

TELUS at a glance

2001 highlights

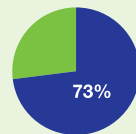
TELUS Communications

- Full-service Incumbent Local Exchange Carrier (ILEC) in Western Canada and Eastern Quebec offering local, long distance, data, Internet and other services to businesses and consumers
- Provides data, IP and voice solutions to business customers across Canada
- 5.0 million network access lines across Canada
- With 670,000 Internet subscribers:
 - we are the second largest Internet Service Provider (ISP) in Western Canada and third largest ISP in Canada
 - we grew high-speed Internet subscribers by 157% to 215,000
- In Central Canada, we focus on the small and medium business market and selectively on large corporate business:
 - won an 8-year contract worth up to \$200 million with the Government of Canada to provide a managed data network across the country
- Opened two world-class *Intelligent* Internet Data Centres (IDCs) in Toronto and Calgary – became the leading managed data hosting provider in Canada with our national network of IDCs
- Lit 8,900-kilometre national IP backbone and fibre network with diversity routing and connectivity into the U.S., enabling us to provide bandwidth solutions from private line to managed wavelength services
- Partnered with Microsoft* to become the first Canadian telecommunications company to offer high-quality, simple-to-use Voice over Internet Protocol (VoIP) services
- Maintained ILEC local and long distance market shares of 98% and 79% respectively
- Focused on integrated bundles of service; sold 915,000 residential bundles, a 20% increase from 2000

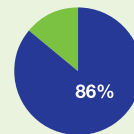
TELUS Mobility

- Leading national facilities-based wireless provider:
 - 2.6 million subscribers, 31 million licensed POPs (population)
 - largest in terms of revenue
 - highest average revenue per unit (ARPU)
 - best spectrum position in Canada
 - market leader in Western Canada
- Networks:
 - licensed nationally with large digital PCS footprint
 - operates the only iDEN (Mike®) network in Canada
- Strategic relationship with Verizon Wireless
- First Canadian wireless carrier to introduce Pay Per Use Wireless Web service
- Extended and Enhanced Roaming/Resale Agreements with Bell Mobility and Aliant Telecom Wireless – to expand digital PCS service by more than 7 million POPs to cover approximately 90% of the Canadian population
- Successfully integrated Clearnet and QuébecTel Mobilité to achieve annual pro forma EBITDA growth of 105%
- Won desired PCS spectrum in auction at reasonable cost

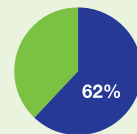
share of TELUS Consolidated – actuals



Revenue
\$5.3 billion

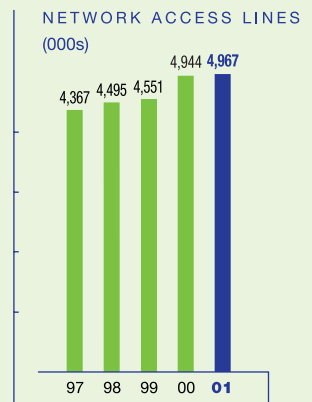
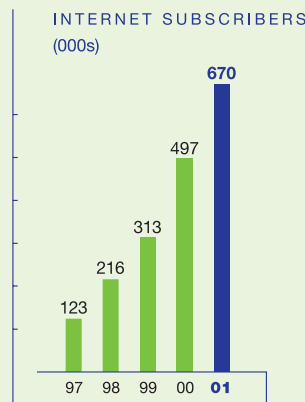


EBITDA
\$2.17 billion



Capital Expenditures
\$1.6 billion

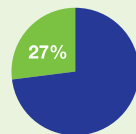
subscriber statistics



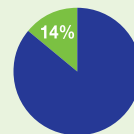
Examples of products and services:

- Data – private line, switched services, Internet services (dial-up and Velocity® ADSL Internet), network rental, network management (LAN, WAN) and Web hosting
- Voice – basic local and long distance phone service, enhanced services such as Call Display and Call Waiting, sale and rental of telephone equipment and network rental to other service providers

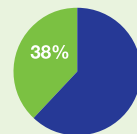
share of TELUS Consolidated – actuals



Revenue
\$1.9 billion



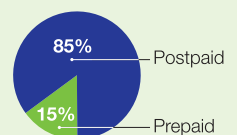
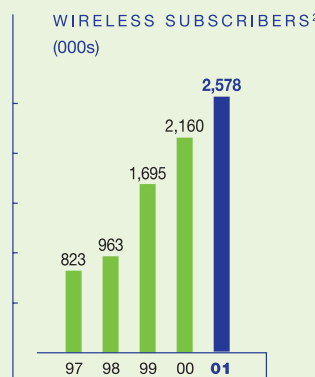
EBITDA
\$356 million



Capital Expenditures¹
\$1.0 billion

1 – Includes \$356 million for spectrum

subscriber statistics



Subscriber Mix

Examples of products and services:

