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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2014

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 0-17999

ImmunoGen, Inc.

Massachusetts	**04-2726691**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

830 Winter Street, Waltham, MA 02451
(Address of principal executive offices, including zip code)

(781) 895-0600
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. xYes o No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). x Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer x	Accelerated filer o
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

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

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

Shares of common stock, par value $.01 per share: 85,935,634 shares outstanding as of October 23, 2014.

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IMMUNOGEN, INC.
FORM 10-Q
FOR THE QUARTER ENDED SEPTEMBER 30, 2014
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ITEM 1. ***Financial Statements***

IMMUNOGEN, INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
In thousands, except per share amounts

	September 30, 2014	June 30, 2014
ASSETS		
Cash and cash equivalents	$ 121,798	$ 142,261
Accounts receivable	1,838	1,896
Unbilled revenue	784	1,329
Inventory	2,115	2,950
Prepaid and other current assets	1,795	2,320
Total current assets	128,330	150,756
Property and equipment, net of accumulated depreciation	14,668	14,349
Other assets	108	213
Total assets	$ 143,106	$ 165,318
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 4,957	$ 4,819
Accrued compensation	3,712	6,865
Other accrued liabilities	6,844	6,668
Current portion of deferred lease incentive	562	528
Current portion of deferred revenue	23,699	2,374
Total current liabilities	39,774	21,254
Deferred lease incentive, net of current portion	5,904	5,679
Deferred revenue, net of current portion	34,661	58,969
Other long-term liabilities	3,796	3,717
Total liabilities	84,135	89,619
Commitments and contingencies (Note E)		
Shareholders' equity:		
Preferred stock, $0.01 par value; authorized 5,000 shares; no shares issued and outstanding	—	—
Common stock, $0.01 par value; authorized 150,000 shares; issued and outstanding 85,928 and 85,903 shares as of September 30, 2014 and June 30, 2014, respectively	859	859
Additional paid-in capital	728,525	722,971
Accumulated deficit	(670,413)	(648,131)
Total shareholders' equity	58,971	75,699
Total liabilities and shareholders' equity	$ 143,106	$ 165,318

The accompanying notes are an integral part of the consolidated financial statements.

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IMMUNOGEN, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)
In thousands, except per share amounts

	Three Months Ended September 30,	
	2014	2013
Revenues:		
License and milestone fees	$ 6,234	$ 13,167
Royalty revenue	4,166	2,053
Research and development support	776	1,990
Clinical materials revenue	2,027	8
Total revenues	13,203	17,218
Operating Expenses:		
Research and development	28,018	22,029
General and administrative	7,095	6,526
Total operating expenses	35,113	28,555
Loss from operations	(21,910)	(11,337)
Other (expense) income, net	(372)	111
Net loss	$ (22,282)	$ (11,226)
Basic and diluted net loss per common share	$ (0.26)	$ (0.13)
Basic and diluted weighted average common shares outstanding	85,872	85,010
Total comprehensive loss	$ (22,282)	$ (11,226)

The accompanying notes are an integral part of the consolidated financial statements.

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IMMUNOGEN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
In thousands, except per share amounts

	Three Months ended September 30,	
	2014	2013
Cash flows from operating activities:		
Net loss	$ (22,282)	$ (11,226)
Adjustments to reconcile net loss to net cash used for operating activities:		
Depreciation and amortization	1,389	1,162
Loss (gain) on sale/disposal of fixed assets	—	20
Gain on forward contracts	—	(2)
Stock and deferred share unit compensation	5,410	4,795
Deferred rent	92	(6)
Changes in operating assets and liabilities:		
Accounts receivable	58	(5,789)
Unbilled revenue	545	142
Inventory	835	(968)
Prepaid and other current assets	525	(559)
Other assets	105	14
Accounts payable	138	(1,376)
Accrued compensation	(3,153)	(2,877)
Other accrued liabilities	29	438
Deferred revenue	(2,983)	(7,343)
Proceeds from landlord for tenant improvements	393	—
Net cash used for operating activities	(18,899)	(23,575)
Cash flows from investing activities:		
Purchases of property and equipment, net	(1,708)	(572)
Net cash used for investing activities	(1,708)	(572)

Cash flows from financing activities:		
Proceeds from stock options exercised	144	4,025
Net cash provided by financing activities	144	4,025
Net change in cash and cash equivalents	(20,463)	(20,122)
Cash and cash equivalents, beginning balance	142,261	194,960
Cash and cash equivalents, ending balance	$ 121,798	$ 174,838

The accompanying notes are an integral part of the consolidated financial statements.

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IMMUNOGEN, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2014

A. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements at September 30, 2014 and June 30, 2014 and for the three months ended September 30, 2014 and 2013 include the accounts of ImmunoGen, Inc., or the Company, and its wholly owned subsidiaries, ImmunoGen Securities Corp. and ImmunoGen Europe Limited. The consolidated financial statements include all of the adjustments, consisting only of normal recurring adjustments, which management considers necessary for a fair presentation of the Company's financial position in accordance with accounting principles generally accepted in the U.S. for interim financial information. Certain information and footnote disclosures normally included in the Company's annual financial statements have been condensed or omitted. The preparation of interim financial statements requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenditures during the reported periods. The results of the interim periods are not necessarily indicative of the results for the entire year. Accordingly, the interim financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended June 30, 2014.

Subsequent Events

The Company has evaluated all events or transactions that occurred after September 30, 2014 up through the date the Company issued these financial statements. In October 2014, Novartis took three licenses under its right-to-test agreement with the Company, triggering a $3 million payment in exercise fees to the Company. The exercise by Novartis of its rights to take these licenses will result in $25.7 million in license and milestone fee revenue to be recorded by the Company in the second quarter of fiscal 2015, inclusive of the $3 million of exercise fees for these licenses and the amortization of the remaining portion of the upfront fee allocated to the development and commercialization licenses paid by Novartis with the establishment of the right-to-test agreement in fiscal 2011. Novartis has now taken all licenses permitted under its right-to-test agreement with the Company. The Company did not have any other material recognizable or unrecognizable subsequent events during this period.

Revenue Recognition

The Company enters into licensing and development agreements with collaborative partners for the development of monoclonal antibody-based anticancer therapeutics. The terms of these agreements contain multiple deliverables which may include (i) licenses, or options to obtain licenses, to the Company's antibody-drug conjugate, or ADC, technology, (ii) rights to future technological improvements, (iii) research activities to be performed on behalf of the collaborative partner, (iv) delivery of cytotoxic agents and (v) the manufacture of preclinical or clinical materials for the collaborative partner. Payments to the Company under these agreements may include upfront fees, option fees, exercise fees, payments for research activities, payments for the manufacture of preclinical or clinical materials, payments based upon the achievement of certain milestones and royalties on product sales. The Company follows the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 605-25, "Revenue Recognition—Multiple-Element Arrangements," and ASC Topic 605-28, "Revenue Recognition—Milestone Method," in accounting for these agreements. In order to account for these agreements, the Company must identify the deliverables included within the agreement and evaluate which deliverables represent separate units of accounting based on if certain criteria are met, including whether the delivered element has stand-alone value to the collaborator. The consideration received is allocated among the separate units of accounting, and the applicable revenue recognition criteria are applied to each of the separate units.

At September 30, 2014, the Company had the following two types of agreements with the parties identified below:

- Development and commercialization licenses to use the Company's ADC technology and/or certain other intellectual property to develop compounds to a specified target antigen (referred to as development and commercialization licenses, as distinguished from the Company's right-to-test agreements described elsewhere):

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Amgen (four exclusive single-target licenses(1))

Bayer HealthCare (one exclusive single-target license)

Biotest (one exclusive single-target license)

Lilly (one exclusive single-target license)

Novartis (two exclusive single-target licenses and one license to two related targets: one target on an exclusive basis and the second target on a non-exclusive basis)

Roche, through its Genentech unit (five exclusive single-target licenses)

Sanofi (one exclusive single-target license and one exclusive license to multiple individual targets)

- Research license/option agreement for a defined period of time to secure development and commercialization licenses to use the Company's ADC technology to develop anticancer compounds to specified targets on established terms (referred to herein as right-to-test agreements):

  Sanofi

  Novartis

  Lilly

  CytomX

There are no performance, cancellation, termination or refund provisions in any of the arrangements that contain material financial consequences to the Company.

Development and Commercialization Licenses

The deliverables under a development and commercialization license agreement generally include the license to the Company's ADC technology with respect to a specified antigen target, and may also include deliverables related to rights to future technological improvements, research activities to be performed on behalf of the collaborative partner and the manufacture of preclinical or clinical materials for the collaborative partner.

Generally, development and commercialization licenses contain non-refundable terms for payments and, depending on the terms of the agreement, provide that the Company will (i) at the collaborator's request, provide research services at negotiated prices which are generally consistent with what other third parties would charge, (ii) at the collaborator's request, manufacture and provide to it preclinical and clinical materials or deliver cytotoxic agents at negotiated prices which are generally consistent with what other third parties would charge, (iii) earn payments upon the achievement of certain milestones and (iv) earn royalty payments, generally until the later of the last applicable patent expiration or 10 to 12 years after product launch. In the case of Kadcyla®, however, the royalty term, on a country-by-country basis, is 10 years after product launch, which may be extended an additional two years, for a maximum royalty term of 12 years, depending on patent protection as of the end of the initial 10-year royalty term. Royalty rates may vary over the royalty term depending on the Company's intellectual property rights and/or the presence of comparable competing products. The Company may provide technical assistance and share any technology improvements with its collaborators during the term of the collaboration agreements. The Company does not directly control when or whether any collaborator will request research or manufacturing services, achieve milestones or become liable for royalty payments. As a result, the Company cannot predict when or if it will recognize revenues in connection with any of the foregoing.

In determining the units of accounting, management evaluates whether the license has stand-alone value from the undelivered elements to the collaborative partner based on the consideration of the relevant facts and circumstances for each arrangement. Factors considered in this determination include the research capabilities of the partner and the availability of ADC technology research expertise in the general marketplace. If the Company concludes that the license has stand-alone value and therefore will be accounted

(1) Amgen has sublicensed one of its exclusive single-target licenses to Oxford BioTherapeutics Ltd.

for as a separate unit of accounting, the Company then determines the estimated selling prices of the license and all other units of accounting based on market conditions, similar arrangements entered into by third parties, and entity-specific factors such as the terms of the Company's previous collaborative agreements, recent preclinical and clinical testing results of therapeutic products that use the Company's ADC technology, the Company's pricing practices and pricing objectives, the likelihood that technological improvements will be made, and, if made, will be used by the Company's collaborators and the nature of the research services to be performed on behalf of its collaborators and market rates for similar services.

Upfront payments on development and commercialization licenses are deferred if facts and circumstances dictate that the license does not have stand-alone value. Prior to the adoption of Accounting Standards Update (ASU) No. 2009-13, "Revenue Arrangements with Multiple Deliverables" on July 1, 2010, the Company determined that its licenses lacked stand-alone value and were combined with other elements of the arrangement and any amounts associated with the license were deferred and amortized over a certain period, which the Company refers to as the Company's period of substantial involvement. The determination of the length of the period over which to defer revenue is subject to judgment and estimation and can have an impact on the amount of revenue recognized in a given period. Historically the Company's involvement with the development of a collaborator's product candidate has been significant at the early stages of development, and lessens as it progresses into clinical trials. Also, as a drug candidate gets closer to commencing pivotal testing the Company's collaborators have sought an alternative site to manufacture their products, as the Company's facility does not produce pivotal or commercial drug product. Accordingly, the Company generally estimates this period of substantial involvement to begin at the inception of the collaboration agreement and conclude at the end of non-pivotal Phase II testing. The Company believes this period of substantial involvement is, depending on the nature of the license, on average six and one-half years. Quarterly, the Company reassesses its periods of substantial involvement over which the Company amortizes its upfront license fees and makes adjustments as appropriate. In the event a collaborator elects to discontinue development of a specific product candidate under a development and commercialization license, but retains its right to use the Company's technology to develop an alternative product candidate to the same target or a target substitute, the Company would cease amortization of any remaining portion of the upfront fee until there is substantial

preclinical activity on another product candidate and its remaining period of substantial involvement can be estimated. In the event that a development and commercialization license were to be terminated, the Company would recognize as revenue any portion of the upfront fee that had not previously been recorded as revenue, but was classified as deferred revenue, at the date of such termination.

Subsequent to the adoption of ASU No. 2009-13, the Company determined that its research licenses lack stand-alone value and are considered for aggregation with the other elements of the arrangement and accounted for as one unit of accounting.

Upfront payments on development and commercialization licenses may be recognized upon delivery of the license if facts and circumstances dictate that the license has stand-alone value from the undelivered elements, which generally include rights to future technological improvements, research services, delivery of cytotoxic agents and the manufacture of preclinical and clinical materials.

The Company recognizes revenue related to research services that represent separate units of accounting as they are performed, as long as there is persuasive evidence of an arrangement, the fee is fixed or determinable, and collection of the related receivable is probable. The Company recognizes revenue related to the rights to future technological improvements over the estimated term of the applicable license.

The Company may also provide cytotoxic agents to its collaborators or produce preclinical and clinical materials at negotiated prices which are generally consistent with what other third parties would charge. The Company recognizes revenue on cytotoxic agents and on preclinical and clinical materials when the materials have passed all quality testing required for collaborator acceptance and title and risk of loss have transferred to the collaborator. Arrangement consideration allocated to the manufacture of preclinical and clinical materials in a multiple-deliverable arrangement is below the Company's full cost, and the Company's full cost is not expected to ever be below its contract selling prices for its existing collaborations. During the three months ended September 30, 2014, the difference between the Company's full cost to manufacture preclinical and clinical materials on behalf of its collaborators as compared to total amounts received from collaborators for the manufacture of preclinical and clinical materials was $3.1 million. There were no sales of manufactured preclinical or clinical materials during the three months ended September 30, 2013.The majority of the Company's costs to produce these preclinical and clinical materials are fixed and then allocated to each batch based on the number of batches produced during the period. Therefore, the Company's costs to produce these materials are significantly impacted by the number of batches produced during the period. The volume of preclinical and clinical materials the Company produces is directly related to the number of clinical trials the Company and its collaborators are preparing for or currently have underway, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period such trials last. Accordingly, the volume of preclinical and clinical materials produced, and therefore the Company's per-batch costs to manufacture these preclinical and clinical materials, may vary significantly from period to period.

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The Company may also produce research material for potential collaborators under material transfer agreements. Additionally, the Company performs research activities, including developing antibody specific conjugation processes, on behalf of its collaborators and potential collaborators during the early evaluation and preclinical testing stages of drug development. The Company records amounts received for research materials produced or services performed as a component of research and development support revenue. The Company also develops conjugation processes for materials for later stage testing and commercialization for certain collaborators. The Company is compensated at negotiated rates and may receive milestone payments for developing these processes which are recorded as a component of research and development support revenue.

The Company's development and commercialization license agreements have milestone payments which for reporting purposes are aggregated into three categories: (i) development milestones, (ii) regulatory milestones, and (iii) sales milestones. Development milestones are typically payable when a product candidate initiates or advances into different clinical trial phases. Regulatory milestones are typically payable upon submission for marketing approval with the U.S. Food and Drug Administration, or FDA, or other countries' regulatory authorities or on receipt of actual marketing approvals for the compound or for additional indications. Sales milestones are typically payable when annual sales reach certain levels.

At the inception of each agreement that includes milestone payments, the Company evaluates whether each milestone is substantive and at risk to both parties on the basis of the contingent nature of the milestone. This evaluation includes an assessment of whether (a) the consideration is commensurate with either (1) the entity's performance to achieve the milestone, or (2) the enhancement of the value of the delivered item(s) as a result of a specific outcome resulting from the entity's performance to achieve the milestone, (b) the consideration relates solely to past performance and (c) the consideration is reasonable relative to all of the deliverables and payment terms within the arrangement. The Company evaluates factors such as the scientific, regulatory, commercial and other risks that must be overcome to achieve the respective milestone, the level of effort and investment required to achieve the respective milestone and whether the milestone consideration is reasonable relative to all deliverables and payment terms in the arrangement in making this assessment.

Non-refundable development and regulatory milestones that are expected to be achieved as a result of the Company's efforts during the period of substantial involvement are considered substantive and are recognized as revenue upon the achievement of the milestone, assuming all other revenue recognition criteria are met. Milestones that are not considered substantive because we do not contribute effort to the achievement of such milestones are generally achieved after the period of substantial involvement and are recognized as revenue upon achievement of the milestone, as there are no undelivered elements remaining and no continuing performance obligations, assuming all other revenue recognition criteria are met.

Under the Company's development and commercialization license agreements, the Company receives royalty payments based upon its licensees' net sales of covered products. Generally, under these agreements the Company is to receive royalty reports and payments from its licensees approximately one quarter in arrears, that is, generally in the second month of the quarter after the licensee has sold the royalty bearing product or products. The Company recognizes royalty revenues when it can reliably estimate such amounts and collectability is reasonably assured. As such, the Company generally recognizes royalty revenues in the quarter reported to the Company by its licensees, or one quarter following the quarter in which sales by the Company's licensees occurred.

Right-to-Test Agreements

The Company's right-to-test agreements provide collaborators the right to (a) test the Company's ADC technology for a defined period of time through a research, or right-to-test, license, (b) take a defined number of options, for a defined period of time, to specified targets and (c) upon exercise of an option, secure or "take" a license to develop and commercialize products for the specified targets on established terms. Under these agreements, fees may be due to the Company (i) at the inception of the arrangement (referred to as "upfront" fees or payments), (ii) upon taking an option with respect to a specific target (referred to as option fees or payments earned, if any, when the option is "taken"), (iii) upon the exercise of a previously taken option to acquire a

development and commercialization license(s) (referred to as exercise fees or payments earned, if any, when the development and commercialization license is "taken"), or (iv) some combination of all of these fees.

The accounting for right-to-test agreements is dependent on the nature of the options granted to the collaborative partner. Options are considered substantive if, at the inception of a right-to-test agreement, the Company is at risk as to whether the collaborative partner will choose to exercise the options to secure development and commercialization licenses. Factors that are considered in evaluating whether options are substantive include the overall objective of the arrangement, the benefit the collaborator might obtain from the agreement without exercising the options, the cost to exercise the options relative to the total upfront consideration, and the additional financial commitments or economic penalties imposed on the collaborator as a result of exercising the options.

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For right-to-test agreements where the options to secure development and commercialization licenses to the Company's ADC technology are considered substantive, the Company does not consider the development and commercialization licenses to be a deliverable at the inception of the agreement. For those right-to-test agreements entered into prior to the adoption of ASU No. 2009-13 where the options to secure development and commercialization licenses are considered substantive, the Company has deferred the upfront payments received and recognizes this revenue over the period during which the collaborator could elect to take options for development and commercialization licenses. These periods are specific to each collaboration agreement. If a collaborator takes an option to acquire a development and commercialization license under these agreements, any substantive option fee is deferred and recognized over the life of the option, generally 12 to 18 months. If a collaborator exercises an option and takes a development and commercialization license to a specific target, the Company attributes the exercise fee to the development and commercialization license. Upon exercise of an option to acquire a development and commercialization license, the Company would also attribute any remaining deferred option fee to the development and commercialization license and apply the multiple-element revenue recognition criteria to the development and commercialization license and any other deliverables to determine the appropriate revenue recognition, which will be consistent with the Company's accounting policy for upfront payments on single-target licenses. In the event a right-to-test agreement were to be terminated, the Company would recognize as revenue any portion of the upfront fee that had not previously been recorded as revenue, but was classified as deferred revenue, at the date of such termination. None of the Company's right-to-test agreements entered into subsequent to the adoption of ASU No. 2009-13 has been determined to contain substantive options.

