

MARKET RELEASE

XERO LIMITED ANNUAL MEETING RESULTS 2016

20 July 2016

Xero Limited (ASX/NZX:XRO) held its Annual Meeting today in Sydney, Australia at 9.00am AEST (11.00am New Zealand time). The Annual Meeting was attended by shareholders both in person in Sydney and virtually through an online platform provided by Xero Limited's share registrar, Link Market Services Limited.

The following resolutions were put to shareholders of Xero Limited at the Annual Meeting:

1. That Ernst & Young be appointed as auditor of Xero Limited and its subsidiaries.
2. That the Board is authorised to fix the remuneration of the auditor.
3. That Chris Liddell, retiring from office as a Director of Xero Limited by rotation, be re-elected as a Director of Xero Limited.
4. That Bill Veghte, retiring from office as a Director of Xero Limited by rotation, be re-elected as a Director of Xero Limited.
5. That the grant of options to subscribe for ordinary shares in Xero Limited to Chris Liddell and Bill Veghte, as remuneration for their roles as Directors of Xero Limited (equating to an annual value of NZ\$220,000 and NZ\$176,000 respectively), in or around February 2017, on the terms set out in the Explanatory Notes to the Notice of Meeting (i.e., on substantively the same terms as the grant of options to Chris and Bill in February 2015, which was approved at Xero's 2014 Annual Meeting, and the grant of options to Chris and Bill in February 2016, which was approved at Xero's 2015 Annual Meeting), be approved, and that the issue of ordinary shares in Xero Limited to Chris and Bill upon any exercise of those options, be approved.
6. That the issue of ordinary shares in Xero Limited to Lee Hatton in lieu of cash, as remuneration for her role as a Director of Xero Limited to a value of NZ\$70,000 per annum on the terms set out in the Explanatory Notes to the Notice of Meeting, be approved.

All of the above resolutions were passed by way of poll. Full results of voting are set out in the Appendix to this market release.

Matt Vaughan
Company Secretary

APPENDIX – FULL RESULTS

1. That Ernst & Young be appointed as auditor of Xero Limited and its subsidiaries.

For	Against	Abstain
83,326,707 (99.999%)	807 (0.001%)	7,483

2. That the Board is authorised to fix the remuneration of the auditor.

For	Against	Abstain
83,320,072 (99.992%)	6,837 (0.008%)	8,088

3. That Chris Liddell, retiring from office as a Director of Xero Limited by rotation, be re-elected as a Director of Xero Limited.

For	Against	Abstain
83,289,177 (99.959%)	34,203 (0.041%)	11,617

4. That Bill Veghte, retiring from office as a Director of Xero Limited by rotation, be re-elected as a Director of Xero Limited.

For	Against	Abstain
83,285,818 (99.959%)	34,573 (0.041%)	14,438

5. That the grant of options to subscribe for ordinary shares in Xero Limited to Chris Liddell and Bill Veghte, as remuneration for their roles as Directors of Xero Limited (equating to an annual value of NZ\$220,000 and NZ\$176,000 respectively), in or around February 2017, on the terms set out in the Explanatory Notes to the Notice of Meeting (i.e., on substantively the same terms as the grant of options to Chris and Bill in February 2015, which was approved at Xero's 2014 Annual Meeting, and the grant of options to Chris and Bill in February 2016, which was approved at Xero's 2015 Annual Meeting), be approved, and that the issue of ordinary shares in Xero Limited to Chris and Bill upon any exercise of those options, be approved.

For	Against	Abstain
77,638,089 (93.249%)	5,621,156 (6.751%)	33,185

6. That the issue of ordinary shares in Xero Limited to Lee Hatton in lieu of cash, as remuneration for her role as a Director of Xero Limited to a value of NZ\$70,000 per annum on the terms set out in the Explanatory Notes to the Notice of Meeting, be approved.

For	Against	Abstain
83,159,632 (99.799%)	167,851 (0.201%)	7,513

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