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Nasdaq: MAXY

Maxygen Corporate Presentation

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Chief Executive Officer

July 2008

Safe Harbor Statement

Information in this presentation includes forward-looking statements that involve risks and uncertainties. Actual results could differ materially from the results discussed here. Factors that could cause or contribute to such differences include those discussed in Maxygen's Annual Report on Form 10-K for the year ended December 31, 2007 and in Maxygen's other SEC reports, all of which are available from the SEC at www.sec.gov.

Maxygen's Technology Platform Has Proven Value

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Biosuperior Protein Therapeutics

MolecularBreeding™ Directed Evolution Platform

CODEXIS

APIs/Biofuels
Maxygen retains 25% Ownership; S-1 filed 4-14-08

Avidia

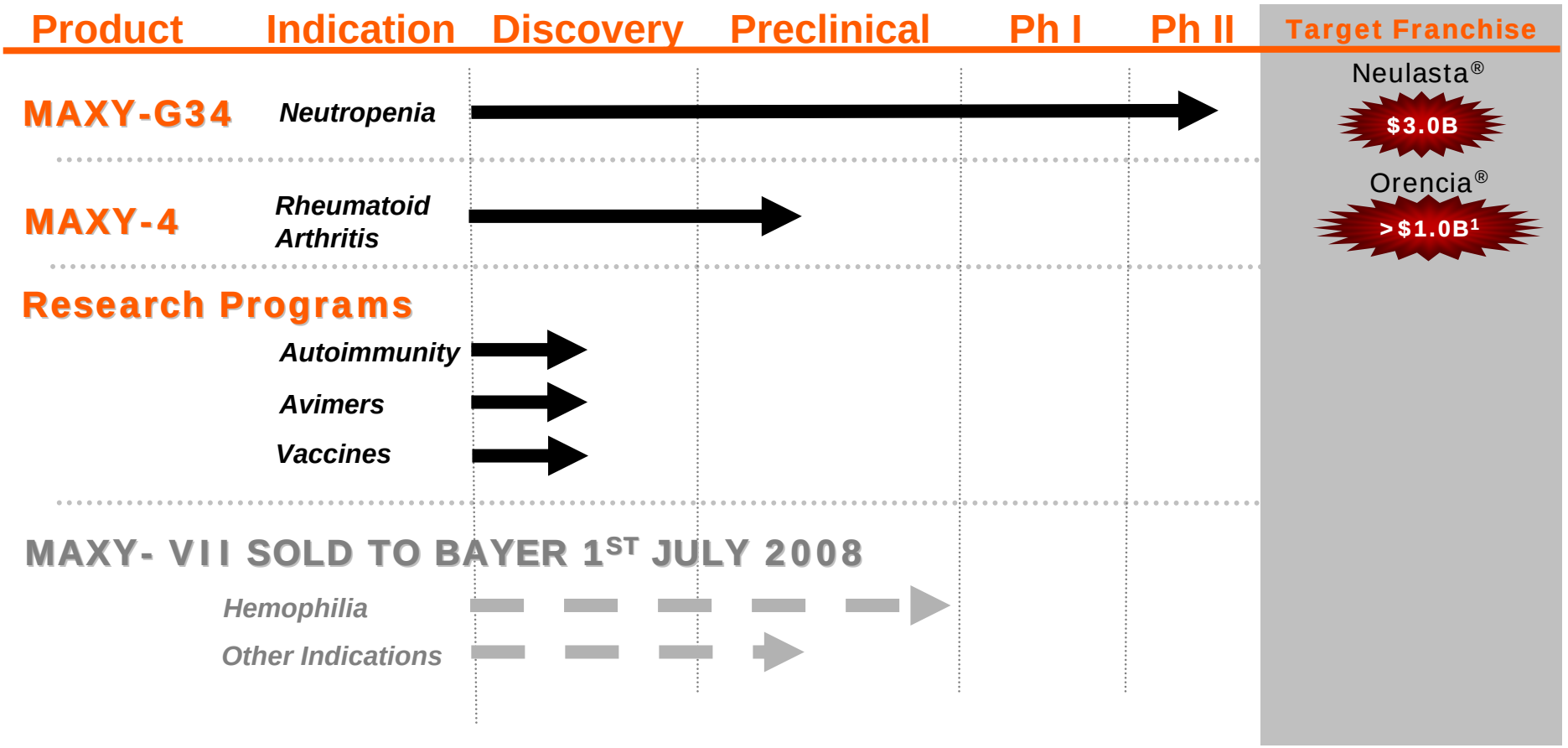
Avimers
Purchased by Amgen for $290M; $18M to Maxygen

verdia

Agriculture
Purchased by DuPont for $64M

- If you know what properties you want, Maxygen can potentially create a Biosuperior protein
  - Any protein can be optimized
  - Patent-protected technology creates proprietary proteins
  - Use recombination to create variation
  - DNA Shuffling combines with PEGylation, glycosylation, and mutagenesis
  - Independent of SAR or mechanism

