

forward-looking statements

This document and the Management's discussion and analysis contain statements about expected future events and financial and operating results of TELUS Corporation (TELUS or the Company) that are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

Factors that could cause actual results to differ materially include but are not limited to: competition; economic fluctuations; financing and debt requirements; tax matters; human resources (including the outcome

of outstanding labour relations issues); technology (including reliance on systems and information technology); regulatory developments; process risks; manmade and natural threats; health and safety; litigation; business continuity events; and other risk factors discussed herein and listed from time to time in TELUS' reports, comprehensive public disclosure documents, including the Annual Information Form, and in other filings with securities commissions in Canada (filed on SEDAR at [sedar.com](https://www.sedar.com)) and the United States (filed on EDGAR at [sec.gov](https://www.sec.gov)).

For further information, see *Section 10: Risks and uncertainties* of Management's discussion and analysis.

The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

excellence in corporate reporting and governance

At TELUS, we have a serious commitment to transparency, full and fair disclosure, and best practices in corporate governance.

We take a proactive approach to financial reporting and corporate governance, often going above and beyond what is required and, where practical, adopting early emerging best practices. The result of our approach is a series of initiatives across the company that sustain our commitment, ensure the effective management of TELUS, and thereby serve to increase investor confidence.

In 2004, we maintained our focus on strong corporate governance by building on our long-standing practices such as:

- separation of the roles of Chief Executive Officer and Board chair;
- at least quarterly meetings of the Audit Committee;
- the Chief Internal Auditor reporting to the Audit Committee and having regular quarterly discussions with the Audit Committee chair; and
- in-camera sessions at regularly scheduled Audit Committee meetings where committee members meet separately with the external auditor and the internal auditor without management being present.

We took additional steps in 2004 to update our insider trading policy, update our Board policy manual, roll out a corporate disclosure and confidentiality of information policy, and update our corporate security policies. The Pension Committee of the Board also conducted a comprehensive review in 2004 of the defined benefit and defined contribution pension plans' governance structure and recommended changes, which the Board approved, to streamline decision-making and more clearly delineate the responsibilities and areas of accountability of pension plan fiduciaries.

We made further enhancements to our comprehensive ethics policy, which ties together all policies regulating business behaviour and provides guidelines for the high standards of ethical conduct at TELUS. To promote ethical behaviour, all team members are asked annually to review our updated e.Ethics course, an online learning tool. Ninety-seven per cent of employees (excluding TELUS Mobility) completed the 2004 course. We also monitor and resolve calls made to our EthicsLine – a hotline for anonymous and confidential questions or complaints on accounting, internal controls or ethical issues – and then provide quarterly reports to the Audit Committee on the status and resolution of the calls. In 2004, the Ethics Office fielded 250 calls, of which 143 involved advice on ethical situations or complaints. At the end of 2004, the Ethics Office concluded there had been 22 breaches of the ethics policy and none involved fraud by any employee with a significant role in internal controls over financial reporting.

We continue to ensure robust processes are in place to identify, evaluate and mitigate key risks. In 2004, we enhanced our enterprise-wide risk management program by capturing enterprise and business

unit specific risks; comparing and differentiating risks between our wireline and wireless business segments; and analyzing the perception of key risks by various management levels. In addition, we expanded our planning efforts to enable us to comply in 2006 with section 404 of the U.S. Sarbanes-Oxley Act regarding internal controls over financial reporting.

In 2005, we are continuing to look for ways to improve and enhance our corporate governance. For example, we will follow closely the development of the newly proposed Canadian National Instrument and National Policy on Corporate Governance.

A key component of our strong corporate governance efforts is the emphasis we place on communication to better meet investor needs. In 2004, we made additional enhancements to our Web site (telus.com/governance) such as publishing our insider trading policy, our Board policy manual, and copies of the certifications made by our Chief Executive Officer and Chief Financial Officer under the Sarbanes-Oxley Act and Canadian securities laws. We also Web cast our quarterly investor calls, made 11 conference presentations and held 122 investor meetings across North America and Europe. As we have for six years, we continue to publicly set measurable performance targets – 15 in recent years – which are updated at least quarterly. This type of comprehensive forward-looking information resulted in TELUS being ranked number one in the world for “strategy, objectives and outlook” as part of the annual report ranking by Corporate Essentials.

Our history of disclosure and governance excellence continues to be recognized. For example:

- For the tenth year in a row, TELUS was acknowledged for excellence in corporate reporting by the Canadian Institute of Chartered Accountants (CICA). In November, we received the Award of Excellence for the best annual report in Canada and the overall Award of Excellence in the Communications and Media sector.
- The TELUS 2003 annual report was ranked ninth globally out of 1,000 international companies, first in Canada and second in North America, in the 2004 Annual Report on Annual Reports by Corporate Essentials, the only international survey and ranking of company reports.
- Moody's Investors Service completed a corporate governance assessment of TELUS in July 2004, stating that the company has strong corporate governance practices.

For a full statement of TELUS corporate governance practices, including disclosure regarding our governance practices against those required of U.S. domestic issuers by the New York Stock Exchange, visit telus.com/governance or refer to the 2005 TELUS Information Circular.

