



## Ongoing Disclosure Notice

### Disclosure of Directors and Senior Managers Relevant Interests

Sections 297(2) and 298(2), Financial Markets Conduct Act 2013

To NZX Limited; and
Name of listed issuer:
Date this disclosure made:
Date of last disclosure:

Xero Limited (XRO)
4 March 2015
24 December 2014

#### Director or senior manager giving disclosure

Full name(s):
Name of listed issuer:
Name of related body corporate (if applicable):
Position held in listed issuer:

Duncan Ritchie
Xero Limited (XRO)
Not applicable
Chief Platform Officer

#### Summary of acquisition or disposal of relevant interest (excluding specified derivatives)

Class of affected quoted financial products:
Nature of the affected relevant interest(s):
<b>For that relevant interest-</b>
Number held in class before acquisition or disposal:
Number held in class after acquisition or disposal:
Current registered holder(s):
Registered holder(s) once transfers are registered:

Ordinary shares in Xero Limited ( <b>Ordinary Shares</b> )
Legal ownership of ordinary shares
63,127 Ordinary Shares (Duncan Ritchie also has beneficial ownership of 89,325 Ordinary Shares)
13,127 Ordinary Shares (Duncan Ritchie's beneficial ownership of 89,325 Ordinary Shares remains unchanged)
Duncan Ritchie
Not known (on-market transfers)

#### Summary of acquisition or disposal of specified derivatives relevant interest (if applicable)

Type of affected derivative:
Class of underlying financial products:

Not applicable
Not applicable

#### Details of affected derivative-

The notional value of the derivative (if any) or the notional amount of underlying financial products (if any):
A statement as to whether the derivative is cash settled or physically settled:
Maturity date of the derivative (if any):
Expiry date of the derivative (if any):
The price specified in the terms of the derivative (if any):
Any other details needed to understand how the amount of the consideration payable under the derivative or the value of the derivative is affected by the value of the underlying financial products:

Not applicable
Not applicable
Not applicable
Not applicable
Not applicable
Not applicable

#### For that derivative,-

Parties to the derivative:
If the director or senior manager is not a party to the derivative, the nature of the relevant interest in the derivative:

Not applicable
Not applicable

**Details of transactions giving rise to acquisition or disposal**

Total number of transactions to which notice relates:

Numerous on-market disposals on 26 February 2015 and 27 February 2015

**Details of transactions requiring disclosure-**

Date of transaction:

26 February 2015 and 27 February 2015

Nature of transaction:

On-market disposals of Ordinary Shares

Name of any other party or parties to the transaction (if known):

Not known (on-market disposals)

The consideration, expressed in New Zealand dollars, paid or received for the acquisition or disposal. If the consideration was not in cash and cannot be readily converted into a cash value, describe the consideration:

7,052 Ordinary Shares were disposed of at an average price of NZ\$25.1792 per Ordinary Share on 26 February 2015 and 42,948 Ordinary Shares were disposed of at an average price of NZ\$24.6127 per Ordinary Share on 27 February 2015. A majority of the proceeds of the disposals will be used to repay, in full, the executive loan made by Xero Limited in favour of Duncan Ritchie in July 2013.

Number of financial products to which the transaction related:

1

*If the issuer has a financial products trading policy that prohibits directors or senior managers from trading during any period without written clearance (a closed period) include the following details—*

Whether relevant interests were acquired or disposed of during a closed period:

No

Whether prior written clearance was provided to allow the acquisition or disposal to proceed during the closed period:

Written clearance required, notwithstanding that disposals were not during a closed period

Date of the prior written clearance (if any):

26-Feb-15

**Summary of other relevant interests after acquisition or disposal:**

Class of quoted financial products:

Ordinary Shares

Nature of relevant interest:

Beneficial ownership of Ordinary Shares through the Xero Limited Employee Restricted Share Plan

*For that relevant interest,-*

Number held in class:

89,325

Current registered holder(s):

Xero Trustee Limited

*For a derivative relevant interest,-*

Type of derivative:

Not applicable

**Details of derivative,-**

The notional value of the derivative (if any) or the notional amount of underlying financial products (if any):

Not applicable

A statement as to whether the derivative is cash settled or physically settled:

Not applicable

Maturity date of the derivative (if any):

Not applicable

Expiry date of the derivative (if any):

Not applicable

The price's specified terms (if any):

Not applicable

Any other details needed to understand how the amount of the consideration payable under the derivative or the value of the derivative is affected by the value of the underlying financial products:

Not applicable

For that derivative relevant interest,-
Parties to the derivative:
If the director or senior manager is not a party to the derivative, the nature of the relevant interest in the derivative:

Not applicable
Not applicable
Not applicable

**Certification**

I certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.

Signature of director or officer:

Date of signature:



4 March 2015

