

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

27. EMPLOYEE SHARE PLANS (CONTINUED)

TESOP99 and TESOP97 (continued)

The Telstra ESOP Trust Trustee continues to hold loan shares where the employee ceased employment and elected not to repay the loan, until the share price is sufficient to recover the loan amount and associated costs of sale. The Trustee is then required to sell the shares. As at 30 June 2014, there were 148,800 (2013: 73,000) shares held for this purpose.

The following table provides information about our TESOP99 and TESOP97 share plans.

	TESOP97			TESOP99		
	Number	Weighted average fair value (*)	Total fair value \$m	Number	Weighted average fair value (*)	Total fair value \$m
Equity instruments outstanding and exercisable as at 30 June 2012	2,500	\$3.69	-	13,754,400	\$3.69	51
Exercised (#)	(2,500)	\$3.85	-	(77,500)	\$4.38	-
Sold (^)	-	-	-	(9,527,100)	\$4.68	45
Equity instruments outstanding and exercisable as at 30 June 2013	-	-	-	4,149,800	\$4.77	20
Exercised (#)	-	-	-	(96,000)	\$5.09	-
Sold (^)	-	-	-	(236,400)	\$5.17	1
Equity instruments outstanding and exercisable as at 30 June 2014	-	-	-	3,817,400	\$5.21	20

(*) The fair value of these shares is based on the market value of Telstra shares at reporting date and exercise date.

(#) The amount exercised relates to the shares released from trust as a result of the interest free loan to employees being fully repaid during the year.

(^) The amount sold relates to loan shares disposed of to the Growthshare Trust and external third parties during year. For financial year 2013 only, 9,258,700 TESOP99 shares were sold in an off market transaction at market price to the Growthshare Trust.

The employee share loan balance as at 30 June 2014 is \$17 million (2013: \$20 million). For TESOP99, the weighted average loan still to be repaid is \$4.42 (2013: \$4.64) per instrument.