Corporate governance initiatives and practices

Required ¹ practices	Voluntary practices
<p>CEO and CFO certification of Form 40-F filed with the U.S. Securities and Exchange Commission (including the financial statements, management's discussion and analysis (MD&A), annual information form and information circular) and certification of interim financial statements filed with various Canadian securities commissions</p> <ul style="list-style-type: none"> Based on enhanced formalized internal due diligence and investigation process 	<p>Improvements to enterprise risk management process</p> <ul style="list-style-type: none"> Conducted more extensive risk and control assessment interviews and surveys and assigned mitigation responsibilities at the executive level Reviewed and updated the TELUS risk profile throughout the year to reflect dynamically changing risks Adopted a rigorous model of internal control (COSO, the Committee of Sponsoring Organizations of the Treadway Commission) to help assess the control environment across the organization Expanded preparations for 2006 compliance with section 404 of the U.S. Sarbanes-Oxley Act sections regarding internal controls over financial reporting
<p>Disclosure controls and procedures</p> <ul style="list-style-type: none"> Extensive checklists developed and cascaded to senior managers and key disclosure positions 	
<p>MD&A and Consolidated financial statement enhancements</p> <ul style="list-style-type: none"> Reported off balance sheet arrangements and contractual liabilities Early-adopted enhanced pension plan and rate regulation disclosure Critical accounting estimates disclosure Reconciliation of non-GAAP (generally accepted accounting principles) to GAAP operating performance measures 	
<p>TELUS ethics policy made publicly available</p>	
<p>Instituted TELUS EthicsLine hotline</p> <ul style="list-style-type: none"> Anonymous reporting of ethics, accounting and internal control inquiries or complaints 	
<p>Audit Committee comprised of individuals who are "financially literate"² and at least one "Audit Committee financial expert"²</p>	
<p>External auditor independence and pre-approval by Audit Committee of non-audit and audit services</p>	
	<p>TELUS ethics policy</p> <ul style="list-style-type: none"> Refreshed annually for all employees by mandatory online interactive course Enhanced to refer to the updated insider trading policy, new corporate disclosure and confidentiality of information policy, and a description of the EthicsLine process
	<p>Blended more comprehensive MD&A framework recommended by the CICA with required disclosure framework of the Canadian Securities Administrators</p>
	<p>Public disclosure of the corporate disclosure and confidentiality of information policy</p>
	<p>Public disclosure of the TELUS bank credit facility agreement</p>
	<p>Public disclosure of the Board policy manual, including committee terms of reference</p>
	<p>Eliminated option grants to Board of Directors</p>

1 As required by the Canadian Institute of Chartered Accountants, various provincial securities commissions, the Toronto Stock Exchange, the U.S. Securities and Exchange Commission, the U.S. Sarbanes-Oxley Act, and/or the New York Stock Exchange.

2 The TELUS Board has determined that all members of the Audit Committee are "financially literate" as defined in the Canadian Securities Administrators Investor Confidence Rules and that at least one member of the Audit Committee is an "Audit Committee financial expert" as defined under the rules of the Securities and Exchange Commission and has "accounting or related financial management expertise" as defined in the New York Stock Exchange Governance Guidelines.

Board committees

The Board of Directors has appointed four committees, each of which operates under its own mandate and terms of reference. All members of these committees are independent. For full details, visit about.telus.com/governance/board.html or refer to the 2005 TELUS Information Circular.

Audit committee	ensures the integrity of TELUS' accounting and financial reporting; internal and disclosure controls; legal and regulatory compliance; ethics policy; independence and performance of auditors; management of risks; credit worthiness; treasury plans and financial policy; and whistleblower and complaint procedures
Corporate governance committee	ensures the effectiveness of TELUS' corporate governance system; establishes a process to identify, recruit, appoint and educate directors; develops corporate governance principles; and oversees evaluation of the Board
Human resources and compensation committee	develops TELUS' philosophy and guidelines on executive compensation; oversees executive succession planning; evaluates executive performance and determines compensation; and reviews and administers equity-based incentive plans and executive supplemental retirement plans
Pension committee	oversees the administration, financial reporting and investment activities of most pension plans at TELUS; and reviews administrative aspects and investment policy of the plans, performance of the investment portfolios, and compliance with government legislation