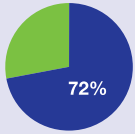
- Postpaid and prepaid digital PCS (TELUS Mobility PCS and Pay & Talk™), iDEN (Mike), Wireless Web services like My InBox™ and Surf Enterprise

2 – Data for 1999 is pro forma

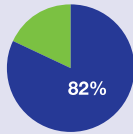
2002 initiatives

TELUS Communications

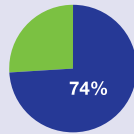
targets



Revenue
\$5.4 - \$5.45 billion



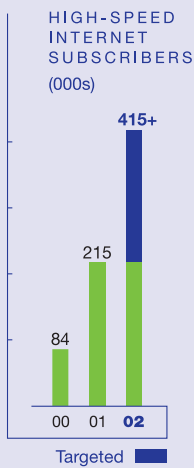
EBITDA
\$2.025 - \$2.055 billion



Capital Expenditures
\$1.55 - \$1.65 billion

Strong internal growth expected to be offset by adverse regulatory impact

Due to continued strong demand for high-speed Internet, we expect to add 200,000 or more Velocity ADSL subscribers to reach at least 415,000 – a 93% increase.



Market-facing, customer-focused business units:

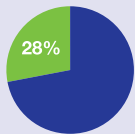
- Consumer Solutions
- Business Solutions
- Client Solutions
- TELUS Québec
- Global Trading & Partner Solutions

Business capability units:

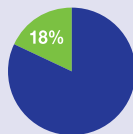
- Technology & Operations
- Enterprise Marketing
- Business Transformation
- Human Resources
- TELUS Ventures

- Increase efficiency and effectiveness in 2002 and onward
- Leverage strong incumbent positions to maintain traditional market shares while accelerating growth in data, IP and wireless revenues
- Provide service and cost leadership including company-wide process improvement, customer self-serve on the Web and service differentiation through bundling
- Continue introducing innovative, full-service and integrated solutions
- Provide desired level of standardization, managed applications and/or customized solutions to meet the needs of customers
- Expand IT market and Internet Web hosting services
- Exploit niche wholesale opportunities based on new national IP backbone network
- Complete metro-fibre builds and migrate customer traffic on-net in Ontario and Quebec non-incumbent market
- Accelerate growth in Ontario and Quebec in the small to mid-sized business market for data services and selectively target corporate and government clients
- Expand Canadian wholesale and international customer relationships
- Leverage strategic relationships with Verizon and Genuity
- Continue to Web-enable the TELUS workplace for the benefit of employees and customers
- Reach a collective labour agreement reflecting competitive dynamics of our industry

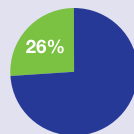
targets



Revenue
\$2.1 - \$2.15 billion



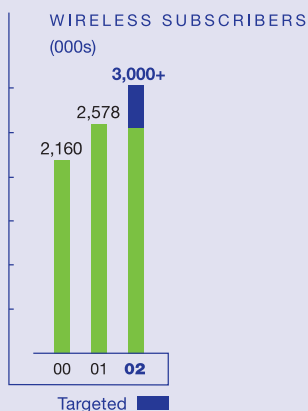
EBITDA
\$450 - \$470 million



Capital Expenditures
\$560 million (approx.)

Targeting approximately 30% EBITDA growth and significantly reduced capital expenditures

The popularity of wireless is expected to continue to grow significantly in 2002. Our target is to end the year with more than 3 million subscribers, a 16 to 17% increase.



TELUS Mobility

- Continue to focus on profitable subscriber growth – premium network revenue growth and leading EBITDA growth rather than simply leading subscriber growth
- Continue to realize cost efficiencies
- Manage churn at or below 2% by providing high client care service levels and focusing on client retention
- Continue to adopt and deliver new wireless data and m-commerce products and services to capitalize on wireless data/IP opportunities including the launch of high-speed 1XRTT network
- Implement Extended and Enhanced Roaming/Resale Agreements with Bell Mobility and Aliant Telecom Wireless – digital coverage expansion of 7 million POPs without significant incremental capital expenditures
- Expand distribution in Central and Eastern Canada
- Complete national wireless billing system integration

financial and operating highlights

TELUS delivers revenue and EBITDA growth

Revenues increased 18% to \$7.2 billion from a combination of data, IP and wireless growth plus acquisitions. EBITDA increased a solid 9%, driven by national wireless business and incumbent operations in the West. Earnings decreased due to higher depreciation and financing costs from investing in growth and national expansion through a series of acquisitions as well as capital expenditures. This resulted in a 7% increase in total assets. Notably, wireless and Internet customer growth was strong, up 19% and 35%, respectively.