Maxygen's Biosuperior Product Portfolio



[1]Analyst forecast for Orencia® sales in 2012. Sales for all RA drugs in 2007 were >$10B

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MAXY-VII Sold to Bayer July 1, 2008

- Preclinical stage program
- $90M initial cash payment
- $30M contingent on entry into Phase 2 and certain IP events
- Bayer assumes all responsibilities and costs
- Limited exclusive rights to use MolecularBreeding™ Directed Evolution Platform for certain protein targets also acquired by Bayer

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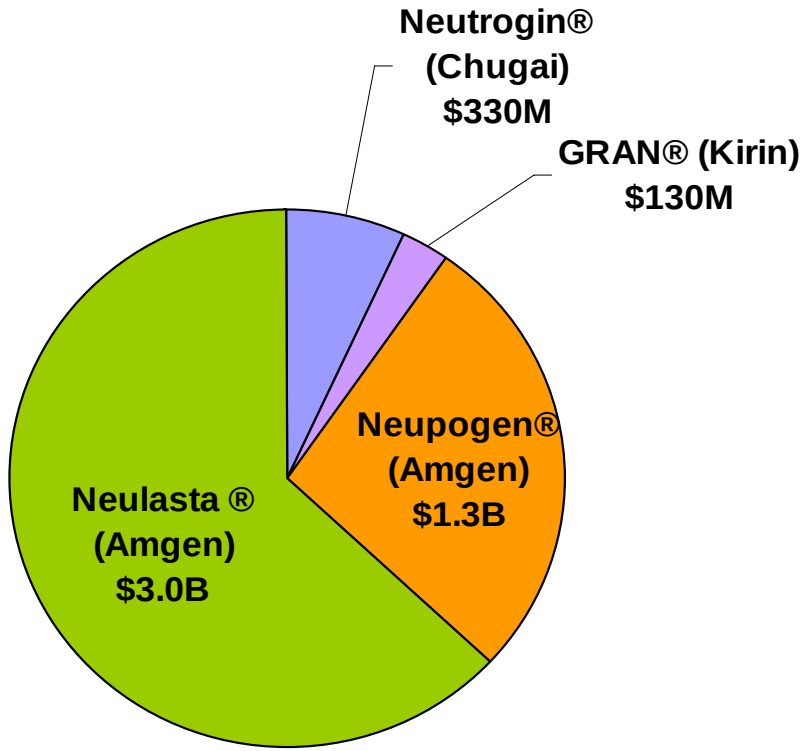
MAXY-G34
A Superior Long-Acting G-CSF

Indication
Chemotherapy-Induced Neutropenia

MAXY-G34: a Promising Product for an Attractive Market

- G-CSF market large and growing
  - Amgen the franchise holder
  - Amgen's U.S. patents prevent Neulasta® biosimilars until 2015
- Maxygen's MAXY-G34 is a novel, patent-protected, long-acting G-CSF with potential for improved efficacy vs. Neulasta®
- How to compete in this market
  - Non-inferior drug: pricing, physician choice
  - Differentiated drug: improved patient care



~$4.8 Billion Total G-CSF Market in 2007; Long-acting G-CSF growing at 11%

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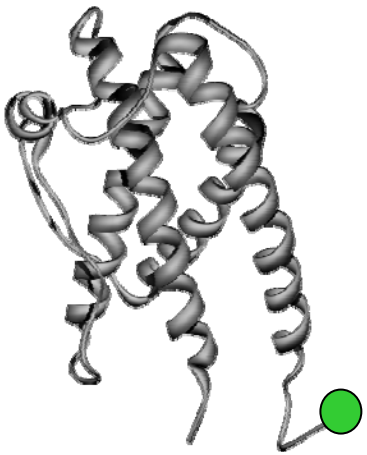
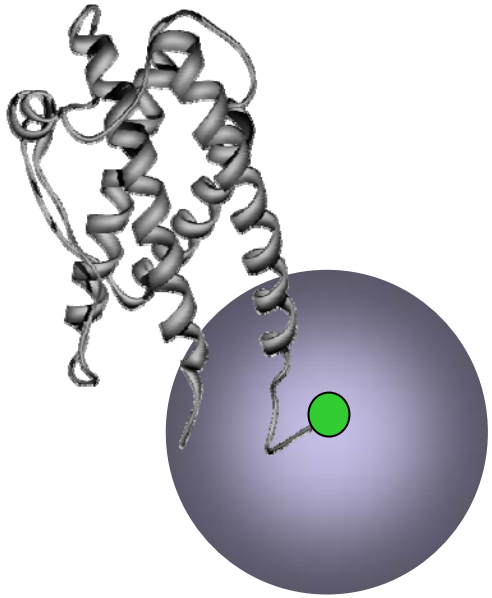
MAXY-G34 Is a Proprietary, Patent-Protected, Long-Acting Molecule

