

17 July 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	2,273 Ordinary Shares
Issue price	Ordinary Shares were issued upon exercise of options; the exercise price for the options was NZ\$17.40
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)	0.002% (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 Scheme)
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 Scheme

Total number of securities of the class in existence after the issue (excluding treasury stock)	137,828,511 Ordinary Shares on issue 2,128,723 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 2,273 options as set out in this notification of allotment Note that there are also 292,488 “Restricted Stock Units” or RSUs (being conditional contractual rights to be issued up to 292,488 Ordinary Shares) outstanding, taking into account all forfeited RSUs to date
Date of issue	14 July 2017
Number of Securities Converted	2,273 options
Number and Class of Securities into which they have been Converted	2,273 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	2,128,723 unlisted options (taking into account all forfeited options to date, and the exercise of options as set out in this notification of allotment)

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