annual consolidated financials

TELUS Consolidated					
Income statement (millions)	2004	2003	2002	2001	2000
Operating revenues	\$ 7,581.2	\$ 7,146.0	\$ 7,006.7	\$ 7,080.5	\$ 5,998.4
Operations expense	4,438.0	4,301.9	4,488.1	4,550.9	3,684.1
Restructuring and workforce reduction costs	52.6	28.3	569.9	198.4	–
EBITDA	3,090.6	2,815.8	1,948.7	2,331.2	2,314.3
Depreciation and amortization	1,643.1	1,652.8	1,570.3	1,494.2	1,182.0
Operating income from continuing operations	1,447.5	1,163.0	378.4	837.0	1,132.3
Other expense (income), net	8.7	23.3	42.7	(17.0)	8.7
Financing costs	613.3	639.3	615.3	636.8	276.0
Refinancing charge from debt restructuring	–	–	–	96.5	–
Income (loss) from continuing operations before income taxes, non-controlling interest and goodwill amortization	825.5	500.4	(279.6)	120.7	847.6
Income taxes (recovery)	255.1	172.7	(46.9)	88.1	430.7
Non-controlling interest	4.6	3.3	3.1	3.6	8.7
Goodwill amortization	–	–	–	174.8	23.4
Income (loss) from continuing operations	565.8	324.4	(235.8)	(145.8)	384.8
Income from discontinued operations	–	–	–	592.3	74.7
Net income (loss)	565.8	324.4	(235.8)	446.5	459.5
Preference and preferred share dividends	1.8	3.5	3.5	3.5	3.5
Common share and non-voting share income (loss)	\$ 564.0	\$ 320.9	\$ (239.3)	\$ 443.0	\$ 456.0
Share information ¹	2004	2003	2002	2001	2000
Basic weighted average shares outstanding (millions)	355.3	349.3	317.9	294.2	247.0
Year-end shares outstanding (millions)	358.5	351.8	345.7	302.2	287.1
Basic earnings per share	\$ 1.58	\$ 0.92	\$ (0.75)	\$ 1.51	\$ 1.85
Dividends declared per share	\$ 0.65	\$ 0.60	\$ 0.60	\$ 1.20	\$ 1.40
Balance sheet (millions)	2004	2003	2002	2001	2000
Capital assets, at cost	\$26,631.9	\$25,778.2	\$25,037.3	\$23,888.4	\$21,782.5
Accumulated depreciation and amortization	15,410.9	14,214.6	13,062.8	11,128.6	10,251.5
Total assets	17,838.0	17,477.5	18,219.8	19,265.6	18,046.5
Total capitalization ²	13,516.4	14,102.4	14,713.7	15,677.5	14,473.1
Net debt ³	6,477.7	7,570.5	8,409.1	8,823.4	8,121.2
Long-term debt	6,332.2	6,609.8	8,336.6	8,792.2	3,188.1
Total shareholders' equity	7,025.6	6,521.2	6,293.4	6,846.1	6,277.6

1 Common shares and non-voting shares.

2 Net debt plus Non-controlling interest plus Total shareholders' equity.

3 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.

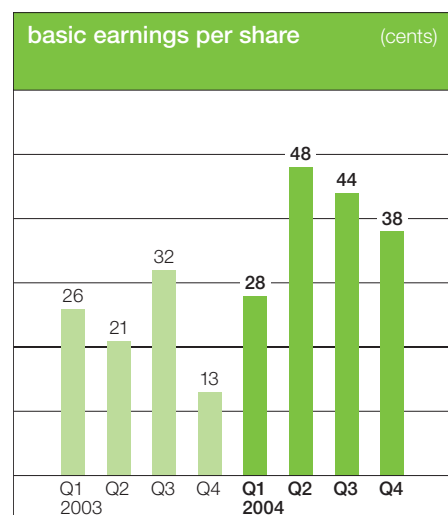
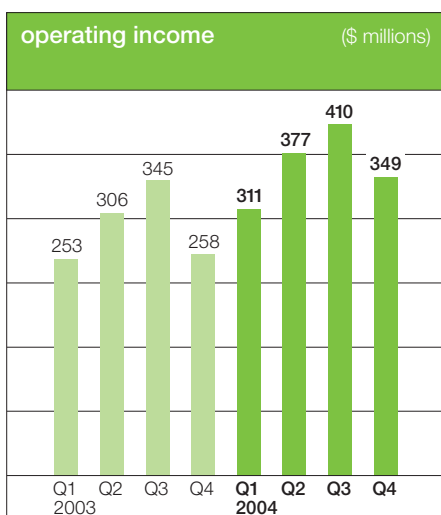
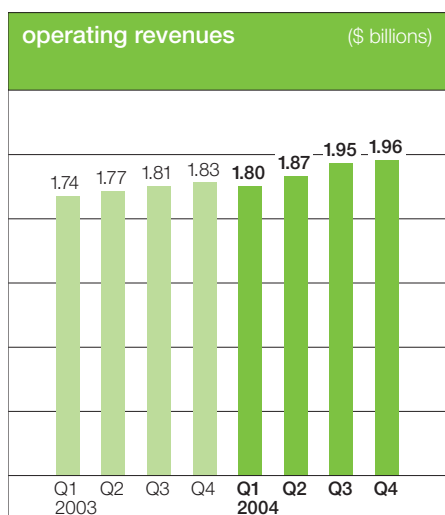
Note: Certain comparative financial information has been reclassified to conform with the 2004 presentation.

