

Notes to the Financial Statements (continued)

22. Expenditure commitments

	Telstra Group	
	As at 30 June	
	2012	2011
	\$m	\$m
Capital expenditure commitments		
Total capital expenditure commitments contracted for at balance date but not recorded in the financial statements:		
Property, plant and equipment commitments *	611	426
Intangible assets commitments	130	146
Operating lease commitments		
Future lease payments for non-cancellable operating leases not recorded in the financial statements:		
Within 1 year	447	415
Within 1 to 5 years	1,253	1,162
After 5 years	1,120	960
	2,820	2,537

Description of our operating leases

We have operating leases for the following types of assets:

- rental of land and buildings;
- rental of motor vehicles, caravan huts and trailers, mechanical aids and heavy excavation equipment; and
- rental of personal computers, laptops, printers and other related equipment that are used in non communications plant activities.

The weighted average lease term is:

- 6 years for land and buildings;
- 2 years for motor vehicles, 4 to 5 years for light commercial vehicles, and 7 to 12 years for trucks and mechanical aids and heavy excavation equipment; and
- 3 years for personal computers and related equipment.

The majority of our operating leases relate to land and buildings. We have several subleases with total minimum lease payments of \$16 million (2011: \$9 million) for the Telstra Group. Our property operating leases generally contain escalation clauses, which are fixed increases generally between 3% and 5%, or increases subject to the consumer price index or market rate. We do not have any significant purchase options.

* This includes the Telstra Entity capital expenditure commitments of \$572 million (2011: \$415 million). Refer to note 30 for further details.