

smaller reporting
company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act of 1934). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

| Class | Outstanding |
|-----------------------------------|--------------------------------|
| Common shares US\$.0005 par value | at Aug. 4, 2008 132,332,075 |

Explanatory Note

XOMA Ltd. (the “Company”) is filing this Amendment No. 1 to its Quarterly Report on Form 10-Q for the quarter ended June 30, 2008 (the “Form 10-Q”) as an exhibit-only filing. This Amendment No. 1 to the Form 10-Q is being filed solely to amend Item 6 to file such exhibits.

This Amendment No. 1 to the Form 10-Q should be read in conjunction with the original Form 10-Q, which continues to speak as of the date of the Form 10-Q. This Amendment No. 1 does not reflect events occurring after the filing of the Form 10-Q or modify or update those disclosures affected by subsequent events. No other modifications or changes have been made to the Form 10-Q as originally filed or the exhibits filed therewith.

ITEM 6. EXHIBITS

Exhibit
Number

- 10.37 Amended & Restated Loan Agreement, dated as of May 9, 2008.
 - 31.1 Certification of Steven B. Engle, filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
 - 31.2 Certification of Mark Nelson, filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
-

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, thereunto duly authorized.

XOMA Ltd.

Date: September 11, 2008

By: /s/ STEVEN B.
ENGLE

Steven B. Engle
Chairman, Chief
Executive Officer and
President

Date: September 11, 2008

By: /s/MARK NELSON
Mark Nelson
Principal Financial
Officer