For right-to-test agreements where the options to secure development and commercialization licenses to the Company's ADC technology are not considered substantive, the Company considers the development and commercialization licenses to be a deliverable at the inception of the agreement and applies the multiple-element revenue recognition criteria to determine the appropriate revenue recognition. None of the Company's right-to-test agreements entered into prior to the adoption of ASU No. 2009-13 has been determined to contain non-substantive options.

The Company does not directly control when or if any collaborator will exercise its options for development and commercialization licenses. As a result, the Company cannot predict when or if it will recognize revenues in connection with any of the foregoing.

Fair Value of Financial Instruments

Fair value is defined under ASC Topic 820, "Fair Value Measurements and Disclosures," as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy to measure fair value which is based on three levels of inputs, of which the first two are considered observable and the last unobservable, as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

As of September 30, 2014, the Company held certain assets that are required to be measured at fair value on a recurring basis. The following table represents the fair value hierarchy for the Company's financial assets measured at fair value on a recurring basis as of September 30, 2014 (in thousands):

	Fair Value Measurements at September 30, 2014 Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	$ 121,798	$ 121,798	$ —	$ —

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As of June 30, 2014, the Company held certain assets that are required to be measured at fair value on a recurring basis. The following table represents the fair value hierarchy for the Company's financial assets measured at fair value on a recurring basis as of June 30, 2014 (in thousands):

	Fair Value Measurements at June 30, 2014 Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash, cash equivalents and restricted cash	$ 142,261	$ 142,261	$ —	$ —

The fair value of the Company's cash equivalents is based primarily on quoted prices from active markets.

Unbilled Revenue

The majority of the Company's unbilled revenue at September 30, 2014 and June 30, 2014 represents research funding earned prior to those dates based on actual resources utilized under the Company's agreements with various collaborators.

Inventory

Inventory costs relate to clinical trial materials being manufactured for sale to the Company's collaborators. Inventory is stated at the lower of cost or market as determined on a first-in, first-out (FIFO) basis.

Inventory at September 30, 2014 and June 30, 2014 is summarized below (in thousands):

	September 30, 2014	June 30, 2014
Raw materials	$ 269	$ 437
Work in process	1,846	2,513
Total	$ 2,115	$ 2,950

Raw materials inventory consists entirely of DM1 and DM4, proprietary cell-killing agents the Company developed as part of its ADC technology. The Company considers more than a twelve month supply of raw materials that is not supported by firm, fixed orders and/or projections from its collaborators to be excess and establishes a reserve to reduce to zero the value of any such excess raw material inventory with a corresponding charge to research and development expense. In accordance with this policy, the Company recorded $337,000 and $135,000 of expense related to excess inventory during the three-month periods ended September 30, 2014 and 2013, respectively.

Work in process inventory consists of conjugate manufactured for sale to the Company's collaborators to be used in preclinical and clinical studies. All conjugate is made to order at the request of the collaborators and subject to the terms and conditions of respective supply agreements. As such, no reserve for work in process inventory is required.

Computation of Net Loss per Common Share

Basic and diluted net loss per share is calculated based upon the weighted average number of common shares outstanding during the period. During periods of income, participating securities are allocated a proportional share of income determined by dividing total weighted average participating securities by the sum of the total weighted average common shares and participating securities (the "two-class method"). The Company's restricted stock participates in any dividends declared by the Company and are therefore considered to be participating securities. Participating securities have the effect of diluting both basic and diluted earnings per share during periods of income. During periods of loss, no loss is allocated to participating securities since they have no contractual obligation to share in the losses of the Company. The impact of applying the two-class method was not material. Diluted (loss) income per share is computed after giving consideration to the dilutive effect of stock options that are outstanding during the period, except where such non-participating securities would be anti-dilutive.

The Company's common stock equivalents, as calculated in accordance with the treasury-stock method, are shown in the following table (in thousands):

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	Three Months Ended September 30,	
	2014	2013
Options outstanding to purchase common stock and unvested restricted stock	10,564	8,733
Common stock equivalents under treasury stock method	1,147	2,215

The Company's common stock equivalents have not been included in the net loss per share calculation because their effect is anti-dilutive due to the Company's net loss position.

Stock-Based Compensation

As of September 30, 2014, the Company is authorized to grant future awards under one employee share-based compensation plan, which is the ImmunoGen, Inc. 2006 Employee, Director and Consultant Equity Incentive Plan, or the 2006 Plan. At the annual meeting of shareholders on November 13, 2012, an amendment to the 2006 Plan was approved and an additional 3,500,000 shares were authorized for issuance under this plan. As amended, the 2006 Plan provides for the issuance of Stock Grants, the grant of Options and the grant of Stock-Based Awards for up to 12,000,000 shares of the Company's common stock, as well as 1,676,599 shares of common stock which represent awards granted under the previous stock option plan, the ImmunoGen, Inc. Restated Stock Option Plan, or the Former Plan, that were forfeited, expired or were cancelled without delivery of shares of common stock or which resulted in the forfeiture of shares of common stock back to the Company between November 11, 2006 and June 30, 2014. Option awards are granted with an exercise price equal to the market price of the Company's stock at the date of grant. Options vest at various periods of up to four years and may be exercised within ten years of the date of grant.

The stock-based awards are accounted for under ASC Topic 718, "Compensation—Stock Compensation." Pursuant to Topic 718, the estimated grant date fair value of awards is charged to the statement of operations and comprehensive loss over the requisite service period, which is the vesting period. Such amounts have been reduced by an estimate of forfeitures of all unvested awards. The fair value of each stock option is estimated on the date of grant using the

Black-Scholes option-pricing model with the assumptions noted in the following table. As the Company has not paid dividends since inception, nor does it expect to pay any dividends for the foreseeable future, the expected dividend yield assumption is zero. Expected volatility is based exclusively on historical volatility data of the Company's stock. The expected term of stock options granted is based exclusively on historical data and represents the period of time that stock options granted are expected to be outstanding. The expected term is calculated for and applied to one group of stock options as the Company does not expect substantially different exercise or post-vesting termination behavior among its option recipients. The risk-free rate of the stock options is based on the U.S. Treasury rate in effect at the time of grant for the expected term of the stock options.

	Three Months Ended September 30,	
	2014	2013
Dividend	None	None
Volatility	60.44%	60.44%
Risk-free interest rate	1.88%	1.69%
Expected life (years)	6.3	6.3

Using the Black-Scholes option-pricing model, the weighted average grant date fair values of options granted during the three months ended September 30, 2014 and 2013 were $6.27 and $10.93 per share, respectively.

Stock compensation expense related to stock options and restricted stock awards granted under the 2006 Plan was $5.3 million and $4.7 million during the three months ended September 30, 2014 and 2013, respectively. As of September 30, 2014, the estimated fair value of unvested employee awards was $28.8 million, net of estimated forfeitures. The weighted-average remaining vesting period for these awards is approximately two and a half years.

During the three months ended September 30, 2014, holders of options issued under the Company's equity plans exercised their rights to acquire an aggregate of approximately 25,000 shares of common stock at prices ranging from $3.19 to $9.88 per share. The total proceeds to the Company from these option exercises were approximately $144,000.

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Financial Instruments and Concentration of Credit Risk

The Company's cash equivalents consist of money market funds with underlying investments primarily being U.S. Government-issued securities and high quality, short-term commercial paper. All of the Company's cash and cash equivalents are maintained with three financial institutions in the U.S. The Company uses a Euro-denominated bank account to manage the foreign currency exposures that exist as part of our ongoing business operations. Our foreign currency risk management strategy is principally designed to mitigate the future potential financial impact of changes in the value of transactions, anticipated transactions and balances denominated in foreign currency, resulting from changes in foreign currency exchange rates.

Segment Information

During the three months ended September 30, 2014, the Company continued to operate in one operating segment which is the business of discovery of monoclonal antibody-based anticancer therapeutics.

The percentages of revenues recognized from significant customers of the Company in the three months ended September 30, 2014 and 2013 are included in the following table:

	Three Months Ended September 30,	
Collaborative Partner:	**2014**	**2013**
Biotest	11%	1%
Lilly	3%	49%
Roche	32%	41%
Sanofi	45%	1%

There were no other customers of the Company with significant revenues in the three months ended September 30, 2014 and 2013.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update 2014-9, *Revenue from Contracts with Customers (Topic 606)*, to clarify the principles for recognizing revenue. This update provides a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. This guidance is effective for annual reporting beginning after December 15, 2016, including interim periods within the year of adoption, and allows for either full retrospective or modified retrospective application, with early adoption not permitted. Accordingly, the standard is effective for the Company on July 1, 2017. The Company is currently evaluating the adoption method it will apply and the impact that this guidance will have on our financial statements and related disclosures.

B. Collaborative Agreements

Roche

In May 2000, the Company granted Genentech, now a unit of Roche, an exclusive license to use the Company's maytansinoid ADC technology with antibodies, such as trastuzumab, or other proteins that target HER2. Under the terms of this agreement, Roche has exclusive worldwide rights to develop and commercialize maytansinoid ADC compounds targeting HER2. In February 2013, the U.S. FDA granted marketing approval to the HER2-targeting ADC compound, Kadcyla. Roche received marketing approval for Kadcyla in Japan and in the European Union (EU) in September 2013 and November 2013, respectively, and began marketing kadeyla in Japan in April 2014 and in the first EU countries in early 2014. Roche is responsible for the manufacturing, product development and marketing of Kadcyla and any other products resulting from the agreement. The Company received a $2 million non-refundable upfront payment from Roche upon execution of the agreement. The Company is also entitled to receive up to a total of $44 million in milestone payments,

plus royalties on the commercial sales of Kadcyla or any other resulting products. Total milestones are categorized as follows: development milestones—$13.5 million; and regulatory milestones—$30.5 million. Through September 30, 2014, the Company has received and recognized $13.5 million and $20.5 million in development and regulatory milestone payments, respectively, related to Kadcyla, including a $5 million regulatory milestone for the marketing approval of Kadcyla in Japan which is included in license and milestone fees for the three months ended September 30, 2013. Based on an evaluation of the effort contributed to the achievement of this milestone, the Company determined this milestone was not substantive. In consideration that there were no undelivered elements remaining, no continuing performance obligations and all other revenue recognition criteria had been met, the Company recognized the $5 million non-refundable payment as revenue upon achievement of the milestone. The next potential milestone the Company will be entitled to receive will be a

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$5 million regulatory milestone for marketing approval of Kadcyla for a first extended indication as defined in the agreement. Based on an evaluation of the effort contributed towards the achievement of this future milestone, the Company determined this milestone is not substantive.

The Company receives royalty reports and payments related to sales of Kadcyla from Roche one quarter in arrears. In accordance with the Company's revenue recognition policy, $4.2 million of royalties on net sales of Kadcyla for the three-month period ended June 30, 2014 were recorded and included in royalty revenue for the three months ended September 30, 2014 compared to $2.1 million of royalties on net sales of Kadcyla for the three-month period ended June 30, 2013 which is included in royalty revenue for the three months ended September 30, 2013.

Sanofi

In July 2003, the Company entered into a broad collaboration agreement with Sanofi (formerly Aventis) to discover, develop and commercialize antibody-based products. The collaboration agreement provides Sanofi with worldwide development and commercialization rights to new antibody-based products directed to targets that are included in the collaboration, including the exclusive right to use the Company's maytansinoid ADC technology in the creation of products developed to these targets. The product candidates (targets) as of September 30, 2014 in the collaboration include SAR3419 (CD19), SAR650984 (CD38), SAR566658 (CA6), SAR408701 (CEACAM5) and one earlier-stage compound that has yet to be disclosed.

The Company is entitled to receive milestone payments potentially totaling $21.5 million, per target, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones—$7.5 million; and regulatory milestones—$14 million. Through September 30, 2014, the Company has received and recognized an aggregate of $20.5 million in milestone payments for compounds covered under this agreement now or in the past, including a $3 million development milestone related to initiation of a Phase IIb clinical trial (as defined in the agreement) for SAR650984 and a $1 million development milestone related to initiation of a Phase I clinical trial for SAR408701which are included in license and milestone fee revenue for the three months ended September 30, 2014. The next potential milestone the Company will be entitled to receive for each of SAR566658 and SAR408701 will be a development milestone for initiation of a Phase IIb clinical trial (as defined in the agreement), which will result in each case in a $3 million payment being due. The next potential milestone the Company will be entitled to receive with respect to both SAR3419 and SAR650984 will be a development milestone for initiation of a Phase III clinical trial, which will result in each case in a $3 million payment being due. The next potential milestone the Company will be entitled to receive for the unidentified target will be a development milestone for commencement of a Phase I clinical trial, which will result in a $1 million payment being due. At the time of execution of this agreement, there was significant uncertainty as to whether these milestones would be achieved. In consideration of this, as well as the Company's past involvement in the research and manufacturing of these product candidates, these milestones were deemed substantive.

In December 2006, the Company entered into a right-to-test agreement with Sanofi. The agreement provides Sanofi with the right to (a) test the Company's maytansinoid ADC technology with Sanofi's antibodies to targets under a right-to-test, or research, license, (b) take exclusive options, with certain restrictions, to specified targets for specified option periods and (c) upon exercise of those options, take exclusive licenses to use the Company's maytansinoid ADC technology to develop and commercialize products directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. Sanofi no longer has the right to take additional options under the agreement, although multiple outstanding options remain in effect for the remainder of their respective option periods. For each development and commercialization license taken, the Company is entitled to receive an exercise fee of $2 million and up to a total of $30 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones—$10 million; and regulatory milestones—$20 million. Sanofi is responsible for the manufacturing, product development and marketing of any products resulting from the agreement.

In December 2013, Sanofi took its first exclusive development and commercialization license under the right-to-test agreement, for which the Company received an exercise fee of $2 million and was recognizing this amount as revenue ratably over the Company's estimated period of its substantial involvement. The Company had previously estimated this development period would conclude at the end of non-pivotal Phase II testing. During the current quarter, the Company determined it will not be substantially involved in the development and commercialization of the product based on Sanofi's current plans to develop and manufacture the product without the assistance of the Company. As a result of this determination, the Company recognized the balance of the upfront exercise fee during the current quarter. This change in estimate results in an increase to license and milestone fees of $1.7 million for the three months ended September 30, 2014 compared to amounts that would have been recognized pursuant to the Company's previous estimate. The next payment the Company could receive would either be a $2 million development milestone payment with the initiation of a Phase I clinical trial under the first development and commercialization license taken, or a $2 million exercise fee for the execution of a second license. At the time of execution of this agreement, there was significant uncertainty as to whether the

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milestone related to initiation of a Phase I clinical trial under the first development and commercialization license would be achieved. In consideration of this, as well as the Company's expected involvement in the research and manufacturing of these product candidates, this milestone was deemed substantive.

Lilly

In December 2011, the Company entered into a three-year right-to-test agreement with Eli Lilly and Company (Lilly). The agreement provides Lilly with the right to (a) take exclusive options, with certain restrictions, to individual targets selected by Lilly for specified option periods, (b) test the Company's maytansinoid ADC technology with Lilly's antibodies directed to the optioned targets under a right-to-test, or research, license, and (c) upon exercise of those options, take exclusive licenses to use the Company's maytansinoid ADC technology to develop and commercialize products for a specified number of individual targets on terms agreed upon at the inception of the right-to-test agreement. The terms of the right-to-test agreement require Lilly to exercise its options for the development and commercialization licenses by the end of the term of the research license. In August 2013, Lilly took its first development and commercialization license to a single target.

The Company received a $20 million upfront payment in connection with the execution of the right-to-test agreement, and for the first development and commercialization license taken in August 2013 and amended in December 2013, the Company received an exercise fee in the amount of $2 million and is entitled to receive up to a total of $199 million in milestone payments, plus royalties on the commercial sales of any resulting products. Lilly has the right to elect, at its discretion, which of the two additional development and commercialization licenses it has a right to take under the right-to-test agreement will have no exercise fee and which will have an exercise fee of $2 million. With respect to any subsequent development and commercialization license taken, if Lilly elects that the $2 million exercise fee is payable, the Company is entitled to receive, in addition to the exercise fee, up to a total of $199 million in milestone payments, plus royalties on the commercial sales of any resulting products. If Lilly elects that no exercise fee is payable when it takes a development and commercialization license, the Company is entitled to receive up to a total of $200.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones—$29 million for the development and commercialization licenses with respect to which the $2 million exercise fee is paid, and $30.5 million for the development and commercialization license with respect to which no exercise fee is payable; regulatory milestones—$70 million in all cases; and sales milestones—$100 million in all cases. The next payment the Company could receive would either be a $5 million development milestone payment with the initiation of a Phase I clinical trial under the first development and commercialization license taken, or a $2 million exercise fee for the execution of an additional license if Lilly elects to pay the exercise fee with respect to such license. At the time of execution of this agreement, there was significant uncertainty as to whether the milestone related to initiation of a Phase I clinical trial under the first development and commercialization license would be achieved. In consideration of this, as well as the Company's expected involvement in the research and manufacturing of these product candidates, this milestone was deemed substantive. The Company also is entitled to receive payments for delivery of cytotoxic agents to Lilly and research and development activities performed on behalf of Lilly. Lilly is responsible for the manufacturing, product development and marketing of any products resulting from this collaboration.

In accordance with ASC 605-25 (as amended by ASU No. 2009-13), the Company identified all of the deliverables at the inception of the right-to-test agreement. The significant deliverables were determined to be the right-to-test, or research, license, the exclusive development and commercialization licenses, rights to future technological improvements, delivery of cytotoxic agents and the research services. The options to obtain development and commercialization licenses in the right-to-test agreement were determined not to be substantive and, as a result, the exclusive development and commercialization licenses were considered deliverables at the inception of the right-to-test agreement. Factors that were considered in determining the options were not substantive included (i) the overall objective of the agreement was for Lilly to obtain development and commercialization licenses, (ii) the size of the exercise fees of $2 million for each development and commercialization license taken beyond the first license is not significant relative to the $20 million upfront payment that was due at the inception of the right-to-test agreement, (iii) the limited economic benefit that Lilly could obtain from the right-to-test agreement unless it exercised its options to obtain development and commercialization licenses, and (iv) the lack of economic penalties as a result of exercising the options.

The Company has determined that the research license together with the development and commercialization licenses represent one unit of accounting as the research license does not have stand-alone value from the development and commercialization licenses due to the lack of transferability of the research license and the limited economic benefit Lilly would derive if they did not obtain any development and commercialization licenses. The Company has also determined that this unit of accounting has stand-alone value from the rights to future technological improvements, the delivery of cytotoxic agents and the research services. The rights to future technological improvements, delivery of cytotoxic agents and the research services are considered separate units of accounting as each of these was determined to have stand-alone value. The rights to future technological improvements have stand-alone value as Lilly would be able to use those items for their intended purpose without the undelivered elements. The research services and cytotoxic agents have stand-alone value as similar services and products are sold separately by other vendors.

