



January 4, 2005

Xencor and Roche Extend XmAb™ Antibody Therapeutics Collaboration

Monrovia, CA – January 4, 2005 – Xencor, Inc., a biotherapeutics company developing protein and antibody therapeutics, today announced an extension to its research collaboration with Roche to create monoclonal antibodies with differentiated pharmacological profiles. Roche and Xencor entered into an initial collaboration in January 2005, in which Roche applies Xencor's XmAb Fc domains with the aim of enhancing the therapeutic efficacy of an antibody against a cancer target. With this extension, Roche can further its research efforts against such target.

"We are very pleased to continue working with Roche to apply our XmAb proprietary engineered Fc domains to enhance the efficacy of Roche's proprietary antibodies," said Bassil Dahiyat, Ph.D., President and CEO of Xencor.

Under the original collaboration, Xencor received technology access and license fees, and is eligible to receive additional license fees, milestones and royalties in the event that Roche advances candidates into development. Xencor will receive additional fees for the extension. Specific financial terms were not disclosed.

About XmAb™ Antibodies

Xencor's XmAb engineered Fc domains are designed to enhance the therapeutic properties of monoclonal antibodies and form a leading proprietary position in Fc engineering. Xencor's Fc domains can be inserted into antibody candidates against any target antigen and may improve one or more important effector functions, including enhanced antibody-mediated tumor cell killing, sustained half-life and increased structural stability. XmAb antibodies are produced using conventional expression and manufacturing processes. Xencor is creating a pipeline of XmAb antibody drug candidates with enhanced potency and pharmaceutical properties.

About Xencor

Xencor, Inc., engineers superior biotherapeutics using its proprietary Protein Design Automation® technology platform. The company is internally advancing both XPro™ protein therapeutic candidates and XmAb™ antibody drug candidates optimized for activity against biologically validated targets. Xencor's product development is led by a protein therapeutic drug candidate, XPro1595, for the treatment of arthritis and other rheumatic disorders and antibody candidates for the treatment of cancer. With multiple partners, such as industry leaders Genentech, Roche, Centocor and MedImmune, Xencor is applying its suite of XmAb antibody Fc domains to improve antibody drug candidates for traits such as potency and sustained half-life. Xencor also develops therapeutic protein variants in collaboration with major pharmaceutical partners. For more information, please visit www.xencor.com.