



XBiotech Announces Dismissal of Class Action Lawsuit in Texas

October 11, 2016

Federal Court Grants Motion to Dismiss Assertion of Claims under Section 10(b) of the Securities Exchange Act

AUSTIN, Texas, Oct. 11, 2016 (GLOBE NEWSWIRE) -- XBiotech Inc. (NASDAQ:XBITE), developer of next-generation True Human™ therapeutic antibodies, today announced that the U.S. District Court for the Western District of Texas granted the Company's motion to dismiss in the 2015 securities class action lawsuit brought against the Company and certain of its directors. In a final judgment issued on October 7th, 2016, the Honorable Judge Sam Sparks dismissed the lawsuit with prejudice, meaning the plaintiff is barred from refiling the claim (Case 1:15-CV-1083-SS).

"We are pleased with the expeditious ruling by Judge Sparks in this case," said XBiotech Associate Counsel, Sarah Schick.

As previously disclosed, the Company and certain of its directors and officers were also named in a class action suit filed in the Superior Court for the State of California, Los Angeles County. On September 20, 2016, the Los Angeles court entered an order staying the California case in deference to the Texas case. Now that the Texas case has been dismissed, the Company intends to seek the dismissal of the California suit.

About True Human™ Therapeutic Antibodies

Unlike previous generations of antibody therapies, XBiotech's True Human™ antibodies are derived without modification from individuals who possess natural immunity to certain diseases. With discovery and clinical programs across multiple disease areas, XBiotech's True Human antibodies have the potential to harness the body's natural immunity to fight disease with increased safety, efficacy and tolerability.

About XBiotech

XBiotech is a fully integrated global biosciences company dedicated to pioneering the discovery, development and commercialization of therapeutic antibodies based on its True Human™ proprietary technology. XBiotech currently is advancing a robust pipeline of antibody therapies to redefine the standards of care in oncology, inflammatory conditions and infectious diseases. Headquartered in Austin, Texas, XBiotech also is leading the development of innovative biotech manufacturing technologies designed to more rapidly, cost-effectively and flexibly produce new therapies urgently needed by patients worldwide. For more information, visit www.xbiotech.com.

Cautionary Note on Forward-Looking Statements

This press release contains forward-looking statements, including declarations regarding management's beliefs and expectations that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "would," "could," "expects," "plans," "contemplate," "anticipates," "believes," "estimates," "predicts," "projects," "intend" or "continue" or the negative of such terms or other comparable terminology, although not all forward-looking statements contain these identifying words. Forward-looking statements are subject to inherent risks and uncertainties in predicting future results and conditions that could cause the actual results to differ materially from those projected in these forward-looking statements. These risks and uncertainties are subject to the disclosures set forth in the "Risk Factors" section of certain of our SEC filings. Forward-looking statements are not guarantees of future performance, and our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate, may differ materially from the forward-looking statements contained in this press release. Any forward-looking statements that we make in this press release speak only as of the date of this press release. We assume no obligation to update our forward-looking statements whether as a result of new information, future events or otherwise, after the date of this press release.

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