



November 30, 2009

Xencor Licenses Antibody Optimization Technology

Monrovia, Calif. – November 30, 2009 – Xencor, Inc., a company using Fc engineering for the discovery and development of next-generation and biosuperior antibodies, announced today that it has licensed its XmAb® and Xtend™ technology platform to Centocor Research & Development, Inc. ("Centocor") for the optimization of Centocor's antibody drug candidates. The license follows a 2009 license agreement that gave Centocor access to Xencor's proprietary Immunofilter™ software for the prediction of potential immunogenic sites in therapeutic proteins.

Under the multi-year agreement, Centocor will gain research access to both the XmAb® and Xtend™ technology platforms and has the right to develop and commercialize a specified number of optimized candidates. Xencor will receive license fees and is eligible to receive milestones and royalties on products commercialized from the collaboration.

"Our XmAb and Xtend platforms confer dramatic improvements to potency and half-life for antibody drugs that can provide key competitive differentiators in the increasingly crowded antibody markets," said Bassil Dahiyat, Ph.D., president and chief executive officer of Xencor. "We look forward to expanding this relationship and enhancing the commercial potential of our platform through partnerships that complement our internal pipeline."

About Xtend™ technology

Enhance Antibody Half-Life

Xencor's proprietary antibody technology platform provides a validated solution to enhancing the serum half-life of immunoglobulin molecules. Using its proprietary series of antibody Fc variants, antibody half-life can be readily prolonged to enhance performance in a number of different therapeutic indications.

Commercial Benefits

Dosing frequency is an important attribute and differentiating factor in certain indications. By prolonging the serum half-life of antibody drug molecules the opportunity arises to address chronic indications with an antibody drug product that potentially has the ability to be administered at greater than monthly intervals, greatly enhancing patient convenience and improving market positioning. In addition, it is possible to reduce the dose of the biologic that is required to maintain effective drug levels, potentially improving the cost, profitability and capital expense profile of the product.

About XmAb® ADCC technology

The XmAb® platform can increase the potency of therapeutic antibodies by specifically engaging the body's immune system against target antigen cells. A proprietary suite of XmAb® Fc variants allows the selective improvement of antibody cytotoxic properties by enhancing antibody-dependent cell cytotoxicity (ADCC), phagocytosis and/or complement activation. Increased antibody potency has the potential to improve antibody efficacy in a variety of therapeutic areas, including oncology, infectious disease and autoimmune disorders. The technology offers the broadest range of specific Fc receptor activation currently available in the most "development friendly" format which can be used with any production cell line system and does not involve complex manipulations of highly heterogeneous carbohydrate molecules.

About Xencor

Xencor, Inc. engineers superior biotherapeutics using its proprietary Protein Design Automation® (PDA®) suite of technologies, and is a leader in the field of antibody Fc engineering. The PDA technologies include an XmAb® platform for enhanced effector function (potency) and an Xtend® platform for extended half-life (dosing). The company is advancing multiple XmAb® antibody drug candidates into the clinic, led by anti-CD30 candidate XmAb®2513 in a Phase I clinical trial for the treatment of Hodgkin lymphoma and anaplastic large cell lymphoma, and anti-CD19 candidate XmAb®5574 in pre-clinical development for the treatment for non-Hodgkin lymphoma and B-cell leukemia. With multiple partners, such as industry leaders Merck, Pfizer, CSL Ltd., Boehringer Ingelheim, and Human Genome Sciences, Xencor is applying its suite of proprietary antibody Fc domains to improve antibody drug candidates for traits such as potency and sustained half-life. For more information, please visit www.xencor.com.

Contact

Kim Richards

Porter Novelli Life Sciences for Xencor

619-849-5377

krichards@pnlifesciences.com