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XOMA Announces Conference Call to Provide Overview of Business Strategy

BERKELEY, Calif., Nov. 26, 2007 (PRIME NEWSWIRE) -- XOMA, Ltd., (Nasdaq:XOMA), a leader in the discovery and development of antibody therapeutics, today will host a conference call and live webcast to discuss its business strategy including an overview of its clinical development plans and 2008 outlook.

The conference call and webcast will take place at 5:00 p.m. Eastern time with XOMA management, and will be followed by a question and answer session. The webcast can be accessed via XOMA's website at www.xoma.com and will be available for replay until close of business on January 26, 2008. Telephone numbers for the live audiocast are 877-407-9205 (U.S. and Canada) and 201-689-8054 (International). No conference ID is necessary. A replay will be available beginning approximately two hours after the conclusion of the call until close of business on December 10, 2007. Telephone numbers for the replay are 877-660-6853 (U.S./Canada) and 201-612-7415 (International). Two access numbers are required for the replay: account number 286 and conference ID number 262813.

"We are pleased to provide an overview of the Company's updated business strategy," said Steven Engle, Chairman and Chief Executive Officer of XOMA. "Our goal is to continue to develop breakthrough drugs and technologies using XOMA's world-class fully-integrated antibody capabilities. Our strategy is evolutionary, building upon our successes and focusing on the expansion of our emerging proprietary product pipeline. In parallel, we expect to continue maximizing the value of our proven antibody discovery, development and manufacturing capabilities, next generation technologies, and related intellectual property. As in the past, collaborations with our innovative partners remain a core element of our strategy. We will implement a contingency-based development plan that helps reduce costs and risk."

The primary elements of XOMA's strategy are as follows:

* Focus the company's technologies and resources on advancing the emerging proprietary pipeline. In the near-term, we will focus on XOMA 052, an anti-inflammatory antibody, and XOMA 629, an antimicrobial peptide. These products address multiple indications which increase the probability of success and potential market opportunity.
* Expand clinical studies of XOMA 052 from diabetes into three additional diseases, namely gout, rheumatoid arthritis and systemic juvenile idiopathic arthritis, based upon the identification of appropriate dosing levels in the ongoing Phase 1 study in diabetes. The data and expansion are expected in the third quarter of 2008.
* Begin clinical studies of XOMA 629 in skin surface infections, such

as Methicillin-resistant Staphylococcus aureus (MRSA) and impetigo. Based on preclinical studies demonstrating XOMA 629's strong antimicrobial activity on pathogens on the skin surface and results of a recently completed study of skin pore penetration in acne, the program will focus development efforts on topical skin infections.

* Fund development of XOMA 052 and XOMA 629 primarily through royalties, licensing revenues, collaborations, and biodefense contracts, and by seeking a partner and reducing spending for NEUPREX(r), a longer-term program.
* Enhance our clinical pipeline in the mid-term by pursuing quids and other in-kind trades as part of new and expanded collaborations and technology agreements, by in-licensing clinical stage products, and by accelerating the development of our proprietary preclinical antibody drug programs.
* Continue to pursue biodefense opportunities in the U.S. and key international markets, including the development of multiple anti-botulinum neurotoxin monoclonal antibodies and the stockpiling of antibodies.
* Continue to attract partners like Novartis, Schering-Plough and Takeda with world-class product opportunities by providing access to state-of-the-art technology and capabilities.
* Advance the company's antibody technologies and know-how in order to promote product in-licensing and biodefense efforts, and to grow licensing revenues from our bacterial cell expression technology, custom antibody libraries, and other proprietary technologies.

"Recognizing the need to balance risk and reward, our strategy will be implemented in stages, contingent upon success, and we will use outside sources of capital as warranted," Engle added. "We plan to continue to use collaborations to monetize and strengthen our unique assets by jointly undertaking projects. Similarly, we will continue to fund fundamental technology development through these relationships and technology licensing. With this strategy, XOMA plans to build value for shareholders by building on its leadership position in antibody discovery and development, strengthening its technology and intellectual property base and accelerating development of its proprietary pipeline."

About XOMA

XOMA is a leader in the discovery, development and manufacture of therapeutic antibodies. The Company's expanding clinical and pre-clinical pipeline includes XOMA 052, an anti-IL-1 beta antibody, and XOMA 629, a synthetic peptide compound derived from bactericidal/permeability-increasing protein. XOMA's proprietary development pipeline is funded by revenues generated from the licensing of its antibody technologies, product royalties, development collaborations and biodefense contracts. XOMA's technologies and experienced team have contributed to the success of marketed antibody products, including RAPTIVA(r) (efalizumab) and LUCENTIS(r) (ranibizumab injection). The Company has a premier discovery and development platform that includes seven antibody phage display libraries and XOMA's proprietary Human Engineering and bacterial cell expression (BCE) technologies. More than 50 companies have signed BCE licenses. XOMA's development collaborators include Novartis AG, Schering-Plough Research Institute, Takeda Pharmaceutical Company Limited, and Lexicon Pharmaceuticals, Inc. XOMA has a fully integrated product development infrastructure, extending from pre-clinical science to product launch, and a team of 300 employees at its Berkeley location. For more information, please visit http://www.xoma.com.

Certain statements contained herein concerning our long-term strategy, and in particular our

increased focus on proprietary products, our implementation of a sequential development plan, our intention to address multiple indications with single products and our intention to seek a licensing partner for one of our products, or that otherwise relate to future periods 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 inherent in the biotechnology industry and for companies engaged in the development of new products in a regulated market.

Among other things, our increased focus on our proprietary products will increase our exposure to the risks inherent in drug development, namely that our products may cost more to develop than anticipated and may not prove effective and/or may raise safety issues; our sequential development strategy is subject to the risk that it may prove more costly and/or less efficient than anticipated; our ability to address multiple indications with single products will depend on whether these products in fact have the biological properties and other characteristics necessary to address more than one indication and whether we can determine this at an appropriate stage of development; and our ability to find additional licensing partners will depend on third party interest in the drug and whether agreement can be reached on acceptable terms.

These and other risks, including those related to the results of discovery and pre-clinical testing; the timing or results of pending and future clinical trials (including the design and progress of clinical trials; safety and efficacy of the products being tested; action, inaction or delay by the FDA, European or other regulators or their advisory bodies; and analysis or interpretation by, or submission to, these entities or others of scientific data); changes in the status of existing collaborative relationships; the ability of collaborators and other partners to meet their obligations; XOMA's ability to meet the demands of the United States government agency with which it has entered into its government contracts; competition; market demands for products; scale-up and marketing capabilities; availability of additional licensing or collaboration opportunities; international operations; share price volatility; XOMA's financing needs and opportunities; uncertainties regarding the status of biotechnology patents; uncertainties as to the costs of protecting intellectual property; and risks associated with XOMA's status as a Bermuda company, are described in more detail in XOMA's most recent filing on Form 10-K and in other SEC filings. Consider such risks carefully when considering XOMA's prospects.

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