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XOMA Initiates Phase 3 Gevokizumab Trial in Patients With Non-Infectious Uveitis and Phase 2 Gevokizumab Trial in Patients With Erosive Osteoarthritis

BERKELEY, Calif., June 27, 2012 (GLOBE NEWSWIRE) -- XOMA Corporation (Nasdaq:XOMA) today announced it has opened enrollment in two clinical trials to determine gevokizumab's potential to treat interleukin-1 beta-mediated inflammatory diseases. The first trial is XOMA's global Phase 3 study investigating the ability of gevokizumab to reduce the signs and symptoms, including vitreous haze, in patients with non-infectious uveitis (NIU) involving the intermediate and/or posterior segment of the eye. The second trial is a Phase 2 study to evaluate the potential for gevokizumab to improve pain symptoms, physical function and structural abnormalities in patients with erosive osteoarthritis of the hand. Patients currently are being screened in both trials.

"Today represents an historic milestone for XOMA, as we launch the first global Phase 3 program for a XOMA-created product to which we retain U.S. commercial rights," stated John Varian, Chief Executive Officer of XOMA. "Our clinical and regulatory teams have worked diligently with their colleagues from Servier to design the gevokizumab NIU trial to meet the requirements of regulatory agencies, including the FDA, in this indication."

In this study, titled A Randomized, Double-masked, Placebo-controlled Study of the Safety and Efficacy of Gevokizumab in the Treatment of Active Non-infectious Intermediate, Posterior, or Pan-Uveitis, the Company intends to enroll patients with active non-infectious intermediate, posterior, or pan-uveitis with a vitreous haze score equal to or greater than 2+ on the Standardization of Uveitis Nomenclature (SUN) / National Eye Institute (NEI) scale in at least one eye. They will be randomized to receive either one of two doses of gevokizumab or placebo. The study's primary endpoint is the proportion of patients demonstrating a significant reduction in vitreous haze score on Day 56. The study also will assess the effect of gevokizumab on additional endpoints, including response rates at other time points and changes from baseline in visual acuity.

Paul Rubin, M.D., XOMA's Senior Vice President of Research and Development and Chief Medical Officer, stated, "As preclinical and clinical data have shown that IL-1 beta is an important contributor to the inflammation seen in uveitis, we believe gevokizumab's ability to potently inhibit IL-1 beta signaling could be relevant in controlling this inflammation, as well as the inflammation associated with other conditions. Because of this, we established a proof-of-concept program in November 2011 to lead us to additional indications for this antibody. Included in this program is the ongoing trial in moderate to severe acne vulgaris

from which we anticipate top-line data by year end. Today, we opened enrollment in the second POC indication, erosive osteoarthritis of the hand, which we believe will complete enrollment sometime around the end of 2012."

XOMA's Phase 2 proof-of-concept study of gevokizumab in active inflammatory, erosive osteoarthritis of the hand is designed to enroll approximately 90 patients who will be randomized to receive gevokizumab or placebo. The study is designed and powered to detect a significant improvement from baseline versus placebo in the mean Australian/Canadian Hand Osteoarthritis Index (AUSCAN™) pain score in the target hand at three months. The study also will capture multiple outcome measures including pain, stiffness, physical function, radiographic and MRI changes, as well as changes in C-reactive protein and concomitant acetaminophen use.

About Gevokizumab

Gevokizumab (XOMA 052) is a potent monoclonal antibody with unique allosteric modulating properties and the potential to treat patients with a wide variety of inflammatory diseases and other diseases. Gevokizumab binds strongly to interleukin-1 beta (IL-1 beta), a pro-inflammatory cytokine that has been shown to be involved in Behçet's and other forms of non-infectious uveitis, cardiovascular disease, and other auto-inflammatory diseases. In binding to IL-1 beta, gevokizumab inhibits the activation of the IL-1 receptor, thereby modulating the cellular signaling events that produce inflammation.

Servier is XOMA's development and commercialization partner for gevokizumab. XOMA holds rights to gevokizumab in the U.S. and Japan for non-cardiometabolic indications, including non-infectious uveitis, acne, and erosive osteoarthritis of the hand for which clinical studies are ongoing. Information on all gevokizumab clinical studies can be found at www.clinicaltrials.gov.