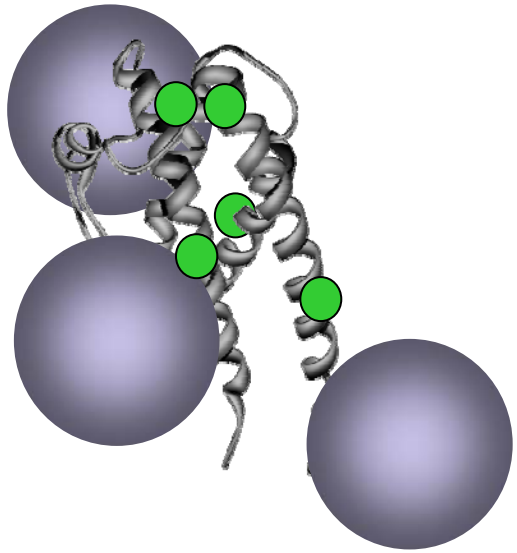
Neupogen®



Neulasta®



MAXY-G34



- Five amino acid changes in MAXY-G34 provide novel PEGylation pattern
- MAXY-G34 has three 5 kDa PEGs vs. Neulasta mono-PEGylated at N-terminus

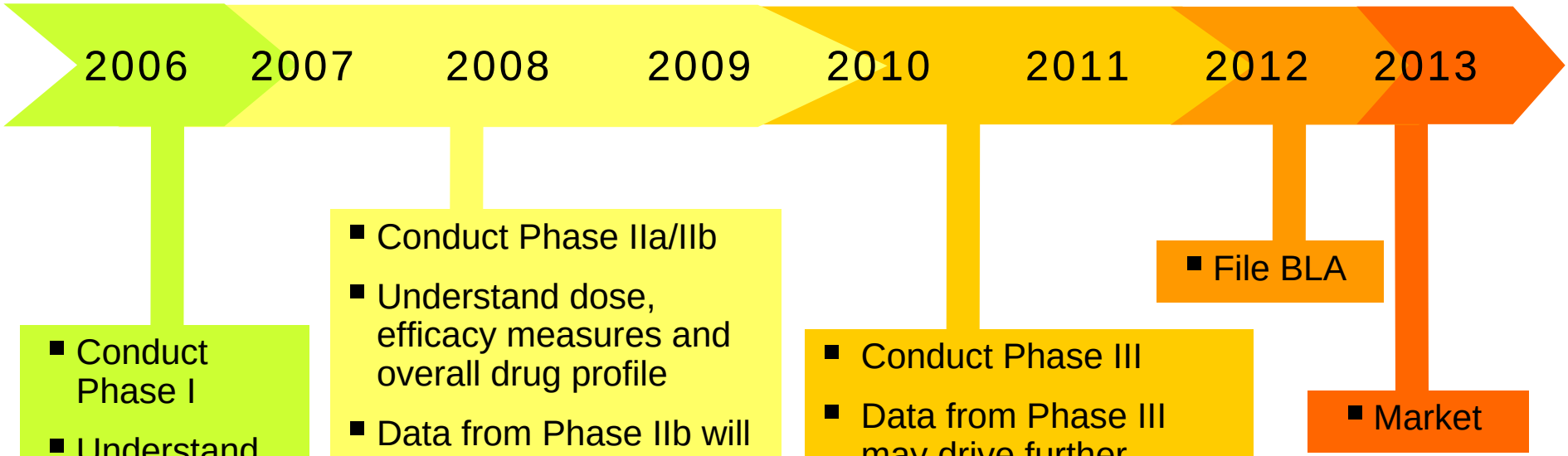
Intellectual Property Status

- Dec'96: Original Amgen patent no. 5,581,476 issued
- Nov '04: New Amgen claims filed in continuation application of '476 patent
  - Maxygen believes these claims were introduced in an attempt to prevent commercialization of MAXY-G34
  - Maxygen believed and continues to believe that the claims are invalid
  - Claims were rejected multiple times by USPTO
  - Maxygen expected patent would not issue
- Jun'08: Amgen patent 7,381,804B2 issued
  - Claims rejected in other countries
- This patent does not affect validity of Maxygen's four issued U.S. patents
  - MAXY-G34 patents granted in view of all Amgen prior art
- MAXY-G34 program continues uninterrupted
  - Clinical trial exemption prevents legal action by Amgen at this time
- We believe our patent position puts us in a strong position should Amgen pursue legal action in the future

