

August 20, 2013



XOMA Announces Pricing of \$27.5 Million Offering of Common Stock

BERKELEY, Calif., Aug. 20, 2013 (GLOBE NEWSWIRE) -- XOMA Corporation (Nasdaq:XOMA), announced today the pricing of 7,596,685 shares of its common stock at a price to the public of \$3.62 per share. In addition, XOMA has granted the underwriters a 30-day option to purchase up to an additional 1,139,502 shares of common stock on the same terms and conditions, solely to cover over-allotments, if any. The shares will be issued pursuant to a prospectus supplement filed as part of a shelf registration statement previously filed with the Securities and Exchange Commission (SEC) on Form S-3. XOMA anticipates its aggregate net proceeds from the offering will be approximately \$25.5 million after deducting the underwriting discount and estimated offering expenses payable by XOMA. The offering is expected to close on or about August 23, 2013, subject to customary closing conditions.

Cowen and Company, LLC, is acting as sole book-running manager. Canaccord Genuity Inc. is acting as lead manager, and Roth Capital Partners, LLC, is acting as co-manager.

This press release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. This press release is being issued pursuant to and in accordance with Rule 134 under the Securities Act of 1933, as amended. Any offer, if at all, will be made only by means of a prospectus supplement and accompanying prospectus forming a part of the effective registration statement. Copies of the prospectus supplement and accompanying prospectus relating to the offering may be obtained from Cowen and Company, LLC c/o Broadridge Financial Services, 1155 Long Island Avenue, Edgewood, NY 11717, Attn: Prospectus Department, Phone: 631-274-2806, Fax: 631-254-7140. XOMA intends to file a final prospectus supplement relating to the offering with the SEC, which will be available along with the accompanying prospectus filed with the SEC in connection with the shelf registration, on the SEC's website at www.sec.gov.

About XOMA

XOMA discovers and develops innovative antibody therapeutics.

Forward-Looking Statements

The statements contained herein concerning XOMA's expectations regarding the completion, size and terms of the proposed offering and the anticipated net proceeds from the offering are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are based on assumptions that may not prove accurate. Actual results could

differ materially from those anticipated due to certain risks, including the proposed offering is subject to the satisfaction of customary closing conditions. There can be no assurance that XOMA will be able to complete the offering on the anticipated terms, or at all. Risks and uncertainties relating to XOMA and its business can be found in the "Risk Factors" section of XOMA's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, and in the preliminary prospectus supplement related to the proposed offering to be filed with the SEC on or about the date hereof. Consider such risks carefully when considering XOMA's prospects. Any forward-looking statement in this press release represents XOMA's views only as of the date of this press release and should not be relied upon as representing its views as of any subsequent date. XOMA disclaims any obligation to update any forward-looking statement, except as required by applicable law.

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Source: XOMA Corporation