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The estimated selling prices for the development and commercialization licenses are the Company's best estimate of selling price and were determined based on market conditions, similar arrangements entered into by third parties, including pricing terms offered by our competitors for single-target development and commercialization licenses that utilize antibody-drug conjugate technology, and entity-specific factors such as the pricing terms of the Company's previous single-target development and commercialization licenses, recent preclinical and clinical testing results of therapeutic products that use the Company's ADC technology, and the Company's pricing practices and pricing objectives. The estimated selling price of the rights to technological improvements is the Company's best estimate of selling price and was determined by estimating the probability that technological improvements will be made, and the probability that technological improvements made will be used by Lilly. In estimating these probabilities, we considered factors such as the technology that is the subject of the development and commercialization licenses, our history of making technological improvements, and when such improvements, if any, were likely to occur relative to the stage of development of any product candidates pursuant to the development and commercialization licenses. The company's estimate of probability considered the likely period of time that any improvements would be utilized, which was estimated to be ten years following delivery of a commercialization and development license. The value of any technological improvements made available after this ten year period was considered to be *de minimis* due to the significant additional costs that would be incurred to incorporate such technology into any existing product candidates. The estimate of probability was multiplied by the estimated selling price of the development and commercialization licenses and the resulting cash flow was discounted at a rate of 16%, representing the Company's estimate of its cost of capital at the time. The estimated selling price of the cytotoxic agent was based on third-party evidence given market rates for the manufacture of such cytotoxic agents. The estimated selling price of the research services was based on third-party evidence given the nature of the research services to be performed for Lilly and market rates for similar services.

The total arrangement consideration of $28.2 million (which comprises the $20 million upfront payment, the exercise fee, if any, for each license, the expected fees for the research services to be provided and the cytotoxic agent to be delivered under the arrangement) was allocated to the deliverables based on the relative selling price method as follows: $23.5 million to the development and commercialization licenses; $0.6 million to the rights to future technological improvements, $0.8 million to the sale of cytotoxic agent; and $3.3 million to the research services. Upon execution of the development and commercialization license taken by Lilly in August 2013, the Company recorded $7.8 million of the $23.5 million of the arrangement consideration outlined above, which is included in license and milestone fee revenue for the three month period ended September 30, 2013. With this first development and commercialization license taken, the amount of the total arrangement consideration allocated to future technological improvements will commence to be

recognized as revenue ratably over the period the Company is obligated to make available any technological improvements, which is the equivalent to the estimated term of the license. The Company estimates the term of a development and commercialization license to be approximately 25 years, which reflects management's estimate of the time necessary to develop and commercialize therapeutic products pursuant to the license plus the estimated royalty term. The Company will reassess the estimated term at each subsequent reporting period. The Company will recognize as license revenue an equal amount of the total remaining $15.7 million of arrangement consideration allocated to the development and commercialization licenses as each individual license is delivered to Lilly upon Lilly's exercise of its remaining options to such licenses. The Company does not control when Lilly will exercise its options for development and commercialization licenses. As a result, the Company cannot predict when it will recognize the related license revenue except that it will be within the term of the research license. The Company will recognize research services revenue and revenue from the delivery of cytotoxic agents as the related services and cytotoxic agents are delivered.

For additional information related to these agreements, as well as the Company's other significant collaborative agreements, please read Note C, *Agreements* to our consolidated financial statements included within the Company's 2014 Form 10-K.

C. Capital Stock

2001 Non-Employee Director Stock Plan

During the three months ended September 30, 2014, the Company recorded approximately $(8,000) in expense reduction related to stock units outstanding under the Company's 2001 Non-Employee Director Stock Plan, or the 2001 Plan, compared to $3,000 in expense recorded during the three months ended September 30, 2013. The value of the stock units are classified as a liability and adjusted to market value at each reporting period as the redemption amount of stock units for this plan will be paid in cash. No stock units have been issued under the 2001 Plan subsequent to June 30, 2004.

Compensation Policy for Non-Employee Directors

On November 12, 2013, the Board amended the Compensation Policy for Non-Employee Directors to make certain changes to the compensation of its non-employee directors, including an increase in the fees paid in cash to the non-employee directors. Under the terms of the amended policy, the redemption amount of deferred share units issued will continue to be paid in shares of common stock of the Company on the date a director ceases to be a member of the Board. Annual retainers vest quarterly over approximately

one year from the date of grant, contingent upon the individual remaining a director of ImmunoGen as of each vesting date. The number of deferred share units awarded is now fixed per the plan on the date of the award and is no longer based on the market price of the Company's common stock on the date of the award. All unvested deferred stock awards will automatically vest immediately prior to the occurrence of a change of control.

In addition to the deferred share units, the Non-Employee Directors are now also entitled to receive a fixed number of stock options instead of a fixed grant date fair value of options, determined using the Black-Scholes option pricing model measured on the date of grant, which would be the date of the annual meeting of shareholders. These options vest quarterly over approximately one year from the date of grant. Any new directors will receive a pro-rated award, depending on their date of election to the Board. The directors received a total of 80,000 and 41,805 stock options in fiscal 2014 and 2013, respectively, and the related compensation expense for the three months ended September 30, 2014 and 2013 is included in the amounts discussed in the "Stock-Based Compensation" section of footnote A above.

During the three months ended September 30, 2014, the Company recorded approximately $118,000 in compensation expense, respectively, related to deferred share units issued and outstanding under the Company's Compensation Policy for Non-Employee Directors, compared to $98,000 in compensation expense recorded during the three months ended September 30, 2013.

D. Cash and Cash Equivalents

As of September 30, 2014 and June 30, 2014, the Company held $121.8 million and $142.3 million, respectively, in cash and money market funds consisting principally of U.S. Government-issued securities and high quality, short-term commercial paper which were classified as cash and cash equivalents.

E. Commitments and Contingencies

Leases

Effective July 27, 2007, the Company entered into a lease agreement with Intercontinental Fund III for the rental of approximately 89,000 square feet of laboratory and office space at 830 Winter Street, Waltham, MA through March 2020. The Company uses this space for its corporate headquarters and other operations. In December 2013, the Company modified its lease agreement at 830 Winter Street, Waltham, MA to include approximately 19,000 square feet of additional office space through 2020, concurrent with the remainder of the original lease term. As part of the lease amendment, the Company will receive a construction allowance of approximately $746,000 to build out office space to the Company's specifications. The Company obtained physical control of the additional space to begin construction in January 2014. In April, 2014, the Company again modified its lease agreement at this site to extend the lease to 2026. The Company may extend the lease for two additional terms of five years. As part of this lease amendment, the Company will receive a construction allowance of approximately $1.1 million to build out office space to the Company's specifications. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount. The Company entered into a sublease in December 2009 for 14,100 square feet of this space in Waltham through January 2015, with the sublessee having a conditional option to extend the term for an additional two years. However, the Company has notified the sublessee that it does not intend to allow them to extend the term beyond January 2015.

Effective April 2012, the Company entered into a sublease agreement for the rental of 7,310 square feet of laboratory and office space at 830 Winter Street, Waltham, MA from Histogenics Corporation. The term of the sublease is for three years and the Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount.

The Company also leases manufacturing and office space at 333 Providence Highway, Norwood, MA under an agreement through 2018 with an option to extend the lease for an additional term of five years. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount.

Effective April 2013, the Company entered into a lease agreement with River Ridge Limited Partnership for the rental of 7,507 square feet of additional office space at 100 River Ridge Drive, Norwood, MA. The initial term of the lease is for five years and two months commencing in July 2013 with an option for the Company to extend the lease for an additional term of five years. The Company is required to pay certain operating expenses for the leased premises subject to escalation charges for certain expense increases over a base amount.

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The minimum rental commitments for the Company's facilities, including real estate taxes and other expenses, for the next five fiscal years and thereafter under the non-cancelable operating lease agreements discussed above are as follows (in thousands):

2015 (nine months remaining)	$	5,328
2016		6,908
2017		6,925
2018		7,031
2019		6,219
Thereafter		43,781
Total minimum lease payments	$	76,192
Total minimum rental payments from sublease		(233)
Total minimum lease payments, net	$	75,959

There are no obligations under capital leases as of September 30, 2014, as all of the capital leases were single payment obligations which have all been made.

Collaborations

The Company is contractually obligated to make potential future success-based development, regulatory or sales milestone payments in conjunction with certain collaborative agreements. These payments are contingent upon the occurrence of certain future events and, given the nature of these events, it is unclear when, if ever, the Company may be required to pay such amounts. Further, the timing of any future payment is not reasonably estimable. As of September 30, 2014, the maximum amount that may be payable in the future under the Company's current collaborative agreements is $162 million, $1.4 million of which is reimbursable by a third party under a separate agreement.

ITEM 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

OVERVIEW

Since our inception, we have been principally engaged in the development of novel, antibody-drug conjugates, or ADCs, for the treatment of cancer using our expertise in cancer biology, monoclonal antibodies, highly potent cytotoxic, or cell-killing, agents, and the design of linkers that enable these agents to remain stably attached to the antibodies while in the blood stream and released in their fully active form after delivery to a cancer cell. An anticancer compound made using our ADC technology consists of a monoclonal antibody that binds specifically to an antigen target found on the surface of cancer cells with one of our proprietary cell-killing agents attached to the antibody using one of our engineered linkers. Its antibody component enables an ADC compound to bind specifically to cancer cells that express its target antigen, the highly potent cytotoxic agent serves to kill the cancer cell, and the engineered linker controls the release and activation of the cytotoxic agent inside the cancer cell. With some ADC compounds, the antibody component also has anticancer activity of its own. Our ADC technology is designed to enable the creation of highly effective, well-tolerated anticancer products. All of the ADC compounds currently in clinical testing contain either DM1 or DM4 as the cytotoxic agent. Both DM1 and DM4, collectively DMx, are our proprietary derivatives of a cytotoxic agent called maytansine. We also have developed agents we call IGNs, one of which, DGN462, is used in our preclinical compound IMGN779.

We use our proprietary ADC technology in conjunction with our in- house antibody expertise to develop our own anticancer product candidates. We also enter into agreements that enable companies to use our ADC technology to develop and commercialize product candidates to specified targets. Under the terms of our agreements, we are generally entitled to upfront fees, milestone payments, and royalties on any commercial product sales. In addition, under certain agreements we are compensated for research and development activities performed at our collaborative partner's request at negotiated prices which are generally consistent with what other third parties would charge. We are compensated to manufacture preclinical and clinical materials and deliver cytotoxic agent material at negotiated prices which are generally consistent with what other third parties would charge. Currently, our partners include Amgen, Bayer HealthCare, Biotest, Lilly, Novartis, Roche and Sanofi. We also have a research agreement with CytomX Therapeutics that allows each company to develop probody-drug conjugates against a specified number of cancer targets using CytomX's Probody™ antibody masking technology with our payload agents and engineered linkers. We expect that substantially all of our revenue for the foreseeable future will result from payments under our collaborative arrangements. Details for all of our significant agreements can be found in our 2014 Annual Report on Form 10-K

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Roche—In May 2000, we granted Genentech, now a unit of Roche, an exclusive license to use our maytansinoid ADC technology with antibodies, such as trastuzumab, or other proteins that target HER2. Under the terms of this agreement, Roche has exclusive worldwide rights to develop and commercialize maytansinoid ADC compounds targeting HER2. In February 2013, the US FDA granted marketing approval to the HER2-targeting ADC compound, Kadcyla. Roche received marketing approval for Kadcyla in Japan and in the EU in September 2013 and November 2013, respectively, and with each event, we received a $5 million regulatory milestone payment. Roche is responsible for the manufacturing, product development and marketing of

Kadcyla and any other products resulting from the agreement. We received a $2 million non-refundable upfront payment from Roche upon execution of the agreement. We are also entitled to receive up to a total of $44 million in milestone payments, plus royalties on the commercial sales of Kadcyla and any other resulting products. Total milestones are categorized as follows: development milestones—$13.5 million; and regulatory milestones—$30.5 million. Through September 30, 2014, we have received and recognized $13.5 million and $20.5 million in development and regulatory milestone payments, respectively, related to Kadcyla. Included in license and milestone fees for the three months ended September 30, 2013 is a $5 million milestone payment for marketing approval of Kadcyla in Japan.

We receive royalty reports and payments related to sales of Kadcyla from Roche one quarter in arrears. In accordance with our revenue recognition policy, $4.2 million of royalties on net sales of Kadcyla for the three-month period ended June 30, 2014 were recorded and included in royalty revenue for the three months ended September 30, 2014 and $2.1 million of royalties on net sales of Kadcyla for the three-month period ended June 30, 2013 is included in royalty revenue for the three months ended September 30, 2013.

Sanofi— In July 2003, we entered into a broad collaboration agreement with Sanofi (formerly Aventis) to discover, develop and commercialize antibody-based products. The collaboration agreement provides Sanofi with worldwide development and commercialization rights to new antibody-based products directed to targets that are included in the collaboration, including the exclusive right to use our maytansinoid ADC technology in the creation of products developed to these targets. The product candidates (targets) as of September 30, 2014 in the collaboration include SAR3419 (CD19), SAR650984 (CD38), SAR566658 (CA6), SAR408701 (CEACAM5) and one earlier-stage compound that has yet to be disclosed.

We are entitled to receive milestone payments potentially totaling $21.5 million, per target, payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones—$7.5 million; and regulatory milestones—$14 million. Through September 30, 2014, the Company has received and recognized an aggregate of $20.5 million in milestone payments for compounds covered under this agreement now or in the past, including a $3 million development milestone related to initiation of a Phase IIb clinical trial (as defined in the agreement) for SAR650984 and a $1 million development milestone related to initiation of a Phase I clinical trial for SAR408701 which are included in license and milestone fee revenue for the three months ended September 30, 2014.

In December 2006, we entered into a right-to-test agreement with Sanofi. The agreement provides Sanofi with the right to (a) test our maytansinoid ADC technology with Sanofi's antibodies to targets under a right-to-test, or research, license, (b) take exclusive options, with certain restrictions, to specified targets for specified option periods and (c) upon exercise of those options, take exclusive licenses to use the Company's maytansinoid ADC technology to develop and commercialize products directed to the specified targets on terms agreed upon at the inception of the right-to-test agreement. For each development and commercialization license taken, we are entitled to receive an exercise fee of $2 million and up to a total of $30 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones—$10 million; and regulatory milestones—$20 million.

In December 2013, Sanofi took its first exclusive development and commercialization license under the right-to-test agreement, for which we received an exercise fee of $2 million and was recognizing this amount as revenue ratably over our estimated period of its substantial involvement. We had previously estimated this development period would conclude at the end of non-pivotal Phase II testing. During the current quarter, we determined it will not be substantially involved in the development and commercialization of the product based on Sanofi's current plans to develop and manufacture the product without our assistance. As a result of this determination, we recognized the balance of the upfront exercise fee during the current quarter. This change in estimate results in an increase to license and milestone fees of $1.7 million for the three months ended September 30, 2014 compared to amounts that would have been recognized pursuant to our previous estimate.

Lilly— In December 2011, we entered into a three-year right-to-test agreement with Lilly. The agreement provides Lilly with the right to (a) take exclusive options, with certain restrictions, to individual targets selected by Lilly for specified option periods, (b) test our maytansinoid ADC technology with Lilly's antibodies directed to the optioned targets under a right-to-test, or research, license, and (c) upon exercise of those options, take exclusive licenses to use our maytansinoid ADC technology to develop and commercialize products for a specified number of individual targets on terms agreed upon at the inception of the right-to-test agreement. The terms of the right-to-test agreement require Lilly to exercise its options for the development and commercialization

licenses by the end of the term of the research license. In August 2013, Lilly took its first development and commercialization license to a single target.

We received a $20 million upfront payment in connection with the execution of the right-to-test agreement. In December 2013, we and Lilly amended the right-to-test agreement and the first development and commercialization license. Under these amendments, Lilly now has the right to extend the three-year research period under the right-to-test agreement for up to two nine-month periods by payment to us of additional consideration prior to the expiration of both the original term or the first extended term of that agreement. In addition, Lilly retroactively paid us an exercise fee of $2 million for the first development and commercialization license, and has the right to elect, at its discretion, which of the two additional development and commercialization licenses it has a right to take under the right-to-test agreement will have no exercise fee and which will have an exercise fee of $2 million. The application of the $2 million exercise fee to the first license granted under the arrangement did not impact the total arrangement consideration, only the timing of payment of the consideration. For the first development and commercialization license taken, which occurred in August 2013, we are entitled to receive up to a total of $199 million in milestone payments, plus royalties on the commercial sales of any resulting products. With respect to any subsequent development and commercialization license taken, if Lilly elects that the $2 million exercise fee is payable, we are entitled to receive, in addition to the exercise fee, up to a total of $199 million in milestone payments, plus royalties on the commercial sales of any resulting products. If Lilly elects that no exercise fee is payable when it takes a subsequent development and commercialization license, we are entitled to receive up to a total of 200.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. The total milestones are categorized as follows: development milestones—$29 million for the development and commercialization licenses with respect to which the $2 million exercise fee is paid, and $30.5 million for the development and commercialization license with respect to which no exercise fee is payable; regulatory milestones—$70 million in all cases; and sales milestones—$100 million in all cases. In accordance with our revenue recognition policy, upon execution of the development and commercialization license taken by Lilly in August 2013, we recorded $7.8 million of revenue which is included in license and milestone fee revenue for the three months ended September 30, 2013.

To date, we have not generated revenues from commercial sales of internal products and we expect to incur significant operating losses for the foreseeable future. As of September 30, 2014, we had approximately $121.8 million in cash and cash equivalents compared to $142.3 million in cash and cash equivalents as of June 30, 2014.

We anticipate that future cash expenditures will be partially offset by collaboration-derived proceeds, including milestone payments, royalties and upfront fees. Accordingly, period-to-period operational results may fluctuate dramatically based upon the timing of receipt of the proceeds. We believe that our established collaborative agreements, while subject to specified milestone achievements, will provide funding to assist us in meeting obligations under our collaborative agreements while also assisting in providing funding for the development of internal product candidates and technologies. However, we can give no assurances that such collaborative agreement funding will, in fact, be realized in the time frames we expect, or at all. Should we or our partners not meet some or all of the terms and conditions of our various collaboration agreements, we may be required to secure alternative financing arrangements, find additional partners and/or defer or limit some or all of our research, development and/or clinical projects. However, we cannot provide assurance that any such opportunities presented by additional partners or alternative financing arrangements will be entirely available to us, if at all.

Critical Accounting Policies

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the U.S. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to our collaborative agreements, clinical trial accruals, inventory and stock-based compensation. We base our estimates on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates.

There were no significant changes to our critical accounting policies from those disclosed in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014.

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RESULTS OF OPERATIONS

Comparison of Three Months ended September 30, 2014 and 2013

Revenues

Our total revenues for the three months ended September 30, 2014 and 2013 were $13.2 million and $17.2 million, respectively. The $4.0 million decrease in revenues in the three months ended September 30, 2014 from the same period in the prior year is attributable to a decrease in license and milestone fees and research and development support revenue, partially offset by an increase in royalty revenue and clinical materials revenue, all of which are discussed below.

