



July 11, 2006

Xencor Completes \$6 Million Bridge Financing with Novo Nordisk and Existing Investors

Monrovia, CA – July 11, 2006 – Xencor, a biotherapeutics company developing protein and antibody therapeutics, today announced that it raised \$6 million in a bridge financing from new investor Novo Nordisk and existing investors including Zen Investments. Pursuant to the bridge financing, Novo Nordisk has committed to invest an additional \$6 million in specified future financings.

“With this financing, we sought a major pharmaceutical company who is as committed as we are to the development of novel antibody and protein therapeutics,” said Bassil Dahiyat, Ph.D., President and CEO of Xencor. “Novo Nordisk has a strategic interest in the application of the most promising technologies for development of novel antibody therapeutics and other biologics, and we are gratified by their commitment. This bridge financing is an important part of our overall financing strategy that will allow us to independently advance our therapeutic development programs and to exploit our leading platform of engineered antibody Fc domains (XmAb™ Fc domains) for the improvement of antibody potency.

To date, Xencor has raised more than \$90 million in financing to develop antibody and protein drug candidates using its Protein Design Automation® technology platform. The company's first two drug candidates, XPro™1595, a selective TNF inhibitor for inflammatory diseases, and, XmAb™2513, an antibody for Hodgkin Disease with an XmAb™ Fc domain that greatly increases cytotoxic potency, are expected to enter clinical development within the next 12 months. Further, Xencor recently licensed protein therapeutic drug candidates to Eli Lilly & Company and has licensed its engineered antibody Fc domains to major partners including Genentech, for CD20 and Her2 antibodies, and Centocor.

About Protein Design Automation (PDA) Technology

PDA technology combines high performance computing with proprietary molecular biology processes and assays to create very broad protein diversity with exquisite control and efficiency. This technology takes advantage of the information embedded in protein structure to optimize key protein properties, such as binding affinity, selectivity, stability and expression level, which are targeted to yield therapeutic proteins with enhanced safety and efficacy in the clinic. In addition, the application of PDA technology has created an expanding portfolio of over 2,000 antibody Fc domain variants that can be used to optimize a variety of valuable antibody properties, such as potency, targeting capacity, and half-life.

About Xencor

Xencor, Inc., engineers superior biotherapeutics using its proprietary Protein Design Automation® technology platform and is a leader in the field of antibody Fc engineering to significantly improve antibody potency. 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, XPro™1595, for the treatment of inflammatory disorders and an antibody candidate, XmAb™2513, for the treatment of Hodgkin Disease and T-cell lymphoma. 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.

About Novo Nordisk A/S

Novo Nordisk is a healthcare company and a world leader in diabetes care. The company has the broadest diabetes product portfolio in the industry, including the most advanced products within the area of insulin delivery systems. In addition, Novo Nordisk has a leading position within areas such as haemostasis management, growth hormone therapy and hormone replacement therapy. Novo Nordisk manufactures and markets pharmaceutical products and services that make a significant difference to patients, the medical profession and society. With headquarters in Denmark, Novo Nordisk employs more than 22,500 employees in 79 countries, and markets its products in 179 countries. Novo Nordisk's B shares are listed on the stock exchanges in Copenhagen and London. Its ADRs are listed on the New York Stock Exchange under the symbol 'NVO'. For more information, visit www.novonordisk.com.