.6% | 42.2% | 45.4% | 43.0% | 43.2% |

^(A) In the first quarter of 2009, the Company refined the measurement of the costs of acquisition and retention in its operational systems to align with changes in the business and to improve consistency with industry measurements. Prior year comparative figures have been restated on a consistent basis.



*2007 EBITDA has been adjusted to exclude non-cash expense (recovery) associated with net-cash settlement feature for share option awards granted prior to 2005.

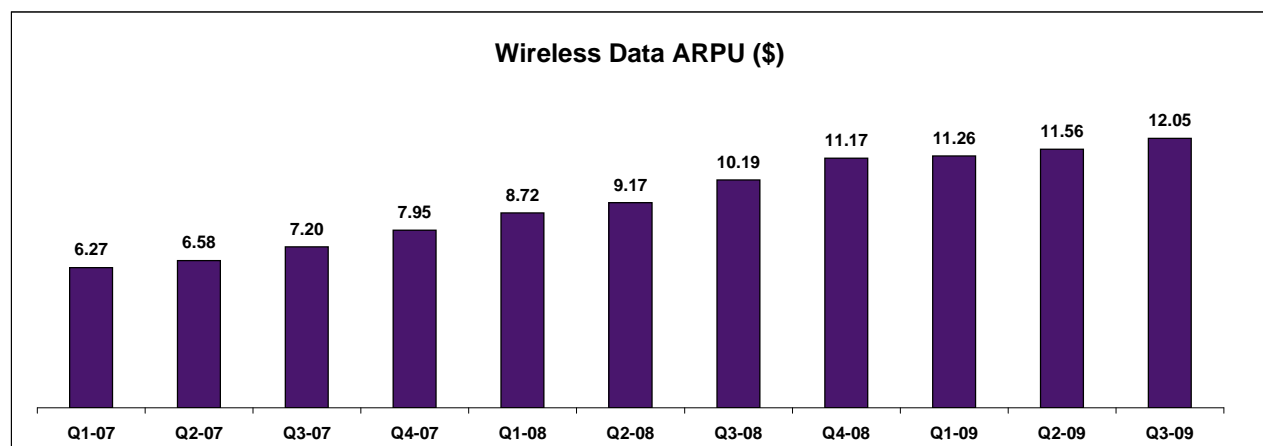
TELUS Wireless Operating Statistics

| <i>population coverage in millions</i> | Qtr 3 | | | | September YTD | | | |
|---|---------|---------|-----------|----------|---------------|---------|-----------|----------|
| | 2009 | 2008 | Change | % Change | 2009 | 2008 | Change | % Change |
| Subscriber gross adds (000s) | | | | | | | | |
| Postpaid | 291 | 300 | (9) | -3.0% | 753 | 783 | (30) | -3.8% |
| Prepaid | 129 | 147 | (18) | -12% | 415 | 431 | (16) | -3.7% |
| Total | 420 | 447 | (27) | -6.0% | 1,168 | 1,214 | (46) | -3.8% |
| Subscriber net adds, adjusted for analogue turndown (000s)^(A) | | | | | | | | |
| Postpaid | 131 | 159 | (28) | -18% | 270 | 388 | (118) | -30% |
| Prepaid | (6) | 17 | (23) | -135% | 14 | 52 | (38) | -73% |
| Total | 125 | 176 | (51) | -29% | 284 | 440 | (156) | -35% |
| Subscriber net adds, as reported (000s) | | | | | | | | |
| Postpaid | 131 | 133 | (2) | -1.5% | 270 | 362 | (92) | -25% |
| Prepaid | (6) | 16 | (22) | n.m. | 14 | 51 | (37) | -73% |
| Total | 125 | 149 | (24) | -16% | 284 | 413 | (129) | -31% |
| Digital subscribers (000s) | | | | | | | | |
| End of period | | | | | 6,413 | 5,981 | 432 | 7.2% |
| Percentage of total subscribers | | | | | 100% | 100% | - | |
| Subscribers (000s) | | | | | | | | |
| Postpaid | | | | | 5,192 | 4,803 | 389 | 8.1% |
| Prepaid | | | | | 1,221 | 1,178 | 43 | 3.7% |
| Total | | | | | 6,413 | 5,981 | 432 | 7.2% |
| ARPU (\$)⁸ | \$59.45 | \$64.14 | \$ (4.69) | -7.3% | \$58.82 | \$62.94 | \$ (4.12) | -6.5% |
| Data ARPU | \$12.05 | \$10.19 | \$ 1.86 | 18% | \$11.63 | \$9.37 | \$ 2.26 | 24% |
| Churn, per month (%), as adjusted for analogue turndown^{9 (A)} | 1.55% | 1.52% | 0.03 | | 1.57% | 1.49% | 0.08 | |
| Churn, per month (%), as reported⁹ | 1.55% | 1.68% | (0.13) | | 1.57% | 1.55% | 0.02 | |
| Average minutes of use per subscriber per month (MOU) | 397 | 416 | (19) | -4.6% | 394 | 410 | (16) | -3.9% |
| COA per gross subscriber addition (\$)^{10 (B)} | \$320 | \$358 | (38) | -10.6% | \$322 | \$344 | (22) | -6.4% |
| Population coverage - digital incl. roaming/resale^(C) | | | | | 32.7 | 32.4 | 0.3 | 0.9% |

