
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) August 14, 2018

XOMA CORPORATION

(Exact name of registrant as specified in its charter)

000-14710
(Commission
File Number)

Delaware
(State or other jurisdiction
of incorporation)

52-2154066
(IRS Employer
Identification No.)

2200 Powell Street, Suite 310, Emeryville, California
(Address of principal executive offices)

94608
(Zip Code)

Registrant's telephone number, including area code (510) 204-7200

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

On August 14, 2018, XOMA Corporation (the Company) will participate in The Webbush PacGrow Healthcare Conference taking place in New York, NY, USA on August 14-15, 2018. A copy of the Company's presentation materials has been posted to the Company's website and is attached hereto as Exhibit 99.1.

Limitation of Incorporation by Reference

In accordance with General Instruction B.2. of Form 8-K, this information, including the Exhibit, is furnished pursuant to Item 7.01 and shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information in this Item 7.01 of this Current Report on Form 8-K will not be deemed an admission as to the materiality of any information that is required to be disclosed solely by Regulation FD.

Cautionary Statements

This filing and the presentation include "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors that could impair the Company's royalty assets or business are disclosed in the "Risk Factors" contained in the Company's most recent Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 7, 2018, and updated in subsequent filings. All forward-looking statements are expressly qualified in their entirety by such factors.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | Corporate Presentation |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

XOMA CORPORATION

Date: August 14, 2018

/s/ Thomas Burns

Thomas Burns

Senior Vice President, Finance and Chief Financial Officer



CORPORATE PRESENTATION

AUGUST 2018

WITH OVER 35 YEARS OF DISCOVERY
ACTIVITY, XOMA CURRENTLY HAS OVER
THREE DOZEN PARTNERED AND FULLY-
FUNDED ASSETS WITH THE POTENTIAL TO
DRIVE MILESTONE AND ROYALTY PAYMENTS,
ALONG WITH MULTIPLE ADDITIONAL
PROGRAMS READY FOR OUTLICENSING



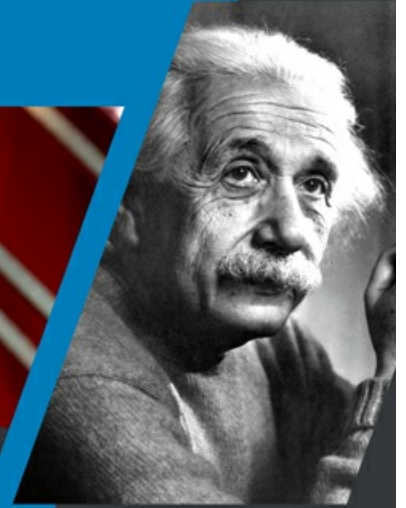
FORWARD-LOOKING STATEMENTS

Certain statements in this presentation 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, including statements regarding: future monetization opportunities, active transactions with significant financial implications, collaborations poised for significant financial contribution, our library of value-generating assets, future potential for milestone and royalty payments, the potential of our unique antibody discovery engine, potential licensing of compounds in our endocrine asset pipeline, the prospects for our XOMA 213 asset for treatment of prolactinemia, the ability of our partners and their licensees to successfully develop their pipeline programs, the productivity of acquired assets that may not fulfill our revenue forecasts, upcoming internal milestones and value catalysts, our future cash needs, our strategy for value creation, and other statements that relate to future periods. These statements are based on assumptions that may not prove accurate, and actual results could differ materially from those anticipated due to certain risks inherent in the biotechnology industry and for companies engaged in the development of new products in a regulated market. Potential risks to XOMA meeting

these expectations are described in more detail in XOMA's most recent filing on Form 10-K and in other SEC filings. Consider such risks carefully when considering XOMA's prospects. Any forward-looking statements represent XOMA's views only as of the date of this presentation and should not be relied upon as representing its views as of any subsequent date. XOMA disclaims any obligation to update any forward-looking statement, except as required by law.

WHAT DO THESE TWO GENIUSES HAVE IN COMMON?

(and why is
XOMA talking
about them?)