About Non-infectious Uveitis

The term uveitis broadly refers to the inflammatory diseases that affect the portion of the eye known as the uvea, which is the middle of three layers that surround the eye. People with uveitis may experience decreased vision, pain, light sensitivity, and floaters. Uveitis may be caused by an infection that is commonly treated with an antimicrobial agent, or by an unknown pathogen triggering inflammation, called non-infectious uveitis.

The most common form of uveitis affects the front of the uvea and is known as anterior uveitis. Other forms include intermediate uveitis, posterior uveitis, and pan uveitis. These types differ in that they all include involvement of the back portions of the uvea. Posterior uveitis refers to inflammation in the retina and the choroid, and it may result from a different immune response trigger. Pan-uveitis refers to inflammation of all three major parts of the eye. Behçet's uveitis is a well-known form of pan-uveitis. Due to the swelling of tissues critical to vision, intermediate, posterior, and pan-uveitis (which collectively make up NIU) can lead to blindness if not treated.

About Erosive Osteoarthritis of the Hand

Erosive osteoarthritis of the hand (EOA) is caused by the breakdown of the body's natural balance between cartilage formation and degradation, which leads to the narrowing of the

space between the first and second joints in the fingers. Patients with EOA experience high degrees of pain, including throbbing, swelling, and prolonged periods of morning stiffness. Over time, the joints become deformed, impacting hand function and ultimately reducing EOA patients' quality of life. Approximately four million people in the U.S. have been diagnosed with EOA, and the disease affects women twelve times more often than men for reasons that are not understood by the scientific or medical community.

Published studies have highlighted interleukin 1-beta (IL-1β)) for its key involvement in the development of EOA and the destruction of the cartilage matrix resulting from the disease. XOMA believes gevokizumab may be able to reduce the symptoms associated with EOA by modulating IL-1β levels. EOA is the second indication in XOMA's gevokizumab Phase 2 proof-of-concept program.

About XOMA Corporation

XOMA combines a portfolio of innovative therapeutic antibodies, both in late-stage clinical development and in preclinical research, with its recently launched commercial operations. XOMA focuses its antibody research and development on allosteric modulation, which offers opportunities for new classes of therapeutic antibodies to treat a wide range of human diseases. XOMA is developing its lead product gevokizumab (IL-1 beta modulating antibody) with Servier through a global Phase 3 program in non-infectious uveitis and ongoing proof-of-concept studies in other IL-1-mediated diseases. XOMA's scientific research also produced the XMet program, which consists of three classes of preclinical antibodies, including Selective Insulin Receptor Modulators (SIRMs) that could have a major effect on the treatment of diabetes. In order to retain significant value from its scientific discoveries, XOMA initiated commercial operations in January 2012 through the licensing of U.S. commercial rights to Servier's ACEON® (perindopril erbumine) and a patent-protected portfolio of product candidates.

More detailed information can be found at www.xoma.com.

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

About Servier

Servier is a privately-run French research-based pharmaceutical company with a 2011 turnover of €3.9 billion. Servier invests 25% of its turnover in R&D. Current therapeutic domains for Servier medicines are cardiovascular, metabolic, neurological, psychiatric and bone and joint diseases, as well as oncology. Servier is established in 140 countries worldwide with over 20,000 employees.

More information is available at: www.servier.com

Forward-Looking Statements

Certain statements contained herein concerning the anticipated size and geographic allocation of clinical trials and the anticipated timing of the initiation and completion of clinical trials, 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, clinical trials may not reach their anticipated size and their geographic allocation may be other than as anticipated due to enrollment issues such as unavailability of patients, competing product candidates or unanticipated safety issues; and the timing of initiation and completion of clinical trials may be delayed or may never occur as a result of actions or inaction by regulators or our present or future collaboration partners, complications in the design, implementation or third-party approval of clinical trials, complications in the collection or interpretation of statistical data or unanticipated safety issues.

These and other risks, including those related to the generally unstable nature of current economic and financial market conditions; 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 or licensing relationships; the ability of collaborators, licensees and other third parties to meet their obligations and their discretion in decision-making; market demand for products; scale-up, manufacturing 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; and uncertainties as to the costs of protecting intellectual property, 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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