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XOMA Initiates Phase 2b Dose-Ranging Clinical Trial of XOMA 052 in Type 2 Diabetes Patients

BERKELEY, Calif., Feb. 9, 2010 (GLOBE NEWSWIRE) -- XOMA Ltd. (Nasdaq:XOMA), a leader in the discovery and development of therapeutic antibodies, announced that enrollment is underway in a 325-patient Phase 2b dose-ranging clinical trial of its antibody candidate, XOMA 052, in Type 2 diabetes patients. The randomized, placebo-controlled trial will be conducted at up to 70 U.S. sites, will evaluate multiple dose levels of XOMA 052 over six months and is intended to guide Phase 3 development. XOMA estimates that top-line results from the study will be available in the first quarter of 2011.

Type 2 diabetes patients enrolled in the trial will be on stable metformin therapy and will receive monthly treatment for six months with one of four doses of XOMA 052 or placebo administered by subcutaneous injection. The primary outcome measure is mean change in glycated hemoglobin, HbA1c, from baseline. Secondary endpoints include additional diabetic parameters as well as inflammatory and cardiovascular disease markers.

"XOMA 052, an antibody to interleukin-1 beta, is a potential paradigm-shifting treatment for Type 2 diabetes and cardiovascular disease and other inflammatory diseases," said Steven B. Engle, XOMA Chairman and Chief Executive Officer. "The Phase 2b trial initiation is another major milestone in the XOMA 052 program."

Previously, XOMA announced that the XOMA 052 Phase 2 program would include a Phase 2a extended safety trial in Type 2 diabetes patients for which interim results are expected in the fourth quarter of this year, a cardio-metabolic trial in Type 2 diabetes patients and a trial in patients with Type 1 diabetes funded by the Juvenile Diabetes Research Foundation.. For competitive reasons, XOMA is limiting disclosure regarding the Phase 2 program to certain studies and selected details within those studies. In 2009, XOMA announced results from successful Phase 1 trials of XOMA 052 in 98 Type 2 diabetes patients, demonstrating that XOMA 052 was well tolerated, could be given on a monthly or less frequent schedule and showed positive biologic activity in diabetic parameters such as HbA1c and reduction in biomarkers associated with cardiovascular risk such as C reactive protein.

About XOMA 052

XOMA 052 is a potent monoclonal antibody with the potential to improve the treatment of patients with a wide variety of inflammatory diseases. XOMA 052 binds strongly to interleukin-1 beta (IL-1 beta), a pro-inflammatory cytokine involved in the development of Type 2 diabetes, cardiovascular disease, rheumatoid arthritis, gout and other diseases. By

binding to IL-1 beta, XOMA 052 inhibits the activation of the IL-1 receptor, thereby preventing the cellular signaling events that produce inflammation. XOMA 052 has a half-life, binding properties and specificity for IL-1 beta that may provide for convenient dosing of once per month or less frequently.

XOMA developed XOMA 052 using the company's proprietary antibody technologies, capabilities and expertise, and the company owns worldwide rights to the antibody and related intellectual property. XOMA is actively pursuing a partnership for the development and commercialization of XOMA 052.

About XOMA

XOMA discovers, develops and manufactures novel antibody therapeutics for its own proprietary pipeline as well as through license and collaborative agreements with pharmaceutical and biotechnology companies, and under its contracts with the U.S. government. The company's proprietary product pipeline includes:

-- XOMA 052, an anti-IL-1 beta antibody in Phase 2 clinical development for Type 2 diabetes, Type 1 diabetes and cardiovascular disease, with potential for the treatment of a wide range of inflammatory conditions.
-- XOMA 3AB, an antibody candidate in pre-IND studies to neutralize the botulinum toxin, among the most deadly potential bioterror threats, under development through funding provided by the National Institute of Allergy and Infectious Diseases of the National Institutes of Health (Contract # HHSN266200600008C).
-- A preclinical pipeline with candidates in development for several diseases.

In addition to its proprietary pipeline, XOMA develops products with premier pharmaceutical companies including Novartis AG, Merck & Co., Inc. and Takeda Pharmaceutical Company Limited.

XOMA's technologies have contributed to the success of marketed antibody products, including LUCENTIS(R) (ranibizumab injection) for wet age-related macular degeneration and CIMZIA(R) (certolizumab pegol) for rheumatoid arthritis and Crohn's disease.

The company has a premier antibody discovery and development platform that incorporates an unmatched collection of antibody phage display libraries and proprietary Human Engineering(TM), affinity maturation, Bacterial Cell Expression (BCE) and manufacturing technologies. BCE is a key breakthrough biotechnology for the discovery and manufacturing of antibodies and other proteins. As a result, more than 50 pharmaceutical and biotechnology companies have signed BCE licenses, and several licensed product candidates are in clinical development.

XOMA has a fully integrated product development infrastructure, extending from pre-clinical science to approval, and a team of about 200 employees at its Berkeley, California location. For more information, please visit http://www.xoma.com.

The XOMA Ltd. logo is available at https://www.globenewswire.com/newsroom/prs/?pkgid=5960

Safe Harbor Statement

Certain statements contained herein relating to the anticipated availability of results of clinical trials or other aspects of product development, 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, the timing of availability of results of clinical trials may be delayed or may never occur as a result of unavailability of resources, action or inaction by our future collaboration partners, insufficient enrollment in such trials or unanticipated safety issues. These and other risks, including those related to XOMA's inability to comply with NASDAQ's continued listing requirements; the generally unstable nature of current economic conditions; the results of discovery research and preclinical 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); uncertainties regarding the status of biotechnology patents; uncertainties as to the cost of protecting intellectual property; changes in the status of the existing collaborative and licensing relationships; the ability of collaborators, licensees and other third parties to meet their obligations; market demand for products; scale up and marketing capabilities; competition; international operations; share price volatility; XOMA's financing needs and opportunities; and risks associated with XOMA's status as a Bermuda company, are described in more detail in XOMA's most recent annual report on Form 10-K and in other SEC filings. Consider such risks carefully in considering XOMA's prospects.

CONTACT: XOMA Ltd.
Company and Investor Contact:
Carol DeGuzman
510-204-7270
deguzman@xoma.com

Porter Novelli Life Sciences
Media Contact:
Carolyn Hawley
619-849-5375
chawley@pnlifesciences.com