(\$ millions except per share amounts)	2001	2000	% Change
Operations			
Operating revenues	\$ 7,203	\$ 6,106	18.0
EBITDA ¹	2,530	2,314	9.3
Operating income	837	1,132	(26.1)
Net income	454	461	(1.5)
Basic earnings per share	1.51	1.85	(18.4)
Core earnings per share ²	0.86	2.01	(57.2)
Operating cash flow ³	1,402	1,671	(16.1)
Cash flow per share	4.76	6.76	(29.6)
Capital expenditures ⁴	2,605	1,441	80.8
Financial Position			
Total assets	\$ 19,266	\$ 18,047	6.8
Net debt ⁵	8,683	7,980	8.8
Shareholders' equity	6,987	6,418	8.9
Book value per common share	22.39	21.60	3.7
Market capitalization of equity ⁶	7,196	11,658	(38.3)
Other Information (as at December 31)			
Access lines (000s)	4,967	4,944	0.5
Wireless subscribers (000s)	2,578	2,160	19.3
Total Internet subscribers (000s)	670	497	34.8
Velocity ADSL Internet subscribers (000s)	215	84	157.0

1 – Earnings Before Interest, Taxes, Depreciation and Amortization where earnings excludes Restructuring costs

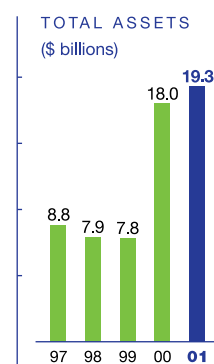
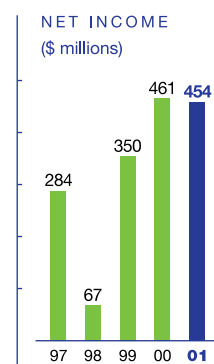
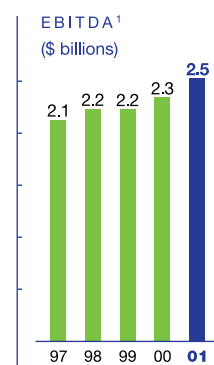
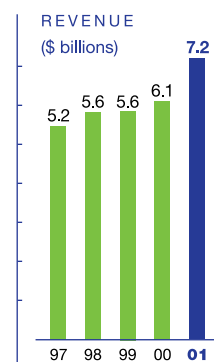
2 – Common voting share and non-voting share income before discontinued operations, amortization of acquired intangible assets net of tax, restructuring and non-recurring refinancing costs net of tax, revaluation of future income tax assets and liabilities and goodwill amortization, on a per share basis

3 – Operating cash flow adjusted for restructuring costs

4 – Capital expenditures include \$356 million in 2001 for wireless licences acquired in Industry Canada's PCS spectrum auction

5 – Current obligations plus Long-term debt net of Cash and temporary investments and the cross-currency foreign exchange hedge related to U.S. dollar-denominated Notes

6 – Market capitalization based on year-end closing share prices and shares outstanding



why invest in TELUS



TELUS should be a key part of your investment portfolio because:

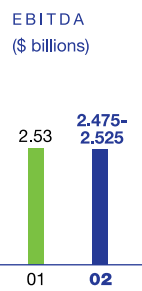
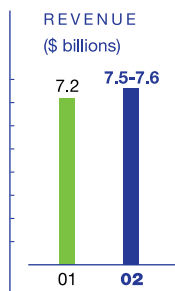
- we are executing a clear and focused telecommunications growth strategy in Canada
- we are focusing relentlessly on the high-growth areas of data, IP and wireless
- our traditional incumbent wireline business is very resilient and provides robust cash generation to fuel our growth
- we are the leading wireless business in Canada, delivering strong profitable growth
- we are expecting to double our non-incumbent wireline revenue, focusing on the business market in Central Canada
- we have a strong and stable financial position with significant liquidity based on landmark \$9.2 billion financings in 2001 and healthy investment grade credit ratings
- we are establishing a solid management track record – achieved all 2001 financial targets
- we set clear financial and operating targets for investors to measure our progress
- we expect to generate strong revenue growth and to improve operational efficiencies to mitigate negative regulatory impacts, which bodes well for future profitable growth beyond 2002

Invest in a focused pure play telecom operating company with solid potential for growth and investment upside... operating from a position of financial strength!

2002 targets

Generate \$7.5 to \$7.6 billion of revenue

Increase of 4 to 6% from 2001, driven by wireless, data and national growth, partially offset by expected negative impact of regulatory decisions on contribution ¹

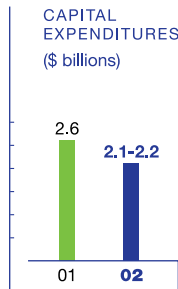
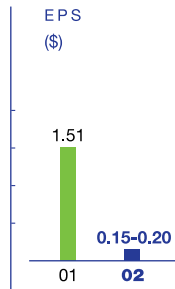


Achieve EBITDA of \$2.475 to \$2.525 billion

Relatively flat compared to 2001 as strong underlying growth offset by expected negative impact of regulatory decisions on contribution ²

Realize earnings per share (EPS) of 15 to 20 cents

Lower than the 2001 reported figure of \$1.51 due to significant one-time gains of \$2.02 in 2001, and higher depreciation and financing costs expected in 2002

