## FORM 4

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

OMB APPROVAL
OMB Number: 3235-0287
Estimated average burden
hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

#### STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

pe Responses	s)																
1. Name and Address of Reporting Person* CASTELLO JOHN L				2. Issuer Name <b>and</b> Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]								5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  X_Director 10% Owner					
(Last) (First) (Middle) C/O XOMA, LTD., 2910 SEVENTH STREET				3. Date of Earliest Transaction (Month/Day/Year) 12/31/2004								X Officer (give title below) Other (specify below) President, CEO and					
(Street) BERKELEY, CA 94710				4. If Amendment, Date Original Filed(Month/Day/Year)								6. Individual or Joint/Group Filing(Check Applicable Line) _X_Form filed by One Reporting PersonForm filed by More than One Reporting Person					
(City) (State) (Zip)				7	able l	- Nor	ı-Der	ivative !	Securitio	es Acqı	uire	ed, Dispo	sed of, or l	Beneficially	Owned		
(Instr. 3) Date		Execution	on Date, i	f Coc (Ins	de str. 8)	(A) or Disposed of (D) (Instr. 3, 4 and 5)  (A) or		Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)			Form: Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)					
Shares		12/31/2004(1)				J	V	2,876	A	\$ 2.61	1 1	15,105	5,105		I	by 401(k)	
Shares											4	45,035			D		
Shares											1	19,217			I	by Trust	
Report on a s	separate line fo	Table II - 1	Derivativ	ve Securi	ties A	cquire	Pers cont the f	sons whatained in	no responding this formal section that the section that t	orm ar a curre eneficia	re r ent ally	not requally valid	ired to res	spond unle	ss	1474 (9-02)	
2.	3 Transaction			s, calls, v	1	ıts, op						e and	8 Price of	9 Number	of 10	11. Nat	
	onversion Date (Month/Day/Year) Exercise rice of erivative		Transaction Code Year) (Instr. 8)		Number an		and (Mo	Month/Day/Year) U So (I		An Un Sec	Underlying Securities (Instr. 3 and				Owner Form of Deriva Securit Direct or India (s) (I)	ship of Indir f Benefic ive Owners y: (Instr. 4	
			С	Code V	(A)	(D)				Tit	ile i	or Number of					
	and Address of LLO JOHN  AMA, LTD.,  MA, LTD.,  Becurity  Becurity  Security  2.  Conversion or Exercise Price of Derivative	(Street)  LEY, CA 94710  (State)  Security  Security  2.  Conversion or Exercise Price of Derivative  (First) (First) (First) (State)  (Street)  (State)  (S	Address of Reporting Person LLO JOHN L  (First) (Middle)  MA, LTD., 2910 SEVENTH STREET  (Street)  LEY, CA 94710  (State) (Zip)  Gecurity 2. Transaction Date (Month/Day/Year)  1 Shares  1 Shares	and Address of Reporting Person*  LO JOHN L  (First) (Middle) MA, LTD., 2910 SEVENTH STREET  (Street)  LEY, CA 94710  (State)  2. Transaction Date (Month/Day/Year)  A Shares  12/31/2004  (Month/Day/Year)  2. Table II - Derivativ (e.g., put: (e.g.	2. Issuer Name XOMA LTD  Address of Reporting Person*  LO JOHN L  (First) (Middle) MA, LTD., 2910 SEVENTH STREET  (Street)  (Street)  2. Issuer Name XOMA LTD  3. Date of Earlies 12/31/2004  4. If Amendment  (Street)  2. Transaction Date (Month/Day/Year)  A Shares  12/31/2004  2. Transaction Date, i any (Month/Day/Year)  A Shares  12/31/2004  Table II - Derivative Securities beneficially of the composition of Exercise Price of Derivative  (Month/Day/Year)  3. Transaction Date (Month/Day/Year)  3. A. Deemed Execution Date, if Transaction Code (Month/Day/Year)  (Month/Day/Year)  (Instr. 