^(A) Excludes the impact of TELUS' analogue network turndown which reduced net adds by 27,635 (1,774 Prepaid and 25,861 Postpaid), and resulted in higher churn of 1.68% and 1.57%, for Q3-08 and Dec YTD respectively.

^(B) In the first quarter of 2009, the Company refined the measurement of the costs of acquisition and retention in its operational systems to align with changes in the business and to improve consistency with industry measurements. Prior year comparative figures have been restated on a consistent basis.

^(C) Includes expanded coverage due to roaming/resale agreements principally with Bell Mobility (Bell Canada).



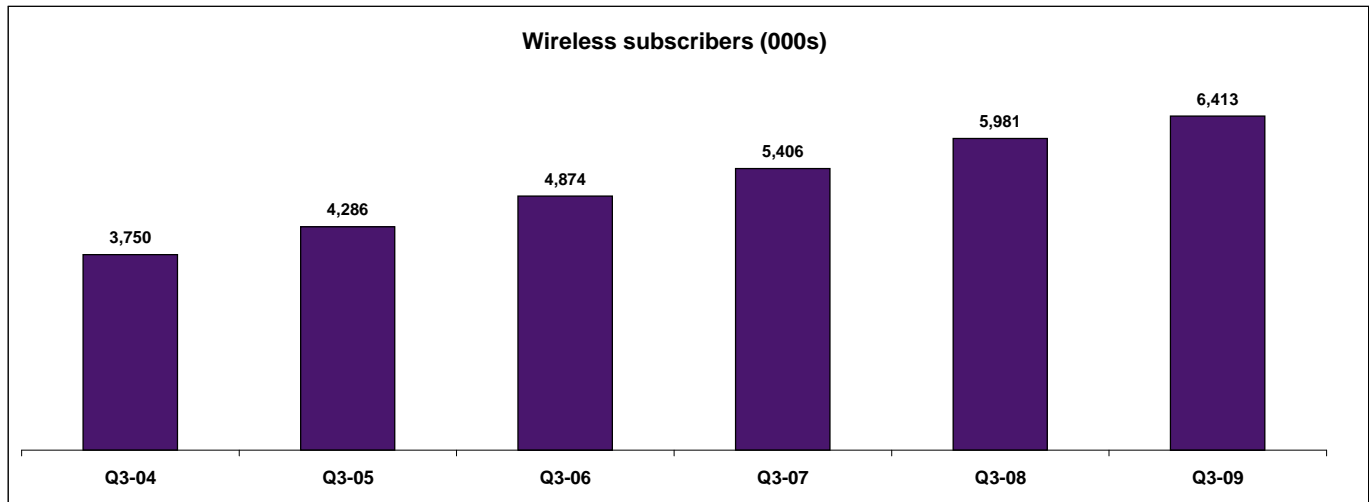
TELUS Wireless
Operating Statistics - Historical Trend