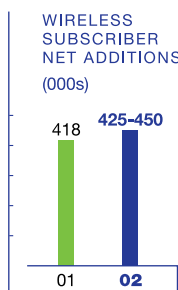
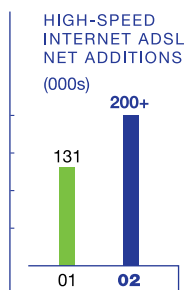


Invest \$2.1 to \$2.2 billion for long-term growth

A decrease of more than 15% from 2001, due to reduced wireless capital expenditures

Sign up 200,000 plus new high-speed Internet customers

An increase of more than 50% compared to 2001

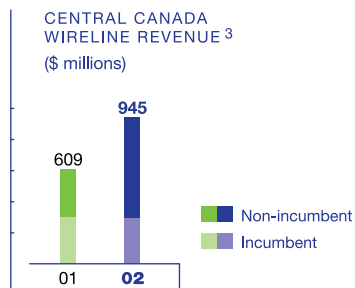


Attract 425,000 to 450,000 new wireless clients

An increase of 16 to 17% to bring our wireless subscriber base to more than 3 million

Central Canada wireline revenue to reach \$945 million

Non-incumbent revenue to more than double to \$650 million from \$313 million



1 – Revenue in 2002 is expected to be negatively impacted by regulatory decisions relating to contribution by approximately \$390 million. TELUS is currently appealing this decision. If excluded, underlying revenue growth would be 10 to 11%

2 – EBITDA in 2002 is expected to be negatively impacted by an estimated \$230 million due to regulatory decisions relating to contribution. If excluded, underlying EBITDA growth would be 8 to 10%

3 – Represents wireline revenue outside of B.C. and Alberta

community investment

Investing in a responsible and sustainable company

TELUS is ranked as one of the best in the world! In 2001, Dow Jones' research partner, the Sustainability Asset Management (SAM) Group, completed a study that identified companies around the world that lead the field in "corporate sustainability." Successful candidates are included in the Dow Jones Sustainability Indexes (DJSI).

What is corporate sustainability? It is a measurement of a company's business approach in creating long-term shareholder value by embracing opportunities and managing risks derived from economic, environmental and social developments. The quality of a company's strategy and management, along with its performance in dealing with opportunities and risks, are quantified and used to identify and select leading companies for investment purposes. Top-ranking sustainability companies lead their industries in setting industry-wide best practices in strategy, innovation, governance, and relations with shareholders, employees and other stakeholders.



In the telecommunications industry, we are able to offer services such as telecommuting and video conferencing, which can help improve work practices and lifestyles, and diminish environmental impacts. Of the 25 telecommunications companies assessed worldwide, TELUS was the only North American company to be included in this index.

Investing in our communities

TELUS has the ability and responsibility to positively influence the quality of life in communities where our customers and employees live and work. Our commitment is demonstrated by direct financial contributions and sponsorships with charitable and non-profit organizations, and by support for the volunteer and charitable-giving activities of our employees.

We contributed \$11 million in financial and in-kind assistance to health, education, arts and charitable organizations across Canada in 2001. As part of our community investment program, we conduct an employee charitable-giving campaign each fall, during which employees have the opportunity to make donations to the charities of their choice. We then match those contributions dollar for dollar. As a result of last fall's campaign, TELUS and its employees are donating \$4.8 million for 2,400 registered Canadian charities in 2002.

TELUS is proud to be an Imagine Caring Company, a designation that means we contribute at least one per cent of our pre-tax profits each year to charitable and non-profit organizations.



For more information about our community involvement, view our annual social responsibility report online in April 2002 at www.telus.com

Share Prices and Volumes

TORONTO STOCK EXCHANGE

Common Voting Shares (T)

	2001					2000				
	Q1	Q2	Q3	Q4	Year 2001	Q1	Q2	Q3	Q4	Year 2000
High	43.15	36.45	34.20	26.60	43.15	45.50	44.50	46.40	42.00	46.40
Low	32.60	30.50	17.70	18.30	17.70	33.75	34.25	35.80	36.45	33.75
Close	34.35	34.20	18.90	24.25	24.25	43.00	39.50	40.50	41.55	41.55
Volume (millions)	39.8	26.7	31.6	35.6	133.7	26.4	19.5	29.7	20.1	95.8
Dividend paid (per share)	0.35	0.35	0.35	0.35	1.40	0.35	0.35	0.35	0.35	1.40

Non-Voting Shares (T.A)

	2001					2000				
	Q1	Q2	Q3	Q4	Year 2001	Q1	Q2	Q3	Q4	Year 2000
High	40.28	34.00	32.96	25.19	40.28	44.25	43.50	46.45	40.95	46.45
Low	30.50	28.60	16.85	17.10	16.85	33.00	34.60	34.10	35.30	33.00
Close	31.20	32.96	17.95	23.25	23.25	43.00	39.45	39.10	39.25	39.25
Volume (millions)	21.4	15.3	19.8	36.8	93.2	10.3	8.0	28.5	22.4	69.2
Dividend paid (per share)	0.35	0.35	0.35	0.35	1.40	0.35	0.35	0.35	0.35	1.40

