

**Ongoing Disclosure Notice**  
**Disclosure of Directors and Senior Managers Relevant Interests**  
*Sections 297(2) and 298(2), Financial Markets Conduct Act 2013*

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

Not applicable
Not applicable



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

Total number of transactions to which notice relates:

1

**Details of transactions requiring disclosure-**

Date of transaction:

31 March 2015

Nature of transaction:

Issue of Ordinary Shares upon vesting of RSUs granted under the Xero Limited Restricted Stock Unit Plan (NZ)

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

Not applicable

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:

12,000 Ordinary Shares were issued upon vesting of 12,000 RSUs granted under the Xero Limited Restricted Stock Unit Plan (NZ) as part of the remuneration package of Angus Norton (in his role as Chief Product Officer). The RSUs are subject to the satisfaction of certain performance hurdles. No cash consideration was required to be paid for the RSUs to vest

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:

Not applicable

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

Not applicable

Date of the prior written clearance (if any):

Not applicable

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

Class of quoted financial products:

Not applicable

Nature of relevant interest:

Not applicable

For that relevant interest, -

Number held in class:

Not applicable

Current registered holder(s):

Not applicable

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, -

Not applicable

Parties to the derivative:

Not applicable

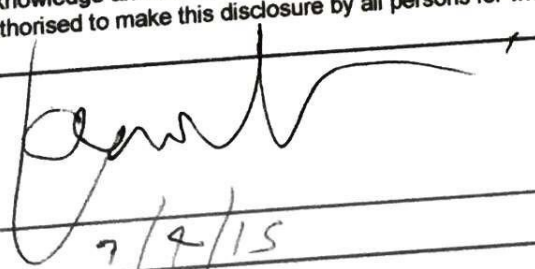
If the director or senior manager is not a party to the derivative, the nature of the relevant interest in the derivative:

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:

7/4/15

7 April 2015