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Amgen And Xencor Enter Option Deal To Co-develop Xencor's Novel Antibody For Autoimmune Diseases

Thousand Oaks, Calif. and Monrovia, Calif. – (Jan. 6, 2011) – Amgen (NASDAQ: AMGN) and Xencor, Inc. announced today that they will collaborate to develop XmAb®5871, an Fc- engineered monoclonal antibody dually targeting CD19 and CD32b. XmAb5871 is currently in late-stage preclinical development for the treatment of autoimmune diseases.

Under the terms of the agreement, Amgen has the option to an exclusive worldwide license following the completion of a pre-defined Phase 2 study. Xencor will lead all clinical development until that time. Xencor will receive an up-front and early development milestone payments. If Amgen does exercise its option, Amgen will assume responsibility for future development, Xencor will receive an option-exercise fee which, combined with the up-front and early development milestones, will total \$75 million, and Xencor could receive up to an additional \$425 million in clinical, regulatory and commercialization milestone payments. Xencor will receive tiered royalties on future sales of XmAb5871.

Xencor's CD32b technology is a novel immunomodulatory platform consisting of engineered Fc domains with selective high affinity binding to FcγRIIb (CD32b), a receptor with dominant inhibitory activity on B cells and other immune cells. The CD32b pathway has never been therapeutically exploited and applied to high affinity antibodies targeting immune cells.

"XmAb5871 provides a novel approach to suppress B-cell function which will enhance Amgen's internal efforts in inflammatory diseases," said Joseph P. Miletich, M.D., Ph.D., senior vice president, Research & Development at Amgen. "We are delighted to have the opportunity to partner with Xencor in exploring their novel immunomodulatory approach."

"Amgen's long-time leadership in antibody development for oncology and inflammatory diseases aligns seamlessly with Xencor's pipeline development," said Bassil Dahiyat, Ph.D., chief executive officer of Xencor. "We expect that XmAb5871 will soon become the fifth XmAb-engineered antibody in clinical development. This program is a testament to the progress we've made expanding the XmAb platform into autoimmune disease with our CD32b technology, which is at the core of the XmAb5871 compound. The option deal structure allows us to continue to lead the development of XmAb5871 while also leveraging Amgen's experience in developing novel biologics for unmet medical needs."

About Amgen

Amgen discovers, develops, manufactures and delivers innovative human therapeutics. A biotechnology pioneer since 1980, Amgen was one of the first companies to realize the new science's promise by bringing safe and effective medicines from lab, to manufacturing plant, to patient. Amgen therapeutics have changed the practice of medicine, helping millions of people around the world in the fight against cancer, kidney disease, rheumatoid arthritis, and other serious illnesses. With a deep and broad pipeline of potential new medicines, Amgen remains committed to advancing science to dramatically improve people's lives. To learn more about our pioneering science and our vital medicines, visit <http://www.amgen.com/>

About Xencor

Xencor, Inc. engineers superior biotherapeutics using its proprietary Protein Design Automation® technology platform, and is a leader in the field of antibody engineering to significantly improve antibody half-life, immune-regulatory function and potency. The company is advancing multiple XmAb® antibody drug candidates into the clinic, including XmAb®5871 targeting CD32b and CD19 for autoimmune diseases, an anti-CD30 candidate XmAb®2513 which completed a Phase 1 clinical trial for the treatment of Hodgkin's lymphoma, and a portfolio of biosuperior antibodies that are versions of blockbuster antibody drugs engineered for superior half-life and dosing schedule. Xencor's antibody engineering technology has been licensed through multiple partnerships with industry leaders such as Pfizer, Centocor, MorphoSys, Boehringer Ingelheim, CSL Ltd. and Human Genome Sciences. In these partnerships Xencor is applying its suite of proprietary antibody Fc domains to improve antibody drug candidates for traits such as sustained half-life and potency. For more information, please visit www.xencor.com.

XmAb® is a registered trademark of Xencor.

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