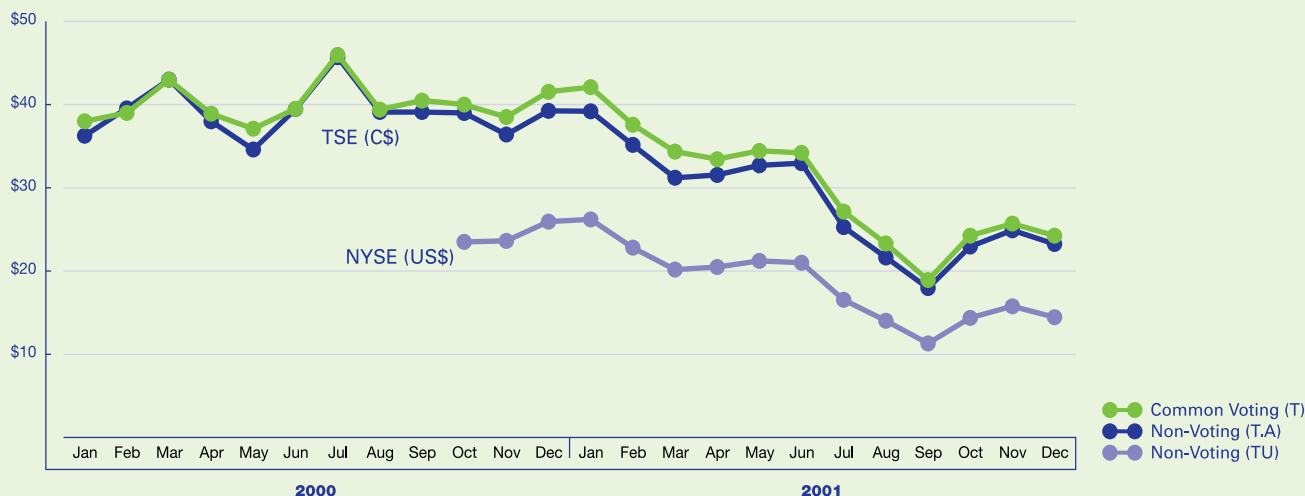
NEW YORK STOCK EXCHANGE

Non-Voting Shares (TU)

	2001					2000 ¹				
	Q1	Q2	Q3	Q4	Year 2001	Q1	Q2	Q3	Q4	Year 2000
High	26.80	21.95	21.79	16.46	26.80	—	—	—	26.81	26.81
Low	19.44	18.79	10.65	11.00	10.65	—	—	—	23.25	23.25
Close	20.17	21.00	11.30	14.45	14.45	—	—	—	25.94	25.94
Volume (millions)	1.6	1.3	1.6	2.2	6.7	—	—	—	8.1	8.1
Dividend paid (per share)	0.23	0.23	0.23	0.22	0.91	—	—	—	n/a	n/a

1 – Listed on NYSE on October 17, 2000

2000 & 2001 Monthly Closing Prices for T, T.A and TU



Registered Shareholders¹

	2001	2000
TELUS common voting	43,531	45,042
TELUS non-voting	41,947	43,705

1 – The Canadian Depository for Securities (CDS) represents one registration and holds securities for many institutions. At the end of 2001, it was estimated that TELUS had over 90,000 non-registered shareholders in each of the two classes of stock.

Valuation Day Prices

For capital gains purposes, the valuation dates and prices are as follows:

(C\$)	Valuation Date	Price	Price when exchanged into TELUS Shares
BC TELECOM	December 22, 1971	6.375	6.375
BC TELECOM	February 22, 1994	25.25	25.25
Pre-merger TELUS	February 22, 1994	16.875	21.71

2002 Important Dates – Earnings and Dividends¹

	Expected Dividend Record Dates	Expected Dividend Payment Dates	Expected Earnings Release Dates
Quarter 1	March 11 ²	April 1 ²	May 1
Quarter 2	June 10	July 1	July 29
Quarter 3	September 10	October 1	October 31
Quarter 4	December 11	January 1, 2003	February 2003

1 – January 1 dividend was declared on October 25, 2001 at a new reduced level of \$0.15 per share

2 – April 1 dividend was declared on February 14 at \$0.15 per share

If you need help with the following

- participate in Dividend Reinvestment and Share Purchase Plan
- electronic delivery of Shareholder Documents
- dividend payments or direct deposit of dividends into your Canadian bank account
- change of address
- transfer of shares
- option to receive quarterly information by mail
- loss of share certificates
- consolidation of multiple mailings to one shareholder
- estate settlements
- exchange of BC TELECOM or TELUS Corporation share certificates to the new TELUS common voting and non-voting certificates

Please contact the Transfer Agent and Registrar

- 1-800-558-0046 (toll-free within North America)
- (403) 267-6555 (outside North America)
- fax: (403) 267-6592
- e.mail: telus@computershare.com
- Web site: www.computershare.com

Computershare Trust Company of Canada

Shareholder Services
600, 530 – 8th Avenue SW
Calgary, Alberta CANADA T2P 3S8

Computershare also has offices in Vancouver, Edmonton, Winnipeg, Toronto, Montreal and Halifax.