MAXY G34 Intellectual Property
Potential Options for Maxygen Moving Forward

- Interference
- Other options to attack the Amgen patent under consideration
- Resolution likely to take a minimum of two years

MAXY-G34: Plan for Clinical Development with BLA in 2012



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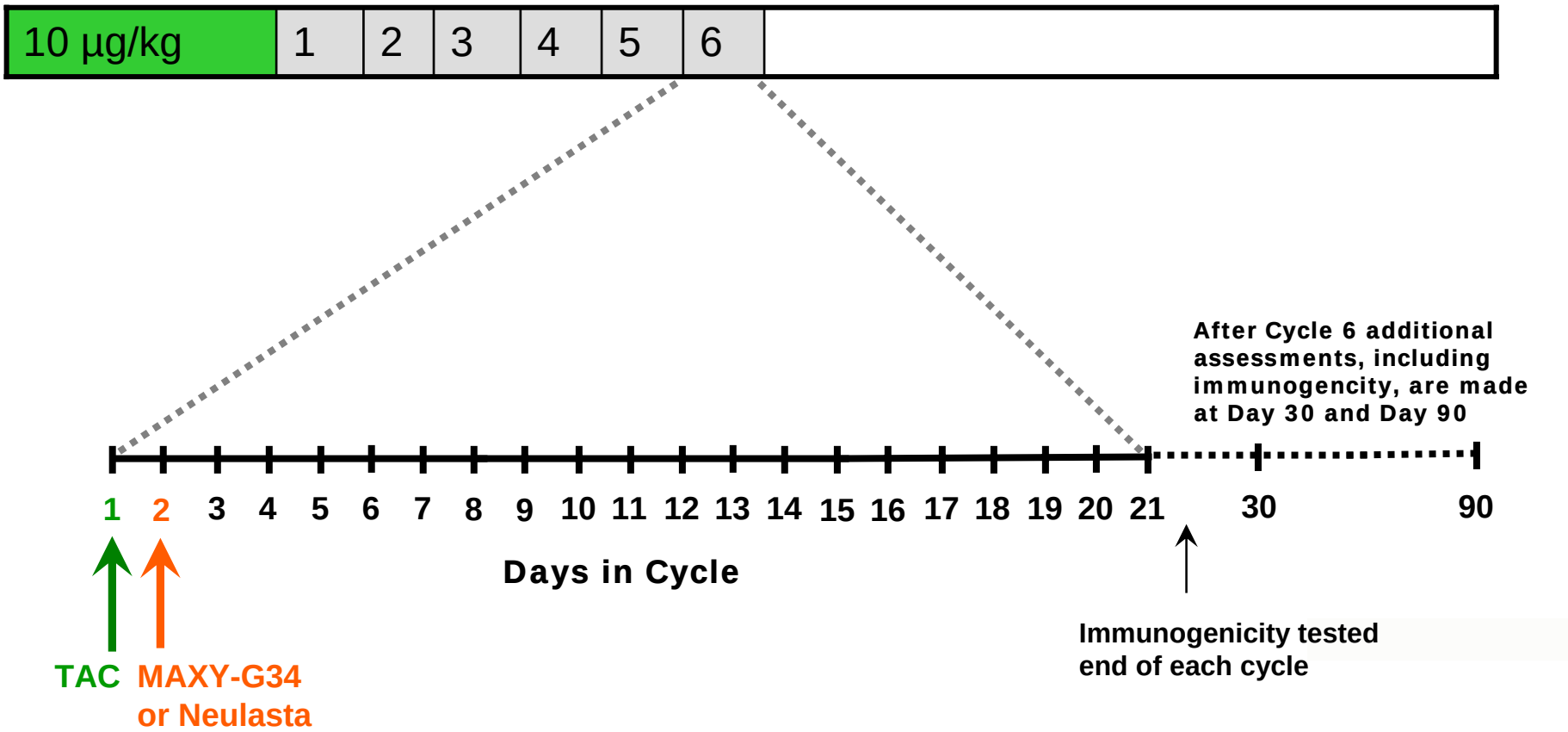
Phase IIa Ongoing in Breast Cancer Patients

