



Beautiful accounting software

MARKET RELEASE

Xero passes quarter of a million subscriber milestone in UK, points to integrated banking future

WELLINGTON, 4 October 2017 - Xero Limited (NZX, ASX: XRO) today announces it has surpassed a quarter of a million subscribers (253,000 at 30 September 2017) in the UK as the company extends its market-leading position in the UK, Australia and New Zealand while expanding globally.

As the leading cloud accounting software provider in the UK, Xero is strongly positioned for growth as the digitisation of UK businesses continues and government legislation 'Making Tax Digital' is implemented.

Xero also announces that it is deepening its existing partnerships in the UK with HSBC and Banco Santander, paving the way for enhanced banking services on Xero's platform.

Xero Founder and CEO Rod Drury commented: "We're excited to celebrate this key milestone with our valued community of accountants, bookkeepers and ecosystem partners at Xerocon London this week. Passing through quarter of a million UK subscribers with a focus on strong revenue growth as well, sends clear signals that our global platform is delivering powerful value to accountants, bookkeepers and small businesses - and we are only getting started."

Xero's Managing Director for the UK and EMEA Gary Turner commented: "It's very encouraging to see growth continuing to accelerate in such a large and important global market for us. And it's particularly gratifying to see our significance to the UK market translating into closer relationships with the UK's banking community in the past 12 months."

To support its growth in the UK market, Xero announced in March it was expanding its UK headquarters in Milton Keynes to accommodate new sales and customer experience staff. From just seven staff in 2012, Xero now employs more than 200 staff in the UK and more than 1,800 globally who are based across 21 offices.

The company this week hosts its annual Europe and UK region Xerocon in London, at which Xero will host 2,000 accountants, bookkeepers, and ecosystem partners from 24 countries.

Xerocon this year showcases Xero's biggest wave of new products as Xero evolves from online accounting software to a global small business platform to help grow millions of businesses around the world. Highlights of the new products include:

- Xero HQ Open Practice Platform, an integrated multi-vendor platform for accountants and bookkeepers to run their entire back office
- Xero HQ Ask, driving meaningful engagement between advisors and clients by reducing the time accountants spend asking clients for information and waiting for a response
- Xero Expenses, mobile-first expense management with Open APIs for banks to connect to the millions of employees in small business
- CIS features and reporting capabilities adhering to HMRC CIS (Construction Industry Scheme) rules for small businesses in construction
- Xero Projects, time and job costing for small businesses in professional services
- Xero Discuss, allows users and their advisors to communicate within the Xero platform
- Xero Lifelong Learning Platform, an online learning tool aimed at students and the reskilling of the workforce, which will be delivered by educational institutions

About Xero

[Xero](#) is beautiful, easy-to-use global online platform for small businesses and their advisors. The company has over one million subscribers in more than 180 countries. Xero seamlessly integrates with more than 600 apps. It was ranked No. 1 by Forbes as the World's Most Innovative Growth Company for two years running, won Technology Provider of the Year for the British Small Business Awards, and was rated by Canstar Blue as Australia's best accounting software three consecutive years from 2015-2017.

About Subscribers

Xero measures subscribers as each unique subscription to a Xero offered product that is purchased by an accounting partner or an end user and which is, or is available to be, deployed.

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