quarterly consolidated financials

TELUS Consolidated								
Income statement (millions)	Q4 2004	Q3 2004	Q2 2004	Q1 2004	Q4 2003	Q3 2003	Q2 2003	Q1 2003
Operating revenues	\$1,964.9	\$1,946.9	\$1,865.6	\$1,803.8	\$1,825.6	\$1,806.2	\$1,773.3	\$1,740.9
Operations expense	1,178.5	1,112.8	1,080.1	1,066.6	1,126.6	1,051.7	1,053.5	1,070.1
Restructuring and workforce reduction costs	19.8	16.2	0.7	15.9	16.2	2.3	3.3	6.5
EBITDA	766.6	817.9	784.8	721.3	682.8	752.2	716.5	664.3
Depreciation and amortization	417.5	407.6	407.6	410.4	424.4	407.2	410.1	411.1
Operating income	349.1	410.3	377.2	310.9	258.4	345.0	306.4	253.2
Other expense (income), net	8.7	(3.2)	2.0	1.2	3.5	7.6	6.6	5.6
Financing costs	152.8	158.6	156.9	145.0	163.7	139.3	172.0	164.3
Income before income taxes and non-controlling interest	187.6	254.9	218.3	164.7	91.2	198.1	127.8	83.3
Income taxes (recovery)	50.4	97.2	44.9	62.6	42.8	83.0	53.8	(6.9)
Non-controlling interest	1.6	1.1	1.1	0.8	0.6	1.0	1.0	0.7
Net income	135.6	156.6	172.3	101.3	47.8	114.1	73.0	89.5
Preference and preferred share dividends	–	0.1	0.8	0.9	0.9	0.9	0.8	0.9
Common share and non-voting share income	\$ 135.6	\$ 156.5	\$ 171.5	\$ 100.4	\$ 46.9	\$ 113.2	\$ 72.2	\$ 88.6

Share information ¹	Q4 2004	Q3 2004	Q2 2004	Q1 2004	Q4 2003	Q3 2003	Q2 2003	Q1 2003
Basic weighted average shares outstanding (millions)	358.0	355.7	354.3	353.1	351.5	350.1	348.6	346.8
Period-end shares outstanding (millions)	358.5	356.3	354.7	353.7	351.8	350.4	349.0	347.3
Basic earnings per share	\$ 0.38	\$ 0.44	\$ 0.48	\$ 0.28	\$ 0.13	\$ 0.32	\$ 0.21	\$ 0.26
Dividends declared per share	\$ 0.20	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15

Note: Certain comparative financial information has been reclassified to conform with the 2004 presentation.



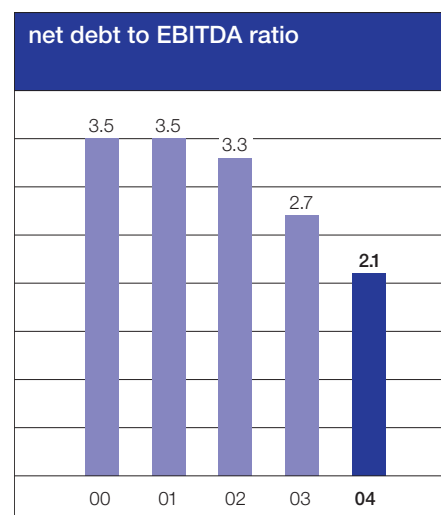
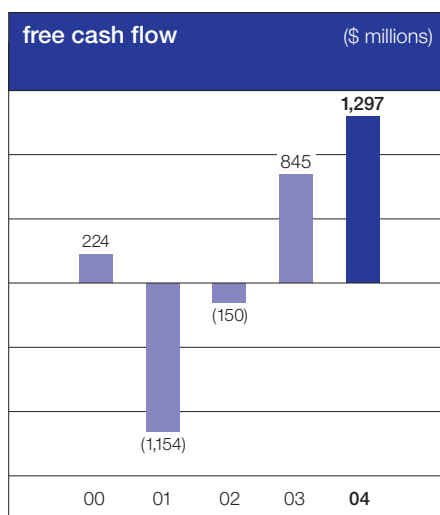
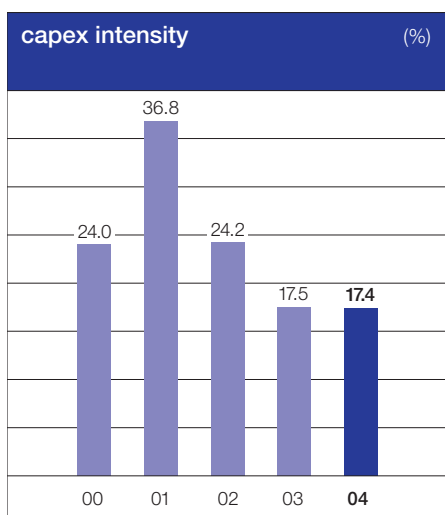
annual operating statistics