- Study Goals
  - Evaluate safety and tolerability
  - Select dose(s) to take forward to Phase IIb
- Breast cancer patients (Stage I – IIIa) / TAC chemotherapy
  - 6 cycles of TAC per dose level, 21 days per cycle
- Treatment arms
  - MAXY-G34
    - escalating doses planned at 10, 30, 60 and 100 µg/kg (6 patients/dose)
  - Neulasta® - 6 mg fixed dose (6 patients)
- Clinical endpoints
  - Safety, tolerability and immunogenicity
  - Efficacy: duration of Grade 4 neutropenia (ANC $<0.5 \times 10^9$/L)
  - Pharmacokinetic assessments
- All Clinical Sites (16 total) are currently active
  - Romania (5 sites), Poland (3 sites), Russia (6 sites), Ukraine (2 sites)

MAXY-G34 Phase IIa Treatment Plan:
6 Cycles of TAC x 3 Weeks per Cycle = 18 Weeks per Patient



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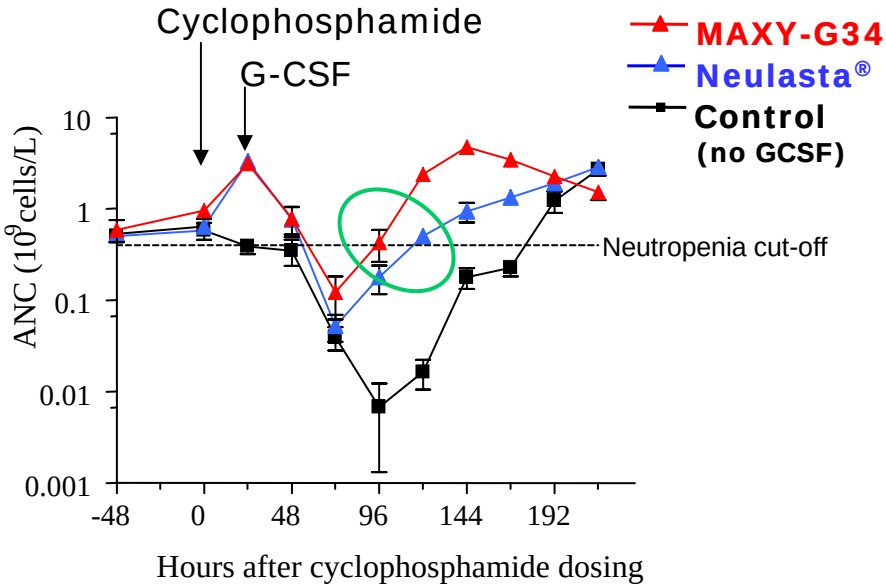
MAXY-G34 Phase IIa Progress is Positive

- Last full update on March 17, 2008
  - All patients on 10 µg/kg and patients in initial 30 µg/kg cohort met safety criteria for duration of neutropenia
  - Total number of doses of MAXY-G34 given = 91
    - Multiple patients with multiple doses
    - No MAXY-G34-related Serious Adverse Events or Grade 3 or 4 AEs
  - Immunogenicity data available to date
    - No binding antibodies detected
    - Drug response sustained through multiple cycles of dosing
- Current enrollment status
  - 10 µg/kg – fully enrolled
  - 30 µg/kg – fully enrolled
  - 60 µg/kg – fully enrolled
  - 45 µg/kg – fully enrolled
  - 100 µg/kg – currently enrolling

MAXY-G34 Differentiation vs. Neulasta® Could Deliver Significant Share of $3 Billion Long-Acting G-CSF Market

- Preclinical Studies
  - MAXY-G34 demonstrated shorter time of neutropenia in multiple animal models
- Phase I Trial
  - MAXY-G34 showed longer duration of neutrophil enhancement (higher AUC) vs. Neulasta®
- Phase IIa Trial - progressing well
  - MAXY-G34 exhibits clinical activity at 10, 30, 60 µg/kg
  - No serious adverse events or immunogenicity