8)	Ad Address of Reporting Person*  LO JOHN L  Comparison (First) (Middle)  MA, LTD., 2910 SEVENTH STREET  (Street)  Comparison (Street)  Comparison (Month/Day/Year)  Comparison (Month/Day/Year)  A Shares  Conversion of Exercise (Month/Day/Year)  Conversion or Exercise (Price of Derivative Securities (Month/Day/Year)  Comparison of Exercise (Month/Day/Year)  Conversion of Exercise (Month/Day/Year)  Convers	Ad Address of Reporting Person *  LO JOHN L  (First) (Middle) (MA, LTD., 2910 SEVENTH STREET  (Street)  (Street)  (Street)  (State)  (Zip)  (Month/Day/Year)  (Month/Day/Year)  (Month/Day/Year)  (A)  (A)  (Code (Instr. 8)  (Instr. 8)  (Month/Day/Year)  (E.g., puts, calls, warrants, op Code of Derivative Securities (Month/Day/Year)  (Month/Day/Year)	Address of Reporting Person*  LO JOHN L  O (First)  (Middle) (MA, LTD., 2910 SEVENTH STREET  (Street)  LEY, CA 94710  O (State)  O (State)  O (State)  O (Zip)  Table I - Non-Det  Eccurity  O (State)  O (State)  O (State)  O (Zip)  Table I - Non-Det  Execution Date, if (Month/Day/Year)  O (Month/Day/Year)  O (State)  O (State)  O (Zip)  Table I - Non-Det  O (Code (Instr. 8)  Code  O (Instr. 8)  O (Instr. 8)  Table II - Derivative Securities Acquired, Date  (Reg., puts, calls, warrants, options  O (Month/Day/Year)  O (Month/Day/Year)  O (Month/Day/Year)  O (Month/Day/Year)  O (Month/Day/Year)  O (Instr. 8)  O (Month/Day/Year)  O (Derivative Securities Acquired, Date  (Month/Day/Year)  O (Month/Day/Year)  O (D)  O (D	2. Issuer Name and Ticker or Trading Sy XOMA LTD /DE/ [XOMA] 3. Date of Earliest Transaction (Month/Day 12/3 1/2004 4. If Amendment, Date Original Filed(Month 12/3 1/2004 5. Every, CA 94710 5. Everity  2. Transaction Date (Month/Day/Year) 6. Shares 6. Shares 7. Shares 7. Shares 8. Shares 8. Shares 1.2/31/2004 1. If Amendment, Date Original Filed(Month 12/3 1/2004 1. If Amendment, Date Original	2. Issuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]	Address of Reporting Person 2. Issuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  2. Issuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Month/Day/Year)  4. If Amendment, Date Original Filed(Month/Day/Year)  EEY, CA 94710  2. Transaction Date (Month/Day/Year)  2. Transaction Date (Month/Day/Year)  2. Transaction Date (Month/Day/Year)  2. Transaction Date (Month/Day/Year)  2. Transaction Date (Instr. 8)  3. Transaction (Instr. 3, 4 and 5)  4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)  2. Transaction Date (E.g., puts, calls, warrants, options, convertible securities of Code (Instr. 8)  2. Transaction Date (E.g., puts, calls, warrants, options, convertible securities Acquired (Instr. 8)  2. Transaction Date (E.g., puts, calls, warrants, options, convertible securities Acquired (Instr. 8)  2. Transaction Date (E.g., puts, calls, warrants, options, convertible securities Acquired (Instr. 8)  2. Transaction Date (Exercisable Date (Instr. 8)  2. Transaction Date (Instr. 8)  2. Date Exercisable Expiration Date (Instr. 3, 4, and 5)  2. Transaction Date (Instr. 8)  2. Date Exercisable Expiration Date (Instr. 3, 4, and 5)  2. Date Exercisable Expiration Date (Instr. 3, 4, and 5)	Address of Reporting Person*  J.O JOHN L  2. Issuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Month/Day/Year)  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Month/Day/Year)  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Month/Day/Year)  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Month/Day/Year)  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Month/Day/Year)  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Month/Day/Year)  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Code (Instr. 8))  3. Transaction (Code (Instr. 