

XOMA LTD /DE/
Form 425
January 10, 2006

A Leader in Therapeutic Antibodies
January 11, 2006
JP Morgan Conference
Filed Pursuant to Rule 425
Registration No.
333-130441
January 10, 2006

2

NASDAQ: XOMA

Statements made in this presentation relating to future financial performance or results, the timing of regulatory filings, the timing and results of clinical trials and other aspects of product development, collaborative and other strategic relationships, the regulatory process and approvals, collaboration and licensing opportunities and plans for sales and marketing, or that

otherwise
relate
to
future
periods,
are
forward-looking
statements
within
the
meaning
of
Section
27A
of
the
Securities
Act
of
1933
and
Section

21E of the Securities Exchange Act of 1934.

These statements are based on assumptions which may not prove accurate. Actual results could differ materially from those anticipated, due to certain risks inherent in the biotechnology industry, as well as for companies engaged in the development of new products in a regulated market.

These risks, including those related to the success of the sales and marketing efforts for our products, the size and timing of expenditures, whether there are unanticipated expenditures and whether funds are available on acceptable terms; safety or efficacy of the products being tested; design and progress of clinical trials; additional time requirements in connection with regulatory filings for data analysis, filing preparation, discussions with the FDA, additional clinical studies or manufacturing process modifications;

action,
inaction
or
delays
by
the
FDA,
European
regulators
and/or
their
advisory
bodies;

analysis and interpretation by, or submission to, these entities and others of scientific data; results of pre-clinical

testing;
changes
in
the
status
of
the
Company's
collaborative
and
other
relationships;

the
ability of partners to meet their obligations; availability of collaboration and licensing opportunities;
success of competitors; market demand for products; uncertainties regarding biotechnology patents;
uncertainties as to the costs of protecting intellectual property; and risks associated with XOMA's
status

as
a
Bermuda
company
are
discussed
in
the
Company's
most
recent
report
on
Form
10-K
and
in
other
SEC filings.

Such risks should be considered carefully in evaluating XOMA's
prospects.

Copyright 2006, XOMA Ltd.
Forward-Looking Statements

3
NASDAQ: XOMA
XOMA,
Ltd.
has
filed
a
registration
statement
(including

a
prospectus)
with
the
SEC
for
the
offering
to
which
this
communication
relates.
Before
you
invest,
you
should
read
the
prospectus
in
that
registration
statement
and
other
documents XOMA has filed with the SEC for more complete
information about XOMA and this offering. You may get
these documents for free by visiting EDGAR on the SEC
Web
site
at
www.sec.gov .
Alternatively,
XOMA
or
the
information
agent
will
arrange
to
send
you
the
prospectus
if
you
request

it
by
calling
toll-free
1-888-867-6963.

4

NASDAQ: XOMA

Premier Therapeutic Antibody

Discovery and Development Company

Managing Development and Financial

Risks, Effectively Utilizing Assets

Marketed Product plus Diverse,

Growing Pipeline

XOMA

Right Place, Right Time, By Design

5

NASDAQ: XOMA

Antibody Technologies

Antibody Technologies

Comprehensive Antibody Platform for

Comprehensive Antibody Platform for

Discovery, Optimization and Manufacturing

Discovery, Optimization and Manufacturing

Multiple Antibody Phage Display Libraries

Proprietary

Human

Engineering **TM**

Technology

Bacterial Cell Expression

6
NASDAQ: XOMA
XOMA
Human
Engineering
Technology
Clinically Validated
100% Success Rate To Date
25 mAbs Human Engineered
6 Different Targets
Structural Approach
Applicable to mAbs from any Species
Issued IP
Reduce Immunogenicity
Reduce Immunogenicity

of Non-human mAbs
of Non-human mAbs

7

NASDAQ: XOMA

Therapeutic Antibody Development

Therapeutic Antibody Development

Antibody Lead

Discovery

Preclinical

Development

Clinical

Development

Tech Dev

Mfg

Fully Integrated Development Infrastructure

Fully Integrated Development Infrastructure

Target

Discovery
Functional Biology
Pharmacology (Efficacy, MOA)
Toxicology (IND-enabling safety)
Cell Line and Process Development
Clinical & Regulatory
Pilot Plant and GMP Manufacturing

8
NASDAQ: XOMA
Process Development
Process Development
Cell Line Development
Cell Banking
Pilot Plant Production
Assay Development
Formulation Development
Manufacturing
Manufacturing
cGMP
Production
Scale to 2750 L -
3 Trains

Grams to Kilograms
15,000 sq ft Pilot Plant
GMP Manufacturing Plant
XOMA s
Integrated Development and
Manufacturing Capability

9

NASDAQ: XOMA

Recognized Leader in
Technology and Capabilities
Leverage Technologies and
Capabilities