If you need help with the following

- additional financial or statistical information
- industry and company developments
- latest news releases or investor presentations
- merger information

Please contact TELUS Investor Relations

- 1-800-667-4871* (toll-free within North America)
- (780) 493-7311 (outside North America)
- fax: (780) 493-7399
- e.mail: ir@telus.com
- Web site: www.telus.com

*fax-on-demand information available toll-free

TELUS Investor Relations

30, 10020 – 100th Street NW
Edmonton, Alberta CANADA T5J 0N5

TELUS Corporate Office

555 Robson Street
Vancouver, British Columbia CANADA V6B 3K9
Tel: (604) 432-2151
Fax: (604) 432-2984

TELUS General Information

1-888-223-0300 (toll-free within North America)

Auditors

Arthur Andersen LLP, Vancouver

Mergers and Acquisitions – Shareholder Impact

BC TELECOM and TELUS Corporation Merger

The common shares of BC TELECOM and TELUS Corporation are no longer traded on the stock exchanges. If you still have a share certificate for either company, you must have it replaced for the new TELUS common voting and non-voting share certificates. Please contact Computershare for instructions. The exchange will occur as follows:

If you are still holding BC TELECOM shares:

- 75% of your BC TELECOM common shares will be exchanged for TELUS common voting shares
- 25% of your BC TELECOM common shares will be exchanged for TELUS non-voting shares
- In each case your share exchange will be on a one-for-one basis.

If you are still holding TELUS Corporation shares (dated prior to February 1, 1999):

- 75% of your pre-merger TELUS common shares will be exchanged for new TELUS common voting shares
- 25% of your pre-merger TELUS common shares will be exchanged for new TELUS non-voting shares
- In each case your share exchange will be on a one for 0.7773 basis.

For registered shareholders, any fractional shares will be paid by cheque.

QuébecTel

TELUS acquired 70% ownership of QuébecTel on June 1, 2000. If you still hold share certificates of QuébecTel, you must tender your shares to General Trust of Canada for the payment of \$23.00 per share. You may contact General Trust of Canada at 1-800-341-1419 or (514) 871-7171.

Clearnet

If you still hold share certificates for Clearnet Communications, you must tender your shares to Computershare to receive your consideration.

- Take Up Date of October 20, 2000, proration factor of 68.9557% applied to the cash portion of all cash, or cash and share combination elections; Fractional Payout \$37.3103 per share; Fair Market Value of TELUS non-voting shares on October 20, \$38.70.
- Take Up Date of January 12, 2001, proration factor of 67.5335% applied to the cash portion of all cash, or cash and share combination elections; Fractional Payout \$38.1725; Fair Market Value of TELUS non-voting shares on January 12, \$38.05.
- If you did not tender your shares under either of the above dates, your share certificates were cancelled on January 12, 2001, pending the deposit of your certificates to Computershare. Since the remaining shares will be deposited from time to time, there is no pooling of preferences possible, hence each deposit will receive the

original offer of 50% cash and 50% TELUS non-voting shares.

Fractional Payout \$38.1725; Fair Market Value of TELUS non-voting shares on January 12, 2001, \$38.05.

Daedalian eSolutions

If you still hold share certificates for Daedalian eSolutions, you must tender your shares to Computershare to receive your consideration. To calculate the number of TELUS non-voting shares you would receive, use the exchange ratio of 0.005341; Fractional Payout \$31.83; Fair Market Value of TELUS non-voting shares on June 22, 2001, \$30.35; Fair Market Value on July 3, 2001, \$31.60.

Additional information on how your shareholdings were affected is available at www.telus.com/investors

Dividend Reinvestment and Share Purchase Plan

Shareholders wishing to acquire additional TELUS non-voting shares without fees can take advantage of this plan.

Under the Dividend Reinvestment feature, eligible shareholders can have their dividends reinvested automatically into additional non-voting shares issued from Treasury, currently at a 3% discount from the average market price.

Under the Share Purchase feature, eligible shareholders can on a monthly basis buy TELUS non-voting shares (maximum \$20,000 per calendar year and minimum \$100 per transaction) at 100% of the average market price without brokerage commissions or service charges.