Consolidated	2004	2003	2002	2001	2000
Cash flow statement information					
Cash provided by operating activities (millions)	\$ 2,538.1	\$ 2,133.8	\$ 1,730.8	\$ 1,390.2	\$ 1,619.3
Cash used by investing activities (millions)	\$ (1,299.5)	\$ (1,197.8)	\$ (1,691.1)	\$ (1,821.3)	\$ (3,831.1)
Cash provided (used) by financing activities (millions)	\$ (348.3)	\$ (920.8)	\$ (65.8)	\$ 348.0	\$ 2,344.3
Performance indicators					
Net income (loss) (millions)	\$ 565.8	\$ 324.4	\$ (235.8)	\$ 446.5	\$ 459.5
Dividend payout ¹	41%	65%	n.m.	79%	76%
Return on common equity ²	8.4%	5.1%	(3.8%)	6.9%	9.6%
Return on assets ³	14.2%	12.2%	9.5%	7.2%	9.0%
EBITDA interest coverage ratio ⁴	5.1	4.4	3.6	4.0	10.5
Free cash flow (millions) ⁵	\$ 1,297.3	\$ 844.9	\$ (149.7)	\$ (1,154.0)	\$ 223.7
Net debt to EBITDA ratio ⁶	2.1	2.7	3.3	3.5	3.5
Net debt to total capitalization	47.9%	53.7%	57.2%	56.3%	56.1%
Capital expenditures (millions)	\$ 1,319.0	\$ 1,252.7	\$ 1,697.9	\$ 2,605.3	\$ 1,441.3
Capex intensity ⁷	17.4%	17.5%	24.2%	36.8%	24.0%
Other					
Total employees, continuing operations	25,798	24,719	25,752	30,701	29,122
Full-time equivalent (FTE) employees	24,754	23,817	24,829	-	-
EBITDA per average FTE employees (000s) ⁸	\$ 128.9	\$ 117.8	\$ 89.9	-	-
Total salaries and benefits (millions)	\$ 1,938.2	\$ 1,883.2	\$ 1,995.7	\$ 1,954.4	\$ 1,643.6

n.m. – not meaningful

- Dividends declared per share divided by Basic earnings per share. Quarterly ratios are calculated on a 12-month trailing basis.
- Common share and non-voting share income over the average quarterly common equity for the 12-month period. Quarterly ratios are calculated on a 12-month trailing basis.
- Cash provided by operating activities divided by total assets. Quarterly ratios are based on a 12-month trailing cash flow provided by operating activities.
- EBITDA excluding Restructuring and workforce reduction costs, divided by Financing costs before gains on redemption and repayment of debt, calculated on a 12-month trailing basis.
- EBITDA, adding Restructuring and workforce reduction costs, cash interest received and excess of share compensation expense over share compensation payments, less cash interest paid, cash taxes, capital expenditures, and cash restructuring payments.
- Net debt at the end of the period divided by 12-month trailing EBITDA (excluding restructuring).
- Capital expenditures divided by operating revenues.
- EBITDA excluding Restructuring and workforce reduction costs, divided by average FTE employees. Quarterly ratios are annualized.

Note: Certain comparative financial information has been reclassified to conform with the 2004 presentation.

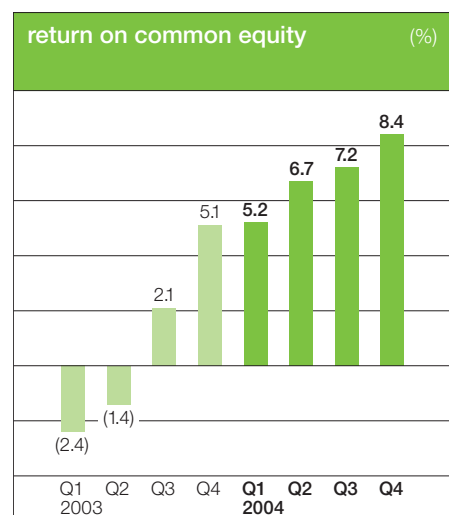
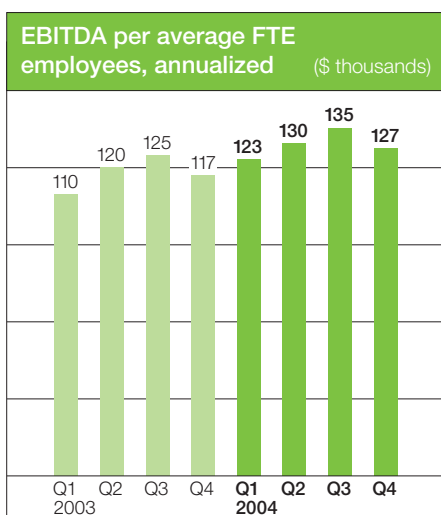
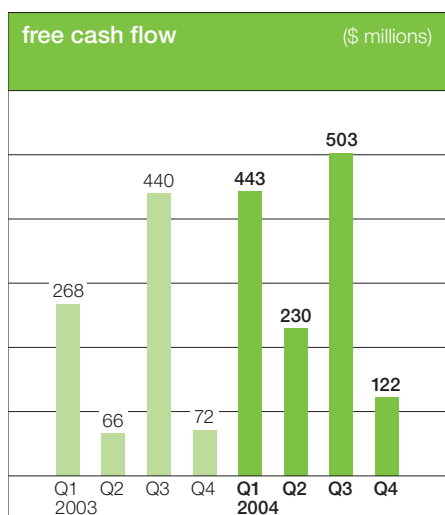


