

Forward Looking Statements

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- BCE and TELUS may not agree to proceed with any transaction
- approvals required to be obtained by TELUS and BCE from shareholders, regulatory and other agencies and bodies may not be obtained in a timely manner or at all
- anticipated benefits, synergies and cost savings from the business combination, and for Canada, may not be fully realized
- costs or difficulties related to the integration of BCE’s and TELUS’ operations may be greater than expected
- delay in the completion of the steps required to be taken for the combination of the two companies may occur

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TELUS CORPORATION
Media Conference Call

June 21, 2007
14:00 ET

OPERATOR: Good morning and good afternoon ladies and gentlemen. Welcome to the TELUS Media Conference Call. I would like to introduce your chairperson, Mr. Nick Culo, Vice-President of TELUS Public and Community Affairs. Please go ahead.

NICK CULO: Thanks, Ryan. Hi everyone. Thanks very much for joining our Media Conference Call to discuss the announcement of TELUS is in discussions to acquire BCE. With us today, Darren Entwistle, TELUS President and CEO, Robert McFarlane, Executive Vice-President and Chief Financial Officer, and Janet Yale, Executive Vice-President of Corporate Affairs. Darren is going to start with some short remarks and then we will move to a Q-and-A. We've got about 45 minutes. And one last housekeeping item, if you could limit your questions to one question and, if necessary, one follow-up, that will help ensure we get around to everyone.

With that, Ryan, can we have a question?

OPERATOR: Ladies and gentlemen, to ask a question, please press the number --

NICK CULO: Actually, pardon me, Ryan, sorry. Darren is going to start off with some remarks. Apologies.

OPERATOR: Okay. Thank you.

DARREN ENTWISTLE: Thanks, Nick, and thank you for joining us today. As you know, TELUS has decided to submit a bid to acquire BCE in what could be the most critical corporate transaction in Canadian history. Before turning to your questions, I would like to take a moment to highlight the case for our bid. Our ambition at TELUS is to create a truly national economically strong Canadian company with the scale and the scope of a global leader, an unequivocally Canadian corporation essentially that will offer tremendous benefits to consumers, shareholders and Canadians alike.

Let me start with why this makes sense for consumers. This move will ensure our ability to deploy state-of-the-art technology and innovative services for customers. It will allow us to deliver more rapidly in a more fulsome portfolio of new products. It will give us a stronger network for the future and the ability to implement new technology

more expediently. It will give us access to cutting-edge content for the downloading of that service on our wireless devices. These are the benefits that a larger, more financially sound company will be able to provide.

TELUS alone amongst the potential bidders is a telecommunications company. This is our industry. This is our knowledge base. This is our business. We alone bring the expertise and the experience of running and growing a national network and the services that it provides to our customers from consumers to businesses to wholesale customers. TELUS alone brings a demonstrated commitment to investment in and the expansion of the services that our customers value so greatly.

This also is an acquisition that makes sense for the shareholders of both organizations, both TELUS and BCE. As independent analysts have pointed out, the financial and the strategic synergies of this acquisition are extensive. This acquisition will create a strong, integrated competitor that would generate continued expansion and growth in the years ahead. For investors, it comes at a materially lower leverage risk, maintaining an investment-grade credit rating, preserving a dividend stream and, as well, it provides a number of technical and tax advantages for participating shareholders.

Finally, this particular acquisition makes enormous sense for our country. This move will create a truly national provider with the size to stand alongside any telecoms company in the world, a company that tens of thousands of Canadians will continue to hold shares in, a company that will be headquartered in Canada today, tomorrow and into the future; a company that will serve Canada and that will preserve the sizeable tax base in Canada that such a large public corporation generates. If you want to know where we at TELUS would take this new entity, I urge you to look at where we've come from. Our approach is to invest in our company, in our core business in Canada. Our approach is to invest to expand our network and extend the services our customers receive. This approach brings significant and continued benefits to Canada and Canadians.