Revenues from license and milestone fees for the three months ended September 30, 2014 decreased $7.0 million to $6.2 million from $13.2 million in the same period ended September 30, 2013. Included in license and milestone fees for the three months ended September 30, 2014 is $4 million in development milestones achieved under our collaboration agreement with Sanofi. Also, during the current quarter, we made a change in estimate to our period of substantial involvement as it relates to an exclusive license with Sanofi which resulted in an increase to license and milestone fees of $1.7 million for the current quarter compared to amounts that would have been recognized pursuant to the Company's previous estimate. Included in license and milestone fees for the three months ended September 30, 2013 is a $5 million regulatory milestone achieved under our collaboration agreement with Roche and $7.8 million of license fee revenue earned upon the execution of a development and commercialization license by Lilly. The amount of license and milestone fees we earn is directly related to the number of our collaborators, the collaborators' advancement of the product candidates, and the overall success in the clinical trials of the product candidates. As such, the amount of license and milestone fees may vary significantly from quarter to quarter and year to year. Total revenue from license and milestone fees recognized from each of our collaborative partners in the three-month periods ended September 30, 2014 and 2013 is included in the following table (in thousands):

	Three Months Ended September 30,	
License and Milestone Fees	**2014**	**2013**
Collaborative Partner:		
Amgen	$ 4	$ 115
Biotest	6	6
Janssen	241	—
Lilly	6	7,813
Novartis	45	41
Sanofi	5,932	192
Roche	—	5,000
Total	$ 6,234	$ 13,167

Deferred revenue of $58.4 million as of September 30, 2014 primarily represents consideration received from our collaborators pursuant to our license agreements, which we have yet to earn pursuant to our revenue recognition policy. Included within this amount is $13 million of non-cash consideration recorded in connection with our arrangement with CytomX.

In February 2013, the U.S. FDA granted marketing approval to Kadcyla, a product resulting from one of our development and commercialization licenses with Roche, through its Genentech unit. We receive royalty reports and payments related to sales of Kadcyla from Roche one quarter in arrears. In accordance with our revenue recognition policy, $4.2 million of royalties on net sales of Kadcyla for the three-month period ended June 30, 2014 were recorded and included in royalty revenue for the three months ended September 30, 2014 and $2.1 million of royalties on net sales of Kadcyla for the three-month period ended June 30, 2013 is included in royalty revenue for the three months ended September 30, 2013. We expect royalty revenue to increase in future periods as the underlying net sales of Kadcyla increase.

Research and development support revenue was $776,000 for the three months ended September 30, 2014 compared with $2 million for the three months ended September 30, 2013. These amounts primarily represent research funding earned based on actual resources utilized under our agreements with our collaborators shown in the table below. Also included in research and development support revenue are fees for developing antibody-specific conjugation processes on behalf of our collaborators and potential collaborators during the early evaluation and preclinical testing stages of drug development. The

amount of research and development support revenue we earn is directly related to the number of our collaborators and potential collaborators, the stage of development of our collaborators' product candidates and the resources our collaborators allocate to the development effort. As such, the amount of research and development support revenue may vary widely from quarter to quarter and year to year. Total revenue recognized from

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research and development support from each of our collaborative partners in the three-month periods ended September 30, 2014 and 2013 is included in the following table (in thousands):

Research and Development Support	Three Months Ended September 30, 2014	2013
Collaborative Partner:		
Amgen	$ 19	$ 66
Biotest	110	239
Lilly	409	528
Novartis	197	1,155
Other	41	2
Total	$ 776	$ 1,990

Clinical materials revenue was $2 million for the three months ended September 30, 2014 compared with $8,000 for the three months ended September 30, 2013. We are compensated at negotiated prices which are generally consistent with what other third-parties would charge. The amount of clinical materials revenue we earn, and the related cost of clinical materials charged to research and development expense, is directly related to the number of clinical trials our collaborators who use us to manufacture clinical materials are preparing or have underway, the speed of enrollment in those trials, the dosage schedule of each clinical trial and the time period, if any, during which patients in the trial receive clinical benefit from the clinical materials, and the demand our collaborators have for clinical-grade material for process development and analytical purposes. As such, the amount of clinical materials revenue and the related cost of clinical materials charged to research and development expense may vary significantly from quarter to quarter and year to year.

Research and Development Expenses

Our research and development expenses relate to (i) research to evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents, (ii) preclinical testing of our own and, in certain instances, our collaborators' product candidates, and the cost of our own clinical trials, (iii) development related to clinical and commercial manufacturing processes and (iv) manufacturing operations which also includes raw materials.

Research and development expense for the three months ended September 30, 2014 increased $6 million to $28 million from $22 million for the three months ended September, 2013. Salaries and related expenses increased due to additional headcount, increased incentive compensation and increased stock compensation costs. The number of our research and development personnel increased to 265 as of September 30, 2014 compared to 247 at September 30, 2013. The higher stock compensation is driven by higher stock prices and increases in the number the number of options granted due to increases in personnel. Facility-related expenses increased due primarily to additional laboratory and office space occupied in July 2014 and increased depreciation and amortization related to major capital equipment and improvements. A more detailed discussion of research and development expense in the period follows.

We are unable to accurately estimate which potential product candidates, if any, will eventually move into our internal preclinical research program. We are unable to reliably estimate the costs to develop these products as a result of the uncertainties related to discovery research efforts as well as preclinical and clinical testing. Our decision to move a product candidate into the clinical development phase is predicated upon the results of preclinical tests. We cannot accurately predict which, if any, of the discovery stage product candidates will advance from preclinical testing and move into our internal clinical development program. The clinical trial and regulatory approval processes for our product candidates that have advanced or that we intend to advance to clinical testing are lengthy, expensive and uncertain in both timing and outcome. As a result, the pace and timing of the clinical development of our product candidates is highly uncertain and may not ever result in approved products. Completion dates and development costs will vary significantly for each product candidate and are difficult to predict. A variety of factors, many of which are outside our control, could cause or contribute to the prevention or delay of the successful completion of our clinical trials, or delay or prevent our obtaining necessary regulatory approvals. The costs to take a product through clinical trials are dependent upon, among other factors, the clinical indications, the timing, size and design of each clinical trial, the number of patients enrolled in each trial, and the speed at which patients are enrolled and treated. Product candidates may be found to be ineffective or to cause unacceptable side effects during clinical trials, may take longer to progress through clinical trials than anticipated, may fail to receive necessary regulatory approvals or may prove impractical to manufacture in commercial quantities at reasonable cost or with acceptable quality.

The lengthy process of securing FDA approvals for new drugs requires the expenditure of substantial resources. Any failure by us to obtain, or any delay in obtaining, regulatory approvals, would materially adversely affect our product development efforts and our business overall. Accordingly, we cannot currently estimate, with any degree of certainty, the amount of time or money that we

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will be required to expend in the future on our product candidates prior to their regulatory approval, if such approval is ever granted. As a result of these uncertainties surrounding the timing and outcome of our clinical trials, we are currently unable to estimate when, if ever, our product candidates that have advanced into clinical testing will generate revenues and cash flows.

We do not track our research and development costs by project. Since we use our research and development resources across multiple research and development projects, we manage our research and development expenses within each of the categories listed in the following table and described in more detail below (in thousands):

	Three Months Ended September 30,

Research and Development Expense	2014	2013
Research	$ 4,988	$ 4,558
Preclinical and Clinical Testing	10,192	8,612
Process and Product Development	2,254	2,038
Manufacturing Operations	10,584	6,821
Total Research and Development Expense	$ 28,018	$ 22,029

Research: Research includes expenses primarily associated with activities to identify and evaluate new targets and to develop and evaluate new antibodies, linkers and cytotoxic agents for our products and in support of our collaborators. Such expenses primarily include personnel, contract services, research licensing fees, facilities and lab supplies. Research expenses for the three months ended September 30, 2014 increased $430,000 compared to the three months ended September 30, 2013. This increase is primarily the result of an increase in salaries and related expenses and an increase in facility-related expenses. We expect research expenses for fiscal 2015 to be significantly lower than fiscal 2014 due to the $12.8 million non-cash charge recorded for technology rights obtained under the collaboration agreement executed with CytomX in fiscal 2014. No similar charges are expected to be incurred during fiscal 2015.

Preclinical and Clinical Testing: Preclinical and clinical testing includes expenses related to preclinical testing of our own and, in certain instances, our collaborators' product candidates, regulatory activities, and the cost of our own clinical trials. Such expenses include personnel, patient enrollment at our clinical testing sites, consultant fees, contract services, and facility expenses. Preclinical and clinical testing expenses for the three months ended September 30, 2014 increased $1.6 million to $10.2 million compared to $8.6 million for the three months ended September 30, 2013. This increase is primarily the result of higher salaries and related expenses, an increase in facility-related expenses, and an increase in contract service expense driven primarily by increased study activities related to IMGN853 and IMGN289. Partially offsetting these increases, clinical trial costs decreased in the current period due to the termination of the IMGN901 007 Phase II study in November 2013. We expect preclinical and clinical testing expenses for fiscal 2015 to be significantly higher than fiscal 2014 due to increased activities to advance our wholly owned product candidates.

Process and Product Development: Process and product development expenses include costs for development of clinical and commercial manufacturing processes for our own and collaborator compounds. Such expenses include the costs of personnel, contract services and facility expenses. For the three months ended September 30, 2014, total development expenses increased $216,000 compared to the three months ended September 30, 2013. This increase is primarily the result of an increase in salaries and related expenses and facility-related expenses. We expect process and product development expenses for fiscal 2015 to be marginally higher than fiscal 2014.

Manufacturing Operations: Manufacturing operations expense includes costs to manufacture preclinical and clinical materials for our own and our collaborator's product candidates, and quality control and quality assurance activities and costs to support the operation and maintenance of our conjugate manufacturing facility. Such expenses include personnel, raw materials for our and our collaborators' preclinical studies and clinical trials, development costs with contract manufacturing organizations, manufacturing supplies, and facilities expense. For the three months ended September 30, 2014, manufacturing operations expense increased $3.8 million to $10.6 million compared to $6.8 million in the same period last year. The increase in the three months ended September 30, 2014 as compared to the three months ended September 30, 2013 is primarily the result of (i) an increase in cost of clinical materials revenue charged to research and development expense due to timing of orders of such clinical materials from our partners; (ii) an increase in contract service expense driven by increased development activities related to our cytotoxic agents and developing third-party conjugation capabilities for our internal products; and (iii) an increase in salaries and related expenses. Partially offsetting these increases, costs capitalized into inventory increased due to a greater number of manufactured batches of conjugated materials on behalf of our collaborators during the current period. We expect manufacturing operations expense for fiscal 2015 to be significantly higher than fiscal 2014 due primarily to increased activities to advance our wholly owned product candidates.

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General and Administrative Expenses

General and administrative expenses for the three months ended September 30, 2014 increased $569,000 to $7.1 million compared to $6.5 million in the same period last year. This increase is primarily due to an increase in salaries and related expenses, as well as an increase in patent expenses. We expect general and administrative expenses for fiscal 2015 to be higher than fiscal 2014 due primarily to increased salaries and related expenses, patent activities and other professional services.

Other (Expense) Income, net

Other (expense) income, net for the three months ended September 30, 2014 and 2013 is included in the following table (in thousands):

Other (Expense) Income, net	Three Months Ended September 30, 2014	2013
Interest Income	$ 8	$ 11
Other (Expense) Income, net	(380)	100
Total Other (Expense) Income, net	$ (372)	$ 111

The change in other (expense) income, net is primarily due to an increase in foreign currency exchange losses related to obligations with non-U.S. dollar-based suppliers and euros held by the Company to manage the foreign currency exposures related to these obligations. We incurred $(381,000) and $97,000 in foreign currency exchange (losses) and gains during the three months ended September 30, 2014 and 2013, respectively.

LIQUIDITY AND CAPITAL RESOURCES

	As of	
	September 30, 2014	June 30, 2014
	(In thousands)	
Cash and cash equivalents	$ 121,798	$ 142,261
Working capital	88,556	129,502
Shareholders' equity	58,971	75,699

	Three Months Ended September 30,	
	2014	2013
	(In thousands)	
Cash used for operating activities	$ (18,899)	$ (23,575)
Cash used for investing activities	(1,708)	(572)
Cash provided by financing activities	144	4,025

Cash Flows

We require cash to fund our operating expenses, including the advancement of our own clinical programs, and to make capital expenditures. Historically, we have funded our cash requirements primarily through equity financings in public markets and payments from our collaborators, including license fees, milestones, research funding and more recently, royalties. As of September 30, 2014, we had approximately $121.8 million in cash and cash equivalents. Net cash used for operations was $18.9 million and $23.6 million for the three months ended September 30, 2014 and 2013, respectively. The principal use of cash for operating activities for both periods presented was to fund our net loss.

Net cash used for investing activities was $1.7 million and $572,000 for the three months ended September 30, 2014 and 2013, respectively, and represents cash outflows for capital expenditures, primarily for the purchase of new equipment and leasehold improvements.

Net cash provided by financing activities was $144,000 and $4 million for the three months ended September 30, 2014 and 2013, respectively, which represents proceeds from the exercise of approximately 25,000 and 545,000 stock options, respectively.

We anticipate that our current capital resources and expected future collaborator payments under existing collaborations will enable us to meet our operational expenses and capital expenditures partway through fiscal year 2016. However, we cannot provide assurance that such future collaborative agreement funding will, in fact, be received. Should we or our partners not meet some or all of

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the terms and conditions of our various collaboration agreements, we may be required to pursue additional strategic partners, secure alternative financing arrangements, and/or defer or limit some or all of our research, development and/or clinical projects.

Contractual Obligations

There have been no material changes to our contractual obligations during the current period from those disclosed in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update 2014-9, *Revenue from Contracts with Customers (Topic 606)*, to clarify the principles for recognizing revenue. This update provides a comprehensive new revenue recognition model that requires revenue to be recognized in a manner to depict the transfer of goods or services to a customer at an amount that reflects the consideration expected to be received in exchange for those goods or services. This guidance is effective for annual reporting beginning after December 15, 2016, including interim periods within the year of adoption, and allows for either full retrospective or modified retrospective application, with early adoption not permitted. Accordingly, the standard is effective for us on July 1, 2017. We are currently evaluating the adoption method we will apply and the impact that this guidance will have on our financial statements and related disclosures.

Forward-Looking Statements

This quarterly report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to analyses and other information which are based on forecasts of future results and estimates of amounts that are not yet determinable. These statements also relate to our future prospects, developments and business strategies.

These forward-looking statements can be identified by their use of terms and phrases, such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “will” and other similar terms and phrases, including references to assumptions. They may also use words such as “will,” “would,” “should,” “could” or “may”. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from those contemplated by our forward-looking statements. These known and unknown risks, uncertainties and other factors are described in detail in the “Risk Factors” section and in other sections of this Annual Report on Form 10-K for the year ended June 30, 2014. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Kadcyla® is a registered trademark of Genentech, Inc., a member of the Roche Group.
Probody™ is a trademark of CytomX Therapeutics, Inc.

OFF-BALANCE SHEET ARRANGEMENTS

None.

ITEM 3. *Quantitative and Qualitative Disclosure about Market Risk*

Our market risks, and the ways we manage them, are summarized in Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk” of our Annual Report on Form 10-K for the fiscal year ended June 30, 2014. Since then there have been no material changes to our market risks or to our management of such risks.

ITEM 4. *Controls and Procedures*

(a) *Disclosure Controls and Procedures*

The Company's management, with the participation of its principal executive officer and principal financial officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, the Company's principal executive officer and principal financial officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures were adequate and effective.

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(b) *Changes in Internal Controls*

There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended September 30, 2014 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. *Risk Factors*

You should carefully review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Item 1A. (Risk Factors) in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014. There have been no material changes from the factors disclosed in our 2014 Annual Report on Form 10-K, although we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the Securities and Exchange Commission.

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ITEM 6. *Exhibits*

Exhibit No.	Description
10.1	Employment offer letter between the Registrant and Sandra Poole
10.2	Change in Control Severance Agreement dated as of September 15, 2014 between the Registrant and Sandra Poole
10.3	Summary of Annual Bonus Program
10.4	Amendment No. 1, dated as of August 31, 2006, to the Collaboration and License Agreement between the Registrant and sanofi-aventis U.S. LLC
10.5	Amendment No. 2, dated as of December 7, 2007, to the Collaboration and License Agreement between the Registrant and sanofi-aventis U.S. LLC
10.6	Amendment No. 3, dated as of August 31, 2008, to the Collaboration and License Agreement between the Registrant and sanofi-aventis U.S. LLC
31.1	Certification of Principal Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002.
32†	Certifications of Principal Executive Officer and Principal Financial Officer under Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

† *Furnished, not filed.*

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ImmunoGen, Inc.

Date: October 30, 2014

By: /s/ Daniel M. Junius
Daniel M. Junius
President, Chief Executive Officer (Principal Executive Officer)

Date: October 30, 2014

By: /s/ David B. Johnston

David B. Johnston
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer)

[ImmunoGen Letterhead]

July 30, 2014

Sandra E. Poole, P.Eng.,M.A.Sc.
20 Garland Rd.
Lincoln, MA 01773

Dear Sandra:

I am delighted to offer you the full-time position of Senior Vice President of Technical Operations at ImmunoGen, Inc. ("ImmunoGen" or the "Company"). Upon commencement of your employment, which shall be no later than September 15, 2014, you will initially be paid at a bi-weekly rate of $14,615.38, which annualized equals $380,000 per year, less applicable federal, state and/or local payroll and withholding taxes. In addition to your annual base salary, subject to the terms of this letter, ImmunoGen will pay you a sign-on bonus in the amount of $200,000 (the "Sign-On Bonus"), which will be paid to you in conjunction with your first salary payment following your date of hire.

In addition, you will be eligible for a discretionary annual bonus, based on Company and individual performance, of up to forty percent (40%) of your annual salary. Your bonus for this fiscal year ending June 30, 2015 will be prorated from the date of hire. Each year following, bonuses are at the discretion of the Board of Directors, and are based on Company and individual performance.

Also in consideration of your employment by the Company, the Compensation Committee has approved the grant of a stock option award covering 125,000 shares of our common stock under the Company's 2006 Employee, Director and Consultant Equity Incentive Plan (the "2006 Plan"). This award will vest at a rate of one-quarter of the shares covered by the award per year over four years beginning on the first anniversary of the date of grant, which will be your first date of employment with ImmunoGen. The per share exercise price for the option award will be the closing sale price of our shares as reported on NASDAQ on the date of grant.

In addition, you can expect to receive, subject to the approval of the Compensation Committee, and in conjunction with the Company's annual equity awards to employees generally in July or August of each year, the grant of an equity award under the 2006 Plan that is similar to those granted to other senior executives of comparable status, subject to variation based on individual performance. For your first annual equity award in 2015, the number of shares subject to such award will be prorated to reflect the length of your employment during our fiscal year 2015. Historically, these awards have vested at a rate of one-third of the shares covered by the award per year over three years beginning on the first anniversary of the date of grant and, in the case of stock options, the per share exercise price of these awards has been the closing sale price of our shares as reported on NASDAQ on the date of grant.

As a member of the executive management, you will be eligible for a severance arrangement that, under certain circumstances, will provide you with certain benefits in the event of a change of control of the Company, as set forth in the form of Change in Control Severance Agreement (the "Change in Control Severance Agreement") accompanying this letter. As an executive officer, you

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would also be eligible for a severance arrangement that, under certain circumstances, would provide you with certain benefits in connection with the termination of your employment outside the context of a change in control of the Company, pursuant to the Company's Severance Pay Plan for Vice Presidents and higher, once such plan has been approved by our Board of Directors.

