



TELUS Corporation

Second Quarter, 2017

Supplemental Investor Information

(UNAUDITED)

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

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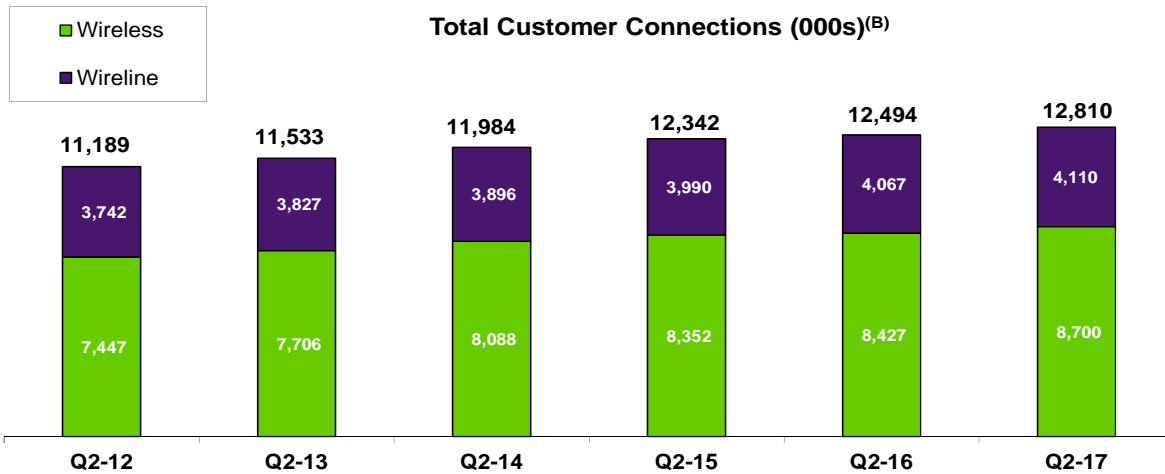
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TELUS Corporation
Selected Consolidated Data

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

	Quarterly						June YTD 2017	Annual 2016
	Q2/17	Q1/17	Q4/16	Q3/16	Q2/16	Q1/16		
Net Income	386	441	87	355	416	378	827	1,236
Basic earnings per share (\$)	0.64	0.73	0.14	0.59	0.70	0.64	1.37	2.06
Dividends declared per share (\$)	0.4925	0.48	0.48	0.46	0.46	0.44	0.9725	1.84
Return on common equity ¹	15.2%	16.0%	15.4%	17.9%	18.5%	17.7%	15.2%	15.4%
EBITDA interest coverage ratio ^{2 (A)}	8.6	8.5	8.3	8.5	8.8	9.2	8.6	8.3
Free cash flow ³	260	217	(191)	98	126	108	477	141
Net debt ⁴	13,404	13,054	12,652	12,217	12,257	12,374	13,404	12,652
Net debt : EBITDA (times) ⁵	2.79	2.73	2.69	2.62	2.67	2.74	2.79	2.69
Outstanding shares at end of period (M)	593	591	590	591	592	593	593	590
Basic weighted average shares outstanding (M)	592	591	591	592	593	593	591	592
Total customer connections (000s) ^(B)	12,810	12,683	12,673	12,577	12,494	12,443	12,810	12,673

^(A) EBITDA excluding restructuring and other costs.



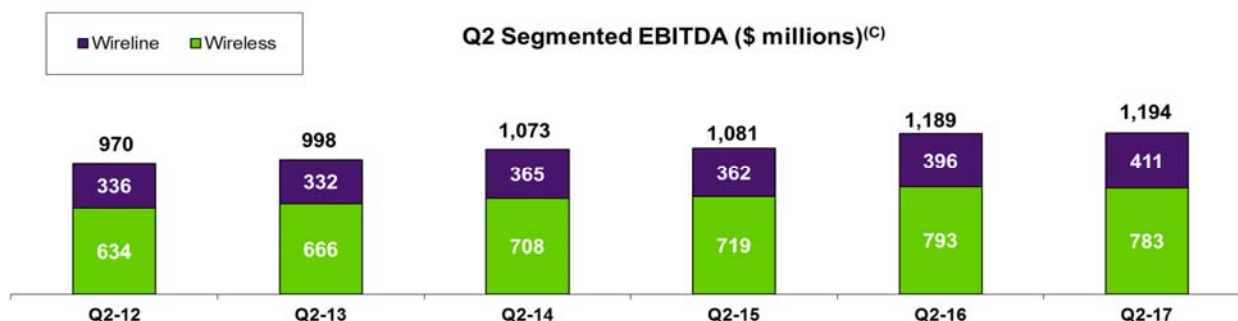
^(B) Customer Connections may not balance due to rounding alignment to YTD figures. Effective April 1, 2017, postpaid subscribers, total subscribers and associated operating statistics (gross additions, net additions, ARPU and churn) have been adjusted to include an estimated migration of 85,000 MTS subscribers (see section 1.3 of the Q2 2017 quarterly report for additional details) in the opening subscriber balances. Cumulative subscriber connections also include an April 1, 2017 adjustment to remove approximately 19,000 prepaid and 25,000 postpaid subscriptions from the respective subscriber bases, primarily due to our national CDMA network shutdown.

