

Disclosure of movement of 1% or more in substantial holding or change in nature of relevant interest or both

Sections 23 and 24, Securities Markets Act 1988

Relevant event being disclosed: Movement of 1% or more in substantial holding

Date of relevant event: 30 November 2012

To: NZX Limited [And: Xero Limited]

Date this disclosure made: 30 November 2012

Date last disclosure made: 9 February 2012

Substantial security holder(s) giving disclosure

Name(s): Anna Drury and Kenneth Drury

Contact details: 20-22 Munroe Street, Napier, 4110 , New Zealand

Contact name for queries: Ross Jenkins

Telephone number: +64 4 819 4800

Email: ross.jenkins@xero.com

Summary of substantial holding to which disclosure relates

Class of listed voting securities: Fully paid ordinary shares in Xero

Summary for Anna Drury and Kenneth Drury

For **this** disclosure,—

- (a) total number held in class: 21,719,779
- (b) total in class: 117,188,024
- (c) total percentage held in class: 18.5%

For **last** disclosure,—

- (a) total number held in class: 22,553,113
- (b) total in class: 99,833,865
- (c) total percentage held in class: 22.59%

Details of transactions and events giving rise to relevant event

On 30 November 2012 off market sale of 833,334 shares at \$6.00 each, for a total consideration of \$5,000,004.

Details of relevant interests in substantial holding after relevant event

Nature of relevant interest(s):

For that relevant interest,—

- (a) number held in class: 21,719,779
- (b) percentage held in class: 18.5%
- (c) current registered holder(s) of securities: Anna Drury and Kenneth Drury
- (d) registered holder(s) of securities once transfers registered: Not Applicable

Additional information

Nature of connection between substantial security holders: N/A

Address(es) of substantial security holder(s): 20-22 Munroe Street, Napier, 4110 , New Zealand

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Securities Markets Act 1988 in relation to the securities to which this disclosure relates: Not Applicable

Declaration

I, Paul Williams, declare that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.



Paul Williams