You will also be entitled to participate in the Company's benefit plans to the same extent as, and subject to the same terms, conditions and limitations as are generally applicable to, full-time employees of ImmunoGen of similar rank and tenure. These benefits currently include at this time paid time off, life, health, dental and disability insurance. With respect to your annual paid time off allotment, however, you will immediately be eligible to accrue, monthly, up to five (5) weeks of paid time off per year, of which 5 days can be rolled over from year to year. For a more detailed understanding of the benefits and the eligibility requirements, please consult the summary plan descriptions for the applicable programs, which will be made available to you upon request. Please note that your compensation and or benefits may be modified in any way, at any time, by ImmunoGen at its sole discretion, with or without prior notice, to the extent any such modification affects similarly situated ImmunoGen executives in the same manner.

Your duties as an employee of the Company shall be as determined by me in consultation with you. You agree to devote your best efforts during all business time to the performance of such responsibilities and you will not perform any professional work outside your work for the Company without pre-approval from the Company.

ImmunoGen is required by the Immigration and Naturalization Service to verify that each employee is eligible to work in the United States. To that end, a list of acceptable forms of identification is attached. Please bring with you one item on List A, or a combination of one item on List B and List C.

In addition, your offer of employment is contingent upon the successful completion of a general background and reference check and drug test. As such, please complete the enclosed authorization and other required forms.

While we anticipate that our relationship will be a long and mutually rewarding one, your employment, of course, will be at will, terminable by either you or the Company at any time. If, within 24 months of your date of hire, you terminate your employment with the Company (other than by reason of death or disability), or your employment is terminated by the Company for cause, you will promptly reimburse ImmunoGen for a portion of your Sign-On Bonus equal to the product of (a) $200,000, multiplied by (b) a fraction, the numerator of which is 730 minus the number of days from the date you start employment at ImmunoGen to the effective date of termination, and the denominator of which is 730.

On your first day of employment, you will be required to sign our Proprietary Information, Inventions and Competition Agreement and an acknowledgement that you agree to be bound by the Company's Insider Trading Policy. Copies of each accompany this letter. You are also asked to acknowledge and agree that your employment by the Company will not violate any agreement which

you may have with any third party. Please acknowledge your understanding and agreement with the terms of your employment as set forth in this letter by signing below.

I look forward to a long and productive relationship with you.

Sincerely,

/s/ Daniel M. Junius
Daniel M. Junius
President and Chief Executive Officer

Acknowledged and Agreed to:

/s/ Sandra Poole	1 Aug 14
Sandra E. Poole	Date:

CHANGE IN CONTROL SEVERANCE AGREEMENT

This Agreement is entered into as of the 15th day of September, 2014 (the "***Effective Date***") by and between ImmunoGen, Inc., a Massachusetts corporation (the "***Company***"), and Sandra E. Poole (the "***Executive***").

WHEREAS, the Company recognizes that the Executive's service to the Company is very important to the future success of the Company;

WHEREAS, the Executive desires to enter into this Agreement to provide the Executive with certain financial protection in the event that his employment terminates under certain conditions following a change in control of the Company; and

WHEREAS the Board of Directors of the Company (the "***Board***") has determined that it is in the best interests of the Company to enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Executive hereby agree as follows:

1. Definitions.

(a) Cause. For purposes of this Agreement, "***Cause***" shall mean that the Executive has (i) willfully committed an act or omission that materially harms the Company; (ii) been grossly negligent in the performance of the Executive's duties to the Company; (iii) willfully failed or refused to follow the lawful and proper directives of the Board; (iv) been convicted of, or pleaded guilty or *nolo contendere*, to a felony; (v) committed an act involving moral turpitude that is or is reasonably expected to be injurious to the Company or its reputation; (vi) committed an act relating to the Executive's employment or the Company involving, in the good faith judgment of the Board, material fraud or theft; (vii) breached any material provision of this Agreement or any nondisclosure or non-competition agreement between the Executive and the Company, as all of the foregoing may be amended prospectively from time to time; or (viii) breached a material provision of any code of conduct or ethics policy in effect at the Company, as all of the foregoing may be amended prospectively from time to time.

(b) Change in Control. For purposes of this Agreement, a "***Change in Control***" shall mean the occurrence of any of the following events; provided that "Change in Control" shall be interpreted in a manner, and limited to the extent necessary, so that it will not cause adverse tax consequences for either party with respect to Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), and Treasury Regulations 1.409A-3(i)(5), and any successor statute, regulation and guidance thereto:

(i) Ownership. Any "Person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) becomes the "Beneficial Owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company's then outstanding voting securities (excluding for this purpose any such voting securities held by the Company or its Affiliates (as defined in the Company's 2006 Employee, Director and Consultant Equity Incentive Plan) or by any employee benefit

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plan of the Company) pursuant to a transaction or a series of related transactions which the Board does not approve; or

(ii) Merger/Sale of Assets. (A) A merger or consolidation of the Company whether or not approved by the Board, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or the parent of such corporation) at least 50% of the total voting power represented by the voting securities of the Company or such surviving entity or parent of such corporation, as the case may be, outstanding immediately after such merger or consolidation; or (B) the stockholders of the Company approve an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; or

(iii) Change in Board Composition. A change in the composition of the Board, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of the Company as of November 11, 2006, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company).

(c) Disability. For purposes of this Agreement, "***Disability***" shall mean that the Executive (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under a Company-sponsored group disability plan. Whether the Executive has a Disability will be determined by a majority of the Board based on evidence provided by one or more physicians selected by the Board and approved by the Executive, which approval shall not be unreasonably withheld. In any case, if a disability is determined to trigger the payment of any "deferred compensation" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), disability shall be determined in accordance with Section 409A of the Code.

(d) Good Reason. For purposes of this Agreement, "***Good Reason***" shall mean the occurrence of one or more of the following without the Executive's consent: (i) a change in the principal location at which the Executive performs his duties for the Company to a new location that is at least forty (40) miles from the prior location; (ii) a material change in the Executive's authority, functions, duties or responsibilities as an executive of the Company, which would cause his position with the Company to become of less responsibility, importance or scope than his highest position with the Company at any time from the date of this Agreement to immediately prior to the Change in Control, provided, however, that such material change is not in connection with the termination of the Executive's employment by the Company for Cause or death or Disability and further provided that it shall not be considered a material change if the

Company becomes a subsidiary of another entity and the Executive continues to hold a position in the subsidiary that is at least as high (in both title and scope of responsibilities) as the highest position he held with the Company at any time from the date of this Agreement to immediately prior to the Change in Control; (iii) a material reduction in the Executive's annual base salary or (iv) a material reduction in the Executive's target annual bonus as compared to the target annual bonus set for the previous fiscal year.

2. Term of Agreement. The term of this Agreement (the "***Term***") shall commence on the Effective Date and shall continue in effect for two (2) years; provided, however, that commencing on second anniversary of the Effective Date and continuing each anniversary thereafter, the Term shall automatically be extended for one (1) additional year unless, not later than nine (9) months before the conclusion of the Term, the Company or the Executive shall have given notice not to extend the Term; and further provided, however, that if a Change in Control shall have occurred during the Term, the Term shall expire on the last day of the twelfth (12th) month following the month in which such Change in Control occurred. Notice of termination or termination of this Agreement shall not constitute Cause or Good Reason (both terms as defined above).

3. Termination; Notice; Severance Compensation.

(a) In the event that within a period of two (2) months before or twelve (12) months following the consummation of a Change in Control the Company elects to terminate the Executive's employment other than for Cause (but not including termination due to the Executive's Disability), then the Company shall give the Executive no less than sixty (60) days advance notice of such termination (the "Company's Notice Period"); provided that the Company may elect to require the Executive to cease performing work for the Company so long as the Company continues the Executive's full salary and benefits during the Company's Notice Period.

(b) In the event that within a period of two (2) months before or twelve (12) months following the consummation of a Change in Control the Executive elects to terminate his employment for Good Reason, then the Executive shall give the Company no less than thirty (30) days and no more than sixty (60) days advance notice of such termination (the "Executive's Notice Period"); provided that the Company may elect to require the Executive to cease performing work for the Company so long as the Company continues the Executive's full salary and benefits during the Executive's Notice Period. In order to effect a termination for Good Reason pursuant to this Agreement, the Executive must notice his intent to terminate for Good Reason not later than ninety (90) days following the occurrence of the Good Reason.

(c) In the event that within a period of two (2) months before or twelve (12) months following the consummation of a Change in Control the Executive's employment with the Company is terminated by the Company other than for Cause (but not including termination due to the Executive's death or Disability), or by the Executive for Good Reason, then, contingent upon the Executive's execution of a release of claims against the Company in substantially the form attached hereto as Exhibit A (the "***Release***") the Executive shall be entitled to, in addition to any amounts due to the Executive for services rendered prior to the termination date:

(i) a lump sum payment from the Company in an amount equal to one and one-half (1.5) times the sum of the Executive's Annual Salary and the Executive's target annual bonus for the fiscal year in which the termination occurs (without giving effect to any event or circumstance constituting Good Reason) at one hundred percent (100%) of such target annual bonus, which shall be paid on the sixtieth (60th) day following the Executive's termination of employment, provided that the Release is executed and effective by then or the Executive shall forfeit the payment of such amount;

(ii) all outstanding options, restricted stock and other similar rights held by the Executive, which shall become one hundred percent (100%) vested; and

(iii) continuation of medical insurance coverage for the Executive and the Executive's family subject to and in accordance with Section 4980B of the Code ("***COBRA***"), and subject to the Executive's payment of the applicable COBRA coverage premium ("***COBRA Coverage Premium***") during the applicable COBRA coverage period ("***COBRA Period***"); and

(iv) payment to the Executive of a taxable amount on a monthly basis equal to the COBRA Premium for eighteen (18) months from the Separation Date; provided that the Company shall have no obligation to provide such benefit if the Executive fails to elect COBRA benefits in a timely fashion or if the Executive becomes eligible for medical coverage with another employer; and provided that if the COBRA Period is otherwise (*i.e.*, for reasons not described in the immediately preceding proviso) earlier terminated under applicable law during the period that the Executive would otherwise be entitled to receive the benefit under this subsection (v), the Company will continue to pay to the Executive the same taxable amount it paid on a monthly basis during the COBRA Period each month for the remainder of the relevant period.

For purposes of this Agreement, "***Annual Salary***" shall mean the Executive's annual base salary then in effect or, if higher, in effect at the time of the Change in Control, excluding reimbursements and amounts attributable to stock options and other non-cash compensation; and the "***Severance Compensation***" shall mean the compensation set forth in (i), (ii), and (iv) above.

(d) If any of the benefits set forth in this Agreement are deferred compensation as defined in Section 409A of the Code, any termination of employment triggering payment of such benefits must constitute a "separation from service" under Section 409A of the Code before, subject to subsection (e) below, a distribution of such benefits can commence. For purposes of clarification, this paragraph shall not cause any forfeiture of benefits on the part of the Executive, but shall only act as a delay until such time as a "separation from service" occurs. In addition, the Company Notice Period and the Executive Notice Period shall be interpreted and administered in accordance with Section 409A of the Code and the "separation from service" rules thereunder. In particular, if a waiver of the Company Notice Period or the Executive Notice Period triggers a "separation from service," such waiver shall constitute a termination and any amounts due to the Executive over the remaining portion of the applicable notice period shall be deemed additional

severance under Section 3(c)(ii) of this Agreement and paid accordingly. In addition, any applicable notice or release periods and dates of payment shall be adjusted accordingly.

(e) Notwithstanding any other provision with respect to the timing of payments, if, at the time of the Executive's termination, the Executive is deemed to be a "specified employee" (within the meaning of Code Section 409A, and any successor statute, regulation and guidance thereto) of the Company, then solely to the extent necessary to comply with the requirements of Code Section 409A, any payments to which the Executive may become entitled under this Agreement which are subject to Code Section 409A (and not otherwise exempt from its application) will be withheld until the first (1st) business day of the seventh (7th) month following the termination of the Executive's employment, at which time the Executive shall be paid an aggregate amount equal to the accumulated, but unpaid, payments otherwise due to the Executive under the terms of this Agreement.

(f) If any payment or benefit the Executive would receive under this Agreement, when combined with any other payment or benefit the Executive receives pursuant to a Change in Control ("Payment") would (i) constitute a "parachute payment" within the meaning of Code Section 280G, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then such Payment shall be either (x) the full amount of such Payment or (y) such less amount as would result in no portion of the Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state, and local employments taxes, income taxes, and the Excise Tax results in the Executive's receipt, on an after-tax basis, of the greater amount of the Payment, notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. The Company shall, in a manner compliant with Code Section 409A, determine in good faith which payment(s) or benefit(s) to reduce based on what provides the best economic result for the Executive. The Company shall provide the Executive with sufficient information to support its determination and to allow the Executive to file and pay any required taxes.

4. No Duplication of Compensation. The Severance Compensation shall replace, and be provided in lieu of, any severance or similar compensation that may be provided to the Executive under any other agreement or arrangement in relation to termination of employment; provided, however, that this prohibition against duplication shall not be construed to otherwise limit the Executive's rights to payments or benefits provided under any pension plan (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended), deferred compensation, stock, stock option or similar plan sponsored by the Company. This Agreement supersedes any other agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof which may have been made by either party.

5. No Mitigation. If the Executive's employment with the Company terminates following a Change in Control, the Executive is not required to seek other employment or to attempt in any way to reduce any amounts payable to the Executive by the Company pursuant to Section 3 or Section 15. Except as set forth in Section 4, the amount of any payment or benefit provided for in this Agreement shall not be reduced by any compensation earned by the Executive as the result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Executive to the Company, or otherwise.

6. Confidentiality, Non-Competition, and Assignment of Inventions. The Company's obligations under this Agreement are contingent upon the Executive's execution of the Company's Proprietary Information, Inventions, and Competition Agreement (the "***Proprietary Information Agreement***"). The parties agree that the obligations set forth in the Proprietary Information Agreement shall survive termination of this Agreement and termination of the Executive's employment, regardless of the reason for such termination.

7. Enforceability. If any provision of this Agreement shall be deemed invalid or unenforceable as written, this Agreement shall be construed, to the greatest extent possible, or modified, to the extent allowable by law, in a manner which shall render it valid and enforceable. No invalidity or unenforceability of any provision contained herein shall affect any other portion of this Agreement.

8. Notices. Except as otherwise specifically provided herein, any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. Notices to the Executive shall be sent to the last known address in the Company's records or such other address as the Executive may specify in writing. Notices to the Company shall be sent to the Company's Chairman of the Board (or if the Chairman of the Board is also the CEO, to the Company's Lead Director), or to such other Company representative as the Company may specify in writing.

9. Claims for Benefits. All claims by the Executive for benefits under this Agreement shall be directed to and determined by the Board and shall be in writing. Any denial by the Board of a claim for benefits under this Agreement shall be delivered to the Executive in writing and shall set forth the specific reasons for the denial and the specific provisions of this Agreement relied upon. The Board shall afford a reasonable opportunity to the Executive for a review of the decision denying a claim and shall further allow the Executive to appeal to the Board a decision of the Board within sixty (60) days after notification by the Board that the Executive's claim has been denied. In no event shall the Board's claims or appeals determination be given any deference or weight in any subsequent legal proceeding.

10. Modifications and Amendments. The terms and provisions of this Agreement may be modified or amended only by written agreement executed by the Company and the Executive. The Company and the Executive agree that they will jointly execute an amendment to modify this Agreement to the extent necessary to comply with or be exempt from the requirements of Code Section 409A, or any successor statute, regulation and guidance thereto; provided that no such amendment shall increase the total financial obligation of the Company under this Agreement.

11. Waivers and Consents. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the

specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

12. Binding Effect; Assignment. The Agreement will be binding upon and inure to the benefit of (a) the heirs, executors and legal representatives of the Executive upon the Executive's death and (b) any successor of the Company. Any such successor of the Company will be deemed substituted for the Company under the terms of the Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of the Executive to receive any form of compensation payable pursuant to the Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance or other disposition of the Executive's right to compensation or other benefits will be null and void.

13. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the law of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

14. Jurisdiction and Service of Process. Any legal action or proceeding with respect to this Agreement shall be brought in the courts of the Commonwealth of Massachusetts or of the United States of America for the District of Massachusetts. By execution and delivery of this Agreement, each of the parties hereto accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts.

15. Attorneys' Fees. The Company shall pay to the Executive all legal fees and expenses incurred by the Executive in disputing in good faith any issue hereunder relating to the termination of the Executive's employment, in seeking in good faith to obtain or enforce any benefit or right provided by this Agreement. Such payments shall be made within five (5) business days after delivery of the Executive's written requests for payment accompanied with such evidence of fees and expenses incurred as the Company reasonably may require.

16. Withholding. The Company is authorized to withhold, or to cause to be withheld, from any payment or benefit under the Agreement the full amount of any applicable withholding taxes.

17. Tax Consequences. The Company does not guarantee the tax treatment or tax consequences associated with any payment or benefit arising under this Agreement.

18. Acknowledgment. The Executive acknowledges that he has had the opportunity to discuss this matter with and obtain advice from his private attorney, has had sufficient time to, and has carefully read and fully understands all the provisions of the Agreement, and is knowingly and voluntarily entering into the Agreement.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

20. Section 409A. The parties hereto intend that the payments and benefits provided by this Agreement shall comply with or be exempt from the requirements of Code Section 409A and related regulations and Treasury pronouncements, and this Agreement shall be interpreted accordingly. Each separately identified payment or benefit hereunder shall be deemed to be a separately determinable payment for purposes of Code Section 409A, and each payment to be made in installments shall be deemed a series of separate payments. If any provision provided herein could result in the imposition of an additional tax under the provisions of Code Section 409A, the Executive and the Company agree that such provision will be reformed to avoid imposition of any such additional tax in the manner that the Executive and the Company mutually agree is appropriate to comply with or be exempt from Code Section 409A.

21. Reimbursements. To the extent there are any reimbursements of expenses under this Agreement including, without limitation, under Section 15 hereof, payments with respect to such reimbursements shall be made no later than on or before the last day of the calendar year following the calendar year in which the relevant expense is incurred. The amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year and any such reimbursements may not be exchanged or liquidated for any other benefit or payment.

IN WITNESS WHEREOF, the parties have executed and delivered this Change in Control Severance Agreement as of the day and year first above written.

COMPANY:

IMMUNOGEN, INC.