TELUS Corporation
Segmented Data

<i>\$ millions</i>	Quarter 2				June YTD			
	2017	2016	Change	% Change	2017	2016	Change	% Change
Revenues								
TELUS Wireless	1,857	1,768	89	5.0%	3,651	3,484	167	4.8%
TELUS Wireline	1,479	1,442	37	2.5%	2,946	2,895	51	1.7%
Less: Intersegment revenue	(63)	(62)	(1)	1.6%	(126)	(123)	(3)	2.4%
Operating revenues	3,273	3,148	125	3.9%	6,471	6,256	215	3.4%
EBITDA								
TELUS Wireless	783	793	(10)	(1.3%)	1,603	1,549	54	3.5%
TELUS Wireline	411	396	15	3.8%	852	780	72	9.1%
Consolidated	1,194	1,189	5	0.4%	2,455	2,329	126	5.4%
EBITDA margin								
TELUS Wireless	42.2%	44.9%	(2.7) pts.		43.9%	44.5%	(0.6) pts.	
TELUS Wireline	27.8%	27.5%	0.3 pts.		28.9%	26.9%	2.0 pts.	
Consolidated	36.5%	37.8%	(1.3) pts.		37.9%	37.2%	0.7 pts.	
Capital expenditures								
TELUS Wireless	259	258	1	0.4%	508	438	70	16.0%
TELUS Wireline	551	511	40	7.8%	1,026	949	77	8.1%
Consolidated	810	769	41	5.3%	1,534	1,387	147	10.6%
Capital expenditure intensity⁶								
TELUS Wireless	14%	15%	(1) pts.		14%	13%	1 pts.	
TELUS Wireline	37%	35%	2 pts.		35%	33%	2 pts.	
Consolidated	25%	24%	1 pts.		24%	22%	2 pts.	
EBITDA less capex								
TELUS Wireless	524	535	(11)	(2.1%)	1,095	1,111	(16)	(1.4%)
TELUS Wireline	(140)	(115)	(25)	(21.7%)	(174)	(169)	(5)	(3.0%)
Consolidated	384	420	(36)	(8.6%)	921	942	(21)	(2.2%)
Adjusted EBITDA^(A)								
TELUS Wireless	809	783	26	3.3%	1,630	1,548	82	5.3%
TELUS Wireline	421	405	16	4.1%	865	828	37	4.4%
Consolidated	1,230	1,188	42	3.6%	2,495	2,376	119	5.0%
Adjusted EBITDA margin^(B)								
TELUS Wireless	43.6%	44.8%	(1.2) pts.		44.7%	44.7%	- pts.	
TELUS Wireline	28.5%	28.2%	0.3 pts.		29.3%	28.7%	0.6 pts.	
Consolidated	37.6%	38.0%	(0.4) pts.		38.6%	38.1%	0.5 pts.	

^(A) EBITDA has been adjusted to exclude restructuring and other costs, net gains and equity income related to real estate joint venture developments and gain on the exchange of wireless spectrum licences (see Historical Trend pages for Wireless and Wireline).

^(B) Adjusted EBITDA margin is Adjusted EBITDA divided by Operating revenues, where the calculation of the Operating revenues excludes the net gains and equity income related to real estate joint venture developments, as well as the gain from exchange of wireless spectrum licences in the second quarter of 2016.



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

TELUS Corporation
Segmented Data - Historical Trend

<i>\$ millions</i>	Quarterly						June YTD 2017	Annual 2016
	Q2/17	Q1/17	Q4/16	Q3/16	Q2/16	Q1/16		
Revenues								
TELUS Wireless	1,857	1,794	1,856	1,833	1,768	1,716	3,651	7,173
TELUS Wireline	1,479	1,467	1,515	1,468	1,442	1,453	2,946	5,878
Less: Intersegment revenue	(63)	(63)	(66)	(63)	(62)	(61)	(126)	(252)
Operating revenues	3,273	3,198	3,305	3,238	3,148	3,108	6,471	12,799
Revenues % change on prior year								
TELUS Wireless	5.0%	4.6%	3.7%	2.8%	1.8%	1.8%	4.8%	2.6%
TELUS Wireline	2.5%	1.0%	1.7%	2.5%	1.3%	3.9%	1.7%	2.4%
Operating revenues	3.9%	2.9%	2.7%	2.6%	1.5%	2.6%	3.4%	2.4%
EBITDA								
TELUS Wireless	783	820	598	759	793	756	1,603	2,906
TELUS Wireline	411	441	171	372	396	384	852	1,323
Consolidated	1,194	1,261	769	1,131	1,189	1,140	2,455	4,229
EBITDA % change on prior year								
TELUS Wireless	(1.3%)	8.6%	(4.7%)	6.2%	10.4%	1.5%	3.5%	3.6%
TELUS Wireline	3.8%	14.6%	(51.1%)	5.1%	9.6%	(1.9%)	9.1%	(9.1%)
Consolidated	0.4%	10.6%	(21.3%)	5.8%	10.0%	0.4%	5.4%	(0.8%)
EBITDA margin								
TELUS Wireless	42.2%	45.7%	32.2%	41.4%	44.9%	44.1%	43.9%	40.5%
TELUS Wireline	27.8%	30.0%	11.3%	25.3%	27.5%	26.4%	28.9%	22.5%
Consolidated	36.5%	39.4%	23.3%	34.9%	37.8%	36.7%	37.9%	33.0%
Capital expenditures								
TELUS Wireless	259	249	249	295	258	180	508	982
TELUS Wireline	551	475	545	492	511	438	1,026	1,986
Consolidated	810	724	794	787	769	618	1,534	2,968
Capital expenditure intensity⁶								
TELUS Wireless	14%	14%	13%	16%	15%	10%	14%	14%
TELUS Wireline	37%	32%	36%	34%	35%	30%	35%	34%
Consolidated	25%	23%	24%	24%	24%	20%	24%	23%
EBITDA less capex								
TELUS Wireless	524	571	349	464	535	576	1,095	1,924
TELUS Wireline	(140)	(34)	(374)	(120)	(115)	(54)	(174)	(663)
Consolidated	384	537	(25)	344	420	522	921	1,261
Adjusted EBITDA^(A)								
TELUS Wireless	809	821	679	773	783	765	1,630	3,000
TELUS Wireline	421	444	431	408	405	423	865	1,667
Consolidated	1,230	1,265	1,110	1,181	1,188	1,188	2,495	4,667
Adjusted EBITDA^(A) % change on prior year								
TELUS Wireless	3.3%	7.4%	4.0%	6.1%	3.6%	2.0%	5.3%	3.9%
TELUS Wireline	4.1%	4.7%	1.7%	4.2%	5.5%	5.1%	4.4%	4.1%
Consolidated	3.6%	6.4%	3.1%	5.5%	4.3%	3.1%	5.0%	4.0%
Adjusted EBITDA margin^(B)								
TELUS Wireless	43.6%	45.8%	36.7%	42.3%	44.8%	44.6%	44.7%	42.0%
TELUS Wireline	28.5%	30.2%	28.5%	27.8%	28.2%	29.1%	29.3%	28.4%
Consolidated	37.6%	39.5%	33.7%	36.5%	38.0%	38.2%	38.6%	36.6%
Full-Time Equivalent (FTE) employees	49,400	49,500	50,500	49,500	47,900	46,800	49,400	50,500
<i>Full-Time Equivalent (FTE) employees, excluding TELUS International</i>	25,000	24,600	24,700	24,700	25,100	25,300	25,000	24,700