WARREN BUFFET'S MODEL

PRE-1970:

BUY AT A
SIGNIFICANT
DISCOUNT TO
INTRINSIC VALUE

POST-1970:

BUY COMPANIES
AT A PRICE NEAR
INTRINSIC VALUE,
THAT CAN
CONSISTENTLY
INCREASE THEIR
VALUE

BUY & BUILD

Buy good companies
with good management
teams who know how to
grow their business

BUY & HOLD

The principle of
compound interest

XOMA'S MODEL: BUILD & HOLD AND BUY & HOLD

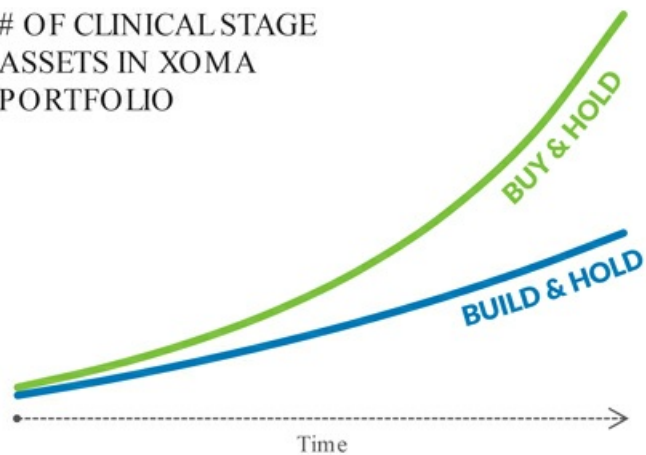
BUILD & HOLD

Allow **current portfolio** of assets to advance, fully-funded by Partners; hold royalty payment rights

