October 9, 2014

XOMA Launches XOMA 358 Clinical Development

BERKELEY, Calif., Oct. 9, 2014 (GLOBE NEWSWIRE) -- XOMA Corporation (Nasdaq:XOMA), a leader in the discovery and development of therapeutic antibodies, today announced it has initiated dosing in its Phase 1 study exploring the safety and tolerability of single intravenous doses (IV) of XOMA 358, the lead compound from the Company's XMetD program, in healthy volunteers. The study also will explore the biologic effects of ascending single IV doses of XOMA 358 on glucose and insulin levels as well as insulin sensitivity.

XOMA 358 is a fully human, allosteric monoclonal antibody that reduces both the binding of insulin to its receptor and downstream insulin signaling.

"XOMA 358 could demonstrate its ability to treat several rare diseases resulting from the body's overproduction of insulin, including congenital hyperinsulinism, a series of genetic disorders causing an inability to control insulin levels, and insulinoma, a tumor of the insulin producing cells in the pancreas," stated Paul Rubin, M.D., Senior Vice President, Research and Development, and Chief Medical Officer of XOMA. "As these diseases have severe consequences, novel therapies clearly are needed. In addition to showing the safety and pharmacokinetics of this unique antibody, the study is designed to show relevant biologic activity and inform dose selection for Phase 2 trials."

XOMA 358 was developed at XOMA as part of a broader insulin receptor program called XOMA Metabolic, or XMet. Two other product candidates also were discovered in the XMet program, XMetA and XMetS, both of which XOMA intends to license to a partner with expertise in the development and commercialization of compounds for Types 1 and 2 diabetes. XMetA is designed to activate the insulin receptor and XMetS to sensitize the insulin receptor when in an insulin resistant state. XOMA plans to retain full ownership of XOMA 358, as it aligns with the Company's focus to develop and commercialize products for diseases with significant unmet medical need and treated by the specialist prescriber.

About XOMA 358

Insulin is the major hormone for lowering blood glucose levels. Abnormal increases in insulin secretion can lead to profound hypoglycemia (low blood sugar), a state that may result in significant morbidities including cerebral damage and epilepsy. In some instances, profound hypoglycemia can result in fatality. XOMA 358 is a fully human monoclonal allosteric modulating antibody that binds to insulin receptors and attenuates insulin action. This is the lead compound from the Company's XMetD program, which is designed to negatively modulate the insulin receptor and its downstream signaling capabilities. XOMA 358 is being investigated as a novel treatment for non-drug-induced, endogenous hyperinsulinemic

hypoglycemia (low blood glucose caused by excessive insulin produced by the body). A therapy that safely and effectively mitigates insulin-induced hypoglycemia has the potential to address a significant unmet therapeutic need for certain rare medical conditions associated with hyperinsulinism.

About XOMA Corporation

XOMA's innovative product candidates are the result of the Company's expertise in developing allosteric modulating monoclonal antibodies, which has created opportunities to develop new classes of therapeutic antibodies with the potential 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 for Behçet's disease uveitis and non-infectious uveitis and ongoing proof-of-concept studies in other IL-1-mediated diseases. XOMA's scientific research also has produced the XMet program, which consists of three classes of antibodies that are being investigated for the treatment of abnormal metabolic states. XOMA's extensive antibody expertise includes antibody discovery, optimization, cell line and process development.

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

Forward-Looking Statements

Certain statements contained in this press release including, but not limited to, statements related to anticipated timing of initiation and completion of clinical trials, anticipated size of clinical trials, regulatory approval of unapproved product candidates, the Company's product focus, or statements 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, and 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. Potential risks to XOMA meeting these expectations 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. 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

Source: XOMA Corporation