/s/ Daniel M. Junius
Name: Daniel M. Junius
Title: President and Chief Executive Officer

EXECUTIVE:

/s/ Sandra E. Poole
Name: Sandra W. Poole

Exhibit A

GENERAL RELEASE

1. General Release. In consideration of the payments and benefits to be made under that certain Change in Control Severance Agreement, dated September 15, 2014 (the "***Agreement***"), Sandra E. Poole (the "***Executive***"), with the intention of binding the Executive and the Executive's heirs, executors, administrators and assigns, does hereby release, remise, acquit and forever discharge ImmunoGen, Inc. (the "***Company***") and each of its subsidiaries and affiliates (the "***Company Affiliated Group***"), their present and former officers, directors, executives, agents, attorneys, employees and employee benefits plans (and the fiduciaries thereof), and the successors, predecessors and assigns of each of the foregoing (collectively, the "***Company Released Parties***"), of and from any and all claims, actions, causes of action, complaints, charges, demands, rights, damages, debts, sums of money, accounts, financial obligations, suits, expenses, attorneys' fees and liabilities of whatever kind or nature in law, equity or otherwise, whether accrued, absolute, contingent, unliquidated or otherwise and whether now known or unknown, suspected or unsuspected which the Executive, individually or as a member of a class, now has, owns or holds, or has at any time heretofore had, owned or held, against any Company Released Party in any capacity, including, without limitation, any and all claims (i) arising out of or in any way connected with the Executive's service to any member of the Company Affiliated Group (or the predecessors thereof) in any capacity, or the termination of such service in any such capacity, (ii) for severance or vacation benefits, unpaid wages, salary or incentive payments, (iii) for breach of contract, wrongful discharge, impairment of economic opportunity, defamation, intentional infliction of emotional harm or other tort and (iv) for any violation of applicable state and local labor and employment laws (including, without limitation, all laws concerning unlawful and unfair labor and employment practices), any and all claims based on the Employee Retirement Income Security Act of 1974 ("***ERISA***"), any and all claims arising under the civil rights laws of any federal, state or local jurisdiction, including, without limitation, Title VII of the Civil Rights Act of 1964 ("***Title VII***"), the Age Discrimination in Employment Act ("***ADEA***"), the Americans with Disabilities Act ("***ADA***"), Sections 503 and 504 of the Rehabilitation Act the Family and Medical Leave Act, the Massachusetts Fair Employment Practices Act, and any and all claims under any whistleblower laws or whistleblower provisions of other laws.

2. No Admissions. The Executive acknowledges and agrees that this General Release is not to be construed in any way as an admission of any liability whatsoever by any Company Released Party, any such liability being expressly denied.

3. Application to all Forms of Relief. This General Release applies to any relief no matter how called, including, without limitation, wages, back pay, front pay, compensatory damages, liquidated damages, punitive damages for pain or suffering, costs and attorney's fees and expenses.

4. Specific Waiver. The Executive specifically acknowledges that his acceptance of the terms of this General Release is, among other things, a specific waiver of his rights, claims and causes of action under Title VII, ADEA, ADA, the Massachusetts Fair Employment

Practices Act and any state or local law or regulation in respect of discrimination of any kind; provided, however, that nothing herein shall be deemed, nor does anything herein purport, to be a waiver of any right or claim or cause of action which by law the Executive is not permitted to waive.

5. No Complaints or Other Claims. The Executive acknowledges and agrees that he has not, with respect to any transaction or state of facts existing prior to the date hereof, filed any complaints, charges or lawsuits against any Company Released Party with any governmental agency, court or tribunal. This General Release does not: (i) prohibit or restrict Executive from communicating, providing relevant information to or otherwise cooperating with the U.S. Equal Employment Opportunity Commission or any other governmental authority with responsibility for the administration of fair employment practices laws regarding a possible violation of such laws or responding to any inquiry from such authority, including an inquiry about the existence of this General Release or its underlying facts, or (ii) require Executive to notify the Company of such communications or inquiry.

6. Conditions of General Release.

(a) Terms and Conditions. From and after the date of termination of employment, the Executive shall abide by all the terms and conditions of this General Release and the terms and any conditions set forth in any employment or confidentiality agreements signed by the Executive, which is incorporated herein by reference.

(b) Confidentiality. The Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or any legal process, or as is necessary in connection with any adversarial proceeding against any member of the Company Affiliated Group (in which case the Executive shall cooperate with the Company in obtaining a protective order at the Company's expense against disclosure by a court of competent jurisdiction), communicate, to anyone other than the Company and those designated by the Company or on behalf of the Company in the furtherance of its business, any trade secrets, confidential information, knowledge or data relating to any member of the Company Affiliated Group, obtained by the Executive during the Executive's employment by the Company that is not generally available public knowledge (other than acts by the Executive in violation of this General Release). This confidentiality obligation is in addition to, and not in lieu of, any other contractual, statutory and common law confidentiality obligation of the Executive to the Company.

(c) Return of Company Material. The Executive represents that he has returned to the Company all Company Material (as defined below). For purposes of this Section 6(c), "***Company Material***" means any documents, files and other property and information of any kind belonging or relating to (i) any member of the Company Affiliated Group, (ii) the current and former suppliers, creditors, directors, officers, employees, agents and customers of any of them or (iii) the businesses, products, services and operations (including without limitation, business, financial and accounting practices) of any of them, in each case whether tangible or intangible (including, without limitation, credit cards, building and office access cards, keys, computer equipment, cellular telephones, pagers, electronic devices, hardware, manuals, files, documents,

records, software, customer data, research, financial data and information, memoranda, surveys, correspondence, statistics and payroll and other employee data, and any copies, compilations, extracts, excerpts, summaries and other notes thereof or relating thereto), excluding only information (x) that is generally available public knowledge or (y) that relates to the Executive's compensation or Executive benefits.

(d) Cooperation. Following the date of termination of employment, the Executive shall reasonably cooperate with the Company upon reasonable request of the Board of Directors and be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company Affiliated Group.

(e) Nondisparagement. The Executive acknowledges and agrees that he shall not make any statements that are professionally or personally disparaging about or adverse to the interests of the Company or any Company Released Party, including, but not limited to, any statements that disparage in any way whatsoever the Company's products, services, businesses, finances, financial condition, capabilities or other characteristics.

(f) Ownership of Inventions, Non-Disclosure, Non-Competition and Non-Solicitation. The Executive expressly acknowledges and agrees that the Proprietary Information, Inventions, and Competition Agreement executed by him is incorporated herein by reference, and shall survive the execution of this General Release in full force and effect pursuant to its terms.

(g) No Representation. The Executive acknowledges that, other than as set forth in this General Release and the Agreement, (i) no promises have been made to him and (ii) in signing this General Release the Executive is not relying upon any statement or representation made by or on behalf of any Company Released Party and each or any of them concerning the merits of any claims or the nature, amount, extent or duration of any damages relating to any claims or the amount of any money, benefits, or compensation due the Executive or claimed by the Executive, or concerning the General Release or concerning any other thing or matter.

(h) Injunctive Relief. In the event of a breach or threatened breach by the Executive of this Section 6, the Executive agrees that the Company shall be entitled to injunctive relief in a court of appropriate jurisdiction to remedy any such breach or threatened breach, the Executive acknowledging that damages would be inadequate or insufficient.

7. Voluntariness. The Executive agrees that he is relying solely upon his own judgment; that the Executive is over eighteen years of age and is legally competent to sign this General Release; that the Executive is signing this General Release of his own free will; that the Executive has read and understood the General Release before signing it; and that the Executive is signing this General Release in exchange for consideration that he believes is satisfactory and adequate.

8. Legal Counsel. The Executive acknowledges that he has been informed of the right to consult with legal counsel and has been encouraged to do so.

9. Complete Agreement/Severability. Other than the agreements and/or obligations specifically referenced as surviving herein, this General Release constitutes the complete and final agreement between the parties and supersedes and replaces all prior or contemporaneous agreements, negotiations, or discussions relating to the subject matter of this General Release. All provisions and portions of this General Release are severable. If any provision or portion of this General Release or the application of any provision or portion of the General Release shall be determined to be invalid or unenforceable to any extent or for any reason, all other provisions and portions of this General Release shall remain in full force and shall continue to be enforceable to the fullest and greatest extent permitted by law.

10. Acceptance. The Executive acknowledges that he has been given a period of twenty-one (21) days within which to consider this General Release, unless applicable law requires a longer period, in which case the Executive shall be advised of such longer period and such longer period shall apply. The Executive may accept this General Release at any time within this period of time by signing the General Release and returning it to the Company.

11. Revocability. This General Release shall not become effective or enforceable until seven (7) calendar days after the Executive signs it. The Executive may revoke his acceptance of this General Release at any time within that seven (7) calendar day period by sending written notice to the Company. Such notice must be received by the Company within the seven (7) calendar day period in order to be effective and, if so received, would void this General Release for all purposes.

12. Governing Law. Except for issues or matters as to which federal law is applicable, this General Release shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts without giving effect to the conflicts of law principles thereof.

IN WITNESS WHEREOF, the Executive has executed this General Release as of the date last set forth below.

EXECUTIVE

_____ Date: _____

Name: Sandra E. Poole

Exhibit 10.3

SUMMARY OF ANNUAL BONUS PROGRAM

Our executive officers participate in an annual bonus program applicable to all our employees. Under this program, the Compensation Committee of our Board of Directors annually establishes key performance criteria, based upon the corporate goals and objectives, to be met by ImmunoGen, and evaluates ImmunoGen's actual performance against those criteria in its determination of whether annual bonuses will be paid to our employees, including our executives. Key corporate performance criteria may include any or all of the following: (1) our actual financial performance against specified metrics in our operating plan for the applicable fiscal year; (2) achievement of certain research and development milestones, including internal product development advancement; (3) achievement of key targets associated with our collaborations with third parties, including support of partner programs; and (4) the creation and achievement of business development opportunities. In establishing annual key performance criteria for the annual bonus program, the committee selects specific corporate objectives directed primarily to the future success of our business and the creation of long-term shareholder value. Payments under our annual bonus program currently consist entirely of cash.

The Compensation Committee generally also considers an executive's individual performance in its determination of whether payments should be made to the executive under our annual bonus program, although currently the committee has determined that the CEO's annual bonus should be based solely on the achievement of the key corporate performance criteria. With respect to our other executive officers, 70% of their target bonus is based on the achievement of the key corporate performance criteria, and 30% is based on the achievement of individual performance objectives. Their achievement of their respective individual performance objectives is evaluated by our CEO, and based on these evaluations, the committee determines the portion, if any, of our executive officers' bonus compensation tied to individual performance.

Each participant in our annual bonus program is eligible to receive a target bonus expressed as a percentage of his or her annual base salary which, once set, remains at that level for each subsequent year unless specifically changed, in the case of our executive officers, by the Compensation Committee. Beginning July 1, 2014, which is the start of our fiscal year 2015, target bonuses for our executive officers will be as follows:

Title	Target Bonus (as % of Annual Base Salary)
President & CEO	75%
Executive Vice President or Senior Vice President	40% — 45%
Vice President	30% — 35%

The Compensation Committee has set a 50% threshold aggregate percentage of achievement against the key corporate performance criteria below which the portion of participants' annual bonus payable based on corporate performance will not be payable. The key corporate performance criteria are structured to permit achievement up to 150% of target. The individual objectives portion of a participant's target bonus may be earned irrespective of whether the threshold for payment of the corporate performance bonuses has been achieved or the extent to which the bonuses based on corporate performance are payable.

When evaluating ImmunoGen's performance against the key corporate performance criteria after completion of the performance period, the Compensation Committee evaluates any factors that were unanticipated at the time those criteria were established, such as unexpected results in pre-clinical or clinical development, as well as changes in business conditions and other relevant external circumstances, and has the discretion to adjust payouts based on corporate performance so that they align more appropriately with the changed environment, given the employees' overall performance during the performance period in furtherance of ImmunoGen's future success and creation of long-term shareholder value. Any such adjustment, however, would not result in the portion of the participants' bonus tied to corporate performance actually paid out exceeding the 150% maximum described above.

AMENDMENT NO. 1 TO THE
COLLABORATION AND LICENSE AGREEMENT

This Amendment No. 1 to the Collaboration and License Agreement (this "Amendment") is dated as of August 31, 2006 (the "Amendment Effective Date") by and between ImmunoGen, Inc., a Massachusetts corporation with a principal office at 128 Sidney Street, Cambridge, Massachusetts 02139 ("ImmunoGen"), and sanofi-aventis U. S. LLC, a Delaware limited liability company with a offices at 1041 Rt. 202-206, Bridgewater, NJ 08807 ("sanofi-aventis"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Collaboration and License Agreement (the "Agreement") dated as of July 30, 2003 (the "Agreement Effective Date") by and between ImmunoGen and Aventis Pharmaceuticals, Inc. ("Aventis").

WHEREAS, on the Agreement Effective Date, ImmunoGen and Aventis, the predecessor in interest to sanofi-aventis, entered into the Agreement for the purpose of collaborating on the identification and validation of targets for use in the discovery of antibodies and antibody-drug conjugates in the Collaborative Focus Area (as defined in the Agreement) and in the development and commercialization of such antibodies and antibody-drug conjugates; and

WHEREAS, the Parties hereto desire to amend the Agreement as set forth herein and to set forth certain additional terms applicable to the Agreement, as so amended.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the Parties hereto, intending to be legally bound, hereby agree as follows:

1. Amendments to Agreement.

(a) Section 1.20 of the Agreement is hereby deleted in its entirety and replaced with the following:

"1.20 "Collaboration Product" means any product, other than a Licensed Product, containing a Program Antibody."

b) A new Section 2.14 is hereby added to the Agreement which shall provide as follows:

"2.14 Collaboration Portfolio. For purposes of clarity (a) Schedule 2.14 attached hereto lists all Antibody Targets, Program Targets, Program Targets with Program Antibodies and Program Targets with Lead Antibodies that are part of the Research Program as of the Amendment Effective Date. The Joint Research Committee shall update and amend, as appropriate, the then current Schedule 2.14 as necessary during each Contract Year and on the expiration of the Research Program Term in order to list all Antibody Targets, Program Targets, Program Targets with Program Antibodies, Program Targets with Lead Antibody and Program Targets with Lead Antibody in Development at that point in time. In addition to those Program

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Targets for which Program Antibodies have already been generated, it is anticipated that Program Antibodies shall have been generated prior to the expiration of the Research Program Term, for FGFR1, FRGFR4 and LRP6."

(c) Section 2.8.1 of the Agreement is hereby amended by adding the following sentence at the end of such provision:

"Notwithstanding the foregoing, the Parties hereby agree that during the period commencing on the Amendment Effective Date and continuing until the expiration of the Research Program Term, (a) neither Party shall have the obligation under this Agreement to identify or provide Targets for use in the Research Program and the Parties will focus on progressing the Targets and Antibodies listed in Schedule 2.14 as more specifically described in the Research Plan for the remainder of the Research Program Term and (b) Aventis shall have the right to identify and provide new Targets for use in the Research Program pursuant to Section 2.8.2 below only to the extent that (i) the estimated number of FTEs to be provided by ImmunoGen under Section 2.5.1 for a particular Calendar Quarter is estimated to fall short of the number of FTEs set forth in the Annual Research Plan for such Calendar Quarter and (ii) ImmunoGen is not engaged in its own program outside of the collaboration on any such new Targets. Further, all Targets identified pursuant to the Parties' Sponsored Research Agreement(s) with East Carolina University, including any Sponsored Research Agreement entered into during the Research Program Term, related to development of murine monoclonal antibodies that selectively recognize novel antigens in human tissues, shall be provided for use in the Research Program and shall be designated Program Targets pursuant to Section 2.8.2 below."

(d) Section 7.1.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

"7.1.2 Development Licenses. With respect to all Program Targets for which Program Antibodies have been developed prior to the expiration of the Research Program Term, ImmunoGen hereby grants to Aventis and its Affiliates, subject to Section 7.1.8 below, an exclusive (even as to ImmunoGen and its Affiliates), worldwide, royalty-free license, with the right to grant sublicenses to Approved Subcontractors, under ImmunoGen Intellectual Property, to Develop Products."

(e) Section 7.5.2 of the Agreement is hereby deleted in its entirety.

2. Miscellaneous. The Parties acknowledge that in connection with the internal restructuring of the sanofi-aventis Group in the United States, certain assets and liabilities of Aventis, including its rights and obligations under the Agreement, were contributed to, and

assumed by, sanofi-aventis U.S. LLC, a limited liability company of which Aventis is a member. The Parties hereby confirm and agree that, except as amended hereby, the Agreement remains in full force and effect and is a binding obligation of the Parties hereto. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives.

IMMUNOGEN, INC.		**SANOFI-AVENTIS U.S. LLC**	
By:	/s/ Mitchel Sayare	By:	/s/ Larry Baugh
Name:	Mitchel Sayare	Name:	Larry Baugh
Title:	CEO	Title:	Site Director
		By:	/s/ Paul A. Darno, Jr.
		Name:	Paul A. Darno, Jr.
		Title:	Sr. Director, Finance

Schedule 2.14

[COLLABORATION PORTFOLIO AS OF AMENDMENT EFFECTIVE DATE

Antibody Targets	Program Target	Program Targets with Program Antibodies	Program Targets with Lead Antibody	Program Targets with Lead Antibody in Development
Eph receptors	FGFR1	EphA2	huCD38	CD 33 (AVE9633)
FGFRs	FGFR4	Endoglin	DS6 (SAR566658)]	CD 19 (SAR3419)
CD20	LRP6	Ron		IGF-1R (AVE1642)
CD55		Wnt1		
CD25		ECU 8D9		
Wnt3a		ECU 15B4		
		ECU 16B9		
		GD3		

AMENDMENT NO. 2 TO THE
COLLABORATION AND LICENSE AGREEMENT

This Amendment No. 2 to the Collaboration and License Agreement (this "Amendment") is dated as of December 7, 2007 (the "Amendment Effective Date") by and between ImmunoGen, Inc., a Massachusetts corporation with a principal office at 128 Sidney Street, Cambridge, MA 02139 ("ImmunoGen"), and sanofi-aventis U.S. LLC, a Delaware limited liability company with offices at 1041 Rte. 202-206, Bridgewater, NJ 08807 ("Aventis"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Collaboration and License Agreement (the "Agreement") dated as of July 30, 2003 (the "Agreement Effective Date") by and between ImmunoGen and Aventis Pharmaceuticals, Inc. (predecessor in interest to Aventis), as amended August 31, 2006.

WHEREAS, on the Agreement Effective Date, ImmunoGen and Aventis entered into the Agreement for the purpose of collaborating on the identification and validation of targets for use in the discovery of antibodies and antibody-drug conjugates in the Collaborative Focus Area (as defined in the Agreement) and in the development and commercialization of such antibodies and antibody-drug conjugates; and

WHEREAS, the Parties hereto desire to amend the Agreement to provide that ImmunoGen will develop a Phase IIb/III scale process for manufacturing SAR3419 and Aventis will assist and compensate ImmunoGen, all as set forth in this Amendment, and to set forth certain additional terms applicable to the Agreement, as so amended.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the Parties hereto, intending to be legally bound, hereby agree as follows:

In consideration of the mutual promises and covenants hereinafter set forth herein, and other consideration, the Parties agree as follows:

1. **Amendments to Agreement.**

(a) The following new definitions are hereby added to Article 1 of the Collaboration Agreement:

"1.25A **"Conjugation Process"** means a process for manufacturing SAR3419 by conjugating its component parts, which is to be developed as part of the Services under this Agreement."

"1.82A **"Project Plan"** means the project plan attached hereto as Exhibit C, which describes the Services, sets forth the Requirements, and includes other information, terms and conditions relevant to performance of the Services, as amended and updated by mutual agreement of the Parties."

"1.82B **"Project Materials"** means any materials, other than Aventis Materials, used by ImmunoGen in the conduct of the Services."

"1.82C **"Project Technology"** means any Technology that is developed or conceived by employees of, or consultants to, ImmunoGen in the conduct of the Services."

"1.85D **"SAR3419"** means huB4 antibody conjugated to DM4 through the SPDB linker."

"1.85E **"Requirements"** means any specifications or requirements applicable to the Services set forth in the Project Plan."

"1.86A **"Services"** means the process development work to be performed by ImmunoGen, as described in the Project Plan."

(b) The definition of Aventis Materials set forth in Section 1.10 of the Agreement is hereby amended by adding the following sentence at the end of the definition:

"For purposes of clarity, Aventis Materials includes SAR3419."