BUY & HOLD

Acquire royalty rights to additional fully-funded assets

OF CLINICAL STAGE
ASSETS IN XOMA
PORTFOLIO



XOMA'S MODEL



BUILD & HOLD

ALLOW CURRENT PORTFOLIO OF ASSETS TO ADVANCE, FULLY-FUNDED BY PARTNERS; HOLD ROYALTY PAYMENT RIGHTS

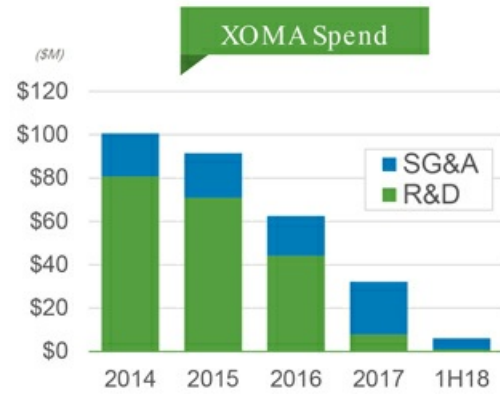


BUY & HOLD

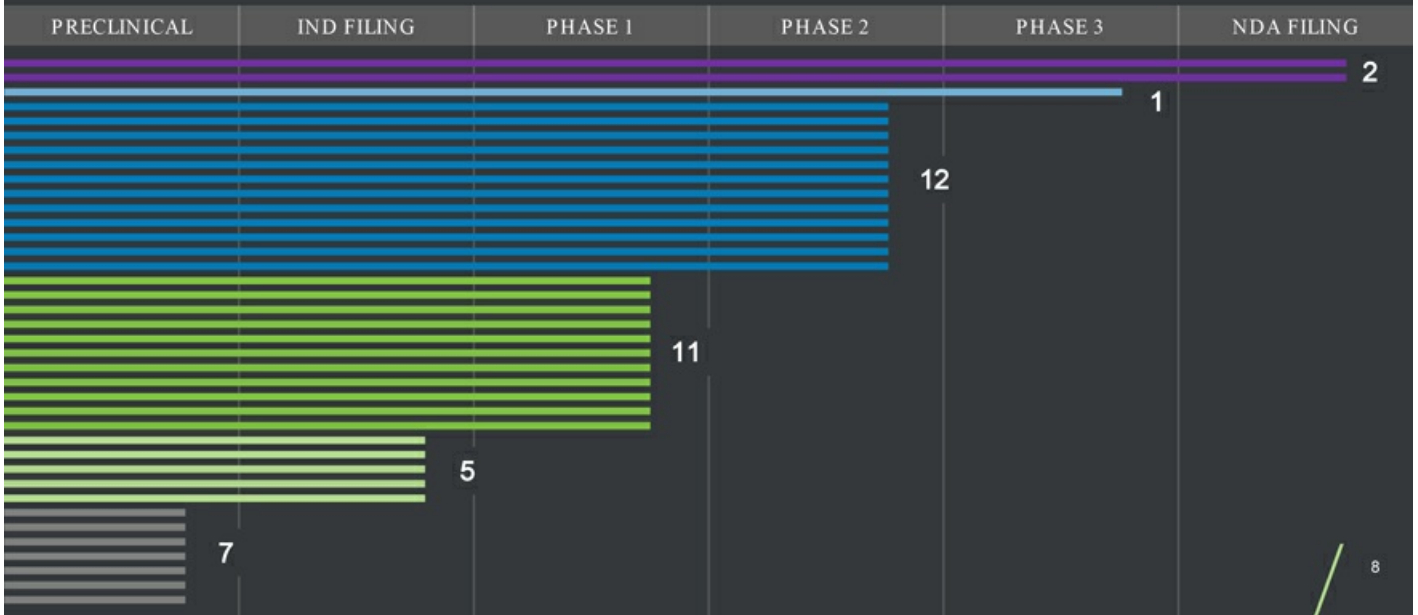
ACQUIRE ROYALTY RIGHTS TO ADDITIONAL FULLY-FUNDED ASSETS

BUILD & HOLD ELEMENT REQUIRES 2 THINGS

1. PATIENCE TO PROVIDE TIME FOR UNDERLYING DRUG ASSETS TO ADVANCE THROUGH THE LONG YEARS OF DISCOVERY, DEVELOPMENT AND APPROVAL
2. A LEAN INFRASTRUCTURE TO MINIMIZE COSTS



38 PARTNERED ASSETS



THESE 38 POTENTIAL ROYALTY ASSETS ARE
IN THE HANDS OF 20 CAPABLE PARTNERS

21

Assets with
Large-cap
Partners

1

Assets with
Mid-cap
Partners

9

Assets with
Small/ Micro-
cap Partners

7

Assets with
Private
Partners

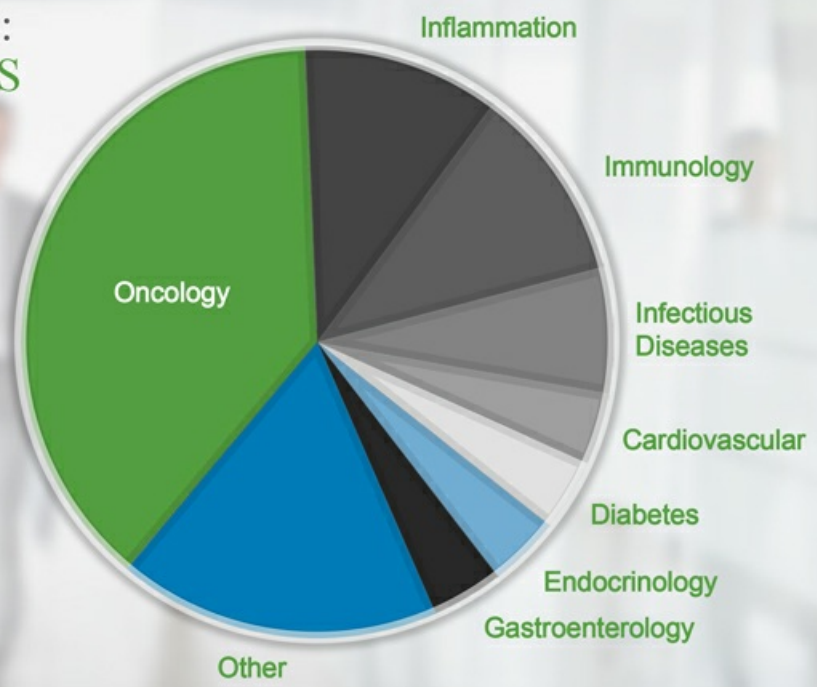
Total Future Development
Expense by XOMA:

\$0

XOMA

9

DIVERSIFICATION: 38 ASSETS ACROSS 9+ THERAPEUTIC CATEGORIES



PUBLICLY DISCLOSED DEAL TERMS

| YEAR | COMPANY | ASSET | UPFRONT | MILESTONE VALUE | ROYALTY % |
|------|-------------------|--|-------------------------------------|-----------------|---|
| 2005 | Novartis | Anti-CD40 | \$16.2M (+\$7.5M debt reduction) | \$14M | High single-digit – lower mid-teen |
| 2009 | Takeda | Phage display & Ab technologies | Undisclosed | \$230M | Undisclosed |
| 2015 | Novartis | Anti-TGFβ | \$37.5M | \$480M | Mid singles – low double |
| 2016 | Ology Bioservices | Anti-botulinum program | | Undisclosed | 15% |
| 2017 | Novartis | IL-1β IP license for canakinumab in CV | \$31M \$5M (XOMA stock) | | Low single, to mid-single (under certain conditions) |
| 2017 | Novartis | Gevokizumab IL-1β | €12M debt repayment | \$438M | High singles – mid double |
| 2017 | Rezolute | XOMA 358 | \$5M (Rezolute stock) | \$232M | High singles – mid teens |
| 2017 | Tizona, Lake | Phage display | | Undisclosed | Single-digit |