Information booklets are available from Computershare or see our Web site at www.telus.com/investors

Electronic Delivery of Shareholder Documents

Please consider taking advantage of electronic delivery of Shareholder Documents. The benefits include:

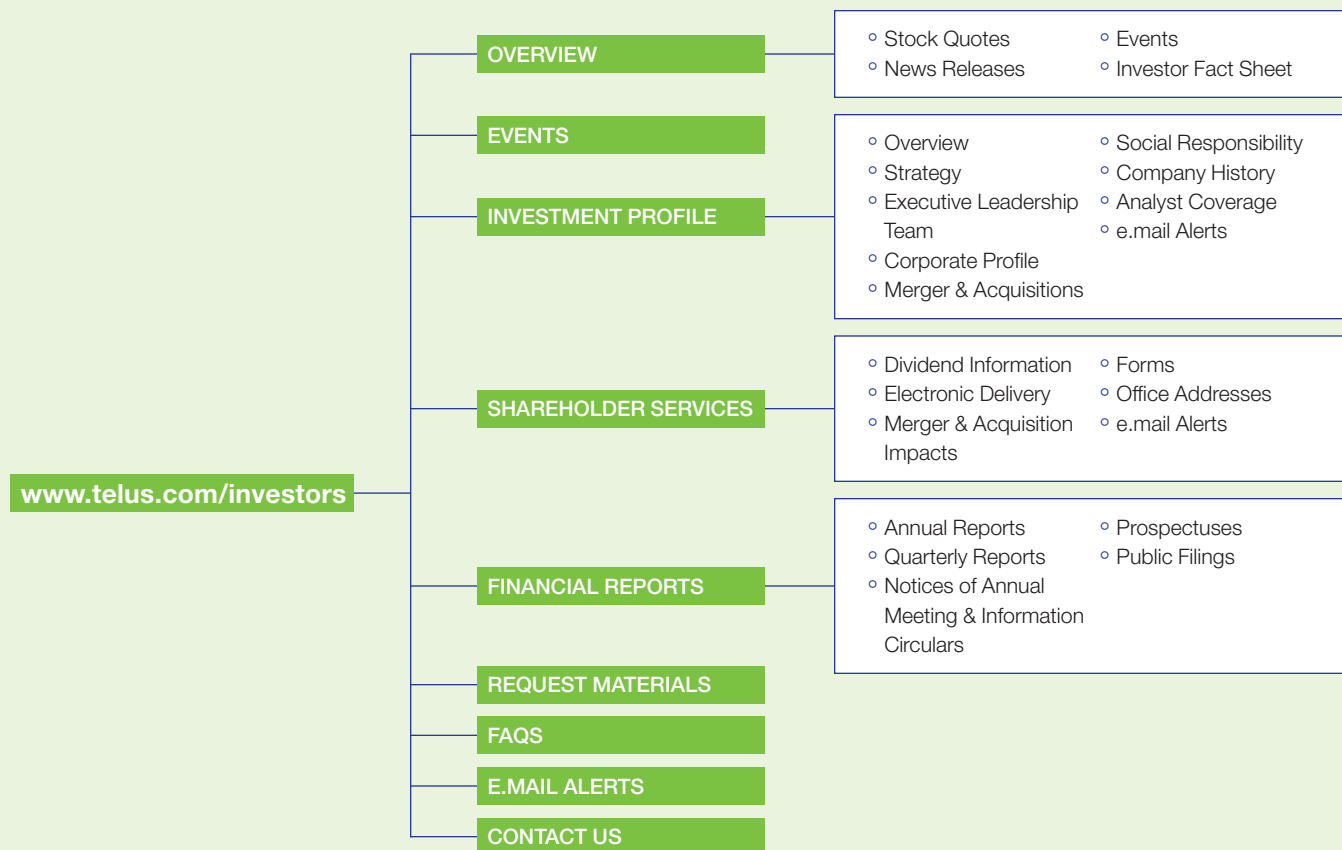
- convenient and timely access to important company documents
- environmentally friendly
- reduces costs

To enrol, please access our Web site and follow the instructions found at www.telus.com/electronicdelivery

investor web site

Keeping in line with TELUS' value of providing innovative solutions, we have enhanced the Investors' section of the TELUS Web site to serve you better. In 2001, to provide leading-edge communication tools, we added quarterly conference call transcripts, improved Web cast functionalities, created a section focused on merger and acquisition activities, and introduced the option to receive Shareholder Documents electronically. Watch our Web site in the coming year as we continue to strive to provide you with informative, interesting and up-to-date information on TELUS.