quarterly operating statistics

Consolidated	Q4 2004	Q3 2004	Q2 2004	Q1 2004	Q4 2003	Q3 2003	Q2 2003	Q1 2003
Cash flow statement information								
Cash provided by operating activities (millions)	\$ 613.8	\$ 847.2	\$ 489.0	\$ 588.1	\$ 409.8	\$ 849.7	\$ 469.6	\$ 404.7
Cash used by investing activities (millions)	\$ (342.8)	\$ (316.5)	\$ (341.6)	\$ (298.6)	\$ (421.4)	\$ (307.8)	\$ (286.0)	\$ (182.6)
Cash provided (used) by financing activities (millions)	\$ 3.3	\$ (266.2)	\$ (63.2)	\$ (22.2)	\$ (84.5)	\$ (456.2)	\$ (174.4)	\$ (205.7)
Performance indicators								
Net income (millions)	\$ 135.6	\$ 156.6	\$ 172.3	\$ 101.3	\$ 47.8	\$ 114.1	\$ 73.0	\$ 89.5
Dividend payout ¹	41%	45%	50%	64%	65%	158%	n.m.	n.m.
Return on common equity ²	8.4%	7.2%	6.7%	5.2%	5.1%	2.1%	(1.4%)	(2.4%)
Return on assets ³	14.2%	13.2%	13.3%	13.2%	12.2%	11.9%	11.6%	10.3%
EBITDA interest coverage ratio ⁴	5.1	4.9	4.9	4.7	4.4	4.4	4.0	3.8
Free cash flow (millions) ⁵	\$ 121.9	\$ 502.6	\$ 229.5	\$ 443.3	\$ 71.5	\$ 440.3	\$ 65.5	\$ 267.6
Net debt to EBITDA ratio ⁶	2.1	2.2	2.4	2.5	2.7	2.7	3.0	3.2
Net debt to total capitalization	47.9%	49.7%	51.9%	52.7%	53.7%	53.7%	55.7%	56.3%
Capital expenditures (millions)	\$ 343.4	\$ 319.8	\$ 346.1	\$ 309.7	\$ 435.4	\$ 304.0	\$ 305.5	\$ 207.8
Capex intensity ⁷	17.5%	16.4%	18.6%	17.2%	23.8%	16.8%	17.2%	11.9%
Other								
Total employees, continuing operations	25,798	25,464	25,406	24,885	24,719	24,901	24,713	25,026
Full-time equivalent (FTE) employees	24,754	24,538	24,521	23,892	23,817	24,112	23,956	24,236
EBITDA per average FTE employees, annualized (000s) ⁸	\$ 127.4	\$ 135.4	\$ 129.5	\$ 123.1	\$ 116.8	\$ 124.6	\$ 120.1	\$ 109.6
Total salaries and benefits (millions)	\$ 502.6	\$ 490.3	\$ 478.8	\$ 466.5	\$ 464.9	\$ 467.8	\$ 476.3	\$ 474.2

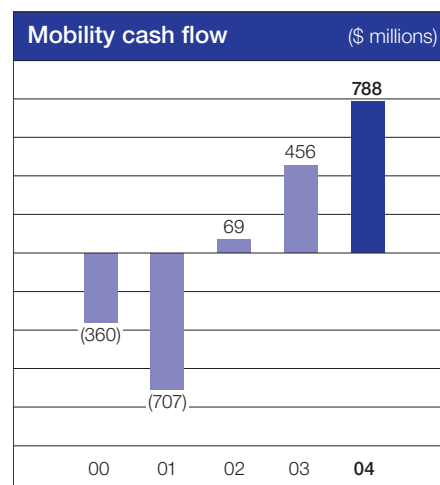
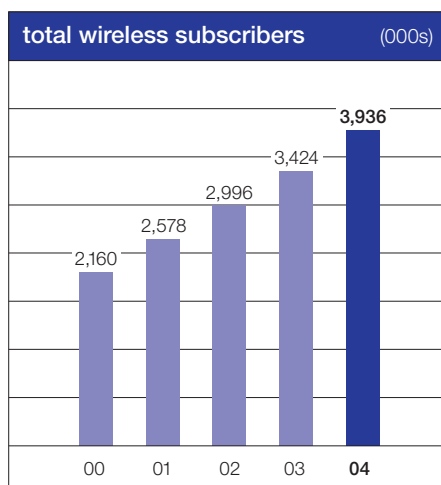
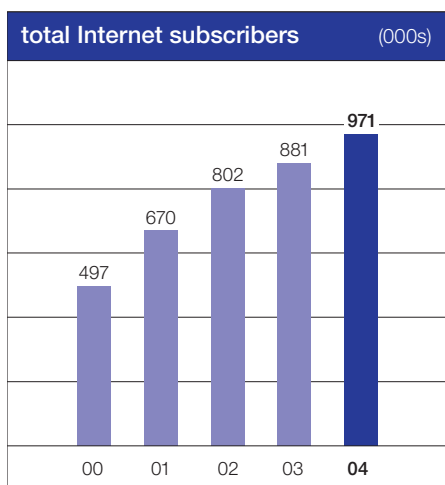
n.m. – not meaningful

Note: Certain comparative financial information has been reclassified to conform with the 2004 presentation.