^(A) EBITDA has been adjusted to exclude restructuring and other costs, net gains and equity income related to real estate joint venture developments and gain on the exchange of wireless spectrum licences (see Historical Trend pages for Wireless and Wireline).

^(B) Adjusted EBITDA margin is Adjusted EBITDA divided by Operating revenues, where the calculation of the Operating revenues excludes the net gains and equity income related to real estate joint venture developments, as well as the gain from exchange of wireless spectrum licences in the second quarter of 2016.

Segmented external revenue profile - Q2 2017
(% of total operating revenues)



Segmented EBITDA profile - Q2 2017



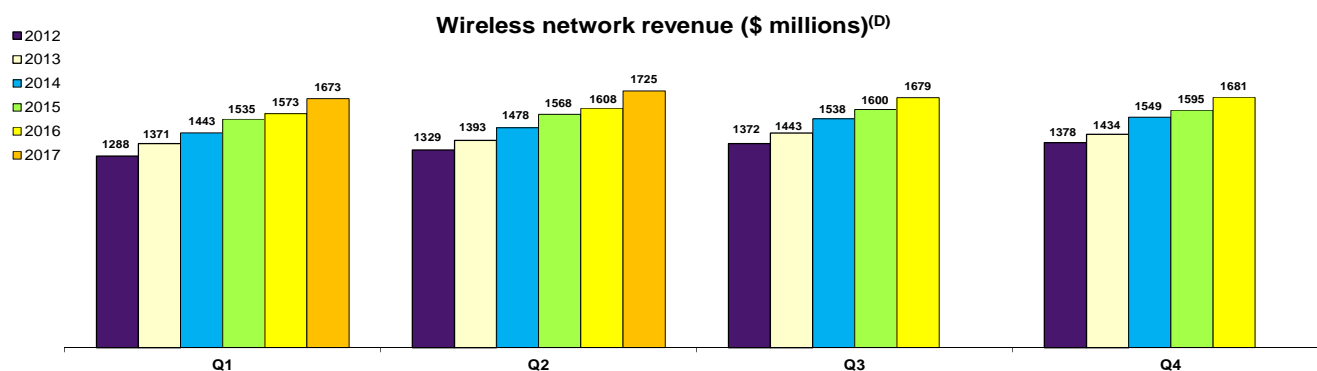
TELUS Wireless Operations^(A)

<i>\$ millions</i>	Quarter 2				June YTD			
	2017	2016	Change	% Change	2017	2016	Change	% Change
Revenues								
Network revenue	1,725	1,608	117	7.2%	3,398	3,181	217	6.8%
Equipment and other service revenue	123	123	-	0.0%	231	247	(16)	(6.5%)
Revenues arising from contracts with customers	1,848	1,731	117	6.8%	3,629	3,428	201	5.9%
Other operating income	(2)	23	(25)	n.m.	-	28	(28)	n.m.
Total external revenue	1,846	1,754	92	5.2%	3,629	3,456	173	5.0%
Intersegment network revenue	11	14	(3)	(21.4%)	22	28	(6)	(21.4%)
Total operating revenues	1,857	1,768	89	5.0%	3,651	3,484	167	4.8%
Goods and services purchased	914	817	97	11.9%	1,732	1,611	121	7.5%
Employee benefits expense ^(B)	160	158	2	1.3%	316	324	(8)	(2.5%)
Total operating expense	1,074	975	99	10.2%	2,048	1,935	113	5.8%
EBITDA	783	793	(10)	(1.3%)	1,603	1,549	54	3.5%
EBITDA margin (total revenue)	42.2%	44.9%	(2.7) pts.		43.9%	44.5%	(0.6) pts.	
Capital expenditures	259	258	1	0.4%	508	438	70	16.0%
Capital expenditure intensity⁶	14%	15%	(1) pts.		14%	13%	1 pts.	
EBITDA less capex	524	535	(11)	(2.1%)	1,095	1,111	(16)	(1.4%)
Add: Restructuring and other costs included in total operating expense	27	9	18	n.m.	28	18	10	55.6%
Deduct: Net gains and equity income related to real estate joint venture developments	(1)	(4)	3	75.0%	(1)	(4)	3	75.0%
Deduct: Gain on the exchange of wireless spectrum licences	-	(15)	15	n.m.	-	(15)	15	n.m.
Adjusted EBITDA	809	783	26	3.3%	1,630	1,548	82	5.3%
Adjusted EBITDA margin^(C)	43.6%	44.8%	(1.2) pts.		44.7%	44.7%	-	pts.

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

^(B) Includes restructuring and other costs.

