August 23, 2013

XOMA Announces Closing of the Offering and Exercise of Over-Allotment Option

BERKELEY, Calif., Aug. 23, 2013 (GLOBE NEWSWIRE) -- XOMA Corporation (Nasdaq:XOMA) announced today the closing of the offering of 8,736,187 shares of its common stock, including 1,139,502 shares of common stock that were issued upon the exercise of the underwriters' over-allotment option to purchase additional shares, at a price to the public of $3.62 per share. The shares were sold 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 $29.3 million after deducting the underwriting discount and estimated offering expenses payable by XOMA.

Cowen and Company, LLC, acted as sole book-running manager. Canaccord Genuity Inc. acted as lead manager, and Roth Capital Partners, LLC 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. A final prospectus supplement relating to the offering was filed with the SEC and is available on the SEC's website at www.sec.gov. 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. 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.

About XOMA

XOMA discovers and develops innovative antibody therapeutics.

Forward-Looking Statements

The statements contained herein concerning XOMA's expectations regarding 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. 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 prospectus supplement related to the

offering filed with the SEC on August 21, 2013. 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.

CONTACT: XOMA Corporation

Company and Investor Contact:
Ashleigh Barreto
510-204-7482
barreto@xoma.com

Juliane Snowden
The Oratorium Group, LLC
jsnowden@oratoriumgroup.com

Media Contact:
Canale Communications
Carolyn Hawley
619-849-5375
carolyn@canalecomm.com

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