

MARKET RELEASE

Results of 2018 Annual Meeting

WELLINGTON, 16 August 2018 - Xero Limited (ASX: XRO) held its Annual Meeting today in Sydney, Australia, at 2.00pm AEST (4.00pm NZT). The Annual Meeting was attended by shareholders both in person and virtually through an online platform provided by Xero's share registry, Link Market Services Limited.

The following ordinary resolutions were put to shareholders of Xero at the Annual Meeting:

1. That the Board is authorised to fix the remuneration of the auditor for the ensuing year.
2. That Dale Murray, appointed by the Board as a Director on 13 April 2018, be elected as a Director of Xero Limited.
3. That Rod Drury, retiring from office as a Director of Xero Limited by rotation, be re-elected as a Director of Xero Limited.
4. That Craig Winkler, retiring from office as a Director of Xero Limited by rotation, be re-elected as a Director of Xero Limited.
5. That Graham Smith, retiring from office as a Director of Xero Limited by rotation, be re-elected as a Director of Xero Limited.
6. (a) That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for Xero to issue shares to Lee Hatton in lieu of her remuneration on the terms and conditions set out in the Explanatory Notes of this Notice of Meeting.

(b) That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for Xero to issue shares to Bill Veghte in lieu of his remuneration on the terms and conditions set out in the Explanatory Notes of this Notice of Meeting.

The following special resolution was put to shareholders of Xero at the Annual Meeting:

7. That Xero's current constitution be revoked and Xero adopt the new Constitution tabled at the Meeting in its place, with effect from the close of the Meeting or any adjournment of it.

All of the above resolutions were passed by way of poll. Full results of voting are set out in the attachment to this market release.

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ANNUAL MEETING
Thursday, 16 August, 2018

As required by section 251AA(2) of the Corporations Act 2001 (Commonwealth) the following statistics are provided in respect of each resolution on the agenda.

Resolution	Manner in which the securityholder directed the proxy vote (as at proxy close):				Manner in which votes were cast in person or by proxy on a poll (where applicable)		
	Votes <i>For</i>	Votes <i>Against</i>	Votes <i>Discretionary</i>	Votes <i>Abstain</i>	<i>For</i>	<i>Against</i>	<i>Abstain **</i>
1 FIXING THE REMUNERATION OF THE AUDITOR	80,586,939	420,246	89,671	41,671	81,322,538 99.49%	420,246 0.51%	43,309
2 ELECTION OF DALE MURRAY AS A DIRECTOR	81,008,124	18,987	93,718	17,698	81,746,236 99.98%	18,987 0.02%	20,870
3 RE-ELECTION OF ROD DRURY AS A DIRECTOR	81,042,764	2,941	84,946	7,876	81,775,276 100.00%	2,941 0.00%	7,876
4 RE-ELECTION OF CRAIG WINKLER AS A DIRECTOR	67,012,647	1,021,132	13,096,939	7,809	80,756,725 98.75%	1,021,559 1.25%	7,809
5 RE-ELECTION OF GRAHAM SMITH AS A DIRECTOR	79,686,064	1,338,712	102,448	11,303	80,436,078 98.36%	1,338,712 1.64%	11,303
6A APPROVAL OF THE ISSUE OF SHARES TO LEE HATTON	80,600,839	421,419	96,400	19,869	81,341,995 99.48%	422,419 0.52%	21,679
6B APPROVAL OF THE ISSUE OF SHARES TO BILL VEGHTE	80,665,499	357,449	95,710	19,869	81,405,965 99.56%	357,449 0.44%	22,679
7 ADOPTION OF NEW CONSTITUTION	81,014,352	9,024	98,912	16,239	81,756,020 99.99%	9,024 0.01%	21,049

** - Note that votes relating to a person who abstains on an item are not counted in determining whether or not the required majority of votes were cast for or against that item