OF XOMA PARTNERED CLINICAL STAGE ASSETS HAS GROWN AT 13.5% COMPOUNDED SINCE 2001



XOMA'S MODEL



BUILD & HOLD

ALLOW CURRENT PORTFOLIO OF ASSETS TO ADVANCE, FULLY-FUNDED BY PARTNERS; HOLD ROYALTY PAYMENT RIGHTS



BUY & HOLD

ACQUIRE ROYALTY RIGHTS TO ADDITIONAL FULLY-FUNDED ASSETS

XOMA'S MODEL IS DESIGNED FOR OUR INDUSTRY



Biotech
Industry
Characteristics

**LONG
PRODUCT
LIFE CYCLES**

Build & hold for long-term
Buy & hold for long-term

**HIGH
CAPITAL
REQUIREMENTS**

Development costs borne by partners

**LOW
PROBABILITY
OF SUCCESS**









Diversified portfolio increases probability of success

- 38 assets
- Multiple therapeutic areas
- All stages of development

XOMA
Royalty
Aggregator
Strategy

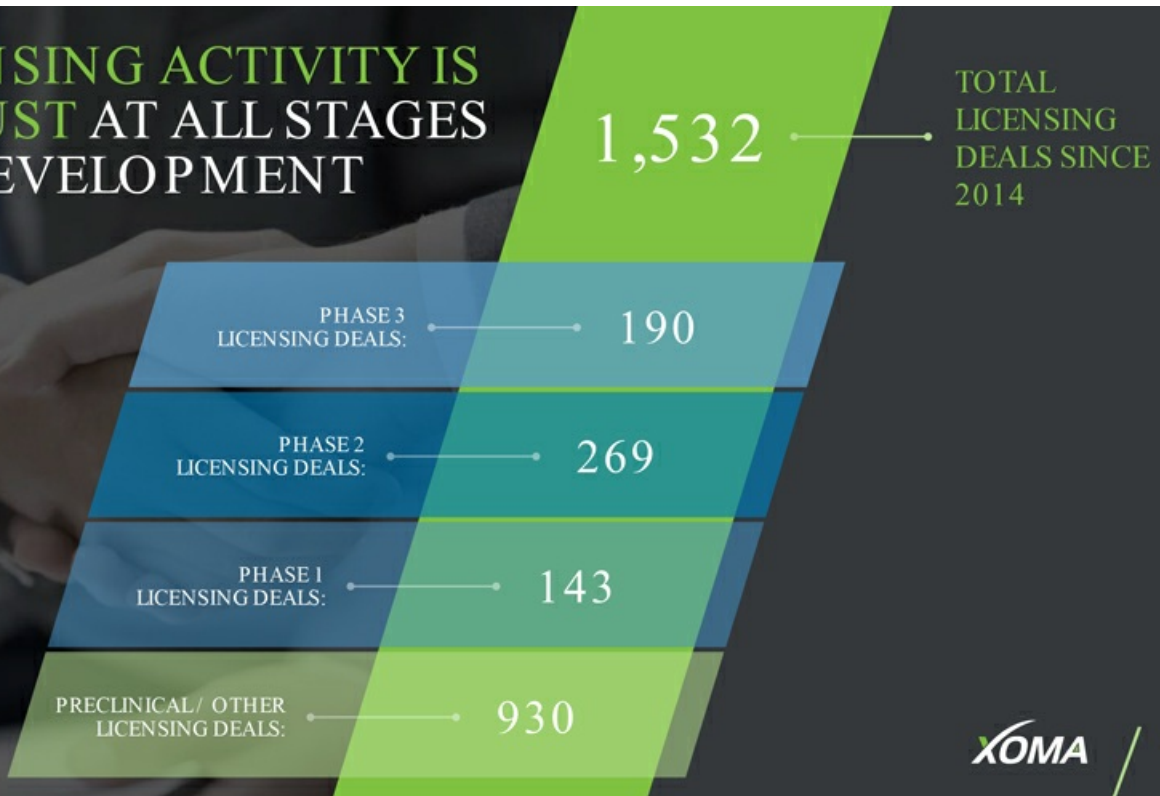


DRUG DEVELOPMENT TAKES A LONG TIME AND IS CAPITAL INTENSIVE

| | | AVG. TIME TO CONDUCT (MONTHS) | AVG. \$ TO FUND | | CUMULATIVE PROB. OF SUCCESS |
|-------------|----|---|---|--|-----------------------------|
| PHASE 3 | 31 |  |  \$210M | | 50% |
| PHASE 2 | 26 |  |  \$45M | | 16% |
| PHASE 1 | 22 |  |  \$30M | | 10% |
| PRECLINICAL | 37 |  |  \$3M | | 5% |

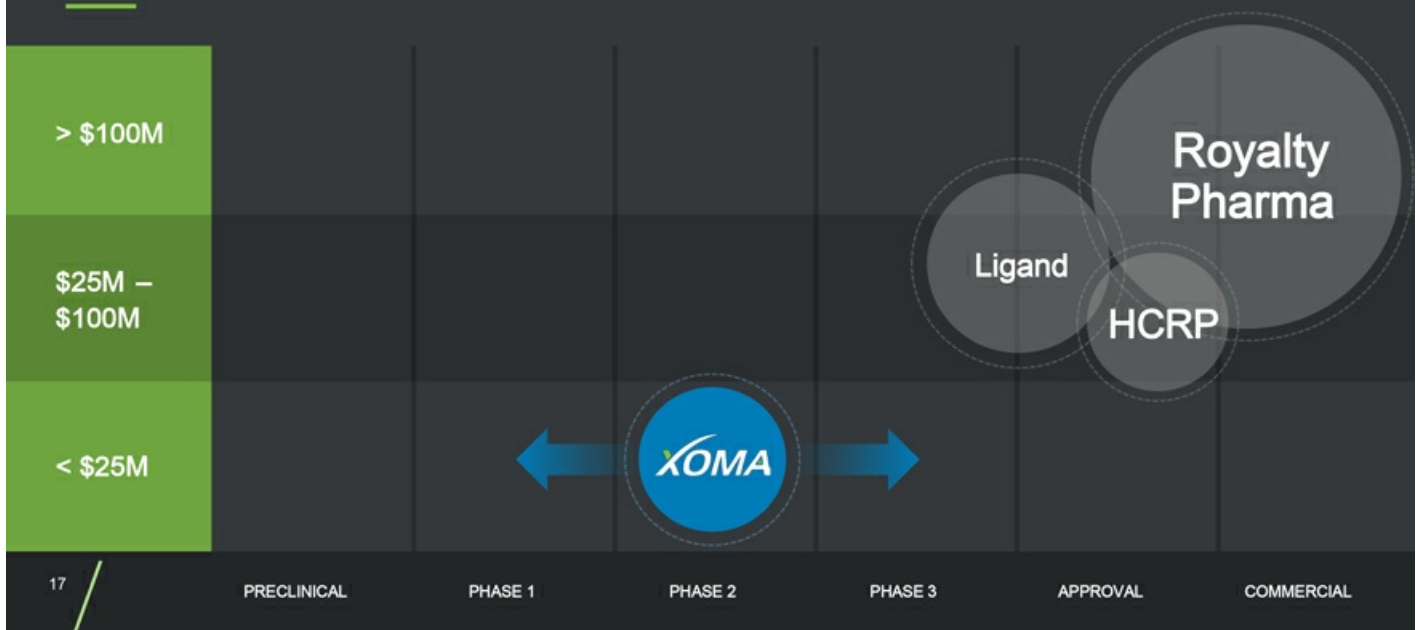
Sources: Dimasi, Hansen & Grabowski, 2003, Tufts University; Hay, Rosenthal, Thomas & Craighead, 2011, Biomedtracker