8))  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Transaction (Code (Instr. 8))  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Transaction (Code (Instr. 8))  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Transaction (Code (Instr. 8))  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  4. If Amendment, Date Original Filed, Month/Day/Year)  [Assuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  [Assuer Name and Ticker or Trading Symbol XOMA  [Code (Instr. 8)]  [Assuer Name and Ticker or Trading Symbol XOMA  [Code (Instr. 8)]  [Assuer Name and Ticker or Trading Name and Trading Name and Toter (Instr. 8)  [Code (Instr. 8)]  [Assuer Name and Ticker or T	Address of Reporting Person*  LO JOHN L  (First)  (Middle)  (A)  (A)  (A)  (Cap)  (State)  (A)  (A)  (Code  (A)  (A)  (A)  (Code  (A)  (A)  (A)  (A)  (A)  (A)  (A)  (A	2. Issuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Month/Day/Year) 12/31/2004  4. If Amendment, Date Original Filed/Month/Day/Year) 2. Transaction Date (Month/Day/Year) 3. Transaction Date (Month/Day/Year) 4. Securities  2. Transaction Date (Month/Day/Year) 3. Transaction Date (Month/Day/Year) 4. Shares  12/31/2004  2. Transaction Date (Month/Day/Year) 4. Shares  12/31/2004  3. Transaction Date (Month/Day/Year) 4. Shares  12/31/2004  3. Transaction Date (Month/Day/Year) 4. Shares  12/31/2004  4. If Amendment, Date Original Filed/Month/Day/Year)  3. Transaction Code (Instr. 8) (Instr. 3, 4 and 5)  4. Securities Acquired (A) or Disposed of (D) (Instr. 3 and 4)  4. Shares  12/31/2004  3. Transaction Code (Instr. 3)  4. South ties Acquired (A) or Disposed of (D) Report on a separate line for each class of securities beneficially owned directly or indirectly.  Persons who respond to the collection of intended the form displays a currently valid OMB condition of Code (Instr. 8)  2. Comercial Characterial Character	2. Issuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]   S. Relationship of Reporting Person XOMA LTD /DE/ [XOMA]   S. Rolationship of Reporting Person XOMA LTD /DE/ [XOMA]   S. Date of Earliest Transaction (Month/Day/Year)   S. Date of Earliest Transaction (Month/Day/Year)   S. Date of Earliest Transaction (Month/Day/Year)   S. Rolationship of Reporting Person X. Difficent (give title below)   President, CEO   Pres	Address of Reporting Person.*  2. Issuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]  3. Date of Earliest Transaction (Month/Day/Year)  (Street)  4. If Amendment, Date Original Filedystoenty/Day/Year)  (Street)  4. If Amendment, Date Original Filedystoenty/Day/Year)  (Street)  2. Transaction  2. Transaction  2. Transaction  Date (Month/Day/Year)  (Month/Day/Year)  (Month/Day/Year)  2. Transaction  Date (Month/Day/Year)  (Month/Day/Year)  2. Transaction  Date (Month/Day/Year)  (Month/Day/Year)  2. Transaction  Date (Month/Day/Year)  Date (Gar, puts, calls, warrants, options, convertible securities)  2. Transaction  Date (Month/Day/Year)  Date (Month/D	

#### **Reporting Owners**

 O N /	Relationships							
Reporting Owner Name / Address		10% Owner	Officer	Other				
	X		President, CEO and					

#### **Signatures**

John L. Castello	01/04/2005

**Signature of Reporting Person	Date			

### **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- All shares were acquired during the 2004 fiscal year under the XOMA Ltd. Deferred Savings Plan. All shares were acquired in a transaction exempt from Section 16(b).
- (2) Held indirectly under The John L. and Katherine C. Castello Trust.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.