November 9, 2015

Xencor Presents Data on XmAb5871 Program at American College of Rheumatology (ACR) 2015 Annual Meeting

Investigational New Drug (IND) application filing for XmAb5871 in IgG4-Related Disease expected before year's end

MONROVIA, Calif., Nov. 9, 2015 /PRNewswire/ -- Xencor, Inc. (NASDAQ: XNCR), a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of autoimmune diseases, asthma and allergic diseases, and cancer, announced that data results from a Phase 1b/2a study of XmAb®5871 in patients with rheumatoid arthritis (RA) are being presented during an oral presentation today, Monday, November 9, 2015 at the American College of Rheumatology (ACR) 2015 Annual Meeting in San Francisco, California. Complete data results on the Phase 1b/2a RA study were previously announced at the European League Against Rheumatism (EULAR) 2015 Annual Meeting in Rome in June 2015.

"The data demonstrates that XmAb5871 was generally well tolerated and showed trends in improvement in RA disease activity by multiple disease activity measures and across multiple dose groups," said Paul Foster, M.D., chief medical officer of Xencor. "The full data from our XmAb5871 RA study is very encouraging -- it demonstrates B-cell inhibition without killing B-cells, which has potential for disease modifying activity in various autoimmune diseases. We expect to file an IND application this year and initiate an open-label, single-arm, multiple-dose pilot Phase 2 study in the rare autoimmune disorder IgG4-Related Disease in early 2016."

The XmAb5871 two-part study was designed as a Phase 1b multiple center, randomized, placebo-controlled, double-blinded, multiple ascending dose clinical study (Part A) followed by Phase 2a cohort extension (Part B) at the top dose examined in Part A. The study enrolled patients with active RA on stable non-biologic DMARD therapy. Patients were randomized to receive ascending IV infusions of XmAb5871 (0.3, 1.0, 3.0 and 10.0 mg/kg) or placebo 14 days apart for six doses (Part A), followed by an expansion cohort at 10.0 mg/kg or placebo 14 days apart for six doses (Part B).

The abstract is available on the ACR website at: http://acrabstracts.org/abstract/results-of-a-phase-1b2a-study-of-the-safety-tolerability-pharmacokinetics-and-pharmacodynamics-of-xmab5871-in-patients-with-rheumatoid-arthritis-ra/

About XmAb®5871

XmAb®5871 is a first-in-class monoclonal antibody that targets CD19 with its variable domain and that uses Xencor's XmAb immune inhibitor Fc domain to target FcγRIIb, a receptor that inhibits B-cell function. XmAb5871 is the first drug candidate that Xencor is aware of that targets FcγRIIb inhibition. Xencor has demonstrated in multiple animal models and in initial human clinical trials that XmAb5871 inhibits B-cell function without destroying these important immune cells.

About Xencor, Inc.

Xencor is a clinical-stage biopharmaceutical company developing engineered monoclonal antibodies for the treatment of asthma and allergic diseases, autoimmune diseases and cancer. Currently, eight candidates that have been engineered with Xencor's XmAb® technology are in clinical development internally and with partners. Xencor's internally-discovered programs include: XmAb5871, which completed a Phase 1b/2a clinical trial for the treatment of rheumatoid arthritis and is in preparation for a clinical trial in IgG4-related disease in 2015; XmAb7195 in Phase 1a development for the treatment of asthma; and XmAb5574/MOR208 which has been licensed to Morphosys AG and is in Phase 2 clinical trials for the treatment of acute lymphoblastic leukemia and non-Hodgkin lymphoma. Xencor's XmAb antibody engineering technology enables small changes to the structure of monoclonal antibodies resulting in new mechanisms of therapeutic action. Xencor partners include Amgen, Merck, Janssen R&D LLC, Alexion, Novo Nordisk and Boehringer Ingelheim. For more information, please visit www.xencor.com.

Forward-Looking Statements

Statements contained in this press release regarding matters that are not historical facts are forward-looking statements within the meaning of applicable securities laws, including any expectations relating to our business, research and development programs, including our XmAb5871 program, partnering efforts or our capital requirements. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements and the timing of events to be materially different from those implied by such statements, and therefore these statements should not be read as guarantees of future performance or results. Such risks include, without limitation, the risks associated with the process of

discovering, developing, manufacturing and commercializing drugs that are safe and effective for use as human therapeutics and other risks described in Xencor's public securities filings. All forward-looking statements are based on Xencor's current information and belief as well as assumptions made by Xencor. Readers are cautioned not to place undue reliance on such statements and Xencor disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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