| <i>population coverage in millions</i> | Quarterly | | | | | | | September 2009 | Annual 2008 |
|---|-----------|---------|---------|---------|---------|--------|--------|-------------------|----------------|
| | Q3/09 | Q2/09 | Q1/09 | Q4/08 | Q3/08 | Q2/08 | Q1/08 | | |
| Subscriber gross adds (000s) | | | | | | | | | |
| Postpaid | 291 | 247 | 215 | 279 | 300 | 279 | 204 | 753 | 1,062 |
| Prepaid | 129 | 155 | 131 | 162 | 147 | 143 | 141 | 415 | 593 |
| Total | 420 | 402 | 346 | 441 | 447 | 422 | 345 | 1,168 | 1,655 |
| Subscriber net adds, adjusted for analogue turndown (000s)^(A) | | | | | | | | | |
| Postpaid | 131 | 95 | 44 | 119 | 159 | 157 | 72 | 270 | 507 |
| Prepaid | (6) | 16 | 4 | 29 | 17 | 19 | 16 | 14 | 81 |
| Total | 125 | 111 | 48 | 148 | 176 | 176 | 88 | 284 | 588 |
| Subscriber net adds, as reported (000s) | | | | | | | | | |
| Postpaid | 131 | 95 | 44 | 119 | 133 | 157 | 72 | 270 | 481 |
| Prepaid | (6) | 16 | 4 | 29 | 16 | 19 | 16 | 14 | 80 |
| Total | 125 | 111 | 48 | 148 | 149 | 176 | 88 | 284 | 561 |
| Digital subscribers (000s) | | | | | | | | | |
| End of period | 6,413 | 6,288 | 6,177 | 6,129 | 5,981 | 5,762 | 5,566 | 6,413 | 6,129 |
| Percentage of total subscribers | 100% | 100% | 100% | 100% | 100% | 99% | 98% | 100% | 100% |
| Subscribers (000s) | | | | | | | | | |
| Postpaid | 5,192 | 5,061 | 4,966 | 4,922 | 4,803 | 4,670 | 4,513 | 5,192 | 4,922 |
| Prepaid | 1,221 | 1,227 | 1,211 | 1,207 | 1,178 | 1,162 | 1,143 | 1,221 | 1,207 |
| Total | 6,413 | 6,288 | 6,177 | 6,129 | 5,981 | 5,832 | 5,656 | 6,413 | 6,129 |
| ARPU (\$) ⁸ | | | | | | | | | |
| Data ARPU | \$12.05 | \$11.56 | \$11.26 | \$11.17 | \$10.19 | \$9.17 | \$8.72 | \$11.63 | \$9.84 |
| Churn, per month (%), as adjusted for analogue turndown ^{9 (A)} | 1.55% | 1.55% | 1.62% | 1.62% | 1.52% | 1.43% | 1.53% | 1.57% | 1.52% |
| Churn, per month (%), as reported ⁹ | 1.55% | 1.55% | 1.62% | 1.62% | 1.68% | 1.43% | 1.53% | 1.57% | 1.57% |
| Average minutes of use per subscriber per month (MOU) | 397 | 402 | 382 | 412 | 416 | 420 | 394 | 394 | 411 |
| COA per gross subscriber addition (\$) ^{10 (B)} | \$320 | \$311 | \$336 | \$372 | \$358 | \$342 | \$328 | \$322 | \$351 |
| Population coverage - digital incl. roaming/resale ^(C) | 32.7 | 32.7 | 32.7 | 32.6 | 32.4 | 32.4 | 31.9 | 32.7 | 32.6 |

^(A) Excludes the impact of TELUS' analogue network turndown which reduced net adds by 27,635 (1,774 Prepaid and 25,861 Postpaid), and resulted in higher churn of 1.68% and 1.57%, for Q3-08 and Dec YTD respectively.

^(B) In the first quarter of 2009, the Company refined the measurement of the costs of acquisition and retention in its operational systems to align with changes in the business and to improve consistency with industry measurements. Prior year comparative figures have been restated on a consistent basis.

^(C) Includes expanded coverage due to roaming/resale agreements principally with Bell Mobility.



Non-GAAP measures and definitions of key operating indicators

- ¹ **Return on common equity** - For quarterly figures, Return on common equity is common share and non-voting share 12-month trailing income over the average quarterly equity for the 12-month period. For annual figures, Return on common equity is common share and non-voting share income over the average equity for the 12-month period.
- ² **EBITDA interest coverage ratio** is defined as EBITDA (excluding restructuring costs), divided by Financing costs before gains on redemption and repayment of debt, calculated on a 12-month trailing basis. This measure is substantially the same as the Coverage Ratio covenant in TELUS' new credit facilities.
- ³ **Free cash flow** is calculated as EBITDA, adding Restructuring 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 (including spectrum payments), donations and securitization fees. Note, the definition was refined in 2008 to incorporate defined benefit plans contributions instead of expense.
- ⁴ **Net debt** is defined as Long-term Debt plus current maturities of Long-term Debt and cheques outstanding less Cash and temporary investments plus cross currency foreign exchange hedge liability (less cross currency foreign exchange hedge asset) related to U.S. dollar notes. The definition was changed in 2006 to include securitized accounts receivable, which is closer to methods used by credit rating agencies.
- ⁵ **Net debt to EBITDA** – excluding restructuring costs is defined as Net debt as at the end of the period divided by the 12-month trailing EBITDA excluding restructuring costs. TELUS' guideline range for Net debt to EBITDA is from 1.5 to 2.0 times. Historically, Net debt to EBITDA excluding restructuring costs is substantially the same as the Leverage Ratio covenant in TELUS' credit facilities.
- ⁶ **Earnings before interest, taxes, depreciation and amortization** (EBITDA) includes restructuring costs.
- ⁷ **Capital expenditure intensity** is defined as capital expenditures as a percentage of 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. 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.
- ⁹ **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 prepaid subscriber is disconnected when the subscriber has no usage for 90 days following expiry of the prepaid card.
- ¹⁰ **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).
- ¹¹ **TV subscribers** consists of TELUS IPTV subscribers and TELUS Satellite TV subscribers.