LICENSING ACTIVITY IS ROBUST AT ALL STAGES OF DEVELOPMENT



TOTAL LICENSING DEALS SINCE 2014

XOMA IS UNIQUELY POSITIONED TO MONETIZE ROYALTIES ON EARLY TO MID-CLINICAL STAGE ASSETS



KEY ATTRIBUTES OF XOMA TARGET ASSETS

R_x

PRE-COMMERCIAL THERAPEUTIC ASSETS

Phase 1, 2, or 3

31

LONG DURATION OF MARKET EXCLUSIVITY

Patent expiration or regulatory exclusivity



HIGH REVENUE POTENTIAL

High unmet need or clear clinical benefit over alternatives



STRONG DEVELOPER/MARKETER

Assets partnered with high-quality pharma/
biopharma companies

EXAMPLES OF OPPORTUNITIES XOMA WILL TARGET

BIOTECH 'X'

Seeks non-dilutive funding to take an additional program into clinical development to diversify risk



BIOTECH 'Y'

Seeks funding to hold lead program to participate in next value inflection point

XOMA'S MODEL IS DISTINCTIVE

Typical Small/
Mid-Cap Biotech



PORTFOLIO SIZE

1 - 3 assets

38 assets

PORTFOLIO FOCUS

Narrow

Diversified

PROBABILITY OF APPROVAL

Low

High

RISK : RETURN

High : High

Low : Mid / High

CAPITAL

User

Provider

WHAT TO EXPECT FROM XOMA COMPOUND GROWTH IMPACT

BUILD & HOLD

Allow current portfolio
to continue to advance
in hands of partners

BUY & HOLD

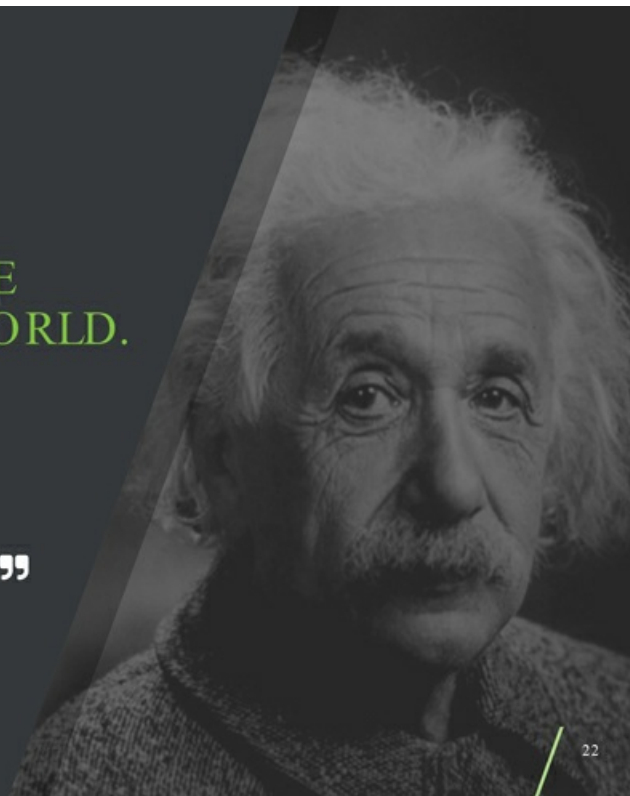
Expand portfolio of royalty
rights through acquisition
of new potential royalty streams

**“ COMPOUND INTEREST IS THE
EIGHTH WONDER OF THE WORLD.**

**HE WHO UNDERSTANDS
IT ...EARNs IT.**

HE WHO DOESN'T ...PAYS IT.”

- Albert Einstein



XOMA'S MODEL: BUILD & HOLD AND BUY & HOLD

BUILD & HOLD

Allow **current portfolio** of assets to advance, fully-funded by Partners; hold royalty payment rights

BUY & HOLD

Acquire royalty rights to additional fully-funded assets

OF CLINICAL STAGE ASSETS IN XOMA PORTFOLIO

