

Disclosure of ceasing to have a substantial holding

Sections 25, Securities Markets Act 1988

Relevant event being disclosed: Ceasing to have a substantial holding

Date of relevant event: 20 December 2012

To: NZX Limited [And: Xero Limited]

Date this disclosure made: 20 December 2012

Date last disclosure made: 2 February 2012

Substantial security holder(s) giving disclosure

Name(s): Jasmine Investment Holdings Limited

Contact details: L12 Forsyth Barr House, 45 Johnston St, Wellington

Contact name for queries: Ann Vansverry

Telephone number: 021 899 219

Email: ann@redstars.co.nz

Summary of substantial holding to which disclosure relates

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

Summary for Jasmine Investment Holdings Limited

For **this** disclosure,—

(a) total number held in class: 5,122,609

(b) total in class: 117,188,024

(c) total percentage held in class: 4.37%

For **last** disclosure,—

(a) total number held in class: 6,108,609

(b) total in class: 99,833,865

(c) total percentage held in class: 6.12%

Details of transactions and events giving rise to relevant event

On 20 December 2012, off market sale of 1,000,000 shares at \$7.40 each, for a total consideration of \$7,400,000.00

Details of relevant interests in current holding after ceasing to have a substantial holding after relevant event

Nature of relevant interest(s):

For that relevant interest,—

- (a) number held in class: 5,122,609
- (b) percentage held in class: 4.37%
- (c) current registered holder(s) of securities: Jasmine Investment Holdings Limited
- (d) registered holder(s) of securities once transfers registered: Not Applicable

Additional information

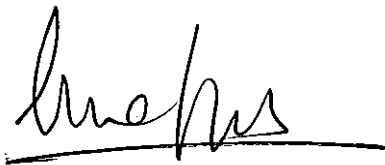
Nature of connection between substantial security holders: Not Applicable

Address(es) of substantial security holder(s): L12 Forsyth Barr House, 45 Johnston St, Wellington

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, Nina Gené, 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.

A handwritten signature in black ink, appearing to read 'Nina Gené', written over a horizontal line.

Nina Gené
Investment Manager
Jasmine Investment Holdings Limited