Before turning it over to your questions, I also want to say that we recognize the regulatory and competitive processes that arise from a proposal of this size and nature. We have given this considerable thought and we believe there are clear remedies to ensure vibrant and sustainable competition without divesting the mobile networks of

either company. Specifically, should TELUS's acquisition of BCE proceed, we believe that new wireless spectrum should be set aside for new entrants to ensure that Canada continues to have a third wireless network competitor. We believe this policy will facilitate ongoing and active competition. Beyond that, we look forward to the chance to work with key policymakers and regulatory officials to ensure that their concerns are satisfied in full. In short, we believe this proposal offers unique benefits that no other bidder can match. We can create a truly national company with international heft that delivers added benefits to consumers, to businesses and to shareholders alike. It is, indeed, an exciting opportunity, for TELUS, for BCE, for our customers and for our country.

With that, I would be happy to take any questions that you might have.

QUESTIONS AND ANSWERS:

OPERATOR: Ladies and gentlemen, if you wish to ask a question, please press the numbers "01". If you wish to withdraw your question, please press the "#" sign. If there are any questions, please press "01" now. Thank you.

The first question is from Wojtek Dabrowski from Reuters; please go ahead with your question.

WOJTEK DABROWSKI: Hi, Mr. Entwistle. Just a couple of quick ones. Wanted to know if you spoke with anyone in Ottawa higher than Kevin Lynch in terms of getting a feel of what Ottawa thinks about this. And second of all, can you -- is there anything beyond the spectrum auction set aside that you think would make this deal fly without divesting Mobility assets? And finally, sorry, as a follow-on, the synergies question, how do you hope to realize those if you can give any colour. I know it's early. You've not even been in the data room yet, but... Thanks.

DARREN ENTWISTLE: It would be fair to say that we've had a comprehensive communications program with Ottawa, speaking with a range of constituencies that would have a vested interest in this particular development within the telecoms landscape. We have communicated with Ottawa proactively. It was important for us to

ensure that they understood our rationale for pursuing this particular course of action and heard it proactively and directly from the TELUS organization. In addition to the political and bureaucrat constituencies, we've also been proactive in informing the regulatory authorities in Canada in terms of what we would like to see come to fruition to seek their guidance and active involvement in this process, and we are being proactive in ensuring that we are not just seeking regulatory approvals and supports, but we are coming forward proactively with proposals in terms of remedies that we believe will garner the necessary regulatory support for this deal to come to fruition.

You've heard me speak in particular about one remedy on this call, which is TELUS is electing to support a set-aside of spectrum to facilitate the emergence of a third wireless player within the Canadian market if this is a deal that gets the regulatory support to proceed. We would also agree to certain other areas of support around the set-aside to ensure that any emerging third player within the wireless industry was allowed to gain access to some of our tower infrastructure and was allowed to roam on favourable conditions to assist that third party in building their business.

In terms of remedies, I think I've touched on that point. We are having a positive and proactive exchange with the regulatory authorities. It's a collaborative process, if you will, and as I've indicated, we are coming forward proactively with remedies we believe will ensure that robust and sustainable competition within the Canadian market is preserved, if not enhanced as a result of this deal coming to fruition and we would expect to see that dialogue carry on in the days ahead.

And then if you could just remind me of your third question? I think it's breaching the rules in terms of what Nick set out up front, but I'll answer the question for you for the sake of completeness. Can you just remind me of the question, please?

WOJTEK DABROWSKI: Certainly. And my apologies. Just wanted to get any sort of sense that you have on the synergies front in this thing.

DARREN ENTWISTLE: I think at this particular juncture, it's inappropriate to discuss synergies beyond pointing out the obvious, that the combination of Bell and TELUS not only provides a platform for significant growth, certainly domestically, potentially within the international feeder, and it also provides opportunities to pursue productivity

initiatives that we believe would be significant and, again, beneficial to both customers and shareholders alike as we disseminate best practice across the enlarged organization. It's also fair to say that we are in the data room commencing due diligence and certainly due diligence as we see that particular activity through to fruition will allow us to inform our view in a material fashion as to the magnitude of synergies that are available from the bringing together of these two companies. Suffice to say that we believe that they are significant.