Preclinical in vivo data - chemotherapy model



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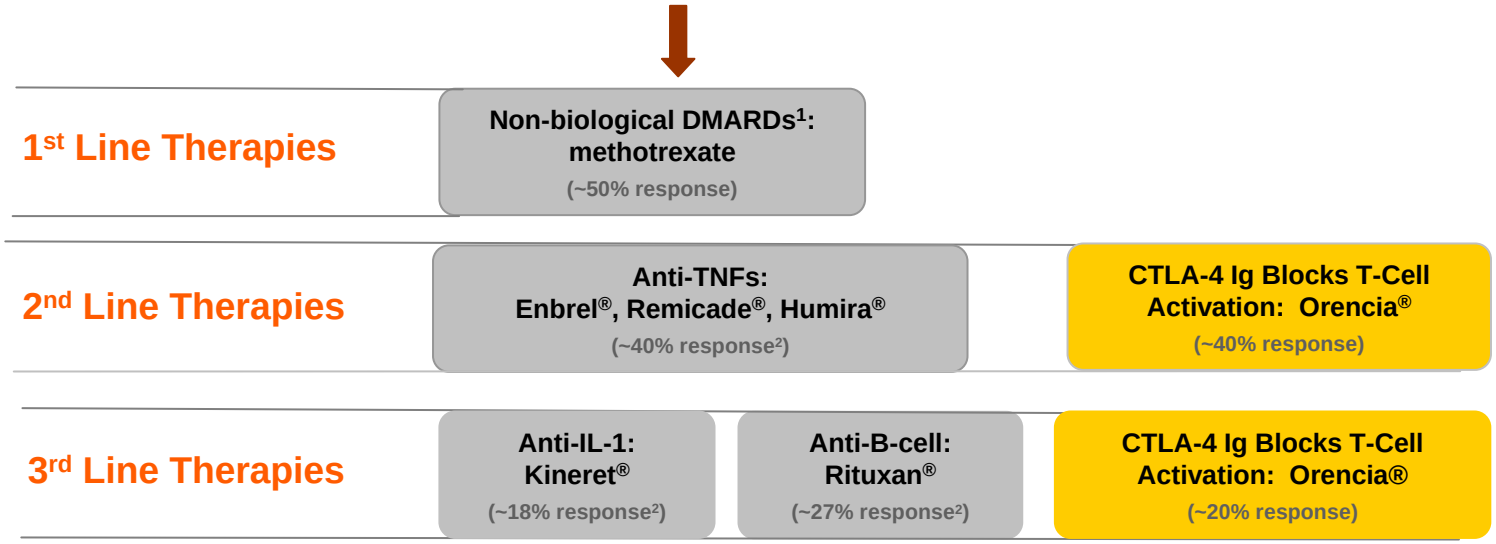
MAXY-4
A Superior Next-Generation CTLA4-Ig

Indication
Rheumatoid Arthritis

Current Therapies for Rheumatoid Arthritis (RA)
Total Market $10.5B in 2008

1.2 million patients with RA requiring treatment



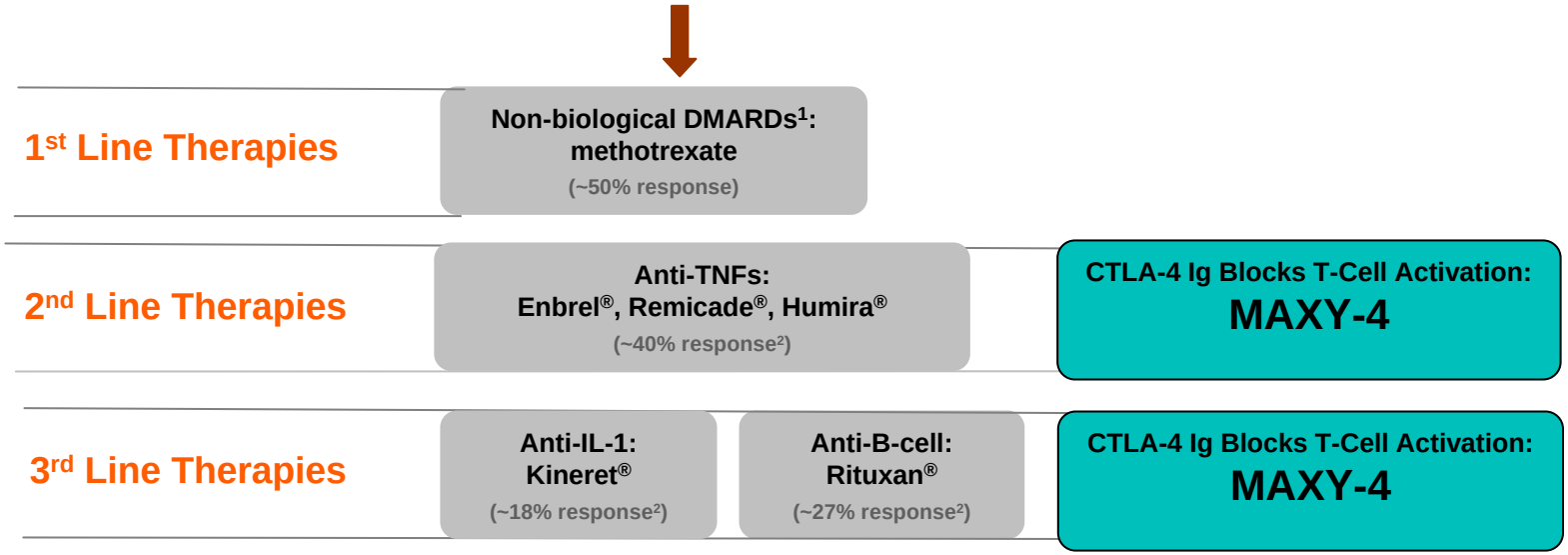
- Orencia (an IV infusion) expected to be ~$1B by 2011