^(C) Adjusted EBITDA margin is Adjusted EBITDA divided by Operating revenues, where the calculation of the Operating revenues excludes the net gains and equity income related to real estate joint venture developments, as well as the gain from exchange of wireless spectrum licences in the second quarter of 2016.



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

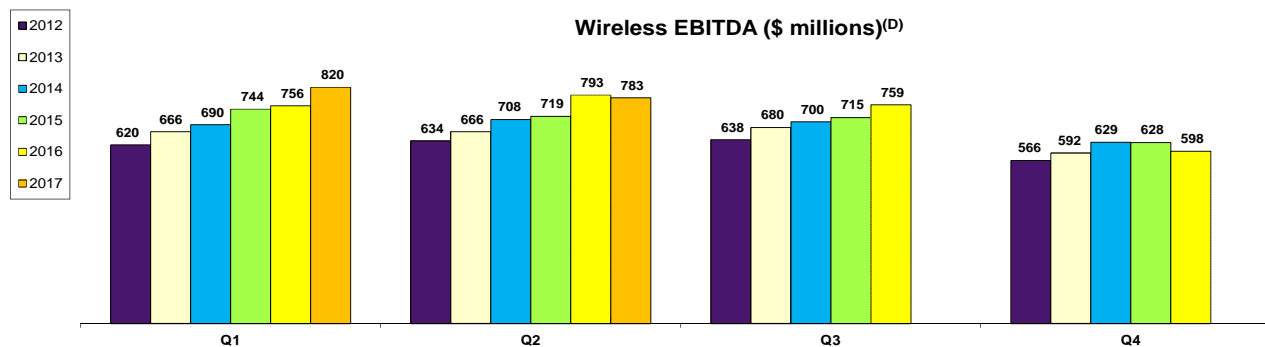
TELUS Wireless
Operations - Historical Trend^(A)

\$ millions	Quarterly						June YTD 2017	Annual 2016
	Q2/17	Q1/17	Q4/16	Q3/16	Q2/16	Q1/16		
Revenues								
Network revenue	1,725	1,673	1,681	1,679	1,608	1,573	3,398	6,541
Equipment and other service revenue	123	108	155	135	123	124	231	537
Revenues arising from contracts with customers	1,848	1,781	1,836	1,814	1,731	1,697	3,629	7,078
Other operating income	(2)	2	5	4	23	5	-	37
Total external revenue	1,846	1,783	1,841	1,818	1,754	1,702	3,629	7,115
Intersegment network revenue	11	11	15	15	14	14	22	58
Total operating revenues	1,857	1,794	1,856	1,833	1,768	1,716	3,651	7,173
<i>Network revenue % change on prior year</i>	7.2%	6.4%	5.4%	4.9%	2.6%	2.5%	6.8%	3.9%
<i>Total external revenue % change on prior year</i>	5.2%	4.8%	3.9%	2.9%	1.9%	1.8%	5.0%	2.6%
<i>Total operating revenues % change on prior year</i>	5.0%	4.6%	3.7%	2.8%	1.8%	1.8%	4.8%	2.6%
Goods and services purchased	914	818	1,025	908	817	794	1,732	3,544
Employee benefits expense ^(B)	160	156	233	166	158	166	316	723
Total operating expense	1,074	974	1,258	1,074	975	960	2,048	4,267
EBITDA	783	820	598	759	793	756	1,603	2,906
<i>EBITDA % change on prior year</i>	(1.3%)	8.6%	(4.7%)	6.2%	10.4%	1.5%	3.5%	3.6%
EBITDA margin (total revenue)	42.2%	45.7%	32.2%	41.4%	44.9%	44.1%	43.9%	40.5%
Capital expenditures	259	249	249	295	258	180	508	982
Capital expenditure intensity^(C)	14%	14%	13%	16%	15%	10%	14%	14%
EBITDA less capex	524	571	349	464	535	576	1,095	1,924
Add: Restructuring and other costs included in total operating expense	27	1	85	18	9	9	28	121
Deduct: Net gains and equity income related to real estate joint venture developments	(1)	-	(4)	(4)	(4)	-	(1)	(12)
Deduct: Gain on the exchange of wireless spectrum licences	-	-	-	-	(15)	-	-	(15)
Adjusted EBITDA	809	821	679	773	783	765	1,630	3,000
<i>Adjusted EBITDA % change on prior year</i>	3.3%	7.4%	4.0%	6.1%	3.6%	2.0%	5.3%	3.9%
Adjusted EBITDA margin^(C)	43.6%	45.8%	36.7%	42.3%	44.8%	44.6%	44.7%	42.0%

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

^(B) Includes restructuring and other costs.

^(C) Adjusted EBITDA margin is Adjusted EBITDA divided by Operating revenues, where the calculation of the Operating revenues excludes the net gains and equity income related to real estate joint venture developments, as well as the gain from exchange of wireless spectrum licences in the second quarter of 2016.



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

	Quarter 2				June YTD			
	2017	2016	Change	% Change	2017	2016	Change	% Change
Subscriber gross adds (000s)								
Postpaid	262	247	15	6.1%	487	459	28	6.1%
Prepaid	80	84	(4)	(4.8%)	150	163	(13)	(8.0%)
Total	342	331	11	3.3%	637	622	15	2.4%
Subscriber net adds (000s)								
Postpaid	99	61	38	62.3%	143	69	74	n.m.
Prepaid	(16)	(21)	5	23.8%	(69)	(54)	(15)	(27.8%)
Total	83	40	43	n.m.	74	15	59	n.m.
Subscribers (000s)								
Postpaid	7,753	7,376	377	5.1%	7,753	7,376	377	5.1%
Prepaid	947	1,051	(104)	(9.9%)	947	1,051	(104)	(9.9%)
Total	8,700	8,427	273	3.2%	8,700	8,427	273	3.2%
ARPU (\$) ⁷	\$66.87	\$64.38	\$2.49	3.9%	\$66.20	\$63.73	\$2.47	3.9%
Churn, per month (%) ⁸								
Blended Churn	1.00%	1.15%	(0.15) pts.		1.09%	1.21%	(0.12) pts.	
Postpaid Churn	0.79%	0.90%	(0.11) pts.		0.86%	0.93%	(0.07) pts.	
Population coverage in millions - HSPA ^(D)	36.7	35.7	1.0	2.8%	36.7	35.7	1.0	2.8%
Population coverage in millions - LTE ^(D)	36.5	35.1	1.4	4.0%	36.5	35.1	1.4	4.0%