www.telus.com > [about TELUS](#) > Investors



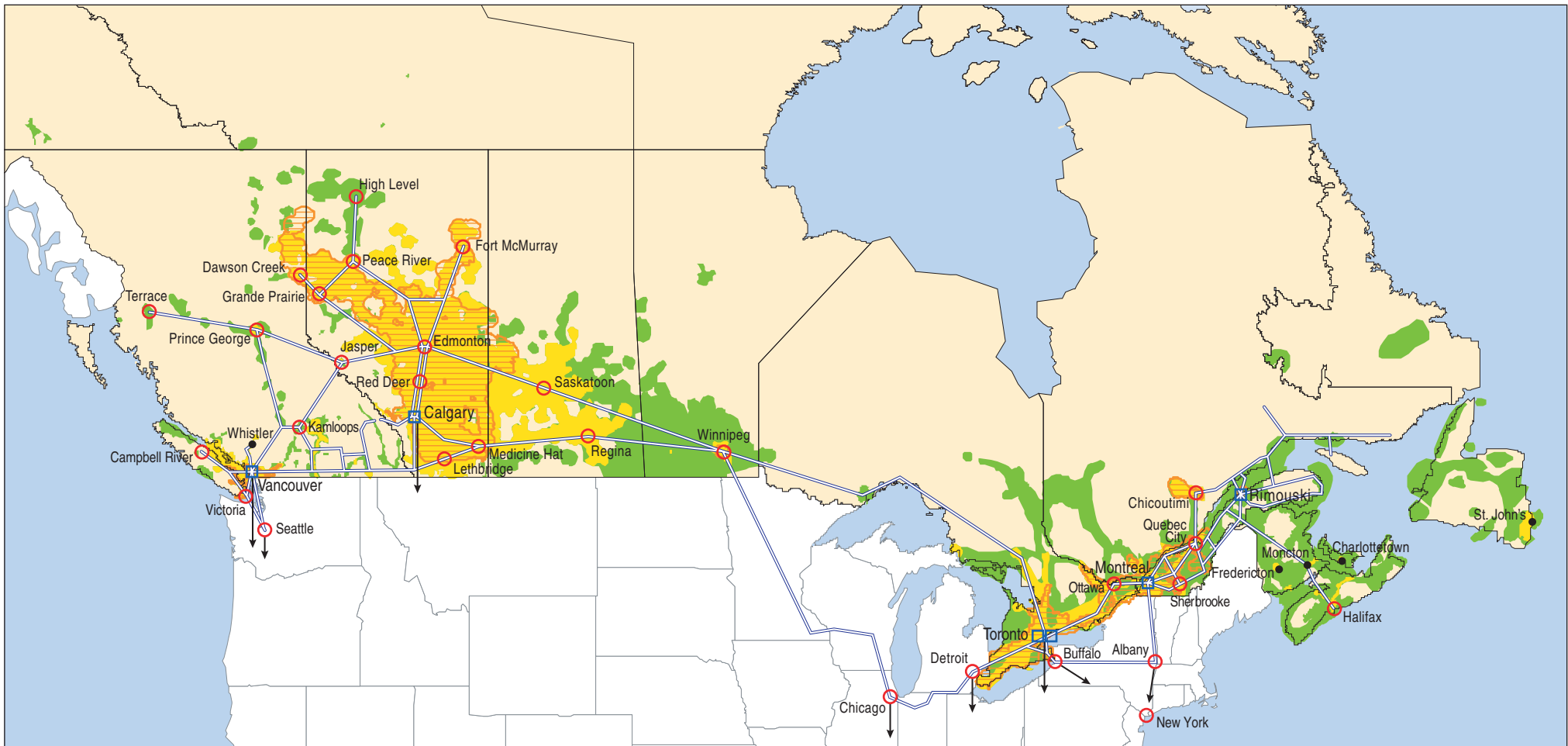
annual and general meeting of shareholders

On Wednesday, May 1, 2002, a single-site meeting will be held at 10:00 am (Eastern Time) at the Four Seasons Hotel *Toronto*, 21 Avenue Road, Toronto, Ontario.

A live Internet Web cast complete with video and audio will be available to shareholders wherever they may be in Canada or elsewhere in the world. Shareholders unable to attend the meeting in person can vote by either the Internet, telephone or mail. For details, please see www.telus.com/agm

TELUS' National Infrastructure

TELUS MOBILITY WIRELESS COVERAGE¹
IP BACKBONE & FIBRE NETWORK



■ Digital PCS (includes roaming)

■ Digital Mike

■ Analog (includes roaming)

— IP Backbone & Fibre Network

■ Intelligent Internet Data Centres/Internet Data Centres/
Switching Centres/Fibre and Internet Backbone points
of presence

○ Switching Centres/Fibre and Internet Backbone points
of presence

↓ Interconnection with Canadian, U.S. and global
carriers including Genuity, WorldCom, Sprint, AT&T
and Cable & Wireless

¹- Coverage areas are approximate as of spring 2002. Actual coverage may
vary and is subject to change.

Key to the integrated services provided by TELUS are its networks and wireless coverage. TELUS' Internet Protocol (IP) and fibre network carry IP and data traffic between major urban centres in Canada, and to the U.S. With this, TELUS transmits large volumes of data, enabling clients and users of both the public Internet and private corporate data networks to benefit from world-class communications technologies. TELUS now offers coast to coast digital wireless coverage to more than 24 million, or approximately 78% of the Canadian population. We expect to increase our digital wireless coverage to close to 90% of Canada's population this year with the implementation of enhanced and extended roaming/resale agreements.