(c) The definition of ImmunoGen Materials set forth in Section 1.49 of the Agreement is hereby amended by adding the following sentence at the end of the definition:

"For purposes of clarity, ImmunoGen Materials includes all Project Materials."

(d) The definition of "ImmunoGen Technology Improvements" is hereby deleted in its entirety and replaced with the following:

> **"ImmunoGen Technology Improvements"** means (a) any Technology which (i) is developed or conceived by employees of, or consultant to, either Party or jointly by both Parties, under this Agreement and (ii) (A) is Covered by the ImmunoGen Patent Rights or (B) is a maytansinoid that is substantially equivalent to a maytansinoid Covered by an ImmunoGen Patent Right listed on Schedule 1.50 or (C) is a method of manufacture or use with respect to a maytansinoid that is substantially equivalent to a method of manufacture or use, respectively, with respect to a maytansinoid and Covered by an ImmunoGen Patent right listed on Schedule 1.50 and (b) any Project Technology."

(e) A new Section 4.5 is hereby added to the Agreement which shall provide as follows:

"4.5 **"Process Development Services."**

4.5.1 **Project Plan Document.** The Project Plan describes the Services, and the terms and conditions applicable to the conduct by ImmunoGen of the Services, under this Agreement. The Project Plan may be amended by mutual agreement of the Parties and any updated or amended Project Plan will become part of this Agreement upon execution by both Parties. In the event of a conflict between the terms of this Agreement and any terms of the Project Plan, the terms of this Agreement shall control.

4.5.2 **Performance of Services.** ImmunoGen shall use Commercially Reasonable Efforts to perform the Services in accordance with this Agreement, the Project Plan and the Requirements. Without limiting the foregoing, ImmunoGen shall (a) make available facilities, utilities, equipment and computerized systems that are adequate to perform the Services in accordance with the Project Plan; and (b) provide an adequate number of personnel to perform the Services, all of whom have appropriate education, training and experience to do so. At Aventis' request, ImmunoGen shall provide Aventis with resumes or CVs for personnel assigned to perform the Services. ImmunoGen shall be responsible for procuring any and all Project Materials, for ensuring that such Project Materials are suitable for the intended purposes, and for inspecting, testing, as appropriate, storing and maintaining Project Materials. Other than payment of fees under Section 8.47(a), (b) and (c) and reimbursement of certain out-of-pocket costs under Section 8.4.7(d), ImmunoGen shall be responsible for all costs and expenses incurred in providing the Services.

4.5.3 **Schedule and Adjustments.** If ImmunoGen proposes to make any proposed changes to its personnel, facilities, utilities or equipment that are reasonably likely to affect the quality or timing of

its performance of the Services, ImmunoGen shall promptly notify Aventis in writing of such proposed changes. If Aventis reasonably determines that any such proposed changes are likely to materially affect the development and/or commercialization by Aventis of SAR3419, the implementation of those changes will be subject to Aventis' approval, which will not be unreasonably withheld. If any delay in completing the Services is due to Aventis' failure to perform its obligations under this Agreement, including but not limited to delay in providing Aventis Materials under Section 4.5.6, then the Project Plan and the Milestone-Based Fees in Section 8.4.7(c) will be adjusted accordingly to reasonably account for such delay.

4.5.4 **Project Management and Aventis Assistance.** Each Party shall appoint designees to coordinate the conduct of the Services as appropriate (the "Project Managers"). Project Managers will meet on a bi-weekly basis (more or less frequently if mutually agreed) to assess the progress of the Services. Decisions by Project Managers are not binding except to the extent consistent with the Project Plan or agreed in writing by the Parties. Aventis shall provide ImmunoGen with guidance, information and assistance as reasonably necessary for ImmunoGen to perform the Services, and shall use Commercially Reasonable Efforts to perform any obligations under any Project Plan related to such guidance and assistance.

4.5.5 **Modifications of Services, Requirements or Project Plan Document.** If Aventis reasonably determines that modifications to the Services or any Requirements are necessary, Aventis shall communicate such proposed modifications in writing to ImmunoGen (the "Proposed Modifications"). If ImmunoGen reasonably believes that any such proposed modifications would be a material change to the Services or the Requirements, then ImmunoGen shall so inform Aventis, and shall include (a) an estimate of the length of time of any delay in the schedule as a result of the Proposed Modifications, and/or (b) an estimate of any revisions to the fees or costs as a result of the Proposed Modifications. Subject to the foregoing, (a) ImmunoGen shall use Commercially Reasonable Efforts to assist Aventis in implementing the Proposed Modifications, (b) the Parties shall update the schedule in the Project Plan (including the applicable milestones), and (c) the Parties shall mutually agree on the fees and/or costs required to implement the Proposed Modifications. Aventis shall be responsible for the payment of all such agreed fees and/or costs, as reflected in the updated schedule in accordance with this Agreement.

4.5.6 **Aventis Materials.** Unless otherwise specified in the Project Plan, Aventis shall deliver to ImmunoGen, at its own expense, the Aventis Materials in the form and amounts identified in the Project Plan. For any Aventis Materials to be procured by ImmunoGen, ImmunoGen shall procure those Aventis Materials in the form and in amounts identified in the Project Plan and Aventis shall reimburse ImmunoGen for its costs incurred in making such procurement under Section 8.4.7(d).

4.5.7 **Termination of Services.** The obligation of ImmunoGen to conduct all or any part of the Services may, subject to Section 4.5.8 below, be terminated (a) by Aventis, at any time, and for any reason or no reason, by providing written notice of termination to ImmunoGen at least thirty (30) days prior to the date of termination, which notice shall specify the scope of the terminated Services; and (b) by either Party, by providing written notice of termination to the other Party at least thirty (30) days after having provided to the other Party notice of such Party's material breach of this Agreement, unless such material breach has been cured within the thirty (30) day period after the initial notice of breach; provided, however, that when a Party allegedly in breach disputes in good faith that a breach has occurred, then both Parties shall continue performance during the pendency of any dispute resolution procedure for up to a maximum of six (6) months after notice of an alleged material breach.

4.5.8 **Obligations Upon Termination or Expiration of Services.**

(a) Payment by Aventis: Except with regard to termination by Aventis as a result of the uncured material breach of ImmunoGen, upon termination of the Services as provided in Section

4.5.7, Aventis shall pay ImmunoGen: (i) the Service Fees described in Section 8.4.7(a) that were authorized to be incurred and were actually incurred prior to termination; (ii) reimbursable costs not already paid, to the extent such costs already have been incurred and (iii) any early termination fee as calculated under subsection (b) below.

(b) Early Termination Fee: If Aventis terminates the Services under Section 4.5.7(a) above at any time on or before ten (10) months from the date of initiation of the Services for any reason other than technical failure with respect to, or adverse clinical results which would preclude proceeding with, the further development of SAR3419, then Aventis shall pay ImmunoGen a termination fee of three hundred and fifty thousand dollars ($350,000) no later than the effective date of termination.

4.5.9 **Subcontracting and Use of Contract Manufacturing Organizations.** ImmunoGen shall not subcontract any of its obligations to conduct Services under this Agreement without Aventis' prior written consent, which will not be unreasonably withheld or delayed. To the extent Aventis Materials are required for performance under an authorized subcontract, Aventis either shall provide the Aventis Materials directly to the authorized subcontractor, or

shall authorize ImmunoGen to provide the Aventis Materials to the authorized subcontractor, in either case subject to an appropriate material transfer agreement or other agreement between Aventis and the authorized subcontractor."

(f) A new Section 8.4.7 is hereby added to the Agreement which shall provide as follows:

"8.4.7 **Service Fees; Costs.**

(a) Service Fees. In consideration of ImmunoGen's performance of the Services, Aventis shall pay to ImmunoGen fees, based on hours worked by ImmunoGen employees performing the Services, at a rate equal to $176.14 per hour or $310,000 per FTE per year (the "Service Fees").

(b) Cost Reimbursement. Aventis shall reimburse ImmunoGen for the cost incurred by ImmunoGen in obtaining approved quantities of DM4 or SPDB for performance of the Services based on ImmunoGen's standard cost of such materials, which will be included in the Project Plan. Prior to obtaining any such DM4 or SPDB, ImmunoGen shall notify Aventis of the quantities needed and shall receive approval from Aventis. Notwithstanding the foregoing, ImmunoGen shall have no obligation to provide Aventis with any quantities of DM4 or SPDB in excess of the amount set forth in the Project Plan unless mutually agreed upon in writing. Aventis shall be solely responsible for reimbursing ImmunoGen for the cost of any Aventis Materials procured directly by ImmunoGen (if any).

(c) Milestone-Based Fees. Aventis shall pay ImmunoGen a milestone-based fee of $500,000 upon mutual agreement that conjugate has been manufactured at a 2-5 gram scale and meets the target requirements agreed to in the Project Plan within the time indicated. In the event that Aventis reasonably disagrees with the achievement of any such milestone, it shall so notify ImmunoGen in writing within thirty (30) days. Within ten (10) business days of any such notice by Aventis, the Parties shall use reasonable efforts to resolve the dispute.

(d) Invoices and Payment Terms. Prior to payment by Aventis of the payments due under this Agreement, ImmunoGen must submit an invoice to Aventis which shall reference the applicable purchase order number (each, an "Invoice"). ImmunoGen shall generate Invoices for all fees and cost reimbursements. Invoices for Service Fees and for cost reimbursements shall be generated quarterly and provided to Aventis promptly after the end of the Calendar Quarter in which the fees were incurred; invoices for the milestone-based fee described above will be generated any time after completion of the milestone (as completion is determined under the Project Plan and Section 8.4.7(c)). Each Invoice shall be addressed to: sanofi-aventis U.S. LLC Attention: Accounts Payable Department

1041 Route 202-206 P.O. Box 5915 Bridgewater, NJ 08807-0800. Invoices for cost reimbursement shall include appropriate reasonable documentation of costs incurred; Invoices for Service Fees shall detail the personnel providing Services and the number of FTEs/hours spent in performing Services, as calculated in accordance with Section 8.4.7(a), during the quarter for which the Invoice applies. Aventis shall pay Invoices within thirty (30) days after receipt of each Invoice . Receipt or acceptance by Aventis of any Invoices under this Agreement will not preclude Aventis from questioning the correctness of the underlying information at a later date, or from exercising its rights under Section 8.4.7. If any undisputed inconsistencies or mistakes are discovered in an Invoice, the Parties shall make immediate adjustment, by reimbursement or credit, as applicable. Invoices that remain unpaid more than thirty (30) days beyond the scheduled payment due date may be subject to an interest charge equal to one percent (1%) per month (twelve percent (12%) per annum), calculated from the scheduled payment due date forward; provided that in no event shall such annual rate exceed the maximum interest rate permitted by law in regard to such payments. Such payments when made shall be accompanied by all interest so accrued. All payments shall be made by wire transfer of immediately available funds to the following account:

Investor's Bank & Trust Co.
ABA (routing): 011001438
F/C Client Funds # 569530395
Account: 020208420015
Account Title: ImmunoGen, Inc.

(e) Records Maintenance. ImmunoGen shall maintain all records and accounts pertaining to the Services under this Agreement for a period of at least three (3) years from the date of final payment for the Services, or longer if required by law. At the request of Aventis, upon at least ten (10) business days' prior written notice, but no more often than once per calendar year, and at its sole expense, ImmunoGen shall permit an independent certified public accountant selected by Aventis and reasonably acceptable to ImmunoGen to inspect (during regular business hours) the relevant records required to be maintained by ImmunoGen under this Section 8.4.7. To the extent requested by ImmunoGen, the accountant shall enter into a confidentiality agreement with both Parties reasonably acceptable to each. The results of any such audit shall be made available to both Parties. Aventis agrees to treat the results of any such accountant's review of ImmunoGen's records under this Section 8.4.7 as Confidential Information of ImmunoGen subject to the terms of Section 5."

(f) A new Exhibit C shall be added to the Agreement which shall be in the form of Exhibit C attached hereto.

2. **Miscellaneous.** The Parties hereby confirm and agree that, except as amended hereby, the Agreement remains in full force and effect and is a binding obligation of the Parties hereto. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed, effective as of the Amendment Effective Date, by their respective duly authorized officers.

SANOFI-AVENTIS U.S., LLC **IMMUNOGEN, INC.**

By:	/s/ Thomas G. Metcalf	By:	/s/ John Lambert
Name:	Thomas G. Metcalf	Name:	John Lambert
Title:	Site Director	Title:	Senior Vice President
Date:	13 DEC 2007	Date:	07 DEC 2007

SANOFI-AVENTIS U.S., LLC

By:	/s/ Paul Darno
Name:	Paul Darno
Title:	Finance
Date:	12/13/07

Exhibit C

PROJECT PLAN

SAR3419 Phase IIb/Phase III Conjugation Process Development

Project Stages & Key Deliverables

stage	Description	duration	deliverables	Scheduled completion
I	Replace four step process with three step process	3 months	Process steps identified 2 x 1g batches	3 months from start of project
II	Process siting	8 months	Initial process description: Preliminary Process Flow Diagram (PFD) Preliminary Process Transfer Document (PTD)	8 months from start of project
III	Demonstration batches	2 months	2 x 2 — 5g demonstration batches Process Flow Diagram Process Transfer Document	10 months from start of project
IV	Process transfer to CMO	6 months	Approved batch record	13 months from start of project

Project Timeline: Schedule

	Month #														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Replace four step process	X	X	X ☐												
Process siting	X	X	X	X	X	X	X	X							
Demonstration Batches									X	X ☐					
Transfer to CMO								X	X	X	X	X	X		

☐Go/no-go decision based upon comparability

Timing for transfer to CMO assumes transfer of Phase 1 SAR3419 process to the same CMO has been successfully completed.

Team Communication

The joint development team expects to have biweekly teleconferences and bimonthly face to face meetings or others as deemed necessary. A meeting agenda will be agreed to and provided prior to each meeting. Meeting slides and data will be provided prior to each meeting as needed. Meeting action items

and follow up will be provided following each meeting as needed. The team will utilize a joint shared repository site to store project documents.

Requirements & Scale

Demonstration Scale: 2 - 5g or as determined appropriate by process requirements and equipment limitations.

For both process and product requirements, it is assumed that the characteristics and quality of the huB4 antibody will be equivalent to the antibody currently in use for the phase I process. Any changes to the antibody manufacturing process that could compromise meeting the targeted Phase IIb specifications will not be implemented during the term of this study without mutual consent.

Process Requirements: The process used to generate the final 2 x 2 — 5g batches should meet the following requirements:

1) Small molecule clearance (DMA, PySH, PBA, NHS, DM4)

2) Process scalability:
   a) Initial target is a 200 — 500g (starting antibody) process, scalable to 1 — 2kg
   b) Buffer volume optimized
   c) Impact of materials of construction understood, removal of halides
   d) Process kinetics
      i) Modification and conjugation durations
      ii) Hold times (to allow for manufacturing flexibility)
3) Overall process yield should be ~ 80% (current ~ 70%) if possible

Product Requirements: The conjugate drug substance should be comparable to the Phase I material, with the exception of:

1) SDS PAGE. sanofi-aventis may implement a quantitative test
2) SEC. Target for monomer increased from $\geq$ 90.0% to $\geq$ 95.0%
3) Target concentration increased from 1.0 mg/mL +/- 20% to 5.0 mg/mL +/- 10%
4) Target D/A 3.7 +/- 0.5 for specification; Process target is 3.7 +/- 0.3
5) Target free drug lowered from $\leq$ 0.15% (as % of total protein, equivalent to $\leq$ 8% relative to total drug) to $\leq$ 0.10% (as % of total protein, equivalent to $\leq$ 5% relative to total drug) for specification. Target for process is $\leq$ 0.02% (as % of total protein, equivalent to $\leq$ 1% relative to total drug) at t_0 by release assay.
6) Target for binding assay to be narrowed. Parties will agree on new specifications, which will be adapted during course of process and assay development.

For SEC, concentration, D/A and Free Drug, evaluation will be performed using existing assays. Sanofi-aventis will be responsible for development (as necessary) and performance of the binding assay and may also develop assays for additional attributes, e.g. solvents (in addition to DMA); naked antibody; charge heterogeneity; and unreacted linker. As such assays are developed, sanofi-aventis should use them to test representative samples from the process development work. See Table 1 at the end of this document for additional breakdown of proposed analytical responsibilities.

STAGE I: Replace four step process with three step process

Purpose: To demonstrate feasibility of removing the purification step for modified antibody that is part of the current (Phase 1) process.

Activities:

1) Evaluate available in process assays (e.g. free drug, NHS, PBA, PySH, free linker), further develop if necessary
2) Investigate pH/temperature/antibody concentration/solvent concentration for modification and conjugation reactions.
3) Investigate kinetics of linker degradation, assess impact of degradation products
4) Investigate kinetics of DM4 degradation, assess impact of degradation products
5) Determine amounts of SPDB and DM4 required
6) Perform 2 x 1g scale up runs to assess feasibility of three step process & preliminary impact on stability (test particles at t=0)
7) Compare material produced by three and four step processes

Deliverables:

S-A: 15 g antibody
1 g DM4
0.5 g SPDB
Analytical testing beyond IMGN responsibility as described in Table 1

IMGN: Identified process steps
2 x 1g batches
Weekly to biweekly update reports
Summary chart on 3-step process
Preliminary development report (delivered at end of month 4)

Duration: 3 months. This assumes that the analytical results from sanofi-aventis are available in a timely manner. Unless otherwise agreed in the biweekly meetings, timely execution will be defined as ten (10) business days for receipt of the data by ImmunoGen.

IMGN FTE: Average of 4 FTE's in Process and 2 FTE's in Analytical (may not be evenly distributed over duration of this phase of project)

Go / No Go decision on further optimization of this process will be taken based on comparability data of 1g demo batches with Ph I reference material. In case material is not comparable, parties will meet to decide how development program could be modified to meet the objective.

STAGE II: Process siting

Purpose: To define siting requirements for the pivotal/commercial manufacturing facility. This includes the initial definition of the process operating parameters that impact the facility footprint and long lead time equipment to be purchased by the commercial CMO.

Activities:

1) Complete assessment of in process assays, provide analytical support to process
2) Buffer requirements — IMGN will identify buffer composition and volume requirements. Factors that will be considered include protein concentration, solvent concentration, buffer volume and removal of halides (stainless steel compatibility)
3) Optimization of SPDB and DM4 amounts
4) Optimization of reaction time, solvent concentration, temperature and pH (for modification and conjugation reactions)

5) TFF assessment — IMGN will perform the necessary studies to optimize TFF steps (currently expected to be used for initial processing of antibody prior to modification and for final formulation step). Factors evaluated will include
   a) Determine C bulk, TMP, Feed Flow Rate, membrane type and size.
   b) Product aggregation profile — Assess if aggregation occurs during processing and minimize as feasible. Demonstrate small molecule removal that is consistent with a robust process.
6) Chromatography assessment — IMGN will perform the necessary steps to optimize the chromatography step expected to be used for purification of conjugate, especially with respect to load, yield, purity (removal of conjugate aggregates and low molecular weight species).
7) Process Kinetics- to broadly understand impact of addition rate and mixing.
8) Hold times — define acceptable in process hold times to enhance operational flexibility
9) All filtration steps will be appropriately sized
10) TFF & chromatography reuse will be tracked.

