



PRESS RELEASE

# a xero announcement

XERO

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## re: Xero successful in IPO

Xero Live Limited (“Xero”) has today announced that its Initial Public Offering (“IPO”) has closed successfully, raising its targeted \$15 million for the company’s product and market rollout.

“We’re delighted the Xero IPO has been well received,” Xero chairman Phil Norman, said. “The response has been pleasing, giving us a balanced register of 1,167 shareholders.”

The share offer was fully subscribed with scaling. The board has decided not to accept oversubscriptions. Founders Rod Drury and Hamish Edwards now have 45% and 13% stakes respectively in the company. No existing shares were sold in the offer.

“It’s great to hit this important milestone. The IPO gives us the funding to continue to execute our business plan, and also provides profile and credibility as we roll out our product in New Zealand and overseas. We appreciate the support and confidence of the investors in our company,” Mr Drury said.

Scott St John, CEO of First NZ Capital, said: “It’s pleasing to see that the New Zealand investment market has the depth to embrace and support early stage ventures such as Xero. Hopefully, this IPO will act as a catalyst for more New Zealand companies to experience the benefits of a public listing and a broad investor base.”

Xero shares are expected to be quoted on the NZSX from 11am Tuesday 5 June 2007 under the ticker code “XRO”.

It is the responsibility of applicants to determine their allocations and clearance of application moneys prior to trading in Xero shares. Applicants selling shares prior to receiving their confirmations of allocation do so at their own risk. Applicants can determine their holding from 9am on Tuesday 5 June by visiting [www.xero.com/investors](http://www.xero.com/investors), by calling their broker and quoting their CSN or by contacting Link Market Services.

First NZ Capital Securities Limited and Cameron Partners Limited acted as Joint Organising Sponsors to the Offer.

## more: *Media enquiries*

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Application has been made to New Zealand Exchange Limited (“NZX”) for permission to list Xero Live Limited ordinary shares on the NZSX Market and all of the requirements of NZX relating thereto that can be complied with on or before the date of distribution of this announcement have been duly complied with. However, NZX accepts no responsibility for anything in this announcement.

## Further Information

Scaling for the offer is as follows: Applicants in the Public Pool will not be scaled on the first 5,000 shares applied for, and will receive 50% of any shares above 5,000 applied for. Applicants who applied for 5,000 shares or less will not be scaled.