

TELUS Corporation

10:51 10 Aug 2015

TELUS Corp downgraded by Canaccord

TELUS Corp (TSE:T) has been downgraded by Canaccord Genuity and booted from its 'focus list' after Friday's earnings update.

Its recommendation goes to 'hold' from 'buy' with the share price homing in on the broker's price target of C\$46 a share. TELUS stock is currently changing hands for C\$44.57.

At issue is the communications giant's decision to increase the capital investment, which may impact its ability to increase the dividend payment at its current rate of around 10%.

The results themselves were robust, given the current market conditions, according analyst Aravinda Galappathige, who pointed to low churn from the wireless arm as the 'highlight' of second quarter numbers.

The big miss was free cash flow, which came in around C\$100mln below consensus at C\$300mln.

Underlying earnings (EBITDA), excluding restructuring and other one-off costs, increased by 5.1% cent to C\$1.1bn in the three months to June 30 on revenues of C\$3.1bn.

"Given the backdrop of Business segment headwinds due to a weak economy and short-term wireless pressure due to the double cohort, we consider the results an overall solid achievement," said Canaccord's Galappathige.

Price: 22.61

Market Cap: \$28.76 billion

1 Year Share Price Graph



Share Information

Code: T

Listing: TSX NYSE

52 week	High	Low
	27.74	18.545

Sector: Telecoms

Website: www.telus.com

Company Synopsis:

TELUS Corporation is a telecommunications company, providing a range of telecommunications products and services. The Company is the incumbent telecommunications service provider in Western Canada.

action@proactiveinvestors.com

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related

products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.