



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)
5 February 2016
7 April 2015

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:

Andy Lark
Xero Limited (XRO)
Not applicable
Chief Marketing 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):
For that relevant interest-
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:

Options to acquire ordinary shares in Xero Limited (Options)
Holder of Options to subscribe for Ordinary Shares in Xero (Ordinary Shares) (each Option entitling the holder to subscribe for one Ordinary Share) subject to the terms of the Xero Limited Restricted Stock Unit Plan (AU) AU Plan)
None
125,000
Not applicable
Andy Lark

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

Type of affected derivative:
Class of underlying financial products:
Details of affected derivative-
The notional value of the derivative (if any) or the notional amount of underlying financial product (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:
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
Not applicable
Not applicable
Not applicable
Not applicable
Not applicable
Not applicable
Not applicable
Not applicable
Not applicable

Details of transactions giving rise to acquisition or disposal

Total number of transactions to which notice relates:
Details of transactions requiring disclosure-
Date of transaction:
Nature of transaction:
Name of any other party or parties to the transaction (if known):

1
1 February 2016
Grant of Options under the AU Plan
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:

The Options have been granted pursuant to the AU Plan as part of the remuneration of Andy Lark (in his role as Chief Marketing Officer of Xero Limited). The exercise price is NZ\$17.14 per Option (being the 20 day volume weighted average market price of Ordinary Shares of Xero Limited on the NZX Main Board through to 29 January 2016). The Options will vest (meaning that they are able to be exercised, subject to any final expiration date) in equal percentages on 31 March 2017, 2018 and 2019, subject to the terms of the AU Plan, including Andy Lark's continued employment with the Xero Limited Group on each vesting date

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:

(a) Ordinary Shares; (b) Unlisted conditional contractual right to be issued Ordinary Shares (Restricted Stock Units or RSUs)

Nature of relevant interest:

(a) Legal ownership of Ordinary Shares; (b) Holder of RSUs, subject to the terms of the AU Plan

For that relevant interest, -

Number held in class:

(a) 15,750; (b) 70,000

Current registered holder(s):

(a) Andy Lark; (b) Andy Lark

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 product (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:

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:

DocuSigned by:

Andy Lark

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