NICK CULO: Okay. Ryan, could we get our next question, please?

OPERATOR: The next question is from Sean Silcoff from the National Post; please go ahead with your question.

SEAN SILCOFF: So you're proposing a situation where there would be essentially two players and hopefully eventually three. What countries would you point to in your presentations to regulatory authorities around the world where this situation exists? I mean, it's not the case in the U.S. and the U.K., but I understand it's fairly common in several other countries.

DARREN ENTWISTLE: Okay. Well, firstly let's just take a step back. The two players that we're talking about within the Canadian market are very robust competitors in terms of an enlarged TELUS post the acquisition of BCE competing against Rogers. And I would see that as a very robust and healthy dynamic. And clearly we've heard a lot of people talk about the quality of competition, the robustness of competition and the sustainability of competition not necessarily being defined by the number of players within a market. And I would say the competitive dynamic that would result from TELUS acquiring BCE vis-à-vis Rogers as the key competitor would be very intense, very healthy and very sustainable. And I think that's good for driving the innovation agenda forward as we both invest to compete and I think the benefits would be felt by Canadian businesses and consumers alike.

Next point that I think is worth pointing out is that, you know, we are on the cusp fortuitously of an AWS spectrum auction, which provides a golden opportunity particularly with the set-aside that we're advocating to facilitate new entrants coming into the market and generically we speak about a third entrant, but clearly we could have a

multiplicity of new entrants within regional domains across Canada. And these are new entrants if we talk specifically about cable that are exceedingly well-placed to do well in wireless. And it would be fair to say that if you draw inference from the way that cable has performed entering voice wireline telephony and overlay that on their expectations of performance on wireless, I think that's a very healthy dynamic. And these organizations are not new start-ups. It's fair to say that if a cable company acquired wireless spectrum, they already have a significant customer base to sell to, they've got an established distribution network, they've got the network and IT infrastructure in place. I mean, they are positioned to capitalize on the securing of spectrum in a very expeditious fashion.

Next comment I would make is that it's wrong to say that a duopoly did not exist in areas like the U.K. In fact, it did. During my tenure in the U.K. at the outset there were two players. There was Vodafone and BT Cellnet. And thereafter came One-to-One (phonetic) and Orange. And so let's be very clear when wireless progressed in Europe during its development stage, it was essentially characterized by duopolies and then additional entrants were facilitated into the market and that's exactly what we're proposing here in Canada.

And then I guess the final comment I would make is, you know, just how many competitors is prudent within a country like Canada where, you know, we've got 30 million people, you know, extended across the largest national footprint in the world. And it would be fair to say that the demographics of Canada are challenging in terms of realizing economies of scale which is one of the reasons that we think it's absolutely key to create a national champion. And if you look across Europe and around the world, national champions are typical, not atypical. Actually, Canada is the outlier. If you look across the U.K., France, Italy, Germany, Spain, Belgium, The Netherlands, Sweden, Norway, Australia, Japan, New Zealand, all of those countries have single national incumbents and indeed, what we're seeing in the U.S. is the resurrection of AT&T as the Southwestern Bell organization has proceeded to acquire both a significant number of RBOCs and, as well, AT&T. So I think what we're proposing here is actually commonplace globally and it's a necessity if we're going to get the economies of scale

that we need to compete successfully within an industry that really is defined by global characteristics.

SEAN SILCOFF: Thank you.

NICK CULO: Thanks, Sean. Ryan, can we have our next question?

OPERATOR: Yes. The next question is from Catherine McLean from The Globe and Mail; please go ahead.

CATHERINE McLEAN: I have a question about your forecast you said that you'll be able to achieve improved growth as a result of this -- of this deal and I'm just wondering if you're referring to revenue or profit growth there; and as well as that takes into consideration just you being able to keep all your assets and whether you'd go ahead with this deal if you had to divest some wireless assets.

DARREN ENTWISTLE: Okay. Let's take the last question first. I think it's inappropriate to talk about potential remedies when we're having privileged conversations with the Competition Bureau. I think that's the right forum to socialize proactively ideas that we think make sense for both Canada and the enlarged entity from a remedies perspective. I think it suffice to say that continued exposure to wireless is a very important consideration for TELUS.