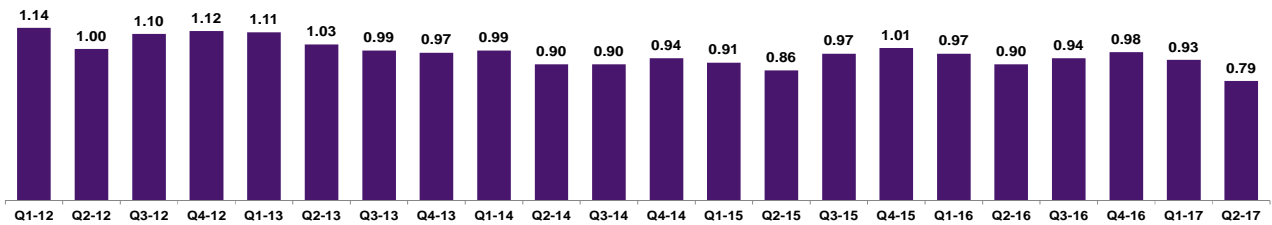
^(A) May not balance due to rounding alignment to YTD figures.

^(B) Subsequent to a review of our subscriber base, our Q1 2016 beginning of period postpaid wireless subscriber base was reduced by 45,000.

^(C) Effective April 1, 2017, postpaid subscribers, total subscribers and associated operating statistics (gross additions, net additions, ARPU and churn) have been adjusted to include an estimated migration of 85,000 MTS subscribers (see section 1.3 of the Q2 2017 quarterly report for additional details) in the opening subscriber balances. Cumulative subscriber connections also include an April 1, 2017 adjustment to remove approximately 19,000 prepaid and 25,000 postpaid subscriptions from the respective subscriber bases, primarily due to our national CDMA network shutdown.

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

Postpaid Churn (%)



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

	Quarterly						June YTD 2017	Annual 2016
	Q2/17	Q1/17	Q4/16	Q3/16	Q2/16	Q1/16		
Subscriber gross adds (000s)								
Postpaid	262	225	297	283	247	212	487	1,039
Prepaid	80	70	101	96	84	79	150	360
Total	342	295	398	379	331	291	637	1,399
Subscriber net adds (000s)								
Postpaid	99	44	87	87	61	8	143	243
Prepaid	(16)	(53)	(9)	(7)	(21)	(33)	(69)	(70)
Total	83	(9)	78	80	40	(25)	74	173
Subscribers (000s)								
Postpaid	7,753	7,594	7,550	7,463	7,376	7,315	7,753	7,550
Prepaid	947	982	1,035	1,044	1,051	1,072	947	1,035
Total	8,700	8,576	8,585	8,507	8,427	8,387	8,700	8,585
ARPU (\$) ⁷	\$66.87	\$65.53	\$66.24	\$66.67	\$64.38	\$63.08	\$66.20	\$65.10
ARPU % change on prior year	3.9%	3.9%	3.9%	3.8%	1.4%	1.2%	3.9%	2.6%
Churn, per month (%) ⁸								
Blended Churn	1.00%	1.18%	1.25%	1.18%	1.15%	1.26%	1.09%	1.21%
Postpaid Churn	0.79%	0.93%	0.98%	0.94%	0.90%	0.97%	0.86%	0.95%
Population coverage in millions - HSPA ^(D)	36.7	36.1	35.7	35.7	35.7	35.7	36.7	35.7
Population coverage in millions - LTE ^(D)	36.5	36.0	35.2	35.1	35.1	35.0	36.5	35.2

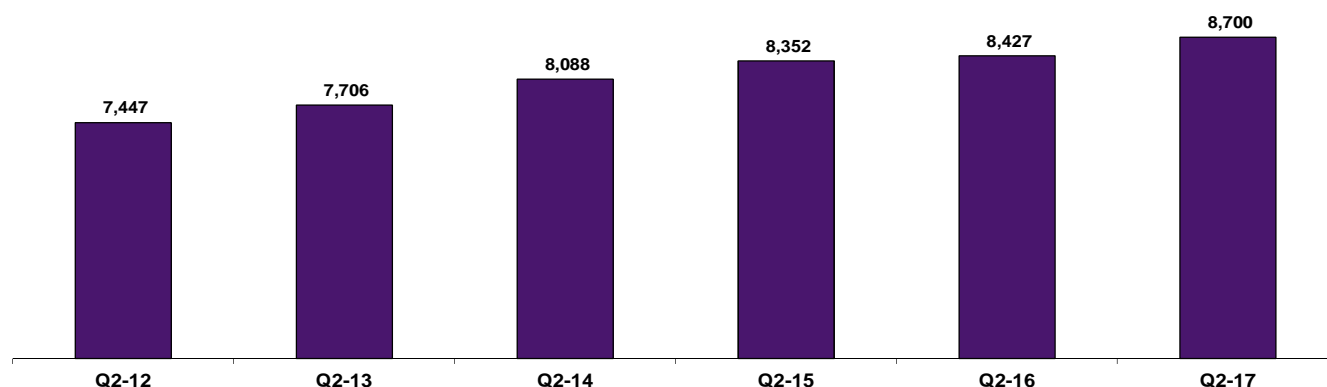
^(A) May not balance due to rounding alignment to YTD figures.