annual segmented statistics

	2004	2003	2002	2001	2000
Communications segment					
Operating revenues (millions)	\$4,865.9	\$4,880.9	\$5,084.6	\$5,359.5	\$4,919.3
Operations expense (millions)	\$2,864.9	\$2,852.2	\$3,100.8	\$3,185.7	\$2,912.4
Restructuring and workforce reduction costs (millions)	\$ 52.6	\$ 28.3	\$ 563.4	\$ 135.4	–
EBITDA (millions)	\$1,948.4	\$2,000.4	\$1,420.4	\$2,038.4	\$2,006.9
Capital expenditures (millions)	\$ 964.3	\$ 892.8	\$1,238.2	\$1,605.8	\$1,218.4
Cash flow (millions) ¹	\$ 984.1	\$1,107.6	\$ 182.2	\$ 432.6	\$ 788.5
Network access lines in service (000s)	4,808	4,870	4,911	4,967	4,944
Net additions (losses) dial-up Internet subscribers (000s) ²	(38.2)	(71.9)	(63.4)	41.8	125.5
Dial-up Internet subscribers (000s) ²	281.6	319.8	391.7	455.1	413.2
Net additions high-speed Internet subscribers (000s) ²	128.1	151.6	195.2	131.2	57.9
High-speed Internet subscribers (000s) ²	689.7	561.6	410.0	214.8	83.6
Total employees, continuing operations	19,500	19,029	20,332	25,545	24,165
Full-time equivalent (FTE) employees	18,839	18,430	19,668	–	–
EBITDA ³ per average FTE employees (000s)	\$ 106.3	\$ 106.6	\$ 86.6	\$ –	\$ –
Mobility segment (proforma for 2000)					
Operating revenues (millions)	\$2,833.4	\$2,375.3	\$2,034.9	\$1,825.9	\$1,617.2
Operations expense (millions)	\$1,691.2	\$1,559.9	\$1,500.1	\$1,470.1	\$1,443.8
Restructuring and workforce reduction costs (millions)	\$ –	\$ –	\$ 6.5	\$ 63.0	\$ –
EBITDA (millions)	\$1,142.2	\$ 815.4	\$ 528.3	\$ 292.8	\$ 173.4
EBITDA ³ excluding COA (millions)	\$1,578.0	\$1,240.0	\$ 944.0	\$ 782.4	\$ –
Capital expenditures (millions)	\$ 354.7	\$ 359.9	\$ 459.7	\$ 999.5	\$ 533.7
Cash flow (millions) ¹	\$ 787.5	\$ 455.5	\$ 68.6	\$ (706.7)	\$ (360.3)
Net additions wireless subscribers (000s) ⁴	512.4	431.1	417.8	417.5	474.1
Gross additions wireless subscribers (000s)	1,120.7	987.2	1,016.9	984.6	924.2
Wireless subscribers (000s) ⁴	3,936.4	3,424.0	2,995.5	2,577.7	2,160.2
Penetration rate ⁵	12.9%	11.5%	10.9%	10.5%	9.1%
Wireless market share, subscriber based	26.1%	25.5%	25.0%	24.1%	24.5%
Average monthly revenue per subscriber unit (ARPU) ⁶	\$ 60	\$ 57	\$ 55	\$ 57	\$ 59
Average minutes per subscriber per month (MOU)	384	350	290	270	271
COA per gross addition ⁶	\$ 389	\$ 430	\$ 425	\$ 446	\$ –
Monthly churn rate ⁶	1.4%	1.5%	1.8%	2.0%	2.0%
Population coverage – digital (millions) ⁷	30.0	29.5	27.4	24.2	22.6
Total employees, continuing operations	6,298	5,690	5,420	5,156	4,957
Full-time equivalent (FTE) employees	5,915	5,387	5,161	4,851	–
EBITDA ³ per average FTE employees (000s)	\$ 205.0	\$ 159.2	\$ 104.3	\$ –	\$ –