Deliverables:

S-A: 100g antibody
6 g DM4
3.5 g SPDB
Preliminary formulation, minimally base buffer (by month 4)
Analytical testing beyond IMGN responsibility as described in Table 1

IMGN: Laboratory samples (mgs to grams)
Weekly update reports
Initial Process Flow Diagram (PFD)
Initial Process Transfer Document (PTD)
Reports on development and performance of in process assays
Process performance and product quality data demonstrating that process and product meet requirements as indicated in the requirements and scale section.

Duration: 8 Months. This assumes that the analytical results from sanofi-aventis are available in a timely manner. Unless otherwise agreed in the team meetings. timely execution will be defined as ten (10) business days for receipt of the data by ImmunoGen.

IMGN FTE: Average of 4 FTE's in Process and 1 FTE's in Analytical (may not be evenly distributed over duration of this phase of project)

STAGE III: Demonstration Batches

Purpose: To demonstrate the reproducibility of the process using target reaction conditions, target chromatography conditions and target TFF conditions. A protocol for the demonstration batches will be formally approved to insure that the requirements for a scaleable process have been met. During the time required for this evaluation and protocol approval, the "clock will stop" on the ten month time frame for delivery of the success milestone. The milestone timing will resume once the demonstration batch manufacture is initiated.

Activities:

1) Perform 2 x 2-5 gram batch runs

Deliverables:

S-A: 4 - 10 g antibody
0.5 g DM4
0.5 g SPDB
All materials generally representative of Phase II quality
Analytical testing beyond IMGN responsibility as described in Table 1

IMGN: Process Transfer Document
Process Flow Diagram
Development report summarizing Stages I-III (delivered at end of month 12)
2 month accelerated stability summary of demo batches (delivered at end of month 13)

Duration: 2 months. This assumes that the analytical results from sanofi-aventis are available in a timely manner. Unless otherwise agreed, timely execution will be defined as ten (10) business days from receipt of samples for testing to receipt of the analytical data by ImmunoGen.

IMGN FTE: Average of 1.5 FTEs in Process and 1 FTEs in Analytical (may not be evenly distributed over duration of this phase of project)

Go / No Go decision on the continuation of the development program will be taken based on comparability data of 2-5g demo batches with Ph I reference material, as set forth in Table 2. In case material is not comparable, parties will meet to decide how development program could be modified to meet the objective.

Success Milestone: A demonstration batch of at least 2g scale which meets the targets and specifications described in the "Requirements and Scale" section above, unless process development data justifies an exception, will be the basis for a milestone payment of $500,000 if this is accomplished within ten months of the initiation of Stage 1 work with the projected number of FTEs. ImmunoGen will provide formal notification of initiation of Stage 1 work within 4 weeks of execution of the Amendment. If the demonstration batch is delayed due to factors controlled by sanofi-aventis, such as not receiving the needed materials or analytical data from sanofi-aventis, this date may be modified by mutual agreement.

STAGE IV: Process transfer to CMO

Purpose: To transfer the commercial process from IMGN to the commercial CMO.

Activities:

IMGN: Provide documentation and answer questions from sanofi-aventis and CMO (including: batch records and relevant SOP's from current cGMP process; process flow diagram; process transfer document; in process test methods)
Technology Transfer to CMO during the Demonstration Batches if required
Participate in tech transfer visit(s) to CMO if required
Exchange and analysis of samples and technical information with CMO (during CMO's initial scale-up runs and engineering runs)
Review initial Master Batch Record

S-A: With CMO, select and purchase equipment and raw materials, including selection and any necessary qualification of vendors
Transfer of required release testing methods
Analytical testing (release and characterization) not performed by the CMO
Review of SOP's from CMO, including instructions for make-up of buffers
Overall project management (coordination of activities and timeline management)

Deliverables: Completion by CMO of approved batch records required for manufacture of material for pivotal trials.

Duration: Assuming successful transfer of Ph 1 SAR3419 process to the CMO, transfer of commercial process should be complete six months from start of transfer

IMGN FTE: Depending on scope, average of 1 FTE's in Process and 1 FTE's in Analytical (may not be evenly distributed over duration of this phase of project).

Total FTE Requirement at ImmunoGen

Stages I — IV (up to and including process transfer to CMO) are estimated to take 13 months.

Average of 4.5 FTE in Process Science and Engineering (includes Deb Meshulam and Godfrey Amphlett)
Average of 1.5 FTE in Analytical and Pharmaceutical Sciences (analytical resources only)

Estimated Materials Requirements (Stages I — IV)

	Ab (gm)	DM4 (gm)	SPDB (gm)
Month 0	15	1	0.5
Month 3	50	3	1.8
Month 6	50	3	1.8
Month 9	4-10	0.5	0.5
Month 12	0	0	0

It is understood that sanofi-aventis intends to provide these materials. If necessary, ImmunoGen would be able to provide DM4 at a cost of $46,000 per gram, but would not be obligated to provide any amount in excess of 3 g.

Travel Expenses

Expenses for IMGN personnel to travel to CMO for tech transfer will be paid by sanofi-aventis and will require prior approval of projected travel expenses from sanofi-aventis.

Table 1 SAR3419 Commercial Process Development — Proposed Responsibility for Analytical Testing

	IMGN	sanofi-aventis(1)
In Process/Process Characterization	Protein Concentration Linker/Antibody Drug/Antibody Protein monomer (SEC)	Quantitative SDS-PAGE

	Turbidity PySH/other linker species DMA Free DM4 (+ related species) In use tests for selected RM's	
Conjugate "Release" (2)	Protein Concentration Drug/Antibody Protein monomer (SEC) Free DM4 (+ related species) Unconjugated linker	Binding Any additional testing required by sanofi-aventis
Product Characterization	Mass Spec (whole antibody, deglycosylated) — for drug distribution and non-quantitative naked Ab	Naked Antibody Other solvents (if required by sanofi-aventis) Charge heterogeneity Any additional testing required by sanofi-aventis
Other		All DM4 and SPDB release and characterization testing(3)

(1) If quantitative spec is required, sanofi-aventis will need to assay in process samples with short turnaround to ensure that development efforts will enable target to be met. Choice of relevant samples to be analyzed and assays to be performed will be mutually agreed. Timely execution will be defined as ten (10) business days from receipt of samples for testing to receipt of the analytical data by ImmunoGen unless otherwise mutually agreed upon

(2) At IMGN, these "Release" assays will be performed in the Process Sciences group. We will use assays used in Development for other conjugates, with no additional development. Assays may differ from those used in QC.

(3) Includes weight/weight tests, as well as analytical investigation of any lot to lot differences uncovered during use testing at IMGN.

Table 2 SAR3419 Phase I acceptance criteria (as 1 mg/mL solution; microbial contaminants and bacterial endotoxin do not apply)

Test	Acceptance criteria
Appearance	Liquid, may contain white to off-white particulates
Color	Colorless
Identification (Western Blot)	Conforms to reference
Purity (SDS-PAGE reduced)	
Sum of light and heavy chains	³ 90.0 %
Purity (HPLC-SEC)	
Area percent of monomer	³ 90.0 %
Assay (UV)	
Protein concentration	0.8 to 1.2 mg/mL
Assay (ELISA)	
Relative Potency by Binding	50 to 200 %
In vitro Cytotoxicity assay	
Relative Potency	40 to 250 %
Ratio Drug/Antibody (UV)	2.6 to 4.4
Total of Free Maytansinoid (HPLC)	
Percentage to total DM4 content	£ 8.0 %
Residual solvents	
N,N Dimethylacetamide (DMA) (HPLC)	£ 1090 ppm
Ethanol (GC)	£ 0.5 %
Hexane isomers (GC)	£ 290 ppm
pH	5.3 to 5.7

Exhibit 10.6

Execution Copy

AMENDMENT NO. 3 TO THE
COLLABORATION AND LICENSE AGREEMENT

This Amendment No. 3 to the Collaboration and License Agreement (this "Third Amendment") is effective as of August 31, 2008 (the "Third Amendment Effective Date") by and between ImmunoGen, Inc., a Massachusetts corporation with a principal office at 830 Winter Street, Waltham, Massachusetts 02451 ("ImmunoGen"), and sanofi-aventis U. S. LLC, a Delaware limited liability company with a offices at 1041 Rt. 202-206, Bridgewater, NJ 08807 ("sanofi-aventis"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Collaboration and License Agreement (the "Agreement") dated as of July 30, 2003 (the "Agreement Effective Date") by and between ImmunoGen and Aventis Pharmaceuticals, Inc. ("Aventis"), as amended August 31, 2006 and October 11, 2007.

WHEREAS, on the Agreement Effective Date, ImmunoGen and Aventis, the predecessor in interest to sanofi-aventis, entered into the Agreement for the purpose of collaborating on the identification and validation of targets for use in the discovery of antibodies and antibody-drug conjugates in the Collaborative Focus Area (as defined in the Agreement) and in the development and commercialization of such antibodies and antibody-drug conjugates; and

WHEREAS, the Parties hereto desire to amend the Agreement as set forth herein and to set forth certain additional terms applicable to the Agreement, as so amended.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the Parties hereto, intending to be legally bound, hereby agree as follows:

1. Amendments to Agreement.

(a) New Sections 1.95 and 1.96 are hereby added to the Agreement which shall provide as follows:

"**1.95** **"Consumer Price Index"** means the Consumer Price Index for All Urban Consumers (Current Series) in the Northeast Region published from time to time by the Bureau of Labor Statistics of the United States Department of Labor.

1.96 **"FTE Rate"** means, for the first Calendar Year commencing on November 1, 2008, $310,000; and, for each Calendar Year thereafter, the result obtained by multiplying $310,000 by the sum of (1 + CPI) where CPI is a fraction, the numerator of which is the difference between the Consumer Price Index as of the last month of the immediately preceding Calendar Year and the Consumer Price Index as of October 2008 and the denominator of which is the Consumer Price Index as of October 2008."

(b) Section 2.3.5 of the Agreement is hereby amended by adding the following at the end of such provision:

"Following the Third Amendment Effective Date, the responsibilities of the Joint Research Committee that continue after the conclusion of the Research Program shall be assumed and performed by the Joint Development Committee, and the Joint Research Committee shall cease to exist. For the sake of clarity, the Parties do not intend for the Joint Development Committee to be a decision making body, but instead, it shall serve as an information exchange and consultation forum."

(c) Section 2.8.1 of the Agreement is hereby amended by deleting the last sentence thereof in its entirety.

(d) Section 2.8.4 of the Agreement is hereby deleted in its entirety and replaced with the following:

"**2.8.4** Dropped Targets. If at any time Aventis determines in good faith that the evaluation of any Antibody Target or a Program Target should be discontinued, then Aventis will inform ImmunoGen that the Antibody Target or Program Target should be dropped from the scope of this Agreement. ImmunoGen shall review whether each such determination was made in good faith and if so shall confirm such determination as soon as reasonably practicable. Thereafter, such Antibody Target or Program Target shall be deemed to be a "Dropped Target." Notwithstanding the foregoing, Schedule 2.14 attached hereto identifies all Antibody Targets and Program Targets as of August 31, 2006 that have become Dropped Targets as of the Third Amendment Effective Date."

(e) Section 2.14 of the Agreement is hereby deleted in its entirety and replaced with the following:

"**2.14** **Collaboration Portfolio.** For purposes of clarity Schedule 2.14 attached hereto lists all Antibody Targets, Program Targets, Program Targets with Program Antibodies and Program Targets with Lead Antibodies that were part of the Research Program as of the Third Amendment Effective Date."

(f) A new Section 2.15 is hereby added to the Agreement which shall provide as follows:

"2.15 Additional Services.

2.15.1 During the Term of this Agreement, commencing upon the Third Amendment Effective Date, Aventis may request that ImmunoGen perform certain tasks in connection with the Development and Commercialization of the Products (collectively, the "Additional Services"). If ImmunoGen is willing to provide the Additional Services, prior to the performance of such Additional Services, the Parties shall prepare a mutually agreed upon work plan

which shall set forth with reasonable specificity the objectives and tasks to be performed by ImmunoGen and a related budget, which shall set forth (a) the number of FTEs required to perform such services, (b) the costs, if any, related to the use of Approved Subcontractors in the performance of such services, and (c) the costs of any Effector Molecules not supplied by Aventis. Effective January 1, 2009, ImmunoGen shall only initiate such Additional Services upon the receipt of a purchase order number from Aventis. If, at any time during the performance of the Additional Services, ImmunoGen determines that either the actual number of FTEs for all Additional Services to be performed during a particular Calendar Quarter or the costs related to the use of Approved Subcontractors for a particular Calendar Quarter or for the Calendar Year is expected to exceed the number or costs set forth in the mutually agreed upon work plan(s) for such Calendar Quarter or for the Calendar Year by ten percent (10%) or more, ImmunoGen shall notify Aventis. The Parties shall thereafter discuss in good faith whether to use such additional FTEs or such additional Approved Subcontractor services or whether to decrease the activities to be performed, such that such increased FTEs or increased costs related to the use by ImmunoGen of Approved Subcontractors are not necessary; and in the event that the Parties can not agree, Aventis shall make the final determination. Such determination shall be set forth in revised work plan(s) or budget(s), as the case may be. Subject to ImmunoGen's right to receive the funding described in Section 2.15.3 below, ImmunoGen shall have the responsibility, at its sole cost and expense, of paying the salaries and benefits of its employees, including any ImmunoGen Researcher performing the Additional Services. Except as otherwise provided herein, Aventis shall have no liability as a result of its funding obligations hereunder to pay for any manpower, capital equipment, facilities, laboratory supplies, research administration and management and general and administrative expenses incurred by ImmunoGen and associated with the Additional Services.

2.15.2 In connection with any Additional Services to be performed by ImmunoGen, Aventis shall use Commercially Reasonable Efforts to perform its obligations, if any, under the relevant work plan.

2.15.3 In consideration of the performance by ImmunoGen of the Additional Services, Aventis will pay ImmunoGen for all FTEs used by ImmunoGen in the performance of such services and pursuant the relevant agreed upon budget, at a rate per FTE equal to the FTE Rate.

2.15.4 Within thirty (30) days after the end of each Calendar Quarter following the Third Amendment Effective Date during which Additional Services were performed, ImmunoGen will

provide to Aventis a report and invoice setting forth the number of ImmunoGen FTEs performing Additional Services during each month of such Calendar Quarter, together with an accounting of the difference between such actual use and the budgeted use of ImmunoGen FTEs for that Calendar Quarter. Within thirty (30) days from the date of its receipt of each such invoice, Aventis will pay to ImmunoGen the invoice amount due as reimbursement for the work performed by the ImmunoGen FTEs.

2.15.5 Within thirty (30) days after the end of each Calendar Quarter following the Third Amendment Effective Date during which Additional Services were performed, ImmunoGen will provide Aventis a report setting forth the names of the Approved Subcontractors actually applied to the Additional Services during each month in such Calendar Quarter and the costs incurred and invoiced by such Approved Subcontractors during such Calendar Quarter, together with an accounting of the difference between the budgeted costs and the actual costs for Approved Subcontractors for that Calendar Quarter. Within thirty (30) days from the date of its receipt of each such invoice, Aventis will pay to ImmunoGen any invoice amount due as reimbursement for the work performed by such Approved Subcontractors to the extent such Approved Subcontractors are eligible to be used by ImmunoGen in accordance with Section 2.13 of this Agreement.

2.15.6 Sections 2.5.6 through 2.5.10 and Sections 2.9 through 2.13 shall apply to the performance of the Additional Services, except that all references therein to the Research Program shall instead refer, *mutatis mutandis*, to the Additional Services.

(g) Section 3.5.1 is hereby amended by adding the following at the end of such provision:

"Following the Third Amendment Effective Date, the Joint Development Committee shall meet no more than three times per Calendar Year, unless the Parties mutually agree in advance of any scheduled meeting that there is no need for such meeting; provided that the Joint Development Committee shall meet at least twice each Calendar Year. Meetings of the Joint Development Committee may be held in person, by means of telephone conference call or by videoconference, provided that at least one meeting each Calendar Year shall be in person."

(h) Section 3.7.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

"**3.7.1** If (a) Aventis undertakes the Development of a Lead Antibody and thereafter Aventis determines not to continue to Develop such Lead Antibody or any other Antibody that is Active against the Target against which such Lead Antibody is Active, and (b) Aventis determines that the Program Target against which such Lead Antibody is Active should be dropped from the scope of this Agreement, then such Lead Antibody shall thereafter be deemed a "Dropped Product," and such Program Target shall thereafter been deemed a "Dropped Target."

(i) In Section 7.1.7 of the Agreement, the following sentence shall be added:

"Commencing upon the Third Amendment Effective Date, the licenses granted by ImmunoGen in this Section 7.1.7 shall be converted from co-exclusive to non-exclusive."

(j) Section 7.2.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

"7.2.1 Activities under Research Program and the Additional Research Services. Aventis hereby grants to ImmunoGen and its Affiliates a co-exclusive (with Aventis and its Affiliates), worldwide, royalty-free license, with the right to grant sublicenses to Approved

Subcontractors, under the Aventis Intellectual Property and the Program Intellectual Property, (a) during the Research Program Term, to conduct the Research Program in accordance with the Annual Research Plan and (b) thereafter, to perform the Additional Services."

(k) Schedule 2.14 of the Agreement is hereby deleted in its entirety and replaced by Schedule 2.14 attached hereto.

2. Miscellaneous. The Parties hereby confirm and agree that, except as amended hereby, the Agreement remains in full force and effect and is a binding obligation of the Parties hereto. This Third Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives.

IMMUNOGEN, INC.

By: /s/ Daniel M. Junius
Name: Daniel M. Junius
Title: Pres. and COO

SANOFI-AVENTIS U.S. LLC

By: /s/ Thomas G. Metcalf
Name: Thomas G. Metcalf
Title: Site Director

By: /s/ Paul Darno
Name: Paul Darno
Title: Finance

Schedule 2.14

COLLABORATION PORTFOLIO AS OF THIRD AMENDMENT EFFECTIVE DATE

Antibody Targets	Program Target	Program Targets with Program Antibodies	Program Targets with Lead Antibody	Program Targets with Lead Antibody in Development
		FGFR4	Endoglin (huRH105-1)	CD 33 (AVE9633)
			EphA2 (2H11 conjugate)	CD 19 (SAR3419)
			CEACAM5	IGF-1R (AVE1642)
			(ECU 15B4 conjugate)	DS6 antigen (SAR566658)
			(ECU 16B9 backup lead)	
				CD38 (SAR650984)

Dropped Targets		Dropped Products
Eph Receptors (other than EphA2)	Ron	
FGFRs (other than FGFR4)	Wnt1	
Wnt3a	ECU 8D9	
CD20	GD3	
CD55	LRP6	
CD25	FGFR1	

EXHIBIT 31.1

CERTIFICATIONS

I, Daniel Junius, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2014

/s/ Daniel M. Junius

Daniel M. Junius
President, Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATIONS

I, David B. Johnston, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 30, 2014

/s/ David B. Johnston
David B. Johnston
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 32

Certification

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of ImmunoGen, Inc., a Massachusetts corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report for the period ended September 30, 2014 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 30, 2014

/s/ DANIEL M. JUNIUS

Daniel M. Junius
President, Chief Executive Officer
(Principal Executive Officer)

Dated: October 30, 2014

/s/ DAVID B. JOHNSTON

David B. Johnston
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer)