

1 December 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	2,000 Ordinary Shares
Issue price	Ordinary Shares were issued upon exercise of options; the exercise price for the options was NZ\$17.51 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)	0.001% (as a percentage of Ordinary Shares on issue after this issue, to 3 d.p.)
Reasons for the issue	Ordinary Shares were issued upon exercise of vested options granted under the Xero Limited Restricted Stock Unit and Option Plan (NZ) (NZ Plan)
Specific authority for the issue	Resolution of directors upon granting of options
Terms or details of the issue	Ordinary Shares were issued upon exercise of vested options granted under the NZ Plan

Total number of securities of the class in existence after the issue (excluding treasury stock)	138,417,220 Ordinary Shares on issue There are also 2,179,167 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 2,000 options as set out in this notification of allotment There are also 431,049 "Restricted Stock Units" or RSUs (being conditional contractual rights to be issued up to 431,049 Ordinary Shares) outstanding, taking into account all forfeited RSUs to date
Date of issue	30 November 2017
Number of Securities Converted	2,000 options
Number and Class of Securities into which they have been Converted	2,000 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	2,179,167 unlisted options (taking into account and all forfeited options to date, and the exercise of options as set out in this notification of allotment)

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