



Beautiful accounting software

13 March 2015

XERO LIMITED (XRO)

NOTIFICATION OF ALLOTMENT OF SECURITIES

For the purpose of Listing Rule 7.12.1 of the NZSX Listing Rules, Xero Limited advises the following securities have been issued:

Class of Securities	Ordinary Shares (Shares)
ISIN	NZXROE0001S2
Number of securities issued	7,359,069 Shares
Issue price	NZ\$20.00 per Share
Payment in cash	Yes
Any amount paid up (if not in full)	Fully paid
Percentage of total class issued (excluding treasury stock)	5.414% (as a percentage of Shares on issue after this issue, to 3 d.p.)
Reasons for the issue	Issue of Shares in connection with a capital raise by Xero Limited (see Xero Limited's announcement to the NZX on 25 February 2015)
Specific authority for the issue	Resolutions of directors passed on 25 February 2015
Terms or details of the issue	<p>The Shares are subject to restrictions on sale (with customary exceptions) for a period of 90 days from the date of issue of the Shares.</p> <p>6,643,636 Shares have been issued to AP Investments (HK) Limited, an entity controlled by funds affiliated with Accel Partners (Accel). 715,433 Shares have been issued in favour of funds managed by Matrix Capital Management (Matrix Funds).</p> <p>Accel now holds participation rights that allow Accel to participate in certain issues</p>

of securities by Xero Limited on a pro rata basis (in proportion to Accel's percentage shareholding in Xero Limited at the time of any such issue). The Matrix Funds already hold equivalent participation rights.

Total number of securities of the class in existence after the issue (excluding treasury stock)

135,934,564 Ordinary Shares

Note that there are also:

935,810 unlisted Options (taking into account all forfeited Options to date) outstanding; and

568,623 unlisted RSUs (conditional contractual right to be issued up to 568,623 Ordinary Shares) outstanding

Date of issue

13 March 2015

Matt Vaughan
Company Secretary
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