



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:	Xero Limited (XRO)
Date this disclosure made:	28 August 2017
Date of last disclosure:	19 February 2016

Director or senior manager giving disclosure

Full name(s):	William Lewis Veghte (Bill Veghte)
Name of listed issuer:	Xero Limited (XRO)
Name of related body corporate (if applicable):	Not applicable
Position held in listed issuer:	Director

Summary of acquisition or disposal of relevant interest (excluding specified derivatives)

Class of affected quoted financial products:	Ordinary shares in Xero Limited (Ordinary Shares)
Nature of the affected relevant interest(s):	Legal ownership of Ordinary Shares
For that relevant interest-	
Number held in class before acquisition or disposal:	None
Number held in class after acquisition or disposal:	4,491
Current registered holder(s):	Not applicable
Registered holder(s) once transfers are registered:	William Lewis Veghte

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

Type of affected derivative:	Not applicable
Class of underlying financial products:	Not applicable
Details of affected 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 specified in the terms of the derivative (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
<i>For that derivative,-</i>	
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

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:	22 August 2017
Nature of transaction:	Issue of 4,491 Ordinary Shares

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

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:

Not applicable

The Ordinary Shares were issued to Bill Veghte, in lieu of cash, as remuneration for his role as a director of Xero Limited for the preceding six-month period, at a value of NZ\$26.80 per Ordinary Share (being the 20 day volume weighted average price of Xero Limited's Ordinary Shares on the NZX Main Board through to 21 August 2017)

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Number of financial products to which the transaction related:

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:

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

Date of the prior written clearance (if any):

Not applicable

Not applicable

Not applicable

Summary of other relevant interests after acquisition or disposal:

Class of quoted financial products:

Nature of relevant interest:

(a) Unlisted options to subscribe for Ordinary Shares (**Options**); (b) Ordinary Shares

(a) Holder of Options (each Option entitling the holder to subscribe for one Ordinary Share) subject to the terms of the Xero Limited (USA) Equity Incentive Scheme;

(b)(i) National Financial Services LLC holds Ordinary Shares on behalf of the Bean Brook Farm 2013 Annuity Trust (the **Trust**). Bill Veghte is the trustee of the Trust and beneficiaries of the Trust are immediate family members;

(b)(ii) National Financial Services LLC holds Ordinary Shares in the form of securities purchased in the US through OTC Markets as "XROLF" (**OTC Securities**) on behalf of the Trust. Bill Veghte is the trustee of the Trust and beneficiaries of the Trust are immediate family members

For that relevant interest,-

Number held in class:

Current registered holder(s):

(a) 118,045; (b)(i) 26,000; (b)(ii) 15,321

(a) Bill Veghte; (b)(i) Holder of Ordinary Shares is National Financial Services LLC, on behalf of the Trust; (b)(ii) Holder of OTC Securities is National Financial Services LLC, on behalf of the Trust

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):
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's specified terms (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:
<i>For that derivative relevant interest,-</i>
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

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: <i>Bill Veghte</i> 82D5051F606B4AB...
26 August 2017 01:41:43 NZST