And in terms of, you know, where the growth is going to come from, hopefully revenue growth and profit growth are synonymous. Effectively, revenue growth without profit growth is not a way to build economic value. In terms of the growth strategy for the enlarged entity, it will carry on with the strategy that TELUS has been pursuing since 2000, which is a strategy focused on wireless expansion and there is a significant opportunity still remaining - call it latent potential if you will - for wireless growth within the Canadian domestic market. At the present point in time, wireless penetration stands at around 58%, and if you believe that Canada is going to emulate penetration rates evidenced in other countries, we effectively have up to 4000 points of penetration gain yet to realize. And, you know, 450 to 500 basis points of penetration gain on an annual basis, effectively that means we've got, you know, six, seven, eight years of healthy growth ahead of us that we're going to pursue. I also think that that's a healthy dynamic

for growth to be pursued by a third wireless operator if they pursue the set-aside that we're advocating in the forthcoming AWS spectrum auction.

The other area of growth, of course, that TELUS has been focusing on is in the area of data applications, and this is true of both our wireline and our wireless businesses, and clearly within the internet world, within the IP world, you know, the growth that we're seeing is the delivery of data applications over both our wireline and wireless networks, and that's an area that we would continue to pursue with the focus on everything from young people as it relates to downloading of differentiated and attractive content right through to a vertical focus within the enterprise market as we develop applications for specific industry verticals from oil and energy to manufacturing and transport to the public sector, to areas like health care and education and national security, which are fundamental public policy components. And clearly an enlarged TELUS and Bell Canada is more capable of assisting the government pursue key initiatives in such critical areas as health care, education and national security. And certainly this is a much more attractive proposition vis-à-vis what would unfold with private equity. And then finally, in terms of growth as it relates to economic value creation, we believe that there are significant opportunities for productivity gains and, as well, the permeating of best practice between the respective organizations so that we could harvest those synergies to create value and raise the aggregate operating tempo of both companies.

NICK CULO: Thanks for that, Darren. Ryan, can we get our next question?

OPERATOR: The next question is from Chris Sorenson from the Toronto Star; please go ahead with your question.

CHRIS SORENSON: Two quick questions: you talk about creating a national champion and global competition. I'm curious how likely is it in your view that the government will move to bring down foreign ownership restrictions? And then secondly, you know, do you think there's any chance that Ottawa would make that a prerequisite of any combination of BCE and TELUS?

DARREN ENTWISTLE: Okay. Firstly, we do not believe that the removal of foreign ownership restrictions is a necessary condition for this deal to proceed. We believe that

there are sufficient remedies available of the type that I've socialized on this call that will be sufficient to ensure that the resulting competitive dynamic is strong and sustainable.

Predicting when foreign ownership restrictions will be removed is a very difficult business and certainly I don't believe it's appropriate for me to project my thoughts on Ottawa. I think it's suffice to say that in a global world foreign ownership restrictions will likely eventually be removed. It's not so much a question of if, but rather when and how. And I do believe that in the era when foreign ownership restrictions do get removed, then it's of critical importance that we have within the telecoms industry in particular an asset in the form of a national champion that can compete in an industry characterized, if not defined by the necessity of economies of scale. Size matters when you're making the magnitude of capital investments that we make within the telecoms industry that frequently have very protracted pay-back periods. If you look at the significant investments that we've made to build our national wireless network or to roll out ADSL or the investments that we're making today in TV, these are significant investments and many of them have protracted periods of return. And you've got to have a strong balance sheet and you've got to have significant economies of scale to do well within this industry. And that's one of the reasons that we think it's absolutely critical that the resulting entity that's created by TELUS's acquisition of Bell Canada is an investment-grade organization so that we do have the robust balance sheet and the strength of our financial position to continue to invest in our innovation agenda so that we can have growth in perpetuity for our organization and for our customers and that, for me, is really the right mindset to have.

