

Via Facsimile and U.S. Mail  
Mail Stop 6010

August 15, 2006

John L. Castello  
Chairman of the Board, President  
and Chief Executive Officer  
XOMA Ltd.  
2910 Seventh Street  
Berkeley, California 94710

**Re: XOMA Ltd.**  
**Form 10-K for Fiscal Year Ended December 31, 2005**  
**Filed March 8, 2006**  
**File No. 000-14710**

Dear Mr. Castello:

We have completed our review of your Form 10-K and have no further comments at this time.

Sincerely,

Jim Atkinson  
Accounting Branch Chief