

12 June 2017

XERO LIMITED (XRO)

NOTIFICATION OF ALLOTMENT OF SECURITIES

For the purpose of Listing Rule 7.12.1 and 7.12.9 of the NZSX Listing Rules, Xero Limited advises the following securities have been issued:

Class of Securities	Ordinary shares in Xero Limited (Ordinary Shares)
ISIN	NZXROE0001S2
Number of securities issued	5,777 Ordinary Shares
Issue price	Ordinary Shares were issued upon exercise of options; the exercise price for the options was 5,777 options at NZ\$17.40 per option
Payment in cash	Yes (payment of exercise price, as set out above)
Any amount paid up (if not in full)	Fully paid
Percentage of total class issued (excluding treasury stock)	0.004% (as a percentage of Ordinary Shares on issue after this issue, to 3 d.p.)
Reasons for the issue	Issue of Ordinary Shares upon exercise of vested options granted under the Xero Limited (USA) Equity Incentive Scheme (US Plan)
Specific authority for the issue	Resolution of directors upon granting of options
Terms or details of the issue	Issue of Ordinary Shares upon exercise of vested options granted under the US Plan

Total number of securities of the class in existence after the issue (excluding treasury stock)

137,778,970 Ordinary Shares on issue

2,249,024 unlisted options (convertible into Ordinary Shares on a 1:1 basis, subject to the terms of the relevant option plan) outstanding, taking into account all forfeited options to date and the exercise of 5,777 options as set out in this notification of allotment

Note that there are also 297,136 "Restricted Stock Units" or RSUs (being conditional contractual rights to be issued up to 297,136 Ordinary Shares) outstanding, taking into account all forfeited RSUs to date

Date of issue

9 June 2017

Number of Securities Converted

5,777 options

Number and Class of Securities into which they have been Converted

5,777 Ordinary Shares

Details of any interest or dividend conditions attaching to Securities Converted, and allotted upon Conversion

None

Number of Securities of the same class that remain to be Converted

2,249,024 unlisted options (taking into account the exercise of options as set out in this notification of allotment)

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