[1] Disease-modifying anti-rheumatic drug
[2] Response rate among patients who failed prior therapies

Refs: 1) Moreland LW. Selective costimulation modulators: addressing unmet needs in rheumatoid arthritis management.Health Science Center for Continuing Medical Education. 2004
2) Chirinos-Rojas CL, DeVasher CE, Dreyfus J, Marecki S. Immune and inflammatory disorders: rheumatoid arthritis. Decision Resources. December 1, 2001. Available at: http://www.dresources.com/stellent/

MAXY-4 Designed to Capture Orencia® Market via Subcutaneous Administration and/or Improved Efficacy

1.2 million patients with RA requiring treatment



- MAXY-4 Opportunity
  - Enable subcutaneous dosing vs. IV for a CTLA-4 Ig
  - Challenge anti-TNFs as 2nd line therapy
  - Displace Orencia® as preferred 3rd line therapy

[1] Disease-modifying anti-rheumatic drug
[2] Response rate among patients who failed prior therapies

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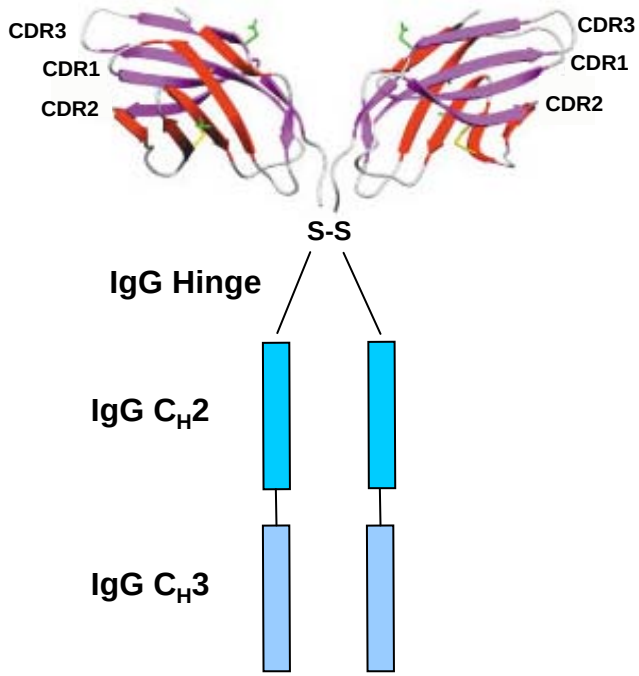
DNA Shuffling Was Used to Produce CTLA4-Ig Candidates with Novel Properties

- Goal: Create a next-generation CTLA4-Ig with higher potency than Orencia®
- Higher potency allows differentiation by
  - Increased convenience (subcutaneous dosing replaces intravenous)
  - Superior efficacy
  - Both dosing convenience and efficacy