^(B) Subsequent to a review of our subscriber base, our Q1 2016 beginning of period postpaid wireless subscriber base was reduced by 45,000.

^(C) Effective April 1, 2017, postpaid subscribers, total subscribers and associated operating statistics (gross additions, net additions, ARPU and churn) have been adjusted to include an estimated migration of 85,000 MTS subscribers (see section 1.3 of the Q2 2017 quarterly report for additional details) in the opening subscriber balances. Cumulative subscriber connections also include an April 1, 2017 adjustment to remove approximately 19,000 prepaid and 25,000 postpaid subscriptions from the respective subscriber bases, primarily due to our national CDMA network shutdown.

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

Wireless subscribers (000s)



TELUS Wireline Operations^(A)

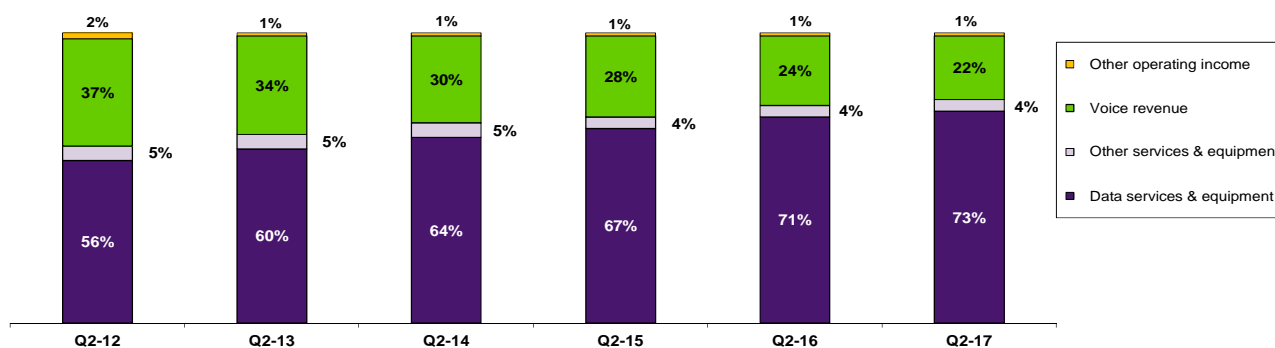
<i>\$ millions</i>	Quarter 2				June YTD			
	2017	2016	Change	% Change	2017	2016	Change	% Change
Revenues								
Data service and equipment	1,045	990	55	5.6%	2,080	1,983	97	4.9%
Voice revenue	311	340	(29)	(8.5%)	631	688	(57)	(8.3%)
Other services and equipment	55	55	-	-	104	113	(9)	(8.0%)
Revenues arising from contracts with customers	1,411	1,385	26	1.9%	2,815	2,784	31	1.1%
Other operating income	16	9	7	77.8%	27	16	11	68.8%
Total external revenue	1,427	1,394	33	2.2%	2,842	2,800	42	1.5%
Intersegment revenue	52	48	4	8.3%	104	95	9	9.5%
Total operating revenues	1,479	1,442	37	2.5%	2,946	2,895	51	1.7%
Goods and services purchased	582	576	6	1.0%	1,140	1,143	(3)	(0.3%)
Employee benefits expense ^(B)	486	470	16	3.4%	954	972	(18)	(1.9%)
Total operating expense	1,068	1,046	22	2.1%	2,094	2,115	(21)	(1.0%)
EBITDA	411	396	15	3.8%	852	780	72	9.1%
EBITDA margin	27.8%	27.5%	0.3 pts.		28.9%	26.9%	2.0 pts.	
Capital expenditures	551	511	40	7.8%	1,026	949	77	8.1%
Capital expenditure intensity⁶	37%	35%	2 pts.		35%	33%	2 pts.	
EBITDA less capex	(140)	(115)	(25)	(21.7%)	(174)	(169)	(5)	(3.0%)
Add: Restructuring and other costs included in total operating expense	12	14	(2)	(14.3%)	15	53	(38)	(71.7%)
Deduct: Net gains and equity income related to real estate joint venture developments	(2)	(5)	3	60.0%	(2)	(5)	3	60.0%
Adjusted EBITDA	421	405	16	4.1%	865	828	37	4.4%
Adjusted EBITDA margin^(C)	28.5%	28.2%	0.3 pts.		29.3%	28.7%	0.6 pts.	

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

^(B) Includes restructuring and other costs.

^(C) The calculation of the Adjusted EBITDA margin excludes the net gains and equity income from real estate joint venture developments, from both EBITDA and Operating revenues, and excludes restructuring and other costs from EBITDA.

Q2 Wireline revenue profile - (% of total external wireline revenue)



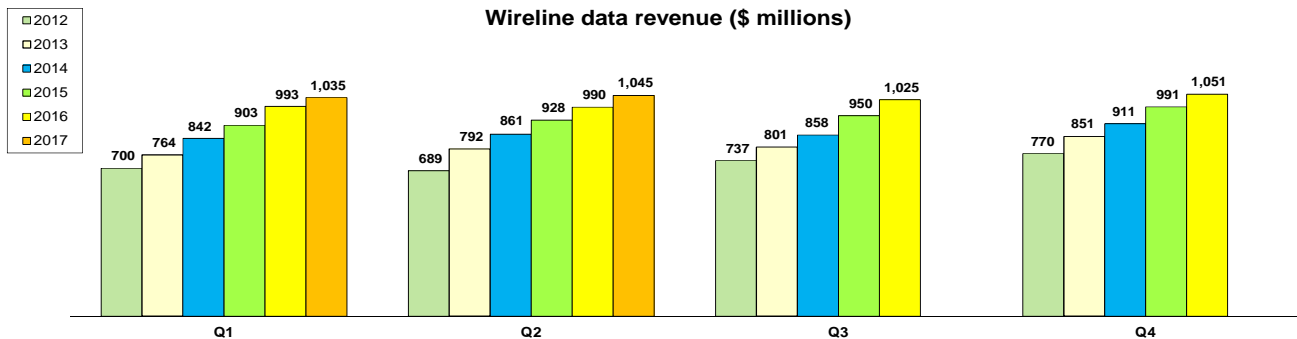
**TELUS Wireline
Operations - Historical Trend^(A)**