So certainly at some point foreign ownership restrictions are likely to be removed and I think it's critical in leading up to that period that we create very strong organizations that have size and depth of capability and a very robust balance sheet so that we can harvest economies of scale and make the necessary investments that we need to make to ensure that we can remain competitive when clearly the market is dictated by a global dynamic. And so that's, you know, very much, you know, the focus for our organization in terms of the efficacy that underpins this particular deal and why we think it's particularly critical in an industry like telecommunications because the key

underpinning of a vibrant, knowledge-based economy, and that is effectively what defines the competitiveness within the G8 fold is a very effective information, communications and technology industry.

CHRIS SORENSON: Thank you.

NICK CULO: Thanks, Darren. Thanks for the questions, Chris. Ryan, can we get our next question, please?

OPERATOR: Yes. The next question is from Derek DeCloet from The Globe and Mail; please go ahead with your question.

DEREK DECLOET: Hi. Mr. Entwistle, some of your shareholders say that the signals you have given in the past on BCE is that you didn't much like that company's business mix. Can you tell me, you know, what's changed?

DARREN ENTWISTLE: I think in terms of our focus, we believe that the time is here from a regulatory perspective to support the creation of a national champion in an industry as critical as telecommunications, so I believe that the potential for this deal to come to fruition right now is much more positive, let's say, than what we have seen in the past. I believe that the competitive dynamic that's unfolded with the developments on the cable front as they've entered into the internet, as they've entered into telephony, as they're wanting to pursue entering into wireless is a very robust dynamic that we have not enjoyed in the past that facilitates a deal of this sort coming to fruition. In addition, I believe size on the wireless side matters very significantly. If you ranked us individually at TELUS or Bell vis-à-vis our global peers within the wireless industry, we would be markedly dwarfed by our peers, so for us, trying to get size within the wireless domain, I think is going to be key to our global competitiveness and I think that this is an excellent opportunity to effectively double the size of our subscriber base and by the extension, our exposure to wireless and all the growth that it would entail and to drive more to the type of parity that we need from an economies of scale perspective when so many of our peers globally have a much more significant base of wireless customers.

Also, I think that if you look at, you know, the magnitude of the operating synergies that would be available, I think they are very capable of offsetting the challenging dynamics that we would necessarily inherit on the wireline side because of

the competitive intensity of that part of our industry. And I think if we can put forward a simple equation that says the synergies that we can realize more than or at least equally offset the challenges that are inherent on the legacy wireline side of our business, then we can progress our exposure on the wireless front from a base of subscribers that's very healthy on a comparative basis with our global peers in an industry and a country where there remains significant latent potential for wireless growth.

And then lastly, I just think TELUS's track record over the last six to seven years in driving growth, in demonstrating thought and technology leadership have been very strong in both an absolute sense and also on a comparative basis with our peers globally. I think you're aware, Derek, that the number one performing stock amongst incumbents globally is the TELUS organization, so I think we can bring that strategy and that strength of execution to bear on the enlarged company and generate very positive results for shareholders.

I do think that we've got a great track record in realizing synergies and dealing up effectively post-acquisition integration. I think we demonstrated that when we brought TELUS in Alberta together with BC Tel. I think we demonstrated that when we brought the QuebecTel organization into the fold as part of our national expansion. I think we've demonstrated that when we acquired Clearnet and how we ramped up our wireless platform overall. Clearly we've got experience, skills and a demonstrable track record when it comes to making acquisitions, developing a growth platform from the acquisition and harvesting the considerable synergies.

And then lastly, I really do think that we have IP technology leadership and I think the things that we can do from a robust platform as it relates to data applications for consumers right through to large businesses is another area of traditional strength for TELUS that we can bring to the fold of the enlarged organization. And I guess all of these thoughts have informed our views in this regard.

DEREK DECLOET: Thank you.

NICK CULO: Thanks, Darren. Thanks, Derek. Ryan, can we get our next question?

OPERATOR: The next question is from Francis Vailles from Les Tres (sic) Newspaper; please go ahead with your question.