MAXY-4 is a CTLA4-Ig fusion format



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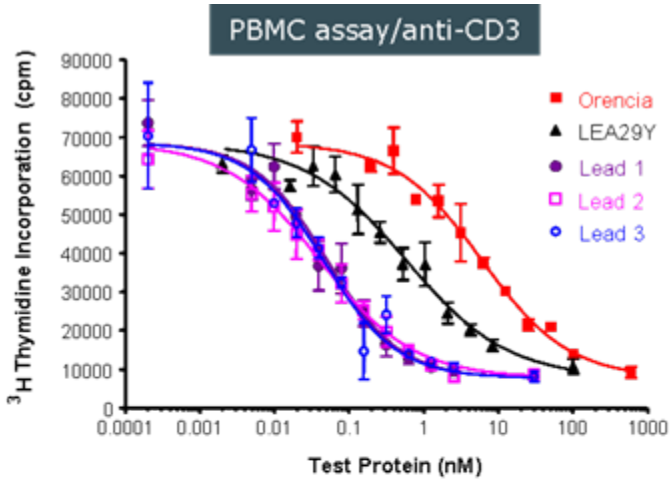
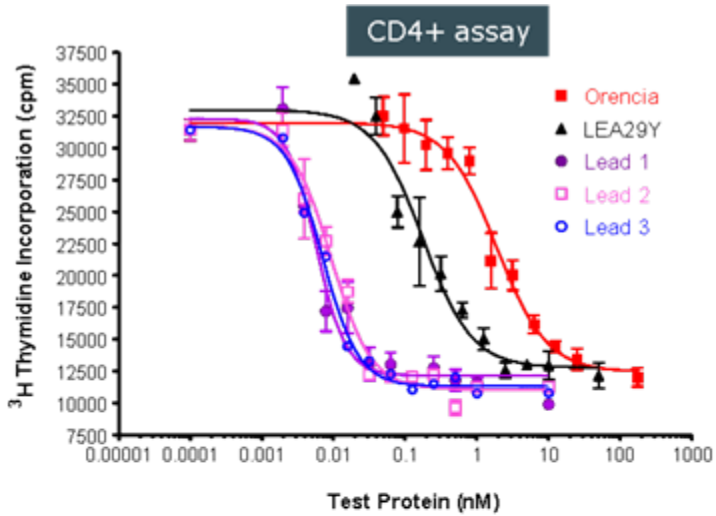
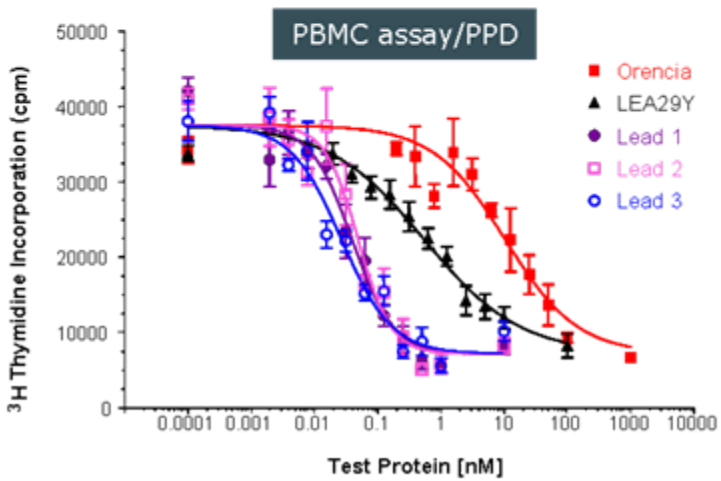
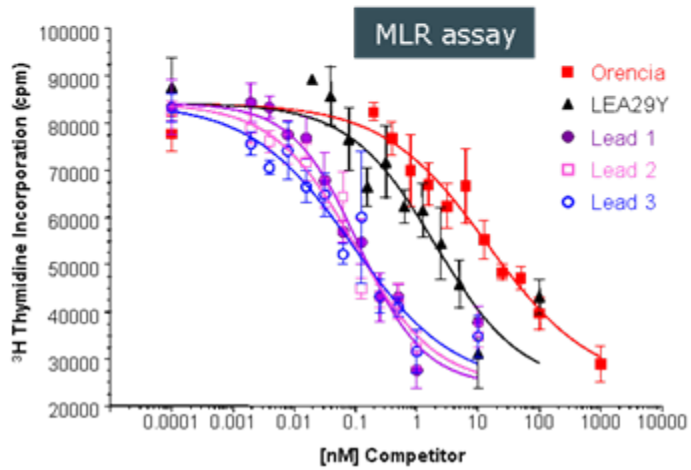
MAXY-4 Leads Are 40 - 300 Times More Potent than Orencia® in Inhibiting T-Cell Proliferation In Vitro









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Key Program Milestones and Financial Metrics

- MAXY-G34
  - Phase IIa progress update Q3'08
  - Phase IIb initiation expected 2009
  - BLA projected 2012
- MAXY-VII
  - File CTA for MAXY-VII for hemophilia in H1 2008
  - Sold to Bayer, July 1st, 2008
- MAXY-4
  - Complete in vivo proof-of-concept studies in 2008
- Key Financials
  - 2008 Operating cash utilization* $50-55 Million
  - $134 Million cash at March 31, 2008
  - $90 Million additional cash from Bayer, July 1, 2008
  - 25% ownership in Codexis, S1 filed April 14, 2008
  - No Debt

**Net Loss excluding Stock Compensation (FAS 123(R)) & Depreciation less Capital expenditures & Change in deferred revenues*

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What Distinguishes Maxygen?

- Patent-protected technology platform potentially creates novel, proprietary Biosuperiors of any protein
- MAXY-G34, wholly-owned long-acting G-CSF in Phase IIa, designed to compete against Neulasta®
- Biosuperior preclinical pipeline, including MAXY-4, designed to compete against Orencia®
- Excellent cash position for strategic investments
  [$134 million cash (at 3-31-08) plus $90 million from Bayer, no debt]

BIOSUPERIORS