quarterly segmented statistics

	Q4 2004	Q3 2004	Q2 2004	Q1 2004	Q4 2003	Q3 2003	Q2 2003	Q1 2003
Communications segment								
Operating revenues (millions)	\$1,233.9	\$1,224.8	\$1,211.1	\$1,196.1	\$1,205.5	\$1,210.9	\$1,232.6	\$1,231.9
Operations expense (millions)	\$ 732.2	\$ 714.2	\$ 711.8	\$ 706.7	\$ 696.5	\$ 701.9	\$ 714.1	\$ 739.7
Restructuring and workforce reduction costs (millions)	\$ 19.8	\$ 16.2	\$ 0.7	\$ 15.9	\$ 16.2	\$ 2.3	\$ 3.3	\$ 6.5
EBITDA (millions)	\$ 481.9	\$ 494.4	\$ 498.6	\$ 473.5	\$ 492.8	\$ 506.7	\$ 515.2	\$ 485.7
Capital expenditures (millions)	\$ 220.8	\$ 216.4	\$ 267.7	\$ 259.4	\$ 303.0	\$ 208.9	\$ 227.4	\$ 153.5
Cash flow (millions) ¹	\$ 261.1	\$ 278.0	\$ 230.9	\$ 214.1	\$ 189.8	\$ 297.8	\$ 287.8	\$ 332.2
Network access lines in service (000s)	4,808	4,817	4,827	4,848	4,870	4,883	4,887	4,913
Net losses dial-up Internet subscribers (000s) ²	(11.1)	(8.0)	(8.4)	(10.7)	(13.9)	(18.1)	(20.3)	(19.6)
Dial-up Internet subscribers (000s) ²	281.6	292.7	300.7	309.1	319.8	333.7	351.8	372.1
Net additions high-speed Internet subscribers (000s) ²	34.8	30.6	19.1	43.6	45.5	47.2	26.7	32.1
High-speed Internet subscribers (000s) ²	689.7	654.9	624.3	605.2	561.6	516.0	468.8	442.1
Total employees, continuing operations	19,500	19,493	19,640	19,197	19,029	19,497	19,459	19,734
Full-time equivalent (FTE) employees	18,839	18,857	19,036	18,522	18,430	18,937	18,923	19,215
EBITDA ³ per average FTE employees, annualized (000s)	\$ 106.5	\$ 107.4	\$ 106.1	\$ 105.4	\$ 109.2	\$ 106.6	\$ 109.5	\$ 101.3
Mobility segment								
Operating revenues (millions)	\$ 761.9	\$ 752.0	\$ 682.2	\$ 637.3	\$ 647.3	\$ 623.9	\$ 568.0	\$ 536.1
Operations expense (millions)	\$ 477.2	\$ 428.5	\$ 396.0	\$ 389.5	\$ 457.3	\$ 378.4	\$ 366.7	\$ 357.5
EBITDA (millions)	\$ 284.7	\$ 323.5	\$ 286.2	\$ 247.8	\$ 190.0	\$ 245.5	\$ 201.3	\$ 178.6
EBITDA ³ excluding COA (millions)	\$ 429.1	\$ 429.6	\$ 383.2	\$ 336.1	\$ 336.0	\$ 340.6	\$ 297.3	\$ 266.1
Capital expenditures (millions)	\$ 122.6	\$ 103.4	\$ 78.4	\$ 50.3	\$ 132.4	\$ 95.1	\$ 78.1	\$ 54.3
Cash flow (millions) ¹	\$ 162.1	\$ 220.1	\$ 207.8	\$ 197.5	\$ 57.6	\$ 150.4	\$ 123.2	\$ 124.3
Net additions wireless subscribers (000s) ⁴	186.4	136.2	113.7	76.1	166.0	100.6	102.8	66.7
Gross additions wireless subscribers (000s)	352.1	283.8	254.5	230.3	323.2	234.1	224.2	205.7
Wireless subscribers (000s) ⁴	3,936.4	3,750.0	3,613.8	3,500.1	3,424.0	3,265.6	3,165.1	3,062.2
Penetration rate ⁵	12.9%	12.4%	11.9%	11.7%	11.5%	11.2%	11.2%	10.9%
Wireless market share, subscriber based	26.1%	26.1%	26.0%	25.6%	25.5%	25.5%	25.4%	25.1%
Average monthly revenue per subscriber unit (ARPU)	\$ 61	\$ 62	\$ 59	\$ 57	\$ 59	\$ 60	\$ 56	\$ 54
Average minutes per subscriber per month (MOU)	390	393	390	362	373	367	342	315
COA per gross addition	\$ 410	\$ 374	\$ 381	\$ 383	\$ 452	\$ 406	\$ 428	\$ 425
Monthly churn rate ⁶	1.5%	1.3%	1.3%	1.5%	1.6%	1.4%	1.3%	1.5%
Population coverage – digital (millions) ⁷	30.0	29.7	29.7	29.5	29.5	29.0	28.0	27.9
Total employees, continuing operations	6,298	5,971	5,766	5,688	5,690	5,404	5,254	5,292
Full-time equivalent (FTE) employees	5,915	5,681	5,485	5,370	5,387	5,175	5,033	5,021
EBITDA ³ per average FTE employees, annualized (000s)	\$ 194.8	\$ 230.4	\$ 210.5	\$ 184.2	\$ 143.2	\$ 191.8	\$ 160.1	\$ 142.1

1 EBITDA less capital expenditures.

2 As a result of subscriber audit following a billing system conversion in the third quarter of 2002, Internet subscriber counts and net additions for the first six months of 2003 are net of reductions of approximately 13,000 dial-up subscribers and approximately 4,700 high-speed Internet subscribers.

3 EBITDA excluding Restructuring and workforce reduction costs.

4 Based on an audit of the prepaid platform in the fourth quarter of 2003, a one-time adjustment was made to the prepaid subscriber base. Cumulative subscribers were reduced by approximately 7,600 in the period. Of the 7,600, net additions as recorded for 2003 reflected a 5,000 adjustment for current year deactivations. Management believes the deactivations related to a prior period are immaterial and therefore net additions have not been restated. Furthermore, 2003 churn was calculated to reflect the 5,000 deactivations in the current year.

5 Subscribers divided by total population coverage.

6 Subscribers, churn, average monthly revenue per subscriber unit and marketing cost of acquisition per gross addition for 2000 have been adjusted to reflect definitional alignment between TELUS Mobility (pre-acquisitions), Clearnet and QuébecTel Mobilité. This includes a decrease of approximately 13,100 to the December 31, 2000 postpaid subscriber total partly offset by an increase of 4,100 to reflect inclusion of cellular digital packet data (CDPD) subscribers not previously counted. Marketing cost of acquisition as adjusted includes rebranding, retention and migration costs.

7 Includes expanded coverage due to roaming/resale agreements principally with Bell Mobility and Aliant Telecom Wireless of approximately 7.5 million PCS POPs.