Agreement ensures continuity of service and enhanced functionality for 280,000 customers

VANCOUVER, Oct. 23, 2013 /CNW/ - TELUS has entered into an agreement with Public Mobile to obtain 100 per cent ownership of the company. Pending approval from the Competition Bureau following today's approval by Industry Canada, the transaction will ensure continuity of service and enhanced functionality for Public Mobile's 280,000 wireless customers.

"Following our review of strategic options for our organization, TELUS stood out as the company most committed to strong customer service and innovation. We are confident this is the right decision for our customers, our company, our employees and our investors," said Alek Krstajic, Public Mobile CEO. "This transaction is the best option to guarantee continued quality service for our customers and to maximize the opportunity for our employees and investors."

Terms of the transaction have not been disclosed. Proceeds will be used to satisfy Public Mobile's debt and equity investors. Public Mobile employees will have the opportunity to review and secure roles with TELUS.

"We look forward to the successful completion of this transaction, and migrating Public Mobile's customers onto TELUS' world-class 4G LTE network while putting their spectrum to good use for millions of customers across Canada," said Eros Spadotto, TELUS EVP of Technology Strategy and Operations. "Public Mobile's PCS G block spectrum is part of a developing ecosystem that is being driven by the insatiable demand consumers have for access to wireless data applications. Major U.S. carriers are ensuring this spectrum is purposed for the deployment of LTE networks and notably, the iPhone 5s and 5c have this spectrum ecosystem incorporated within their chipset, consistent with the trend across smartphone manufacturers to produce products that can be sold globally with a lessened need for customization on a market-by-market basis. Additionally, Public Mobile's G block spectrum aligns well with matching spectrum TELUS holds in western Canada

. The spectrum was acquired by Public Mobile from the open part of the 2008 auction, not from that set aside for new entrants, so is not subject to a transfer restriction."

Public Mobile has operations in Ontario and Quebec. Public Mobile customers will now have their product offering evolve to also include the availability of higher-end handsets offered by TELUS.

TELUS provides 4G wireless coverage to 99 per cent of Canadians from coast-to-coast-to-coast.

Caution Regarding Forward Looking Statements

This news release contains statements about expected future events of TELUS that are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and predictions and are subject to inherent risks and uncertainties. There can be no assurance that the associated benefits for TELUS shareholders of the transaction will be realized, or that the expected regulatory and other approvals will be obtained. There is significant risk that the 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 events to differ materially from that expressed in the forward-looking statements. Except as required by law, TELUS disclaims any intention or obligation to update or revise forward-looking statements.

About TELUS

TELUS (TSX: T, NYSE: TU) is a leading national telecommunications company in Canada, with $11.2 billion of annual revenue and 13.2 million customer connections, including 7.7 million wireless subscribers, 3.3 million wireline network access lines, 1.4 million Internet subscribers and 743,000 TELUS TV customers. Led since 2000 by President and CEO, Darren Entwistle, TELUS provides a wide range of communications products and services, including wireless, data, Internet protocol (IP), voice, television, entertainment and video.

In support of our philosophy to give where we live, TELUS, our team members and retirees have contributed more than $300 million to charitable and not-for-profit organizations and volunteered 4.8 million hours of service to local communities since 2000. Fourteen TELUS Community Boards lead TELUS' local philanthropic initiatives. TELUS was honoured to be named the most outstanding philanthropic corporation globally for 2010 by the Association of Fundraising Professionals, becoming the first Canadian company to receive this prestigious international recognition.

For more information about TELUS, please visit telus.com .

About Public Mobile

Formed in 2008, Public Mobile provides unlimited talk, text, Android data services and Siren music to value conscious customers in Ontario and Quebec. There are no contracts, no credit checks and no surprises. Public Mobile launched its network service in May 2010 in Toronto and in June 2010 in Montreal . Public Mobile is building its network from Windsor to Quebec City . Public Mobile's licence covers an area reaching 19 million Canadians. Public Mobile is owned by Thomvest Capital and Cartesian Capital Group. More information about Public Mobile can be found at www.publicmobile.ca .

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