Manage Development and
Financial Risks

XOMA Strategy

10

NASDAQ: XOMA

Benefits from Collaborations

Chiron provides validated antibody targets
and leads for oncology products

Goal: 1 IND each year

Lexicon provides validated antibody targets

Goal: Minimum of 3 products in 3 years

Bring

More

Product

Candidates

into

XOMA's

Pipeline

Utilize Complementary Capabilities from XOMA and Partners

Manage Financial Risk

Share Development Cost

Utilize XOMA Infrastructure

Provide Other Financial Resources

Maintain Flexibility (e.g. Profit-Share or Royalty)

11
NASDAQ: XOMA
Marketed Product
Marketed Product
RAPTIVA
®
Plaque Psoriasis
Genentech
XOMA Pipeline Highlights
RAPTIVA
®
Atopic Dermatitis
Genentech
CHIR-12.12
CLL/MM

Chiron
rBPI
21
/ NEUPREX
®
POHS, Burns, BMT
Proprietary
Clinical-Stage Candidates
Clinical-Stage Candidates
XMA005.2
Immunology
Proprietary
Multiple Candidates
Oncology
Chiron
Metabolic mAb
Type II Diabetes, Obesity
Lexicon Genetics
Anti-Gastrin
mAb
GI Cancers
Aphton
Early-Stage Programs
Early-Stage Programs
CIMZIA™
Rheumatoid Arthritis / Crohn's
Disease
UCB Celltech
Lucentis™
Wet AMD
Genentech
Bacterial Cell Expression
Approximately 40 Licensees
Merck, Wyeth, Others
Technology Licenses
Technology Licenses

12
NASDAQ: XOMA
Genentech
and Serono
Large Markets with Unmet Need
Moderate-to-Severe Plaque Psoriasis
Large Safety and Efficacy Database
Increasing Worldwide Sales
Atopic
Dermatitis Trial
RAPTIVA
®
-
Marketed Product
Quarterly RAPTIVA

®

U.S. and Worldwide Sales

2004

2005

Q1

Q2

Q3

Q4

Ex-U.S.

U.S.

6.4

17.3

20.1

13.6

Q1

21.1

Q2

28.7

30.9

Q3

10

20

25

15

30

35

5

0

13

NASDAQ: XOMA

Phase I Testing in CLL and MM Underway

B-cell Lymphoma/Leukemia Indications

Anti-CD40 mAb

High Affinity, Fully Human

Dual Mechanism of Action

Blocks CD40-CD40L-mediated Cancer Growth

Recruits Immune Cells to Kill Tumors (ADCC)

No Agonist or Stimulatory Activity

Improved

Efficacy

Compared

with

Rituxan

®
CHIR 12.12 Anti-CD40 MAb

14
NASDAQ: XOMA
Product
Large Safety Database
Potent Endotoxin
Neutralization
Multiple Indications
POHS, Burns, BMT
BioDefense
-
ARS
Clinical Plan
IST for POHS Underway
Burns and BMT IST's
Soon

EU Orphan Drug Application
rBPI
21
/ NEUPREX
®

15

NASDAQ: XOMA

Potent Anti-inflammatory mAb

Multiple Indications

RA, OA, Others

Product

Human Engineered

High Affinity mAb

300 fM

Potent Inhibitory Activity

Target Monthly Dosing

Preclinical Stage

Planned IND -

Q406

Phase I -

Q107

XMA005.2

-5000

5000

15000

25000

35000

45000

XMA005.2

Target

Challenge

Unstimulated

Antibody, nM

In Vivo Inhibition

0

10

20

30

40

50

60

70

80

90

100

0.4

0.13

0.04

0.013

In Vitro Neutralization

XMA005.2 (ug/kg)

16
NASDAQ: XOMA
Marketed Product
RAPTIVA
®

for Moderate-to-Severe Plaque Psoriasis

Clinical Stage Programs

RAPTIVA

®

(Phase II)

Atopic

Dermatitis

CHIR-12.12

CLL, MM

rBPI

21

/NEUPREX

POHS, Burns, BMT

Growing Early-Stage Pipeline

XMA005.2

Multiple Oncology Candidates

Metabolic mAb

Technology Licenses-related Products

CIMZIA™

Lucentis™

Pipeline Summary

XOMA

XOMA

Building a Strong and

Diverse Therapeutic

Antibody Product Pipeline.

17
NASDAQ: XOMA
RAPTIVA
®

Market Penetration
CMO Deals
NIAID, Cubist
CIMZIA TM
and
Lucentis TM
Royalty
Possibilities
CHIR-12.12
Clinical Progress

rBPI

21

/NEUPREX

Additional IST's

Business Development Initiatives

Registration / Exchange Offer for Convertible Debt

Revenue

Growth,

Reductions

in

Spending

and

Cash

Burn,

Size

of

Pipeline

2006 Catalysts

18

NASDAQ: XOMA

Right Place, Right Time, By Design
Maintain Leadership in Therapeutic Antibodies
Leverage Technologies, Infrastructure and
Capabilities

Grow Pipeline

Grow Revenues
Manage Development and Financial Risks
A Premier Therapeutic Antibody Company

A Leader in Therapeutic Antibodies

- *
- *
- *