FRANCIS VAILLES: Hi, Mr. Entwistle. A simple question. Well, firstly, my name is Francis Vailles from the newspaper La Presse in Montreal. I just wanted to know if there is any deadline to your offer. We have heard that there is the Canada Day deadline for others. Have you any deadline for the offer for BCE?

DARREN ENTWISTLE: I think it would be fair to say that we are participating formally and actively in the process that's unfolding. We are pursuing the necessary work that we have to get done from a due diligence perspective. We are pursuing the channels that are appropriate to gaining regulatory support out of Ottawa for this deal to come to fruition, and we believe that we are well-positioned to come forward within the timelines that have been defined, you know, to put an offer on the table that we believe would be attractive to the shareholders of BCE. We believe that our offer in terms of the form of the consideration, the mixture of equity and cash, is attractive. It allows for those people who want to continue to participate in a public company within the telecoms sector to be able to do so. For those people that would like to crystallize value today and monetize their position, they can do so. I believe that in terms of those people that would like to opt for the equity component of our bid, they will have the opportunity to participate in the significant operating synergies that I have articulated previously. I believe that for large mutual funds or for retail investors, that we, through our equity component of the form of our consideration offered to them the ability to experience a deferred tax rollover, rather than to have a tax event thrust upon them which is currently the case with the private equity route. And I think that's attractive because not only do they get the opportunity for a deferred tax rollover, but they get to participate in the upside synergies that I have articulated and continue to enjoy an exposure to a public company in the telecoms sector where the equity has a dividend component attached to it. And I think the fact that we are very focused on creating an investment-grade organization should resonate well with the existing shareholders of BCE because I believe that this represents at the very least a status quo to their existing credit profile, if not an enhancement, and again that's an attractive component of our bid, as well. So that effectively is what we're doing.

Things change in processes and, you know, nothing is certain when you're, you know, involved with mergers and acquisitions, but suffice to say right now we're participating formally and actively in the process and we will put ourselves in a position, you know, to put forward a proposal within the timelines that have been defined, but of course putting that proposal on the table and what the content of that proposal looks like is always something that TELUS can change or adjudicate upon as events unfold. So that's our current positioning.

FRANCIS VAILLES: Thank you.

NICK CULO: Thanks, Darren. Ryan, can we get our next question, please?

OPERATOR: The next question is from Ross Marowits from the Canadian Press; please go ahead with your question.

ROSS MAROWITS: Yes, I -- sorry, I missed the beginning of the call, couldn't get on. Have you broken down as to the percentage of equity versus cash for the bid? As well, was it part of the strategy to delay getting into this or did you -- what changed specifically that made you want to jump in? And thirdly, I'm wondering for average Canadians how you convince them that the prices just won't go up if there's fewer competition?

DARREN ENTWISTLE: Okay. No, we have not disclosed the percentages as it relates to cash and equity in terms of the form of the consideration. That is something that is competitively sensitive and I think that's probably fairly obvious to the people on the call. What we have done is espoused why we think the combination of cash and equity and the resulting investment-grade orientation of the enlarged organization is very attractive, again because of the synergies, because of the opportunities on things like deferred tax rollovers and the value that that entails, and as well, of course, what it means for debt-holders of BCE to, you know, see the preservation of their credit profile.

I don't really think we've, you know, delayed entering the process. It would be fair to say that, you know, we registered our interest in pursuing this path in mid-May with the Bell Canada organization and since that particular juncture we have been in discussions and pursuing our approach within a competitive process alongside private equity. I think what has been different, of course, is that our participation in the process

up until yesterday was not public, whereas that was the case for the three private equity entities that have identified their interest in acquiring Bell.

ROSS MAROWITS: And on the prices?

