



ANNUAL MEETING PROXY / ADMISSION FORM

If you **attend** the annual meeting of Xero Limited to be held on Thursday 23 July 2009 at 4.00 pm at the NZ Academy of Fine Arts, 1 Queens Wharf, Wellington, please bring this **Proxy Form / Admission Card intact to the meeting** as the barcode is required for registration at the meeting.

PROXY FORM (for use if you are unable to attend the meeting)

If you do **NOT** propose to **ATTEND** the Annual Meeting but wish to be represented by proxy complete and sign this Proxy Form and Voting Instructions section (keep intact) by ticking one box for each resolution and mail back in the replied paid envelope to be received by Xero Limited's share registry, Link Market Services, no later than **4.00pm, Tuesday 21 July 2009**. Proxies need to be lodged as per the instructions on the reverse of this form.

You can also appoint your proxy and vote on the resolutions below **online**, as per the instructions on the reverse of this proxy form. The Chairperson of the Meeting or any Director is willing to act as proxy for any shareholder who wishes to appoint him/her. To appoint the Chairman simply tick the box allocated next to "The Chairman of the Meeting" or write the full name of the Director or the proxy in the space allocated next to "or nominate" on the form. The Chairman and the Directors intend to vote all discretionary resolutions in favour of the relevant resolution.

I/We being a shareholder(s) of Xero Limited

Hereby appoint

The Chairman of the Meeting

Or failing that person

of

(full name of proxy)

(full address)

as my/our proxy to vote for me/us on my/our behalf at the Annual Meeting of Xero Limited to be held at the NZ Academy of Fine Arts, 1 Queens Wharf, Wellington on Thursday, 23 July 2009 at 4.00pm and at any adjournment thereof.

VOTING INSTRUCTIONS FOR PROXY – RESOLUTIONS

Complete this part if you have appointed a proxy above. For each resolution you must tick one box. If no box is ticked in relation to the resolution, that resolution will be treated as abstained.

To consider and, if thought fit, to pass the following ordinary resolutions:

For

Tick (✓) in box to vote

Against

in

Discretion

1. That the Board is authorised to fix the Auditors' remuneration
2. That Graham Shaw be re-elected as a Director of Xero
3. That Guy Haddleton be re-elected as a Director of Xero
4. That Craig Winkler be elected as a Director of Xero

If you tick the "discretion" box for a particular resolution, you are directing your proxy to decide how to vote on your behalf on that resolution. If you tick the "abstain" box for a particular resolution, you are directing your proxy NOT to vote on that resolution. If a proxy does not vote on your behalf on a resolution, your votes will not be counted when calculating a majority for that resolution.

Signed this day of _____ of _____ 2009

Signature/(s) of Shareholder(s):

Contact name

Daytime contact telephone

NOTES

- 1 For this Proxy Form to be valid, you must produce it to the Company by delivering, posting, faxing or emailing it intact to be received by Link Market Services **no later than 4.00pm, Tuesday 21 July 2009**, as per the instruction below.
 - 2 If this Proxy has been signed under a power of attorney, a copy of the power of attorney and a signed certificate of non-revocation of the power of attorney must be produced with this Proxy.
 - 3 A shareholder entitled to attend and vote at the Annual Meeting is entitled to appoint a proxy or, in the case of a corporate shareholder, a representative to attend and vote instead of him/her and that proxy or representative need not also be a shareholder.
 - 4 If you return this form without directing the proxy how to vote on any particular matter, then your instruction will be to abstain. If you return this form without appointing a proxy your proxy form will be invalid.
 - 5 If you wish, you may appoint the Chairman of the meeting as your proxy. Please tick the box next to "Chairman of the meeting" when you appoint your proxy. The Chairman will vote according to your instructions. If the Chairman is not instructed how to vote he will vote as he / she thinks fit.
 - 6 If you intend to attend the meeting and vote please bring this form intact to the meeting as your admission card. You will receive your voting paper on registration at the meeting.
 - 7 If you have any questions regarding your voting please call Link Market Services Investor Helpline on:
+64 9 375 5998 between 8.30am and 5.00pm.
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PLEASE RETURN YOUR COMPLETED PROXY FORM TO LINK MARKET SERVICES LIMITED, IN ONE OF THE FOLLOWING WAYS:

Vote Online: Appoint your proxy and vote **online** please go the Link Market Services website:
www.linkmarketservices.com click on the Xero Special Meeting icon on the right-hand side of the screen, and follow the instructions.

Mail:

New Zealand: If mailing Proxy Form from within New Zealand, please use the reply-paid envelope provided.

Outside New Zealand: Place in envelope and affix the postage from the country of mailing and address to Link Market Services, PO Box 91976, Victoria Street West, Auckland.

Deliver: Link Market Services Limited, Level 16, Brookfields House, 19 Victoria Street, Auckland.

Fax: + 64 9 375 5990 or +64 3 308 1311

Scan & email: Lmsenquiries@linkmarketservices.com
(please put the words "Xero Proxy Form" in the subject line for easy identification).