<i>\$ millions</i>	Quarterly						June YTD 2017	Annual 2016
	Q2/17	Q1/17	Q4/16	Q3/16	Q2/16	Q1/16		
Revenues								
Data service and equipment	1,045	1,035	1,051	1,025	990	993	2,080	4,059
Voice revenue	311	320	340	335	340	348	631	1,363
Other services and equipment	55	49	61	51	55	58	104	225
Revenues arising from contracts with customers	1,411	1,404	1,452	1,411	1,385	1,399	2,815	5,647
Other operating income	16	11	12	9	9	7	27	37
Total external revenue	1,427	1,415	1,464	1,420	1,394	1,406	2,842	5,684
Intersegment revenue	52	52	51	48	48	47	104	194
Total operating revenues	1,479	1,467	1,515	1,468	1,442	1,453	2,946	5,878
<i>Data service and equipment revenue % change on prior year</i>	5.6%	4.2%	6.1%	7.9%	6.7%	10.0%	4.9%	7.6%
<i>Total external revenue % change on prior year</i>	2.2%	0.7%	1.3%	2.3%	1.0%	3.7%	1.5%	2.1%
<i>Total operating revenues % change on prior year</i>	2.5%	1.0%	1.7%	2.5%	1.3%	3.9%	1.7%	2.4%
Goods and services purchased	582	558	615	581	576	567	1,140	2,339
Employee benefits expense ^(B)	486	468	729	515	470	502	954	2,216
Total operating expense	1,068	1,026	1,344	1,096	1,046	1,069	2,094	4,555
EBITDA	411	441	171	372	396	384	852	1,323
<i>EBITDA % change on prior year</i>	3.8%	14.6%	(51.1%)	5.1%	9.6%	(1.9%)	9.1%	(9.1%)
EBITDA margin	27.8%	30.0%	11.3%	25.3%	27.5%	26.4%	28.9%	22.5%
Capital expenditures	551	475	545	492	511	438	1,026	1,986
Capital expenditure intensity^(C)	37%	32%	36%	34%	35%	30%	35%	34%
EBITDA less capex	(140)	(34)	(374)	(120)	(115)	(54)	(174)	(663)
Add: Restructuring and other costs included in total operating expense	12	3	263	42	14	39	15	358
Deduct: Net gains and equity income related to real estate joint venture developments	(2)	-	(3)	(6)	(5)	-	(2)	(14)
Adjusted EBITDA	421	444	431	408	405	423	865	1,667
<i>Adjusted EBITDA % change on prior year</i>	4.1%	4.7%	1.7%	4.2%	5.5%	5.1%	4.4%	4.1%
Adjusted EBITDA margin^(C)	28.5%	30.2%	28.5%	27.8%	28.2%	29.1%	29.3%	28.4%

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

^(B) Includes restructuring and other costs.

^(C) The calculation of the Adjusted EBITDA margin excludes the net gains and equity income from real estate joint venture developments, from both EBITDA and Operating revenues, and excludes restructuring and other costs from EBITDA.



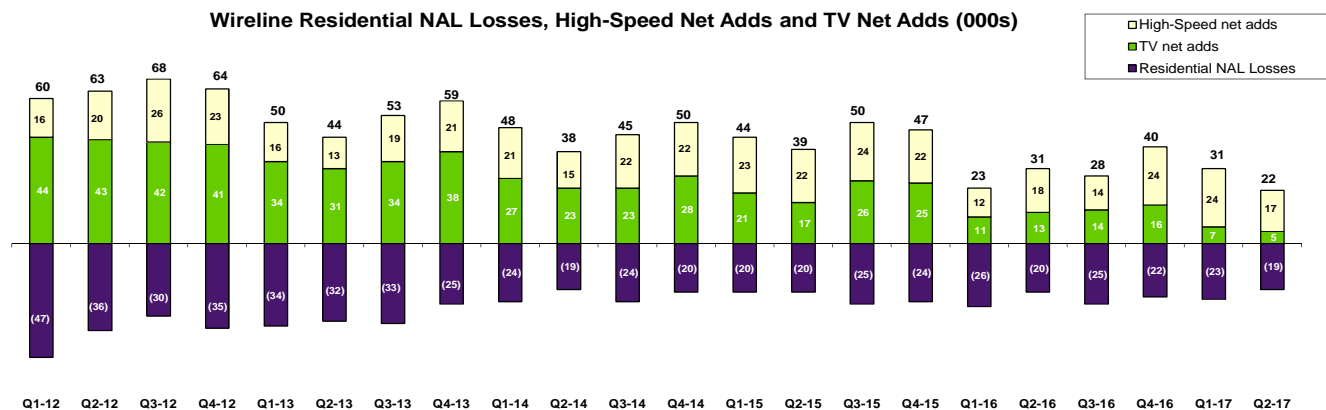
TELUS Wireline Operating Statistics^(A)