DARREN ENTWISTLE: I think again, you know, suffice to say that we are coming forward with a portfolio of remedies that we are proposing proactively to the regulatory authorities. Those are privileged conversations. We have already socialized one key remedy component which is the set-aside and certain additional elements related to the set-aside including power access and some thoughts around mandatory roaming. I think that's sufficient for the time being. Suffice to say that we believe holistically that in totality our remedies really will preserve and enhance a very robust and sustainable competitive dynamic in our country and again, I think that's good for customers, I think it's going to be good for the shareholders of both organizations and I think it's good in respect of the national interest, because, you know, strong national champions do things that are very key to areas of very great importance to Canada and our citizens as it relates to national security, national healthcare and national education, and how that public policy agenda gets progressed with the support of a very vibrant and domestically focused information, communications and technology industry.

NICK CULO: Thanks, Darren. Ryan, I understand we've got a couple of questions left in the queue which is about what we have time for, so can we move to the next question?

OPERATOR: Yes. The next question is from David Berman from The Financial Post; please go ahead with your question.

DAVID BERMAN: You mentioned that preserving the dividend is one of the benefits of a merger. Will the synergies change the size of the dividend of the combined companies?

DARREN ENTWISTLE: Not something obviously that we would comment on this juncture at this particular point in time but I think it's a feature that really does differentiate our bid vis-à-vis private equity, because I believe that there are institutional investors and retail investors that want to enjoy the benefits of a continued investment in a public company within the telecoms sector where they're going to participate in a recurring income stream in the form of a dividend. And clearly, that's not the case with private equity. They won't have the ability to continue to participate in a public entity and they won't have the

ability to enjoy a recurring income stream in the form of a dividend. And certainly that's a feature or component of our bid that I believe to be attractive to the equity-holders of BCE that really do want that continued participation. And, you know, three elements are key. You know, if you continue to participate: (a) you get to enjoy the synergies that we will bring to fruition and clearly our credentials in that regard are very strong; number (2) key constituencies within the equity base will get the opportunity to benefit from a deferred tax rollover; and, of course, the continued participation will allow them to enjoy the recurring income stream in the form of a dividend. And that's a very healthy complexion judged in totality.

DAVID BERMAN: Thank you.

NICK CULO: Thanks, David. Thanks, Darren. Ryan, can we get our last question?

OPERATOR: The last question is from Fiona Anderson from The Vancouver Sun; please go ahead with your question.

FIONA ANDERSON: Hi. Just a follow-up question on entering the fray a bit late. You say you haven't, but what makes it material now that didn't make it material yesterday that made you make an announcement?

DARREN ENTWISTLE: Well, it leaked. You know, one of the things, Fiona, that's characterized our organization has been confidentiality as it relates to major corporate developments. If you go all the way back to the Clearnet acquisition, we kept that under wraps and we think that's the right thing to do to protect the interests of our shareholders, to protect the interests of our employees, and to protect the interests of our customers. Another tangible demonstration of our focus on confidentiality was, of course, our announcement to convert to an income trust. Again, we kept that one under wraps. And that certainly has been the case here. You know, we have, you know, demonstrated our interest to pursue this course from the point of mid-May and effectively we kept it under wraps, you know, on a protracted basis, but when you have as many constituencies involved in this particular deal as you do, I guess leaks are an inevitable risk and certainly that's what, you know, we were confronted with yesterday afternoon and so, you know, we knew the story was going to go public. And we said well, you know, we can't

control that. That's going to happen. So we may as well, you know, go with the flow, so to speak, and, you know, put out our own press release.

We had discussions, reciprocal discussions with Bell Canada to make sure that, you know, we were informed mutually of this development and we put out a press release stating why we think the proposal that we are pursuing is in the best interests of all of our customers. It's in the best interests of TELUS shareholders, BCE shareholders and certainly in the best interests of Canada. And I make that statement in both an absolute sense and also relative to the other opportunities that are on the table.

FIONA ANDERSON: Thank you.

NICK CULO: Okay, I think that brings the Media Conference to a close. Just want to thank everybody for your time and if there are any follow-ups, don't hesitate to contact the TELUS Media Relations Team.

DARREN ENTWISTLE: Thank you very much.

OPERATOR: Thank you, ladies and gentlemen. This now concludes the TELUS Media Conference Call. On behalf of myself and the rest of the conferencing team, thank you from TELUS.

[CONFERENCE CALL CONCLUDED]