



June 14, 1999

Xencor Closes \$12.3 Million in Financing

(BW Healthwire)—June 14, 1999—Xencor Inc. announced the closing of a second round of private equity financing for \$12.3 million. This financing was led by Stafford Investments LLC of Chicago, Illinois and will be used to accelerate the research, development and commercialization of Xencor's portfolio of proprietary products designed with Protein Design Automation technology. According to Bassil Dahiyat Ph.D. CEO and Chief Scientific Officer of Xencor, "This financing enables Xencor to advance and expand our product development activities while maintaining our accelerated rate of product discovery. The high level of investor interest allowed us to rapidly complete the offering, including over allotments. This interest, especially in light of the current difficult financing environment in biotechnology, is a strong vote of confidence in our technology." Because of the speed and cost-effectiveness of Xencor's high through-put in silico screening system, the company has been able to progress potential human therapeutic products into animal testing while expanding the product portfolio to include novel receptors for use in high through-put drug screening as well as industrial enzymes with improved characteristics for commercial use. Protein Design Automation is the only commercial system that harnesses the power of high performance computing for screening the energetics of the vast universe of sequence possibilities for a protein structure. Xencor is a privately held company founded in 1997 to create, develop and commercialize computationally designed proteins as biotechnology products and research tools for the human therapeutic, industrial enzyme and small-molecule screening markets.