<i>thousands (000s)</i>	Quarter 2				June YTD			
	2017	2016	Change	% Change	2017	2016	Change	% Change
Residential NAL net additions (losses)	(19)	(20)	1	5.0%	(42)	(46)	4	8.7%
Residential Network access lines (NAL) ^(B)	1,332	1,421	(89)	(6.3%)	1,332	1,421	(89)	(6.3%)
High Speed Internet Subscriber net additions (losses)	17	18	(1)	(5.6%)	41	30	11	36.7%
High Speed Internet Subscribers ^(B)	1,703	1,617	86	5.3%	1,703	1,617	86	5.3%
TV subscriber net adds ⁹	5	13	(8)	(61.5%)	12	24	(12)	(50.0%)
TV subscribers ^{9, (B)}	1,075	1,029	46	4.5%	1,075	1,029	46	4.5%
Total Wireline net additions	3	11	(8)	(72.7%)	11	8	3	37.5%
Total Wireline Subscribers^(B)	4,110	4,067	43	1.1%	4,110	4,067	43	1.1%

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

^(B) In relation to an acquisition and a divestiture both undertaken during the first quarter of 2017, beginning of period Residential NALs, high-speed Internet and TELUS TV subscriber balances have been increased by a net 1,000, 6,000 and 5,000, respectively.

Wireline Residential NAL Losses, High-Speed Net Adds and TV Net Adds (000s)



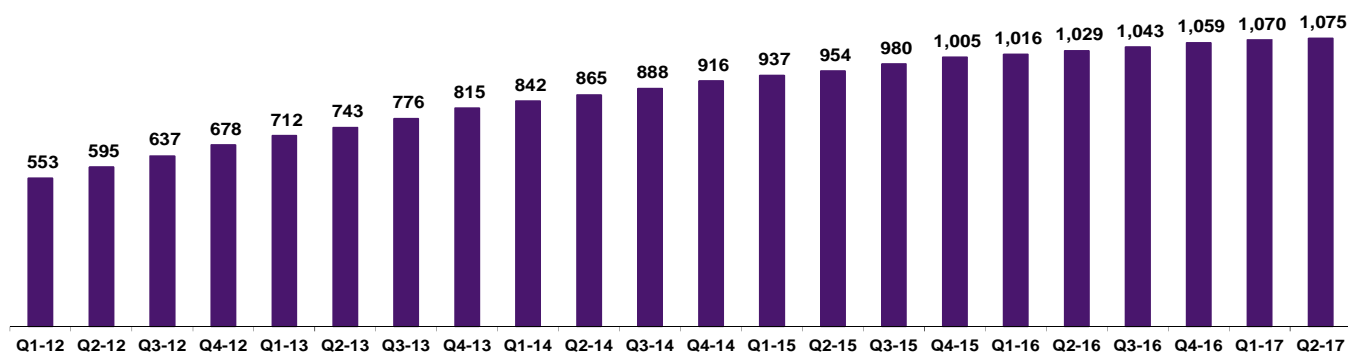
TELUS Wireline
Operating Statistics - Historical Trend^(A)

<i>thousands (000s)</i>	<u>Quarterly</u>						June YTD 2017	Annual 2016
	Q2/17	Q1/17	Q4/16	Q3/16	Q2/16	Q1/16		
Residential NAL net additions (losses)	(19)	(23)	(22)	(25)	(20)	(26)	(42)	(93)
Residential Network access lines (NAL)^(B)	1,332	1,351	1,374	1,396	1,421	1,441	1,332	1,374
High Speed Internet Subscriber net additions (losses)	17	24	24	14	18	12	41	68
High Speed Internet Subscribers^(B)	1,703	1,686	1,655	1,631	1,617	1,599	1,703	1,655
TV subscriber net adds⁹	5	7	16	14	13	11	12	54
TV subscribers^{9, (B)}	1,075	1,070	1,059	1,043	1,029	1,016	1,075	1,059
Total Wireline net additions	3	8	18	3	11	(3)	11	29
Total Wireline Subscribers^(B)	4,110	4,107	4,088	4,070	4,067	4,056	4,110	4,088

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

^(B)In relation to an acquisition and a divestiture both undertaken during the first quarter of 2017, beginning of period Residential NALs, high-speed Internet and TELUS TV subscriber balances have been increased by a net 1,000, 6,000 and 5,000, respectively.

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 costs), divided by net interest cost. Net interest cost is defined as financing costs, net of capitalized long-term debt interest, 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 Leverage Ratio covenant in TELUS' credit facilities.

³ **Free cash flow** is calculated as EBITDA, adding: Restructuring and other costs net of disbursements, net employee defined benefit plans expense and interest received; and deducting: share-based compensation, employer contributions to employee defined benefit plans, interest paid, cash income taxes, capital expenditures (excluding spectrum licences and non-monetary transactions), gain on transfer of wireless spectrum licenses, gains from the sale of property, plant and equipment and net gains and equity income from real estate joint venture developments.

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 net derivative liabilities, less Cash and temporary investments and Accumulated other comprehensive income amounts arising from financial instruments used to manage interest rate and currency risks associated with U.S. dollar-denominated long-term debt (excluding tax effects).

⁵ **Net debt to EBITDA** excluding restructuring and other costs is defined as Net debt as at the end of the period divided by the 12-month trailing EBITDA excluding restructuring and other costs. TELUS' current policy guideline for Net debt to EBITDA is from 2.0 to 2.5 times. Historically, Net debt to EBITDA excluding restructuring and other costs is similar to the Leverage Ratio covenant in TELUS' credit facilities.

⁶ **Capital expenditure intensity** is defined as capital expenditures (excluding spectrum licences and non-monetary transactions) as a percentage of total operating revenues.

⁷ **Average revenue per subscriber unit per month (ARPU)** for wireless subscribers is calculated as Network revenue divided by the average number of subscriber units on the network during the period and is expressed as a rate per month.

⁸ **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 is expressed as a rate per month. A TELUS, Koodo or Public Mobile brand prepaid subscriber is deactivated when the subscriber has no usage for 90 days following expiry of the prepaid credits.

⁹ **TV subscribers** consist of IP-based Optik TV subscribers and TELUS Satellite TV subscribers.