

December 13, 2013



XOMA Announces Pricing of Approximately \$50.0 Million Offering of Common Stock

BERKELEY, Calif., Dec. 13, 2013 (GLOBE NEWSWIRE) -- XOMA Corporation (Nasdaq:XOMA) announced today the pricing of 9,500,000 shares of its common stock at a price to the public of \$5.25 per share. In addition, XOMA has granted the underwriters a 30-day option to purchase up to an additional 1,425,000 shares of common stock on the same terms and conditions. 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 \$46.5 million after deducting the underwriting discount and estimated offering expenses payable by XOMA. XOMA intends to use the net proceeds from the offering for continued development, preclinical testing and clinical studies related to gevokizumab and the XMet platform, general research and development, business development and other corporate purposes. The offering is expected to close on or about December 18, 2013, subject to customary closing conditions.

Credit Suisse Securities (USA) LLC and Jefferies LLC are acting as joint book running managers. Cowen and Company, LLC, Piper Jaffray & Co. and RBC Capital Markets, LLC are acting as co-managers. Piper Jaffray & Co. is acting as a financial advisor to XOMA in connection with the offering.

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 Credit Suisse Securities (USA) LLC, Attention: Prospectus Department, One Madison Avenue, New York, NY 10010, by telephone at 800-221-1037, or by email at newyork.prospectus@credit-suisse.com, or from Jefferies LLC, Attention: Equity Syndicate Prospectus Department, 520 Madison Avenue, 12th Floor, New York, NY 10022, by telephone at 877-547-6340, or by email at prospectus_department@jefferies.com. 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 September 30, 2013, and in the preliminary prospectus supplement related to the proposed offering 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.

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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